

WESTERN HEALTH

ANNUAL REPORT 2023/24



Western Health



OUR VISION

Together, we deliver the healthcare of the future

OUR PURPOSE

Providing the Best Care for the people of the West, in the right place and at the right time

OUR VALUES

Compassion
Consistently acting with empathy and integrity

Accountability
Taking responsibility for our decisions and actions

Respect
Respect for the rights, beliefs and choice of every individual

Excellence
Inspiring and motivating, innovation and excellence

Safety
Prioritising safety as an essential part of everyday practice

OUR STRATEGIC AIMS

We partner with patients and families

We care for our people

We deliver services for the future

We are better together

We discover and learn

Acknowledgement of Traditional Owners

Western Health acknowledges the Traditional Custodians of all the lands and waterways on which staff, volunteers, consumers and caregivers come together. As we work, learn and grow, we pay our deep respects to the Elders and Traditional Custodians past, present and emerging of the Wurundjeri Woi-Wurrung, Boon Wurrung, Bunurong and Wadawurrung Countries of the greater Kulin Nation.

We are committed to the healing of country, working towards equity in health outcomes, and the ongoing journey of reconciliation.

Western Health is committed to respectfully listening and learning from Aboriginal and Torres Strait Islander people and we are truly guided by the values of relationship, responsibility and respect.

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Board Chair and CEO Message

A message from the Board Chair and the Chief Executive

Western Health is on a remarkable growth trajectory, driven by an unwavering commitment to providing the highest quality of services, through Best Care, for the unique and culturally diverse community of the west of Melbourne.

Over the past twelve months, hard work and planning in consultation with consumers, community partners and the Department of Health has culminated in major milestones to improve access to high-quality, connected care and deliver better health outcomes for our community.

Milestones include becoming a designated mental health service provider, taking over the provision of primary healthcare with a women's custodial service, implementing the second phase of our electronic medical record, expanding reproductive choice services, undergoing our first short-notice organisation-wide accreditation survey, and the continued planning and building of a number of major new hospital developments.

The health and wellbeing of our patients and consumers remains at the heart of our commitment to continuously assess and enhance our care. Providing Best Care in partnership with our consumers is what we do, and we do it well. Every day we make a tangible difference to many lives. Our continuing thanks to all the incredible staff and volunteers at Western Health for their hard work, passion and focus on delivering Best Care to our community over the past year.

The following information provides an overview of how the focus of our people has translated to significant development and improvement of care and services at Western Health.

This activity is aligned with and guided by Western Health's Strategic Directions, an update of which has been undertaken over the past 12 months. Western Health's Strategic Directions 2024-27 is in draft form, pending formal Ministerial approval.

WE PARTNER WITH PATIENTS AND FAMILIES



Our patients and families are actively involved in their care and connected to the right services.

We are one community of patients, carers and healthcare professionals working together to improve the experience, health and wellbeing of the diverse people of the West. People of all cultures, identities and abilities — through all stages of their lives - have a voice and are listened to at Western Health.

Culturally Safe Care for Aboriginal and Torres Strait Islander Patients

Western Health has a growing Aboriginal and Torres Strait Islander identifying community and we are committed to supporting self-determination. As part of our efforts to "Close the Gap" we are incredibly proud of the culturally responsive care options we have designed to ensure Aboriginal and Torres Strait Islander patients receive respectful, high-quality care with greater access and choice.

These include Award winning programs such as our Galinjera Maternity Program, an Aboriginal Outpatient Service and the Babaneek Booboop Program.

The Babaneek Booboop Program won the Excellence in Aboriginal Health and Wellbeing Award at the Victorian Public Healthcare Awards in 2023 – the second year in a row our services have been recognised for this category. This program promotes the health and developmental outcomes of First Nations children in Melbourne's outer western suburbs (the City of Melton and Moorabool Shire). Establishing and building on strong networks, the program supports children and their families in their engagement with child health and promotes cultural safety in health. From September 2023, Western Health has provided an Aboriginal health after-hours service, to better support Aboriginal or Torres Strait Islanders who may have discharged against medical advice, require culturally safe end-of-life care, or who are experiencing complicated cases that require extra support.

To improve the way we support consumers and their families seeking support with their mental health and wellbeing, we have also appointed our first Aboriginal Mental Health Liaison Officer.

We will continue to collaborate, listen and learn to ensure Western Health provides culturally safe care.

Board Chair and CEO Message

Providing Mental Health Services to our Local Communities

On 1 July 2023, Western Health became a designated mental health service which saw a number of mental health services previously run by NorthWestern Mental Health in our catchment officially become part of our health service. More than 670 staff spread across 16 mental health services have joined Western Health. We are still to transfer services from Mercy Mental Health and Wellbeing Services to Western Health but this has been delayed due to accommodation issues.

With construction completed, the new Sunshine Mental Health and Wellbeing Centre opened in October 2023. The 52-bed facility has been purpose-built to provide safe and supportive care for people experiencing an acute phase of mental illness.

The centre provides a welcoming and responsive environment for consumers and staff, featuring contemporary design; access to courtyards and greenery; warm, inviting materials and furniture; and a range of spaces for social, therapeutic and recreational activities.

The opening of the new centre – as well as collaborative activity to improve the work flows supporting timely emergency care – has informed a substantial decrease in the number of mental health patients waiting more than 24 hours in our emergency departments.

The commencement of Victoria's new Mental Health and Wellbeing Act 2022 also provided the opportunity to review and enhance clinical practices supporting mental health care at Western Health.

In addition, Westside Lodge, our dual-diagnosis residential rehabilitation facility at Sunshine Hospital opened its new expanded 10 additional beds in late February 2024. The increased capacity and refurbishment provides a more comfortable experience for clients receiving specialist mental health and alcohol and other drug treatment at the facility.

Supporting Inclusivity, Diversity & Equity

Globally, trans and gender diverse communities are disproportionately affected by prejudice-motivated violence and discrimination. This is also prevalent in a healthcare setting. At Western Health, these experiences are unacceptable to us and we are committed to providing a safe environment, and appropriate care, to trans and gender diverse members of our community. We foster an inclusive place where patients and staff are supported to live as their authentic selves.

Our Diversity, Equity and Inclusion Team has introduced a staff education program on understanding sex, gender and gender diversity, pronouns and inclusive language, helping to keep inclusion front of mind for all staff.

We have also developed a new Diversity, Equity and Inclusion Framework for Western Health. This Framework encompasses our consumers and our workforce. The Framework recognises that more than a series of activities and events is needed to achieve our ambitions. We recognise that structural and cultural shifts are necessary to create substantive, transformative and sustainable change.

Partnering with Consumers

At Western Health, we engage and involve patients and consumers in designing equitable and inclusive approaches to care.

The opening of the Sunshine Mental Health and Wellbeing Centre facilitated the introduction of a contemporary model of care co-designed with consumers and families. This visionary model is the first in the state to provide a three-tiered service to ensure each consumer receives specialised care, tailored to their needs and stage of recovery, supported by our team of peer support workers.

We are dedicated to ensuring residents at our Grant Lodge Residential Aged Care Service have the highest quality health and wellbeing. Our dietitians and food services team worked with residents to co-design a new menu, empowering residents by giving them a voice in their food choices with the aim of improving their nutritional intake. The resident-led freshly cooked menu provides more energy and protein, with a reduction in food wastage and an increase in residents meeting their nutritional needs.

Western Health embraces the pivotal role of lived experience in healthcare via our innovative Lived Experience Advisor Program (LEAP). In a Victorian first LEAP appoints consumers as Lived Experience Advisors (LEAs) in mainstream health, cultivating partnerships and engagement in this setting. LEAs, drawn from diverse backgrounds, employ advanced co-design methods to elevate the consumer voice in projects. Unlike conventional methods, LEAs offer both expertise and lived experience, addressing power imbalances seen in clinician-led activities. This groundbreaking initiative strengthens consumer-centred projects, earning praise from consumers and staff.

Board Chair and CEO Message (continued)

Recognising Best Care

Western Health had a successful accreditation survey against the eight National Safety and Quality Health Service (NSQHS) Standards in December 2023. We welcomed the positive feedback from Assessors about the standard of care, commitment to being person-centred, our culture of respect and teamwork, and involvement and empowerment of consumers in their care. Assessors commented on how apparent it is that innovation is in Western Health's DNA, and they were unanimous in their praise for our people.

An assessment contact visit was also conducted at our Grant Lodge Residential Aged Care Service within the past 12 months. All requirements for this assessment were met, with assessors noting residents are provided with support to optimise their independence, health and wellbeing.

WE CARE FOR OUR PEOPLE



Our staff and volunteers are supported, engaged and equipped to embrace a dynamic future.

Best People deliver Best Care. At Western Health we value the diversity, authenticity, leadership, 'can-do' attitude, talent and compassion that our staff and volunteers bring to their work every day. We develop and attract best talent and support our people to continue their great work by fostering a culture of innovation, inclusion, wellbeing and safety.

Enhancing Workforce Management

Following extensive planning, we are introducing the PeopleConnect platform – a new HR system for all employees. This is driven by two technology solutions: a fully integrated human resources information system, PeopleHub that went live in May 2024 and RosterHub, a new time and attendance solution going live in 2025.

PeopleConnect is set to transform the way we work, enabling Western Health systems to connect with each other to provide a more seamless experience, expand self-service, improve efficiency and give employees and managers time back to focus on patient care and experience.

Growing our Workforce

The efforts of everyone at Western Health in nurturing our positive culture and our commitment to Best Care has helped us to continue to be a popular employer of choice.

With an average of 80 per cent of our junior doctors choosing to stay on after their intern year, we are incredibly proud of the medical workforce we are building for the future.

Our nursing and midwifery workforce position is currently the best it has been in a number of years. We have no vacancies in our general nursing areas, and very few vacancies in our specialist areas. We rarely use agency staff (only 0.02% of the time). Our attrition rate is the lowest it has been in a number of years – which means our staff are staying with us longer. Our workforce is also actively engaged in development, with a 300% increase in nurses undertaking post-graduate education over the past 3 years. We continue to actively recruit from overseas for a number of hard-to-fill specialist areas.

Supporting our Workforce

Over the past 12 months Western Health has asked staff to reflect and provide feedback on their experiences at work.

These reflections have informed a number of initiatives to support our people, including expansion of Western Health's Peer Support Program, introduction of the 'Oxygen Mask Project' to support the mental health and wellbeing of staff, roll out of an online psychosocial awareness tool, expansion of stress stocktakes for areas facing significant challenges, and arrangement of regular debriefing for teams exposed to trauma. Innovative initiatives to support a flexible workplace are also in train and include self-rostering and a 9-day fortnight.

In order to develop and retain our talented workforce, we have expanded the leadership program for emerging, newly appointed and experienced leaders across all disciplines. This includes progressing the Emerging Leaders Program which aims to boost the capabilities and confidence of upcoming leaders, the 'Clinician2Manager' program for our new Nurse/Midwife Unit Managers, and the 'Stepping in' Senior Leadership Program aimed at senior managers from all employee cohorts.

Workplace Gender Equality

Western Health has made material progress against some Workplace Gender Equality Indicators, consistent with the public healthcare sector.

A noteworthy improvement is that the proportion of women in senior leadership roles improved from 45% to 50% over an 18-month timeframe. Approximately 78% of the Western Health workforce are women and our workforce support initiatives are informed by this knowledge.

Board Chair and CEO Message (continued)

Breaking the Cycle of Occupational Violence and Aggression

Unfortunately, occupational violence and aggression (OVA) continues to be a significant risk for healthcare professionals. We take this risk extremely seriously at Western Health, as all of our people deserve to be safe at work.

Over recent years, we have made significant inroads on decreasing the number and severity of OVA incidents across our hospitals through our Behaviours of Concern (BOC) assessment tool, the Predict Prevent Priority: Safety campaign and the Safewards project.

After a couple years of development, our innovative 'Reframe your response' virtual reality training package has also been launched. The package has been custom built for Western Health and simulates real-world scenarios in a healthcare setting to demonstrate how self-awareness and emotional regulation during difficult situations can shape and influence a safe and effective outcome.

WE DELIVER SERVICES FOR THE FUTURE



Our services are expanding within and beyond hospital walls, advancing high-quality and connected care.

We are acting now for the future so we continue to meet the needs of the rapidly growing, multicultural and socio-economically diverse community of the West. By strengthening our care options, and building a virtually connected health system, we can deliver equitable and timely access to our services and provide patients with greater choice.

New Footscray Hospital

The opening of our new \$1.5 billion Footscray Hospital draws closer, with all five buildings of the new facility at full height and internal fit out underway.

The new Footscray Hospital will have more than 500 beds, with capacity to treat almost 15,000 extra patients and almost 20,000 extra people to be seen by the emergency department each year. There will also be the capacity to provide more outpatient, mental health, palliative care and surgical services.

The new Footscray Hospital is on track for opening in late 2025.

New Melton Hospital

The successful consortia for the development of the \$1 billion+ Melton Hospital was announced in July 2024. The Hospital will be operated by Western Health, supporting the growing and diverse communities of Caroline Springs, Rockbank, Melton and Bacchus Marsh. Once completed, it will have the capacity to treat 130,000 patients each year and see almost 60,000 patients in a 24-hour emergency department. Construction is expected to start in late 2024 and be finished in 2029.

Responding to Demand for Emergency Care

Western Health's involvement in the state-wide Timely Emergency Care Collaborative (TECC) has resulted in several improvement projects being tested and implemented across the organisation over the last 15 months. Improvement cycles (Plan Do Study Act (PDSAs)) focusing on 'fast track' in Sunshine Emergency, wards 'pulling' patients from the Emergency Department and pharmacy-led discharge scripts are continuing with positive results.

As a result of our improvement initiatives, we have seen sustained improvement in a number of key areas including Ambulance Victoria (AV) offload, time to treatment and a decrease in the length of stay in the Emergency Department (ED) for our admitted patients. At the March 2024 TECC Learning Session, we received an award for outstanding progress in the ED workstream.

Enhancing Best Care through Digital Technology

Following significant design, development and testing, Western Health went live with Phase 2.1 of our Electronic Medical Record (EMR) in July 2023.

Our EMR platform now digitally links emergency departments, ICUs, inpatients, outpatients and theatres so that clinicians can see the whole patient journey across our in-hospital health service.

In 2024, we plan to go-live with expanding our EMR implementation into maternity services and our healthcare services based at Bacchus Marsh and Melton.

The completion of an expansion of our Sunshine Hospital pharmacy also provided the opportunity to use technology to enhance Best Care with the installation of automated medication dispensing cabinets.

Board Chair and CEO Message (continued)

Meeting Planned Surgery Targets

A number of initiatives have supported Western Health to be one of a handful of Victorian health services to achieve planned surgery targets for 2023/2024. These initiatives include the 'Public in Private' initiative of providing planned surgery for public patients in private hospitals, improved theatre start times, increasing planned surgery activity, and continuing innovative initiatives such as the Same Day Case Program and our Enhanced Recovery after Surgery (ERAS) Program.

Inspired by successful practices in other countries, the Same Day Case Program introduced a new approach for patients undergoing laparoscopic cholecystectomy (or hernia repair surgery). The program resulted in the conversion of 308 patients who would have stayed overnight to day surgery cases in its first year.

The ERAS program improves the patient experience following hip and knee arthroplasty surgeries. Launched in March 2023, ERAS has achieved significant reductions in length of stay and the freeing up of hospital beds.

Supporting Women's Health

Western Health is dedicated to improving accessible, inclusive, high-quality services for women. Over the past 12 months Western Health has introduced Reproductive Choice Services and partnered with the Royal Women's Hospital to provide Public Fertility Services. This partnership aims to improve access to free, comprehensive, world-class fertility treatment to women in our catchment.

Over the past year, we have also shared a new tool our researchers created to help women with kidney disease on their journey to motherhood. A team of Western Health and Deakin University researchers developed a question prompt list (QPL) that has helped women communicate with healthcare professionals about childbearing and pregnancy.

Innovative models of care are also supporting improved access to care. Western Health's 'POPPY' pessary clinic is the first public health designated Physiotherapy led pessary clinic in Australia. This care model has improved access to necessary regular review appointments for women who are managing pelvic organ prolapse and or urinary incontinence with a vaginal pessary, and decreased the risk of pessary related complications. Women report high satisfaction with the care provided in the POPPY clinic, with 90% able to be managed without requiring medical escalation.

WE ARE BETTER TOGETHER



Our respectful relationships with our community, system-wide partners and each other drive collaboration and better outcomes.

Every day, we engage and collaborate with healthcare providers, academic partners and colleagues to improve the health and wellbeing of our communities. Together, we listen, learn and act to achieve better patient outcomes and drive system reform.

Recognising our Volunteers

Our volunteers are a vital part of our workforce and play an important role in supporting patients, staff and visitors in many and varied activities across Western Health. Our volunteer roles span: visitor guides, social support, meals assistance program, library trolley, patient transport, auxiliary and opportunity shops, administrative support, and assisting in our busy Emergency Departments. Our volunteers' smiling faces, helpfulness and warm words – often in other languages that reflect the diversity of our community – are vital to supporting patients and visitors to our large, complex health service.

Developing Community Hospitals

Main works are close to completion for the Sunbury Community Hospital to deliver Western Health services as part of a broader and seamless patient journey within the community.

In 2024, we also look forward to commencing construction on the new Point Cook Community Hospital.

Supporting Healthcare in the Custodial Setting

From 1 July 2023, Western Health began providing primary health care at Victoria's only maximum-security women's prison, the Dame Phyllis Frost Centre located in Ravenhall. Our new Custodial Health team of more than 80 staff are involved in delivering this new service. Among them are general practitioners, registered and enrolled nurses, Aboriginal liaison officers and allied health professionals. Western Health has developed a model of care to support women in custody who often have complex and interrelated health and wellbeing needs. The model is based on principles of health equity and reflects our commitment to provide consumers with opportunities to improve their health and wellbeing. Since 1 July, Western Health has worked to embed this model of care, including enhancing support for consumers with diabetes, thyroid and endocrine issues, and implementing a comprehensive range of addiction medicine programs.

Board Chair and CEO Message (continued)

Developing Community Based Care

Western Health's community-based care services have continued to evolve under our Western Health at Home program.

In a bid to enhance person-centred care and provide acute medical attention within the comfort of patients' homes, we have taken a significant stride forward with the expansion of our Hospital in the Home (HITH) service. The service, which offers crucial medical care that would otherwise necessitate an inpatient stay, now has two established units and increased bed capacity.

We have doubled our 'GEM@Home' bed capacity to deliver increased subacute care to elderly patients in their homes, and through training have increased the capacity for patients to dialyse at home.

Engaging with Community Care Providers

Western Health actively engages with General Practitioners, primary care and community providers to enhance patient and consumer centred holistic care.

We have successfully implemented a falls pathway and a residential in reach pathway with the Victorian Virtual Emergency Department, and completed a patient reported measures pilot project as part of our West Metropolitan Health Service Partnership.

In addition, we have engaged with Department of Health supported projects to optimise the management of asthma in inner west communities. Western Health in collaboration with primary care, pharmacies and schools worked with consumers over 3 workshops as part of a systems change process. This has resulted in an increase in GP, pharmacy and self-referrals to our Paediatric Community Care Coordinators, as well as updated action plans, online resources for clinicians and young people and their families.

Supporting Public Health

Western Health runs one of three local Public Health Units (LPHUs) in metropolitan Melbourne. December 2023 saw the successful transition of the Department of Health Communicable Disease Integration Project. LPHUs (including WPHU) are now completing case, contact and outbreak management for 84 of the 87 notifiable conditions under the Public Health and Wellbeing Act (2008).

WPHU's Population Health Catchment Plan (launched in July 2023) sets out three priorities and proposed actions for population health promotion over the next 6 years. The focus areas for initial action cover: improving food systems and healthy eating; reducing tobacco-related harm and vaping; and climate change and its impact on health.

