

# Annual Report 2023–24

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Helping people live  
healthy, productive  
and fulfilled lives.





## Acknowledgement of Traditional Owners

Austin Health acknowledges the Traditional Owners of the lands we live and work on, the Wurundjeri people of the Kulin Nation. We pay our respects to Elders and the ongoing connections of the oldest living culture in the world. We support the important role First Nations Peoples continuously hold in our society and are committed to providing culturally safe services that will assist us in achieving our vision for reconciliation.

## About this report

This report outlines the operational and financial performance for the period 1 July 2023–30 June 2024. There were four relevant ministers for the reporting period:

- The Hon. Mary-Anne Thomas, Minister for Health (1 July 2023–30 June 2024) and Minister for Ambulance Services (2 October 2023–30 June 2024)
- The Hon. Gabrielle Williams, Minister for Ambulance Services (1 July 2023–2 October 2023) and Minister for Mental Health (1 July 2023–2 October 2024)
- The Hon. Ingrid Stitt, Minister for Mental Health (2 October 2023–30 June 2024) and Minister for Ageing (2 October 2023–30 June 2024)
- The Hon. Lizzie Blandthorn, Minister for Disability, Ageing and Carers (1 July 2023–2 October 2023) and Minister for Disability/Children (2 October 2023–30 June 2024)

Austin Health is a public health service and body corporate pursuant to section 65P of the *Health Services Act 1988 (Vic)*.

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# From the Board Chair and the CEO

This year has been exceptional for Austin Health. In addition to 127,385 inpatients, 86,937 ED presentations, and 222,502 Specialist Clinics attendances, we're proud of a range of initiatives and achievements that will create lasting improvements for patients in our local community and across the state.



## Our QUEST

Our QUEST program was launched in mid-2023 to provide our patients with timely access to high quality care, starting with our Emergency Department (ED) and flowing through our health service. It's a clinician-led, organisation-wide initiative, improving the way we progress patient care across the whole patient journey. Our quest is that every Austin Health patient receives the right care, at the right time, in the right place.



Making a difference. **Together.**

In less than a year, we've made progress in establishing four key workstreams, including rebuild foundations, ED flow, inpatient flow, hospital-wide operations. These workstreams will test larger-scale improvement initiatives and tackle system-level processes that impact care progression. To date, several process changes have been tested by each workstream, drawing upon the input of 182 staff members across all disciplines, who designed principles and ways of working to support our change agenda.

## Supporting our staff

Our 11,000 staff bring our purpose, our vision and our values further to life. They're the heart and soul of Austin Health. To support a positive workplace culture, we held our first Staff Wellbeing Festival, which ran across our four sites over four days, focusing on the key themes of learn, rest and play.

More than 700 employees attended in person and an extraordinary further 4,000 staff enjoyed a virtual showbag of wellbeing goodies - including opportunities to learn (about their financial health, or psychological wellbeing supports), rest (via massages and rest and recovery sessions) and play (bike and blend smoothies, mini golf).

We were delighted that our team gave the festival a big tick of approval, with 85 per cent of survey respondents saying 'yes, I would recommend'.

## Fifty years of expertise in transplantation

Austin Health has been an innovator in organ transplants for five decades. In 1975, we completed our first kidney transplant, one of many life-saving achievements in the last 50 years and a catalyst that has set us on a trajectory to be a leader in this space.

This year we also made great progress in the establishment of the Australian Centre for Transplantation Excellence and Research (ACTER), including the development of our vision: to honour the gift and transform lives through advanced transplant research and holistic care.

## Leading the way

We've transformed incident reportage statewide to ensure 100 per cent real time reporting of incidents across the state – supporting improved patient safety, by identifying trends and prevent reoccurrence of incidents statewide.

Austin Health has also enhanced outcomes for our orthopaedic surgical patients, with initiatives that put patients at the heart of care and decision making. These programs all have statewide impact, demonstrating our leadership and commitment to improving care for all Victorians.



## Sustainability

We remain dedicated to sustainability and reducing the impact of our work on the environment. This year we did what many Victorians are doing and started installing solar panels at our three main campuses.

With the support of the Victorian Health Building Authority, this project aligns with our strategic goal of achieving net zero carbon emissions by 2040. Panels were installed to maximise power supply and reduce the demand on the electrical grid. This initiative will make a substantial impact on carbon emissions, with an expected annual reduction of 276 tonnes of CO<sub>2</sub>- equivalent to the annual carbon footprint of 17 Australian households. With our solar array system now live, we estimate cost savings to reach around \$50,000 annually.

## Embedding culture

Providing culturally safe services to First Nations Australians continues to be a priority for Austin Health and is embedded into our Strategic Plan as a Guiding Principle.

This year we completed our Reconciliation Action Plan, which gave us an opportunity to celebrate our achievements and identify areas for improvement. We'll review our actions before we start developing the next phase of our reconciliation journey.

We expanded our support for patients with an Aboriginal Health Liaison Officer who works after hours, making sure patients who come to our Emergency Department (ED) receive cultural support. We also added a new and beautiful artwork in our ED that shows our dedication to reconciliation and creating a culturally safe space for Aboriginal and Torres Strait Islander patients. This artwork reflects our healing journey as individuals and as a group. It acknowledges the effort of Austin Health in caring for community and was inspired by our vision for reconciliation, where all Aboriginal and Torres Strait Islander Peoples have access to fair, equitable and culturally safe healthcare.



## Leadership changes

This year we welcomed Emma Turner in February 2024 as General Counsel and farewelled Su Ann Teoh.

Marcia Gough, Chief People and Culture Officer finished in March 2024 to take on a new role at the CSIRO. Troy McInnes stepped in as Acting Chief People and Culture Officer during this period of change.

We also farewelled Charlie McArthur, Chief Strategy and Sustainability Officer who finished at the organisation in April 2024. Charlie's portfolio has been allocated to Belinda Brookes (Acting Chief Strategy and Sustainability Officer) and Georgia James (Acting Executive Director North East Metro Health Service Partnership).

We thank Su Ann, Marcia and Charlie, for their work and leadership, particularly through the pandemic, and wish them the best for their future endeavours.

We greatly appreciate the support of our staff, our patients, and our community as we complete another successful year. We remain committed to providing safe, quality care as we move into the future.

We thank the work of our Board during the year and acknowledge retiring Directors Julie Bignell and Chris Altis, who finished on 22 March 2024 and 30 June 2024 respectively.

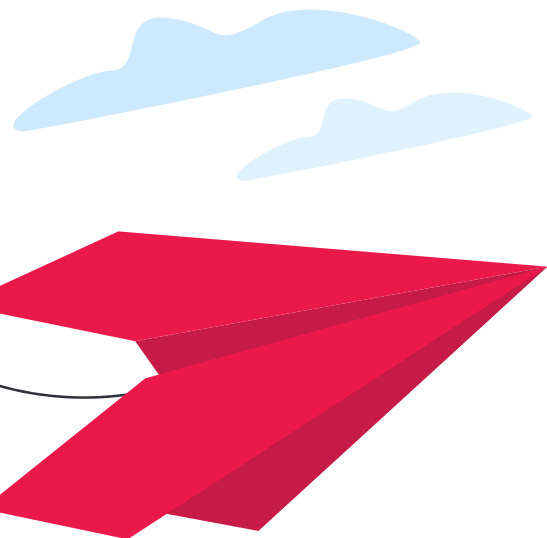
In accordance with the *Financial Management Act 1994*, we're pleased to present the report of operations for Austin Health for the year ending 30 June 2024.

## A message from Adam Horsburgh (CEO 2020-24)

I would like to extend my heartfelt thanks to staff, patients and the community, as I complete my term at Austin Health on 31 July 2024 to take on the Chief Executive role at Alfred Health.

Thank you, it has been an honour to lead this remarkable organisation and team, and to serve the Austin Health community, through the pandemic, the statewide Code Brown, and beyond.

Adam.





Handwritten signature of Ross Cooke OAM in white ink on a pink background.

**Ross Cooke OAM**  
Board Chair



Handwritten signature of Cameron Goodyear in white ink on a pink background.

**Cameron Goodyear,**  
Chief Executive Officer  
(Interim)



# Our care at a glance



**11,349**  
Dedicated staff



**86,937**  
Emergency Department presentations



**127,385**  
Inpatients



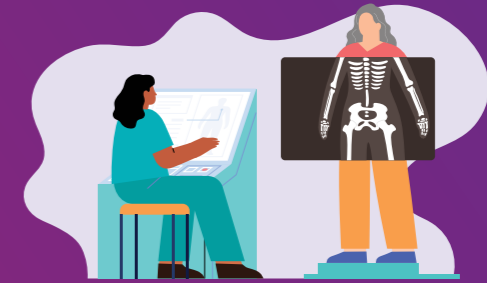
**19,595**  
Telehealth appointments



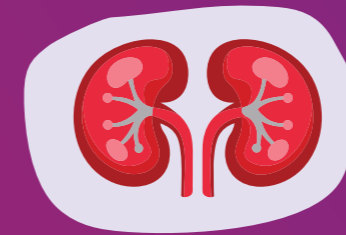
**5,824**  
Hospital in the Home visits



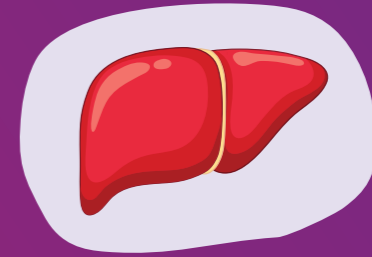
**562**  
Victorian Artificial Limb Program appointments



**222,502**  
Specialist clinic appointments



**75**  
Kidney transplants



**98**  
Liver transplants



**9,905**  
Chemotherapy sessions



**2,075**  
Radiation sessions



**28,121**  
Surgeries performed



# Renowned for quality and compassionate care

## The right care in the right places

Austin Health provides a range of health services throughout the communities we serve. These services include the specialists at the Health and Rehabilitation Centre, a range of Health Independence Programs, a robust and effective mental health service, and an innovative Hospital in the Home service.

## An array of specialist care services

We offer specialist care for specialist needs, including: emergency medicine, cancer, infectious diseases, obesity, organ and tissue transplantation, spinal cord injury, acquired brain injury, intensive care medicine, cardiac care, neurology, endocrinology, mental health, respiratory, toxicology, child mental health, and rehabilitation.

## Internationally recognised clinical teaching and training

Austin Health is recognised around the world for our high standards of teaching, professional education and training. We foster the next generation of care providers through affiliations with 16 universities and four TAFEs. We're also the largest training provider for specialist physicians and surgeons in Victoria.



## Creating a thriving research ecosystem

Our centre of excellence for hospital-based research brings together more than 1,300 world-leading researchers and leading research institutes. We streamline our approach to research through our research partners, which rewards our patients and partners with rapid translation and integration of evidence-based practice.

The Austin-Mercy Health and Education Precinct has a strong focus on responsive, collaborative research in partnership with:

- University of Melbourne
- Victorian Translational Research Institute
- Florey Institute of Neuroscience and Mental Health
- Olivia Newton-John Cancer Research Institute
- Institute for Breathing and Sleep
- Parent-Infant Research Institute
- Spinal Research Institute
- Mercy Hospital for Women
- La Trobe University
- Austin Medical Research Foundation.

This multidisciplinary alliance comprises world-class scientific leaders who conduct research into neuroscience and mental health research, cancer, critical care medicine, transplantation, diabetes, respiratory and sleep.

## Responding to the care needs of all Victorians

We provide statewide services to residents across Victoria. These include:

- Acquired Brain Injury Unit
- Austin Toxicology Service
- Victorian Liver Transplant Unit
- Victorian Poisons Information Centre
- Victorian Respiratory Support Service
- Victorian Spinal Cord Service.

## Centres of care



### Austin Hospital

Austin Hospital cares for the current and future needs of the people living in the north-east of metropolitan Melbourne and Victoria.

The hospital has 24 wards accommodating medical, surgical and speciality services and more than 550 beds, including a 29-bed intensive care unit and a 78-bed precinct for the care of patients with mental health disorders. This also includes a substantial 24-cubicle Emergency Department with a dedicated six-bed children's area, as well as 24 short stay beds for adults, children and mental health clients.

There are also 11 operating theatres providing agile, responsive emergency surgery that are available for selected elective surgery and procedures.

The hospital is home to many unique teaching, training and research facilities.



### Royal Talbot Rehabilitation Centre

Royal Talbot Rehabilitation Centre is a 77-bed facility offering specialist care and intensive rehabilitation.

The centre provides leading multi-disciplinary rehabilitation services for patients following amputation, stroke, spinal injury, surgery and other illnesses and injuries.



### Olivia Newton-John Cancer and Wellness Centre

A part of Austin Hospital, the Olivia Newton-John Cancer and Wellness Centre (ONJ Centre) is a leading cancer research and treatment hospital. The ONJ Centre provides world-leading treatment, evidence-based wellness programs and supportive care that nurtures the physical, psychological and emotional wellbeing of patients, carers, and families.

With more than 200 clinical trials undertaken every year, the centre is a world leader in cancer medicine. Our recent successes include new advances in immunotherapy, targeted therapy and personalised medicine diagnostics.



The site also provides a range of mental health services. These incorporate a Brain Disorders Program, including a Community Brain Disorders Assessment and Treatment Service, a 33-bed specialist ward and a behaviour consultancy service for people with acquired brain injuries.

A range of creative therapies including art, music and garden therapy further aid recovery and treatment.



### Heidelberg Repatriation Hospital

The Heidelberg Repatriation Hospital has evolved from a returned services hospital to a thriving care centre for a growing community. Offering 152 beds, the hospital provides responsive and proactive care to the community, including:

- **surgery** – eight operating theatres serviced by specialists across multidisciplinary teams
- **mental health** – our mental health precinct houses the state-wide Psychological Trauma Recovery Service, Community Recovery Program and Transition Support Unit
- **aged care** – aged care community programs, including assessment and management services for older people moving into Residential Aged Care, and support for returning home after receiving inpatient care
- **outpatient rehabilitation services** – our Health and Rehabilitation Centre provides rehabilitation services, programs and clinics, including the Kokoda Gym, hydrotherapy pool and consulting rooms
- **leading community care** – supporting the community through the Northern Centre Against Sexual Assault.

## Partnerships

### North East Metro Health Service Partnership

The North East Metro Health Service Partnership (NEMHSP) enables health services to work together on a range of strategic priorities that focus on collaboration and partnerships, as pathways to solutions for complex sector issues.

Austin Health is the lead health service for the NEMHSP, which also includes Eastern Health, St Vincent's Hospital Melbourne, Northern Health, Mercy Hospital for Women (Heidelberg), the Royal Victorian Eye and Ear Hospital and Forensicare. The NEMHSP (where possible) also collaborates with local primary care and community health organisations in response to system design and planning needs.

The NEMHSP plays an important role in designing the future health system and co-ordinating information and resources across our region. It's guided by its Steering Committee, chaired by the CEO of Austin Health. The NEMHSP submits an annual workplan to the Department of Health that governs progress on priorities, such as Better at Home and Planned Surgery recovery, in addition to using the expertise of individual health services to progress local innovations.

In 2023-24 the NEMHSP continued to demonstrate a culture of collaboration, as it progressed statewide priorities for planned surgery recovery, out-of-hospital care, mental health reform and Aboriginal and Torres Strait Islander health outcomes. The NEMHSP and Austin Health were also commissioned to lead the development of a statewide digital health platform, to improve communication with patients and service efficiency.

The NEMHSP uses the expertise of the tertiary, primary and community sectors to find opportunities for collaboration on common health sector problems.

### BAROC celebrating 20 years together

This year marks 20 years since the Ballarat Austin Health Radiation Oncology Centre (BAROC) opened its doors and began offering the Ballarat and Grampians community access to world-class radiotherapy closer to home.

Since opening, this service has greatly benefitted thousands of patients receiving treatment, enabling equitable treatment outcomes with improved quality of life.

The radiotherapy treatment machines are being replaced with new state-of-the-art equipment, to accommodate the growing service requirements and treatment complexity. This new technology will ensure that BAROC continues to offer world-class cancer treatment options, providing service equity and optimal cancer outcomes for patients in western regional Victoria. Designs for the new treatment spaces are well underway, with construction and machine installation due for completion in 2025.



### North Eastern Public Health Unit

During 2023-24, Austin Health led the North Eastern Public Health Unit (NEPHU) through significant achievements. NEPHU serves the north eastern region of Melbourne, with a population of 1.81 million people (28 per cent of the Victorian population), one of the most diverse populations in Australia.

This year activity expanded beyond the initial scope of COVID-19 and NEPHU now manages 82 notifiable communicable diseases. In 2023-24 NEPHU managed over 6,400 notifications spanning a wide range of diseases. NEPHU supported aged care and other settings managing over 940 outbreaks of COVID-19, influenza, respiratory syncytial virus and gastroenteritis. Further support was provided to over 180 facilities via online forums, regular communications, site visits and direct support from our Infection Prevention and Control team.

The Population Health team finalised the inaugural population health catchment plan and began its implementation. The two-year plan (2023-2025) includes two priority health areas (healthy eating, and sexual and reproductive health) for the region. This includes 19 targeted initiatives in the community and across the sector that have begun or will commence roll-out in 2024-2025.

The Engagement and Communications teams continued to collaborate with community partners to increase awareness and knowledge of various health conditions, promote protective factors, amplify urgent messaging, and empower self-management for the whole population. This work has included over 20 targeted health campaigns, with specific attention given to priority and multicultural populations.

We look forward to continuing to work with the community to deliver strong place-based and prevention-focused public health.

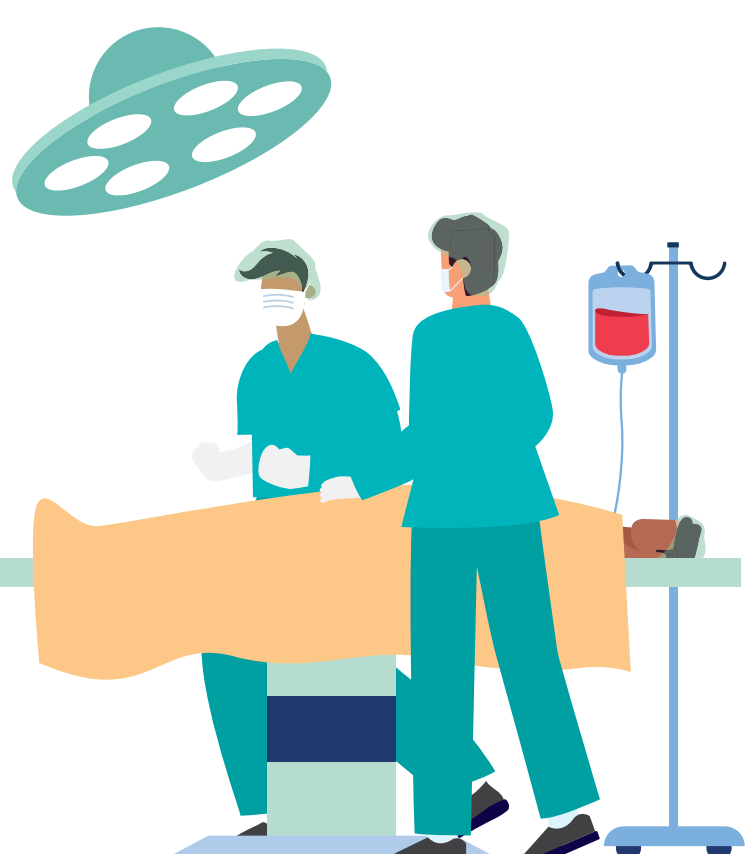
## Taking heart care to Swan Hill

This year, in collaboration with Swan Hill District Health and Deakin University, we co-designed and implemented a service to better support regional areas to manage heart failure locally.

The partnership co-designed clinical decision tools to support heart failure patients during their hospitalisation, ran workshops about the management of heart failure and implemented a virtual heart failure clinic post discharge for follow up with heart failure specialists.

The clinical decision tools improved in-hospital management of heart failure patients both in Emergency Department and the wards, and the workshops reached more than 275 health professionals in Swan Hill. The virtual clinic saw a cardiologist and nurse practitioner from Austin Health consulting with patients within a week of discharge and continuing to see patients for several months.

Importantly, through this partnership we've been able to reduce preventable rehospitalisations and save lives in patients residing in Swan Hill.



## Our purpose

At Austin Health, we are united with our people, partners and community for one purpose: **Helping people live healthy, productive and fulfilled lives.**

## Our vision

Shaping the future through exceptional care, discovery and learning.

## Our values



**Our actions show we care**



**We bring our best**



**Together we achieve**



**We shape the future**

# Strategic Plan

## Our strategy in action

### Year one

We've completed the first year of work towards our new strategic plan, which sets a bold and transformative vision for our future.

We've learned from the challenges of previous years. We understand that our situation can shift rapidly and that some factors are beyond our control. With these lessons in mind, this strategic plan allows us to be agile and adaptable, balancing focus with flexibility. It allows us to adjust to changing needs in our communities and the healthcare environment over time.

In our first year we developed enabling strategies, which support our purpose of helping people live healthy, productive and fulfilled lives. These strategies work together with our strategic plan to ensure we can achieve our strategic outcomes.



## Our spotlight initiatives

In our strategy's first year, we prioritised and focused on three spotlight initiatives to further embed our goals in our everyday work. These initiatives directly correspond to our strategic outcomes and set the agenda for the next 12 months.

- Establish ACTER
- Virtual care
- Expand Safewards.

## This year, we've released our:

- Primary Care Strategy
- People Strategy
- Research Strategy.

Work has also begun on our Environment, Social and Governance Strategy and our Nursing Strategy has been finalised. These Strategies will be launched next year and will continue to respond to the changing needs in our communities.



# Establish ACTER

## Organ and tissue transplantation excellence

Our transplant service had its busiest year yet, with more organ retrievals, liver transplants, and kidney and liver perfusions performed than ever before.

Our Australian-first machine perfusion program has been a major driver towards this transplant activity, which has recovered from the decreased activity during the pandemic.

## Establishing ACTER

An exciting, long-term initiative, ACTER is a key part of achieving our strategic vision to be the national leader in specialist care. The new centre will realise excellence in transplantation innovation and clinical care by bringing together cutting-edge clinical practice, research, transplant-orientated operational systems, and active consumer participation.

This collaborative approach will harness advanced technologies and multi-disciplinary expertise in transplantation, positioning Austin Health as a leader in organ retrieval, transplantation and patient care.

**“I am happy I am still here and enjoying life.”**

**Ben Lancaster, reflecting 30 years after his paediatric liver transplant**

### Our progress

ACTER had a busy first year with many people across the organisation working to bring the vision to life. The ACTER team created an establishment plan to prioritise areas of work and working groups began to execute key priorities, including:

- in-depth consultation with staff and consumers with lived experience
- development of vision statements to guide the initiative
- learning from key transplant centres in the UK to develop our network and knowledge
- project governance arrangements
- web presence.

**“We are forever grateful to the donor and think of that person every day. They saved his life.”**

**Ulfet Saytal on her husband’s kidney transplant, which was supported by normothermic machine perfusion.**



## Fifty years of firsts

We're renowned for our specialist work in transplantation, delivering liver, intestinal, kidney, multi-visceral, and allogeneic haematopoietic stem cell transplantation, while providing expertise and services to support transplants across Victoria and Tasmania.

This year marks five decades since the first transplant was performed at Austin Health. The kidney transplant in 1974 is just one of many life-saving firsts achieved in the last 50 years, as we've established our position as a pioneer and innovator in the field.



Lionel Lee, first living-donor transplant recipient returns to Austin Health for a visit in 2024.



Ben, one hour after his transplant (1988).



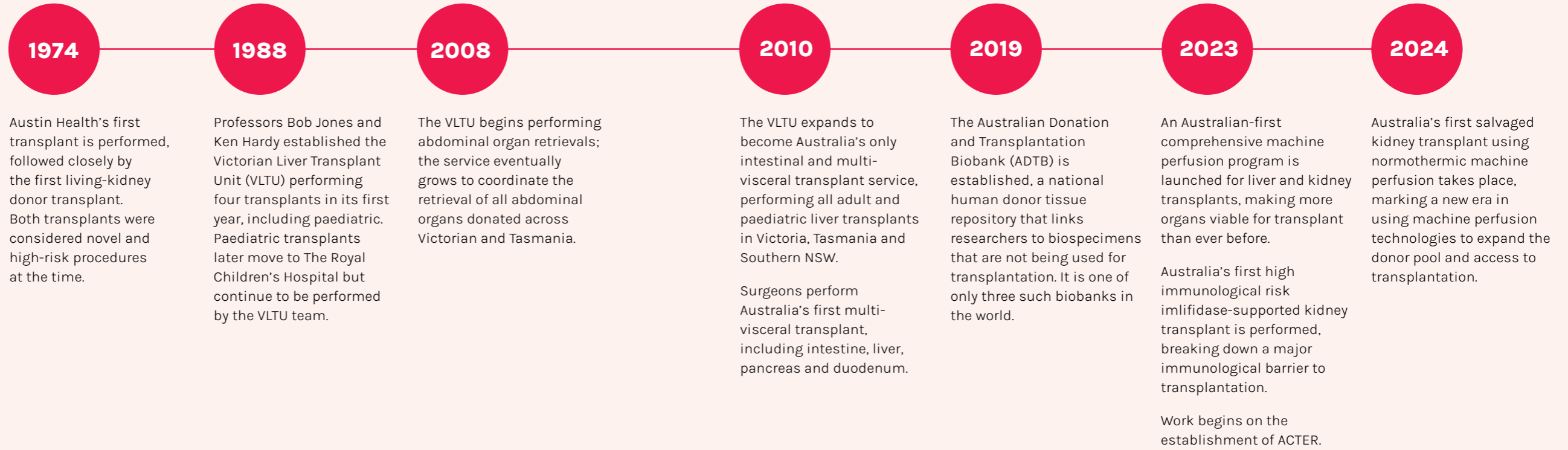
Kidney transplant surgery.



Perfusion machine.

**“The fact my kidney helped someone out there gives me a buzz. They could be anyone. It’s a completely pure act of giving.”**

Altruistic kidney donor Steve Liston.



## 2023-24 at a glance



**24**  
transplants using liver perfusion



**26**  
transplants using kidney perfusion



**98**  
liver transplants  
85 adult  
3 paediatric



**75**  
kidney transplants  
65 adult  
10 paediatric



**69**  
stem cell transplants  
autologous and allogeneic



**178**  
abdominal organ retrievals



**1**  
combined liver and pancreas transplant



**3**  
combined liver and kidney transplants

## Australia's most comprehensive transplant machine perfusion program

This year Austin Health became the first Australian hospital to establish a multi-organ machine perfusion program. This includes normothermic and hypothermic oxygenated technologies that keep organs healthier for longer, so more transplants can be successfully performed.

Machine perfusion devices preserve and revitalise organs, and facilitate viability assessment prior to transplantation. This makes it possible to transplant organs that wouldn't otherwise be viable, ultimately improving access and outcomes for patients.

Machine perfusion of kidneys and livers is available for Victorians and Tasmanians via the transplant service at Austin Health.

**“What stands out is how much everyone cares. They are invested and attentive. They have supported me for so many years.”**

Two-time kidney transplant recipient, Jessica Wilson.





Staff Know Each Other board in the ED.



# Expand Safewards

## Supporting patients in our ED

In July 2023, we expanded our Safewards program into the Emergency Department (ED) and in March 2024, into the Acute Medical Ward 7 West.

Safewards is a model of engagement and preventative strategy tool designed to reduce conflict and the use of restrictive practices, to create safe and therapeutic environments for our patients, staff and visitors.

In both areas, Safewards has shown great improvement in patient experience and outcomes. Since roll-out, we've seen a 20 per cent reduction in restrictive practice events in our ED, increase in staff satisfaction and a marked improvement in communication and collaboration between staff and patients.



Safewards posters rolled out in ED with information on key initiatives.

## Embedding lived experience

This year our Safewards training has undergone a transformative redesign to include the lived and living experience perspective of those who use our services to drive compassionate, person-centred mental health care.

Through close collaboration with people who have lived experience, we've co-designed our interventions to prioritise safety, empowerment, recovery and wellbeing to better engage our staff and consumers. This innovative approach includes the co-delivery of training with a Lived Experience member and has led to immediate positive outcomes, including:

- improved and more interactive training sessions
- increased engagement and understanding by participants
- decreased negative incidents
- improved mental health outcomes for consumers.

This redesign embodies an innovative, holistic, and compassionate model of care that prioritises the wellbeing of both consumers and the workforce.

Patient vital signs being watched in real time.

# Virtual care

## Advancements in virtual care for patients

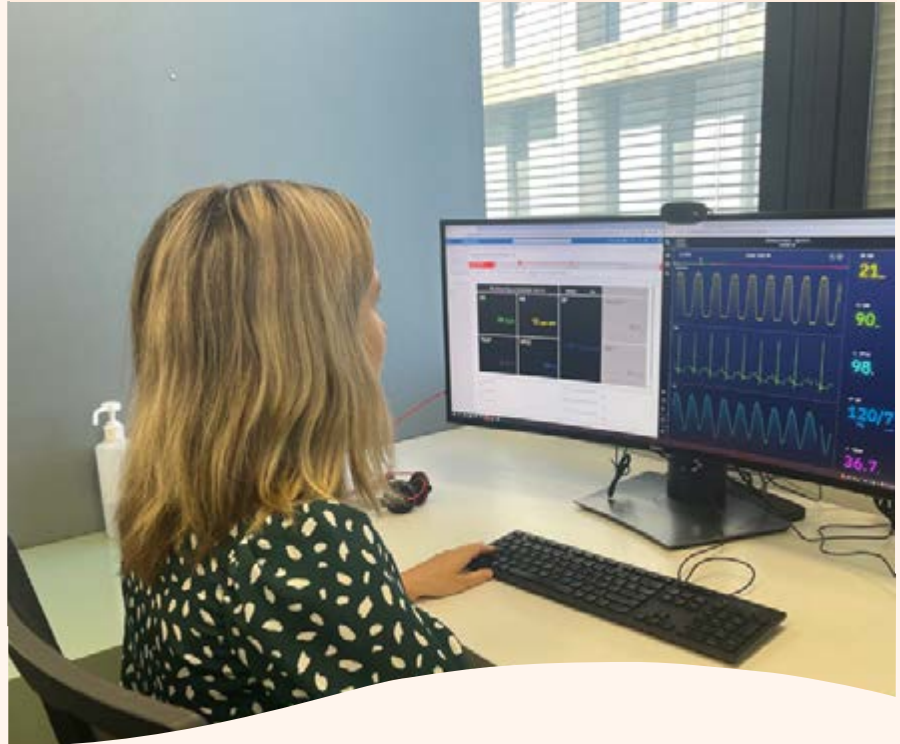
This year our virtual ward benefited more than 350 patients and delivered more than 1,000 admitted bed days at home.

The Hospital in the Home & Virtual Care (HITH-VC) team first set up a virtual ward in 2021, making it possible to care for patients at home, while they wear a device that monitors parameters such as vital signs and heart rhythm. Clinicians review this data regularly and have telehealth consultations with patients.

The virtual ward is the first in Victoria to focus on cardiac and haematology patients. In addition to providing early supported discharge after cardiac surgery, the service manages patients with acute leukaemia, heart failure and cardiac rhythm disturbances. These patients have high clinical acuity, requiring close oversight and prompt escalation of care in cases of deterioration.

The program has been described as a 'gamechanger' by our patients, who were previously required to spend days or weeks in hospital. This model of care has been linked to improved health outcomes for patients who benefit from the greater comfort, convenience and easier transition back to community care.

HITH-VC plan to expand to target other conditions suitable for this model of care, working towards our strategic vision to ensure 'our patients receive the right care in the most appropriate place'.



## Streamlining patient data

In February we began advancing patient data management by integrating data from wearable devices directly into a patient's electronic medical record. Each wearable device sends data to Austin Health's custom-built Customer Relationship Management system, from which it is uploaded in our electronic medical record. This is a huge leap forward in improving the flow of patient information in hospitals and a model that other health care providers can adopt.