These focus areas are directly connected to preventing avoidable chronic diseases such as heart disease, type 2 diabetes, some cancers and dental caries.

In line with this plan, new in-language resources promoting healthy lifestyle habits early in life were launched in February 2024. In an Australian first, Western Health culturally adapted Deakin University's INFANT (Infant Feeding, Active play and NuTritition) Program handouts and videos into community languages, reaching Punjabi, Hindi, Urdu, Arabic, Mandarin, and Vietnamese-speaking families. Western Health also upskilled bicultural workers to deliver the INFANT program to communities, combined with support from local government.

Over the past year, WPHU also investigated where vapes are sold in Brimbank, held conversations with community members, revealed misinformation about vaping harms and a lack of accessible information for young people. These insights informed bespoke community sessions on vaping harms and public health advocacy for reform, enabling the "hidden diverse voice" of our community to be heard.

WE DISCOVER AND LEARN



Our innovation, research and education inspires and benefits our patients, staff and communities, to deliver a better future.

We are curious, forward-thinking, life-long learners. We question, investigate, evaluate, adapt and innovate as we share, mentor, encourage and learn. Inspired by the community of the West, our aspiration is to deliver a global impact and excel as a centre of expertise for translational and health service research.

Supporting Best Care through Research

Western Health continues to secure funding grants and develop partnerships to support the important research that can benefit our patients and community.

Within the past 12 months, Western Health researchers received almost \$2 million from the Medical Research Future Fund (MRFF) for two innovative health research projects.

Our team is working with partners at Deakin University to co-design a self-management program with Aboriginal and Torres Strait Islander peoples with type 2 diabetes.

Researchers and clinicians are also implementing and evaluating a falls prevention education program for patients and staff in a project led by the University of Western Australia.

In 2023, the Arlene Wake Chronic Disease Fellowships were awarded to three Western Health doctors, providing funds to probe critical areas of chronic disease. The fellowships are named in honour of Dr Arlene Wake, a former Chief Medical Officer and Executive who was instrumental in the genesis of Western Health's research institutes.

Board Chair and CEO Message (continued)

Using Cutting Edge Technology to Deliver Best Care

In an exciting development for our patients and staff, Western Health has entered into a 12-month loan agreement to use a surgical robot at Footscray Hospital. The device, known as a dual console Da Vinci robot, is being used for urological, upper G.I. and general surgery. The Da Vinci robot has been extensively used across the world for a number of years and is a well-regarded technology that brings benefits to patients, in particular their recovery time from surgery.

Improving Quality & Access to Data

We know a lot of valuable staff time is expended on manual reporting. This can lead to inconsistencies in data visualisation across the organisation, and also limits the available time for staff to use this data to develop actions to improve. Over the past 12 months a significant project to plan, develop and refine new online dashboards to alleviate these issues has been finalised. Forty-three new interactive dashboards have been introduced covering access and flow, clinical care and people management, proving a great support for ward-to-board reporting.

Supporting Education and Learning Aspirations

We launched our new Learning Academy in November 2023, providing an exciting opportunity for staff to further their current careers or pursue an alternate career path at Western Health.

The Learning Academy provides opportunities to explore education and learning aspirations, from traineeships and vocational education and training courses to undergraduate and postgraduate tertiary degrees.

Supporting Collaborative Learning

In July 2023, Western Health hosted an Occupational Violence and Aggression (OVA) International Conference. Industry leaders joined us for a full-day conference uncovering effective interventions to break the cycle of OVA in healthcare.

In August 2023, Western Health hosted a Falls Collaborative where 15 other health services from across Victoria attended a one-day session to collaborate and learn from each other. The attendees discussed falls prevention strategies in hospital, patient education, staff education and training, and international guidelines on falls prevention in hospital.

FINANCIAL RESPONSIBILITY

Western Health places high value on financial responsibility. In a budget of more than \$1.7 billion, we have recorded an end of year position within our Board agreed budget.

FAREWELL TO OUR BOARD CHAIR

Robyn Batten AM stepped down from official duties leading the Board of Western Health at the end of June 2024. Robyn was on the Board for five years in total, four of these as Board Chair.

Robyn led Western Health through a period of extraordinary service demand, expansion and development. Robyn's tenure as Board Chair also included the extremely challenging years when Western Health was the most impacted health service in Australia from the COVID-19 pandemic.

It has been of enormous benefit to Western Health to have such a strong and engaged leader in Robyn, who always placed the healthcare needs of the communities we serve front and centre.

THANKS

Finally, in a landmark year, we would like to thank all of Western Health's fabulous staff and volunteers, as well as our many community stakeholders, including our local members of parliament at both the State and Commonwealth levels.

Thank you to the Department of Health and the Victorian Government for their commitment to the west and to meeting the health care needs of its growing population. Thank you to our financial donors, through the Western Health Foundation.

Your support, commitment and passion are greatly appreciated and make an incredible difference to the Best Care we are able to provide.

We also extend our appreciation to our Board Directors for their invaluable guidance and unwavering dedication through the year, which has been instrumental in shaping our successes.

In accordance with the Financial Management Act 1994, we are pleased to present the Report of Operations for Western Health for the year ending 30 June 2024.



A handwritten signature in black ink, reading "Jill Hennessy".

Professor the Honourable Jill Hennessy
Chair of the Board, Western Health
6 September 2024



A handwritten signature in black ink, reading "Russell Harrison".

Professor Russell Harrison
Chief Executive, Western Health
6 September 2024

About Western Health

Western Health is the major healthcare provider to one of the fastest growing and most diverse regions of Australia, spanning the municipalities of Brimbank, Hobsons Bay, Maribyrnong, Melton, Moonee Valley, Moorabool, Hume and Wyndham.

OUR COMMUNITY

The catchment population surpassing 1,000,000 and the birth rate and movement into this region means that strong growth will continue in the years ahead, and at a greater rate than the rest of Victoria.

Our communities are culturally rich, with members speaking more than 150 different languages and dialects. It is home to more than 10,000 people identifying as Aboriginal or Torres Strait Islander. Yet, while proudly diverse, people from across our suburbs face significant challenges. Some groups within our community will have particular needs that will be considered holistically, including refugee and asylum seekers, multicultural groups, First Nations, those with vulnerability, disability and LGBTIQ+. Many experience substantial social and economic disadvantage, with higher-than average unemployment, and a large proportion of our population experience financial hardship.

Our population has high risk factors in obesity, smoking and low rates of exercise, and higher than-average rates of cancer, heart disease, stroke, mental illness and diabetes. Our community is ageing, with frailty and dementia becoming a significant challenge to independent, healthy living. We are committed to providing Best Care for communities across Melbourne's West, improving equity in access to care, and health outcomes for all.

OUR PEOPLE

Employing more than 12,500 staff and over 700 volunteers, we are focused on enabling and supporting the culture and capability of all people across the organisation. A large proportion of our staff are from the western suburbs, or live locally, further entrenching Western Health in the communities we serve.

OUR SERVICES

Western Health provides a comprehensive, integrated range of clinical services from our various sites ranging from mental health and wellbeing services, and acute tertiary services in areas of emergency medicine, intensive care, medical and surgical services, through to subacute care and onsite and virtual ambulatory clinics. Our specialised services include oncology, renal, women's health including maternity, chronic disease, geriatrics and cardiology.

We provide a combination of hospital, community based and in-reach services for aged, adult and paediatric patients and newborn babies. Western Health also provides the primary health care service at the Dame Phyllis Frost Centre, and offers drug health and addiction medicine support through our inpatient service and community Drug Health Service. Population health and disease prevention programs are developed by the Western Public Health Unit.

Western Health continues to grow, striving to deliver the best care for our community. With exponential growth in our activity, in 2023-24 Western Health cared for over 800,000 patients, performed over 14,000 planned and 10,000 emergency surgeries and managed over 150,000 Emergency Department (ED) presentations. Western Health proudly delivers over 27,000 clinic appointments monthly and welcomes over 6,700 babies annually.

About Western Health (continued)

OUR LOCATIONS:

Western Health manages acute public hospitals including Sunshine Hospital, Footscray Hospital, Williamstown Hospital, Bacchus Marsh and Melton Regional Hospital, and Sunbury Day Hospital.

We operate Melton Health and Community Services, Caroline Springs Community Health Centre and Grant Lodge Residential Aged Care in Bacchus Marsh.

Our new Mental Health and Wellbeing Centre is open in Sunshine, complemented by a range of Community Mental Health, and Drug Health services across the West.

Western Health also provides primary health services for the Dame Phyllis Frost Centre.

Bacchus Marsh Hospital

A non- tertiary hospital providing urgent care, general medical and surgical, palliative care, maternity and special care nursery services, including community based and specialist clinics.

Bacchus Marsh Hospital also supports Grant Lodge Residential Aged Care Facility.

Melton Health

Provides a range of community-based services including urgent care, renal dialysis, oncology, chronic disease management, women and children's health, dental clinics, family services and specialist clinics.

Footscray Hospital

A major teaching tertiary hospital responsible for providing a range of inpatient and outpatient acute services.

It provides the majority of acute elective and acute emergency services for Western Health, including acute general medical and surgical, intensive and coronary care, subspecialty medicine, surgical services, mental health and related clinical support.

Sunbury Day Hospital

Provides a range of same-day services including surgery, medical, chemotherapy, renal dialysis and specialist clinics.

Sunshine Hospital

A major teaching tertiary hospital across Western Health's network, centrally located and servicing the growing needs across the wider Western region.

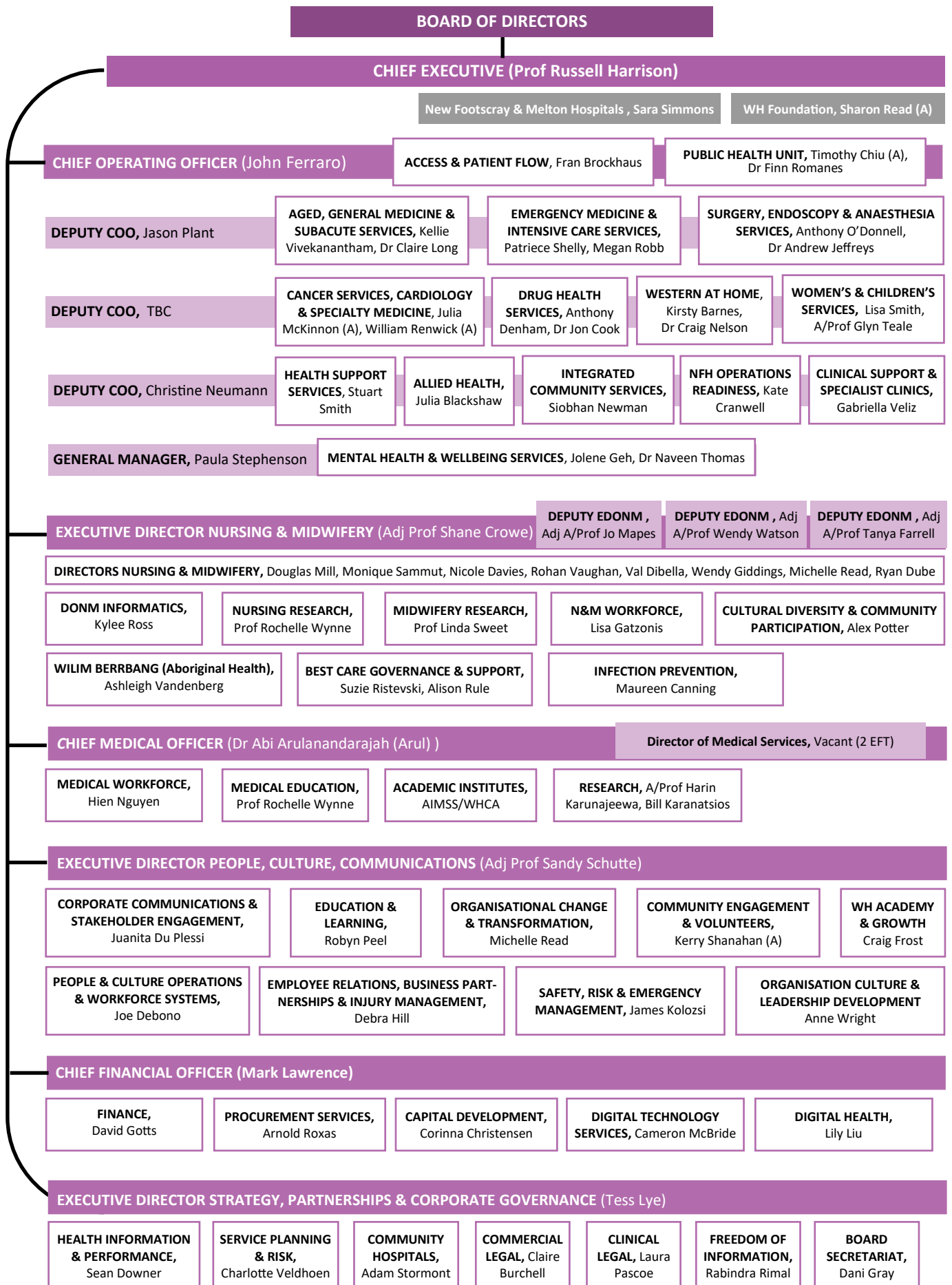
It is home to a comprehensive array of acute, subacute and mental health services, along with one of the busiest Emergency Departments in the state.

This includes the Joan Kirner Women's and Children's facility, Westside Lodge Dual Diagnosis Drug Rehabilitation centre, the Western Centre for Health Research and Education (WHCRE), renal dialysis and radiation therapy services.

Williamstown Hospital

A non-tertiary hospital, providing emergency, surgical, rehabilitation and geriatric evaluation and management services, renal dialysis, community rehabilitation and transition care.

Organisational Structure (as at June 2024)



Western Health Services

AGED, GENERAL MEDICINE & SUBACUTE SERVICES

- > Acute Aged Care
- > Geriatrician Consult Service - Cardio-Geriatric Service, Ortho-Geriatric Service, Perioperative Geri-Service, ED Geri-Service
- > Dementia Management Unit
- > Geriatric Evaluation & Management
- > Transition Care Program -bed based
- > Ortho-Geriatric Service
- > General Medicine
- > Rehabilitation
- > Subacute and Non acute Access and Pathways Service (SNAP)
- > Residential Aged Care (Grant Lodge)

ALLIED HEALTH

- > Audiology
- > Exercise Physiology
- > Language Services
- > Neuropsychology
- > Nutrition and Dietetics
- > Occupational Therapy
- > Spiritual Care
- > Physiotherapy
- > Podiatry
- > Psychology
- > Social Work
- > Speech Pathology

CLINICAL SUPPORT AND SPECIALIST CLINIC SERVICES

- > Specialist Clinics (Adult)
- > Medical Imaging
- > Pathology
- > Pharmacy

DRUG HEALTH

- > Adolescent Community Programs
- > Psychology Clinics
- > Dual Diagnosis Residential Rehabilitation Centre (Westside Lodge)
- > Addiction Medicine Clinics
- > Adult and Adolescent Withdrawal Unit
- > Assessment
- > Counselling
- > Care and Recovery Co-ordination
- > Alcohol & Drug Service - FHED
- > Non-residential Withdrawal
- > Hamilton Centre Partner Provider
- > Specialist Pharmacotherapy
- > Mental Health, Alcohol and Drug Cris Hub - SHED
- > Mental Health, Alcohol and Drug Outreach Team - SHED

EMERGENCY, MEDICINE AND INTENSIVE CARE SERVICES

- > Emergency Medicine
- > Intensive Care Services (including Organ Donation)
- > Critical Care Outreach Services

HEALTH SUPPORT SERVICES

- > Engineering and Facilities Management
- > Capital Projects Management
- > Biomedical Engineering
- > Logistics
- > Clinical Equipment Library
- > Security
- > Environmental Services
- > Central Production Kitchen and Food Services
- > Clerical Workforce
- > Switch Board and Communications
- > Sustainability
- > Business and Workforce Management Services

INTEGRATED COMMUNITY HEALTH SERVICES

- > Adult Allied Health
- > Orange Door
- > Counselling
- > Family Violence Support
- > NDIS
- > Paediatric Community Health
- > Pathway to Good Health
- > Continence Nursing
- > Diabetes Nurse Education
- > Community (district) nursing
- > Community health nursing
- > Health Promotion
- > Aboriginal Health programs (Integrated Team Care and Babaneek Boobooop)

MENTAL HEALTH & WELLBEING SERVICES

- > Adult Inpatient MHWS Units
- > Women's only MHWS inpatient unit (WIPU)
- > Community Teams - Central and Outer, including HOPE and GP liaison
- > Perinatal Services
- > Child and Adolescent Service (CAPS)
- > Community Care Units
- > Prevention and Recovery Care (PARC)
- > Women's PARC - Yanna Yanna
- > Emergency Mental Health (EMH), including Police, Ambulance, Clinical, Early Response (PACER)
- > Consultation Liaison - Psychiatry
- > Aged Psychiatry Assessment and Treatment Team (APATT)
- > Behavioural Assessment and Specialist Intervention Consultation Service (BASICS)
- > Intensive Community Treatment (ICT)
- > Harvester Private Consulting Services

Western Health Services (continued)

SURGERY, ENDOSCOPY AND ANAESTHESIA SERVICES

- > Anaesthesia & Pain Management
- > Central Sterilising Services
- > Elective Booking Service
- > Oral & Maxillofacial
- > General and Breast Surgery
- > General and Colorectal Surgery
- > General and Endocrine Surgery
- > General and Upper Gastro-Intestinal Surgery
- > Neurosurgery
- > Ophthalmology
- > Orthopaedic Surgery
- > Otolaryngology, Head and Neck Surgery
- > Paediatric Surgery
- > Plastic and Reconstructive Surgery
- > Preadmission Service
- > Thoracic Surgery
- > Urology Surgery
- > Vascular Surgery

WOMEN'S AND CHILDREN'S

- > Gynaecology
- > Obstetric Services
- > Maternal Fetal Medicine
- > Newborn Services, including Neonatal Intensive Care
- > Paediatric Medicine
- > Ambulatory Services
- > Maternity Services
- > Midwifery Group Practice
- > Homebirth Program

WESTERN AT HOME

- > Health Independence Programs (HIP), including community nursing, ACLS, and Rapid Allied Health teams
- > Chronic and Complex Nursing team
- > HealthLinks
- > Subacute Ambulatory Care Services (community based rehabilitation and specialist clinics)
- > Aged Care Assessment Service
- > ACE (Advice, Co-ordination and Expertise)
- > Transition Care Program - Community
- > Dialysis at Home
- > Endocrinology services
- > Hospital in the Home (HITH)
- > Central Access Unit (CAU)
- > Renal Research
- > Endocrinology and Diabetes
- > Nephrology
- > GEM@HOME
- > Rehab at Home
- > Custodial Health

OTHER

- > Aboriginal Health, Policy and Planning
- > Diversity, Inclusion and Consumers
- > Western Public Health Unit
- > New Footscray Hospital Operational Readiness
- > Access & Patient Flow
- > Infection Prevention
- > Office of Research
- > Service Planning

Western Health Statement of Priorities 2023-2024

Each year, Western Health identifies how it will contribute to Victorian Government policy directions and priorities. The following tables list outcomes against deliverables for 2023/2024 agreed between our health service and the Minister for Health.

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.

Goals:

- > 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 times.
- > Maintain commitment to driving planning surgery reform in alignment with the Surgery Recovery and Reform Program, as well as identify and implement local reform priorities.
- > Develop strong and effective systems to support early and accurate recognition and management of deterioration of paediatric patients.