# Continuing to embed culture

## Reconciliation Action Plan

Austin Health's vision for reconciliation is one where all Aboriginal and Torres Strait Islander Peoples have access to just, equitable and culturally safe healthcare.

Our Innovate Reconciliation Action Plan (RAP) ended in April, providing a chance to reflect on highlights achieved, as well as areas that need further work. Sixty-three per cent of the deliverables were achieved, and we are still working on 29 per cent.

We remain committed to providing culturally safe and reliable care to our community. Our reconciliation journey began in 2005 with the creation of our Ngarra Jarra Aboriginal Health Unit that supports Aboriginal and Torres Strait Islander patients and their families to navigate the hospital system in a culturally safe way. That team continues to provide support to patients and families.

### Highlights from our RAP include:

- Celebration of National Reconciliation Week and NAIDOC Week are embedded and growing each year at Austin Health, featuring smoking ceremonies, Welcome to Country, Grand Round with special guests, and storytelling events.
- Austin Health is committed to becoming a Supply Nation member to increase procurement from Aboriginal and Torres Strait Islander suppliers.
- Acknowledgement of Country is included at the start of all important meetings.
- Acknowledgement of Aboriginal and Torres Strait Islander veterans is embedded in the ANZAC, Vietnam Veteran and Remembrance Day services.
- Staff have access to education and resources about asking the identification question, including a new training video.
- The RAP artwork, created by Gary Saunders, features prominently around Austin Health on decals, posters, and banners.

We're taking some time to reflect on the Innovate RAP and consult with community to identify priority areas before embarking on the development of the next RAP.

## Embedding culture

### Auto referrals

Austin Health introduced a system via our Electronic Medical Record that notifies our Ngarra Jarra Aboriginal Health Unit as soon as First Nations patients present to the Emergency Department (ED) or are admitted to a ward. Our staff ask patients when they arrive for our care if they identify as Aboriginal and/or Torres Strait Islander origin. Once they identify, an automatic referral is generated and sent to our Aboriginal Health Liaison Officers (AHLOs), enabling cultural support to be offered. Before this change, referrals were submitted manually and depended on staff members forwarding referrals to Ngarra Jarra. This caused delays or referrals not being sent at all. The automation allows all Aboriginal patients to be offered assistance, should they choose to accept.

### After hours AHLO

AHLOs provide an integral role in supporting our First Nations patients and ensuring they feel safe while accessing care.

To ensure this care can be provided around the clock, Austin Health commenced a trial of an afterhours role to deliver support outside of the 9am to 5pm care traditionally provided. Since this introduction, Austin Health has seen a substantial uptick in patient satisfaction and a decrease in discharges prior to medical care being provided. One hundred per cent of patients who received support from the after-hours AHLO stayed in hospital during their care.



## Making our Emergency Department more culturally safe

This year we unveiled a new and exciting artwork in our Emergency Department (ED) that will further strengthen our commitment to reconciliation and provide a welcoming environment for Aboriginal and Torres Strait Islander patients who present to our ED.

Developed by artist Dixon Patten, a proud Gunnai, Yorta Yorta, Gunditjmara, Dhudhuroa man, this artwork represents our healing journey as individuals and as a collective. It honours the commitment of Austin Health in caring for community and was guided by our vision for reconciliation.

**“This artwork honours our health journey. Because of colonial impact there is still a lot of distrust in the system. This looks to bring people together and create connection. We are stronger when we work together.”**

**Dixon Patten, artist.**

Promisingly, the number of patients who identify as Aboriginal and Torres Strait Islander Peoples that accessed our services has risen across all areas. There were 1,596 presentations of Aboriginal and/or Torres Strait Islander patients to the Emergency Department last year, which is an increase from 1,458 the previous year.

However, we know that not all patients feel safe when they access services and it's our hope that by having Aboriginal artworks, and continuing to increase the presence of services like Ngarra Jarra, we'll see rates continue to rise.

## Supporting First Nations paediatric patients

The Paediatrics Department has launched a new initiative to help First Nations paediatric patients access Specialist Clinics sooner.

Since early May, Austin Health has automatically upgraded any routine referral for an Aboriginal or Torres Strait Islander paediatric patient to a semi-urgent referral, ensuring they receive timely and appropriate care.

This initiative responds to Closing the Gap target: 'Children thrive in their early years'. The Paediatric Department often reviews the targets and outcomes and found a simple solution for Austin Health to make a positive difference in the health and wellbeing of our patients.

## Healing through health

Coinciding with National Close the Gap Day, Austin Health was proud to launch a departmental icon for our Aboriginal Health Unit, Ngarra Jarra.

The tagline 'healing through health' (aptly named as Ngarra Jarra means 'healing' in the Woiwurrung language of the Wurundjeri People) the icon was developed as a way to foster identity, represent cultural values, promote visibility, and aid in community recognition.

Developed by Aboriginal artist Rubii Red from Lama Lama land on Cape York Peninsula, Ngarra Jarra hopes it will enhance communication and help establish a distinct visual presence for the unit.



Staff with artist Dixon after the artwork unveiling.



# Ngarra Jarra Aboriginal Health Unit



“We encourage people in our educational sessions the practice of decolonisation in the workspace to create a warm and welcoming environment for mob. This can be done by artwork and storytelling.

“This collaboration between Ngarra Jarra and Rubii Red is our team actioning our words. Our team gave Rubii key words that describe our work such as community, gathering, healing & looking out for each other; these words we wanted in visual representative,” says Kyralee Murray, Aboriginal Health Liaison Officer.”

Kyralee Murray, Aboriginal Health Liaison Officer.

“When I arrived at the Ngarra Jarra office, I was immediately struck by the unique atmosphere that blended cultural sensitivity with modern healthcare practices.

“As a student and as a person, this experience was transformative. It not only broadened my understanding of the social determinants of health but also further instilled a deep appreciation for the resilience and strength of Indigenous communities.”

Student who recently spent time with our Aboriginal Health Unit.

## The icon is made up of three main elements



The background with a linework design represents community, gathering together to discuss health, whether it's a yarn about their mental or physical health. It also represents a yarning circle, where Mob feel safe enough to let people know they might need help.



The medicine tree represents a healing spirit that resides in the tree, and as a meeting place for us all to gather around. Community is important to Mob and being able to create those safe spaces is something vital to keeping our community strong, healthy and connected.



The cloud within the work represents the smoke from smoking ceremonies, where we cleanse our body, mind and soul of the negative energies that might be surrounding us. Smoke from the ceremonies is said to be rejuvenating.

# Research

## Delivering better research and improved care

We're proud to have launched our Research Strategy 2023-27 this year!

This strategy is a step forward for us and looks to integrate research activities throughout the organisation, foster collaborations both internally and externally, and fortify our research support infrastructure.

Research is fundamental in helping us advance the treatment we can provide and is an essential part of what allows us to deliver outstanding patient care across a broad range of specialties and community medicine.

Our Research Strategy includes 12 strategic action points that will collectively support an enhanced contribution to improved patient care through research.

Looking ahead to 2027, this strategic plan aims to make Austin Health a great place to do research, improve patient care and enhance work satisfaction.



## Our prominent researchers

At Austin Health, our commitment to research is integral to our delivery of clinical care. Our team-based research approach ensures that patients are at the forefront across the health service. By focusing on the use of data to drive updates to practice, we continually enhance our ability to provide the best care for patients. This dedication enables us to excel in patient care across a wide array of specialties and community medicine.

We have the privilege of working with some exceptional researchers. Here are some examples of how they are contributing to their fields.

**‘Research is a fundamental part of achieving the purpose and vision of Austin Health. Our Research Strategy supports our commitment to ‘helping people live healthy, productive and fulfilled lives,’ and aligns with our vision of ‘shaping the future through exceptional care, discovery and learning’.**

**Professor James Best,  
Director Research.**

### Our Research Strategy is built on three key pillars:



**Excellence**  
Organisation wide integration of research activity to build team research



**Partnership**  
Leveraging and enhancing internal and external interactions.



**Infrastructure**  
Strengthening research support.



### Professor Sue Berney

After an Intensive Care Unit (ICU) stay, recovery is long and challenging. Muscle loss and weakness are significant long-term side-effects of a critical illness. The results of a recently published randomised controlled trial, where Austin Health was a leading site, showed that after an ICU stay, the average 60-year-old patient could stand up from a chair at the speed of a 90-year-old. This represents a significant physical impairment.

Professor Sue Berney and her multidisciplinary research team, including physiotherapists and speech pathologists, are dedicated to improving outcomes for survivors of critical illness. The results of their studies have directly informed how often, for how long and when we provide rehabilitation for patients in ICU and when they are transferred to the ward. The research team continues to investigate the clinical indicators for poor patient recovery, the efficacy of rehabilitation treatments; Allied Health models of care and communication strategies started in the ICU on patient's recovery, physical function and health related quality of life.



### Dr Polly Dufton

Dr Polly Dufton's program of research focuses on evaluating health care access for people with cancer. Dr Dufton has led a statewide mixed-methods study from 2022-24, evaluating how Victorian health services have implemented symptom management support services and investigating the barriers that may impact ongoing access to these services. Through integrating quantitative and qualitative research findings, Dr Dufton reported a number of recommendations to enhance service delivery and access across Victorian health care organisations, including nurse-led models of care. An evaluation framework was developed to enable ongoing monitoring of access barriers experienced by patients and caregivers.



### Dr Ian Baldwin

Dr Ian Baldwin's research focuses on improving clinical care and patient support in the acute setting, where evidence-based practices are often lacking. While historical methods guided by logic and common sense still prevail, the rapid growth of research and scientific data over the past 20 years has positioned Australia as a leader in many areas of healthcare.

His approach prioritises listening to frontline carers, dedicating time to daily assessments and observations of care, and incorporating the experiences shared at both local and international scientific meetings.

The journey from study design, data collection, and analysis to implementing new evidence-based practices can be slow and challenging. However, the reward of creating new policies or enhancing existing care protocols, supported by evidence and publications, is a motivator for Dr. Baldwin. His focus remains on the patient and their outcomes, ensuring that research translates into tangible improvements in clinical care.





### Professor Jason Trubiano

The Department of Infectious Diseases and Immunology, led by Professor Jason Trubiano, continues to shape the management of drug allergy at an international level through data-driven solutions from high-quality randomised control trials (RCTs) and national registries. The completion of two RCTs, the PALACE and ORACLE trials, have demonstrated for the first time the safety of direct oral challenge (i.e. test dose) for patients with penicillin allergy in the outpatient and critical care setting, respectively.

These trials have resulted in improved patient access to first line antibiotic therapies and informed national and international guidelines, World Health Organisation policy and the Australian Healthcare Standards. The work has led to partnerships with Safer Care Victoria, enabling the implementation of a penicillin allergy “toolkit” into healthcare utilising Austin-led protocols and digital data capture platforms. This digital platform has been rolled out internationally in seven countries and 30 sites, as the international Network of Antibiotic Allergy Nations, enabling penicillin allergy programs to be implemented and scaled globally.



### Jarryd Walkley

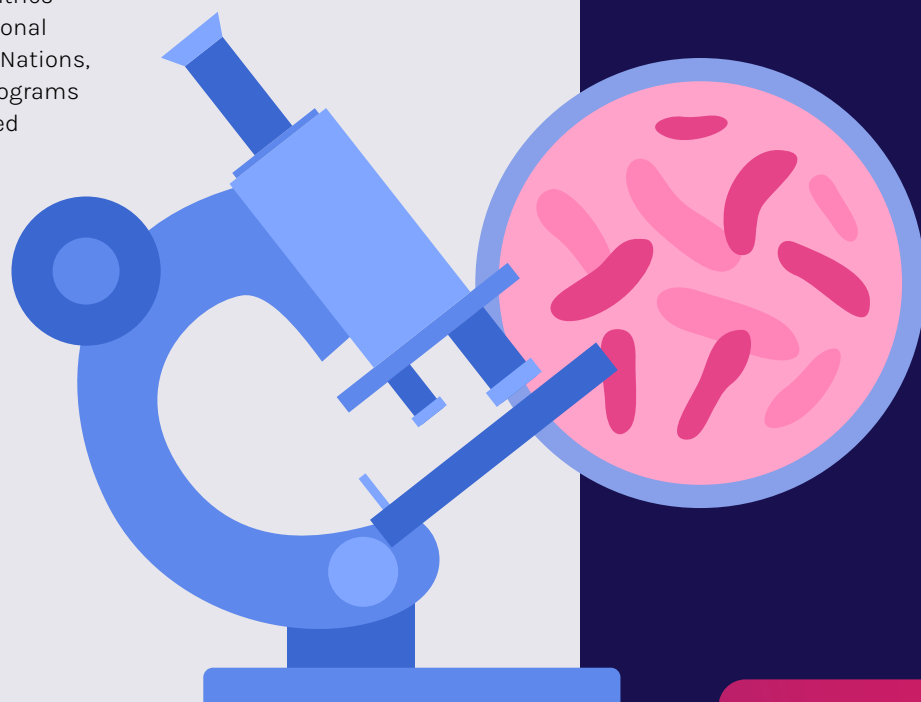
Jarryd Walkley is embedding nurse-led clinical practice research to improve service design and delivery for patients referred for metabolic and bariatric surgery. Among the research, her team has designed and implemented an expedited care pathway for women with endometrial cancer whose weight is prohibiting definitive cancer treatment, along with a complex-care multidisciplinary meeting to improve equitable access to a resource limited public health service, and expedited care where appropriate. Jarryd received the Dixon Award for Best Paper in Integrated Health in 2023, when presenting her work at the ANZMOSS Scientific Meeting.

## Emerging technology

### Machine perfusion enhances kidney transplantation

Kidney transplantation is the preferred treatment for kidney failure, but a shortage of organs remains a significant barrier to accessing this life-saving procedure. Austin Health’s Kidney Transplant Service has pioneered Hypothermic Oxygenated Machine Perfusion (HOMP) and Normothermic Machine Perfusion (NMP) in Australia. In the last year, HOMP has allowed the service to assess and salvage numerous kidneys, including those that wouldn’t have been viable for transplantation previously.

The Kidney Transplant Service is also conducting a clinical trial into the use of NMP for higher-risk kidney transplants. A concurrent study is exploring ‘blood group conversion’ of kidneys, a ground-breaking new technique that will allow kidneys to be allocated to any blood group. This will improve access to transplantation for individuals with less common blood groups, or in urgent situations where a blood group-compatible match is not immediately available.





# Year in review

## Supporting our veterans beyond the field of war

Since 1996, our Veteran Liaison team has been a cornerstone of support for veterans who are patients at Austin Health, following the merger of Austin Hospital and Heidelberg Repatriation Hospital in 1995.

### Liaison support

Our Veteran Liaison service provides a point of contact to veterans, war widows, and their families, who require advice or information about Austin Health and its facilities. The team regularly engages with a range of veteran and community groups to promote the activities of Austin Health and facilitates regular site tours focusing on heritage areas and the history that lives within the Repatriation Hospital. There are also six dedicated veteran volunteers who offer a range of support to veteran specific areas.

## Commemorative services

This year the team held commemorative services to mark Vietnam Veterans Day, National Servicemen's Day, Remembrance Day and ANZAC Day. These events go beyond hospital walls, welcoming not only staff and patients but also the broader veteran community, local residents, representatives from state, federal, and local governments, and children from the Austin Health Child Care Centre and local primary schools.

## Heritage work

Heritage work is never finished. A notable addition to the Repatriation Hospital this year is Dougie, a 'Stand To' silhouette, proudly displayed each day at the west end of the North Wing. This installation adds to the hospital's rich heritage.

Complementing this, other lighting projects at the Repatriation Hospital brought new life to the building's historic essence. The seven mosaics along Acacia Street glow with purple lighting, offering a visual treat to staff, visitors, and passersby. Additionally, the east end of the Remembrance Garden and the Fromelles Garden are illuminated after sunset, creating serene and reflective spaces.

## Veteran precinct

We also supported the development of a new facility in Edwin Street, the Vasey RSL Care V Centre, which opened in February 2024. The Centre works closely with our Psychological Trauma Recovery Service ward (Ward 17) and helps homeless veterans regain their independence.

This initiative has helped create a veteran precinct involving Ward 17 and Veteran Liaison at Heidelberg Repatriation Hospital, RSL on Bell and the V Centre facilities in Edwin and Bell Streets, Ivanhoe.



Community gather for our annual ANZAC Day service.



Dougie, our 'Stand To' silhouette displaying at night.

## Automating the Victorian Health Incident Management System

Victorian health services are safer places thanks to the Victorian Health Incident Management System (VHIMS) automation initiative led by Austin Health and the Victorian Agency for Health Information (VAHI) to deliver advanced reporting of clinical incidents.

VHIMS is a statewide data collection system that's mandatory for all Victorian public health services. Reporting is a critical step in incident management and a drop in incident reporting in 2021-22 was the main driver for improvement.

The successful implementation of the VHIMS automation project this year has seen 100 per cent of incident records now being transmitted in near real-time across over 90 per cent of the health services in Victoria, resulting in reduced administration burden. Austin Health alone has saved approximately eight hours per week that were previously spent on manual tasks.

This is the first time incident reporting in close to real-time, and at this scale, has been achieved in Victoria. Our Patient Safety team won the RLDatix Awards Asia-Pacific 2024 in the category Safer and Operationally Sustainable Organisation because of the work done on this project.

The success of this project underscores the power of collaboration in driving improvements in patient care and marks our dedication to innovation in patient safety.



*VHIMS implementation team: Luke Bowen, Director of Patient Safety, Experience and Clinical Excellence; Sarah Daffey, Associate Director Patient Safety, Experience and Clinical Excellence; Tegan Howard, Associate Director Medicolegal; Simone Murphy, VAHI Project Lead.*

## Shaping the future of patient care in unison with our primary care partners

This February, Austin Health launched its first Primary Care Strategy. Developed in consultation with our key primary care partners, this Primary Care Strategy outlines what Austin Health will do over the next five years to improve integration with primary care services to deliver better outcomes for our patients, community, staff and our health service.

Whilst Austin Health plays a critical role in the health of people in our community, we acknowledge that we're just one piece of a larger health system that has primary care at its core. The future of health relies on us working together with our primary care providers to deliver a more tailored, streamlined and comprehensive system of care.

Work for the Primary Care Strategy is well underway. We've been collaborating closely with key primary care partners via our Primary Care and Population Health Board Advisory Committee to identify a priority clinical area for action under the strategy.

A key priority of the strategy is to establish better, collaborative relationships with our local GPs. The first step is establishing the inaugural Austin Health GP reference group. Comprising a diverse group of 10 local GPs, this reference group met for the first time in June 2024. The reference group will provide invaluable advice and input from a general practice perspective to Austin Health strategic and operational initiatives, as well as overseeing the development and implementation of a GP communications plan.

## Better@Home

Our Better@Home program has grown over the last 12 months. We've expanded our capacity from 25 to 30 beds and have treated 945 patients through the program this year.

We've strengthened our existing partnerships with Neurology, elective orthopaedic surgery and Geriatric ED Intervention services within the acute setting with established referral pathways for smooth transition from hospital to home, without sacrificing quality of care or creating duplication.

Central to all of this remains the patient experience. Over 95 per cent of feedback indicates our services exceeds expectations.

**“The service we received from Austin Better@Home was exceptional. The medical professionals that visited Doug at home were bright encouraging firm and gave us confidence to forward for Doug to reach his goals. We felt very privileged to have this service at home as it helped Doug with his progress.”**

Loretta, partner of Better@Home patient.



Some of our Better@Home team.

## Patient experience

At Austin Health, we welcome feedback from our patients, carers and visitors about their experiences so we can enhance our services and the quality of care we provide. Feedback forms are accessible across all our sites, and feedback can also be submitted via phone, email, and our website. All complaints are reviewed by senior staff members and used to drive quality improvements across the organisation.

### Overview

This year we received 893 compliments, an increase of 9.3 per cent from the previous year, and received 1,277 complaints, a decrease of 1.08 per cent from the previous year.



**893**  
compliments  
increased 9.3%



**1,277**  
complaints  
decreased 1.08%

### Patient Experience Survey

We value feedback from our patients and consumers. Our Patient Experience Survey, sent via SMS to patients discharged home after hospital admission, received approximately 24,000 responses this year, with an overall patient satisfaction rating of 86 per cent.

### Improving patient experience in ED

In collaboration with the Safewards program in ED, we introduced several new resources: a smartphone charging station, a calming methods box to provide patients and consumers with distraction techniques, and consumer information about the 'Emergency Department experience'. These additions have enhanced the experience for our patients and consumers when visiting the Emergency Department.

## Bereavement Model of Care

Our social work and palliative care teams have developed and implemented an evidence-based Bereavement Model of Care with input from consumers with lived experience. This model aims to identify and support the bereavement needs of families and carers of Austin Health patients.

The Bereavement Model of Care focuses on enhancing existing resources and providing information to those most in need. It includes an innovative bereavement risk screening tool to guide clinicians and social workers when assessing the level of grief, sending bereavement cards; providing staff training and consumer resource booklets. This model is being expanded across the hospital to improve the standard of care provided for bereaved consumers.



Our SOCS team and consumers on the first day of the new program.

## Introducing the Strong for Oesophago-gastric Cancer Surgery program

Austin Health has introduced the Strong for Oesophago-gastric Cancer Surgery (SOCS) program, a comprehensive prehabilitation initiative designed to enhance the wellbeing of patients before they undergo oesophageal and gastric cancer surgery.

The SOCS program was developed in recognition of mounting evidence that prehabilitation programs are effective in reducing surgical morbidity and mortality.

The SOCS program is a proactive response aimed at improving patients' experience and fitness levels, making them 'stronger,' and better prepared for surgery.

## Outcomes

The SOCS program has demonstrated significant positive outcomes for patients undergoing surgery, including:

- 42 per cent reduction in respiratory complications
- 69 per cent reduction in cardiac complications
- reduced ICU stay post surgery by two days
- reduced overall length of hospital stay by seven days
- doubled the number of patients fit to receive chemotherapy post-surgery.

What started as a trial service has now turned into a multi-disciplinary clinic. This clinic stands out for its patient-centric design, incorporating consumer input and adopting a resource-conscious, evidence-informed strategy.

This program is fully integrated into the patient's pre-existing clinical care pathway, and as such doesn't interrupt cancer treatments, nor does it extend wait time for surgery. The SOCS program also delivers an updated cancer database and research infrastructure, exemplifying our commitment to innovation in cancer care.



## Progressing work in disability

Since the launch of our Disability Action Plan (DAP) in early 2023, our Disability Inclusion Committee and the Disability Liaison Officer (DLO) Program have worked tirelessly to deliver improvements across the organisation.

### Our key achievements

- The DLO team has secured the Statewide Sector Development Lead role for the next three years.
- The disability identifier question set is now required to be asked to all patients on admission.
- We developed and launched posters to support staff education on inclusive language and how to complete the disability identifier question set.
- Easy English version of the Australian Charter of Healthcare Rights is now available on our website.
- We've continued to grow our library of socials scripts using plain language and photos to describe what to expect when visiting Austin Health.
- A pathway to support patients using their own transfer equipment at their appointments has been established.
- Remuneration is now offered for formally onboarded consumers with disability to facilitate meaningful participation across our committees and working groups.
- A survey was conducted to understand disability awareness across the organisation and as a result, we're developing targeted disability awareness information and education resources for staff.

### Our reach

This year, the DLO program supported more than 1,000 people with disability to use hospital services and access the care and treatment they need. The DLO program also held 19 education sessions throughout the year, which were attended by over 600 staff.

**“We recently attended Austin Hospital to support our client with disability to access radiology under a general anaesthetic. We were in contact with Ebony, a DLO. Ebony did a fantastic job coordinating and supporting our client. Everyone we dealt with from the nursing staff to the doctors were fantastic.**

I have been in my line of work now for around nine years. I have never had such a positive experience supporting a client with complex support needs in a hospital environment as I did yesterday.

I want to say thank you on behalf of my client and thank you again from myself.”

**Disability Support Worker for patient accessing healthcare at Austin Health.**

## Delivering more emergency care to our community

The Austin Hospital will soon commence the expansion of ED, increasing capacity and helping the community to get better care, closer to home.

The expansion will deliver up to 29 additional emergency treatment spaces, an upgraded short stay unit, a dedicated paediatric treatment zone and improved clinical administration spaces, meaning more locals can receive the care they need, faster.

Once completed, the upgrade will support an extra 30,000 emergency patients every year and give our dedicated doctors and nurses the facilities they need to deliver the best possible care.

This expansion has been made possible by a \$275 million investment in the Victorian Budget and Austin Health thanks the Victorian Government for their support.

Works will begin in the second half of 2024, with completion due in late 2028.



## Advanced liver disease symposium

In February, the Liver Transplant Unit held its inaugural Advanced Liver Disease Symposium, which aimed to enhance the skills of physicians and health professionals outside of Austin Health, focusing on our rural and remote colleagues. The symposium was a collaborative educational initiative with ACTER.

Austin Health receives hundreds of referrals each year for new patients requiring support to manage liver disease, with increasingly complex cases. This puts more pressure on our rural partners to treat these patients closer to home. The symposium was an opportunity to upskill colleague collaborators, so that the shared care model continues to thrive.

The event drew more than 200 registrations across disciplines from metro and rural Victoria, as well as Tasmania, Queensland and Western Australia.

## Art therapy

This year our inpatient Art Therapy program, which forms a part of the Leisure and Creative Therapies Service, delivered 285 sessions to 48 participants.

Art therapy is designed to provide an alternative means of expression and improve the health and wellbeing of the participants by engaging them in art activities, using a variety of art materials including clay, paints, mosaics, and materials from nature.

We also introduced a new community art therapy program, Ability@Austin, for our patients with physical and mental health challenges. The new program runs weekly and is open to members of the community.

Additionally, the Art Therapy program has lent its support to our outpatient Aphasia program, aiding individuals with communication challenges in expressing themselves, as well as to the Psychological Trauma Recovery Service's (PTRS) outpatient PTSD program, by helping participants articulate and work through emotions.





**“Taking so much more medication than usual was not a great experience for me but I found a way to make it all a little more bearable by collecting my used medicine cups to create something with them. At the start I didn’t know exactly what I’d do with the cups, but I knew that I wanted to make something meaningful and creative.**

During the weeks I was collecting the cups, a nurse showed me that the cups actually open up like a flower which inspired me further. I eventually used the cups in two ways – opened up and also 3D in their usual shape. I used plenty of colours to symbolise the different emotions I went through during my stay in hospital.

The heart symbolised the love and care I received from the staff at Royal Talbot and how they healed not just my physical being, but they also ensured they looked after my mental wellbeing. I am truly grateful to be able to create art that was a reflection of my time at the hospital.”

**Spinal patient who participated in the Art Therapy Program.**





## Sustainability at Austin Health

Sustainability is one of the core pillars of Austin Health's 2023-27 Strategic Plan and is a key priority for the organisation

This year we undertook several initiatives to progress work on our commitment to net zero emission by 2040 and to embed environmental sustainability in healthcare.

### Solar panels

This year we installed 371 solar panels at the Heidelberg Repatriation Hospital, supported by funding from the Victorian Health Building Authority (VHBA). This initiative will make a substantial impact on our carbon emissions, with an expected annual reduction of 276 tonnes of CO<sub>2</sub> – equivalent to the annual carbon footprint of 17 Australian households!

### Carbon footprint

Austin Health, in collaboration with Ventia, have conducted a review of its carbon emissions, developing a baseline of emissions against scopes 1, 2 and 3:

- **Scope 1 (direct or point-source):**  
includes all emissions from a source that is owned or controlled by the organisation. For example: fuel use, energy use, manufacturing process activity, mining activity, on site waste disposal, etc.
- **Scope 2 (indirect):**  
includes emissions from electricity (or steam or heating/cooling) that an organisation consumes but is generated elsewhere. Scope 2 emissions are physically produced by the burning of fuels (coal, natural gas, etc.) at the power station or facility.
- **Scope 3 (indirect):**  
includes emissions that are a consequence of the activities of the business, but occur from sources not owned or controlled by the business. Scope 3 is an optional reporting category. For example, the extraction and production of purchased materials, transportation of purchased fuels, and the use of solid products and services.



Recently installed solar panels.



## Sustainable kitchens

Our Central Production Unit (CPU) has always prioritised sustainability. To deepen this commitment, CPU installed 10 wicking garden beds and began growing fresh herbs onsite at the Repat, in 'our front yard'. These cubes were selected for their sustainable features, aimed at minimising our carbon footprint. This sustainable model can be scaled up or down to meet the needs of our seasonal menu changes.

## Reducing plastic

We continued our EPIC (Engaging in Plastic-free Innovation for Change) journey in collaboration with Plastic Oceans Australasia and the Climate and Health Alliance after completion of the project in 2023. During this project we reduced single-use plastic waste generation by 46 per cent across multiple departments in the organisation.

## Recycling initiatives

- Our overall volume of waste diverted through recycling streams has increased over this FY by 53 per cent.
- We saw a 42.19 per cent increase in soft plastics recycling, compared to the last financial year.
- Battery recycling has increased 115 per cent over the last FY.
- We trialled a revolutionary new medical device reprocessing program where single-use medical items can be sent for reprocessing, giving them a new lease on life and preventing equipment going to landfill. Through the initial trial we diverted 1,252 Sequential Compression Devices from landfill just in our ICU, with plans in place to expand into further areas.
- We continued working with charity organisations, including the Australian Peace Organisation and Rotary in Kind, to provide a range of decommissioned medical items still fit for purpose to developing or countries in need including Pakistan, Palestine and Ukraine.
- We expanded access to single-stream recycling projects, such as soft plastics and paper and cardboard recycling, in both clinical and non-clinical spaces.



Our new food baskets thriving.



**46%**  
reduction  
in single-use plastic  
waste generation  
this year



## Environment, Social and Governance (ESG) Strategy

Our commitment to sustainability in healthcare is outlined in the Strategic Plan 2023-27, with the goal of achieving a net zero emission target by 2040.

To deliver on this commitment, the development of our inaugural Environment, Social and Governance (ESG) Strategy is underway. The new ESG Strategy will outline our road map for achieving our goal to be net zero by 2040 and outline the key actions required to get us there. The ESG Strategy will also provide us an opportunity to review and address strategic challenges and opportunities relating to social responsibility and governance at Austin Health.

The ESG Strategy will be launched in 2025 and is being developed in consultation with clinical and non-clinical staff and will address the infrastructure, systems, culture and behavioural changes that will be fundamental to achieving our goal.



**Since QUEST has launched, achievements include:**

- decreased daily bed variance from negative 25 to zero
- ambulance handover time decreased from 72 to 58 minutes
- decreased acute (5.4 to 4.8 days) and subacute (33 to 27 days) inpatient average length of stay
- delivered three QUEST all-staff forums.

With a commitment to continuous improvement, QUEST was refocused in March 2024. Senior clinical leaders were engaged to review QUEST progress, celebrate successes, and identify areas of focus for us to continue to improve. A new governance structure, workplan, measures of success and incremental targets have been agreed that will focus on improving our National Emergency Access Target (NEAT).



Previous feedback from our Muslim patients highlighted the importance of hospital staff being aware of Ramadan's significance. This initiative helped our Muslim patients feel like they could still observe this important time of year during their hospital stay.

**“Showing respect and support to our rapidly growing Australian Muslim community during the holy month of Ramadan translates the great values of Austin Health.”**

**“Such a wonderful and thoughtful patient-centred initiative!”**

**Public feedback.**

## Mental health

The Mental Health Division continues to expand community mental health teams across both Infant Child & Youth Mental Health Services (ICYMHS) and Adult & Older Adult Mental Health Services.

This past year has seen the opening of the Statewide Child & Family Healing Centre, the first of its kind in Victoria: Booboop Narrkwarren Nagarra-jarranoun. The Centre supports children up to the age of 11 and their families with an early intervention focus to help prevent mental health challenges from escalating and becoming more complex. Up to three families can stay in the facility in a home-like environment, where they are supported 24/7.