Deliverables	Comment	Status
Adopt models of care that ensure the appropriate skill mix, and senior decision makers in the right spaces to manage the volume of patients and health service demands	Recruitment strategies and education programs are in place across all disciplines, with supervision and support structures in place for early career clinicians.	Complete
Implement initiatives that support early discharge of patients to appropriate settings to improve timely patient access to care	A number of initiatives have been implemented to facilitate discharge planning in both the Emergency Department (ED) and inpatient setting such as: <ul style="list-style-type: none"> > Hospital in the Home (HITH) attendance in the ED to divert patients to receive care in the home rather than an inpatient admission > Disability Liaison Officers to support the transition of patients on the NDIS pathway > General Medicine Discharge Liaison Nurse – 198 bed days saved in 2 weeks 	Complete
Proactively manage preparation lists (formally waiting lists) including validation and support of patients into optimal care pathways	Western Health's Patient Support Unit continues to support thousands of patients whilst they are waiting on Western Health's Planned Surgery Waiting List (PSWL). Every patient on the PSWL is contacted at least every 6 months. This has resulted in close to 2,000 patients being removed from Western Health PSWL, with a number of these patients supported on our Non-Surgery Programs such as: <ul style="list-style-type: none"> > Hand therapy clinic run by occupational therapy to divert patients from a surgical pathway > OAKS clinic to optimise patients' physical condition pre surgery > Geriatric medicine clinic to review the appropriateness for surgery of elderly patients 	Complete

Western Health Statement of Priorities 2023-2024 (continued)

Excellence in clinical governance cont ...

Deliverables	Comment	Status
Implement and scale same day surgery models of care in line with Safer Care Victoria's Expanding Day Surgery recommendations	The same Day Case Program introduced a new approach for patients undergoing laparoscopic cholecystectomy or hernia repair surgery. The program resulted in the conversion of 308 patients who would have stayed overnight to day surgery cases in its first year. The Program was shown to improve patient access to surgery, reduce length of stay and bed pressure, enhance patient satisfaction, promote the benefits of same day surgery, support equitable healthcare, and set the foundation for further expansion.	Complete
Partner with Safer Care Victoria (SCV) and relevant multidisciplinary groups to establish protocols and auditing processes to manage effective monitoring and escalation of deterioration in paediatric patients via ViCTOR charts	ViCTOR track and trigger observation chart and escalation system is in place at Western Health in all paediatric areas and is well embedded, with ongoing auditing and monitoring of outcomes and escalation events via our Deteriorating Patient Committee.	Complete
Improve paediatric patient outcomes through implementation of the "ViCTOR track and trigger" observation chart and escalation system, whenever children have observations taken	ViCTOR track and trigger observation chart and escalation system is in place in all paediatric areas, including inpatient wards, emergency departments and urgent care centres.	Complete
Implement staff training on the "ViCTOR track and trigger" tool to enhance identification and prompt response to deteriorating patient conditions	Ongoing educational programs and induction to ViCTOR track and trigger observation chart is in place for all paediatric areas.	Complete

Western Health Statement of Priorities 2023-2024 (continued)

Working to achieve long term financial sustainability ... ensure equitable and transparent use of available resources to achieve optimum outcomes

Goals:

- > Co-operate with and support Department-led reforms that look towards reducing waste and improving efficiency to address financial sustainability, operational and safety performance, and system management.
- > Development of a health service financial sustainability plan in partnership with the Department with a goal to achieving long term health service safety and sustainability.

Deliverables	Comment	Status
Implementation of cost-saving initiatives: Identify and implement cost-saving measures such as reducing unnecessary procedures, optimising supply chain management, and streamlining administrative processes	Sufficient cost savings have been identified to meet the Financial Management Improvement Plan targets.	Complete
Operational efficiency improvements: Develop and implement strategies to improve operational efficiency, such as reducing waiting times, improving patient flow, and optimising resource allocation	Western Health's involvement in the State-wide Timely Emergency Care Collaborative (TECC) has resulted in many great improvement projects being tested and implemented across the organisation. Improvement cycles (PDSAs) focusing on for example Fast Track in Sunshine Emergency, wards 'pulling' patients from the Emergency Department and pharmacy led discharge scripts are continuing with positive results. As a result of our improvement initiatives, we have seen sustained improvement in a number of key areas including Ambulance Victoria (AV) offload, time to treatment and a decrease in the length of stay in the Emergency Department (ED) for our admitted patients.	Complete
Financial forecasting and risk management: Develop robust financial forecasting models to project future revenue and expenditure, identify financial risks, and implement risk mitigation strategies to ensure long-term sustainability	Robust forecasting models exist and have been used throughout the year for cash management, ensuring the organisation was able to meet all its financial obligations.	Complete
Cost containment initiatives: Implement strategies to control costs, such as negotiating favourable contracts with suppliers, optimising workforce utilisation, and managing healthcare technologies and equipment effectively	The Electronic Medical Record went through a major enhancement during the year significantly expanding its functionality. Optimisation continues with further benefit realisation to follow.	Complete

Western Health Statement of Priorities 2023-2024 (continued)

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.

Goals:

- > Strengthen programs that support Aboriginal people to access early intervention and prevention services.
- > Enhance the provision of appropriate and culturally safe services, programs and clinical trials for and as determined by Aboriginal people, embedding the principles of self-determination.

Deliverables	Comment	Status
Alignment of health service operating hours and the availability of hospital Aboriginal Health Liaison Officer workforce	Aboriginal Health Liaison Officer workforce available 24/7 across all areas of Western Health utilising rostering and on-call arrangements.	Complete
Identify and prioritise the health, wellbeing and service needs of the Aboriginal catchment population and service users - including improved patient identification, discharge planning and outpatient care	Educational programs in place for patient identification. Journey Walker role in place for care coordination and discharge planning. Award winning Aboriginal Health Outpatient Clinic in place with increased participation. Award winning Galinjera program in place for birth with 100% uptake. Award winning Babaneek Booboop program in place for early childhood.	Complete
Promote a culturally safe welcoming environment with Aboriginal cultural symbols and spaces demonstrating, recognising, celebrating and respecting Aboriginal communities and culture	Aboriginal and Torres Strait Islander flags flying at all sites. Cultural Safety Audit program in place involving Community members assessing cultural safety of our clinical departments. Ongoing program of artwork acquisition and display across Western Health.	Complete
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	Aboriginal health Cultural Safety Plan in place and monitored by our Aboriginal Health Steering Committee. Data relating to Aboriginal and Torres Strait Islander access to care available via a dashboard and monitored by our Wilim Berrbang team and presented quarterly to our Aboriginal Health Steering Committee and annually to our Executive and Board. Memorandum of Understanding in place with the Victorian Aboriginal Health Service. No data sharing agreements requested or in place.	Complete

Western Health Statement of Priorities 2023-2024 (continued)

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.

Goals:

- > Improve employee experience across four initial focus areas to assure safe, high-quality care: leadership, health and safety, flexibility, and career development and agility.
- > Explore new and contemporary models of care and practice, including future roles and capabilities.

Deliverables	Comment	Status
Implement and / or evaluate new / expanded programs that uplift workforce flexibility such as flexibility policy for work arrangements	<p>A rostering review has been undertaken, with the following flexible workforce initiatives implemented:</p> <ul style="list-style-type: none"> > The trial and implementation of a nine-day fortnight into selected non-clinical workforce teams. > The implementation of an Employee Centred Rostering program in nursing and midwifery to enhance fairness and flexibility. 	Complete
Implement and / or evaluate a new / expanded wellbeing and safety program and its improvement on workforce wellbeing	<p>Evaluations have demonstrated there is a reduction in workplace fatigue, achieved through the establishment of programs including: capability workshops focusing on fatigue and psychological first aid; a self-awareness module built into leadership programs highlighting factors enhancing a mentally healthy workplace; expansion of our Peer Support network; facilitated Listening Circles; and update and relaunch of our EMPOWIR Program where employees can raise issues and follow a resolution pathway.</p> <p>An OVA Conference was run by Western Health, presenting our award winning 'Predict Plan Priority: Safety' program to Victorian health services. Virtual Reality OVA program developed and released to support training.</p>	Complete
Pilot, implement or evaluate new and contemporary models of care and practice, including future roles and building capability for multi-disciplinary practice	<p>There was been an expansion of our Allied Health and Nurse Practitioner and advanced practice nursing roles into new specialty areas. Formal evaluation has been undertaken of Registered Undergraduate Student of Nursing or Midwifery roles. Criteria-led discharge has been implemented in General Medicine embedding advanced practice nurses into multi-disciplinary teams.</p>	Complete
Continual monitoring of the broader healthcare landscape to identify opportunities to modernise skills, capabilities, roles and models of care to meet future health sector needs.	<p>Expanded post-graduate nursing programs are on offer. A Nursing & Midwifery Workforce Plan is in place to strategically put actions in place to grow and develop the workforce. Translational Simulation has been embedded into practice to support skill development. Interdisciplinary orientation and skills station programs have been introduced.</p>	Complete

Western Health Statement of Priorities 2023-2024 (continued)

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 enhanced interoperable platforms.

Goals:

- > Partner with other organisations (for example community health, ACCHOs, PHNs, General Practice, private health) to drive further collaboration and build a more integrated system.
- > Engage in integrated planning and service design approaches, whilst assuring consistent and strong clinical governance, with partners to join up the system to deliver seamless and sustainable care pathways and build sector collaboration.

Deliverables	Comment	Status
Engage local ACCHO groups in the identification and delivery of initiatives that improve Aboriginal cultural safety	VACCHO is an active member of Western Health's Aboriginal Health Steering Committee and had input into our Aboriginal Health Cultural Safety Plan.	Complete
Work with the relevant Primary Health Network (PHN) and community health providers to develop integrated service models that will provide earlier care to patients and support patients following hospital discharge	<p>Western Health has engaged with Primary Care and the PHN to develop a number of programs, including:</p> <ul style="list-style-type: none"> > diversion programs including the Victorian Virtual Emergency Department (VVED) and Priority Primary Care Centres. > initiatives such as ERAS (Enhanced Recovery after Surgery) Day Case Program, Non-Surgical Pathways and Western at Home > Future Health Today translation and recruitment of primary care representatives in key roles. > exploring the possibility of data sharing to improve the management of poorly controlled type 2 diabetes <p>Western Health continues to be engaged with the Western Melbourne Integrated Care Community of Practice which is a partnership between ADMA/Alfred Health/ PHN and Western. Western Health's GP Integration unit also continues to support ongoing engagement and improvement initiatives.</p>	Complete
Regional, sub-regional or local regional health needs assessment to develop a population health plan	Within the past 12 months, the Western Public Health Unit (WPHU) has completed and published a regional health population health study conducted with North Western Melbourne Primary Care Network and the North West Metro Health Services Partnership (WMHSP). This project identified population health needs using a validated model that looked at projected populations and social determinants of health and then used quantitative and qualitative methods to examine four priority areas for the partnership to coordinate activities to enable efficient and patient-centred care where it is needed. In addition, WPHU completed and published a broad population health needs assessment to inform a Population Health Catchment Plan.	Complete
Undertake joint clinical service plans that agree a joint approach to co-ordinating the delivery of health services at a regional level as opposed to individual health service planning	WH is actively involved in the WMHSP sustaining Residential In Reach activity project. Additionally, activity has been undertaken to divert patients from Western Health's Emergency Departments to the VVED and the Priority Primary Care Program.	Complete

Western Health Statement of Priorities 2023-2024 (continued)

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.

Goals:

- > Reduce risk factors contributing to the burden of preventable chronic disease through place-based prevention and population health initiatives delivered and coordinated by LPHUs.
- > Perform authorised health protection functions for the population in their public health catchment.

Deliverables	Comment	Status
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	In the past 12 months, the Western Public Health Unit (WPHU) has completed and <u>published a catchment plan</u> that examined local population characteristics, health risk factors, health outcomes, and opportunities for prevention action in relation to chronic conditions and health inequality affecting the population in the WPHU catchment. In collaboration with our 8 local government areas, WPHU identified 3 health priorities, from the Victorian Health and Wellbeing Plan. These have been formally endorsed by the Victorian Department of Health and include Healthier Eating and Food Systems; Reducing Harm from Vaping/Tobacco and Action on Climate and Health. The Catchment Plan outlines the approach to support local action using systems change.	Complete
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	WPHU has established a robust governance structure, inclusive of an overarching Reference Committee. In the past 12 months WPHU have held two Population Health and Preventive Health Reference Committee forums, 3 CEO briefings and 9 externally facing health priority Action Groups, which were well attended by all key partners. WPHU-led actions have leveraged off evidence-based and Department of Health-funded programs such as INFANT, the Healthy Eating Advisory Service, QUIT, VicHealth, Cancer Council Victoria.	Complete
LPHUs manage and deliver local public health responses to integrated notifiable conditions - including COVID-19 within their catchment	WPHU has managed several significant public health responses to notifiable conditions including a large outbreak of cryptosporidiosis, outbreaks of mpox, highly pathogenic avian influenza (animal health outbreak) as well undertaking effective case, contact and outbreak management for all integrated notifiable conditions.	Complete
LPHUs receive notifications for integrated notifiable conditions in their catchment	WPHU receives all notifications for integrated notifiable conditions through the state-managed surveillance database. We have implemented a surveillance plan to monitor notifications for trends and patterns in our catchment that could indicate evolving outbreaks, and monitor and manage performance for integrated notifiable conditions through key performance indicators and using a continuous quality improvement approach. We have established novel and innovative mechanisms for promptly and efficiently requesting surveillance information pertaining to notifiable diseases from clinicians.	Complete

Western Health Statement of Priorities 2023-2024 (continued)

Care close to home ... primary and community care is accessible and reduces avoidable escalation in acuity of health conditions. When appropriate, hospital care is delivered in the home, including through digital care and connection, to deliver virtual care, telehealth, and other advanced models of care.

Goals:

- > Improve pathways through the health system and implement models of care to enable more people to access care closer to, or in their own homes.
- > Identify and develop clinical service models of care that can be delivered via virtual care (videocall, telehealth, remote monitoring) where safe and appropriate to enable care closer to home.

Deliverables	Comment	Status
Implement and/or evaluate new / expanded models of care that address barriers to patients receiving care closer to or in their home	Western Health's HITH (Hospital in the Home) Expansion Project concluded in May 2024 with an increase in declared HITH bed capacity from 50 beds to 80 beds. The expansion project included the revision of existing models of care, expansion of patient cohorts and the implementation of various strategies across the organisation to increase and sustain bed occupancy.	Complete
Implement programs that increase the number of clinical staff capable and confident to deliver at-home care	The existing Rehabilitation at Home service has increased its bed capacity by three beds with the expansion of patient cohorts from neurological conditions to include musculoskeletal and orthopaedic patients. Western Health intends to further expand GEM at Home and Rehab at Home bed capacity in 2024/2025.	Complete
Health services should establish clinical governance, identify appropriate clinical cohorts, respecting patient choice, and use secure technology (Healthdirect video-call platform) in applying the Virtual Care Operating Framework	Services across Western Health at Home have expanded virtual care delivery through the implementation of consistent use of telehealth within existing services. The Western Health 1300 number continues to evolve, supporting 20,000 patients with support of the Odyssey Clinical Assist Tool with further expansion planned to support areas such as Oncology at Home.	Complete
Identify appropriate clinical cohorts that would benefit from virtual care. At all times respecting the consumers choice to use virtual care as a preferred method to receive their care	Western Health continues to advance existing virtual models of care, and progress remote patient monitoring and consultations, including: <ul style="list-style-type: none"> > 'Western Virtual', a model for remote monitoring of patients with Chronic Disease in the community. > 'Connected Care', a novel and innovative telehealth system that reduces the need for in-person visits by integrating digital collection of Patient Reported Outcome Measures (PROMs) with telecommunication tools to facilitate remote consultations between patients and Orthopaedic clinicians. 	Complete

Key Performance Statistics¹

HIGH QUALITY AND SAFE CARE		
KEY PERFORMANCE INDICATOR	TARGET	2023-2024 RESULT
Infection Prevention and control		
Compliance with the Hand Hygiene Australia program	85%	88.2%
Percentage of healthcare workers immunised for influenza	94%	96.0%
Continuing Care		
Average change in the functional independence measure (FIM) score per day of care for rehabilitation separations	≥0.645	0.601
Healthcare Associated Infections (HAI's)		
Rate of central line associated blood stream infections (CLABSI) in intensive care units, per 1,000 central line days	Zero	Not Achieved
Rate of healthcare-associated <i>S. aureus bloodstream</i> infections per 10,000 bed days	≤0.7	0.5
Patient Experience		
Victorian Healthcare Experience Survey - percentage of positive patient experience responses - Quarter 1	95%	88.98%
Victorian Healthcare Experience Survey - percentage of positive patient experience responses - Quarter 2	95%	88.53%
Victorian Healthcare Experience Survey - percentage of positive patient experience responses - Quarter 3	95%	90.33%
Maternity and Newborn		
Percentage of full-term babies (without congenital anomalies) considered in poor condition shortly after birth (APGAR score <7 to 5 minutes) - Joan Kirner W&C's	≤1.4%	1.0%
Percentage of full-term babies (without congenital anomalies) considered in poor condition shortly after birth (APGAR score <7 to 5 minutes) - Bacchus Marsh Hospital	≤1.4%	0.7%
Percentage of singleton babies with severe fetal growth restriction (FGR) delivered at 40 or more weeks gestation - Joan Kirner W&C's	≤28.6%	21.1%
Percentage of singleton babies with severe fetal growth restriction (FGR) delivered at 40 or more weeks gestation - Bacchus Marsh Hospital	≤28.6%	16.67%
Unplanned Readmissions		
Unplanned readmissions to any hospital following a hip replacement	≤6%	5.6%

¹Data is interim, with final consolidation of 2023/2024 data scheduled for 30 September 2024

Key Performance Statistics (continued)

HIGH QUALITY AND SAFE CARE

KEY PERFORMANCE INDICATOR	TARGET	2023-2024 RESULT
Aboriginal Health		
Percentage of Aboriginal admitted patients who left against medical advice	25% reduction in gap based on prior year's annual rate	Not Achieved
Percentage of Aboriginal emergency department presentations who did not wait to be seen	25% reduction in gap based on prior year's annual rate	Not Achieved
Mental Health Patient Experience		
Percentage of consumers who rated their overall experience of care with a service in the last 3 months as positive	80%	81.2%
Percentage of mental health consumers reporting they 'usually' or 'always' felt safe using this service	90%	90.5%
Percentage of families/carers reporting a 'very good' or 'excellent' overall experience of the service	80%	41%
Percentage of families/carers who report they 'always' or 'usually' felt the service was safe	90%	76%
Mental Health Post-Discharge Follow-up		
Percentage of consumers followed up within 7 days of separation - Inpatient (adult)	88%	93.9%
Percentage of consumers followed up within 7 days of separation - Inpatient (older persons)	88%	97.0%
Mental Health Readmission		
Percentage of consumers re-admitted within 28 days of separation - Inpatient (adult)	<14%	14.5%
Percentage of consumers re-admitted within 28 days of separation - Inpatient (older persons)	<7%	3.9%
Mental Health Seclusion		
Rate of seclusion episodes per 1,000 occupied bed days - Inpatient (adult)	≤8	9.3%
Rate of seclusion episodes per 1,000 occupied bed days - Inpatient (older persons)	≤5	1.6%

STRONG GOVERNANCE, LEADERSHIP AND CULTURE

KEY PERFORMANCE INDICATOR	TARGET	2023-24 RESULT
Organisational Culture		
People matter survey - Percentage of staff with an overall positive response to safety culture survey questions	62%	67%

Key Performance Statistics (continued)