The division also opened a new community site on Burgundy Street which is now home to mental health clinicians servicing all age ranges in the community. This expansion has enabled the division to increase the workforce and improve access to mental health services, along with increasing the graduate allied health mental health program, our pipeline to increasing staffing numbers in the future.

An exciting new project is underway as we build a new Youth Prevention & Recovery Centre (YPARC), one of five new centres being built across Victoria. The YPARC will provide treatment and support for 16 to 25 year olds experiencing mental health challenges and is an alternative to inpatient care. The site will have 10 bedrooms each with an ensuite bathroom, and will be delivered in partnership with Mind Australia and young mental health consumers and their families. This facility, which is expected to open in 2025, will ensure that young people in our community can access the right support when they require it.

We formed part of the Victorian Statewide Trauma Service Consortium. Our participation in the consortium was awarded the tender for developing the state-wide trauma service (now formally named Transforming Trauma Victoria), a key Royal Commission recommendation. It has continued to progress, with active co-design of the service model and finalisation of research and capability uplift strategies.

The Mental Health Division continues to work through the 65 recommendations of the Royal Commission into Victoria's Mental Health System, with a focus on improving access and care to consumers and their families by delivering on several priority areas, including embedding lived experience in the design and delivery of mental health services, establishing new age streams as ICYMHS increase their age range up to 25 years, integrating treatment for mental health and alcohol and other drugs, and delivering more clinical activity.



*Minister for Mental Health Ingrid Stitt cutting the ribbon to the centre with Consumer Consultant Shaun James.*

# Supporting and celebrating our staff

## Workforce wellbeing

### Learning, resting and playing to improve wellbeing at work

#### Wellbeing Festival

Healthcare workers are one of the most at-risk professions when it comes to maintaining and sustaining positive wellbeing at work. In November 2023, we held our very first staff Wellbeing Festival, providing staff an opportunity to connect with their colleagues in a fun environment, whilst taking some time to pause, rest and recover.

Held across our three campuses over four days, staff were able to enjoy a variety of activities that aligned with three streams: learn, rest and play.

A virtual showbag was created for staff who could not attend the festival.

We saw staff riding bikes to blending smoothies and resting, while others benefited from therapeutic relaxation, awareness training sessions and massages. There was also a chance to do some 'life admin' with our health insurance and superannuation partners present.

#### The numbers:

- 740+ attendees over four days
- 4,000+ interactions with the event (34 per cent of all employees)
- 217 entries in the prize draw, with 62 prizes awarded.

We're excited for this to become an annual wellbeing event for staff to enjoy.

#### What matters to you?

The Workforce Wellbeing team has been working with a variety of teams across Austin Health to understand 'what matters to you?'. This question, alongside some enquiry into what makes for a good day at work and what might get in the way of that, is an important tool for us to understand the interventions needed to improve and sustain safety and wellbeing at work. Over 35 sessions have been delivered, with several teams developing collaborative plans for ongoing wellbeing activities and improvements.



Staff from across Austin Health taking part in the Wellbeing Festival, whether that be engaging in seminars to riding bikes to blend smoothies.



Sanna Malaeb, Program Manager Spinal; Liz Clements, Program Manager Spinal; Steven Wells, Gardens and Grounds; Janice McKeever, Occupational Therapist; Nigel Anderson, Radiation Therapy Manager.

## Vases of Appreciation

### Bringing a touch of nature, and a lot of gratitude, to our hardworking Allied Health teams

In an inspiring gesture of gratitude to our outstanding Allied Health teams, Caitlyn Green, Associate Director of Allied Health, and Steven Wells from Garden and Grounds, collaborated to relaunch 'Vases of Appreciation' (VoA) in June 2024.

This unique initiative, which was originally established by Steven during the pandemic, involves creating and delivering beautiful vases of foliage sourced from Austin Health's very own gardens to recognise and thank nominated Allied Health teams for their dedication and hard work.

What makes this concept unique is the involvement of the nominators in the entire process. Staff members nominate a department or team using a form, and are then invited to join Caitlyn and Steven in the gardens to help harvest and arrange the foliage for the vases. The nominator then personally delivers the VoA to their chosen department or team, accompanied by Caitlyn and Steven.

### This wonderful initiative brings a number of benefits to our workplace:

#### 1. Interactive involvement:

The nominators are actively involved in the process, allowing them to experience the joy of 'giving'.

#### 2. Cross-departmental interaction:

The process fosters interaction among staff from different departments, helping to break down silos that formed during the pandemic.

#### 3. Promotion of garden spaces:

By participating in the harvesting and arranging stages, staff become more aware of the beautiful garden spaces we have. They receive a map of our outdoor areas, encouraging staff to utilise the respite spaces during breaks, which can enhance mood and productivity.

#### 4. Positive workplace vibe:

VoA brings joy, smiles, and a positive atmosphere to the workplace.

#### 5. Cost-effective:

Utilising materials from our gardens and existing vases, there is no financial burden for staff wanting to say thank you.



## Reducing occupational violence and aggression

Occupational violence and aggression (OVA) continue to pose significant challenges to the wellbeing of our healthcare workers. Demonstrating our ongoing commitment to OVA prevention, we've achieved notable progress in this space over the past year.

In line with our strategic priorities and comprehensive OVA action plan, we've continually refined our approach to focus on interventions that prevent OVA before it occurs.

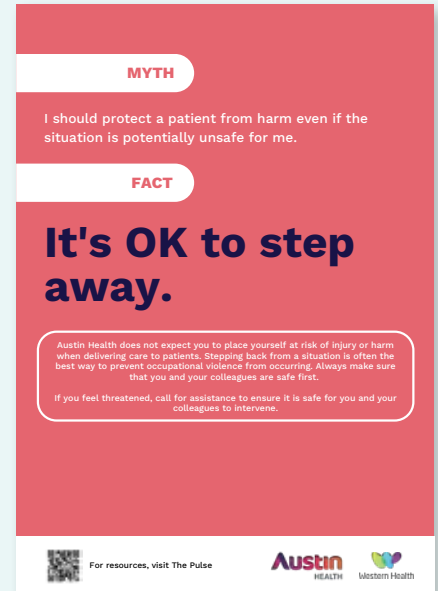
Central to our strategy have been OVA forums for all staff. Over the last 12 months, three forums have been delivered that emphasise the importance of proactive measures, such as Positive Support Plans and Safewards, in enhancing patient care and ensuring staff safety and wellbeing. By understanding patient behaviours and implementing pre-emptive care planning, we aim to minimise OVA incidents across our facilities.

Our most recent forum, led by our Executive team in June 2024, tackled prevalent OVA myths and facts. This session also launched our OVA 'Myth Busting' posters and provided insights into the legal and ethical considerations of OVA prevention and response.

In parallel, an advanced practice psychologist program, funded through a Department of Health Allied Health grant, has explored behaviour support plans in select clinical areas. The positive outcomes and feedback from this program highlight Austin Health's dedication to evidence-based interventions. Furthermore, we've completed a comprehensive review of our OVA training programs. The anticipated changes will aim to further improve staff skills in preparing for, responding to, and de-escalating OVA situations.

The successful roll-out of Safewards in our Emergency Department and Acute Medical Ward 7 West has received positive feedback from nursing staff, further validating our proactive approach to staff safety and wellbeing.

Looking ahead, we remain committed to advancing OVA prevention strategies and fostering a safe and supportive environment for both patients and staff alike.



## People Strategy

This year we unveiled our new People Strategy 2023-27, an ambitious but practical set of aims for our people to be supported, developed, included and celebrated, so they can do their best work and provide first-class care.

Building on our goal of helping people live healthy, productive and fulfilled lives, this People Strategy is a roadmap to help achieve this purpose. It recognises and values that our exceptional individuals and teams are the true heartbeat of Austin Health.

**Our People Strategy sets out four key pillars to guide our focus:**

- we foster a collaborative culture that celebrates our people
- we develop and grow our people and leaders
- we prioritise a safe and inclusive work environment
- we listen to our people to continuously improve and achieve excellence.

## Ongoing commitment to diversity and inclusion

It has been a rewarding and productive year at Austin Health. Throughout this time, diversity and inclusion remained a core focus, driven by the clear message we received from our employees: a diverse and inclusive environment is paramount.

A workplace where everyone from all backgrounds feels valued and respected is the foundation for our continued success. A diverse and inclusive environment fosters innovation, leads to a happier workforce, and ultimately results in improved patient care.

In the past year we undertook the following initiatives to demonstrate our commitment to cultivating an inclusive culture:

- Gender Impact Assessment (GIAs) implementation has commenced. We have successfully completed GIAs for a number of policies and are working towards embedding GIAs as regular practice in the organisation.
- We pledged our support for the 'Racism. It stops with me' campaign. We're proud to take a stand against racism by creating a welcoming, culturally safe working environment.
- We became a member of the Diversity Council of Australia (DCA). DCA is the independent, not-for-profit body leading diversity and inclusion in the workplace in Australia. Through our membership all our employees can attend online webinar events and access research and resources on a range of diversity topics.

## Progressing our Gender Equality Action Plan

To implement our first Gender Equality Action Plan, we worked closely with GenderWorks Australia to compare and analyse 2023 workforce and employee experience data with the information submitted in 2021. A progress report and workplace gender audit were submitted, and compliance confirmation is due to be provided from the Gender Equality Commission. A positive review outcome is expected and once received, the progress report will be published on our website.

## Celebrating diversity

Our people are our greatest strength, and we know that they can be their best selves when they feel safe and empowered. Celebrations and recognition of our people is one of our priorities. Pride Month, IDAHOBIT Day, International Day of People with Disability, Ramadan, International Women's Day, National Reconciliation Week and NAIDOC Week are just a some of the wonderful events that we celebrated this year.



Top: Our 2024 Inspirational Women Award winners as part of our International Women's Day celebrations.

Bottom: Staff came together again this year to celebrate the Midsumma Pride March.

## Staff accolades

Our staff are at the heart of what we do. They make Austin Health a great place to learn, work and grow. Let's take a moment to celebrate our staff and their achievements.

### Karlene Yang

Karlene Lang, Emergency Department Care Coordinator, was presented the Jagajaga Community Volunteer Award by Jagajaga Federal MP, Kate Thwaites, in recognition of her outstanding contributions to the community and her dedication to making a positive impact on the lives of others.

### Robyn McLeod AM

Austin Health Board Member Robyn McLeod was awarded the prestigious honour of Member of the Order of Australia (AM) in the General Division for "significant service to the community through social welfare and governance roles" as part of the 2024 King's Birthday Honours.

### Rachael Lynch OAM

Rachael Lynch received the Medal of the Order of Australia (OAM) as part of 2024 Australia Day Honours. Rachel is a registered nurse, mental health advocate, international hockey player, Commonwealth Games gold medallist and dual Olympian!

### Josh Logan

Josh Logan, Registered Nurse, was awarded the Michael Kierce Prize by the University of Melbourne for outstanding performance throughout his post-graduate certificate in critical care nursing (Emergency) course.

## Patient Safety Team

The Austin Health Patient Safety team won the RLDatix Awards Asia-Pacific 2024 in the category Safer and Operationally Sustainable Organisation for their work on the VHIMS Automation Transmission Project.

## Karen Sanders

Karen, Cardiac Nurse Practitioner, was awarded a life membership for the Australasian Cardiovascular Nursing College.

## Professor David Story

Professor David Story was appointed as the President of the Australian and New Zealand College of Anaesthetists (ANZCA). As President, David will drive strategies to improve patient outcomes and workforce wellbeing at ANZCA. David is a Staff Anaesthetist.

## Professor David Berlowitz

Professor David Berlowitz was presented with a lifetime achievement award by Motor Neurone Disease (MND) Australia at a Parliament House event sponsored by the Parliamentary Friends of MND. David was recognised for his work in the MND field and cited for, “building a team dedicated to championing research around respiratory support.”

## Austin Health Foundation Team

The Foundation team took out the Best Pivot Campaign award at the annual Fundraising Institute Australia (FIA) National Awards for Excellence in Fundraising. The team, and digital agency ntegrity, received the award for a pivot made in 2022 following the passing of Dame Olivia Newton-John in early August.

## Dr Lachie Angus

Dr Lachie Angus won the Bryan Hudson Clinical Endocrinology Award for 2023 at the Endocrine Society of Australia Annual Scientific Meeting. Lachie is an endocrinologist at Austin Health and PhD student in the Trans Health Research Group, Department of Medicine.

## Associate Professor Helen Opdam

Associate Professor Helen Opdam, Senior Intensive Care Specialist, was announced President of the International Society of Organ Donation and Procurement (ISODP) at the ISODP Congress.

## Professor James Best AO

Professor James Best AO, our Director of Research, was elected to the Australian Academy of Health and Medical Sciences. The Australian Academy of Health and Medical Sciences is the impartial, authoritative, cross-sector voice of health and medical science in Australia, dedicated to advancing health and medical research.



Clockwise from left: Rachael Lynch OAM, Professor David Berlowitz with Andrew Danson, MND Australia Board President, Austin Health Foundation team, Karlene Yang with Federal MP Kate Thwaites, VHIMS project award winners.



## Volunteers

Austin Health's Volunteer Engagement Team leads a passionate and dedicated volunteer workforce committed to making a meaningful and positive impact on patients, their families, staff, and visitors.

In 2023, extensive work was undertaken to restore all active volunteer roles that had been affected by the pandemic. As a result, we successfully expanded our reach and impact within the Austin Health community through volunteerism.

Over the year, we recruited and inducted 53 new volunteers, maintaining an engaged group of around 300 volunteers despite the ever-changing landscape of healthcare volunteerism. Collectively, these volunteers contributed 25,674 hours, assisting over 58,460 patients and visitors.

Austin Health's volunteers contribute to our community immensely.

They participate in regular shifts and have adapted to assist in one-off, short-term pilot programs, responding to emerging staff and health service needs.

Our volunteers are involved in various programs and roles across all Austin Health campuses, and through our Diamond Creek Opportunity Shop. Volunteers of the Diamond Creek Opportunity Shop raised and donated an incredible \$287,120, which will support the purchase of essential medical equipment to improve patient outcomes.

Community partnerships have also strengthened, with a welcome increase in visiting volunteers from the Lort Smith Pet Therapy program. This program expanded from supporting three visiting teams to 11, providing much-needed positive distractions to patients, staff, and visitors. Our focus on this partnership over the past year has allowed us to introduce regular pet therapy visits to the Acute Psychiatric Unit, Marion Drummond Adolescent Unit, 3 North Spinal Unit, and our Aged Care wards.

Our volunteers have also shown their commitment through community collaborations. Following a call for assistance, registered volunteers connected with craft groups, knitting groups, and retirement villages to create over 200 beanies for our First Nations patients.

These beanies, crafted in the colours of the Aboriginal flag, were donated to our Ngarra Jarra team, exemplifying the power of community collaboration through volunteerism.

Volunteers are passionate about making a difference in the lives of others, providing essential non-clinical support that complements our paid workforce. They draw on their diverse life experiences to bring valuable skills and knowledge to their roles, actively contributing to the strategic outcomes of our health service.

We look forward to supporting the future growth, diversity, skill set, and impact of our incredible volunteer workforce at Austin Health.



Pet therapy dog, Jarrah, providing cuddles and companionship to nine-month-old Lucas.

# Thank you to our community of supporters

Thank you to our many wonderful and generous supporters who have given in time, in kind gifts and donations. Together, your positive impact will continue to benefit patients and their families for years to come.

The remarkable accomplishments at Austin Health are a testament to the unwavering generosity of dedicated supporters and volunteers. Contributions enable us to conduct groundbreaking research and provide exceptional care to our patients. This year being no exception, the spirit of giving to Austin Health has remained steadfast and strong, raising more than \$8.7 million.

## Olivia's Walk for Wellness 2023

Over 4,000 people united for Olivia's Walk for Wellness in October 2023 and raised more than \$1.6 million to fund evidence-based wellness therapies at the ONJ Centre. Held in Alexandra Gardens in Melbourne and virtually around the world, this event brought together participants to honour the legacy of Dame Olivia Newton-John and bring love and light to those with cancer. The event included a memorable lineup of performers including David Campbell, Phil Burton and Tottie Goldsmith, Goodwill Ambassador for the ONJ Centre.

The wellness therapies, offered free to every patient that attends the ONJ Centre, reduce the side effects of cancer treatment and help people cope better during their cancer experience.

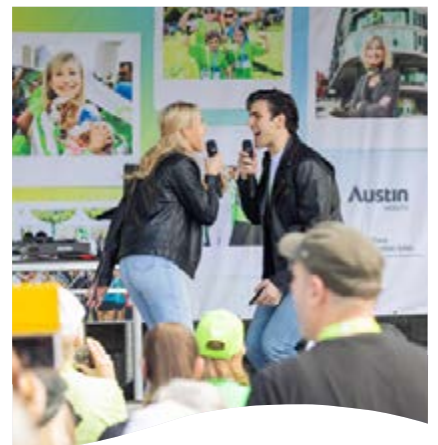
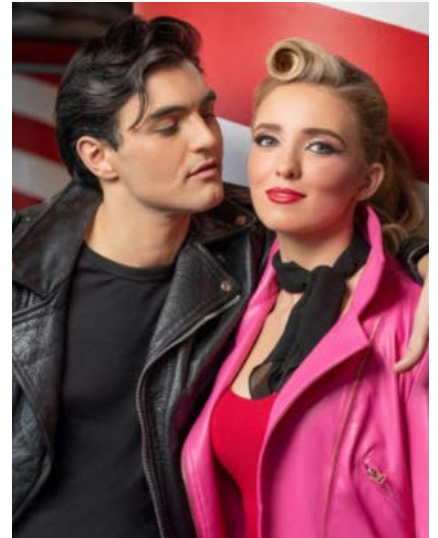
**“Without events like Olivia's Walk for Wellness and the generous support of the community and our partners, we wouldn't be able to provide the full range of wellness programs that we have. It's great to see people out here walking, having fun and lending their support.”**

**Adam Horsburgh, CEO.**



Walkers at the 2023 Walk for Wellness

Below: Annelise Hall and Joseph Spanti as Danny in Grease and at the Walk for Wellness.



## Partnership with Grease

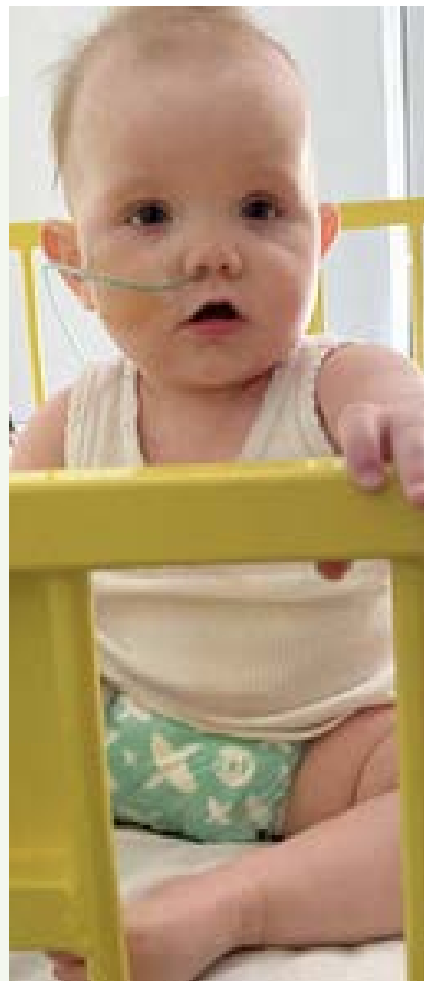
Our unique charity partnership with *Grease the Musical* helped us reach even more people and provided wonderful live entertainment at Olivia's Walk for Wellness. Annelise Hall, who plays Sandy, was the official Olivia's Walk for Wellness Ambassador 2023 and provided media opportunities and support for the Walk. Donations and ticket sales for the charity performances in Melbourne and Sydney were directed to the ONJ Centre, supporting the continued provision of wellness therapies for cancer patients.

## Community fundraising

Kym was inspired to hold a fundraising event to raise funds for the ONJ Centre on behalf of her mother Judi, who was diagnosed with bladder cancer. This fun car show, which she called 'Ball Gowns, Crowns and Classic Cars', was held in Seymour in 2023, featuring vintage cars and attendees in ball gowns and crowns.

**Kym says, "I wanted to give (my mum) something to look forward to while undergoing chemotherapy. Seeing Mum and I have classic cars and love dressing up I came up with the fun event of 'Ball Gowns, Crowns and Classic Cars'."**

This special day raised over \$4,000 for the ONJ Centre.



## Providing children with a calming environment during crisis

Our Christmas appeal raised \$190,000 for the Paediatric Emergency Department to create a dedicated space tailored to providing calm during a crisis for our youngest patients and their families.



Thanks to our incredible donors, our Paediatric Emergency Department has been transformed by colourful imagery, dimmable lights, digital toys, quiet spaces and new medical equipment.

**"We want to bring what we've got into the 21st century. Providing a welcoming, calm, non-threatening environment diminishes anxiety and enables good medicine."**

**Associate Professor Michael Ben-Meir, Director Emergency Department.**

Cerebrospinal fluid pumps.

## Community comes together to fight growing increase in eating disorders

Thanks to our generous donors, our tax appeal raised over \$120,000 for our Eating Disorders Unit. This will allow us to update the unit's sleeping rooms, make a light and open common room, create a private dining space, and offer more group therapies, such as art and music therapy.

The campaign featured Mikayla, who received treatment for her eating disorder at the Austin. Mikayla now works as a Lived Experience Worker in the unit, offering real hope to our patients that with the right environment, support and services, recovery is possible.

**“Being here can be scary at first, but they’re in the best, safest place with the most wonderful staff. I wish I had the same sort of wrap-around services to help me back then; I would have gotten better so much faster.”**

**Mikayla, Lived Experience Worker**



## One grant makes a hospital-wide impact

Thanks to a generous grant from the H.T. Pamphilon Fund, the Austin Health Anaesthesia Unit was able to purchase two new cerebrospinal fluid (CSF) pumps – a first in Australia.

These pumps simultaneously monitor pressure and drain the fluid that flows in and around the brain and spinal cord, reducing the workload in the perioperative period.

This grant addressed a need for specialised equipment in a niche area of clinical practice, in which Austin Health is a leader. The devices have been used in anaesthesia, cardiac surgery, neurosurgery and the Intensive Care Unit.

**“Now staff don’t have to commit as much time to draining and checking CSF pressure and can instead focus attention on other priorities in patient care and management.”**

**Dr. Shervin Tosif, Staff Cardiac Anaesthetist.**

## Thank you, Diamond Creek Op Shop volunteers

A cornerstone of the Diamond Creek Auxiliary of Friends of Austin Health recently celebrated its extraordinary and dedicated volunteers. In particular, Yvonne Dunt and Claire Weaver were congratulated for 50 years each of volunteering service.

The Diamond Creek Auxiliary of the Friends of Austin Health celebrated 50 years of giving to Austin Health. The volunteers and the community have raised over \$4 million since 1974 - from an initial sum of \$86 to \$247,356 this year.

The funds raised have been instrumental in supporting Austin Health to purchase essential medical equipment, including three kidney perfusion devices, a surgical microscope, and three anaesthesia machines.

“We are exceptionally grateful to our extraordinary volunteers and their ongoing commitment and generosity. Volunteers are the backbone of this fantastic initiative, and a shining example of the power of community.”

**Adam Horsburgh, CEO.**



*Celebration of 50 years of fundraising by the Diamond Creek Op Shop.*

# Thank you to our generous major donors and supporters



## Major Donors and Corporate Supporters

David Babazadeh  
Beverley Briese OAM  
Boston Scientific Pty Ltd  
Corps of Commissionaires  
Fletcher Family  
Jemena  
James McNerney  
Olympus Australia Pty Ltd  
Ouliaris-Tan Family  
ResolvingIMAGES  
Perry Sambor  
Victorian Medical Insurance Agency Ltd  
War Widows Guild of Australia (Victoria)

## Major Sponsors

Belgravia Leisure  
Beraldo Coffee  
Blue Sky Services  
Brooks  
Courtney Brands  
Easi  
Employers Mutual Limited (EML)  
Ethicon - Johnson & Johnson Medical Pty Ltd  
iNova  
Medtronic Australasia Pty Ltd  
Novo Nordisk Pharmaceuticals Pty Ltd  
O'Brien Accountants & Advisors  
Ramsay Health  
Ventia Pty Ltd

## Trust and Foundation and Grants

A F Hare Family Trust  
Avant Foundation  
Davies Family Foundation  
The Evelyn Margaret Waterworth Endowment  
The Honda Foundation  
H.T. Pamphilon Fund  
The Isabel and John Gilbertson Charitable Trust  
John Cummins Memorial Fund, a subfund of Australian Communities Foundation  
Patricia McIntyre Foundation  
The Piers K Fowler Scholarship Fund  
Robert C Bulley Charitable Fund  
Toyota Employee Community Grants Program  
One anonymous

## Future Gift Pledges

We gratefully acknowledge the vision and generosity of donors who have confirmed a future gift through their Will.

Your lasting commitment inspires us all and helps create a brighter future for generations to come through Austin Health's hospital and research communities. Thank you.



## Community Supporters

Liz Abrahams  
Lisa Asta  
Tim Car  
Gregg Cave  
Giovanna Cecconi  
Marg Clemence  
The Cliff Richard Fan Club  
Andrea Cormack  
Leeza Crowe  
Alyce Cursio  
Thoai Lan Diep  
Dieu-Vinh Van  
Norm Draper  
Susan Falk  
Friends of Austin Health  
Rick Horvat  
Denise Illing  
Geoff Illing  
Christopher Lakkis  
Lorentz Lam  
Debra Larbey  
Van Le  
Alona Leibowitz  
Rebeckah Loveday  
Damian Morgan  
Yvette Nipar  
John Payne  
Heloise Pratt AM  
Carli Roulston  
Kym Sanderson  
Selvi Sekhar  
Marnie Sier  
Sir Henry Barkly Hotel  
Sophie's Sunflowers  
Melinda Steele  
Team Jas  
Lisa Townsend  
Mindy Verson  
Christie Whelan  
Rema Winikur  
Zaket and Plover

## Gifts in Wills

We gratefully acknowledge those who have passed away and whose gift in will has been received in 2023-24

Michael Ron Bolton  
Marie Clare Chapman  
Dudley D'Cruze  
David Moyshe D'Israel  
Hugh Rayson Davies  
Kathleen Fairweather  
Ursula Fuchs  
Philip Gillis  
Len John Grasso  
Richard Ibbotson  
Celia Jones  
Edna Kerr  
Frances Colleen Liddell  
Thomas Payne  
Rosanna Schiavone  
Mary Elizabeth Schofield  
Adisorn Scott  
Kenneth Sheridan  
Jennifer Shields

## Estates in Perpetuity

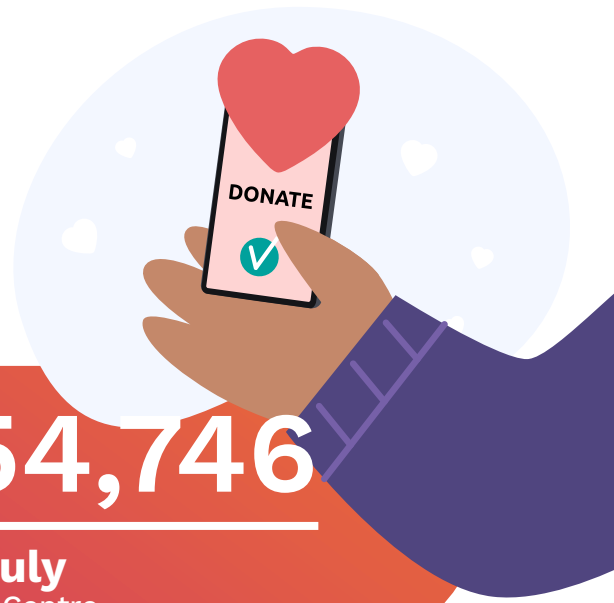
Perpetual funds are established by donors through their estates, with interest earned providing regular, long-term support to their beneficiaries.

AC MacBean Estate  
Alice Letitia D'Esterre Taylor Estate  
Annie Roberts Trust  
Arthur Lyndhurst Blannin Estate  
Arthur William Godfree Charitable Trust  
The AV Tadgell Memorial Fund  
CD Lloyd Trust Charles Wright Charitable Trust  
The Doris and Rupert Joseph Charitable Trust  
DTM and Ethel Davies Memorial Fund  
Edward Vernon Jones Charitable Trust  
Eliza Wallis Charitable Trust  
Ernest John Kebby Estate  
The Ernest & Letitia Wears Memorial Trust Fund  
Ethel Mary Davenport Charitable Trust  
Flora Louisa Thompson Charitable Trust  
Florence Ernestine Isabel Smith Estate  
The Grant Bequest  
Harold and Cora Brennan Austin Hospital Patient Treatment Equipment Fund  
The Helen Fookes Trust  
Helen Gyles Turner Samaritan Fund  
Henry Herbert Yoffa Estate  
Henty Louisa Estate  
Howard & Georgina Berry Benevolent Fund  
The Hyman Morris Trust  
John Frederick Wright Estate  
The John Henry Charitable Trust  
John Henry James Symon Charitable Trust  
John Lambrick Trust  
John Robertson Grigor and Eva MacKenzie Bequest  
Joseph Kronheimer Charitable Fund  
Louis Berner Charitable Trust  
Margaret Lillian Merrifield Memorial Fund  
The Martha Miranda Livingstone Fund  
Mary Ann Edwards Estate  
Mary Symon Charitable Trust  
Mr and Mrs Simon Rothberg Charitable Trust  
STAF Isabella Agnes Pritchard  
STAF William Arthur Shipperlee  
The Tivey Memorial Fund  
WE and ME Flanagan Charitable Trust  
William and Aileen Walsh Trust  
William and Mary Levers & Sons Maintenance Fund  
William Andrew Bon Charitable Trust  
William Frederick Fletcher Charitable Trust  
William Hall Russell Trust Fund  
William Macrow Estate  
William Samuel Godfree Charitable Trust



Reflecting on a remarkable year

**\$8.7m**



**\$190,000**

**Christmas Appeal**  
for our Paediatric ED

**\$54,746**

**Dry July**  
for ONJ Centre

**\$396,500**

**Friends of Austin Health**  
Diamond Creek Opportunity Shop

**\$120,000**

**Tax Appeal**  
for our Eating Disorder Unit

**\$430,000**

**Trusts and Foundations**

**\$48,365**

**Grease Partnership  
Charity Partner**

**\$3.6m**

**Gifts in Wills**

**\$1.6m**

**Olivia's Walk for Wellness**

**58,460**

**Patients and visitors were assisted by volunteers**



# Austin Health Board Directors



**Ross Cooke OAM**  
(BCom, CA)

**Board Chair**  
February 2021 – present

Ross Cooke has over 35 years of experience in strategic, financial, commercial and management roles in business consulting, with specific focus in the health industry. He has a Bachelor of Commerce and is a Chartered Accountant. He also has experience serving on various boards (both not-for-profit and for-profit), including as a board member of the Burnet Medical Research Institute for 20 years and a past board president of Wintringham (a not-for-profit provider of aged and homelessness services).

Ross has previously held positions working in senior executive positions with public hospitals in Victoria and interstate, as well as working with governments on strategic issues in public health. Ross has also worked in the private health insurance and private hospital sectors.

Ross received an Order of Australia Medal in the 2019 Australia Day Awards for his services to the community.



**Chris Altis**  
(BCom, MA (Pub. Pol.), GAICD)

**Director**  
July 2015 – June 2024

Chris Altis holds a Bachelor of Commerce and Master of Arts (Public Policy) from the University of Melbourne and is a Graduate of the Australian Institute of Company Directors.

Chris has 30 years' experience in the health sector, working in a policy and advisory capacity at a Victorian and national level.

As chair of the North Richmond Community Health Service, he oversaw the establishment of Melbourne's first medically supervised injecting facility. He was also the founding executive manager of *The New Daily* national online news service. He currently holds other non-executive director roles including at Eastern Melbourne Primary Health Network.