TIMELY ACCESS TO CARE

KEY PERFORMANCE INDICATOR	TARGET	2023-2024 RESULT
Planned Surgery		
Percentage of urgency category 1 elective patients admitted within 30 days	100%	100%
Percentage of all planned surgery patients admitted within the clinically recommended time	94%	78.3%
Number of patients on the planned surgery waiting list as at 30 June 2024 ²	4,380	4,951
Number of patients admitted from the planned surgery waiting list	12,484	12,528
Number of patients (in addition to base) admitted from the planned surgery waiting list	2,813	2,803
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	9.1% improvement
Number of hospital initiated postponements per 100 scheduled planned surgery admissions	≤7	5.7%
Specialist Clinics		
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	100%	96.2%
Percentage of routine patients referred by GP or external specialist who attended a first appointment within 365 days	90%	99.1%
Home Based Care		
Percentage of admitted bed days delivered at home	4.9%	5.3%
Percentage of admitted episodes delivered at least partly at home	1.7%	1.8%

²the target shown is the number of patients on the planned surgery waiting list as at 30 June 2024

Key Performance Statistics (continued)

TIMELY ACCESS TO CARE

KEY PERFORMANCE INDICATOR	TARGET	FOOTSCRAY	SUNSHINE	W'TOWN
Emergency Care				
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%	60%	57%	99%
Percentage of Triage Category 1 emergency patients seen immediately	100%	100%	100%	100%
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended time	80%	64%	60%	87%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours	81%	38%	51%	80%
Number of patients with a length of stay in the emergency department greater than 24 hours	0	94	57	0
Mental Health				
Percentage of mental health-related emergency department presentations with a length of stay of less than 4 hours	81%	21%	44%	68%
Percentage of 'urgent' (category 'C') mental health triage episodes with a face-to-face contact received within 8 hours	80%		40%	

EFFECTIVE FINANCIAL MANAGEMENT

KEY PERFORMANCE INDICATOR	TARGET	2023-2024 RESULT
Finance		
Operating result (\$M)	\$(299.5)	(\$32.7)
Being:		
- SoP includes Western Health and Western Health Foundation only	(\$141.6)	(\$32.7)
Average number of days to paying trade creditors	60 days	44 days
Average number of days to receive patient fee debtors	60 days	77 days
Adjusted current asset ratio (Variance between actual ACAR and target, including performance improvement over time or maintaining actual performance)	≥0.61	0.44
Actual number of days available cash, measured on the last day of each month	14 days	2 days
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June (\$m)	Variance <\$250,000	Not Achieved

Key Performance Statistics (continued)

ACTIVITY & FUNDING

FUNDING TYPE	2023-2024 ACTIVITY ACHIEVEMENT
Consolidated Activity Funding	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	176,417
Acute Admitted	
National Bowel Cancer Screening Program NWAU	248
Acute admitted DVA	210
Acute admitted TAC	261
Other Admitted	100
Acute Non-Admitted	
Home Enteral Nutrition NWAU	42
Home Renal Dialysis NWAU	584
Radiotherapy - Other	17
Subacute/Non-Acute, Admitted & Non-admitted	
Subacute NWAU - DVA	30
Transition Care - Bed days	9,969
Transition Care - Home days	12,320
Aged Care	
Aged Care Assessment Service	88
Residential Aged Care	10,848
HACC	11,882
Mental Health and Drug Services	
Mental Health Ambulatory	79,474
Mental Health Inpatient - Available bed days	39,811
Mental Health Inpatient - Secure Unit	9,491
Mental Health Subacute	15,343
Drug Services	14,472
Primary Health	
Community Health / Primary Care Programs	24,001

Financial Snapshot

WORKFORCE DATA

Note: 2024 workforce increase attributed to ongoing growth in services and recruitment to vacancies

HOSPITALS LABOUR CATEGORY	JUNE CURRENT MONTH FTE		AVERAGE MONTHLY FTE	
	2023	2024	2023	2024
Nursing	3344	3880	3189	3719
Administration & Clerical	1201	1304	1141	1283
Medical Support	599	633	559	629
Hotel and Allied Services	636	706	638	694
Medical Officers	167	185	158	179
Hospital Medical Officers	745	882	737	811
Sessional Clinicians	197	226	182	218
Ancillary Staff (Allied Health)	608	760	573	736
Total	7497	8576	7177	8269

FINANCIAL POSITION

SUMMARY OF SIGNIFICANT CHANGE IN FINANCIAL POSITION 2024

In the previous year, Western Health's SoP result was a surplus \$0.4M (excluding a deficit of \$25K Victorian Comprehensive Cancer Centre surplus).

In the current financial year, the Western Health's SoP result was a deficit of \$32.7M.

OPERATIONAL AND FINANCIAL PERFORMANCE 2024

The Net Result from Transactions for the 2023-2024 year was a deficit of \$102.4M.

The Net Result for the Year, after Other Economic Flows, for the 2023-2024 year was a deficit of \$102.4M.

The Comprehensive Result for the Year, after the Revaluation of Assets, for the 2023-2024 year was a surplus of \$163.3M.

SUBSEQUENT EVENTS

There are no events occurring after the Balance Sheet date.

Financial Snapshot (continued)

FINANCIAL INFORMATION

\$'000	2024	2023	2022	2021	2020
OPERATING RESULT ⁺	(32,655)	424	631	(443)	(20,295)
Total Revenue	1,684,376	1,581,419	1,415,390	1,098,247	945,408
Total Expenses	1,786,830	1,509,152	1,408,412	1,107,800	978,686
Net result from transactions	(102,454)	72,267	6,978	(9,553)	(33,278)
Total other economic flows	(2,055)	(11,792)	(13)	9,294	(6,037)
Net Result	(104,509)	60,475	6,965	(259)	(39,315)
Total Assets	1,682,681	1,493,326	1,290,103	1,134,467	1,052,023
Total Liabilities	486,405	479,241	414,860	354,582	300,023
Net Assets/Total equity	1,196,276	1,014,085	875,243	779,885	752,000

RECONCILIATION OF NET RESULT FROM TRANSACTIONS AND OPERATING RESULT ⁺

	2023-2024 \$'000
Net operating result SoP*	(32.7)
Capital purpose income	62
State Supply Arrangement - Assets received free of charge or for nil consideration under State Supply	(0.7)
Expenditure for capital purpose	(32.5)
Depreciation and amortisation	(98.6)
Gains and losses from other economic flows	(2.1)
Net Result from transactions	(104.5)

⁺ The Operating result is the result for which Western Health is monitored in its Statement of Priorities

*\$(32.7M) = SoP includes Western Health and Western Health Foundation

Financial Snapshot (continued)

CONSULTANCIES

DETAILS OF CONSULTANCIES [UNDER \$10,000]

In 2023-2024, there was 1 consultancy where the total fees payable to the consultant were less than \$10,000. The total expenditure incurred during 2023-2024 in relation to these consultancies is \$3K (excl. GST).

DETAILS OF CONSULTANCIES [VALUED AT \$10,000 OR GREATER]

In 2023-2024, there were 5 consultancies where the total fees payable to the consultant were \$10,000 or greater. The total expenditure incurred during 2023-2024 in relation to the consultancies is \$313K (excl. GST). Details of individual consultancy are as follows:

Consultant	Purpose of consultancy	Start Date	End Date	Total approved project fee (excluding GST)	Expenditure 2023-2024 (excluding GST)	Future expenditure (excluding GST)
LB RB Family Trust	Maternity Services Consultancy	29/09/2023	18/12/2023	\$28,680	\$28,680	-
The Trustee for RKTC	Consultancy and Change	03/05/2024	09/05/2024	\$22,458	\$22,458	-
Maverick Advisors Pty Ltd	Strategic Advisory	01/07/2023	30/06/2024	182,118	\$182,118	-
Mills Oakley Lawyers	Professional Consultancy	17/11/2023	19/02/2024	\$16,764	\$16,764	-
Open Advisory	Women's and Children's Services Consultancy	01/03/2024	01/05/2024	\$63,138	\$63,138	-
TOTALS				\$313,158	\$313,158	-

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) EXPENDITURE

The total ICT expenditure incurred during 2023-2024 is \$28.9 million (excluding GST) with the details shown below:

Business As Usual (BAU) ICT expenditure	Non-Business As Usual (non-BAU) ICT expenditure		
	Total = Operational expenditure and Capital Expenditure (excluding GST) (a) + (b)	Operational expenditure (excluding GST) (a)	Capital expenditure (excluding GST) (b)
\$42.8 million	\$10 million	\$4 million	\$6 million

Corporate Governance

The Board of Western Health consists of independent non-executive members from a range of backgrounds and with local ties to Melbourne's West.

Western Health is incorporated as a public health service pursuant to the Health Services Act 1988 (VIC). Established in 2000, Western Health operates under the authority of the Act and its own by-laws.

Western Health is governed by the Board of Directors appointed by the Governor in Council on the recommendation of the responsible Minister. The Board's role is to govern the health service, consistent with applicable legislation and the terms and conditions attached to the funds provided to it.

The Board is responsible to the Minister for setting the strategic direction of Western Health, within the framework of government policy, and ensuring that the health service:

- > Is effective and efficiently managed
- > Provides high quality care and service delivery
- > Meets the needs of the community; and performance targets

Over the period 1 July 2023 to 30 June 2024, the responsible Ministers were:

- > The Hon Mary-Anne Thomas, Minister for Health
- > The Hon Gabrielle Williams, Minister for Mental Health (1 July 2023 - 2 October 2023)
- > The Hon Ingrid Stitt, Minister for Mental Health (2 October 2023 - 30 June 2024)

Over the period 1 July 2023 to 30 June 2024, the Board comprised nine Members, including the Chair.

ROBYN BATTEN AM

BSW, MSW, MBA, FAICD

CHAIR

Robyn Batten is an experienced Chief Executive Officer, non-Executive Director who has led very large and complex organisations in a range of industries. With over twenty-five years of Executive and Board experience, Robyn is a strategic thinker who can translate strategy into outcomes.

Robyn started her career as a registered nurse and in addition to working in diverse industries and roles, Robyn has worked in the United Kingdom, Asia, three Australian States and the Northern Territory. Robyn has also contributed to national policy development during the last decade. Robyn is currently a Director of the East Melbourne PHN and Chair of Leap in! Australia.

Robyn is commercially focused and brings expertise to her board roles in areas such as strategic and innovative thinking, business performance and improvement, technology transformation, and infrastructure development and management.

Robyn Batten was a Member of the Audit, Finance, Quality & Safety and Governance & Remuneration Committees.

Appointed Board Director July 2019;
Appointed Board Chair July 2020

Term Completed June 2024

PROFESSOR ANDREW CONWAY

FIPA FFA FCMA FCPA (UK) MAICD

FAIM BCom BTeach(Sec) GCertAIB

Professor Andrew Conway is the Chief Executive Officer of the Institute of Public Accountants - one of Australia's largest professional accounting bodies. Andrew represents the Australian profession in a range of global Boards and committees and is a current member of the ASX Corporate Governance Council. In 2022, Andrew was appointed by the Australian Government as a member of the Tax Practitioners Board.

Prior to working with the Institute, Andrew was an Australian Government Treasury Ministry Chief of Staff and Senior Advisor. In 2001, he was awarded the Centenary of Federation Medal and was subsequently awarded Australian Young Professional of the Year and AFR BOSS Magazine Young Executive of the Year. Andrew was appointed a Professor of Accounting at the Shanghai University of Finance and Economics (honoris causa) and is also a Vice Chancellor's Distinguished Fellow and Adjunct Professor at Deakin University. In 2011 he was appointed as a Board Director of Eastern Health. 2020 marked the completion of his final term at Eastern. In addition, Andrew is actively involved in research and co-founded the IPA-Deakin University SME Research Centre and co-authored the landmark Australian Small Business White Paper.

Andrew is a devoted husband and father of three children.

Professor Andrew Conway is the Chair of the Finance Committee and a Member of the Audit Committee.

Appointed May 2020

Corporate Governance (continued)

HON MONICA GOULD

A former Victorian Minister, Monica Gould served as Victoria's first (and still only) female President of the Legislative Council. She began her career in the union movement, with a particular focus on advocating for poorly paid women in the manufacturing industry.

In Parliament, Monica served in both opposition and government and developed a reputation for effectiveness and efficiency, driving through legislation through advocacy and bipartisan engagement as Minister for Industrial Relations and then Minister for Education Services and Youth Affairs. She also played a significant role in advancing the representation of women through visible leadership and initiatives such as quotas for women in pre-elections. Since retiring from government, Monica has applied her abilities in governance, diplomacy, strategy and stakeholder engagement in the service of non-profit organisations, holding board and chair positions in youth, community and environmental initiatives.

The Hon Monica Gould is the Chair of the Community Advisory Committee and a Member of the Governance & Remuneration Committee.

Appointed July 2020

DAVID LAU

BPharm MCLinPharm GCHlthSM FSHP MAICD

David Lau has worked as a senior clinician, executive and non-executive director, and in management consulting. He has particular expertise in the areas of pharmaceutical supply chain, digital health, health industry development and commercialisation, and health practitioner regulation.

More recent executive roles include General Manager of Institutional Healthcare at EBOS Group, and

Health Industry Lead at Optus.

He is a board director at Access Health & Community, and has previously served as president of the Pharmacy Board of Victoria, chair of the Victorian Pharmacy Authority, board director at the Royal Children's Hospital, and board director at North Yarra Community Health.

David is a Member of the Primary Care & Population Health Advisory Committee and a Member of the Finance Committee.

Appointed: July 2020

ELIZABETH KENNEDY

B.A,LL.B (Hons), LL.M, Grad Dip Health and Medical Law (Melb), GAICD

Adj A/Prof Elizabeth Kennedy has been a practising lawyer for over 40 years and was General Counsel and Corporate Secretary of Peter MacCallum Cancer Centre, Corporate Counsel of Epworth Healthcare, The Royal Women's Hospital and The Royal Children's Hospital. She was the inaugural in-house lawyer of Southern Healthcare Network from its formation in 1998.

Elizabeth specialises in health and medical law.

Elizabeth is a currently the legal member of the Victorian Pharmacy Authority and a director of the Australian Psychological Society. She is also a member of the Council of Janet Clarke Hall. She has held a number of not for profit Board appointments throughout her career, including Monash Medical Centre, Alzheimer's Victoria, Family Planning Victoria, and the Victorian Cytology Service.

Adj A/Prof Elizabeth Kennedy is the Chair of the Audit and Governance & the Chair of the Remuneration Committee.

Appointed July 2020

BEN DAVISON

BA, MBA, GAICD

Ben Davison is a professional director and consultant with over 20 years experience in leadership roles across the for-purpose sector. In addition to being a director of Western Health, Ben is currently Chair of BGT Jobs and Training, a Trustee Director of the Industry Superannuation Fund HESTA, a Director of the Ballarat General Cemetery Trust and serves as a non-executive director for ACTU Member Connect

Ben has previously served as the Chief of Staff, Director of Operations and Director of Communications at the Australian Council of Trade Unions (ACTU) and as CEO of Southport Uniting Care, following a period in the leadership team at Diabetes Australia-Vic.

Ben's working life - coupled with his formal education - allows him to bring a broad range of general management, ethical governance, public policy, marketing, financial management, member engagement, campaign/project management, crisis management and corporate affairs experience to all of his endeavours.

As well as his board service, Ben provides management and governance consulting services to values-aligned clients. He runs a successful podcast with his partner and is active in a range of local community groups and organisations. Ben Davison is a Member of the Finance Committee and a Member of the Community Advisory Committee.

Appointed July 2022

Corporate Governance (continued)

ANNA PEETERS AM

Ph.D, B.Sc.(Hons), CF

Professor Anna Peeters is Director of the Institute for Health Transformation and Professor of Epidemiology and Equity in Public Health at Deakin University.

She is Past President of the Australian and New Zealand Obesity Society, a member of the World Cancer Research Fund International Policy Advisory Group (2015-ongoing), and sits on the Board of the Victorian Health Promotion Foundation (VicHealth) (2019-ongoing). She was the recipient of the prestigious World Obesity Federation Andre Mayer Award (2014) for research excellence and a Churchill Award (2014) for innovative work in equity and population prevention. As a public health researcher, she works to provide information to facilitate objective and equitable choices in health by policy makers, practitioners and the public.

Anna Peeters is the Chair of the Primary Care & Population Health Committee and a Member of the Quality & Safety Committee.

Appointed July 2022

DEBORAH COLE

*BDS GradDipHlthAdmin MBA
GradCertLead&CathCult FAICD GAIST
(Adv)*

Dr Deborah Cole is an experienced Non-Executive Director and Chief Executive Officer predominantly in the health sector.

Deborah is the current and inaugural Chair of the Australian Centre for Value-Based Health Care and a Non-Executive Director of HESTA (Superannuation Fund) and Frontier Advisors. Deborah is the immediate past Chair of Australian Healthcare and Hospitals Association and the previous CEO of Dental Health Services Victoria.

Deborah has broad experience in health, public dentistry, finance, corporate governance, and local government, and has worked in both the not-for-profit and public sectors. Deborah has held CEO positions at Calvary Health Care and Yarra City Council as well as senior executive positions at Mercy Health, St Vincent's Health Melbourne, Royal Dental Hospital of Melbourne and South Australian Dental Service.

Deborah Cole is the Chair of the Quality & Safety Committee and a Member of the Primary Care & Population Health Committee.

Appointed July 2022

HARVEY NEWNHAM

MBBS, FRACP, PhD, GAICD, AICGG
Professor Harvey Newnham is an Endocrinologist and General Physician with extensive board and clinical leadership experience in the acute health sector. Harvey is also a board member of Bass Coast Health and was previously a member of the Royal Melbourne Hospital (Melbourne Health) and Better Care Victoria boards. Harvey chairs the board of Health Education Australia Limited (HEAL) which encompasses the Australasian Institute of Clinical Governance (AICG). He is a graduate of the Australian Institute of Company Directors and has completed the AICD boardroom mastery course.

Harvey is experienced in organisational and unit review at health department, hospital and clinical unit level. Harvey's main interests are to improve the safety, quality and value proposition of acute care with particular emphasis on internal audit of clinical services, consumer engagement and interdisciplinary teamwork. In 2014 Harvey completed Brent James's "Advanced Training Program in Health Care Delivery Improvement"

at the Intermountain Institute of Healthcare Delivery Research, Salt Lake City, USA.

Harvey was Program Director of Emergency and Acute Medicine at Alfred Health from 2009-20 and Director of General Medicine there from 2007-22. Harvey is an Adjunct Clinical Professor with Monash University. In his earlier career, Harvey was Director of Internal Medicine at Eastern Health and was extensively involved in education, developing both the undergraduate medical student program and the physician training program there. He was also chair of the Endocrinology Specialist Advisory Committee of the Royal Australasian College of Physicians. Harvey has served for many years as a senior member of the National Examining Panel of the RACP.

Harvey Newnham is a Member of the Quality and Safety Committee and a Member of the Audit Committee.

Appointed July 2023

Corporate Governance (continued)

BOARD MEETING ATTENDANCE 2023-2024

DIRECTORS	BOARD MEETINGS ATTENDED/ MEETINGS HELD
Robyn Batten	11/11
Hon Monica Gould	11/11
Prof Andrew Conway	10/11
Adj A/Prof Elizabeth Kennedy	10/11
David Lau	11/11
Ben Davison	10/11
Prof Anna Peeters	7/11
Dr Deborah Cole	10/11
Dr Harvey Newnham	10/11

BOARD COMMITTEES

The Board has established several standing committees to assist in carrying out its responsibilities.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee is responsible for ensuring the financial and related reporting systems produce timely, accurate and relevant reports on the financial operations of the health service and that sufficient resources are allocated to identify and manage organisational risk.

Committee Members (Board Directors) 2023-2024:

- > Elizabeth Kennedy (Chair)
- > Robyn Batten
- > Harvey Newnham
- > Andrew Conway

COMMUNITY ADVISORY COMMITTEE

The role of the Community Advisory Committee is to advise the Board on relevant structures, processes, key priority areas and issues to ensure effective consumer and community participation at all levels of service planning and delivery. It also advises the Board on matters involving access and equity for patients and their families from culturally and linguistically diverse backgrounds.

Committee Members (Board Directors) 2023-2024:

- > Monica Gould (Chair)
- > Ben Davison

FINANCE COMMITTEE

The Finance Committee is responsible for advising the Board on matters relating to financial strategies and the financial performance, capital management and sustainability of Western Health.

Committee Members (Board Directors) 2023-24:

- > Andrew Conway (Chair)
- > Robyn Batten
- > David Lau
- > Ben Davison

GOVERNANCE AND REMUNERATION COMMITTEE

The role of the Governance and Remuneration Committee is to advise the Board and monitor matters involving organisational governance and administration, and executive and senior staff recruitment, remuneration and performance.

Committee Members (Board Directors) 2023-2024:

- > Elizabeth Kennedy (Chair)
- > Robyn Batten
- > Monica Gould

PRIMARY CARE AND POPULATION HEALTH ADVISORY COMMITTEE

The Primary Care and Population Health Advisory Committee provides advice and recommendations to the Board on health issues affecting the population served by Western Health.

Committee Members (Board Directors) 2023-2024:

- > Anna Peeters (Chair)
- > David Lau
- > Deborah Cole

QUALITY AND SAFETY COMMITTEE

The Quality and Safety Committee is responsible for ensuring quality monitoring activities are systematically performed at all levels of the organisation and deviations from quality standards are acted upon in a timely manner

Committee Members (Board Directors) 2023-2024:

- > Deborah Cole (Chair)
- > Robyn Batten
- > Harvey Newnham
- > Anna Peeters

Corporate Governance (continued)

FINANCIAL COMPLIANCE DECLARATION

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



Professor the Honourable Jill Hennessy
Chair of the Board, Western Health
6 September 2024

CONFLICT OF INTEREST DECLARATION

I, Russell Harrison, certify that Western Health has put in place appropriate internal controls and processes and 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 Western 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 and board meeting.



Professor Russell Harrison
Chief Executive,
Western Health
6 September 2024

DATA INTEGRITY DECLARATION

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



Professor Russell Harrison
Chief Executive,
Western Health
6 September 2024

INTEGRITY, FRAUD AND CORRUPTION DECLARATION

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



Professor Russell Harrison
Chief Executive,
Western Health
6 September 2024

HEALTH SHARE VICTORIA (HSV) PURCHASING POLICIES DECLARATION

I, Russell Harrison, certify that Western 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 Health Services Act 1988 (Vic) and has critically reviewed these controls and processes during the year.



Professor Russell Harrison
Chief Executive,
Western Health
6 September 2024

Corporate Governance (continued)

LOCAL JOBS FIRST ACT 2003

Western Health complies with the intent of the Local Jobs First Act (Vic) 2003 which ensures local projects create opportunities for Victorian businesses and workers.

There was one completed Local Jobs First Project at Western Health within 2023-2024:

Project Name	Hazeldean Refurbishment Project
Project Value	\$4,420,000
Contestability	Contestable
Project Status	Contract Awarded; 05 December 2022
Local Content	92%
LIDP Commitments	3
VIPP Plan / LIDP Outcomes	Under Evaluation by ICN
Total Businesses Engaged	10

CARERS RECOGNITION ACT 2012

In accordance with the Carers Recognition Act 2012 (Vic), Western Health:

- A) Takes all practicable measures to ensure that its employees and agents have an awareness and understanding of the care relationship principles; and
- B) 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; and
- C) 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

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

CAR PARKING FEES

Western Health complies with the DH hospital circular on car parking fees and details of car parking fees and concession benefits can be viewed at

www.westernhealth.org.au/Our Sites (transport and parking options under each of our listed hospitals).

THE FREEDOM OF INFORMATION ACT 1982

The Freedom of Information Act 1982 (Vic) (FOI Act) grants the public a right to access documents in the possession of Victorian Government agencies, including public health services. Western Health processes freedom of information (FOI) requests for access to documents in accordance with the provisions of the FOI Act, unless documents are released informally or otherwise made publicly available.

During 2023-24, Western Health received 2136 FOI applications. All of these requests were for personal information, specifically patient records. The majority of requests for patient records were made by patients or on behalf of patients by their authorised representatives such as law firms and insurers.

Western Health made 1829 FOI decisions during the 12 months ended 30 June 2024. There were 1828 decisions made within the relevant statutory time periods. The one decision made outside the relevant statutory period was made within a further 45 days. No decisions were made after a period exceeding 45 days following the end of the relevant statutory period.

A total of 1829 FOI access decisions were made where access to documents was granted in full, granted in part or denied in full. Ninety-three decisions were made after mandatory extensions had been applied or extensions were agreed upon by the applicant. Of requests finalised, the average number of days to decide a valid request was 8.7 days per FOI request, which was under the statutory time (including any relevant extended timeframes).

During 2023-24, three requests were subject to a complaint/internal review by Office of the Victorian Information Commissioner. No requests progressed to the Victorian Civil and Administrative Tribunal (VCAT).

Information about how to make an FOI request to Western Health is available to members of the public on the [Western Health website](#). This page of the website contains a link to the FOI application form and information about FOI access including the amount of the application fee (\$31.80 for the year to 30 June 2024), contact details and a link to the website of the Office of the Victorian Information Commissioner.

If a member of the public calls Western Health seeking information on the FOI process, they will be directed to the relevant page of the Western Health website or transferred to the FOI team, who can provide verbal information including providing directions to the website or arranging to email an FOI application form on request.

Corporate Governance (continued)

ASSET MANAGEMENT ACCOUNTABILITY FRAMEWORK

The following sections summarise Western Health’s assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. These requirements can be found on the DTF website ([Asset management accountability framework | Department of Treasury and Finance Victoria \(dtf.vic.gov.au\)](https://www.dtf.vic.gov.au)).

Western Health’s target maturity rating is 'competence', meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement.

RESULTS:

Western Health is fully compliant with all elements of the Asset Management Accountability Framework. This translates to a total 'Optimising' (compliance) rating (rounded up) of 4 on the elements of the rating scale outlined in the AMAF guidance note.

Leadership and Accountability (requirements 1-19)

Western Health has met its target maturity level under the requirements of this category.

Planning (requirements 20-23)

Western Health has met its target maturity level under the requirements of this category.

Acquisition (requirements 24 and 25)

Western Health has met its target maturity level under the requirements of this category.

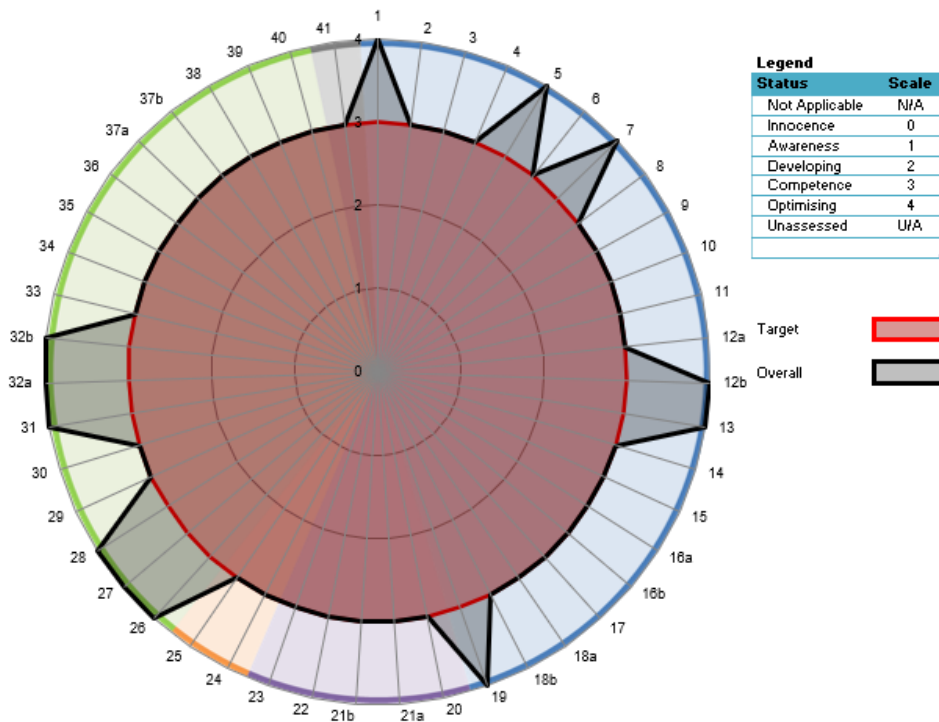
Operation (requirements 26-40)

Western Health has met its target maturity level under the requirements of this category.

Disposal (requirement 41)

Western Health has met its target maturity level under the requirements of this category.

Compliance and maturity rating tool Asset management maturity



Corporate Governance (continued)

STATEMENT OF MERIT AND EQUITY

Further to the requirements of the Public Sector Administration Act 2004, Western Health has established that the organisational values of compassion, accountability, respect, excellence and safety align with the public sector values of responsiveness, integrity, impartiality, accountability, respect, leadership and human rights.

Western Health is committed to the application of the public sector employment principles and has reviewed employment processes to ensure employment decisions are based on merit. All employees are treated fairly and reasonably, equal employment opportunity is provided and employees are afforded a structured grievance procedure for redress against perceived unfair or unreasonable treatment.

Western Health has an established Code of Conduct, which aligns with and supports the public sector employment principles.

EX-GRATIA PAYMENT

Western Health made no ex-gratia payments to employees for the year ending 30 June 2024.

GENDER EQUALITY ACT 2020

The Gender Equality Act 2020 supports improvements in gender equality in the Victorian public sector, universities, and local councils. The Act is intended to improve gender equality for both the public sector workforce, and for the consumers they serve.

Western Health has completed and submitted a progress report that included a summary of policies, programs and services that were subject to a gender impact assessment (GIA), actions taken as a result of each GIA, our progress in relation the strategies set out in the Gender Equality Action Plan (2022-2025) and progress in relation to the workplace gender equality indicators defined in the Act.

Western Health has made material progress against some of the Workplace Gender Equality Indicators, consistent with the public healthcare sector. The Gender Equality Commissioner acknowledges that progress is not usually linear and immediate, and that our strategies have medium, and long-term implementation plans.

A noteworthy improvement is that the proportion of women in senior leadership roles improved from 45% to 50% over the 18-month timeframe. Equity work is a long-term proposition requiring interventions to address structural barriers and individual biases.

The discipline of conducting Gender Impact Assessments on policies, programs and services that directly and significantly impact the public has been trialled within our Custodial Health division.

Western Health developed a Diversity, Equity and Inclusion (DEI) Framework to establish a shared vision, purpose and governance arrangements to support delivery of strategic directions 1 (We partner with patients) and strategic direction 2 (We care for our people). This initiative is inclusive of all individuals connected to Western Health, including patients, families, consumers, partners, volunteers, and staff.

The process involved a desktop review, internal and external interviews, consumer and staff workshops, and framework mapping. Collaboratively created, the agreed vision of the framework is to create a fair and just health system that empowers everyone to thrive and live a good life, with the purpose of providing safe, high-quality healthcare that celebrates differences. Our objectives are to eliminate structural barriers from historical and present-day inequities, meeting the unique needs of individuals and groups, and creating a trustworthy environment for all stakeholders, especially underserved and marginalised populations.

Expected outcomes are experiential (how people think and feel), behavioural (how people act), and systemic (how the organisation functions), centred around four themes: access and equity, cultural and psychological safety, inclusive policies and procedures, and workforce mutuality.

Governance will be overseen by a DEI Committee that reports to the Executive Committee and Board Directors, providing strategic oversight and ensuring the development and delivery of action plans. Additionally, steering committees representing priority populations, will guide DEI efforts with the support of employee networks and reference groups. This ensures power is shared across all levels of the organisation, builds trust, and enables actions to provide sustained impact and value over time. Western Health has commenced implementation of the framework, and we expect it to be embedded within 12 months.

PUBLIC INTEREST DISCLOSURE ACT 2012

In accordance with the Public Interest Disclosure Act 2012 (Vic), Western Health has developed procedures and guidelines to facilitate the making of disclosures, the handling of disclosures and to protect persons making disclosures from detrimental action. The procedures and guidelines are available to the public on the Western Health website: Western Health | Patients and Visitors and to staff on the Western Health intranet.

Corporate Governance (continued)

BUILDING ACT 1993

Western Health fully complied with the building and maintenance provisions of the Building Act 1993 for the period 1 July 2023 to 30 June 2024. Where applicable, the appropriate Building Permits and Certificates of Occupancy were obtained in line with the requirements of the Building Act 1993.

Western Health sites have undergone a number of internal and external audits for asset condition assessments.

Western Health conducted a Five Yearly Fire Audit for all sites in 2023. We have completed the installation of a Loading Dock Canopy at the Williamstown Hospital site. Current works include the relocation and construction of a new Fire Control Room and the extension of existing plant room to accommodate an additional backup generator with associated controls.

NATIONAL COMPETITION POLICY

Western Health has implemented, and continues to comply with the National Competition Policy and the requirements of the Victorian Government's Competitive Neutrality Policy.

SOCIAL PROCUREMENT FRAMEWORK

Western Health's Social Procurement Framework focuses on opportunities to deliver social and sustainable outcomes that benefit the Victorian community. As per the social procurement strategy the following social and sustainable objectives have been addressed:

Objectives	Outcomes
Environmentally sustainable business practices	Collaboration with procurement and sustainability has occurred on achieving organisational targets and a shared framework focusing on delivering value for money
Responding to Diversity Policy	WH have engaged in multiple initiatives to address diversity by partnering with multiple industry partners
Procurement Policy	Requirements on social and sustainable outcomes have been included in procurement documentation. Education on social and sustainable requirements has improved capability in the procurement team and relevant WH departments
Construction Procurement Framework	Social procurement requirements have been included procurement related documentation

The table below summarises Social Procurement activities and commitments in the 2023-24 financial year.

SOCIAL PROCUREMENT ACTIVITIES AND COMMITMENTS

Reporting period:	2023–24
Reporting entity:	Western Health
Overall social procurement activities:	2023–24
Number of social benefit suppliers engaged during the reporting period:	19
Total amount spent with social benefit suppliers (direct spend) during the reporting period (\$ GST exclusive):	\$74,000
Total number of mainstream suppliers engaged that have made social procurement commitments in their contracts with the Victorian Government:	3
Total number of contracts that include social procurement commitments:	3

OCCUPATIONAL HEALTH AND SAFETY (OHS)

To minimise risk and promote the health, safety and wellbeing of our workforce, the programs and activities below were provided over the 2023-2024 financial year.

A year of new services – At the commencement of FY23, Western Health's risk profile significantly increased with the absorption of Mid-West and North-West Mental Health Services and patient care within a Custodial setting, the Dame Phyllis Frost Centre. With these new services added to Western health's profile, incident rates have remained stable with only a minimal increase of 1 incident per 100 FTE for the year. Western Health is committed to a learning culture where every incident no matter how minor has a learning outcome. The Mental Health transition team, the Dame Phyllis Frost Centre team and supporting essential services such as the Occupational Violence and Aggression Unit, Emergency Management Unit and Occupational Health and Safety unit within Western Health all contributed to design of safe work. This is evidenced through the injury data which has fallen by 31% across all of Western Health.

Corporate Governance (continued)

Western Health Occupational Violence and Aggression

(OVA) Program - Western Health's OVA program stepped into the world of Virtual Reality. The Western health Occupational Violence and Aggression Unit have been working with Viewport XR to develop Virtual reality scenario training called Reframe. The Reframe education program focus on self-reflection and immerses participants into two scenarios. One from the perspective of a clinician dealing with the son of a patient and the second from the perspective of a patient in ED with two clinicians attending to them, with two very different approaches. Reframe was rolled out to Western health staff in March 2024 and has received very positive feedback.

Health and Safety Representatives (HSR) – Throughout 2023-2024, our HSRs continue to display exemplary engagement within their Designated Work Group. The HSR Forums conducted by Western health provide an honest appraisal of the work being done and what the real challenges are on the frontline. The HSRs' involvement in the quarterly HSR forums and the Western Health OHS Committee meetings has been commendably active.

OHS Shift – Western Health's approach to health and safety is shifting to more contemporary approaches. Driven from the Safety Risk and Emergency Management Division, there is a fundamental shift to embrace aspects from both safety 1 (lets focus on the 1% of things that go wrong) to embed a learning mentality from safety 2 (focus on 99% of things that go right). The shift has started from within the safety professionals and the Simulation leadership, there is growing appreciation for the improved collaboration and challenging of the status quo to uplift and focus on safety work and reduce the focus on the safety of work. Aligning with concepts (taken from current safety literature) such as, "you can't fix safety by doing safety" and "safety is an emergent property of systems" we are seeing a shift from safety being an additional requirement of the work to an embedded part of how we do work. The data, while we still have incidents, demonstrates our approach is having an effect.

Western Health's Injury Management and Workplace Health Team continues to work collaboratively to support employees returning to work following a work-related injury or illness. Early intervention strategies and encouraging more employee engagement has contributed to the overall positive results of the injury management process and helped reduce the number of claims for the reporting period and an injured worker's time away from work. This program has not only resulted in minimising the number of time lost days within Western Health but has given employees a more positive recovery experience whilst eliminating the potential challenges in navigating the WorkCover insurance process.

OCCUPATIONAL HEALTH AND SAFETY DATA

MEASURE	2021-2022	2022-2023	2023-2024
The number of reported hazards/incidents for the year per 100 FTE	28.5	15.7	16.8
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	0.65	0.55	0.38
The average cost per WorkCover claim for the year ('000)	\$157	\$171	\$137

OCCUPATIONAL VIOLENCE STATISTICS

MEASURE	2023-2024
WorkCover accepted claims with an occupational violence cause per 100 FTE	0.05
Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	0.3
Number of occupational violence incidents reported	574
Number of occupational violence incidents reported per 100 FTE	6.6
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	35%

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 2023-2024.

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.

Corporate Governance (continued)

ENVIRONMENTAL SUSTAINABILITY

Western Health (WH) is committed to environmental sustainability in its operations. Sustainable practices, including minimising waste and reduction of greenhouse gas emissions are core aspects of WH’s business approach and guiding principle in our business activity. This is reflected in our Strategic Direction, and Sustainability Plan’s below objectives:

Objective 1: Embed Sustainability as a core aspect of our business. WH has integrated data analysis processes and engineering practices to improve our daily operations continually.

Objective 2: Create a clear path to achieve NZE by 2050. Our asset replacement strategy strongly focuses on moving away from gas for existing facilities, major refurbishments and new buildings. This strategy will help us to minimise Scope 1 emissions and trace the path towards NZE by 2050.

Objective 3: Incorporate climate change action into our corporate responsibility. WH is implementing sustainability roadmaps for each Directorate. For this purpose, we reference diverse sustainability frameworks such as the UK’s National Health Service, GRI Standards and the United Nation’s Sustainable Development Goals.

Objective 4: Continuous Discovery and Innovation. WH continues to innovate and demonstrate a commitment to mentoring and internship programs, data-driven performance and research to enable future healthcare.

The following pages provide disclosures about WH’s environmental performance.