Chris consults in health policy and management.

Chris was chair of the Austin Health People and Culture Committee and a member of the Community Advisory Committee until his term on the Board ended on 30 June 2024.



**Julie Bignell**  
(BA (MAS), Grad Dip IR/HRM, FGIA)

**Director**  
July 2015 – March 2024

Julie Bignell has a long history of leadership and governance in the public and not-for-profit sectors. In addition to Austin Health, Julie is a board member of Women's Health Victoria, the Australian Institute of Health and Welfare, and the Australasian Centre for Corporate Responsibility.

Julie's previous board experience includes directorships with CareSuper, the Australian Council of Superannuation Investors, North Queensland Bulk Ports Corporation, Workplace Health and Safety Queensland and the Queensland Council of Unions. She was Branch Secretary of the Central and Southern Queensland Branch of the Australian Services Union (ASU) for 15 years and was a member of the National Executive and National Vice President of the ASU.

Julie holds a Bachelor of Arts (Economics and Japanese) and a Graduate Diploma in IR/HRM, and is a Fellow of both the Australian Institute of Superannuation Trustees and the Governance Institute of Australia.

Julie was chair of the Austin Health Community Advisory Committee and a member of the Clinical Safety and Quality Committee and the People and Culture Committee until her term ended in March 2024.



**Christine Bessell**  
(MBBS, MPH, FRANZCOG,  
FRACMA)

**Director**  
July 2016 – present

Dr Christine Bessell is an experienced obstetrician and medical executive who brings a passion for, and experience in, the provision of effective, safe and patient-centred public hospital care. She has previously practised obstetrics in the private and public sectors in metropolitan Melbourne and has held medical executive roles at Southern Health (now Monash Health), Eastern Health and at the Royal Victorian Eye and Ear Hospital. She was Chief Medical Officer at the Royal Women’s Hospital from 2004 until 2014.

Christine has provided consultancy advice in maternity services, clinical governance and patient safety to the Chief Executive of Djerriwarrh Health Service (Bacchus Marsh) and to other regional and rural health services across Victoria. She was a member of the Victorian Medical Board of Australia from 2013 to 2020.

Christine is a member of the Clinical Safety and Quality Committee and Community Advisory Committee, and was chair of the Clinical Safety and Quality Committee until June 2024.



**Joel Chibert**  
(BCom, CA, FAICD)

**Director**  
July 2020 – present

Joel Chibert is an experienced financial and corporate services executive with extensive experience across a range of sectors including education, health, scientific research and development, and professional services.

Joel is currently the Chief Financial Officer at Scope Australia. Previously, Joel was the Chief Operating Officer and Chief Financial Officer at the Melbourne Business School, Chief Financial Officer at the Walter and Eliza Hall Institute, and held a range of senior finance roles with Monash University. In addition, Joel has previously held a range of non-executive and board positions, including at Common Equity Housing Limited, Monash Surgical Private Hospital, Bendigo Primary Care Centre and Monash Health Research Precinct.

Joel is passionate about transformational change, best practice service delivery, sound financial management and ensuring the Austin Health community continues to receive outstanding medical care and service.



**Bruce Cohen**  
(BCom, LLB (Hons), MCom, PhD  
(Pub. Pol.))

**Director**  
July 2020 – present

Dr Bruce Cohen holds commerce and law degrees from the University of Melbourne, and a doctorate in public policy from the Australian National University. He is a former barrister and has also undertaken a number of policy and senior advisory roles in both the public and private sectors. He is currently the principal at BKE Consulting.

Bruce has substantial governance experience, having served on numerous public sector boards. He has been chair of VicTrack and the Victorian Commission for Gambling and Liquor Regulation, as well as a director of Snowy Hydro Limited, Melbourne Water and VENCORP, and a commissioner with the Victorian Competition and Efficiency Commission. He is currently a director at Greater Western Water.

Bruce is chair of the Austin Health Audit and Risk Committee, and a member of the Finance and Resources Committee and Clinical Safety and Quality Committee.



**Lee Hamley**  
(MBBS, FRACMA, MBA, GAICD)

**Director**  
July 2023 – present

Dr Lee Hamley was appointed to the Austin Health Board in July 2023.

Lee’s undergraduate medical degree is from the University of Melbourne. She has a Fellowship of the Royal Australasian College of Medical Administrators as well as Master of Business Administration from Monash University.

Lee has worked in public hospital management in Victoria for over 20 years, with extensive experience in both medical administration and general management.

Lee has held her current role, Executive Director Medical Services/ Chief Medical Officer Alfred Health, for more than 15 years. This portfolio includes professional responsibility for Alfred Health’s medical staff as well as operational responsibility for pathology, pharmacy, medical workforce & education, clinical governance and legal support services. She has a keen interest in patient safety and quality and the interface between medicine and the law.

Lee’s previous senior appointments include at Eastern Health as Chief Medical Officer & General Manager Acute Services and before that in similar roles at Northern Health. She is also currently on the Council/Board of the Victorian Institute of Forensic Medicine.

Lee is a member of the Austin Health Clinical Safety & Quality Committee, Primary Care and Population Health Advisory Committee and People & Culture Committee.



**Fi Slaven**  
(BAppSc Nursing, Critical Care Certificate, GradDip Critical Care, GradDip Health Admin, MBA, GAICD)

**Director**  
July 2018 – present

Fi Slaven is a partner at the accounting and professional services firm William Buck Victoria and chair of their Risk Committee. She also is a non-executive director of Crime Stoppers Victoria and chair of the Spinal Research Institute.

Fi is a passionate advocate for diversity, equality and inclusion and has been particularly focused and influential in promoting women’s participation in STEM careers. As such, Fi was recognised for her contributions to the industry by her peers and was named 2014 National and Victorian ICT Woman of the Year.

After advancing IT leadership roles within healthcare, Fi was appointed as the first Australian Chief Information Officer for a national accounting firm and subsequently became the first female and Australian IT Asia Pacific regional co-ordinator and representative on the IT Advisory Committee.

Commencing her career at the Austin Hospital as a graduate nurse and then specialising in critical care, Fi progressed into senior nursing roles which led to a move into the technology industry and managing IT services within private healthcare groups.

Fi is a member of the Austin Health Finance and Resources Committee and People and Culture Committee and was a member of the Primary Care and Population Health Advisory Committee up until March 2024.



**Robyn McLeod AM**  
(BA, BEd, FAICD)

**Director**  
July 2022 – present

Robyn McLeod has held the positions of Independent Commissioner for Water Security in South Australia, National Director of Water at KPMG, and Executive Director of Major Projects – Water with the Department of Sustainability and Environment, Victoria.

Robyn is currently a non-executive director on the Board of CleanTeQ Water Limited (ASX:CNQ) and Yarra Valley Water.

Previously, Robyn was a director of the boards of Melbourne Water, VicWater and Monash Health (where she served on the Finance Committee, Risk and Audit Committee, and the Consumer Advocacy Committee).

Robyn is a Graduate of the Australian Institute of Company Directors and completed the Senior Executive Fellows Program at The Kennedy School of Government, Harvard University. Previous board positions include as an inaugural director of The Australian Centre for Social Innovation.

In June 2024, Robyn was awarded the honour of Member of the Order of Australia (AM) in the General Division for significant service to the community through social welfare and governance roles.

Robyn is a member of the Austin Health Audit and Risk Committee and chair of the Community Advisory Committee.



## Austin Health Board

### Audit & Risk Committee Membership FY24

**Bruce Cohen** Member

June 2021 to February 2022

**Chair**

March 2022 to June 2024

**Ross Cooke** Member

June 2021 to June 2024

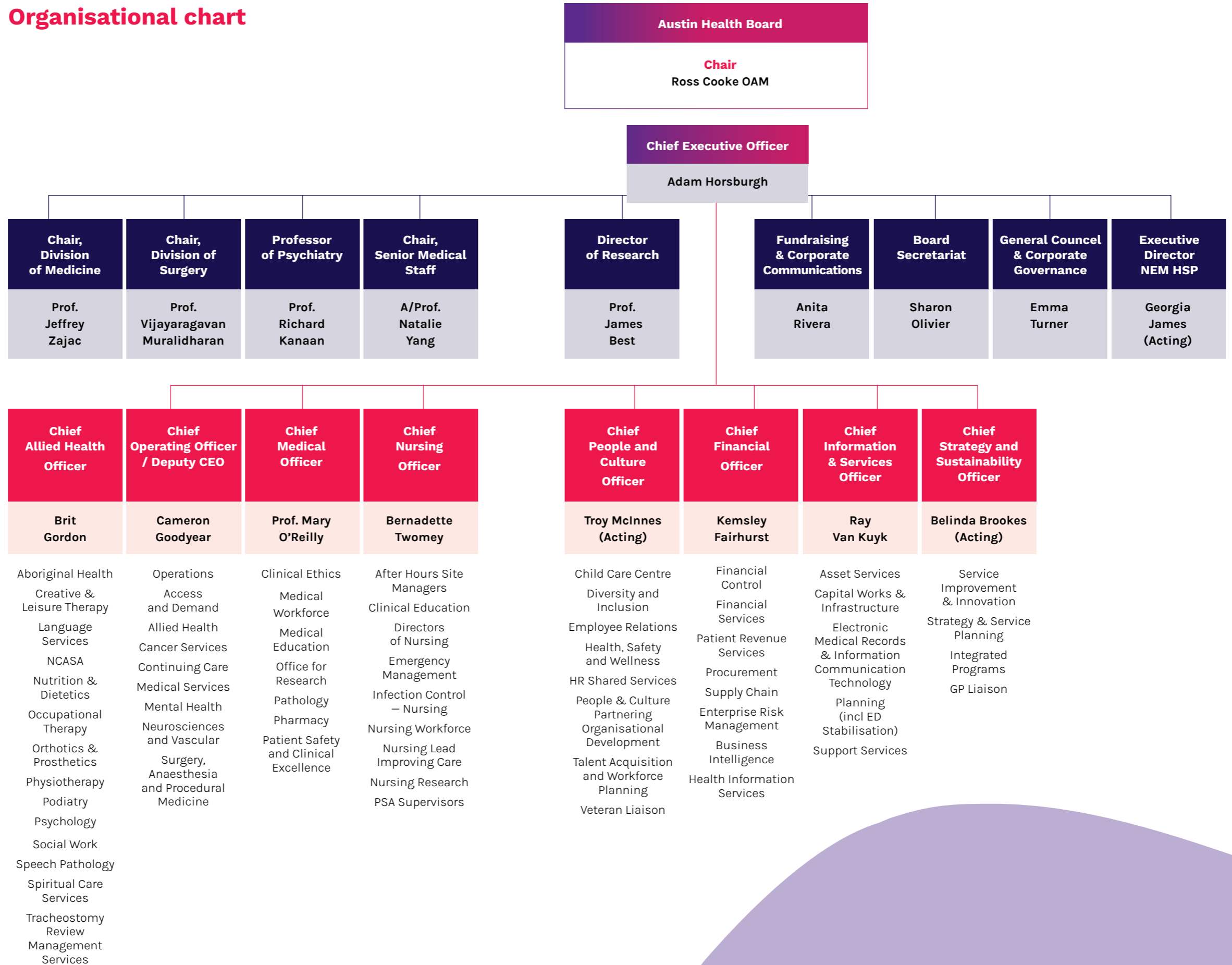
**Joel Chibert** Member

June 2021 to June 2024

**Robyn McLeod** Member

Late July 2022 to June 2024

## Organisational chart

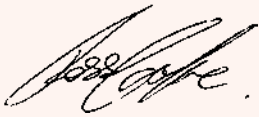


# Corporate information

## Attestations

### Financial Management Compliance

I, Ross Cooke, on behalf of the Board, certify that Austin Health has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



**Ross Cooke**, Board Chair,  
5 September 2024

### Responsible Bodies Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the report of operations for Austin Health for the year ending 30 June 2024.



**Ross Cooke**, Board Chair,  
5 September 2024

### Data Integrity Declaration

I, Cameron Goodyear, certify that Austin Health has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. Austin Health has critically reviewed these controls and processes during the year.



**Cameron Goodyear**, Chief Executive Officer (Interim),  
5 September 2024

### Integrity, Fraud and Corruption Declaration

I, Cameron Goodyear, certify that Austin Health has put in place appropriate internal controls and processes to ensure that Integrity, fraud and corruption risks have been reviewed and addressed at Austin Health during the year.



**Cameron Goodyear**, Chief Executive Officer (Interim),  
5 September 2024

### Health Share Victoria (HSV) Purchasing Policies Compliance

I, Cameron Goodyear, certify that Austin Health has put in place appropriate internal controls and processes to ensure that it has materially complied with all requirements set out in the HSV Purchasing Policies including mandatory HSV collective agreements as required by the *Health Services Act 1988 (Vic)* and has critically reviewed these controls and processes during the year.



**Cameron Goodyear**, Chief Executive Officer (Interim),  
5 September 2024

### Conflict of Interest Declaration

I, Cameron Goodyear, certify that Austin Health has put in place appropriate internal controls and processes to ensure that it has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within Austin Health and members of the board, and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive board meeting.



**Cameron Goodyear**, Chief Executive Officer (Interim),  
5 September 2024

## Complying with legislation

### Public Interest Disclosures Act 2012

Austin Health is committed to the aims and objectives of the *Public Interest Disclosures Act 2012* and has procedures in place to facilitate the making of disclosures, to investigate disclosures and to protect persons making disclosures. Procedures can be obtained from the General Counsel, who is the Public Interest Disclosure Coordinator, on 03 9496 5300 or by writing to the General Counsel, Austin Health, PO Box 5555, Heidelberg, Victoria 3084.

### National Competition Policy

Austin Health is committed to ensuring that services demonstrate both quality and efficiency. Competitive neutrality, which supports the National Competition Policy, assists to ensure any net competitive advantages of a government business are offset. Austin Health understands the requirements of competitive neutrality and acts accordingly, complying with the Competitive Neutrality Policy Victoria and any subsequent reforms that relate to expenditure, infrastructure projects and partnerships between private and public sectors.

### Local Jobs First Act disclosures

The Local Jobs First Policy relates to the participation by local industry in projects, developments, procurements and other initiatives. Austin Health continues to work to ensure that the objectives of the Local Jobs First Policy are met on all projects meeting the relevant criteria and reporting outcomes as prescribed.

Project Name	Type	Local Content Committed	No. of Actual SMEs in Supply Chain <sup>1</sup>	Total Created Hours	Total Retained Hours
Provision of Biochemistry Equipment for Shepperton Laboratory	Goods	98%	0	1,500	5,000
Mental Health Services	Services	97%	0	59,800	135,200
Financial Management Information System (FMIS) Project	Services	45%	8	0	0
Pharmacy Wholesale Services	Services	41%	22	41,600	20,000
Provision of Non-admitted Care Management System Software to Austin Health	Services	83%	10	0	0
HRH- Boilers Replacement Project	Services	64%	48	2,400	2,900

<sup>1</sup> Small, medium enterprises

## Social Procurement Framework

Austin Health launched the new Social Procurement Strategy 2023-27 this financial year. Three social procurement priority objectives have been identified in the new strategy:

1. Opportunities for Victorian Aboriginal people
2. Opportunities for Victorians with disability
3. Environmentally sustainable outputs.

## Social Procurement Framework Report

SPF objective	Outcome	Metric	Unit of measure	2023-24 (Actual)
Opportunities for Victorian Aboriginal people	Purchasing from Victorian Aboriginal businesses	Total expenditure with Victorian Aboriginal businesses	11	\$38,867.30
Opportunities for Victorians with disability	Purchasing from Victorian social enterprises and Australian Disability Enterprises	Total expenditure with Victorian social enterprises (led by a mission for people with disability) and Australian Disability Enterprises	31	\$1,474,193.90
Opportunities for disadvantaged Victorians	Purchasing from Victorian social enterprises	Total expenditure with Victorian social enterprises (led by a social mission for one of the five disadvantaged cohorts)	30	\$6,291,882.39

Activities undertaken to support the Social Procurement Strategy:

- Developed a categorised list of social benefits suppliers for direct procurement and shared with relevant internal Austin Health stakeholders
- Incorporated social procurement clauses across Austin Health legal templates.

### Patient car parking

Austin Health complies with the relevant hospital circular on car parking fees and details of car parking fees and concession benefits can be viewed at: [www.austin.org.au/concession-rate-parking](http://www.austin.org.au/concession-rate-parking)

### Carers Recognition Act 2012

The Victorian Carers Recognition Act 2012 formally recognises the role of carers in our community and defines the relationships between carers and those being cared for. In meeting its obligations to the Carers Recognition Act 2012, Austin Health:

- takes all practicable measures to ensure that its employees and agents have an awareness and understanding of the care relationship principles
- takes all practicable measures to ensure that persons who are in care relationships, and who are receiving services in relation to the care relationship from the care support organisation, have an awareness and understanding of the care relationship principles
- takes all practicable measures to ensure that the care support organisation and its employees and agents reflect the care relationship principles in developing, providing or evaluating support and assistance for persons in care relationships.

### Safe Patient Care Act 2015

Austin Health has no matters to report in relation to its obligations under section 40 of the Safe Patient Care Act 2015.

### Asset Management Accountability Framework (AMAF) maturity assessment

Austin Health has implemented an Asset Management Plan (AMP) that details a single approach to AMAF compliance. It describes the strategy, objectives and key activities of improving asset management across the three major asset categories in operation at Austin Health. The AMP has been submitted to the Victorian Health Building Authority and the Department of Health.

The annual AMAF compliance assessment completed as part of Ministerial Standing Directions, confirmed that Austin Health is fully compliant in all asset categories. A further requirement of the AMAF Standing Directions is that Austin Health conduct a self-assessment of the level of asset management maturity every three years, commencing in 2020-21. The outcome of the maturity assessment for 2023-24 is fully compliant in all asset categories, and has been presented using the Department of Treasury reporting tool below.

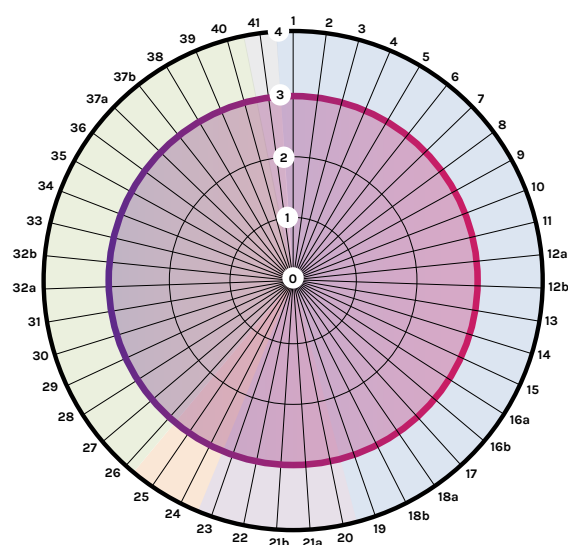
### Compliance with building and maintenance provisions of Building Act 1993

Austin Health manages all construction projects in accordance with the National Construction Code and relevant Australian Standards. All construction projects are assessed prior to commencement to determine requirements and a building permit is obtained through a Registered Building Surveyor (RBS). The RBS is responsible for the oversight of works to ensure that they are being undertaken as required and will supply the Certificate of Final Inspection to confirm such.

The five-year fire audit has now been completed across all sites. Maintenance work identified during the audit has been completed and capital works identified have been costed in preparation for a submission for funding.

### Compliance and maturity rating tool

Asset management maturity



Status	Scale
Not Acceptable	N/A
Innocence	0
Awareness	0
Developing	0
Competence	3
Optimising	0
Unassessed	U/A

○ Target  
○ Overall



## Gender Equality Act 2020

Austin Health is compliant with its obligations as a defined entity under the *Gender Equality Act 2020*. Our first Gender Equality Action Plan was launched in June 2022 and in February 2024 Austin Health submitted our first progress report to the Victorian Gender Equality Commission. This included a report on the Gender Impact Assessments undertaken, progress in relation to the measures and strategies set out in the Gender Equality Action Plan, and progress in relation to the workplace gender equality indicators.

Work has continued to implement the strategies and actions outlined in the Gender Equality Action Plan and to embed Gender Impact Assessments into business as usual.

## Freedom of Information

The *Victorian Freedom of Information (FOI) Act 1982* gives you the right to request access to medical records held by Austin Health. It is possible to obtain or view copies of medical records and other documents held by the agency.

Additional access fees apply to both personal and non-personal requests. The final access fee differs depending on the chosen method of document production (for example electronically via OneDrive, via a Disk or paper copy).

## Transparent operations

The total ICT expenditure incurred during 2023/2024 is **37.3m** with the details shown below:

### Disclosure of ICT expenditure

Business as usual expenditure	Non-business as usual (Non-BAU) expenditure		
	Total Non-BAU	Operational Expenditure	Capital Expenditure
32.0m	5.3m	2.9m	2.4m

In most instances, fees are waived if the applicant has a benefits card (such as a pension or Health Care Card).

Of the **1,743** requests received for Financial Year 23/24, **1,269** were personal requests (including applications from patients, family members, lawyers) and **474** were non-personal requests (such as application from insurance companies, Workcover, and UHG)

For further information about the process for making applications for access to Austin Health documents, visit [www.austin.org.au/foi](http://www.austin.org.au/foi)

### You can also contact the FOI Office directly:

**Phone:**

(03) 9496 3103

**Email:**

[foi@austin.org.au](mailto:foi@austin.org.au)

**Mail:**

Freedom of Information Office  
Austin Health  
145 Studley Road  
PO Box 5555, Heidelberg Victoria 3084.

All applications were processed in accordance with the provisions of the *Freedom of Information Act 1982*, which provides a legally enforceable right of access to information held by government agencies. Austin Health reports on these requests to the Office of the Victorian Information Commissioner annually.

## Freedom of Information applications 2023-24

Granted in full	1,311
Granted in part	54
Denied in full	3
<b>Other</b>	
Withdrawn	24
No documents	116
Not processed	0
In progress	235
<b>Total requests</b>	<b>1,743</b>

### Additional information available on request

Austin Health confirms that details relating to the items listed below have been retained and are available to the relevant ministers, members of parliament and the public on request (subject to freedom of information requirements, if applicable):

- declarations of pecuniary interests have been duly completed by all relevant officers
- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- details of publications produced by the entity about itself, and how these can be obtained
- details of changes in prices, fees, charges, rates and levies charged by the entity
- details of any major external reviews carried out on the entity
- details of major research and development activities undertaken by the entity
- details of overseas visits undertaken, including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services
- details of assessments and measures undertaken to improve the occupational health and safety of employees
- a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes
- a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved
- details of all consultancies and contractors including:
  - consultants/contractors engaged
  - services provided and
  - expenditure committed to for each engagement.

## Consultancies engaged during 2023-24

Number of consultancies: 9

### In excess of \$10,000 per consultancy

Consultant	Purpose of consultancy	Start Date	End Date	Total approved project fee	Expenditure 2023-24 (excl. GST)	Future expenditure (excl. GST)
Deloitte Consulting Pty Ltd	Workforce review	Apr 24	Jun 24	\$ 243,299	\$ 243,299	
Pricewaterhouse Coopers Consulting (Australia) Pty Ltd	Austin Health People Strategy 2023-27	Sep 23	Oct 23	\$60,000	\$60,000	
KPMG	NEMHSP Hospital in the Home Future Strategy	Feb 24	Apr 24	\$105,600	\$105,600	
Nous Group Pty Ltd	North East Metro Health Service Partnership Digital Roadmap	Jan 24	Jun 24	\$68,200	\$68,200	
Coloured Lines Australia	Austin Telephony Strategy	May 24	Jun 24	\$22,800	\$22,800	
First Person Consulting	Whittlesea Food Collective Evaluation	May 24	May 24	\$21,835	\$21,835	
First Person Consulting	NEPHU Population Health Catchment Plan Evaluation Strategy	May 24	May 24	\$13,200	\$13,200	
David Caple & Associates Pty Ltd	Austin Health Human Factors Assessment of Duress Systems	Jun 24	Jun 24	\$10,725	\$10,725	
Melius Consulting	Austin Health Fatigue Risk Management Diagnostic	Jan 24	Jun 24	\$10,000	\$10,000	
<b>Total</b>					<b>\$555,659</b>	<b>\$0</b>

### Less than \$10,000 per consultancy

There were four consultancies engaged in 2023/24 of less than \$10,000 per consultancy at a total cost of \$18,771.25 and no future costs.

## Workforce data

Hospital labour category	June current month FTE		Average monthly FTE	
	2024	2023	2024	2023
Nursing	2962	2845	2853	2706
Administration and clerical	1085	1090	1100	1071
Medical support	777	947	781	915
Hotel and allied services	589	615	583	627
Medical officers	176	186	170	177
Hospital medical officers	650	620	638	603
Sessional clinicians	227	229	226	215
Ancillary staff (allied health)	819	560	763	534
<b>Total</b>	<b>7,285</b>	<b>7,092</b>	<b>7,114</b>	<b>6,848</b>

## Employment and conduct principles

Austin Health is an Equal Opportunity Employer. Our employment decisions are based on merit and equity, and we are committed to providing a safe workplace that is free of harassment or discrimination. Staff are committed to our values as the principles of employment and conduct. Employees have been correctly classified in workforce data collections.

## Occupational health and safety

### Occupational health and safety statistics

Occupational health and safety statistics	2023-24	2022-23	2021-22
Reported hazards/incidents per 100 FTE <sup>1</sup>	16.07	24.55	17.07
Number of lost time standard WorkCover claims for the year per 100 FTE	1.10	0.94	0.51
The average cost per WorkCover claim for the year	\$68,560	\$74,583	\$88,699

<sup>1</sup> FTE stands for 'full time equivalent'.

### Occupational violence data

Occupational violence statistics <sup>2</sup>	2023-24
WorkCover claims with an occupational violence cause per 100 FTE	0.25
Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	13.02
Number of occupational violence incidents reported	861
Number of occupational violence incidents reported per 100 FTE	11.82
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	21%

<sup>2</sup> Definitions of occupational violence

**Occupational violence** any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of their employment.

**Incident** an event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included. Code Grey reporting is not included; however, if an incident occurs during the course of a planned or unplanned Code Grey, the incident must be included.

**Accepted** WorkCover claims accepted Workcover claims that were lodged in 2023-24.

**Lost time** is defined as greater than one day.

**Injury, illness or condition** this includes all reported harm as a result of the incident, regardless of whether the employee required time off work or submitted a claim.

## Our environmental performance

Electricity use	2023-24	2022-23	2021-22
<b>EL1 Total electricity consumption segmented by source [MWh]</b>			
Purchased	47,065.03	45,028.78	47,141.54
Self-generated			
<b>EL1 Total electricity consumption [MWh]</b>	<b>47,065.03</b>	<b>45,028.78</b>	<b>47,141.54</b>
<b>EL3 On-site installed generation capacity [kW converted to MW] segmented by:</b>			
Diesel Generator	15.92	15.92	15.92
<b>EL3 Total On-site installed generation capacity [MW]</b>	<b>15.92</b>	<b>15.92</b>	<b>15.92</b>
<b>EL4 Total electricity offsets segmented by offset type [MWh]</b>			
RPP (Renewable Power Percentage in the grid)	8,848.23	8,465.41	8,763.61
<b>EL4 Total electricity offsets [MWh]</b>	<b>8,848.23</b>	<b>8,465.41</b>	<b>8,763.61</b>

Stationary energy	2023-24	2022-23	2021-22
<b>F1 Total fuels used in buildings and machinery segmented by fuel type [MJ]</b>			
Natural gas	211,435,518.41	252,207,883.75	219,235,015.58
<b>F1 Total fuels used in buildings [MJ]</b>	<b>211,435,518.41</b>	<b>252,207,883.75</b>	<b>219,235,015.58</b>
<b>F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type [Tonnes CO2-e]</b>			
Natural gas	10,895.27	12,996.27	11,297.18
<b>F2 Greenhouse gas emissions from stationary fuel consumption [Tonnes CO2-e]</b>	<b>10,895.27</b>	<b>12,996.27</b>	<b>11,297.18</b>

<b>Transportation energy</b>	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>
<b>T1 Total energy used in transportation (vehicle fleet) within the Entity, segmented by fuel type [MJ]</b>			
Non-executive fleet – gasoline	4,747,972.40	4,450,705.90	1,417,309.10
<b>Petrol</b>	<b>4,747,972.40</b>	<b>4,450,705.90</b>	<b>1,417,309.10</b>
Non-executive fleet – E10			1,053.00
<b>Petrol (E10)</b>			<b>1,053.00</b>
Non-executive fleet – diesel	1,857,543.80	1,639,349.80	9,263.60
<b>Diesel</b>	<b>1,857,543.80</b>	<b>1,639,349.80</b>	<b>9,263.60</b>
<b>Total energy used in transportation (vehicle fleet) [MJ]</b>	<b>6,605,516.20</b>	<b>6,090,055.70</b>	<b>1,427,625.70</b>
<b>T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type [tonnes CO2-e]</b>			
Non-executive fleet – gasoline	321.06	300.96	95.84
<b>Petrol</b>	<b>321.06</b>	<b>300.96</b>	<b>95.84</b>
Non-executive fleet – E10			0.06
<b>Petrol (E10)</b>			<b>0.06</b>
Non-executive fleet – diesel	130.79	115.43	0.65
<b>Diesel</b>	<b>130.79</b>	<b>115.43</b>	<b>0.65</b>
<b>Total Greenhouse gas emissions from transportation (vehicle fleet) [tonnes CO2-e]</b>	<b>451.85</b>	<b>416.38</b>	<b>96.55</b>

<b>Total energy use</b>	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>
<b>E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]</b>			
Total energy usage from stationary fuels (F1) [MJ]	181,236,882.19	213,242,086.69	191,102,757.24
Total energy usage from transport (T1) [MJ]	6,605,516.20	6,090,055.70	1,427,625.70
<b>Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]</b>	<b>187,842,398.39</b>	<b>219,332,142.39</b>	<b>192,530,382.94</b>
<b>E2 Total energy usage from electricity [MJ]</b>			
Total energy usage from electricity [MJ]	141,378,878.65	136,908,383.99	141,658,218.74
<b>E3 Total energy usage segmented by renewable and non-renewable sources [MJ]</b>			
Renewable	26,579,229.18	25,738,776.15	26,334,368.12
Non-renewable (E1 + E2 - E3 Renewable)	302,642,047.85	330,501,750.22	307,854,233.56
<b>E4 Units of Stationary Energy used normalised: (F1+E2)/normaliser</b>			
Energy per unit of Aged Care OBD [MJ/Aged Care OBD]	173,449.33	120,950.08	77,729.73
Energy per unit of LOS [MJ/LOS]	928.07	929.53	992.76
Energy per unit of bed-day (LOS+Aged Care OBD) [MJ/OBD]	923.13	922.44	980.24
Energy per unit of Separations [MJ/Separations]	2,733.55	2,906.54	3,121.41
Energy per unit of floor space [MJ/m2]	1,047.00	1,136.36	1,079.92

<b>Water use</b>	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>
<b>W1 Total units of metered water consumed by water source (kl)</b>			
Potable water [kl]	257,802.49	259,270.69	239,832.30
<b>Total units of water consumed [kl]</b>	<b>257,802.49</b>	<b>259,270.69</b>	<b>239,832.30</b>
<b>W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity</b>			
Water per unit of aged care OBD [kL/aged care OBD]	138.60	89.56	56.02
Water per unit of LOS [kL/LOS]	0.74	0.69	0.72
Water per unit of bed-day (LOS+aged care OBD) [kL/OBD]	0.74	0.68	0.71
Water per unit of separations [kL/separations]	2.18	2.15	2.25
Water per unit of floor space [kL/m2]	0.84	0.84	0.78