Disclosure References:

1. Department of Climate Change, Energy, the Environment and Water (2023). Australian National Greenhouse Accounts Factors. [online] p.17. Available at: <https://www.dcceew.gov.au/climate-change/publications/national-greenhouse-accounts-factors-2023>
2. Western Health Sustainability Plan. (n.d.). Available at: <https://westerly.wh.org.au/wp-content/uploads/2023/01/WH123-Sustainability-Plan-vF.pdf>
3. www.aqua-calc.com. (n.d.). Nitrous oxide volume to weight conversion. [online] Available at: <https://www.aqua-calc.com/calculate/volume-to-weight/substance/nitrous-oxide>
4. Australian Government, Clean Energy Regulator. Global warming potentials, <https://cer.gov.au/schemes/national-greenhouse-and-energy-reporting-scheme/about-emissions-and-energy-data/global>
5. Charlesworth, M. and Swinton, F. (2017). Anaesthetic gases, climate change, and sustainable practice. The Lancet Planetary Health, [online] 1(6), pp. e216–e217, [https://www.thelancet.com/journals/lanph/article/PIIS2542-5196\(23\)00124-9/fulltext](https://www.thelancet.com/journals/lanph/article/PIIS2542-5196(23)00124-9/fulltext)

Reporting boundary for environmental data

WH utilised the operational control approach, as defined by the Green House Gas (GHG) Protocol Corporate Standard for the reporting period of; “all operations and activities fall within the organisational boundary”. Data has been gathered across all sites, including hospitals, health centres, and residential aged care facilities. Waste data for some small facilities is unavailable since the collection service is through the local council. WH’s organisational boundary included data from the following sites (data consolidated into WH Environmental Data Management System): Bacchus Marsh Hospital; Sunshine Hospital; Footscray Hospital; Williamstown Hospital; Sunbury Day Hospital; Grant Lodge Residential Aged Care (Bacchus Marsh); Drug Health Services (3-7 Eleanor Street, Footscray); Melton Health; Melton Health Community Services; Hazeldean Facility Williamstown; Mental Health Services (47-49 Nicholson Street, Footscray); Consulting rooms (12 Turner Street, Footscray); Central Production Kitchen (CPK).

Normalisation

The following normalisation factors provide context for comparing or benchmarking environmental performance over time. According to the annual reporting changes, the information for the current FY2024 will consider the period from 1 April 2023 to 31 March 2024. During this period, WH hospital activity increased compared to the last financial year, 2022-2023, between 5 and 0.05 percent (i.e., Patients Treated, LOS, OBDs, ED departures, and Separations).

Normalisation Factor	Change from previous year	Apr-23 to Mar-24	Jul-22 to Jun-23	Jul-21 to Jun-22
Aged Care OBD	Increased 0.5%	7,679	7,714	9,150
ED Departures	Increased 2%	156,728	153,548	143,067
FTE	Increased 14%	8,597	7,541	7,074
LOS	Increased 6%	448,790	425,139	384,011
OBD	Increased 5%	456,469	432,853	393,161
PPT	Increased 5%	778,021	743,947	683,538
Separations	Increased 48%	224,983	157,546	147,310
Total Area (m ²) ¹	No change	152,167	152,167	152,167

Notes:

1. Floor area is calculated using a gross floor area calculation approach and reported in metres squared. The increase in the area is because of Mental Health disaggregation or services on 1 July 2023 and are attributed to some gaps in the data for previous years where some areas weren’t included. WH is working to improve the system.

Corporate Governance (continued)

1.1 Electricity Production and Consumption

This section considers WH's electricity consumption, generation, and associated carbon credits. It outlines the electricity consumption by source, including purchased electricity, self-generated solar power and green power.

The following items have been reported as non-applicable in this section as they are not part of WH's electricity usage:

- > Electricity not directly purchased but sourced from outside electricity (EL1),
- > Cogeneration (EL2 and EL3),
- > Exports from on-site-electricity generated (EL2), and
- > Certified climate active carbon neutral electricity purchased (EL4)

Solar electricity production increased slightly by 1.3 % compared to last financial year.

Since 2019, WH has purchased electricity generated by renewable sources through Momentum Energy for a few minor sites. Total electricity consumption increased by 6% compared to the previous FY. The increase could be attributed to the increased OBD, LOS PPT, and the Sunshine Mental Health and Wellbeing Centre opening in October 2023.

Electricity Use	Apr-23 to Mar-24	Jul-22 to Jun-23	Jul-21 to Jun-22
EL1 Total electricity consumption segmented by source [MWh]			
Purchased	40,952	38,615	38,715
Self-generated	76	75	84
Total electricity consumption	41,028	38,691	38,799
EL2 On-site-electricity generated [MWh] segmented by:			
Consumption behind-the-meter			
Solar Electricity	76	75	84
Total Consumption behind-the-meter	76	75	84
Total On site-electricity generated	76	75	84
EL3 On-site installed generation capacity [kW converted to MW] segmented by:			
Diesel Backup Generator	11	11	11
Solar System	0	0	0
Total On-site installed generation capacity	12	12	12
EL4 Total electricity offsets segmented by offset type [MWh][1]			
GreenPower	89	97	92
LGCs voluntarily retired on the entity's behalf	315	-	-
RPP (Renewable Power Percentage in the grid)	7,699	7,260	7,197
Total electricity offsets	7,788	7,357	7,289

Notes:

1. DCCEEW.gov.au, 2022 NGA Factors Workbook Australian National Greenhouse Accounts Factors (dceew.gov.au)

Corporate Governance (continued)

1.2 Stationary Fuel Use

This section discloses WH's large-scale consumption of stationary fuels, specifically natural gas and diesel.

During the year there was a failure in the natural gas pressure supply for the hot water boilers servicing the Joan Kirner building at Sunshine Hospital, the volumes of natural gas decreased by 46%. To satisfy the natural gas demand for the dual fuel boilers, diesel has been used as an alternative fuel, leading to an exponential increase in its use, from 84,920 MJ to 10,398,261 MJ (12,000% increase). Given its higher energy density over natural gas by using diesel the system has achieved better energy efficiency. In addition, with the aim of achieving better energy efficiencies, the set points of boiler operations were reduced to improve the thermal comfort on site. As consequence through these multiple initiatives. Hence, fuels consumed by the organisation decreased by 39%.

Diesel consumption reported in this section also includes the yearly planned testing events performed last year to ensure the reliability of hospital assets.

The data presented for FY2024 reflects the amount of diesel purchased during this period. Data was provided in litres, and conversion factors were extracted from the 2022 NGA Factors Workbook to present the data in MJ, as requested.

Additionally, LPG is used only at barbeque facilities at Bacchus Marsh and Sunbury Hospitals. This data is not available for reporting. LPG consumption is estimated to be less than 0.05% of the organisation's total fuel usage.

Stationary fuel use	Apr-23 to Mar-24	Jul-22 to Jun-23	Jul-21 to Jun-22
F1 Total fuels used in buildings and machinery segmented by fuel type [MJ]			
Natural Gas ¹	73,560,271	136,932,847	132,804,257
Diesel ¹	10,398,261	84,920	Data not available
Total fuels used in buildings	83,958,532	137,017,767	132,804,257
F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type [Tonnes CO2-e]			
Natural Gas ²	3,791	7,056	6,843
Diesel ²	730	6	Data not available
Total Greenhouse gas emissions from stationary fuel consumption	4,521	7,062	6,843

Notes:

1. The decrease in natural gas and increase in diesel is due to significant gas pressure supply issues over the past 12 months. Diesel usage for Sunshine (Joan Kirner heat hot water boilers) has been abnormally high. Diesel is used at Sunshine Hospital as an alternative fuel source (on top of Generator fuel supply) when there are gas pressure problems.

2. GHG emissions calculations for natural gas and diesel were estimated using: Environmental-Data-Reporting-Tool-v1.02-2022, provided by the Department of Environment, Land, Water and Planning Government environmental reporting (climatechange.vic.gov.au)

Corporate Governance (continued)

1.3 Transportation

The following section provides data on corporate fleet energy usage, which has been provided and updated via VicFleet. Information segmented by vehicle category and engine/fuel type (T2) is not available and, hence, not reported in the current report. Significant discrepancies over the years have been found in the amounts of petrol and diesel. Investigations concluded that this could be due to two main reasons:

- > During 2021, there was a significant increase in home services provided as a response to COVID-19, which has a direct correlation with a rise in litres of fuel during FY2021-2022; and
- > Diesel vehicles were used less during FY2022-2023 than in FY2021-2022; they are now used only when petrol vehicles are unavailable. However, during the last FY, petrol consumption decreased by 17%, and diesel vehicle use increased by 25%. The overall energy used in the fleet for transportation decreased by 11% compared to last FY. This is due to the reduction in vehicle usage and improvement in vehicle allocation.

Transportation	Apr-23 to Mar-24	Jul-22 to Jun-23	Jul-21 to Jun-22
T1 Total energy used in transportation within the Entity, segmented by vehicle category and fuel type [MJ or MWh]			
Road Vehicles			
Petrol	3,047,794	3,651,691	3,537,032
Diesel	685,053	546,994	1,076,207
Total energy used in transportation (vehicle fleet) [MJ]	3,732,847	4,198,685	4,613,239
T2 Number and proportion of vehicles in the organisational boundary segmented by vehicle category and engine/fuel type²			
Data not available	Data not available	Data not available	Data not available
T3 Greenhouse gas emissions from vehicle fleet segmented by fuel type and vehicle category (t CO2-e)			
Road vehicles			
Petrol ¹	206	247	239
Diesel ¹	48	39	76
Total Greenhouse gas emissions from transportation (vehicle fleet) [tonnes CO2 –e]	254	285	315

Corporate Governance (continued)

1.4 Total Energy Use

This section presents WH's overall energy consumption, including fuels and electricity. It highlights a 6% increase in electricity energy used from FY2023 to FY2024, attributed to the growth of mental health services and building expansion at the Sunshine Pharmacy.

Indicator E1 provides the total consumption from fuel use, the sum of F1 for stationary sources and T1 for fleet data presented previously. The 39% decrease in total energy usage from fuels is attributed to lower fleet fuel consumption and changing the set points of operations. Indicator E2 represents the converted data from MWh to MJ for electricity consumption purchased directly through an electricity retailer (EL1).

Indicator E3 shows that WH's energy usage for these non-renewable sources decreased by 17%.

Indicator E4 shows an improvement in WH's energy performance across all the normalisation factors. Energy consumption per OBD decreased by 23%, per Length of stay decreased by 24%, per separation decreased by 23%, and 49% decreased per m².

Total Energy Use	Change from previous year	Apr-23 to Mar-24	Jul-22 to Jun-23	Jul-21 to Jun-22
E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]				
Total energy usage from fuels (F1) [MJ]	Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]	83,958,532	137,023,890	137,417,430
Total energy usage from transport (T1)	Decreased by 11%	3,732,847	4,198,685	4,613,239
Total energy usage from fuels, including stationary fuels (F1) and transport fuels	Decreased by 38%	87,691,379	141,222,575	142,030,669
E2 Total energy usage from electricity [MJ]				
Total energy usage from electricity	Increased by 6%	147,426,448	139,285,879	139,676,291
E3 Total energy usage segmented by renewable and non-renewable sources [MJ]				
Renewable	Increased by 6%	28,272,455	26,756,347	26,543,242
Non-renewable (E1 + E2 - E3 Renewable)	Decreased by 17%	205,952,405	249,553,422	250,550,479
E4 Units of Stationary Energy normalised by FTE, headcount, floor area or other entity/sector-specific quantity (MJ/normalisation)				
Energy per unit of Aged Care OBD [MJ/Aged Care OBD]	Decreased by 23%	28,813.76	37,225.23	29,785.69
Energy per unit of LOS [MJ/LOS]	Decreased by 24%	493.02	645.17	709.72
Energy per unit of bed-day (LOS+ Aged Care OBD) [MJ/OBD]	Decreased by 24%	484.72	634.18	693.20
Energy per unit of Separations [MJ/Separations]	Decreased by 23%	1,342.41	1,742.30	1,850.11
Energy per unit of floor space [MJ/m ²]	Decreased by 49%	919.38	1,808.58	1,791.05

Corporate Governance (continued)

1.5 Sustainable Buildings and Infrastructure

WH's approach to environmentally sustainable design incorporates green design principles and energy-efficient features in old and existing buildings. The NABERS Energy ratings for various facilities are provided as an indicator of WH's commitment to sustainable infrastructure.

B1 – Discuss how environmentally sustainable design (ESD) is incorporated into newly completed entity-owned buildings (qualitative)

Western Health's approach to sustainable design in newly completed sites relies on implementing VHBA's Guidelines for sustainability in capital works. WH also has specific requirements that are documented in a Sustainability Standard. This is for major new builds such as New Footscray Hospital and New Melton Hospital, in that we aim to implement best practices by utilising Green Star rating standards. By implementing these best practice building tools, we ensure that our sites are designed with a sustainable approach from the concept stage. For all new buildings and major expansion projects, the Chief Sustainability Officer, Chief Engineer and Capital Team are closely involved from the early stages of the project to ensure Technical Specifications align with Legislative and operational requirements. Through this approach we ensure best practice, and operational efficiencies are implemented across the different project stages and guarantee the successful delivery of the project through its lifecycle.

Valuable lessons learnt from previous projects help us understand potential areas of improvement to ensure we continually raise the bar for upcoming projects.

B2 – Discuss how new entity leases meet the requirement to prefer higher-rated office buildings and those with a Green Lease Schedule (qualitative).

This section does not apply to WH.

B3- Environmental Performance Ratings (where applicable)

WH has demonstrated its commitment to environmental sustainability through their NABERS energy ratings. Sunbury Day Procedure Centre received an excellent rating of 6 stars, reflecting its substantial efforts in energy efficiency. Similarly, Williamstown Hospital and Melton Health received a NABERS energy rating of 5 stars. These three hospitals set examples of progress within the WH portfolio, setting a high energy efficiency and environmental responsibility standard.

Name of building	Asset Type	NABERS Rating Scheme	Rating (Dec 2024)	Rating (Dec 2023)
Newly built, occupied or upgraded buildings/infrastructure projects (B3 & B4)				
Sunbury Day Procedure Centre	Hospital	NABERS	6.0	6.0
Williamstown Hospital	Hospital	NABERS	5.0	5.0
Melton Health Barriers Way	Hospital	NABERS	5.0	5.0
Sunshine Hospital	Hospital	NABERS	5.0	4.5
Bacchus Marsh	Hospital	NABERS	3.0	3.0
Footscray	Hospital	NABERS	3.0	2.5

Corporate Governance (continued)

1.6 Water Consumption

Water usage volumes have presented an increasing trend during the last three years. Regarding the changes from the previous year, assumptions have been made and attributed to the increase in medical services and staff returning to the workplace after working from home after the COVID-19 pandemic. However, normalised data confirmed a reduction of 5 per cent of water per separation. It's worth mentioning that four facilities in WH's portfolio have been successfully granted high NABERS water ratings from 6 to 5. Please see the table below. It is worth mentioning that the NABERS water rating at Bacchus Marsh decreased from 5 to 4.5 Stars due to an increase in water consumption, investigations are underway to provide reasoning for the consumption increment.

Asset	NABERS water rating (Dec 2024)	NABERS water rating (Dec 2023)
Sunbury Day Procedure Centre	6.0	5.5
Williamstown Hospital	5.0	4.5
Melton Health Barriers Way	6.0	6.0
Sunshine Hospital	5.0	5.0
Bacchus Marsh	4.5	5.0
Footscray	3.0	3.0

Water Use	Jul-22 to Jun-24	Jul-21 to Jun-22	Jul-20 to Jun-21
W1 Total units of metered water consumed (kL), segmented by source (where applicable)			
Potable water	235,321.50	228,431.27	223,778.25
Metered rainwater ¹	Data not available	Data not available	Data not available
Metered alternative supply ¹	Data not available	Data not available	Data not available
Metered reused water ¹	Data not available	Data not available	Data not available
Total units of water consumed	235,321.50	228,431.27	223,778.25
W2 Units of metered water consumed, normalised by FTE, headcount, floor area, or other entity or sector-specific quantity (kL/normalisation)			
Water per unit of Separations	1.49	1.55	1.51
Water per unit of floor space	1.55	1.50	1.47

Notes: Operationally, rain, alternative supply and reused water could not be reported due to metering issues. Thus, WH's priority is to improve the metering system of existing and recently acquired assets.

Corporate Governance (continued)

1.7 Waste and Recycling

During April 2023 to March 2024 WH generated 1,794 tonnes of general waste (landfill) and a further 338 tonnes of commingled waste. This is a 42% increase in general waste and 52% decrease in commingled waste segregation. The increase in general waste is associated with increase of services provided, increase in the number of staff members and high contamination rates in the commingle stream. Recycled materials have been disposed as general waste; impacting negatively the recycling rate (dropping from 40% to 27%). WH has recognised the need for improvement in its waste management system and is currently developing a new waste management strategy. Also, as a corrective measure, WH has undertaken waste audits across the whole portfolio to identify the factors behind the data. Additionally, the following dedicated collection/recycling programs were implemented:

- > Reusable gowns project;
- > Food donation program;
- > PVC recycling;
- > Refinement of the batteries recycling program;
- > Polystyrene recycling
- > Green waste segregation at Bacchus Marsh and Melton Hospitals
- > Toner & print cartridges recycling;
- > Metals recycling and
- > E-waste recycling.

Due to these initiatives a further 610 tonnes of different material were avoided from landfill and disposed for recycling purposes and donations. Additionally, 175 tonnes of cardboard and paper were recycled. Another positive impact was avoiding the usage of more than 89 tonnes of confidential paper because of the corporate digitalisation of patients' medical records. This system will help to reduce our carbon footprint by enabling more efficient use of material resources and supporting virtual models of care (telehealth).

Clinical waste decreased 10% for the reporting period in comparison with last FY2022-2023, this is due to the reduction of additional personal protective equipment (PPE) in our operations.

Waste and Recycling	Apr-23 to Mar-24	Jul-21 to Jun-22	Jul-20 to Jun-21
WR1 Total units of waste disposed of by waste stream and disposal method [kg]			
Landfill (total)			
General waste	1,794,350	1,037,891	1,139,554.84
Clinical waste - incinerated	Data not available	16,630	14,828.32
Clinical waste - sharps	Data not available	34,530	37,464.84
Clinical waste - treated	356,646	391,774	560,433.52
Recycling/recovery (disposal)			
Batteries	1,448	1,130	1,017.00
Cardboard and paper recycling	174,695	109,214	117,008.13
Commingled	337,763	513,251	361,409.92
E-waste	7,190	0.00	3,860
Fluorescent tubes	200	110	100
Grease traps	215,476	232,276	245,000
Metals ¹	2,400	2,400	1,800
Organics (food and garden) ²	6,000	Data not available	Data not available
Paper (confidential)	11,064	100,625	46,719
Paper (recycling)	Data not available	131	175.11
Polystyrene foam	180	Data not available	Data not available
PVC	1,896	1,871	1,869
Toner & print cartridges	389	266	386.68
Wood ³	N/A	N/A	N/A
Other material: Food donation ⁴	3,913	4,948	5,431
Other material: Reusable gowns ⁵	12,121	2,000	1,600
Other material: hazardous waste lead gowns ⁶	201	Data not available	Data not available
Other material: decluttering program ⁷	9,395	Data not available	Data not available
Other waste: Medsalv medical devices recycling ⁸	954	Data not available	Data not available
Total units of waste disposed [kg]	2,936,282	2,449,046	2,538,658.30

Corporate Governance (continued)

Waste and Recycling	Apr-23 to Mar-24	Jul-21 to Jun-22	Jul-20 to Jun-21
WR1 Total units of waste disposed of by waste stream and disposal method [%]			
Landfill (total)			
General waste	61.33	42.38	44.89
Offsite treatment			
Clinical waste - incinerated	-	0.68	0.58
Clinical waste - sharps	-	1.41	1.48
Clinical waste - treated	12.19	16.00	22.08
Recycling/recovery (disposal)			
Batteries	0.05	0.05	0.04
Cardboard	5.97	4.46	4.61
Commingled	11.54	20.96	14.24
E-waste	0.25	-	0.15
Fluorescent tubes	0.01	-	-
Grease traps	7.36	9.48	9.65
Metals ¹	0.08	0.10	0.07
Organics (food and garden) ²	0.21	Data not available	Data not available
Paper (confidential)	0.38	4.11	1.84
Paper (recycling)	-	0.01	0.01
Polystyrene foam	0.01	-	-
PVC	0.06	0.08	0.07
Toner & print cartridges	0.01	0.01	0.02
Wood ³	N/A	N/A	N/A
Other material: Food donation ⁴	0.13	0.20	0.21
Other material: Reusable gowns ⁵	0.41	0.08	0.06
Other material: hazardous waste lead gowns ⁶	0.01	0.08	0.06
Other material: decluttering program ⁷	0.32	0.08	0.06
Other waste: Medsalv medical devices recycling ⁸	0.03	-	-
Total units of waste disposed [kg]	2,925,931.71	2,449,046.40	2,538,658.30
WR3 Total units of waste disposed, normalised by FTE, headcount, floor area, or other entity or sector-specific quantity, by disposal			
Total landfill per PPT [kg]	2.31	1.40	1.67
Total offsite treatment per PPT [kg]	0.46	0.60	0.90
Total waste recycled and reused per PPT [kg]	1.01	0.98	0.77
WR4 Recycling rate			
Weight of recyclable and organic materials [kg]	785,286	968,221.20	
Weight of total waste [kg]	2,936,283	2,449,046.40	2,538,658.30
Recycling rate [%]	0.27	0.40	0.31
WR5 Greenhouse gas emissions associated with waste disposal [tonnes CO2-e]			
Greenhouse gas emissions associated with waste	2,332.66	1,918.08	

Notes:

- Metals data presented in the table has been estimated. WH recognises an opportunity to improve availability for reporting purposes.
- Organics (green waste from gardens): The Melton and Bacchus Marsh sites started this year's green waste organics segregation program. Food waste has not been collected yet at our facilities; WH recognised the necessity of improvement in this area.
- Wood is not generated in WH's facilities.
- Food donation program, in partnership with OzHarvest, the most prominent Australian advocate driving action against food waste, Western Health has committed to donating food our patients have not consumed.
- The reusable gowns program commenced in 2020; it has avoided using over 393,032 disposable gowns and diverted more than 15,700 kg of waste from landfills, considering that disposable gown weight = 40gr. Data presented for FY2023-2024 has been calculated according to the volumes of reusable gowns used across all WH facilities, totalling 303,032 isolation gowns from April 2023 to March 2024.
- Hazardous waste lead gowns from radiology and radioactive flood sources were disposed
- Decluttering program. Old hospital equipment and furniture were donated and disposed of at different recycling facilities.
- Since 2023, Western Health has partnered with Medsalv, a medical device remanufacturer, to collect single-used medical equipment, such as air transfer mattresses, deep vein thrombosis prevention sleeves, blood pressure cuffs, and tourniquets. The equipment then undergoes processing to remanufacture it back to its original condition and is suitable for reuse. For more information about MedSalv, please visit the link: [Medsalv remanufacturing process](#).

Corporate Governance (continued)

1.8 Greenhouse Gas (GHG) Emissions

Total GHG emissions from April 2023 to March 2024 were 39,981 tonnes of CO₂eq, 3% less than FY2022-2023 and 6% less than FY2021-2022. WH has embraced the target of Net Zero Emissions (NZE) by 2045 as proposed by the Victorian Government. Our response considers all activities overarching our operations, such as energy consumption-related emissions, waste, transport and medical gases.

Medical gases - According to NHS, anaesthetic gases account for approximately 5% of carbon footprint emissions in hospitals⁵. WH's medical anaesthetic gases-related emissions have oscillated between 12 and 5.5% during the last three financial years. To decrease the negative impact of climate change, Desflurane and Isoflurane gases are no longer used in WH's facilities, and nitrous oxide is continually discouraged. To reduce the consumption of Nitrous Oxide, WH has a program to monitor and repair leakages in Footscray and Sunshine Maternity Units. Another measure implemented to reduce volumes is the awareness of medical staff by swapping to intravenous medications, which provide similar analgesic properties with a fraction of the GHG effect.

Greenhouse Gas Emissions	Apr-23 to Mar-24	Jul-21 to Jun-22	Jul-20 to Jun-21
G1 Total scope one (direct) greenhouse gas emissions [tonnes CO₂e]			
Carbon Dioxide (CO ₂)	4,701	7,044	7,140
Methane (CH ₄)	8	14	13
Nitrous Oxide (N ₂ O)	5	4	5
Other	52	53	46
Total	4,766	7,115	7,204
GHG emissions from stationary fuel (F2)	4,521	7,056	6,843
GHG emissions from vehicle fleet (T3)	254	285	315
Medical gases			
Desflurane ¹	-	0.00	9
Isoflurane ¹	-	0.00	-
Nitrous oxide ²	1,409	1,282	1,934
Sevoflurane	52	52.57	46
Total medical gases	1,461	1,334	1,980
Refrigerant gases³	Data not available	Data not available	Data not available
Total scope one (direct) greenhouse gas emissions	6,235	8,676	9,138
G2 Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO₂e]			
Electricity	27,210.58	26,527	28,271
Total scope two (indirect electricity) greenhouse gas emissions	27,211	26,527	28,271
G3 Total scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (tonnes CO₂e)			
Commercial air travel ⁴	189.90	103.53	24.30
Waste emissions	2,332.66	1,918.08	2,271.73
Indirect emissions from Stationary Energy	3,688.47	3,965.48	3,619.93
Indirect emissions from Transport Energy	0.39	1.57	16.61
Paper emissions	Data not available	Data not available	Data not available
Any other Scope 3 emissions	466.80	398.61	429.08
Any Offsets purchased	N/A	N/A	N/A
Total scope of three greenhouse gas emissions	6,678.21	6,283.74	6,361.65
G3 Total scope three (other indirect) G(Opt) Net greenhouse gas emissions (tonnes CO₂e)			
Gross greenhouse gas emissions (G1 + G2 + G3) [tonnes CO₂e]	40,124	41,487	43,771
Green Power Electricity	83	93	91
Any Offsets purchased	-82.89	93	91
Net greenhouse gas emissions [tonnes CO₂e]	39,958	41,394	43,680

Notes:

- Desflurane and Isoflurane gases are no longer used in WH's facilities, reducing associated carbon emissions.
- Nitrous Oxide data calculations using equivalencies from [Nitrous oxide volume to weight conversion \(aqua-calc.com\)](https://www.aqua-calc.com/)³ and GWP from Global warming potentials [Global warming potentials \(cleanenergyregulator.gov.au\)](https://www.cleanenergyregulator.gov.au/)⁴
- Data for refrigerants, air-conditioning, fire suppressants and other purchased gases for this report was not readily available to estimate the greenhouse gas emissions associated. WH recognises the need of improvement in this indicator, operational measure will be taken in place for next reporting period.
- Data provided by Corporate Travel Management (CTM).

Corporate Governance (continued)

ADDITIONAL INFORMATION

Details in respect of the items listed below have been retained by Western Health and are available to the relevant Ministers, Members of Parliament and the public on request (subject to the freedom of information requirements):

- > a statement that 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; and
- > details of all consultancies and contractors including:
 - (i) consultants/contractors engaged;
 - (ii) services provided; and
 - (iii) expenditure committed to for each engagement

Disclosure Index

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

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Financial Statements & Accompanying notes

for the financial year ended 30th June 2024

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Financial Year Ended 30th June 2024

Western Health Board Chair, Chief Executive Officer and Chief Finance Officer declaration

The attached consolidated financial statements for Western Health and the consolidated entity 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.

In the opinion of the undersigned, 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 30th June 2024 and the financial position of Western Health and the consolidated entity as at 30th 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 consolidated financial statements for issue on 6th September 2024.



Professor the Honourable Jill Hennessy
Chair

Melbourne
6th September 2024



Professor Russell Harrison
Chief Executive Officer

Melbourne
6th September 2024



Mark Lawrence
Chief Financial Officer

Melbourne
6th September 2024

Independent Auditor's Report

To the Board of Western Health

Opinion	<p>I have audited the consolidated financial report of Western Health (the health service) and its controlled entities (together the consolidated entity), which comprises the:</p> <ul style="list-style-type: none"> consolidated entity and health service balance sheet as at 30 June 2024 consolidated entity and health service comprehensive operating statement for the year then ended consolidated entity and health service statement of changes in equity for the year then ended consolidated entity and health service cash flow statement for the year then ended notes to the financial statements, including material accounting policies board member's, accountable officer's and chief financial officer's declaration. <p>In my opinion, the financial report presents fairly, in all material respects, the financial positions of the consolidated entity and the health service as at 30 June 2024 and the consolidated entity's 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>
Basis for Opinion	<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 and the consolidated entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>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.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board's responsibilities for the financial report	<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 and the consolidated entity'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 and the consolidated entity'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 and the consolidated entity'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 and the consolidated entity 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
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the health service and consolidated entity to express an opinion on the financial report. I remain responsible for the direction, supervision and performance of the audit of the health service and the consolidated entity. I remain solely responsible for my audit opinion.

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

Comprehensive Operating Statement

For the Financial Year Ended 30th June 2024

		Parent 2024 \$'000	Consolidated 2024 \$'000	Parent 2023 \$'000	Consolidated 2023 \$'000
	Note				
Revenue and income from transactions					
Operating activities	2.1	1,674,350	1,674,350	1,573,228	1,574,970
Non-operating activities	2.1	10,026	10,026	6,416	6,449
Total revenue and income from transactions		1,684,376	1,684,376	1,579,644	1,581,419
Expenses from transactions					
Employees	3.1	(1,308,156)	(1,308,156)	(1,099,534)	(1,100,604)
Supplies and consumables	3.1	(184,387)	(184,387)	(175,978)	(175,978)
Finance	3.1	(643)	(643)	(461)	(461)
Depreciation and amortisation	3.1	(98,583)	(98,583)	(66,349)	(66,359)
Other administrative	3.1	(100,237)	(100,237)	(102,650)	(102,797)
Other non-operating	3.1	(94,824)	(94,824)	(62,953)	(62,953)
Total expenses from transactions		(1,786,830)	(1,786,830)	(1,507,925)	(1,509,152)
Net result from transactions		(102,454)	(102,454)	71,719	72,267
Other economic flows					
Net gain/(loss) on sale of non-financial assets	3.2	(414)	(414)	65	65
Net gain/(loss) on financial instruments	3.2	(5,356)	(5,356)	(3,501)	(3,501)
Net gain/(loss) from other economic flows	3.2	3,715	3,715	(8,356)	(8,356)
Total other economic flows		(2,055)	(2,055)	(11,792)	(11,792)
Net result for the year		(104,509)	(104,509)	59,927	60,475
Other economic flows - other comprehensive income					
Items that will not be reclassified to net result					
Changes in property, plant & equipment revaluation surplus	4.4	267,794	267,794	76,565	76,565
Total other comprehensive income		267,794	267,794	76,565	76,565
Comprehensive result for the year		163,285	163,285	136,492	137,040

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

Balance Sheet

As at 30th June 2024

		Parent	Consolidated	Parent	Consolidated
		2024	2024	2023	2023
	Note	\$'000	\$'000	\$'000	\$'000
Current assets					
Cash and cash equivalents	6.2	88,904	88,904	151,147	157,992
Receivables	5.1	11,250	11,250	13,235	13,278
Contract assets	5.2	2,466	2,466	1,739	1,739
Inventories	4.7	4,060	4,060	4,934	4,934
Investments and other financial assets	4.1	19,818	19,818	16,905	17,403
Prepaid expenses		12,218	12,218	7,651	7,715
Total current assets		138,716	138,716	195,611	203,061
Non-current assets					
Receivables	5.1	89,635	89,635	65,069	65,069
Property, plant & equipment	4.2(a)	1,434,033	1,434,033	1,216,275	1,216,286
Right of use assets	4.3(a)	20,297	20,297	8,866	8,866
Intangible assets	4.5(a)	-	-	-	44
Total non-current assets		1,543,965	1,543,965	1,290,210	1,290,265
Total assets		1,682,681	1,682,681	1,485,821	1,493,326
Current liabilities					
Payables	5.3	124,317	124,317	156,662	156,745
Contract liabilities	5.4	10,145	10,145	24,813	24,840
Borrowings	6.1	4,914	4,914	4,123	4,123
Employee benefits	3.3	283,969	283,969	235,594	235,635
Other liabilities	5.5	1,784	1,784	1,964	1,964
Total current liabilities		425,129	425,129	423,156	423,306
Non-current liabilities					
Borrowings	6.1	30,036	30,036	23,065	23,065
Employee benefits	3.3	31,240	31,240	32,834	32,870
Total non-current liabilities		61,276	61,276	55,899	55,935
Total liabilities		486,405	486,405	479,055	479,241
Net assets		1,196,276	1,196,276	1,006,767	1,014,085
Equity					
Property, plant and equipment revaluation surplus	4.4	827,056	827,056	559,962	559,962
Restricted specific purpose reserve	SCE	6,398	6,398	7,471	7,471
Contributed capital	SCE	293,815	293,815	274,906	274,906
Accumulated surplus/(deficit)	SCE	69,007	69,007	164,428	171,746
Total equity		1,196,276	1,196,276	1,006,767	1,014,085

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

Cash Flow Statement

For the Financial Year Ended 30th June 2024

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Note		
Cash flows from operating activities		
Operating grants from the State government	1,380,525	1,319,190
Operating grants from the Commonwealth government	42,026	39,626
Capital grants from the State government	29,186	20,039
Capital grants from the Commonwealth government	709	-
Patient fees received	25,122	18,543
Private practice fees received	8,763	8,603
Donations and bequests received	1,874	1,998
GST received from ATO	(19,661)	(19,855)
Receipts from pharmaceutical sales	949	914
Recouped from private practice for use of hospital facilities	222	156
Interest and investment income received	10,026	6,450
Car park income received	7,791	6,809
Other capital income received	747	74
Other receipts	39,783	45,579
Total receipts	1,528,062	1,448,126
Payments to employees	(1,218,695)	(1,054,132)
Payments to contractors and consultants	(17,567)	(20,035)
Payments for supplies and consumables	(165,016)	(167,501)
Payments for repairs and maintenance	(14,294)	(14,022)
Finance costs	(643)	(461)
Other payments	(171,652)	(134,146)
Total payments	(1,587,867)	(1,390,297)
Net cash flows from/(used in) operating activities	8.1 (59,805)	57,829
Cash flows from investing activities		
Proceeds from sale of non-financial assets	885	159
Purchase of non-financial assets	(16,431)	(5,744)
Purchase of financial assets	(1,500)	(100)
Capital donations and bequests received	-	347
Net cash flows from/(used in) investing activities	(17,046)	(5,338)
Cash flows from financing activities		
Repayment of borrowings	7,763	(2,036)
Net cash flows from/(used in) financing activities	7,763	(2,036)
Net increase/(decrease) in cash and cash equivalents held	(69,088)	50,455
Cash and cash equivalents at beginning of year	157,992	107,537
Cash and cash equivalents at end of year	6.2 88,904	157,992

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

Statement of Changes in Equity

For the Financial Year Ended 30th June 2024

	Note	Property, plant and equipment revaluation surplus \$'000	Restricted specific purpose reserve \$'000	Contributed capital \$'000	Accumulated surplus/ (deficit) \$'000	Total \$'000
Consolidated						
Balance at 1st July 2022		483,396	6,739	274,906	110,202	875,243
Adjustment to opening balance		-	-	-	1,801	1,801
Net result for the year		-	-	-	60,475	60,475
Other comprehensive income for the year	4.2(b)	76,565	-	-	-	76,565
Transfer from/(to) accumulated surpluses/(deficits)		-	732	-	(732)	-
Balance at 30th June 2023		559,962	7,471	274,906	171,746	1,014,085
Net result for the year		-	(1,070)	-	(103,439)	(104,509)
Other comprehensive income for the year	4.2(b)	267,794	-	-	-	267,794
Transfer from/(to) accumulated surpluses/(deficits)		(700)	-	-	700	-
Capital contribution		-	-	18,909	-	18,909
Balance at 30th June 2024		827,056	6,398	293,815	69,007	1,196,276

	Note	Property, plant and equipment revaluation surplus \$'000	Restricted specific purpose reserve \$'000	Contributed capital \$'000	Accumulated surplus/ (deficit) \$'000	Total \$'000
Parent						
Balance at 1st July 2022		483,396	6,739	274,235	109,525	873,895
Adjustment to opening balance		-	-	671	(4,292)	(3,621)
Net result for the year		-	-	-	59,927	59,927
Other comprehensive income for the year		76,565	-	-	-	76,565
Transfer from/(to) accumulated surpluses/(deficits)		-	732	-	(732)	-
Balance at 30th June 2023		559,962	7,471	274,906	164,428	1,006,767
Net result for the year		-	(1,070)	-	(103,439)	(104,509)
Other comprehensive income for the year		267,794	-	-	-	267,794
Transfer from/(to) accumulated surpluses/(deficits)		(700)	-	-	700	-
Capital contribution		-	-	18,909	-	18,909
De-recognition of Joint Operation VCCC		-	-	-	7,318	7,318
Balance at 30th June 2024		827,056	6,398	293,815	69,007	1,196,276

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

Notes to the Financial Statements

For the Financial Year Ended 30th June 2024

Note 1: Basis of preparation

These financial statements present the audited general purpose financial statements for Western Health, (the "Health Service"), and its controlled entities for the year ended 30th June 2024. The report provides users with information about Western Health's stewardship of the 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.

Western Health is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a "not-for-profit" health service under 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 accruals 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. Any 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 Western Health on 6th 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
DH	Department of Health
DTF	Department of Treasury and Finance
FMA	Financial Management Act 1994
FRD	Financial Reporting Direction
NWAU	National Weighted Activity Unit
SD	Standing Direction
VAGO	Victorian Auditor General's Office
WH	Western Health

Note 1.3: Principles of consolidation

The financial statements include the assets and liabilities of Western Health and its controlled entities as at the end of the financial year and the consolidated results and cash flows for the year.

Western Health controls the following entities:

- Western Health Foundation Limited
- Western Health Foundation Trust

Details of the controlled entities are set out in Note 8.7 Controlled Entities.

The transactions and balances of the parent entity are not disclosed separately in the notes to the financial statements.

An entity is a controlled entity where Western Health has the power to govern the financial and operating policies of an organisation to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable are considered.

Western Health consolidates the results of its controlled entities from the date on which Western Health gains control until the date Western Health ceases to have control. Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

Transactions between segments within Western Health have been eliminated to reflect Western Health's operations as a group.

Note 1.4: Material accounting estimates and judgements

Management makes 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 a reasonable expectation of future events. Actual results may differ.

Revisions to estimates are recognised in the period in which the estimate is revised and 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 costs
- > Note 4.2: Property, plant and equipment
- > Note 4.3: Right-of-use assets
- > Note 4.5: Intangible assets
- > Note 4.6: Depreciation and amortisation
- > Note 4.8: Impairment of assets
- > Note 5.1: Receivables
- > Note 5.2: Contract assets
- > 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 Western Health and their potential impact when adopted in future periods is outlined below:

Standard	Adoption Date	Impact
<i>AASB 2022-5: 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.
<i>AASB 2022-9: 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.
<i>AASB 2022-10: Amendments to Australian Accounting standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities</i>	Reporting periods beginning 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 the AASB that are not yet mandatorily applicable to Western Health in future period.

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

Note 1.7: Reporting entity

The financial statements include all the controlled entities of Western Health which are the Western Health Foundation Limited and the Western Health Foundation Trust Fund.

The principal address is:

Footscray Hospital
Gordon Street,
Footscray, Victoria 3011

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

Note 1.8: Other administrative restructures

Transfer of Mental Health Services

On 1st July 2023, the services, property, staff and net liabilities of Mental Health Services at Melbourne Health were disaggregated to Western Health.