<b>Waste and recycling</b>	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>
<b>WR1 Total units of waste disposed of by waste stream and disposal method [kg]</b>			
<b>Landfill (total)</b>			
General waste – bins	123,630.00	138,130.00	
General waste – compactors	1,644,116.00	1,821,150.00	109,080.00
<b>Offsite treatment</b>			
Clinical waste – incinerated	102,674.19	116,443.88	1,800.03
Clinical waste – sharps	24,777.87	26,449.05	3,864.99
Clinical waste – treated	3,344.08	3,466.00	14,634.50
<b>Recycling/recovery (disposal)</b>			
Batteries	4,466.00	2,068.00	688.00
Cardboard	143,739.50	151,080.00	14,520.00
Commingled	31,260.00	24,833.00	
E-waste	11,190.00	1,886.00	40.00
Fluorescent tubes	921.00	1,006.00	222.00
Grease traps	93,200.00	75,600.00	
Metals	15,512.00	25,603.00	620.00
Packaging plastics/films	4,223.00	2,970.00	
Paper (confidential)	117,169.00		
PVC	457.00	74.00	
Reused medical supplies and equipment	203.50		
Toner & print cartridges	529.08		
Wood	6,113.00	11,746.30	
<b>Total units of waste disposed [kg]</b>	<b>2,327,525.22</b>	<b>2,402,505.23</b>	<b>145,469.52</b>

### WR1 Total units of waste disposed of by waste stream and disposal method [%]

#### Landfill (total)

General waste	75.95%	81.55%	74.98%
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#### Offsite treatment

Clinical waste – incinerated	4.41%	4.85%	1.24%
Clinical waste – sharps	1.06%	1.10%	2.66%
Clinical waste – treated	0.14%	0.14%	10.06%

#### Recycling/recovery (disposal)

Batteries	0.19%	0.09%	0.47%
Cardboard	6.18%	6.29%	9.98%
Commingled	1.34%	1.03%	
E-waste	0.48%	0.08%	0.03%
Fluorescent tubes	0.04%	0.04%	0.15%
Grease traps	4.00%	3.15%	
Metals	0.67%	1.07%	0.43%
Packaging plastics/films	0.18%	0.12%	
Paper (confidential)	5.03%		
PVC	0.02%	0.00%	
Reused medical supplies and equipment	0.01%		
Toner & print cartridges	0.02%		
Wood	0.26%	0.49%	

### WR3 Total units of waste disposed normalised by FTE, headcount, floor area, or other entity or sector specific quantity, by disposal method

Not reported by Eden Suite

Total waste to landfill per patient treated [(kg general waste)/PPT]	3.21	3.33	0.20
Total waste to offsite treatment per patient treated [(kg offsite treatment)/PPT]	0.24	0.25	0.04
Total waste recycled and reused per patient treated [(kg recycled and reused)/PPT]	0.78	0.50	0.03

### WR4 Recycling rate [%] or sector specific quantity, by disposal method

Weight of recyclable and organic materials [kg]	428,983.08	296,866.30	16,090.00
Weight of total waste [kg]	2,327,525.22	2,402,505.23	145,469.52
<b>Recycling rate [%]</b>	<b>18.43%</b>	<b>12.36%</b>	<b>11.06%</b>

### WR5 Greenhouse gas emissions associated with waste disposal [tonnes CO2-e]

tonnes CO2-e	2,424.92	2,688.35	167.44
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<b>Greenhouse gas emissions</b>	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>
<b>G1 Total scope one (direct) greenhouse gas emissions [tonnes CO2e]</b>			
Carbon dioxide	9,765.43	11,375.21	9,918.92
Methane	18.24	21.43	19.14
Nitrous oxide	7.32	8.11	6.02
<b>Total</b>	<b>9,790.98</b>	<b>11,404.75</b>	<b>9,944.08</b>
<b>Scope 1 GHG emissions from stationary fuel (F2 Scope 1) [tonnes CO2-e]</b>	<b>9,339.14</b>	<b>10,988.36</b>	<b>9,847.53</b>
<b>Scope 1 GHG emissions from vehicle fleet (T3 Scope 1) [tonnes CO2-e]</b>	<b>451.85</b>	<b>416.38</b>	<b>96.55</b>
<b>Medical/Refrigerant gases</b>			
<b>Total scope one (direct) greenhouse gas emissions [tonnes CO2e]</b>	<b>9,790.98</b>	<b>11,404.75</b>	<b>9,944.08</b>
<b>G2 Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]</b>		The emissions calculation for electricity-related activities uses the market-based method, as opposed to the location-based method used in previous FRD report versions.	
Electricity	25,829.92	26,124.86	28,734.89
<b>Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]</b>	<b>25,829.92</b>	<b>26,124.86</b>	<b>28,734.89</b>
<b>G3 Total scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (tonnes CO2e)</b>			
Waste emissions (WR5)	2,424.92	2,688.35	167.44
Indirect emissions from stationary energy	3,913.83	4,218.94	3,903.79
Indirect emissions from transport energy	113.80	104.91	5.14
Any other Scope 3 emissions	432.61	439.17	450.50
<b>Total scope three greenhouse gas emissions [tonnes CO2e]</b>	<b>6,885.16</b>	<b>7,451.37</b>	<b>4,526.86</b>
<b>G(Opt) Net greenhouse gas emissions (tonnes CO2e)</b>			
<b>Gross greenhouse gas emissions (G1 + G2 + G3) [tonnes CO2e]</b>	<b>42,506.06</b>	<b>44,980.98</b>	<b>43,205.82</b>
<b>Net greenhouse gas emissions [tonnes CO2e]</b>	<b>42,506.06</b>	<b>44,980.98</b>	<b>43,205.82</b>

Normalisation factors	2023-24	2022-23	2021-22
Aged Care OBD	1,860.00	2,895.00	4,281.00
ED Departures	82,806.00	87,972.00	88,289.00
FTE		7,171.00	6,825.00
LOS	347,620.00	376,698.00	335,188.00
OBD	349,480.00	379,593.00	339,469.00
PPT	550,307.00	588,035.00	534,364.00
Separations	118,021.00	120,470.00	106,606.00
TotalAreaM2	308,134.00	308,134.00	308,134.00

NOTE: Indicators are not reported where data is unavailable or an indicator is not relevant to the organisation's operations

## General information

We are a public health service established under the *Health Services Act 1988* (Vic).

# 2023–24 Statement of Priorities

## Part A — Strategic priorities

Deliverables marked with an asterisk (\*) will be carried over to Austin Health's 2024-25 Statement of Priorities.

### Excellence in clinical governance

We aim for the best patient experience and care outcomes by assuring safe practice, leadership of safety, an engaged and capable workforce, and continuing to improve and innovate care.

System priority and goals	Austin Health deliverable	Outcome
MA6 Improve access to timely emergency care by implementing strategies that improve whole of system patient flow to reduce emergency department wait times and improve ambulance to health service handover time.	Implement initiatives that support early discharge of patients to appropriate settings to improve the timely patient access to care.*	<p><b>In progress.</b> Through the QUEST Strategy, the inpatient flow and ED work streams are focusing on improvement initiatives that improve inpatient capacity to support the timely transition of patients from ED to the ward.</p> <p>Current priority areas include:</p> <ul style="list-style-type: none"> <li>- <b>ED:</b> Improving non-admitted NEAT by focusing on fast track and paediatric ED.</li> <li>- <b>Inpatient flow:</b> High value ward based multidisciplinary meetings, communicating medically ready for discharge, patient journey board enhancements, and acute to subacute processes.</li> </ul>
MA9 Maintain commitment to driving planned surgery reform in alignment with the Surgery Recovery and Reform Program, as well as identify and implement local reform priorities.	Proactively manage preparation lists (formally waiting lists) including validation and supporting patients into optimal care pathways.*	<p><b>In progress.</b> Proactive management of preparation lists continues via a number of mechanisms, including:</p> <ul style="list-style-type: none"> <li>- Unit based management in accordance with the Elective Surgery Access policy.</li> <li>- Regular audit cycles which are automated every 90 days based on the dates of addition to the preparation list.</li> <li>- Identifying optimal care pathways for patients, which may include non-surgical pathways, rapid access pathways and enhanced recovery pathways.</li> <li>- Identifying opportunities to develop additional day case pathways.</li> </ul>
	Collaboratively drive reform regionally through delivery and innovation teams, in alignment with Surgery Recovery and Reform Priorities.	<p><b>In progress.</b> Collaboration via the NEMHSP to identify and drive regional reform opportunities continues. Current initiatives include:</p> <ul style="list-style-type: none"> <li>- a pooled preparation list pilot for select ear, nose and throat procedures.</li> <li>- development of a statewide standardised anaesthetic risk assessment tool.</li> <li>- translation of shared planned procedure patient information brochures into eight languages.</li> <li>- Virtual Surgery School pilot to develop standardised virtual resources to help patients in the NEMHSP to prepare for surgery.</li> </ul>

System priority and goals	Austin Health deliverable	Outcome
<p><b>MA11 Develop strong and effective systems to support early and accurate recognition and management of deterioration of paediatric patients.</b></p>	<p>Partner with Safer Care Victoria and relevant multidisciplinary groups to establish protocols and auditing processes to manage effective monitoring and escalation of deterioration in paediatric patients via ViCTOR charts.</p>	<p><b>In progress.</b> An ED ‘paediatric vital signs and escalation protocol’ has been drafted to further support effective monitoring and escalation of deterioration in paediatric ED patients.</p>
	<p>Improve paediatric patient outcomes through implementation of the ‘ViCTOR track and trigger’ observation chart and escalation system, whenever children have observations taken.*</p>	<p><b>In progress.</b> The ViCTOR track and trigger system is available on all inpatients wards caring for children who are 0-11 years of age.</p> <p>The ED is implementing a ‘managing deterioration portal’ within Cerner to allow decision support for ViCTOR, including track and trigger functionality. Initially, a response to MET criteria will be implemented, applying to all ED patients, with age specific ViCTOR charts for children up to 11 years old and modified adult MET criteria for those 12 years old and over.</p>
	<p>Implement staff training on the ‘ViCTOR track and trigger’ tool to enhance identification and prompt response to deteriorating paediatric patient conditions.</p>	<p><b>In progress.</b> Paediatric medical and nursing staff have been trained in the relevant processes.</p> <p>ED staff training will be undertaken following the implementation of required updates in Firstnet.</p>

## Working to ensure long term financial sustainability

Ensure equitable and transparent use of available resources to achieve optimum outcomes.

System priority and goals	Austin Health deliverable	Outcome
<p>MB1 Cooperate with and support Department of Health led reforms that look towards reducing waste and improving efficiency to address financial sustainability, operational and safety performance, and system management.</p>	<p>Operational efficiency improvements: Develop and implement strategies to improve operational efficiency, such as reducing waiting times, improving patient flow, and optimising resource allocation.</p>	<p><b>In progress.</b> Austin Health has a number of initiatives in place to improve operational efficiency, and ensure every patient receives the right care at the right time, in the right place. Current focus areas include:</p> <ul style="list-style-type: none"> <li>- <b>ED flow</b> - Providing timely emergency care through early and safe ambulance offload, getting patients Ready To Go, and diverting appropriate urgent care to the community.</li> <li>- <b>inpatient flow</b> - Progressing inpatient care through early decision-making, multidisciplinary collaboration, and early discharge planning.</li> <li>- <b>hospital-wide operations</b> - Ensuring our daily operating system is efficient and effective in helping us manage bed capacity to match community demand.</li> </ul>
	<p>Collaborative partnerships: Collaborate with other health service providers, community organisations, the department, and stakeholders to explore opportunities for shared services, joint procurement, and resource sharing to reduce costs and improve efficiency.</p>	<p><b>In progress.</b> Through the NEMHSP, Austin Health is collaborating with other health services and health service providers to deliver on reform priorities to reduce costs and improve efficiency. Achievements in the last 12 months include:</p> <ul style="list-style-type: none"> <li>- development of a draft clinical and operational model for the pooled preparation list pilot.</li> <li>- finalisation of the regional 'Future of Hospital in the Home' Strategy.</li> <li>- development and launch of the metropolitan CRM project.</li> <li>- development of the final draft of the NEMHSP Digital Health Roadmap.</li> <li>- establishment of a regional strategic working group to guide the development of the population health and primary care improvement approach.</li> <li>- development of the 'Asking the question' video resources, which will launch across HSP health services in September 2024.</li> </ul>
	<p>Austin Health will work closely with HealthShare Victoria (HSV) from a data gathering, data sharing and other relevant perspective to ensure timely preparedness for eventual consolidation of their purchasing and supply chain (logistics) functions to HSV.*</p>	<p><b>In progress.</b> Austin Health continues to work with HSV on the centralised supply chain model. A trial for supply chain services is currently underway, covering more than thirty items for regular delivery.</p> <p>This trial is contracted for six months while HSV and Austin Health establish internal processes to undertake an expansion of services once the trial is complete.</p>

## Improving equitable access to healthcare and wellbeing

Ensure that Aboriginal people have access to a health, wellbeing and care system that is holistic, culturally safe, accessible, and empowering.

Ensure that communities in rural and regional areas have equitable health outcomes irrespective of locality.

System priority and goals	Austin Health deliverable	Outcome
<p><b>MC3 Enhance the provision of appropriate and culturally safe services, programs, and clinical trials for and as determined by Aboriginal peoples, embedding the principles of self-determination.</b></p>	<p>Promote a culturally safe welcoming environment with Aboriginal cultural symbols and spaces demonstrating, recognising, celebrating and respecting Aboriginal communities and culture.*</p>	<p><b>In progress.</b> Austin Health is committed to making Aboriginal peoples feel safe, supported and valued, and is creating a more welcoming environment by displaying more Aboriginal artwork in our hospitals:</p> <ul style="list-style-type: none"> <li>- we have leveraged the RAP artwork to produce window decals that are located at all major entrances at Austin Hospital, Royal Talbot Rehabilitation Centre, Heidelberg Repatriation Hospital and other Austin Health sites across Victoria.</li> <li>- artwork is in place in the entrance of the ED.</li> <li>- patients receiving MRI guided radiation therapy are also welcomed by a beautiful display of the RAP artwork on the doors leading into the treatment room.</li> <li>- Aboriginal artwork will be installed at our new Ngarra Jarra office.</li> </ul> <p>A smoking ceremony procedure has been developed to ensure that the First Nations culture and traditions are upheld and performed with respect. Ngarra Jarra has performed multiple smoking ceremonies for sorry business/sad news and for cleansing and revitalising in appropriate spaces at Austin Health.</p>
	<p>Strategies to increase transparency and accountability of cultural safety across health services by monitoring of Aboriginal health data, and cultural safety indicators and targets. This includes oversight by the health service board, executive and Aboriginal governance groups, and data-sharing agreements with Aboriginal community-controlled health organisations.*</p>	<p><b>In progress.</b> The Closing the Gap Committee reviews all Aboriginal Health and cultural safety data available on the dashboard. Aboriginal Health KPIs have been incorporated into this year's Statement of Priorities, and performance against these KPIs is monitored by the Executive Committee through quarterly reporting.</p> <p>Austin Health is in the process of building relationships with Aboriginal community-controlled health organisations in our region.</p>

## A stronger workforce

There is increased supply of critical roles, which supports safe, high quality care. Victoria is a world leader in employee experience, with a focus on future roles, capabilities, and professional development. The workforce is regenerative and sustainable, bringing a diversity of skills and experience that reflect the people and communities it serves. As a result of a stronger workforce, Victorians receive the right care at the right time closer to home.

System priority and goals	Austin Health deliverable	Outcome
<p><b>MD1 Improve employee experience across four initial focus areas to assure safe, high-quality care: leadership, health and safety, flexibility, and career development and agility.</b></p>	<p>Deliver programs to improve employee experience across four initial focus areas: leadership, safety and wellbeing, flexibility, and career development and agility.*</p>	<p><b>In progress.</b> Austin Health’s People Strategy 2023-27 includes key actions that are designed to improve the employee experience across the four focus areas. In 2023-24, programs and achievements have included:</p> <ul style="list-style-type: none"> <li>- the Frontline Leadership Program, designed to build the capabilities of our frontline leaders. In 2023-24 this program was delivered to four cohorts including 84 participants.</li> <li>- collaboration with the University of Melbourne to deliver the Specialist Certificate in Clinical Leadership program for senior medical staff to support them to effectively lead and drive positive change to improve care across Austin Health. In the last 12 months, 20 senior medical practitioners have participated in the program.</li> <li>- the inaugural Austin Health Wellbeing Festival.</li> <li>- development of a 2024-27 Wellbeing Action Plan.</li> <li>- development of a fatigue risk management plan.</li> <li>- forums and training focusing on Occupational Violence and Aggression.</li> <li>- embedding the principles of Safewards - a model of engagement and a preventative strategy for early identification of behaviours of concern- in the ED and Ward 7 West.</li> <li>- development of a hybrid working guide that outlines the essential components of supporting hybrid arrangements. The guide also assists team and individual decision making to ensure we are able to balance productivity, flexibility and maintaining our culture.</li> <li>- a promotional campaign on the Performance Review and Development process and framework.</li> <li>- development of workforce plans for three cohort groups of staff.</li> </ul>



System priority and goals	Austin Health deliverable	Outcome
	Implement and/ or evaluate a new/ expanded wellbeing and safety program and its improvement on workforce wellbeing.*	<p><b>In progress.</b> Austin Health is committed to achieving sustainable improvements in worker wellbeing. A number of new or expanded programs and events have been delivered in 2023-24, including:</p> <ul style="list-style-type: none"> <li>- development of the 2024-27 Wellbeing Action Plan.</li> <li>- the inaugural Wellbeing Festival - a four day, multi-site festival designed to create time and space for staff to rest, recover, learn and play.</li> <li>- commencement of a wellbeing in-service program using the 'Joy in Work' framework.</li> <li>- expansion of post trauma exposure 'defusing' peer support program for mental health staff.</li> </ul>

## Moving from competition to collaboration

Share knowledge, information and resources with partner health and wellbeing services and care providers. This will allow patients to experience one health, wellbeing and care system through connected digital health information, evidence and data flows, enabled by advanced interoperable platforms.

System priority and goals	Austin Health deliverable	Outcome
ME1 Partner with other organisations (for example community health, ACCHOs, PHNs, General Practice, private health) to drive further collaboration and build a more integrated system.	Work with the relevant PHN and community health providers to develop integrated service models that will provide earlier care to patients and support patients following hospital discharge.	<b>In progress.</b> The Austin Health Primary Care Strategy 2023-27 has been developed to provide strategic direction, coordination and support to integration initiatives to deliver better outcomes for patients in our community. Through the Primary Care and Population Health Advisory Committee, Austin Health is working with the Eastern Melbourne Primary Health Network and community providers to identify priority areas for partnership in integrated service models.
	Establish regional pathology partnerships to improve access to tertiary and specialist pathology services for people in regional areas of Victoria.*	<p><b>In progress.</b> Austin Health is committed to improving access for patients and consumers to high quality pathology services, and to providing accessible and responsive public pathology services to the north-east region of Victoria. To date, four health services have transitioned their pathology services to Austin Health - Echuca Regional Health, Swan Hill District Health, Mildura Base Public Hospital, Goulburn Valley Health.</p> <p>The transition of Bendigo Health is expected to be complete by July 2025.</p>



## Empowering people to keep healthy and safe in the community

Support individual health and mental wellbeing by giving people the tools and information they need to stay healthy and well. Work with the local government to respond to health threats and empower the community to proactively respond to health risks.

System priority and goals	Austin Health deliverable	Outcome
<b>EA6 Reduce risk factors contributing to the burden of preventable chronic disease through place-based prevention and population health initiatives delivered and coordinated by LPHUs.</b>	LPHUs deliver population health catchment plans reflecting statewide public health and wellbeing priorities (BP3 measure). This includes supporting local priorities, where identified through population health needs assessment/ Municipal Public Health and Wellbeing Planning.*	<b>Complete.</b> The NEPHU Population Health Catchment Plan was launched in September 2023. A collaborative, multi-sectoral process was used to inform the development of the Plan and identify priority areas for collective action.
	LPHUs work in partnership with organisations and community to target at least two population health priorities. The priorities and indicators are to be agreed with the Department of Health. Wherever possible LPHUs draw on existing evidence-informed programs and services.*	<b>Complete.</b> The NEPHU Population Health Catchment Plan identifies the following two local priority areas for collective action: <ol style="list-style-type: none"> <li>1. Improving sexual and reproductive health.</li> <li>2. Increasing healthy eating.</li> </ol> The rationale for priority area selection was underpinned by stakeholder input, literature review, evidence drawn from available population health data, and Department of Health requirements. A Population Health Catchment Plan governance structure is in place to guide and oversee implementation and evaluation of the Plan. Program Control Groups with multisectoral representation have been established to coordinate the design, implementation and evaluation of initiatives for each of the two priority areas.
<b>EA7 Perform authorised health protection functions for the population in their public health catchment.</b>	LPHUs receive notifications for integrated notifiable conditions in their catchment.*	<b>Complete.</b> Integration of communicable diseases is complete. Since July 2023, 6,414 cases across 82 diseases were managed by NEPHU. To support the integration and ongoing management of communicable diseases, a number of additional training and system implementation initiatives have been completed by the NEPHU team.

## A health system that takes climate action

The health service is focused on taking effective action to achieve net zero emissions and adapt to climate change.

System priority and goals	Austin Health deliverable	Outcome
<p><b>EC3 Build a better understanding of the health service’s carbon footprint, including Scope 3 (indirect emissions), to inform effective action.</b></p>	<p>Plan for and initiate a project to improve the health service’s understanding of its full carbon footprint.</p>	<p><b>In progress.</b> A Carbon Footprint Report has been drafted, focusing largely on Scope 1 and 2 emissions. Austin Health is working towards better understanding its Scope 3 emissions.</p>
	<p>Plan/begin an analysis to improve understanding of the health service’s Scope 3 emissions (indirect emissions which occur as a consequence of the facility, but from sources not owned or controlled by the facility, i.e., emissions from the production, manufacture and transport of food, pharmaceuticals, medical devices, and consumables purchased and used by a health service).</p>	<p><b>In progress.</b> Austin Health is collaborating with Ventia to establish its baseline Scope 3 emissions for medical consumables and equipment, medical gases, electricity, and other sources, to inform future action. Ventia has been analysing Austin Health data and has begun to establish a baseline for the different Scope 3 streams.</p> <p>Further work is required to ensure that the targeted streams are accurate, measurable, and repeatable to support consistent reporting.</p>

## Part B — Performance Priorities<sup>1</sup>

High quality and safe care		
Key Performance Measure	Target	Result
<b>Infection prevention and control</b>		
Compliance with the Hand Hygiene Australia program	85%	88.2%
Percentage of healthcare workers immunised for influenza <sup>2</sup>	94%	83%
<b>Continuing care</b>		
Average change in the functional independence measure (FIM) score per day of care for rehabilitation separations.	≥ 0.645	0.594
<b>Healthcare associated infections</b>		
Rate of central-line associated bloodstream infections (CLABSI) in Intensive Care Units, per 1,000 central line days	Zero	Not achieved
Rate of healthcare associated <i>S. aureus</i> bloodstream infections per 10,000 bed days	≤ 0.7	1.4
<b>Patient experience</b>		
Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 1	95%	95.3%
Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 2	95%	96%
Victorian Healthcare Experience Survey – percentage of positive patient experience responses – Quarter 3	95%	93.6%
<b>Unplanned readmissions</b>		
Rate of unplanned readmissions to any hospital following a hip replacement procedure.	≤ 6%	4.5%
<b>Aboriginal health</b>		
Percentage of Aboriginal admitted patients who left against medical advice.	1.9%	2.7%
Percentage of Aboriginal emergency department presentations who did not wait to be seen.	5.6%	7.9%

<sup>1</sup>The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

<sup>2</sup> Reporting period 1 March- 15 August 2023.

## Mental health

### Mental Health Patient Experience

Percentage of mental health consumers who rated their overall experience of care with a service in the last three months as positive.	80%	57.9%
Percentage of mental health consumers reporting they 'usually' or 'always' felt safe using this service.	90%	84%
Percentage of families/carers reporting a 'very good' or 'excellent' overall experience of the service.	80%	65.4% <sup>3</sup>
Percentage of families/carers who report they 'always' or 'usually' felt their opinions as a carer were respected.	90%	84.6% <sup>4</sup>

### Mental Health post-discharge follow-up

Percentage of consumers followed up within 7 days of separation – Inpatient (CAMHS).	88%	93.2%
Percentage of consumers followed up within 7 days of separation – Inpatient (adult).	88%	84.7%

### Mental Health readmission

Percentage of consumers readmitted within 28 days of separation – Inpatient (CAMHS).	< 14%	12.8%
Percentage of consumers readmitted within 28 days of separation – Inpatient (adult).	< 14%	7.9%

### Mental Health seclusion

Rate of seclusion episodes per 1,000 occupied bed days – Inpatient (CAMHS).	≤ 5%	12.1
Rate of seclusion episodes per 1,000 occupied bed days – Inpatient (adult).	≤ 8%	4.2

<sup>3 & 4</sup> Fewer than 30 responses were received; therefore, there is a large margin for error and caution should be taken when interpreting results.

## Strong governance, leadership and culture

Key Performance Measure	Target	Result
<b>Organisational culture</b>		
People matter survey – Percentage of staff with an overall positive response to safety culture survey questions	62%	68%

## Timely access to care

Key Performance Measure	Target	Result
<b>Planned surgery</b>		
Percentage of urgency category 1 planned surgery patients admitted within 30 days	100%	100%
Percentage of all planned surgery patients admitted within the clinically recommended time	94%	75.1%
Number of patients on the planned surgery waiting list	4,690	5,055
Number of patients admitted from the planned surgery waiting list	12,878	12,045
Number of patients (in addition to base) admitted from the planned surgery waiting list	2,200	2,128
Percentage of patients on the waiting list who have waited longer than clinically recommended time for their respective triage category	5% or 15% proportional improvement from prior year	42.3%
Number of hospital-initiated postponements per 100 scheduled planned surgery admissions	≤ 7	5.8
<b>Emergency care</b>		
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%	57.8%
Percentage of Triage Category 1 emergency patients seen immediately	100%	100%
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended time	80%	76.9%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours	81%	44.1%
Number of patients with a length of stay in the emergency department greater than 24 hours	0	1
<b>Mental health</b>		
Percentage of mental health-related emergency department presentations with a length of stay of less than four hours	81%	25.8%
Percentage 'urgent' (Category 'C') mental health triage episodes with a face-to-face contact received within eight hours	80%	32%
<b>Specialist clinics</b>		
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	100%	75.7%
Percentage of routine patients referred by a GP or external specialist who attended a first appointment within 365 days	90%	76.8%
<b>Home-based care</b>		
Percentage of admitted bed days delivered at home	Equal to or better than prior year result	7%*
Percentage of admitted episodes delivered at least partly at home	Equal to or better than prior year result	3.2%*

\*New KPI for 2023-24 - previous year comparison not available.

## Effective financial management

Key Performance Measure	Target	Result
Operating result (\$m)	(65.8)	0.335
Average number of days to pay trade creditors	60 days	52 days
Average number of days to receive patient fee debtors	60 days	23 days
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	0.7
Actual number of days of available cash, measured on the last day of each month.	14 days	-2.4 days

## Part C — Activity and funding<sup>1</sup>

Funding type	2023–24 activity achievement
<b>Consolidated activity funding</b>	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	135,359
<b>Acute admitted</b>	
National Bowel Cancer Screening Program NWAU	165
Acute admitted DVA	679
Acute admitted TAC	615
<b>Acute non-admitted</b>	
Home enteral nutrition NWAU	68
Home renal dialysis NWAU	499
Radiotherapy WAUs DVA	995
Radiotherapy WAUs Public	92,288
Total parenteral nutrition NWAU	247
<b>Subacute/non-acute, admitted and non-admitted</b>	
Subacute – DVA	220
Transition care – bed days	6,256
Transition care – home days	11,419
<b>Mental health and drug services</b>	
Mental health ambulatory	82,909
Mental health inpatient – available bed days	34,842
Mental health inpatient – Secure Unit	8,400
Mental health subacute	14,496
Drug services	237
<b>Other</b>	
NFC – transplants – paediatric liver	5.85 <sup>5</sup>

<sup>1</sup>The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.

<sup>5</sup> Equates to 13 paediatric liver transplants

# Financial summary

Austin Health ended the financial year with an operating surplus of \$0.3m.

During the year, Austin Health continued to find efficiency improvements while providing excellent patient care, with the operating surplus a result of the health service continuing its commitment to achieving savings targets through performance initiatives and close monitoring of costs.

The health service has significant ongoing requirements for property, plant and equipment, with the impact of these capital transactions resulting in a deficit net result from transactions of \$67.5m.

The increase in total assets year-on-year was primarily due to the independent revaluation of Austin Health's land and buildings by the Victorian Valuer General in June 2024.

The financial results for Austin Health over the past five financial years are shown below.

	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000
<b>Operating result*</b>	<b>335</b>	<b>131</b>	<b>229</b>	<b>41</b>	<b>204</b>
Total revenue	1,496,843	1,477,078	1,374,435	1,230,943	1,101,200
Total expenses	(1,564,438)	(1,508,399)	(1,403,546)	(1,274,067)	(1,171,864)
<b>Net result from transactions</b>	<b>(67,594)</b>	<b>(31,322)</b>	<b>(29,111)</b>	<b>(43,124)</b>	<b>(70,664)</b>
Total other economic flows	(4,321)	(12,278)	(2,124)	7,362	(5,064)
<b>Net result</b>	<b>(71,915)</b>	<b>(43,600)</b>	<b>(31,235)</b>	<b>(35,762)</b>	<b>(75,728)</b>
Total assets	2,182,897	1,683,206	1,702,542	1,654,558	1,645,893
Total liabilities	503,628	506,858	482,594	410,419	396,951
<b>Net assets/total equity</b>	<b>1,679,269</b>	<b>1,176,348</b>	<b>1,219,948</b>	<b>1,244,139</b>	<b>1,248,942</b>

\* The operating result is the key financial performance measure monitored by the Department of Health in the Statement of Priorities

	2024 \$'000
<b>Operating result</b>	<b>335</b>
Capital and other income	38,407
COVID-19 State Supply Arrangements	
- Assets received free of charge or for nominal consideration	607
- State supply items consumed up to 30 June 2024	(1,143)
Expenditure for capital and other purpose	(5,680)
Depreciation and amortisation	(100,120)
<b>Net result from transactions - net operating balance</b>	<b>(67,594)</b>



# Disclosure index

The annual report of Austin Health is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the department's compliance with statutory disclosure requirements.

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# Financials

## Board Chair, Chief Executive Officer (Interim) and Chief Financial Officer Declaration

The attached financial statements for Austin Health have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2024 and the financial position of Austin Health at 30 June 2024.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on this date.



**Ross Cooke**  
**Board Chair**

Melbourne, 5 September 2024



**Cameron Goodyear**  
**Chief Executive Officer (Interim)**

Melbourne, 5 September 2024



**Kemsley Fairhurst**  
**Chief Financial Officer**

Melbourne, 5 September 2024

## Independent Auditor's Report

### To the Board of Austin Health

<b>Opinion</b>	<p>I have audited the financial report of Austin Health (the health service) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2024</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including material accounting policy information</li> <li>• Board chair, chief executive officer and chief financial officer declaration.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2024 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Other Information</b>	<p>The Board of the health service is responsible for the Other Information, which comprises the information in the health service's annual report for the year ended 30 June 2024, but does not include the financial report and my auditor's report thereon.</p> <p>My opinion on the financial report does not cover the Other Information and accordingly, I do not express any form of assurance conclusion on the Other Information. However, in connection with my audit of the financial report, my responsibility is to read the Other Information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.</p>
<b>Board's responsibilities for the financial report</b>	<p>The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the health service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

**Auditor's responsibilities for the audit of the financial report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the health service's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the health service's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the health service to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Dominika Ryan

*as delegate for the Auditor-General of Victoria*

MELBOURNE  
26 September 2024

# Financial Statements and Notes

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## Comprehensive operating statement for the financial year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>Revenue and income from transactions</b>			
Operating activities	2.1	1,496,722	1,477,038
Non-operating activities	2.1	121	40
<b>Total revenue and income from transactions</b>		<b>1,496,843</b>	<b>1,477,078</b>
<b>Expenses from transactions</b>			
Employee expenses	3.1	(1,095,144)	(1,034,713)
Supplies and consumables	3.1	(210,648)	(201,316)
Finance costs	3.1	(1,752)	(1,347)
Other administrative expenses	3.1	(81,659)	(97,128)
Other operating expenses	3.1	(75,116)	(74,008)
Depreciation and amortisation	4.3	(100,120)	(99,888)
<b>Total expenses from transactions</b>		<b>(1,564,438)</b>	<b>(1,508,399)</b>
<b>Net result from transactions - net operating balance</b>		<b>(67,594)</b>	<b>(31,322)</b>
<b>Other economic flows included in net result</b>			
Net gain/(loss) on disposal of share in joint arrangements	3.2	(736)	-
Net gain/(loss) on non-financial assets	3.2	(5)	(49)
Net gain/(loss) on financial instruments	3.2	28	(91)
Other gain/(loss) from other economic flows	3.2	(3,608)	(12,138)
<b>Total other economic flows included in net result</b>		<b>(4,321)</b>	<b>(12,278)</b>
<b>Net result for the year</b>		<b>(71,915)</b>	<b>(43,600)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to net result			
Changes in property, plant and equipment revaluation surplus	4.1(b)	574,835	-
<b>Total other comprehensive income</b>		<b>574,835</b>	<b>-</b>
<b>Comprehensive result for the year</b>		<b>502,919</b>	<b>(43,600)</b>

This statement should be read in conjunction with the accompanying notes.

## Balance sheet as at 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>Current assets</b>			
Cash and cash equivalents	6.2	141,818	188,304
Receivables	5.1	34,378	50,336
Inventories		8,917	10,159
Other financial assets		22,964	16,901
<b>Total current assets</b>		<b>208,077</b>	<b>265,700</b>
<b>Non-current assets</b>			
Receivables	5.1	84,776	72,373
Property, plant and equipment	4.1(a)	1,772,303	1,224,066
Right-of-use assets	4.2(a)	117,354	120,125
Intangible assets		96	650
Prepayments and other assets		291	293
<b>Total non-current assets</b>		<b>1,974,820</b>	<b>1,147,506</b>
<b>Total assets</b>		<b>2,182,897</b>	<b>1,683,206</b>
<b>Current liabilities</b>			
Payables	5.3	123,501	157,590
Borrowings	6.1	5,607	4,624
Provisions	3.3	305,221	282,497
Other liabilities	5.4	315	404
<b>Total current liabilities</b>		<b>434,644</b>	<b>445,115</b>
<b>Non-current liabilities</b>			
Borrowings	6.1	31,422	31,070
Provisions	3.3	37,562	30,673
<b>Total non-current liabilities</b>		<b>68,984</b>	<b>61,743</b>
<b>Total liabilities</b>		<b>503,628</b>	<b>506,858</b>
<b>Net assets</b>		<b>1,679,269</b>	<b>1,176,348</b>
<b>Equity</b>			
Property, plant and equipment revaluation surplus		1,775,739	1,200,905
General purpose reserve	SCE	135,833	131,078
Restricted specific purpose surplus	SCE	7,433	7,313
Contributed capital	SCE	534,385	534,385
Accumulated deficits	SCE	(774,121)	(697,332)
<b>Total equity</b>		<b>1,679,269</b>	<b>1,176,348</b>

This balance sheet should be read in conjunction with the accompanying notes.

## Statement of changes in equity for the financial year ended 30 June 2024

	Property, Plant and Equipment Revaluation Surplus \$'000	General Purpose Reserve \$'000	Restricted Specific Purpose Surplus \$'000	Contributed Capital \$'000	Accumulated Surplus / (Deficit) \$'000	Total \$'000
Balance at 1 July 2022	1,200,905	103,863	7,236	534,385	(626,439)	1,219,948
Net result for the year	-	-	-	-	(43,600)	(43,600)
Transfer from/(to) accumulated deficits	-	27,215	77	-	(27,293)	-
<b>Balance at 30 June 2023</b>	<b>1,200,905</b>	<b>131,078</b>	<b>7,313</b>	<b>534,385</b>	<b>(697,332)</b>	<b>1,176,348</b>
Net result for the year	-	-	-	-	(71,915)	(71,915)
Other comprehensive income for the year	574,835	-	-	-	-	574,835
Transfer from/(to) accumulated deficits	-	4,755	120	-	(4,875)	-
<b>Balance at 30 June 2024</b>	<b>1,775,739</b>	<b>135,833</b>	<b>7,433</b>	<b>534,385</b>	<b>(774,121)</b>	<b>1,679,269</b>

This statement in changes in equity should be read in conjunction with the accompanying notes.

## Cash flow statement for the financial year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<b>Cash flows from operating activities</b>			
Operating grants from Government		1,264,585	1,213,216
Capital grants from State Government		18,529	28,578
Capital grants from Commonwealth Government		817	517
Patient fees received		36,076	35,257
Private practice fees received		14,843	17,403
Donations and bequests received		6,763	10,072
Interest and investment income received		8,662	6,430
Recoupment from private practice for use of hospital facilities		24,556	42,519
Other receipts		109,181	95,394
<b>Total Receipts</b>		<b>1,484,011</b>	<b>1,449,386</b>
Employee expenses paid		(1,076,247)	(1,012,720)
Payments for supplies and consumables		(210,648)	(201,316)
Payments for medical indemnity insurance		(11,268)	(9,725)
Payments for repairs and maintenance		(44,893)	(46,775)
Net GST paid to ATO		(442)	(367)
Finance costs		(1,752)	(1,347)
Other payments		(111,297)	(105,620)
<b>Total payments</b>		<b>(1,456,547)</b>	<b>(1,377,870)</b>
<b>Net cash flows from/(used in) operating activities</b>	8.1	<b>27,464</b>	<b>71,517</b>
<b>Cash flows from investing activities</b>			
Purchase of non-financial assets		(68,629)	(54,039)
Proceeds from disposal of non-financial assets		4	-
<b>Net cash flows from/(used in) investing activities</b>		<b>(68,625)</b>	<b>(54,039)</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		(1,642)	(1,547)
Repayment of lease liabilities		(3,684)	(3,607)
<b>Net cash flows from/(used in) financing activities</b>		<b>(5,326)</b>	<b>(5,154)</b>
<b>Net increase/(decrease) in cash and cash equivalents held</b>		<b>(46,487)</b>	<b>12,324</b>
Cash and cash equivalents at beginning of year		188,304	175,980
<b>Cash and cash equivalents at end of year</b>	6.2	<b>141,818</b>	<b>188,304</b>

This statement should be read in conjunction with the accompanying notes.

## Note 1: Basis of preparation

### Structure

- 1.1 Basis of preparation of the financial statements
- 1.2 Abbreviations and terminology used in the financial statements
- 1.3 Joint arrangements
- 1.4 Material accounting estimates and judgements
- 1.5 Accounting standards issued but not yet effective
- 1.6 Goods and Services Tax (GST)
- 1.7 Reporting Entity

These financial statements represent the audited general purpose financial statements for Austin Health for the year ended 30 June 2024. The report provides users with information about Austin Health's stewardship of resources entrusted to it.

This section explains the basis of preparing the financial statements.

### Note 1.1: Basis of preparation of the financial statements

These financial statements are general purpose financial statements which have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards, which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB 101 *Presentation of Financial Statements*.

The financial statements also comply with relevant Financial Reporting Directions (FRDs) issued by the Department of Treasury and Finance (DTF), and relevant Standing Directions (SDs) authorised by the Assistant Treasurer.

Austin Health is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a "not-for-profit" health service under the Australian Accounting Standards. Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Apart from the changes in accounting policies, standards and interpretations as noted below, material accounting policies adopted in the preparation of these financial statements are the same as those adopted in the previous period.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements have been prepared on a going concern basis (refer to Note 8.10 Economic dependency).

The financial statements are presented in Australian dollars.

The amounts presented in the financial statements have been rounded to the nearest thousand dollars. Minor discrepancies in tables between totals and sum of components are due to rounding.

The annual financial statements were authorised for issue by the board of Austin Health on 5 September 2024.

## Note 1.2: Abbreviations and terminology used in the financial statements

The following table sets out the common abbreviations used throughout the financial statements:

Reference	Title
AASB	Australian Accounting Standards Board
AASs	Australian Accounting Standards, which include interpretations
CBS	Centralised Banking System
DH	Department of Health
DTF	Department of Treasury and Finance
FMA	<i>Financial Management Act 1994</i>
FRD	Financial Reporting Direction
NWAU	National Weighted Activity Unit
SD	Standing Direction
VAGO	Victorian Auditor General's Office
VCCC	Victorian Comprehensive Cancer Centre

## Note 1.3: Joint arrangements

Interests in joint arrangements are accounted for by recognising in Austin Health's financial statements, its share of assets and liabilities, and any revenue and expenses of such joint operations.

Austin Health was a member of the Victorian Comprehensive Cancer Centre, which it had classified as a joint arrangement until 31 October 2023.

Details of the joint arrangement are set out in Note 8.8.

## Note 1.4: Material accounting estimates and judgements

Management make estimates and judgements when preparing the financial statements.

These estimates and judgements are based on historical knowledge and the best available current information, and assume any reasonable expectation of future events. Actual results may differ.

Revisions to estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision.

The material accounting judgements and estimates used, and any changes thereto, are identified at the beginning of each section where applicable and relate to the following disclosures:

- Note 2.1: Revenue and income from transactions
- Note 3.3: Employee benefits and related on-costs
- Note 4.1: Property, plant and equipment
- Note 4.2: Right-of-use assets
- Note 4.3: Depreciation and amortisation
- Note 5.1: Receivables
- Note 5.3: Payables
- Note 6.1 (a): Lease liabilities
- Note 7.4: Fair value determination

## Note 1.5: Accounting standards issued but not yet effective

An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to Austin Health and their potential impact when adopted in future periods is outlined below:

Standard	Adoption date	Impact
<b>AASB 2022-5:</b> <i>Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback</i>	Reporting periods beginning on or after 1 January 2024.	Adoption of this standard is not expected to have a material impact.
<b>AASB 2022-9:</b> <i>Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector</i>	Reporting periods beginning on or after 1 January 2026.	Adoption of this standard is not expected to have a material impact.
<b>AASB 2022-10:</b> <i>Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities</i>	Reporting periods on or after 1 January 2024.	Adoption of this standard is not expected to have a material impact.

There are no other accounting standards and interpretations issued by AASB that are not yet mandatorily applicable to Austin Health in future periods.

## Note 1.6: Goods and Services Tax (GST)

Income, expenses, assets and liabilities are recognised net of the amount of GST, except where the GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables in the balance sheet are stated inclusive of the amount of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

Cash flows are included in the Cash flow statement on a gross basis, except for the GST components of cash flows arising from investing and/or financing activities which are recoverable from, or payable to the ATO. These GST components are disclosed as operating cash flows.

Commitments and contingent assets and liabilities are presented on a gross basis.

## Note 1.7: Reporting Entity

The financial statements included all controlled activities of Austin Health.

Its principal address is:

145 Studley Road  
Heidelberg Victoria 3084

A description of the nature of Austin Health's operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

## Note 2: Funding delivery of our services

Austin Health's overall objective is to provide a quality health service that delivers programs and services to support and enhance the wellbeing of all Victorians.

Austin Health is predominantly funded by grant funding for the provision of outputs.

Austin Health also receives income from the supply of services.

### Structure

2.1 Revenue and income from transactions

2.2 Fair value of assets and services received free of charge or for nominal consideration

## Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Identifying performance obligations	<p>Austin Health applies material judgement when reviewing the terms and conditions of funding agreements and contracts to determine whether they contain sufficiently specific and enforceable performance obligations.</p> <p>If this criterion is met, the contract/funding agreement is treated as a contract with a customer, requiring Austin Health to recognise revenue as or when the health service transfers promised goods or services to beneficiaries.</p> <p>If this criterion is not met, funding is recognised immediately in the net result from operations.</p>
Determining timing of revenue recognition	<p>Austin Health applies material judgement to determine when a performance obligation has been satisfied, and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.</p>
Determining time of capital grant income recognition	<p>Austin Health applies material judgement when its obligation to construct an asset is satisfied. Costs incurred is used to measure Austin Health's progress as this is deemed to be the most accurate reflection of the stage of completion.</p>
Assets and services received free of charge or for nominal consideration	<p>Austin Health applies material judgement to determine the fair value of assets and services provided free of charge or for nominal value. The current replacement cost valuation approach is the measurement used to value these assets and services.</p>



## Note 2.1: Revenue and income from transactions

	Note	2024 \$'000	2023 \$'000
<b>Operating activities</b>			
<b>Revenue from contracts with customers</b>			
Government grants (State) – operating		1,218,706	1,159,010
Government grants (Commonwealth) – operating		63,005	60,100
Patient and resident fees		42,370	40,865
Private practice fees		24,555	42,519
Commercial activities <sup>1</sup>		87,904	87,786
<b>Total revenue from contracts with customers</b>	2.1(a)	<b>1,436,540</b>	<b>1,390,280</b>
<b>Other sources of income</b>			
Government grants (State) – capital		24,332	28,578
Government grants (Commonwealth) – capital		817	517
Other capital purpose income		551	2,424
Assets received free of charge or for nominal consideration		607	7,376
Other income from operating activities		33,875	47,863
<b>Total other sources of income</b>		<b>60,182</b>	<b>86,758</b>
<b>Total revenue and income from operating activities</b>		<b>1,496,722</b>	<b>1,477,038</b>
<b>Non-operating activities</b>			
<b>Income from other sources</b>			
Capital interest		121	40
<b>Total income from other sources</b>		<b>121</b>	<b>40</b>
<b>Total revenue and income from transactions</b>		<b>1,496,843</b>	<b>1,477,078</b>

<sup>1</sup> Commercial activities represent business activities which Austin Health enter into to support their operations.

## Note 2.1(a): Timing of revenue from contracts with customers

Austin Health disaggregates revenue by timing of revenue recognition.

	2024 \$'000	2023 \$'000
<b>Goods and services transferred to customers</b>		
At a point in time	1,348,636	1,302,494
Over time	87,904	87,786
<b>Total revenue from contracts with customers</b>	<b>1,436,540</b>	<b>1,390,280</b>

### How we recognise revenue and income from operating activities

#### Government operating grants

To recognise revenue, Austin Health assesses each grant to determine whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 *Revenue from Contracts with Customers*.

When both of these conditions are satisfied, Austin Health:

- identifies each performance obligation relating to the revenue
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfied its performance obligations, at a point in time or over time as and when services are rendered.

If a contract liability is recognised, Austin Health recognises revenue in profit or loss as and when it satisfies its obligations under the contract.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, Austin Health:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example, AASB 9, AASB 16, AASB 116, AASB 138)
- recognises related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities from a contract with a customer)
- recognises income immediately in profit and loss as the difference between the initial carrying amount of the asset and the related amount in accordance with AASB 1058.

In contracts with customers, the 'customer' is typically a funding body, who is the party that promises funding in exchange for Austin Health's goods or services. Austin Health funding bodies often direct that goods or services are to be provided to third party beneficiaries, including individuals or the community at large. In such instances, the customer remains the funding body that has funded the program or activity; however, the delivery of goods or services to third party beneficiaries is a characteristic of the promised good or service being transferred to the funding body.

This policy applies to each of Austin Health's revenue streams, with information detailed below relating to Austin Health's significant revenue streams:

## Government grant

## Performance obligation

### Activity Based Funding (ABF) paid as NWAU

NWAU is a measure of health service activity expressed as a common unit against which the national efficient price (NEP) is paid.

The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and is weighted for clinical complexity.

Revenue is recognised at point in time, which is when a patient is discharged.

## Capital grants

Where Austin Health receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue, or contract liabilities arising from a contract with a customer) recognised under other Australian Accounting Standards.

Income is recognised progressively as the asset is constructed which aligns with Austin Health's obligation to construct the asset. The progressive percentage of costs incurred is used to recognise income, as this most accurately reflects the stage of completion.

## Patient and resident fees

Patient and resident fees are charges that can be levied on patients for some services they receive. Patient and resident fees are recognised at a point in time when the performance obligation, the provision of services, is satisfied, except where the patient and resident fees relate to accommodation charges. Accommodation charges are calculated daily and are recognised over time, to reflect the period accommodation is provided.

## Private practice fees

Private practice fees include recoupments from various private practice organisations for the use of hospital facilities. Private practice fees are recognised over time as the performance obligation, the provision of facilities, is provided to customers.

## Commercial activities

Revenue from commercial activities includes items such as car parking, clinical trials, diagnostic tests etc. Commercial activity revenue is recognised at a point in time, upon provision of the goods or service to the customer.



## Note 2.2: Fair value of assets and services received free of charge or for nominal consideration

	2024 \$'000	2023 \$'000
Plant and equipment	-	571
Personal protective equipment	607	6,805
<b>Total fair value of assets and services received free of charge or for nominal consideration</b>	<b>607</b>	<b>7,376</b>

### How we recognise the fair value of assets and services received free of charge or for nominal consideration

#### Donations and bequests

Donations and bequests are generally recognised as income upon receipt (which is when Austin Health obtained control of the asset) as they do not contain sufficiently specific and enforceable performance obligations. Where sufficiently specific and enforceable performance obligations exist, revenue is recorded as and when the performance obligation is satisfied.

#### Personal protective equipment

Under the State Supply Arrangement, HealthShare Victoria supplied personal protective equipment to Austin Health for nil consideration.

#### Contributions of resources

Austin Health may receive resources for nil or nominal consideration to further its objectives. The resources are recognised at their fair value when Austin Health obtains control over the resource, irrespective of whether restrictions or conditions are imposed over the use of the contributions.

The exception to this policy is when an asset is received from another government agency or department as a consequence of a restructuring of administrative arrangements, in which case the asset will be recognised at its carrying value in the financial statements of Austin Health as a capital contribution transfer.

#### Voluntary services

Austin Health receives volunteer services from members of the community to enhance the patient experience at all of our sites, including Austin Hospital, Heidelberg Repatriation Hospital, Royal Talbot Rehabilitation Centre, the Olivia Newton-John Cancer, Wellness and Research Centre, and our Op Shop in Diamond Creek.

Austin Health recognises contributions by volunteers in its financial statements, if the fair value can be reliably measured and the services would have been purchased had they not been donated.

Austin Health greatly values the services contributed by volunteers, but it does not depend on volunteers to deliver its services.

## Non-cash contributions from the Department of Health

The DH makes some payments on behalf of Austin Health as follows:

Supplier	Description
<b>Victorian Managed Insurance Authority</b>	The Department of Health purchases non-medical indemnity insurance for Austin Health which is paid directly to the Victorian Managed Insurance Authority. To record this contribution, such payments are recognised as income with a matching expense in the net result from transactions.
<b>Victorian Health Building Authority</b>	The Department of Health made payments to the Victorian Health Building Authority to fund capital works projects during the year ended 30 June 2024, on behalf of Austin Health.
<b>Department of Health</b>	Long Service Leave (LSL) revenue is recognised upon finalisation of movements in LSL liability in line with the long service leave funding arrangements with the DH.

## Note 3: The cost of delivering our services

This section provides an account of the expenses incurred by Austin Health in delivering services and outputs. In Note 2, the funds that enable the provision of services were disclosed and in this note the costs associated with provision of services are disclosed.

### Structure

- 3.1 Expenses from transactions
- 3.2 Other economic flows
- 3.3 Employee benefits and related on-costs
- 3.4 Superannuation

## Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
<b>Classifying employee benefit liabilities</b>	<p>Austin Health applies material judgement when classifying its employee benefit liabilities.</p> <p>Employee benefit liabilities are classified as a current liability if Austin Health does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category.</p> <p>Employee benefit liabilities are classified as a non-current liability if Austin Health has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.</p>
<b>Measuring employee benefit liabilities</b>	<p>Austin Health applies material judgement when measuring and classifying its employee benefit liabilities.</p> <p>The health service applies judgement to determine when it expects its employee entitlements to be paid.</p> <p>With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees.</p> <p>Expected future payments incorporate:</p> <ul style="list-style-type: none"><li>• an inflation rate of 4.45%, reflecting the future wage and salary levels</li><li>• duration of service and employee departures, which are used to determine the estimated value of long services leave that will be taken in the future for employees who have not reached the vesting period. The estimated rates are between 49.97% and 93.30%.</li><li>• discounting at the rate of 4.35%, as determined with reference to market yields on government bonds at the end of the reporting period.</li></ul> <p>All other entitlements are measured at their nominal value.</p>

**Note 3.1: Expenses from transactions**

	Note	2024 \$'000	2023 \$'000
Salaries and wages		817,592	799,354
On-costs		242,839	211,940
Agency expenses		12,577	9,172
Fee for service medical officer expenses		4,736	3,707
WorkCover premium		17,400	10,540
<b>Total employee expenses</b>		<b>1,095,144</b>	<b>1,034,713</b>
Drug supplies		73,956	71,247
Medical and surgical supplies (including prostheses)		76,913	78,069
Diagnostic and radiology supplies		23,452	22,853
Other supplies and consumables		36,327	29,147
<b>Total supplies and consumables</b>		<b>210,648</b>	<b>201,316</b>
Finance costs		1,752	1,347
<b>Total finance costs</b>		<b>1,752</b>	<b>1,347</b>
Other administrative expenses		81,659	97,128
<b>Total other administrative expenses</b>		<b>81,659</b>	<b>97,128</b>
Fuel, light, power and water		13,911	13,384
Repairs and maintenance		16,940	19,633
Maintenance contracts		27,954	27,141
Medical indemnity insurance		11,268	9,725
Expenses related to short term and low value leases		3,684	3,639
Expenditure for capital purposes		1,359	486
<b>Total other operating expenses</b>		<b>75,116</b>	<b>74,008</b>
Depreciation and amortisation	4.3	100,120	99,888
<b>Total other non-operating expenses</b>		<b>100,120</b>	<b>99,888</b>
<b>Total expenses from transactions</b>		<b>1,564,439</b>	<b>1,508,399</b>



## How we recognise expenses from transactions

### Expense recognition

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

### Employee expenses

Employee expenses include:

- salaries and wages (including fringe benefits tax, leave entitlements, termination payments)
- on-costs
- agency expenses
- fee for service medical officer expenses
- WorkCover premiums.

### Supplies and consumables

Supplies and consumable costs are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when distributed.

### Finance costs

Finance costs include:

- interest on bank overdrafts, and short-term and long-term borrowings (interest expense is recognised in the period in which it is incurred)
- amortisation of discounts or premiums relating to borrowings
- amortisation of ancillary costs incurred in connection with the arrangement of borrowings
- finance charges in respect of leases which are recognised in accordance with AASB: 16 Leases.

### Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and include such things as:

- fuel, light and power
- repairs and maintenance
- other administrative expenses
- expenditure for capital purposes (represents expenditure related to the purchase of assets that are below the capitalisation threshold of \$1,000).

The DH also makes certain payments on behalf of Austin Health. These amounts have been brought to account as grants in determining the operating result for the year, by recording them as revenue and recording a corresponding expense.

### Non-operating expenses

Other non-operating expenses generally represent expenditure outside the normal operations, such as depreciation and amortisation, and assets and services provided free of charge or for nominal consideration.



### Note 3.2: Other economic flows

	2024 \$'000	2023 \$'000
Net gain/(loss) on disposal of share in joint arrangements	(736)	-
<b>Total net gain/(loss) on disposal of share in joint arrangements</b>	<b>(736)</b>	<b>-</b>
Net gain/(loss) on disposal of property, plant and equipment	(5)	(49)
<b>Total net gain/(loss) on non-financial assets</b>	<b>(5)</b>	<b>(49)</b>
(Increase)/decrease in allowance for impairment of contractual receivables	28	(91)
<b>Total net gain/(loss) on financial instruments</b>	<b>28</b>	<b>(91)</b>
Net gain/(loss) arising from revaluation of long service liability	(3,608)	(12,138)
<b>Total other gains/(losses) from other economic flows</b>	<b>(3,608)</b>	<b>(12,138)</b>
<b>Total gains/(losses) from other economic flows</b>	<b>(4,321)</b>	<b>(12,278)</b>

#### How we recognise other economic flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions.

Other gains/(losses) from other economic flows include gains or losses from the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

### Note 3.3: Employee benefits and related on-costs

	2024 \$'000	2023 \$'000
<b>Current employee benefits and related on-costs</b>		
<b>Accrued days off</b>		
Unconditional and expected to be settled wholly within 12 months <sup>i</sup>	3,304	3,157
<b>Annual leave</b>		
Unconditional and expected to be settled wholly within 12 months <sup>i</sup>	87,108	77,818
Unconditional and expected to be settled wholly after 12 months <sup>ii</sup>	13,779	12,326
<b>Long service leave</b>		
Unconditional and expected to be settled wholly within 12 months <sup>i</sup>	17,411	16,100
Unconditional and expected to be settled wholly after 12 months <sup>ii</sup>	147,187	141,375
<b>Provisions related to employee benefit on-costs</b>		
Unconditional and expected to be settled within 12 months <sup>i</sup>	13,701	11,462
Unconditional and expected to be settled after 12 months <sup>ii</sup>	22,731	20,259
<b>Total current employee benefits and related on-costs</b>	<b>305,221</b>	<b>282,497</b>
<b>Non-current employee benefits and related on-costs</b>		
Conditional long service leave	32,884	27,073
Provisions related to employee benefit on-costs	4,678	3,600
<b>Total non-current employee benefits and related on-costs</b>	<b>37,562</b>	<b>30,673</b>
<b>Total employee benefits and related on-costs</b>	<b>342,783</b>	<b>313,170</b>

<sup>i</sup> The amounts disclosed are nominal amounts.

<sup>ii</sup> The amounts disclosed are discounted to present values.

**Note 3.3(a): Consolidated employee benefits and related on-costs**

	2024 \$'000	2023 \$'000
<b>Current employee benefits and related on-costs</b>		
Unconditional accrued days off	3,304	3,157
Unconditional annual leave entitlements	113,989	101,126
Unconditional long service leave entitlements	187,928	178,214
<b>Total current employee benefits and related on-costs</b>	<b>305,221</b>	<b>282,497</b>
<b>Non-current employee benefits and related on-costs</b>		
Conditional long service leave entitlements	37,562	30,673
<b>Total non-current employee benefits and related on-costs</b>	<b>37,562</b>	<b>30,673</b>
<b>Total employee benefits and related on-costs</b>	<b>342,783</b>	<b>313,170</b>

<b>Attributable to:</b>		
Employee benefits	301,673	277,848
Provision for related on-costs	41,110	35,322
<b>Total employee benefits and related on-costs</b>	<b>342,783</b>	<b>313,170</b>

**Note 3.3(b): Provision for related on-costs movement schedule**

	2024 \$'000	2023 \$'000
<b>Carrying amount at start of year</b>	<b>35,322</b>	<b>29,750</b>
Additional provisions recognised	17,058	14,307
Amounts incurred during the year	(11,688)	(10,143)
Unwinding of discount and effect of changes in discount rate	418	1,408
<b>Carrying amount at end of year</b>	<b>41,110</b>	<b>35,322</b>

## How we recognise employee benefits

### Employee benefit recognition

Employee benefits are accrued for employees in respect of accrued days off, annual leave and long service leave, for services rendered to the reporting date.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income as sick leave is taken.

### Annual leave and accrued days off

Liabilities for annual leave and accrued days off are recognised in the provision for employee benefits as 'current liabilities' because Austin Health does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for annual leave and accrued days off are measured at:

- Nominal value – if Austin Health expects to wholly settle within 12 months, or
- Present value – if Austin Health does not expect to wholly settle within 12 months.

### Long service leave

The liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability, even where the Austin Health does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. An unconditional right arises after a qualifying period.

The components of this current LSL liability are measured at:

- Nominal value – if Austin Health expects to wholly settle within 12 months, or
- Present value – if Austin Health does not expect to wholly settle within 12 months.

Conditional LSL is measured at present value and is disclosed as a non-current liability. Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in estimations, e.g. bond rate movements, inflation rate movements and changes in probability factors that are then recognised as other economic flows.

### Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or when an employee decides to accept an offer of benefits in exchange for the termination of employment.

### Provision for on-costs related to employee benefits

Provision for on-costs, such as workers compensation and superannuation, are recognised separately from employee benefits.

## Note 3.4: Superannuation

	Paid Contribution for the Year		Contribution Outstanding at Year End	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Defined benefit plans<sup>i</sup></b>				
Aware Super	771	860	30	30
Commonwealth Superannuation Scheme	1,159	1,288	50	54
ESSSuper	52	60	1	1
<b>Defined contribution plans</b>				
Aware Super	39,722	38,201	1,082	810
Hesta	37,221	34,859	1,021	746
Other	16,863	13,333	476	301
<b>Total</b>	<b>95,788</b>	<b>88,601</b>	<b>2,660</b>	<b>1,942</b>

<sup>i</sup> The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

### How we recognise superannuation

Employees of Austin Health are entitled to receive superannuation benefits and it contributes to both defined benefit and defined contribution plans.

#### Defined benefit superannuation plans

A defined benefit plan provides benefits based on years of service and final average salary. The amount charged to the Comprehensive operating statement in respect of defined benefit superannuation plans represents the contributions made by Austin Health to the superannuation plans, in respect of the services of current Austin Health staff during the reporting period. Superannuation contributions are made to the plans based on the relevant rules of each plan and are based upon actuarial advice.

Austin Health does not recognise any unfunded defined benefit liability in respect of the plans because the health service has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due.

The DTF discloses the State's defined benefits liabilities in its disclosure for administered items. However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Comprehensive operating statement of Austin Health.

The name, details and amounts that have been expensed in relation to the major employee superannuation funds and contributions made by Austin Health are disclosed above.

#### Defined contribution superannuation plans

Defined contribution (i.e. accumulation) superannuation plan expenditure is simply the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period. Contributions to defined contribution superannuation plans are expensed when incurred.

The name, details and amounts that have been expensed in relation to the major employee superannuation funds and contributions made by Austin Health are disclosed above.

## Note 4: Key assets to support service delivery

Austin Health controls infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to Austin Health to be utilised for delivery of those outputs.

### Structure

#### 4.1 Property, plant and equipment

#### 4.2 Right-of-use assets

#### 4.3 Depreciation and amortisation

#### 4.4 Impairment of assets

## Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Estimating useful life of property, plant and equipment	Austin Health assigns an estimated useful life to each item of property, plant and equipment. This is used to calculate depreciation of the asset. Austin Health reviews the useful life and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	<p>The useful life of each right-of-use asset is typically the respective lease term, except where Austin Health is reasonably certain to exercise a purchase option contained within the lease (if any), in which case the useful life reverts to the estimated useful life of the underlying asset.</p> <p>Austin Health applies material judgement to determine whether or not it is reasonably certain to exercise such purchase options.</p>
Estimating restoration costs at end of a lease	Where a lease agreement requires Austin Health to restore a right-of-use asset to its original condition at the end of the lease, the health service estimates the present value of such restoration costs. This cost is included in the measurement of the right-of-use asset, which is depreciated over the relevant lease term.
Identifying indicators of impairment	<p>At the end of each year, Austin Health assesses impairment by evaluating the conditions and events specific to the health service that may be indicative of impairment triggers. Where an indication exists, the health service tests the asset for impairment.</p> <p>The health service considers a range of information when performing its assessment, including:</p> <ul style="list-style-type: none"><li>• if an asset's value has declined more than expected based on normal use</li><li>• if a significant change in technological, market, economic or legal environment adversely impacts the way Austin Health uses an asset</li><li>• if an asset is obsolete or damaged</li><li>• if the asset has become idle, or if there are plans to discontinue or dispose of the asset before the end of its useful life</li><li>• if the performance of the asset is or will be worse than initially expected.</li></ul> <p>Where an impairment trigger exists, Austin Health applies material judgement and estimate to determine the recoverable amount of the asset.</p>

## Note 4.1: Property, plant and equipment

### Note 4.1(a): Gross carrying amount and accumulated depreciation

	2024 \$'000	2023 \$'000
Crown land at fair value	62,375	59,500
Freehold land at fair value	103,792	106,400
<b>Total land at fair value</b>	<b>166,167</b>	<b>165,900</b>
Buildings at fair value	1,408,513	980,404
Less accumulated depreciation	-	(74,502)
	1,408,513	905,902
Buildings under construction at cost	69,658	49,264
<b>Total buildings</b>	<b>1,478,171</b>	<b>955,166</b>
Plant and equipment at fair value	40,193	40,111
Less accumulated depreciation	(37,034)	(35,676)
<b>Total plant and equipment at fair value</b>	<b>3,159</b>	<b>4,435</b>
Motor vehicles at fair value	1,220	1,221
Less accumulated depreciation	(1,220)	(1,177)
<b>Total motor vehicles at fair value</b>	<b>-</b>	<b>44</b>
Medical equipment at fair value	143,087	140,440
Less accumulated depreciation	(127,137)	(122,825)
<b>Total medical equipment at fair value</b>	<b>15,950</b>	<b>17,615</b>
Computers and communication equipment at fair value	30,430	28,935
Less accumulated depreciation	(30,328)	(28,664)
<b>Total computers and communication equipment at fair value</b>	<b>102</b>	<b>271</b>
Furniture and fittings at fair value	2,792	2,768
Less accumulated depreciation	(2,749)	(2,683)
<b>Total furniture and fittings at fair value</b>	<b>43</b>	<b>85</b>
Other equipment at fair value	18,717	18,653
Less accumulated depreciation	(18,460)	(18,133)
	257	520
Equipment under construction at cost	108,454	80,029
<b>Total other equipment</b>	<b>108,711</b>	<b>80,549</b>
<b>Total property, plant and equipment</b>	<b>1,772,303</b>	<b>1,224,066</b>

## Note 4.1(b): Reconciliation of carrying amount by class of asset

	Note	Land \$'000	Buildings \$'000	Plant & equipment \$'000	Motor vehicles \$'000	Medical equipment \$'000	Computers & comm equipment \$'000	Furniture & fittings \$'000	Other equipment \$'000	Equipment under construction \$'000	Total \$'000
<b>Balance at 1 July 2022</b>		<b>165,900</b>	<b>1,003,162</b>	<b>5,953</b>	<b>15</b>	<b>21,296</b>	<b>682</b>	<b>155</b>	<b>836</b>	<b>67,632</b>	<b>1,265,634</b>
Additions		-	26,554	32	159	6,226	2,419	22	127	12,397	47,935
Disposals		-	(37)	-	-	(10)	(2)	-	-	-	(49)
Depreciation	4.3	-	(74,513)	(1,550)	(130)	(9,897)	(2,828)	(92)	(443)	-	(89,452)
<b>Balance at 30 June 2023</b>	4.1(a)	<b>165,900</b>	<b>955,166</b>	<b>4,435</b>	<b>44</b>	<b>17,615</b>	<b>271</b>	<b>85</b>	<b>520</b>	<b>80,029</b>	<b>1,224,065</b>
Additions		-	22,536	82	-	9,471	1,566	24	117	28,424	62,220
Disposals		-	-	-	-	(5)	(5)	-	-	-	(10)
Revaluation increments/ (decrements)		267	574,568	-	-	-	-	-	-	-	574,835
Depreciation	4.3	-	(74,099)	(1,358)	(44)	(11,130)	(1,730)	(66)	(379)	-	(88,807)
<b>Balance at 30 June 2024</b>	4.1(a)	<b>166,167</b>	<b>1,478,171</b>	<b>3,159</b>	<b>-</b>	<b>15,950</b>	<b>102</b>	<b>43</b>	<b>257</b>	<b>108,454</b>	<b>1,772,303</b>

### Land and buildings and assets carried at valuation

The Valuer-General of Victoria undertook to re-value all of Austin Health's land and buildings to determine their fair value. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments. The effective date of the independent valuation was 30 June 2024.



## How we recognise property, plant and equipment

Property, plant and equipment are tangible items that are used by Austin Health in the supply of goods or services that are expected to be used during more than one financial year.

### Initial recognition

Items of property, plant and equipment are initially measured at cost. Where an asset is acquired for no or nominal cost, being far below the fair value of the asset, the deemed cost is its fair value at the date of acquisition. Assets transferred as part of an amalgamation/machinery of government change are transferred at their carrying amounts.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

### Subsequent measurement

Items of property, plant and equipment are subsequently measured at fair value less accumulated depreciation and impairment losses where applicable.

Fair value is determined with reference to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset).

Further information regarding fair value measurement is disclosed in Note 7.4.

### Revaluation

Fair value is based on periodic valuations by independent valuers, which normally occur once every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate a material change in fair value.

Where an independent valuation has not been undertaken at balance date, Austin Health perform a managerial assessment to estimate possible changes in fair value of land and buildings since the date of the last independent valuation, with reference to Valuer-General of Victoria (VGV) indices.

An adjustment is recognised if the assessment concludes that the fair value of land and buildings has changed by 10% or more since the last revaluation (whether that be the most recent independent valuation or managerial valuation). Any estimated change in fair value of less than 10% is deemed immaterial to the financial statements and no adjustment is recorded. Where the assessment indicates there has been an exceptionally material movement in the fair value of land and buildings since the last independent valuation, being equal to or in excess of 40%, Austin Health would obtain an interim independent valuation prior to the next scheduled independent valuation.

An independent valuation of Austin Health's property, plant and equipment was performed by the VGV in June 2024. The valuation, which complies with Australian Valuation Standards, was determined with reference to the amount for which an orderly transaction to sell the asset or transfer the liability would take place between market participants at the measurement date, under current market conditions.

Revaluation increases (increments) arise when an asset's fair value exceeds its carrying amount. In comparison, revaluation decreases (decrements) arise when an asset's fair value is less than its carrying amount. Revaluation increments and revaluation decrements relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation increments are recognised in 'Other comprehensive income' and are credited directly to the property, plant and equipment revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that same class of asset previously recognised as an expense in net result, in which case the increment is recognised as income in the net result.

Revaluation decrements are recognised in 'Other comprehensive income' to the extent that a credit balance exists in the property, plant and equipment revaluation reserve in respect of the same class of property, plant and equipment. Otherwise, the decrement is recognised as an expense in the net result.

The revaluation surplus included in equity in respect of an item of property, plant and equipment may be transferred directly to retained earnings when the asset is derecognised.

## Note 4.2: Right-of-use assets

### Note 4.2(a): Gross carrying amount and accumulated depreciation

	2024 \$'000	2023 \$'000
Right-of-use freehold land	134,203	134,203
Less accumulated depreciation	(28,036)	(22,429)
<b>Total right-of-use land</b>	<b>106,167</b>	<b>111,774</b>
Right-of-use buildings	8,632	6,566
Less accumulated depreciation	(2,528)	(2,650)
<b>Total right-of-use buildings at fair value</b>	<b>6,104</b>	<b>3,916</b>
Right-of-use plant, equipment and vehicles	9,671	14,226
Less accumulated depreciation	(4,588)	(9,791)
<b>Total right-of-use plant, equipment and vehicles at fair value</b>	<b>5,083</b>	<b>4,435</b>
<b>Total right-of-use assets</b>	<b>117,354</b>	<b>120,125</b>

### Note 4.2(b): Reconciliation of carrying amount by class of asset

	Note	Right-of-use land \$'000	Right-of-use buildings \$'000	Right-of-use plant, equipment & vehicles \$'000	Total \$'000
<b>Balance at 1 July 2022</b>		<b>117,381</b>	<b>647</b>	<b>5,992</b>	<b>124,020</b>
Additions		-	4,089	957	5,046
Depreciation	4.3	(5,607)	(820)	(2,514)	(8,941)
<b>Balance at 30 June 2023</b>	4.2(a)	<b>111,774</b>	<b>3,916</b>	<b>4,435</b>	<b>120,125</b>
Additions		-	4,478	4,526	9,004
Disposals		-	(7)	(1,589)	(1,596)
Depreciation	4.3	(5,607)	(2,283)	(2,289)	(10,179)
<b>Balance at 30 June 2024</b>	4.2(a)	<b>106,167</b>	<b>6,104</b>	<b>5,083</b>	<b>117,354</b>



## How we recognise right-of-use assets

### Initial recognition

When a contract is entered into, Austin Health assesses if the contract contains or is a lease.

Unless the lease is considered a short-term lease or a lease of a low-value asset (refer to Note 6.1(a) for further information), the contract gives rise to a right-of-use asset and corresponding lease liability.

The right-of-use asset is initially measured at cost and comprises the initial measurement of the corresponding lease liability, adjusted for:

- any lease payments made at or before the commencement date
- any initial direct costs incurred
- an estimate of costs to dismantle and remove the underlying asset, or to restore the underlying asset or the site on which it is located, less any lease incentive received.

Austin Health presents its right-of-use assets as part of property, plant and equipment, as if the asset was owned by the health service.

### Subsequent measurement

Right-of-use assets are subsequently measured at fair value, with the exception of right-of-use asset arising from leases with significantly below-market terms and conditions, which are subsequently measured at cost, less accumulated depreciation and accumulated impairment losses where applicable.

Right-of-use assets are also adjusted for certain measurements of the lease liability (for example, when a variable lease payment based on an index or rate becomes effective).

Further information regarding fair value measurement is disclosed in Note 7.4.

**Note 4.3: Depreciation and amortisation**

	2024 \$'000	2023 \$'000
<b>Depreciation</b>		
Buildings	74,099	74,513
Plant and equipment	1,358	1,550
Motor vehicles	44	130
Medical equipment	11,130	9,897
Computers and communication equipment	1,730	2,828
Furniture and fittings	66	92
Other equipment	379	443
<b>Total depreciation - property, plant and equipment</b>	<b>88,807</b>	<b>89,452</b>
<b>Right-of-use assets</b>		
Right-of-use land	5,607	5,607
Right-of-use buildings	2,283	820
Right-of-use plant, equipment and vehicles	2,289	2,514
<b>Total depreciation – right-of-use assets</b>	<b>10,179</b>	<b>8,941</b>
<b>Amortisation</b>		
Intangible assets	1,134	1,494
<b>Total amortisation</b>	<b>1,134</b>	<b>1,494</b>
<b>Total depreciation and amortisation</b>	<b>100,120</b>	<b>99,888</b>

## How we recognise depreciation

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets (excluding items under assets held for sale and land) that have finite useful lives are depreciated. Depreciation is generally calculated on a straight-line basis at rates that allocate the asset's value, less any estimated residual value over its estimated useful life.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that Austin Health anticipates to exercise a purchase option, the specific right-of-use asset is depreciated over the useful life of the underlying asset.

## How we recognise amortisation

Amortisation is the systematic allocation of the depreciable amount of an asset over its useful life.

The following table indicates the expected useful lives of non-current assets on which the depreciation and amortisation charges are based.

	2024	2023
Buildings		
- Shell/structure	45 to 60 years	45 to 60 years
- Siteworks/site services	20 to 30 years	20 to 30 years
- Services	15 to 28 years	15 to 28 years
- Fit out	7 to 20 years	10 to 20 years
Plant and equipment	6 to 15 years	7 to 15 years
Medical equipment	5 to 15 years	5 to 15 years
Computers and communication	3 to 5 years	3 to 5 years
Furniture and fitting	3 to 5 years	3 to 5 years
Motor vehicles	1 to 3 years	1 to 3 years
Other equipment	3 to 5 years	3 to 5 years
Intangible assets	3 to 5 years	3 to 5 years

As part of building valuation, building values are separated into components and each component assessed for its useful life which is represented above.

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## Note 4.4: Impairment of assets

### How we recognise impairment

At the end of each reporting period, Austin Health reviews the carrying amount of its tangible and intangible assets that have a finite useful life, to determine whether there is any indication that an asset may be impaired.

The assessment will include consideration of external sources of information and internal sources of information.

External sources of information include, but are not limited to, observable indications that an asset's value has declined during the period by significantly more than would be expected, as a result of the passage of time or normal use. Internal sources of information include but are not limited to evidence of obsolescence or physical damage of an asset, and significant changes with an adverse effect on Austin Health which changes the way in which an asset is used or expected to be used.

If such an indication exists, an impairment test is carried out. Assets with indefinite useful lives (and assets not yet available for use) are tested annually for impairment, in addition to where there is an indication that the asset may be impaired.

When performing an impairment test, Austin Health compares the recoverable amount of the asset, being the higher of the asset's fair value, less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in net result, unless the asset is carried at a revalued amount.

Where an impairment loss on a revalued asset is identified, this is recognised against the asset revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the cumulative balance recorded in the asset revaluation surplus for that class of asset.

Where it is not possible to estimate the recoverable amount of an individual asset, Austin Health estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Austin Health did not record any impairment losses for the year ended 30 June 2024 (30 June 2023: Nil).

## Note 5: Other assets and liabilities

This section sets out those assets and liabilities that arose from Austin Health's operations.

### Structure

- 5.1 Receivables
- 5.2 Contract assets
- 5.3 Payables
- 5.4 Contract liabilities
- 5.5 Other liabilities

### Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
<b>Estimating the provision for expected credit losses</b>	Austin Health uses a simplified approach to account for the expected credit loss provision. A provision matrix is used, which considers historical experience, external indicators and forward-looking information to determine expected credit loss rates.
<b>Measuring deferred capital grant income</b>	<p>Where Austin Health has received funding to construct an identifiable non-financial asset, such funding is recognised as deferred capital grant income until the underlying asset is constructed.</p> <p>Austin Health applies material judgement when measuring the deferred capital grant income balance, which references the estimated stage of completion at the end of each financial year.</p>
<b>Measuring contract liabilities</b>	Austin Health applies material judgement to measure its progress towards satisfying a performance obligation, as detailed in Note 2. Where a performance obligation is yet to be satisfied, Austin Health assigns funds to the outstanding obligation and records this as a contract liability until the promised good or service is transferred to the customer.

## Note 5.1: Receivables

	Note	2024 \$'000	2023 \$'000
<b>Current receivables</b>			
<b>Contractual</b>			
Inter-hospital debtors		2,059	2,743
Trade debtors		9,479	20,782
Patient fees		7,548	1,282
Provision for impairment	7.2(a)	(970)	(998)
Contractual assets	5.2	10,999	21,618
<b>Total contractual receivables</b>		<b>29,115</b>	<b>45,427</b>
<b>Statutory</b>			
GST receivable		5,263	4,909
<b>Total statutory receivables</b>		<b>5,263</b>	<b>4,909</b>
<b>Total current receivables</b>		<b>34,378</b>	<b>50,336</b>

<b>Non-current receivables</b>			
<b>Contractual</b>			
Long service leave – Department of Health		84,776	72,373
<b>Total non-current receivables</b>		<b>84,776</b>	<b>72,373</b>
<b>Total receivables</b>		<b>119,154</b>	<b>122,709</b>

<b>(i) Financial assets classified as receivables (Note 7.1(a))</b>			
Total receivables and contract assets		119,154	122,709
GST receivable		(5,263)	(4,909)
<b>Total financial assets classified as receivables</b>	7.1(a)	<b>113,891</b>	<b>117,800</b>



## Note 5.1(a): Movement in the allowance for impairment losses of contractual receivables

	2024 \$'000	2023 \$'000
Balance at beginning of the year	998	907
Increase/(decrease) in allowance	492	566
Amounts written off during the year	(520)	(475)
<b>Balance at end of the year</b>	<b>970</b>	<b>998</b>

### How we recognise receivables

Receivables consist of:

- **Contractual receivables**, including debtors that relate to goods and services. These receivables are classified as financial instruments and are categorised as 'financial assets at amortised cost'. They are initially recognised at fair value plus any directly attributable transaction costs. Austin Health holds the contractual receivables with the objective to collect the contractual cash flows and subsequently measure at amortised cost using effective methods, less any impairment.
- **Statutory receivables**, including Goods and Services Tax (GST) input tax credits that are recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. Austin Health applies AASB 9 *Financial Instruments* for initial measurement of the statutory receivables and as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Trade debtors are carried at nominal amounts and are due for settlement within 30 days from the date of recognition.

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets*.

Austin Health is not exposed to any material credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates, management consider the credit quality of trade receivables that are not past due or impaired, to be good. Refer to Note 7.2(a) for Austin Health's contractual impairment losses.

## Note 5.2: Contract assets

		2024 \$'000	2023 \$'000
<b>Current</b>			
Contract assets		10,999	21,618
<b>Total contract assets</b>	5.2(a)	<b>10,999</b>	<b>21,618</b>

## Note 5.2(a): Movements in contract assets

	2024 \$'000	2023 \$'000
Balance at the beginning of the year	21,618	16,745
Add: additional costs incurred that are recoverable from the customer	74,421	67,148
Less: transfer to revenue recognition	(85,040)	(62,275)
<b>Total contract assets</b>	<b>10,999</b>	<b>21,618</b>

### How we recognise contract assets

Contract assets relate to Austin Health's right to consideration in exchange for goods and services transferred to customers for works completed, but not yet billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional and at this time, an invoice is issued. Contract assets are expected to be recovered during the next financial year.

### Note 5.3: Payables

	Note	2024 \$'000	2023 \$'000
<b>Current payables</b>			
<b>Contractual</b>			
Trade creditors		11,785	11,351
Accrued salary and wages		43,175	34,601
Accrued expenses		41,791	43,453
Deferred capital grant revenue	5.3(a)	14,003	17,920
Contract liabilities	5.4	1,789	40,179
Salary packaging		1,070	1,274
Other		643	567
<b>Total contractual payables</b>		<b>114,256</b>	<b>149,345</b>
<b>Statutory</b>			
GST Payable		627	715
Pay As You Go withholding		5,958	5,588
Superannuation payable		2,660	1,942
<b>Total statutory payables</b>		<b>9,245</b>	<b>8,245</b>
<b>Total payables</b>	7.2(b)	<b>123,501</b>	<b>157,590</b>

#### (i) Financial liabilities classified as payables and contract liabilities (Note 7.1(a))

<b>Total payables</b>		123,501	157,590
Deferred grant income		(14,003)	(17,920)
Contract liabilities		(1,789)	(40,179)
Other		(9,245)	(8,245)
<b>Total financial liabilities classified as payables</b>	7.1(a)	<b>98,464</b>	<b>91,246</b>

## How we recognise payables

Payables consist of:

- **Contractual payables**, which include payables that relate to the purchase of goods and services. These payables are classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to Austin Health prior to the end of the financial year that are unpaid.
- **Statutory payables**, which include Goods and Services Tax (GST) payable. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

The normal credit terms for accounts payable are usually net 60 days.

### Maturity analysis of payables

Please refer to Note 7.2(b) of the ageing analysis of payables.

## Note 5.3(a): Movement in deferred capital grant revenue

	2024 \$'000	2023 \$'000
Opening balance of deferred capital grant income	17,920	20,974
Grant consideration for capital works received during the year	25,149	29,094
Deferred capital grant income recognised as income due to completion of capital works	(29,066)	(32,148)
<b>Closing balance of deferred capital grant income</b>	<b>14,003</b>	<b>17,920</b>

## How we recognise deferred capital grant income

Grant consideration was received from capital projects for building infrastructure, IT and medical equipment.

Capital grant income is recognised progressively as the asset is constructed, since this is the time when Austin Health satisfies its obligations. The progressive percentage of costs incurred is used to recognise income because this most closely reflects the progress to completion as costs

are incurred as the works are done. As a result, Austin Health has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Austin Health expects to recognise all of the remaining deferred capital grant income for capital works by 2027.

## Note 5.4: Contract liabilities

	2024 \$'000	2023 \$'000
<b>Current</b>		
Current contract liabilities	1,789	40,179
<b>Total contract liabilities</b>	<b>1,789</b>	<b>40,179</b>

## Note 5.4(a): Movement in contract liabilities

	2024 \$'000	2023 \$'000
Opening balance of contract liabilities	40,179	43,329
Add: payments received for performance obligations yet to be completed during the period	1,789	1,480
Add: grant consideration for sufficiently specific performance obligations received during the year	1,222,589	1,164,565
Less: revenue recognised in the reporting period for the completion of a performance obligation	(1,480)	(9,322)
Less: grant revenue for sufficiently specific performance obligations work recognised consistent with the performance obligations met during the year	(1,261,288)	(1,159,873)
<b>Total contract liabilities</b>	<b>1,789</b>	<b>40,179</b>

### How we recognise contractual liabilities

Contract liabilities include consideration received in advance from customers in respect of goods and services provided by Austin Health.

Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer (refer to Note 2.1).

## Note 5.5: Other liabilities

	2024 \$'000	2023 \$'000
<b>Current monies held in trust</b>		
Patient monies held in trust	35	50
Other monies held in trust	280	354
<b>Total current monies held in trust</b>	<b>315</b>	<b>404</b>
<b>Total other liabilities*</b>	<b>315</b>	<b>404</b>

### \*Represented by:

Cash assets	315	404
	<b>315</b>	<b>404</b>

## Note 6: How we finance our operations

This section provides information on the sources of finance utilised by Austin Health during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of Austin Health.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Note 7.1 provides additional, specific financial instrument disclosures.

### Structure

#### 6.1 Borrowings

#### 6.2 Cash and cash equivalents

#### 6.3 Commitments for expenditure

## Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
<b>Determining if a contract is or contains a lease</b>	<p>Austin Health applies material judgement to determine if a contract is or contains a lease by considering if the health service:</p> <ul style="list-style-type: none"><li>• has the right-to-use an identified asset</li><li>• has the right to obtain substantially all economic benefits from the use of the leased asset</li><li>• can decide how and for what purpose the asset is used throughout the lease.</li></ul>
<b>Determining if a lease meets the short-term or low value asset lease exemption</b>	<p>Austin Health applies material judgement when determining if a lease meets the short-term or low value lease exemption criteria.</p> <p>Austin Health estimates the fair value of leased assets when new. Where the estimated fair value is less than \$10,000, the health service applies the low-value lease exemption.</p> <p>Austin Health also estimates the lease term with reference to remaining lease term and period that the lease remains enforceable. Where the enforceable lease period is less than 12 months, the health service applies the short-term lease exemption.</p>
<b>Discount rate applied to future lease payments</b>	<p>Austin Health discounts its lease payments using the interest rate implicit in the lease. If this rate cannot be readily determined, which is generally the case for the health service's lease arrangements, Austin Health uses its incremental borrowing rate, which is the amount the health service would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.</p> <p>For leased land and buildings, Austin Health estimates the incremental borrowing rate to be between 2% and 6%.</p> <p>For leased plant, equipment, furniture, fittings and vehicles, the implicit interest rate is between 1% to 6%.</p>

Continued ...

## Material judgements and estimates

### Description

#### Assessing the lease term

The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend or terminate the lease if Austin Health is reasonably certain to exercise such options.

Austin Health determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including:

- if there are significant penalties to terminate (or not extend), Austin Health is typically certain to extend (or not terminate) the lease
- if any leasehold improvements are expected to have a significant remaining value, Austin Health is typically certain to extend (or not terminate) the lease
- Austin Health considers historical lease durations and the costs and business disruption to replace such leased assets.

## Note 6.1: Borrowings

	2024 \$'000	2023 \$'000
<b>Current borrowings</b>		
TCV loan <sup>(i)</sup>	1,744	1,642
Lease liability <sup>(ii)</sup>	3,863	2,982
<b>Total current borrowings</b>	<b>5,607</b>	<b>4,624</b>
<b>Non-current borrowings</b>		
TCV loan <sup>(i)</sup>	23,696	25,438
Lease liability <sup>(ii)</sup>	7,726	5,632
<b>Total non-current borrowings</b>	<b>31,422</b>	<b>31,070</b>
<b>Total borrowings</b>	<b>37,029</b>	<b>35,694</b>

<sup>(i)</sup> These are secured loans with a weighted average interest rate of 6.70% (2022-23 6.70%) and 4.75% (2022-23 4.75%).

<sup>(ii)</sup> Secured by the assets leased.

### How we recognise borrowings

Borrowings refer to interest-bearing liabilities mainly raised from advances from the Treasury Corporation of Victoria (TCV) and other funds raised through lease liabilities, service concession arrangements and other interest-bearing arrangements.

#### Initial recognition

All borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs. The measurement basis subsequent to initial recognition depends on whether Austin Health has categorised its liability as either 'financial liabilities designated at fair value through profit or loss', or financial liabilities at 'amortised cost'.

#### Subsequent measurement

Subsequent to initial recognition, interest-bearing borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the net result over the period of the borrowing using the effective interest method. Non-interest bearing borrowings are measured at 'fair value through profit or loss'.

#### Maturity analysis

Please refer to Note 7.2 (b) for the maturity analysis of borrowings.

#### Defaults and breaches

During the current and prior year, there were no defaults or breaches of any of the loans.



## Note 6.1(a): Lease liabilities

Austin Health's lease liabilities are summarised below:

	2024 \$'000	2023 \$'000
Total undiscounted lease liabilities	12,320	9,085
Less unexpired finance expenses	(730)	(472)
<b>Net lease liabilities</b>	<b>11,590</b>	<b>8,613</b>

The following table sets out the maturity analysis of lease liabilities, showing the undiscounted lease payments to be made after the reporting date.

	2024 \$'000	2023 \$'000
Not later than 1 year	4,185	3,188
Later than 1 year and not later than 5 years	7,054	5,493
Later than 5 years	1,081	404
<b>Minimum future lease liability</b>	<b>12,320</b>	<b>9,085</b>
Less unexpired finance expenses	(730)	(472)
<b>Present value of lease liability*</b>	<b>11,590</b>	<b>8,613</b>

### \*Represented by:

Current borrowings lease liability	3,864	2,981
Non-current borrowings lease liability	7,726	5,632
	<b>11,590</b>	<b>8,613</b>

## How do we recognise lease liabilities

A lease is defined as a contract, or part of a contract, that conveys the right for Austin Health to use an asset for a period of time in exchange for payment.

To apply this definition, Austin Health ensures the contract meets the following criteria:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to Austin Health and for which the supplier does not have substantive substitution rights.
- Austin Health has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and Austin Health has the right to direct the use of the identified asset throughout the period of use
- Austin Health has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

Austin Health's lease arrangements consist of the following:

<b>Leased land</b>	10 to 99 years
<b>Leased buildings</b>	10 to 99 years
<b>Leased plant, equipment and vehicles</b>	4 to 10 years

All leases are recognised on the balance sheet, with the exception of low value leases (less than \$10,000 AUD) and short term leases of less than 12 months. The following low value, short term and variable lease payments are recognised in profit or loss:

<b>Type of payment</b>	<b>Description of payment</b>	<b>Type of leases captured</b>
<b>Low value lease payments</b>	Leases where the underlying asset's fair value, when new, is no more than \$10,000	Photocopiers, IT equipment

### Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

### Initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or Austin Health's incremental borrowing rate. Our lease liability has been discounted by rates between 1% to 6%.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee
- payments arising from purchase and termination options reasonably certain to be exercised.

Building leases may have options to extend the lease term

The following types of lease arrangements contain extension and termination options:

- Building leases with extension/termination options between 2-5 years
- Pathology rooms with extension/termination options between 2-5 years

These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by Austin Health and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term and lease liability if the lease is reasonably certain to be extended (or not terminated).

The assessment is reviewed if a significant event or a significant change in circumstances occurs that affects this assessment and that is within the control of the lessee.

### Subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in the substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

## Leases with significantly below-market terms and conditions

Austin Health holds lease arrangements which contain significantly below-market terms and conditions, which are principally to enable the health service to further its objectives. These are commonly referred to as a peppercorn or concessionary lease arrangements.

The nature and terms of such lease arrangements, including Austin Health's dependency on such lease arrangements, is described below:

Description of leased asset	Our dependence on lease	Nature and terms of lease
Land – Waterdale Road, Heidelberg	<p>The leased land is used for the purpose of delivering health services to the community.</p> <p>Austin Health's dependence on this lease is considered to be high due to the specialised nature and limited availability of substitutes.</p>	<p>Lease payments of \$12 per annum are required.</p> <p>Lease commenced in 2011 and has a lease term of 20 years, which includes extension options of 2 further terms each of 10 years.</p>
Land – Hawdon St, Heidelberg	<p>The leased land is used for the purpose of delivering mental health services to the community.</p> <p>Austin Health's dependence on this lease is considered to be high due to the specialised nature and limited availability of substitutes.</p>	<p>Lease payments of \$104 per annum are payable on demand.</p> <p>Lease commenced in 2021 and has a lease term of 10 years.</p>
Land – Law St, Heidelberg	<p>The leased land is used for the purpose of delivering mental health services to the community.</p> <p>Austin Health's dependence on this lease is considered to be high due to the specialised nature and limited availability of substitutes.</p>	<p>Lease payments of \$104 per annum are required.</p> <p>Lease commenced in 2015 and has a lease term of 10 years.</p>
Land - Grieve St, Macleod	<p>The leased land is used for the purpose of delivering mental health services to the community.</p> <p>Austin Health's dependence on this lease is considered to be high due to the specialised nature and limited availability of substitutes.</p>	<p>Lease payments of \$104 per annum are payable on demand.</p> <p>Lease commenced in 2023 and has a lease term of 15 years.</p>

## Note 6.2: Cash and cash equivalents

	Note	2024 \$'000	2023 \$'000
Cash on hand		34	35
Cash at bank		294	619
Cash at bank – CBS		16,068	32,993
Deposits at call		134	728
<b>Total cash held for operations</b>		<b>16,530</b>	<b>34,375</b>
Cash at bank – CBS donations for specified purposes		21,284	20,839
Cash at bank – CBS committed and tied capital		95,298	124,141
Cash at bank – CBS restricted reserves		7,321	7,271
Cash at bank – salary packaging employee benefits		1,070	1,274
<b>Total committed and tied cash reserves</b>		<b>124,973</b>	<b>153,525</b>
Cash at bank – CBS monies held in trust		315	404
<b>Total cash held as monies in trust</b>		<b>315</b>	<b>404</b>
<b>Total cash and cash equivalents</b>	7.1(a)	<b>141,818</b>	<b>188,304</b>

### How we recognise cash and cash equivalents

Cash and cash equivalents recognised on the balance sheet comprise cash on hand and in banks, deposits at call and highly liquid investments (with an original maturity date of three months or less).

Cash and cash equivalents are held for the purpose of meeting short-term cash commitments, rather than for investment purposes, and are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

The cash flow statement includes monies held in trust.

### Note 6.3: Commitments for expenditure

	2024 \$'000	2023 \$'000
<b>Capital expenditure commitments</b>		
Less than 1 year	72,956	87,505
Longer than 1 year but not longer than 5 years	23,634	15,845
<b>Total capital expenditure commitments</b>	<b>96,590</b>	<b>103,350</b>
<b>Non-cancellable and low value lease commitments</b>		
Less than 1 year	3,279	4,759
Longer than 1 year but not longer than 5 years	2,919	10,859
<b>Total non-cancellable and low value lease commitments</b>	<b>6,198</b>	<b>15,618</b>
<b>Total commitments for expenditure (inclusive of GST)</b>	<b>102,788</b>	<b>118,968</b>
Less GST recoverable from the Australian Tax Office	(9,344)	(10,815)
<b>Total commitments for expenditure (exclusive of GST)</b>	<b>93,444</b>	<b>108,153</b>

#### How we disclose our commitments

Our commitments relate to expenditure and short-term and low-value leases.

#### Expenditure commitments

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed at their nominal value and are inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the balance sheet.

#### Short-term and low-value leases

Austin Health discloses short-term and low-value lease commitments which are excluded from the measurement of right-of-use assets and lease liabilities. Refer to Note 6.1(a) for further information.

## Note 7: Risk, contingencies and valuation uncertainties

Austin Health is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature, or require a higher level of judgement to be applied, which for the health service is related mainly to fair value determination.

### Structure

- 7.1 Financial instruments
- 7.2 Financial risk management objectives and policies
- 7.3 Contingent assets and contingent liabilities
- 7.4 Fair value determination

### Material judgements and estimates

This section contains the following material judgements and estimates:

#### Material judgements and estimates

#### Description

##### Measuring fair value of non-financial assets

Fair value is measured with reference to highest and best use; that is, the use of the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use.

In determining the highest and best use, Austin Health has assumed the current use is its highest and best use. Accordingly, characteristics of the health service's assets are considered, including condition, location and any restrictions on the use and disposal of such assets.

Austin Health uses a range of valuation techniques to estimate fair value, which include the following:

- **Market approach**, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of Austin Health's specialised land and non-specialised buildings are measured using this approach.
- **Cost approach**, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of Austin Health's specialised buildings, furniture, fittings, plant, equipment and vehicles are measured using this approach.
- **Income approach**, which converts future cash flows or income and expenses to a single undiscounted amount. Austin Health does not use this approach to measure fair value.

Continued ...

## Material judgements and estimates

### Description

Austin Health selects a valuation technique which is considered most appropriate, and for which there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Subsequently, Austin Health applies material judgement to categorise and disclose such assets within a fair value hierarchy, which includes:

- **Level 1** – using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Austin Health does not categorise any fair values within this level.
- **Level 2** – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. Austin Health categorises non-specialised land and right-of-use concessionary land in this level.
- **Level 3** – where inputs are unobservable. Austin Health categorises specialised land, non-specialised buildings, specialised buildings; plant, equipment, furniture, fittings, vehicles; right-of-use buildings, and right-of-use plant, equipment, furniture and fittings in this level.

## Note 7.1: Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of Austin Health's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example, taxes, fines and penalties). Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132

*Financial Instruments: Presentation.*

## Note 7.1(a): Categorisation of financial instruments

30 June 2024	Note	Financial Assets at Amortised Cost \$'000	Financial Liabilities at Amortised Cost \$'000	Total \$'000
<b>Financial assets</b>				
Cash and cash equivalents	6.2	141,818	-	141,818
Receivables	5.1	113,891	-	113,891
<b>Total financial assets<sup>i</sup></b>		<b>255,709</b>	<b>-</b>	<b>255,709</b>
<b>Financial liabilities</b>				
Payables	5.3	-	98,464	98,464
Other liabilities	5.5	-	315	315
Borrowings	6.1	-	37,029	37,029
<b>Total financial liabilities<sup>i</sup></b>		<b>-</b>	<b>135,808</b>	<b>135,808</b>

30 June 2023	Note	Financial Assets at Amortised Cost \$'000	Financial Liabilities at Amortised Cost \$'000	Total \$'000
<b>Financial assets</b>				
Cash and cash equivalents	6.2	188,304	-	188,304
Receivables	5.1	117,800	-	117,800
<b>Total financial assets<sup>i</sup></b>		<b>306,104</b>	<b>-</b>	<b>306,104</b>
<b>Financial liabilities</b>				
Payables	5.3	-	91,246	91,246
Other liabilities	5.5	-	404	404
Borrowings	6.1	-	35,694	35,694
<b>Total financial liabilities<sup>i</sup></b>		<b>-</b>	<b>127,344</b>	<b>127,344</b>

<sup>i</sup> The carrying amount excludes statutory receivables (i.e. GST receivable) and statutory payables (i.e. GST payable).



## How we categorise financial instruments

### Categories of financial assets

Financial assets are recognised when Austin Health becomes party to the contractual provisions to the instrument. For financial assets, this is at the date Austin Health commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through net result, in which case transaction costs are expensed to profit or loss immediately.

Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component, or if the practical expedient was applied as specified in AASB 15 para 63.

### Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by Austin Health to collect the contractual cash flows
- the assets' contractual terms give rise to cash flows that are solely payments of principal and principal interest on the principal amount outstanding on specific dates.

These assets are initially recognised at fair value plus any directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest method less any impairment.

Austin Health recognises the following assets in this category:

- cash and deposits
- receivables (excluding statutory receivables).

### Categories of financial liabilities

Financial liabilities are recognised when Austin Health becomes a party to the contractual provisions to the instrument. Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified as fair value through profit and loss, in which case transaction costs are expensed to profit and loss immediately.

### Financial liabilities at amortised cost

Financial liabilities are measured at amortised cost using the effective interest method, where they are not held at fair value through the net result.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in the net result over the relevant period. The effective interest is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the new carrying amount at initial recognition.

Austin Health recognises the following liabilities in this category:

- payables (excluding statutory payables)
- borrowings (including lease liabilities)
- other liabilities (including monies held in trust).

## Note 7.2: Financial risk management objectives and policies

As a whole, Austin Health's financial risk management program seeks to manage the risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted are included in the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised. With respect to each class of financial asset, financial liability and equity instrument above are disclosed throughout the financial statements.

Austin Health's main financial risks include credit risk and liquidity risk. Austin Health manages these financial risks in accordance with its financial risk management policy.

Austin Health uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Accountable Officer.

### Note 7.2(a): Credit Risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. Austin Health's exposure to credit risk arises from the potential default of a counterparty on their contractual obligations, resulting in financial loss to Austin Health. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with Austin Health's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the government, the health service is exposed to credit risk.

In addition, Austin Health does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, Austin Health's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that Austin Health will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debtors that are more than 60 days overdue, and changes in debtor credit ratings.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements net of any allowances for losses represents Austin Health's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to Austin Health's credit risk profile in 2023-24.

### Impairment of financial assets under AASB 9

Austin Health records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's expected credit loss approach. Subject to AASB 9, the impairment assessment includes Austin Health's contractual receivables, statutory receivables and its investment in debt instruments.

Equity instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through net result are not subject to an impairment assessment under AASB 9.

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

### Contractual receivables at amortised cost

Austin Health applies AASB 9's simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. Austin Health has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on Austin Health's past history, existing market conditions, as well as forward-looking estimates at the end of the financial year.

On this basis, Austin Health determines the closing loss allowance at the end of the financial year as follows:

	Current	30 Days	60 Days	90 Days	120 Days	150 Days	180+ Days	Total
<b>30 June 2024</b>								
<b>Diagnostic</b>								
Expected loss rate	0.3%	1.6%	2.2%	2.6%	3.9%	5.6%	11.5%	
Gross carrying amount of contractual receivables	2,587	860	787	822	981	824	4,108	
Loss allowance	8	14	18	21	38	46	474	619
<b>Inpatients</b>								
Expected loss rate	1.8%	3.8%	6.7%	9.8%	13.7%	15.3%	18.6%	
Gross carrying amount of contractual receivables	1,724	643	316	259	130	86	917	
Loss allowance	30	25	21	25	18	13	171	303
<b>Sundry</b>								
Expected loss rate	0.1%	0.2%	2.0%	3.3%	2.0%	6.0%	6.2%	
Gross carrying amount of contractual receivables	4,719	1,875	526	541	132	98	69	
Loss allowance	4	3	10	18	3	6	4	48
<b>Total loss allowance</b>	<b>42</b>	<b>42</b>	<b>49</b>	<b>65</b>	<b>58</b>	<b>65</b>	<b>649</b>	<b>970</b>

	Current	30 Days	60 Days	90 Days	120 Days	150 Days	180+ Days	Total
<b>30 June 2023</b>								
<b>Diagnostic</b>								
Expected loss rate	0.3%	2.4%	7.6%	10.9%	17.2%	13.2%	10.0%	
Gross carrying amount of contractual receivables	2,334	922	1,150	717	1,602	158	1,142	
Loss allowance	8	22	87	78	276	21	114	606
<b>Inpatients</b>								
Expected loss rate	2.3%	2.4%	8.3%	10.2%	16.4%	19.4%	16.6%	
Gross carrying amount of contractual receivables	2,168	812	292	485	228	224	837	
Loss allowance	50	19	24	49	38	43	139	362
<b>Sundry</b>								
Expected loss rate	0.1%	0.1%	1.8%	3.5%	5.7%	5.9%	8.5%	
Gross carrying amount of contractual receivables	4,670	869	300	390	41	54	8	
Loss allowance	3	1	6	14	2	3	1	30
<b>Total loss allowance</b>	<b>61</b>	<b>42</b>	<b>117</b>	<b>141</b>	<b>316</b>	<b>67</b>	<b>254</b>	<b>998</b>

### Statutory receivables at amortised cost

Austin Health's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

Statutory receivables are considered to have low credit risk, considering the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As a result, no loss allowance has been recognised.

## Note 7.2(b): Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due.

Austin Health is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees.

Austin Health manages its liquidity risk by:

- support provided from the Department of Health (refer to Note 8.10)
- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements

- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations

- careful maturity planning of its financial obligations based on forecasts of future cash flows.

Austin Health's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk in that Austin Health provides essential services to the Victorian health system and it is highly likely that the State of Victoria will continue providing ongoing financial support to the entity.

The following table discloses the contractual maturity analysis for Austin Health's financial liabilities. For interest rates applicable to each class of liability, refer to individual notes on the financial statements.

	Note	Carrying amount \$'000	Less than 1 month \$'000	1-3 months \$'000	3 months - 1 year \$'000	1-5 years \$'000	Over 5 years \$'000
<b>30 June 2024</b>							
<b>Financial liabilities at amortised cost</b>							
Payables	5.3	123,501	123,455	46	-	-	-
Borrowings	6.1	37,030	631	1,478	3,091	15,178	16,652
Other financial liabilities <sup>1</sup>		-	-	-	-	-	-
Monies held in trust	5.5	315	280	35	-	-	-
<b>Total financial liabilities</b>		<b>160,846</b>	<b>124,366</b>	<b>1,559</b>	<b>3,091</b>	<b>15,178</b>	<b>16,652</b>
<b>30 June 2023</b>							
<b>Financial liabilities at amortised cost</b>							
Payables	5.3	157,590	153,083	48	4,459	-	-
Borrowings	6.1	35,694	529	1,203	2,626	13,143	18,192
Other financial liabilities <sup>1</sup>		-	-	-	-	-	-
Monies held in trust	5.5	404	354	50	-	-	-
<b>Total financial liabilities</b>		<b>193,687</b>	<b>153,967</b>	<b>1,301</b>	<b>7,085</b>	<b>13,143</b>	<b>18,191</b>

<sup>1</sup>Ageing analysis of financial liabilities excludes statutory financial liabilities (i.e. GST payable).

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## Note 7.3: Contingent assets and contingent liabilities

At balance date, the Board are not aware of any contingent assets or liabilities.

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## Note 7.4: Fair value determination

### How we measure fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- financial assets and liabilities at fair value through net result
- financial assets and liabilities at fair value through other comprehensive income
- property, plant and equipment
- right-of-use assets.

In addition, the fair value of other assets and liabilities that are carried at amortised cost also need to be determined for disclosure.

### Valuation hierarchy

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- **Level 1** – quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2** – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3** – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Austin Health determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There have no transfers between levels during the period.

Austin Health monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required. The Valuer-General Victoria (VGV) is Austin Health's independent valuation agency for property, plant and equipment.

### Identifying unobservable inputs (level 3) fair value measurements

Level 3 fair value inputs are unobservable valuation inputs for an asset or liability. These inputs require significant judgement and assumptions in deriving fair value for both financial and non-financial assets.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same; i.e., an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

## Note 7.4(a): Fair value determination of non-financial physical assets

		Fair value measurement at end of reporting period using:			
	Note	Total \$'000	Level 1 <sup>1</sup> \$'000	Level 2 <sup>1</sup> \$'000	Level 3 <sup>1</sup> \$'000
<b>Balance at 30 June 2024</b>					
Specialised land		166,167	-	-	166,167
<b>Total land at fair value</b>	4.1(a)	<b>166,167</b>	-	-	<b>166,167</b>
Specialised buildings		1,408,513	-	-	1,408,513
<b>Total buildings at fair value</b>	4.1(a)	<b>1,408,513</b>	-	-	<b>1,408,513</b>
Plant and equipment	4.1(a)	3,159	-	-	3,159
Motor vehicles	4.1(a)	-	-	-	-
Medical equipment	4.1(a)	15,950	-	-	15,950
Computers and communication equipment	4.1(a)	102	-	-	102
Furniture and fittings	4.1(a)	43	-	-	43
Other equipment	4.1(a)	257	-	-	257
<b>Total plant, equipment, vehicles, furniture and fittings at fair value</b>		<b>19,511</b>	-	-	<b>19,511</b>
Right-of-use land	4.2(a)	106,167	-	-	106,167
Right-of-use buildings	4.2(a)	6,104	-	-	6,104
Right-of-use plant, equipment, furniture, fittings and vehicles	4.2(a)	5,083	-	-	5,083
<b>Total right-of-use assets at fair value</b>		<b>117,354</b>	-	-	<b>117,354</b>
<b>Total non-financial physical assets at fair value</b>		<b>1,711,545</b>	-	-	<b>1,711,545</b>

<sup>1</sup>Classified in accordance with the fair value hierarchy.

Fair value measurement at end  
of reporting period using:

	Note	Total \$'000	Level 1 <sup>1</sup> \$'000	Level 2 <sup>1</sup> \$'000	Level 3 <sup>1</sup> \$'000
<b>Balance at 30 June 2023</b>					
Specialised land		165,900	-	-	165,900
<b>Total land at fair value</b>	4.1(a)	<b>165,900</b>	-	-	<b>165,900</b>
Specialised buildings		905,902	-	-	905,902
<b>Total buildings at fair value</b>	4.1(a)	<b>905,902</b>	-	-	<b>905,902</b>
Plant and equipment	4.1(a)	4,435	-	-	4,435
Motor vehicles	4.1(a)	44	-	-	44
Medical equipment	4.1(a)	17,615	-	-	17,615
Computers and communication equipment	4.1(a)	271	-	-	271
Furniture and fittings	4.1(a)	85	-	-	85
Other equipment	4.1(a)	520	-	-	520
<b>Total plant, equipment, vehicles, furniture and fittings at fair value</b>		<b>22,970</b>	-	-	<b>22,970</b>
Right-of-use land	4.2(a)	111,774	-	-	111,774
Right-of-use buildings	4.2(a)	3,916	-	-	3,916
Right-of-use plant, equipment, furniture, fittings and vehicles	4.2(a)	4,435	-	-	4,435
<b>Total right-of-use assets at fair value</b>		<b>120,125</b>	-	-	<b>120,125</b>
<b>Total non-financial physical assets at fair value</b>		<b>1,214,897</b>	-	-	<b>1,214,897</b>

<sup>1</sup>Classified in accordance with the fair value hierarchy.



## How we measure fair value of non-financial physical assets

The fair value measurement of non-financial physical assets considers the market participant's ability to use the asset in its highest and best use, or to sell it to another market participant that would use the same asset in its highest and best use.

Judgements about highest and best use must consider the characteristics of the assets concerned, including restrictions on the use and disposal of assets arising from the asset's physical nature and any applicable legislative/contractual arrangements.

In accordance with AASB 13 *Fair Value Measurement* paragraph 29, Austin Health has assumed the current use of a non-financial physical asset is its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

Theoretical opportunities that may be available in relation to the asset(s) are not considered until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best uses.

### Non-specialised land and non-specialised buildings

Non-specialised land and non-specialised buildings are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings, an independent valuation was performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of valuation of land and buildings is 30 June 2024.

### Specialised land and specialised buildings

Specialised land includes Crown land which is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the assets are not taken into account until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best use.

During the reporting period, Austin Health held Crown land. The nature of this asset means that there are certain limitations and restrictions imposed on its use and/or disposal that may impact their fair value.

The market approach is also used for specialised land, although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued. Specialised assets contain significant, unobservable adjustments; therefore, these assets are classified as Level 3 under the market based direct comparison approach.

The CSO adjustment reflects the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement and considers the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For Austin Health, the current replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation. As depreciation adjustments are considered as significant and unobservable inputs in nature, specialised buildings are classified as Level 3 for fair value measurements.

An independent valuation of Austin Health's specialised land and specialised buildings was performed by the Valuer-General Victoria. The effective date of valuation of land and buildings is 30 June 2024.

### Vehicles

Austin Health acquires new vehicles, and at times, disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by Austin Health who set relevant depreciation rates during use to reflect the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying amount (depreciated cost).

### Furniture, fittings, plant and equipment

Furniture, fittings, plant and equipment (including medical equipment, computers and communication equipment) are held at carrying amount (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the current replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that current replacement cost will be materially different from the existing carrying amount.

There were no changes in valuation techniques throughout the period to 30 June 2024.

## Reconciliation of Level 3 fair value measurement

	Note	Land \$'000	Buildings \$'000	Plant, equipment, furniture, fittings and vehicles \$'000	Right -of-use buildings \$'000	Right -of-use plant, equipment & vehicles \$'000	Total \$'000
<b>Balance at 1 July 2022</b>		165,900	970,875	28,936	647	5,992	1,172,350
Additions		-	9,578	8,986	4,089	957	23,610
Disposals		-	(37)	(12)	-	-	(49)
Gains/(losses) recognised in net result							
Depreciation and amortisation	4.3	-	(74,513)	(14,940)	(820)	(2,514)	(92,786)
<b>Balance at 30 June 2023</b>		165,900	905,902	22,970	3,916	4,435	1,103,123
Additions		-	2,142	11,258	4,478	4,526	22,404
Disposals		-	-	(10)	(7)	(1,589)	(1,606)
Gains/(losses) recognised in net result							
Depreciation and amortisation	4.3	-	(74,099)	(14,707)	(2,283)	(2,289)	(93,378)
Items recognised in other comprehensive income							
Revaluation	4.1(b)	267	574,568	-	-	-	574,835
<b>Balance at 30 June 2024</b>		166,167	1,408,513	19,511	6,104	5,083	1,605,378

Classified in accordance with the fair value hierarchy, refer to Note 7.4.

## Fair value determination of level 3 fair value measurement

Asset class	Valuation technique	Significant inputs (Level 3 only)
Specialised land (Crown/freehold)	Market approach	Community Service Obligations Adjustments <sup>i</sup>
Specialised buildings	Current replacement cost approach	<ul style="list-style-type: none"> <li>• Cost per square metre</li> <li>• Useful life</li> </ul>
Plant and equipment	Current replacement cost approach	<ul style="list-style-type: none"> <li>• Cost per unit</li> <li>• Useful life</li> </ul>
Vehicles	Current replacement cost approach	<ul style="list-style-type: none"> <li>• Cost per unit</li> <li>• Useful life</li> </ul>

<sup>i</sup> A community Service Obligation (CSO) was applied to specialised land classified in accordance with the fair value hierarchy. A CSO of 10% to 20% was applied in 2024 with the exception of the Austin Site, which had a 50% CSO discount applied due to a Queen's caveat.

## Note 8: Other disclosures

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

### Structure

- 8.1 Reconciliation of net result for the year to net cash flow from operating activities
- 8.2 Responsible persons disclosure
- 8.3 Remuneration of executives
- 8.4 Related parties
- 8.5 Remuneration of auditors
- 8.6 Ex-gratia expenses
- 8.7 Events occurring after the balance sheet date
- 8.8 Joint arrangements
- 8.9 Equity
- 8.10 Economic dependency

### Note 8.1: Reconciliation of net result for the year to net cash flows from operating activities

		2024 \$'000	2023 \$'000
<b>Net result for the year</b>		(71,915)	(43,600)
<b>Non-cash movements:</b>			
Depreciation and amortisation	4.3	100,120	99,888
Allowance for impairment losses on contractual receivables	3.2	(28)	91
Net (gain)/loss on revaluation of long service leave	3.2	3,608	12,138
Resources – assets received free of charge	2.2	(607)	(7,376)
(Gain)/loss on non-financial assets	3.2	5	49
(Gain)/loss on disposal of share in joint arrangements	3.2	736	-
<b>Movements in assets and liabilities:</b>			
(Increase)/decrease in receivables	5.1	3,555	(15,521)
(Increase)/decrease in prepayments		(4,686)	(99)
(Increase)/decrease in inventories		1,242	1,946
Increase/(decrease) in payables	5.3	(34,089)	(5,143)
Increase/(decrease) in employee benefits	3.3	29,613	29,078
Increase/(decrease) in other liabilities	5.5	(89)	66
<b>Net cash flows from / (used in) operating activities</b>		<b>27,464</b>	<b>71,517</b>

## Note 8.2: Responsible persons disclosure

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

	Period
<b>Responsible Ministers</b>	
<b>The Honourable Mary-Anne Thomas MP:</b>	
Former Minister for Medical Research	01 Jul 2023 - 02 Oct 2023
Minister for Health	01 Jul 2023 - 30 Jun 2024
Minister for Health Infrastructure	01 Jul 2023 - 30 Jun 2024
Minister for Ambulance Services	02 Oct 2023 - 30 Jun 2024
<b>The Honourable Gabrielle Williams MP:</b>	
Former Minister for Mental Health	01 Jul 2023 - 02 Oct 2023
Former Minister for Ambulance Services	01 Jul 2023 - 02 Oct 2023
<b>The Honourable Ingrid Stitt MP:</b>	
Minister for Mental Health	02 Oct 2023 - 30 Jun 2024
Minister for Ageing	02 Oct 2023 - 30 Jun 2024
<b>The Honourable Lizzy Blandthorn MP:</b>	
Former Minister for Disability, Ageing and Carers	01 Jul 2023 - 02 Oct 2024
Minister for Children	02 Oct 2023 - 30 Jun 2024
Minister for Disability	02 Oct 2023 - 30 Jun 2024
<b>The Austin Health Board</b>	
Mr Ross Cooke OAM (Chair)	01 Jul 2023 - 30 Jun 2024
Dr Christine Bessell	01 Jul 2023 - 30 Jun 2024
Mr Chris Altis	01 Jul 2023 - 30 Jun 2024
Ms Julie Anne Bignell	01 Jul 2023 - 22 Mar 2024
Mr Joel Chibert	01 Jul 2023 - 30 Jun 2024
Dr Bruce Cohen	01 Jul 2023 - 30 Jun 2024
Dr Lee Hamley	01 Jul 2023 - 30 Jun 2024
Ms Robyn McLeod AM	01 Jul 2023 - 30 Jun 2024
Ms Fiona Slaven	01 Jul 2023 - 30 Jun 2024
<b>Accountable Officers</b>	
Mr Adam Horsburgh (Chief Executive Officer)	01 Jul 2023 - 30 Jun 2024

## Remuneration of responsible persons

The number of Responsible Persons are shown in their relevant income bands:

Income Band	2024 Number	2023 Number
\$30,000 - \$39,999	2	1
\$40,000 - \$49,999	6	7
\$80,000 - \$89,999	-	1
\$90,000 - \$99,999	1	-
\$480,000 - \$489,999	-	1
\$580,000 - \$589,999	1	-
<b>Total Numbers</b>	<b>10</b>	<b>10</b>
	<b>2024 \$'000</b>	<b>2023 \$'000</b>
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	<b>1,045</b>	<b>935</b>

Amounts relating to the Governing Board Members and Accountable Officer are disclosed in Austin Health's financial statements.

Amounts relating to Responsible Ministers are reported within the State's Annual Financial Report.

## Note 8.3: Remuneration of executives

The number of executive officers, other than Ministers and Accountable Officers, and their total remuneration during the reporting period, are shown in the table below. Total annualised employee equivalent provides a measure of full-time equivalent executive officers over the reporting period.

### Remuneration of Executive Officers (including Key Management Personnel Disclosed in Note 8.4)

	Total remuneration 2024 \$'000	Total remuneration 2023 \$'000
Short-term benefits	2,860	2,217
Post-employment benefits	264	220
Other long-term benefits	73	73
<b>Total remuneration<sup>i</sup></b>	<b>3,197</b>	<b>2,510</b>
Total number of executives	11	7
Total annualised employee equivalent <sup>ii</sup>	8	7

<sup>i</sup>The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of Austin Health under AASB 124 *Related Party Disclosures* and are also reported within Note 8.4 *Related parties*.

<sup>ii</sup> Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided in exchange for services rendered, and is disclosed in the following categories:

#### Short-term employee benefits

Salaries and wages, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

#### Post-employment benefits

Pensions and other retirement benefits (such as superannuation guarantee contributions) paid or payable on a discrete basis when employment has ceased.

#### Other long-term benefits

Long service leave, other long-service benefit or deferred compensation.

#### Other factors

Several factors affected total remuneration payable to executives over the year. A number of employment contracts were completed and renegotiated, as well as executive officer resignations and secondment resulting in several acting roles during the year.

## Note 8.4: Related parties

Austin Health is a wholly owned and controlled entity of the State of Victoria. Related parties of the Austin Health include:

- all key management personnel (KMP) and their close family members and personal business interests
- cabinet ministers (where applicable) and their close family members
- all hospitals and public sector entities that are controlled and consolidated into the State of Victoria financial statements.

Key Management Personnel (KMPs) are those people with the authority and responsibility for planning, directing and controlling the activities of Austin Health, directly or indirectly.

### Austin Health key management personnel

The Board of Directors, Chief Executive Officer and the Executive Directors of Austin Health and its controlled entities are deemed to be KMPs. This includes the following:

Austin Health key management personnel	
The Austin Health Board	
Mr Ross Cooke OAM	Board Chair
Dr Christine Bessell	Board Member
Mr Chris Altis	Board Member
Ms Julie Anne Bignell	Board Member (July to March)
Mr Joel Chibert	Board Member
Dr Bruce Cohen	Board Member
Dr Lee Hamley	Board Member
Ms Fiona Slaven	Board Member
Ms Robyn McLeod AM	Board Member
Executive	
Mr Adam Horsburgh	Chief Executive Officer
Mr Cameron Goodyear	Chief Operating Officer (July to November, March to June)
A/Prof Stephen Warrilow	Chief Operating Officer – acting (November to February)
Mr Kemsley Fairhurst	Chief Financial Officer
Prof Mary O'Reilly	Chief Medical Officer
Ms Marcia Gough	Chief People and Culture Officer (July to March)
Mr Troy McInnes	Chief People and Culture Officer – acting (March to June)
Mr Ray Van Kuyk	Chief Information and Services Officer
Ms Bernadette Twomey	Chief Nursing Officer
Ms Brit Gordon	Chief Allied Health Officer
Ms Charlie McArthur	Chief Strategy and Sustainability Officer (July to April)
Ms Belinda Brookes	Chief Strategy and Sustainability Officer – acting (April to June)

## Compensation — KMPs

The compensation detailed below excludes the salaries and benefits the portfolio ministers receive. The ministers' remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and are reported within the State's Annual Financial Report.

	2024 \$'000	2023 \$'000
Short-term employee benefits <sup>i</sup>	3,814	3,063
Post-employment benefits	338	293
Other long-term benefits	91	89
<b>Total<sup>ii</sup></b>	<b>4,243</b>	<b>3,445</b>

<sup>i</sup>Total remuneration paid to KMPs employed as contractors during the reporting period through accounts payable has been reported under short-term employee benefits.

<sup>ii</sup>KMPs are also reported in Note 8.2 Responsible persons or Note 8.3 Remuneration of executives.

### Significant transactions with government related entities

Austin Health received funding from the Department of Health of \$1.2b (2022-23: \$1.1b), indirect contributions of \$16m (2022-23:\$9m) and has a net long-service leave receivable balance of \$84m (2022-23: \$72m).

Expenses incurred by Austin Health in delivering services and outputs are in accordance with HealthShare Victoria requirements. Goods and services including procurement, diagnostics, patient meals and multi-site operational support are provided by other Victorian Health Service Providers on commercial terms.

Professional medical indemnity insurance and other insurance products are obtained from the Victorian Managed Insurance Authority.

The Standing Directions of the Assistant Treasurer require Austin Health to hold cash (in excess of working capital) in accordance with the State's centralised banking arrangements. All borrowings are required to be sourced from Treasury Corporation Victoria unless an exemption has been approved by the Minister for Health and the Treasurer.

### Transactions with KMPs and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public, e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and codes of conduct and standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with HealthShare Victoria and Victorian Government Procurement Board requirements.

Outside of normal citizen-type transactions with Austin Health, there were no related party transactions that involved key management personnel, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with cabinet ministers required to be disclosed in 2023-24 (2022-23: none).

There were no related party transactions required to be disclosed for Austin Health Board of Directors, Chief Executive Officer and Executive Directors in 2023-24 (2022-23: none).

Any payments made to key management personnel as remuneration have been declared in Notes 8.3 and 8.4.



## Note 8.5: Remuneration of auditors

	2024 \$'000	2023 \$'000
<b>Victorian Auditor-General's office</b>		
Audit of the financial statements	142	136
<b>Total remuneration of auditors</b>	<b>142</b>	<b>136</b>

## Note 8.6: Ex-gratia expenses

There were no ex-gratia payments made for the forgiveness or waiver of debt, compensation for economic loss made by Austin Health greater than or equal to \$5,000.

## Note 8.7: Events occurring after the balance sheet date

There are no events occurring after the balance sheet date.

## Note 8.8: Joint arrangements

Austin Health was a member of the Victorian Comprehensive Cancer Centre (VCCC) Joint Venture, and until October 2023, held joint control over the arrangement, classified as a joint operation. The vision for the VCCC is to save lives through the integration of cancer research, education and patient care.

Through innovation and collaboration, the VCCC will drive the next generation of improvements in prevention, detection and cancer treatment. The VCCC is a not-for-profit organisation and has been recognised by the Australian Taxation Office as a Health Promotion Charity.

Effective 31 October 2023, the VCCC joint venture enacted changes to its governance structure, unanimous consent from all members for decisions was no longer required. In addition, the board structure changed from member entity representation to a hybrid board comprising of independent and member nominated directors. Consequently, as the joint venture no longer meets the definition of control under AASB 11 *Joint Arrangements*, Austin Health has derecognised 10% of its share of the asset and liabilities, and the impact has been included in the financial statements.

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## Note 8.9: Equity

### Contributed capital

Contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and therefore do not form part of the income and expenses of the Austin Health.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Other transfers that are in the nature of contributions or distributions, or that have been designated as contributed capital, are also treated as contributed capital.

### General purpose reserve

The general purpose reserve is established where Austin Health has generated funds internally for a specific purpose.

### Property, plant and equipment revaluation surplus

The property, plant and equipment revaluation surplus arises on the revaluation of infrastructure, land and buildings. The revaluation surplus is not normally transferred to the accumulated surpluses/(deficits) on derecognition of the relevant asset.

### Financial assets at fair value through comprehensive income revaluation reserve

The financial assets at fair value through other comprehensive income revaluation reserve arises on the revaluation of financial assets (such as equity instruments) measured at fair value through other comprehensive income. Where such a financial asset is sold, that portion of the reserve which relates to that financial asset may be transferred to accumulated surplus/deficit.

### Restricted specific purpose reserves

The specific restricted purpose reserve is established where Austin Health has possession or title to the funds but has no discretion to amend or vary the restriction and/or condition underlying the funds received.

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## Note 8.10: Economic dependency

Austin Health is a public health service governed and managed in accordance with the *Health Services Act 1988* and its results form part of the Victorian General Government consolidated financial position.

Austin Health provides essential services and is dependent on the continued financial support of the State Government, particularly the Department of Health, and Commonwealth funding via the *National Health Reform Agreement*.

The State of Victoria plans to continue Austin Health's operations and on that basis, the financial statements have been prepared on a going concern basis.





# Austin Health

## Austin Hospital

Wurundjeri Country  
145 Studley Road  
Heidelberg Victoria 3084

P: 03 9496 5000  
F: 03 9458 4779

## Olivia Newton-John Cancer Wellness & Research Centre

Wurundjeri Country  
145 Studley Road  
Heidelberg Victoria 3084

P: 03 9496 5000  
F: 03 9458 4779

## Heidelberg Repatriation Hospital

Wurundjeri Country  
300 Waterdale Road  
Ivanhoe Victoria 3079

P: 03 9496 5000  
F: 03 9496 2541

## Royal Talbot Rehabilitation Centre

Wurundjeri Country  
1 Yarra Boulevard  
Kew Victoria 3101

P: 03 9490 7500  
F: 03 9490 7501

## Stay in touch



**Austin  
Health**



**Olivia Newton-  
John Cancer  
Wellness &  
Research  
Centre**



**Austinhealth\_**



**ONJ  
Cancer  
Centre**



**Austin  
Health**



**Austin  
Health**