The transfer was accounted for in accordance with the requirements of FRD 119 Transfers Through Contributed Capital, whereby certain net assets of Melbourne Health Mental Health transferred were treated as a capital contribution to Western Health. No income was recognised by Western Health in respect of the net assets transferred from Melbourne Health. Leave liabilities of \$16.2 million and the related long service leave balance of \$6.7 million was accounted for via the comprehensive operating statement.

Financial Year Ending 2024

Net assets represented by:	\$'000
Property, plant, and equipment	2,834
Right of use assets	2,809
Total assets recognised	5,643

Note 2: Funding for delivery of services

Western Health's overall objective is to provide health services, deliver programs and services that support and enhance the wellbeing of Victorians. Western Health is predominantly funded by accrual based grant funding for the provision of outputs. Western Health also receives revenue for the supply of services.

Material judgements and estimates

Material judgements and estimates	Description
Identifying performance obligations	<p>Western Health applies material judgment 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 Western Health to recognise revenue as or when Western Health transfers promised goods or services to the 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>Western 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 timing of capital grant income recognition	<p>Western Health applies material judgement to determine when its obligation to construct an asset is satisfied. Costs incurred are used to measure Western Health's progress as this is deemed to be the most accurate reflection of the stage of completion.</p>

Note 2.1: Revenue and income from transactions

		Consolidated 2024 \$'000	Consolidated 2023 \$'000
	Note		
Operating activities			
Revenue from contracts with customers			
Government grants (State) – Operating		1,041,469	883,619
Government grants (Commonwealth) – Operating		42,026	39,626
Patient and resident fees		33,950	24,596
Private practice fees		9,871	8,881
Commercial activities ⁽ⁱ⁾		22,317	21,019
Total revenue from contracts with customers	2.1(a)	1,149,633	977,741
Other sources of income			
Government grants (State) – Operating		433,651	420,619
Government grants (State) – Capital		61,179	138,907
Other capital purpose income		747	74
Capital donations		-	347
Assets received free of charge or for nominal consideration	2.1(b)	1,303	6,200
Car park revenue		7,791	6,812
Salary and other recoveries		13,048	18,081
Research and sundry revenue		4,215	4,188
Other income from operating activities		2,783	2,001
Total other sources of income		524,717	597,229
Total revenue and income from operating activities		1,674,350	1,574,970
Non-operating activities			
Income from other Sources			
Capital interest		82	19
Other interest		9,944	6,430
Total other sources of income		10,026	6,449
Total income from non-operating activities		10,026	6,449
Total revenue and income from transactions		1,684,376	1,581,419

(i) Commercial activities represent business activities which Western Health enters to support its operations.

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

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Western Health disaggregates revenue by the timing of revenue recognition		
Goods and services transferred to customers:		
At a point in time	1,100,047	954,682
Over time	49,586	23,059
Total revenue from contracts with customers	1,149,633	977,741

Recognition of revenue and income from operating activities**Government operating grants**

To recognise revenue, Western 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 these conditions are satisfied, Western 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, Western 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 sufficient specific performance obligations, Western Health:

- > recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example, AASB 9, AASB 16, AASB 116 and AASB 138)
- > recognises related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities from a contract with a customer), and
- > recognises income immediately in profit or 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, that is the party that promises funding in exchange for Western Health's goods or services. Western Health's 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 Western Health's revenue streams, with information detailed below relating to Western Health's significant revenue streams:

Government grant	Performance obligation
Activity Based Funding (ABF) paid as National Weighted Activity Unit (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.
Pharmaceutical Benefits Scheme (PBS)	The performance obligation for PBS funding is defined as pharmaceutical prescriptions or orders processed that satisfy and are completed in accordance with the Commonwealth PBS guidelines. Revenue is recognised at a point in time, which is when a patient prescription is processed and is in accordance with the criteria set out in the PBS regulations.

Capital grants

Where Western 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 Western Health's obligation to construct the asset. The progressive percentage of costs incurred is used to recognise income, as this reflects the approximate 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 relate to patient fees obtained from the Commonwealth for patient attendance in Medicare outpatient clinics. MBS outpatient clinics are considered private in nature as they do not form part of State grant funding. Private practice fees are recognised at the time the service is provided.

Commercial activities

Revenue from commercial activities include items such as car park revenue, clinical trial revenue, ethics review fees and training and seminar fees. Commercial activity revenue is recognised at a point in time, upon provision of the goods or service to the customer.

Interest income

Interest income is recognised on a time proportionate basis that considers the effective yield of the financial asset, which allocates interest over the relevant period.

Note 2.1(b): Fair value of assets and services received free of charge or for nominal consideration

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Personal protective equipment	1,303	6,200
Total fair value of assets and services received free of charge or for nominal consideration	1,303	6,200

Recognition of 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 as they usually do not contain sufficiently specific and enforceable performance obligations as to delay recognition. Where sufficiently specific and enforceable performance obligations do exist, revenue is recorded as and when the performance obligation is satisfied.

Contributions of resources

Western Health may receive resources for nil or nominal consideration to further its objectives. The resources are recognised at their fair value when Western Health obtains control over the resources, 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 Western Health as a capital contribution transfer.

Voluntary services

Western Health receives volunteer services from members of the community. Western Health volunteers play an important and valued role in supporting patients and staff in many and varied activities across Western Health. Western Health recognises contributions by volunteers in its financial statements, if the fair value can be reliably measured and the services would have been purchased if they had not been donated. Western 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 Department of Health makes payments on behalf of Western Health as follows:

Supplier	Description
Victorian Managed Insurance Authority (VMIA)	The Department of Health purchases non-medical indemnity insurance for Western 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.
Department of Health	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 services

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

Material judgements and estimates

Material judgements and estimates	Description
Classifying employee benefit liabilities	<p>Western Health applies material judgement when classifying its employee benefit liabilities.</p> <p>Employee benefit liabilities are classified as a current liability if Western 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 Western 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>
Measuring employee benefit liabilities	<p>Western Health applies material judgement when measuring its employee benefit liabilities.</p> <p>Western Health applies judgement to determine when it expects its employee entitlements to be paid.</p> <p>With reference to historical data, if Western Health 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"> > an inflation rate of 4.45%, reflecting the future wage and salary levels > durations of service and employee departures, which are used to determine the estimated value of long service leave that will be taken in the future, for employees who have not yet reached the vesting period. The estimated rates are between 30.29% and 78.75% > discounting at the rate of 4.348%, as determined with reference to market yields on government bonds at the end of the reporting period. <p>All other entitlements are measured at their nominal value.</p>

Note 3.1: Expenses from transactions

		Consolidated	Consolidated
		2024	2023
	Note	\$'000	\$'000
Salaries and wages		990,477	849,883
On-costs		277,178	208,657
Agency		18,740	24,784
Fee for service medical officer		4,757	7,762
Workcover premium		17,004	9,518
Total employee expenses		1,308,156	1,100,604
Drug supplies		43,490	42,533
Medical and surgical supplies (including prostheses)		53,817	55,996
Diagnostic and radiology supplies		23,385	24,233
Other supplies and consumables		63,695	53,216
Total supplies and consumables		184,387	175,978
Finance Costs		643	461
Total finance costs		643	461
Other administrative expenses		100,237	102,797
Total other administrative expenses		100,237	102,797
Energy and water		11,429	10,137
Repairs and maintenance		14,294	14,023
Maintenance contracts		21,146	17,403
Medical indemnity insurance		23,385	21,331
Expenditure for capital purposes		24,570	59
Total other operating expenses		94,824	62,953
Total operating expenses		1,688,247	1,442,793
Depreciation and amortisation	4.6	98,583	66,359
Total depreciation and amortisation		98,583	66,359
Total expenses from transactions		1,786,830	1,509,152

Recognition of expenses from transactions

Expense recognition

Expenses are recognised as they are incurred and are 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 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 and
- > finance charges in respect of finance leases which are recognised in accordance with *AASB 16 Leases*

Other operating expenses

Other operating expenses represent day-to-day running costs incurred in normal operations and include:

- > energy and water
- > repairs and maintenance
- > other administrative expenses
- > expenditure for capital purposes (the purchase of assets that are below the capitalisation threshold)

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

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Impairment of property plant and equipment (including intangible)		
Net gain/(loss) on disposal of property, plant and equipment	(414)	65
Total net gain/(loss) on non-financial assets	(414)	65
Allowance for impairment losses on contractual receivables	(5,450)	(3,941)
Other gains from other economic flows	916	440
Loss on disposal of shares in joint venture	(822)	-
Total net loss on financial instruments	(5,356)	(3,501)
Net gain/(loss) arising from revaluation of long service liability	3,715	(8,356)
Total other gains/(losses) from other economic flows	3,715	(8,356)
Total other gains/(losses) from economic flows	(2,055)	(11,792)

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 the gains or losses from:

- > the revaluation of the present value of the long service leave liability due to changes in the bond interest rates
- > reclassified amounts relating to available-for-sale financial instruments from the reserves to net result due to a disposal or derecognition of the financial instrument, (this does not include reclassification between equity accounts due to machinery of government changes or 'other transfers' of assets)

Note 3.3: Employee benefits and related costs

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Current employee benefits and related on-costs		
Accrued days off		
Unconditional and expected to be settled wholly within 12 months ⁽ⁱ⁾	3,248	2,780
	3,248	2,780
Annual leave		
Unconditional and expected to be settled wholly within 12 months ⁽ⁱ⁾	85,559	74,155
Unconditional and expected to be settled wholly after 12 months ⁽ⁱⁱ⁾	13,555	11,707
	99,114	85,862
Long service leave		
Unconditional and expected to be settled wholly within 12 months ⁽ⁱ⁾	16,799	13,615
Unconditional and expected to be settled wholly after 12 months ⁽ⁱⁱ⁾	131,440	106,233
	148,239	119,848
Provisions related to employee benefit on-costs		
Unconditional and expected to be settled wholly within 12 months ⁽ⁱ⁾	13,424	11,050
Unconditional and expected to be settled wholly after 12 months ⁽ⁱⁱ⁾	19,944	16,095
	33,368	27,145
Total current employee benefits and related on-costs	283,969	235,635
Non-current employee benefits and related on-costs		
Conditional long service leave	27,447	28,889
Provisions related to employee benefit on-costs	3,793	3,981
Total non-current employee benefits and related on-costs	31,240	32,870
Total employee benefits and related on-costs	315,209	268,505

(i) The amounts disclosed are nominal amounts

(ii) The amounts disclosed are discounted to present values

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

	Consolidated	Consolidated
	2024	2023
	\$'000	\$'000
Current employee benefits and related on-costs		
Unconditional accrued days off	3,248	2,780
Unconditional annual leave entitlements	112,081	96,648
Unconditional long service leave entitlements	168,640	136,207
Total current employee benefits and related on-costs	283,969	235,635
Non-current employee benefits and related on-costs		
Conditional long service leave entitlements	31,240	32,870
Total non-current employee benefits and related on-costs	31,240	32,870
Total employee benefits and related on-costs	315,209	268,505
Attributable to:		
Employee benefits	278,048	237,378
Provision for related on-costs	37,161	31,126
Total employee benefits and related on-costs	315,209	268,505

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

	Consolidated	Consolidated
	2024	2023
	\$'000	\$'000
Carrying amount at start of year	31,126	25,866
Additional provisions recognised	22,109	16,767
Amounts incurred during the year	(15,843)	1,327
Net gain/(loss) arising from revaluation of long service liability	(231)	(12,834)
Carrying amount at end of year	37,161	31,126

Recognition of 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 as an expense.

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 Western Health does not have an unconditional right to defer payment 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 Western Health expects to wholly settle within 12 months, or
- > present value – if Western 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 Western 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. The unconditional right arises after a qualifying period.

The components of this current LSL liability are measured at:

- > nominal value - if Western Health expects to wholly settle within 12 months, or
- > present value - if Western 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 which 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

	Contributions Paid during the Year		Contribution Outstanding at Year End ⁽ⁱ⁾	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Defined benefit plans⁽ⁱ⁾				
Aware Super	-	202	-	4
Hesta	157	-	5	-
Defined contribution plans				
Aware Super	45,693	39,568	1,381	974
Hesta	35,797	29,700	959	634
Other Funds	23,685	18,174	790	501
Total	105,333	87,644	3,135	2,113

(i) The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

Recognition of superannuation

Employees of Western Health are entitled to receive superannuation benefits and Western Health 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 Western Health to the superannuation plans in respect of the services of current Western 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.

Western Health does not recognise any unfunded defined benefit liability in respect of the plans because Western Health 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 of 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 Western Health.

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

Note 4: Key assets to support service delivery

Western 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 Western Health to be utilised for delivery of those outputs.

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	Western Health assigns an estimated useful life to each item of property, plant and equipment. This is used to calculate depreciation of the asset. Western 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	The useful life of each right-of-use asset is typically the respective lease term, except where Western 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. Western Health applies material judgement to determine whether it is reasonably certain to exercise such purchase options.
Estimating restoration costs at the end of a lease	Where a lease agreement requires Western Health to restore a right-of-use asset to its original condition at the end of a lease, Western Health 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.
Estimating the useful life of intangible assets	Western Health assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.
Identifying indicators of impairment	<p>At the end of each year, Western Health assesses impairment by evaluating the conditions and events specific to Western Health that may be indicative of impairment triggers. Where an indication exists, Western Health tests the asset for impairment.</p> <p>Western Health considers a range of information when performing its assessment, including considering:</p> <ul style="list-style-type: none"> > If an asset's value has declined more than expected based on normal use > If a significant change in technological, market, economic or legal environment which adversely impacts the way Western Health uses an asset > If an asset is obsolete or damaged > 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 > If the performance of the asset is or will be worse than initially expected <p>Where an impairment trigger exists, Western Health applies material judgement and estimates to determine the recoverable amount of the asset.</p>

Note 4.1: Investments and other financial assets

	Consolidated Capital Funds 2024 \$'000	Consolidated Capital Funds 2023 \$'000
Current		
Current financial assets at fair value through net result		
Term deposit > 3 months	-	500
Managed investment funds	19,818	16,903
Total current financial assets	19,818	17,403
Total investments and other financial assets		
Represented by:		
Health service investments	19,818	16,903
Jointly controlled operations investments	-	500
Total investments and other financial assets	19,818	17,403

Recognition of investments and other financial assets

Western Health's investments and other financial assets are made in accordance with Standing Direction 3.7.2 - Treasury Management, including the Central Banking System.

Western Health manages its investments and other financial assets in accordance with an investment policy approved by the Board.

Investments held by the Western Health Foundation do not fall within the scope of the Standing Directions as they are not public entity funds, (i.e. neither provided, nor controlled, by the government). However, such investments are consolidated into Western Health's financial statements as Western Health has control of the Western Health Foundation. Refer to Note 8.7 Controlled entities for further information.

Investments are recognised when Western Health enters a contract to either purchase or sell the investment (i.e. when it becomes a party to the contractual provisions to the investment). Investments are initially measured at fair value, net of transaction costs.

Western Health classifies its other financial assets between current and non-current assets based on the Board's intention at balance date with respect to the timing of disposal of each asset. Term deposits with original maturity dates of three to twelve months are classified as current, whilst term deposits with original maturity dates exceeding 12 months are classified as non-current.

All financial assets, except for those measured at fair value through the Comprehensive Operating Statement are subject to annual review for impairment.

Note 4.2: Property plant and equipment

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

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Land at fair value - Crown	166,315	177,746
Total land at fair value	166,315	177,746
Buildings at fair value	971,949	911,150
less accumulated depreciation	(1)	(195,145)
Total buildings at fair value	971,948	716,004
Buildings under construction at cost	228,112	252,340
Total works in progress at cost	228,112	252,340
Total land and buildings	1,366,375	1,146,091
Plant and equipment at fair value	39,287	35,906
less accumulated depreciation	(32,225)	(28,576)
Total plant and equipment at fair value	7,062	7,330
Equipment works in progress at fair value	13,769	17,531
Total equipment works in progress at fair value	13,769	17,531
Motor vehicles at fair value	752	592
less accumulated depreciation	(752)	(592)
Total motor vehicles at fair value	-	-
Medical equipment at fair value	160,990	157,777
less accumulated depreciation	(121,845)	(119,037)
Total medical equipment at fair value	39,145	38,740
Non-medical equipment at fair value	14,190	14,925
less accumulated depreciation	(11,620)	(11,752)
Total non-medical equipment at fair value	2,570	3,174
Computer equipment at fair value	48,659	42,679
less accumulated depreciation	(44,621)	(40,942)
Total computer equipment at fair value	4,038	1,737
Furniture and fittings at fair value	9,832	11,475
less accumulated depreciation	(8,758)	(9,790)
Total furniture and fittings at fair value	1,074	1,685
Total plant, equipment, furniture, fittings and vehicles at fair value	67,658	70,196
Total property, plant and equipment	1,434,033	1,216,286

Note 4.2(b): Reconciliations of the carrying amounts of each class of asset

	Note	Land \$'000	Buildings \$'000	Buildings under construction \$'000	Plant and equipment \$'000	Equipment WIP \$'000	Motor vehicles \$'000	Medical equipment \$'000	Non- medical equipment \$'000	Computer equipment \$'000	Furniture and fittings \$'000	Total \$'000
Consolidated												
Balance at 1st July 2022		177,746	687,987	119,428	6,015	13,480	16	34,721	3,341	2,645	2,036	1,047,415
Additions		-	1,263	132,912	3,417	4,050	-	13,042	481	327	96	155,589
Other adjustments		-	-	-	-	-	-	(74)	(20)	759	-	665
Revaluation increments/(decrements)	4.4	-	76,565	-	-	-	-	-	-	-	-	76,565
Depreciation	4.6	-	(49,811)	-	(2,102)	-	(16)	(8,949)	(628)	(1,994)	(447)	(63,947)
Balance at 30th June 2023		177,746	716,004	252,340	7,330	17,531	-	38,740	3,174	1,737	1,685	1,216,287
Additions		13,264	38,068	25,262	3,830	10,563	-	14,909	538	8,261	402	115,096
Other adjustments		(1,010)	(239)	(49,490)	(118)	(14,325)	-	(3,541)	(465)	(453)	(602)	(70,243)
Revaluation increments/(decrements)	4.4	(23,685)	291,479	-	-	-	-	-	-	-	-	267,794
Depreciation	4.6	-	(73,364)	-	(3,980)	-	-	(10,963)	(677)	(5,507)	(410)	(94,901)
Balance at 30th June 2024		166,315	971,948	228,112	7,062	13,769	-	39,145	2,570	4,038	1,074	1,434,033

Recognition of property, plant and equipment (PP&E)

PP&E are tangible items that are used by Western Health in the supply of goods or services, for rental to others, or for administration purposes and 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 after 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 the fair value measurement is disclosed in Note 7.4 Fair value determination.

Revaluation

Fair value is based on periodic valuation by independent valuers, which normally occurs 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 has occurred.

Where an independent valuation has not been undertaken at balance date, Western Health performs a managerial assessment to estimate possible changes in fair value of land and buildings since the date of the last independent valuation by using indices of increase or decrease that are provided to all state government bodies by the Valuer-General of Victoria.

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 a movement in the fair value of land and buildings since the last independent valuation exceeding 40%, Western Health would obtain an interim independent valuation prior to the next scheduled independent valuation.

An independent valuation of Western Health's property, plant and equipment was performed by the VGV on 30th 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.

The independent valuation undertaken on 30th June 2024, indicated an overall:

- decrease in fair value of land of (12.5%), (\$23.7M)
- increase in fair value of buildings of 42.8%, \$291.5M

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 surplus, 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 surplus 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 4.3: Right-of-use assets

Note 4.3(a): Gross carrying amount and accumulated depreciation

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Right-of-use concessionary land at fair value	14,156	11,348
Right-of-use concessionary land at cost	2	-
less accumulated depreciation	(7,842)	(7,196)
Total right-of-use land at fair value	6,316	4,152
Right-of-use buildings at fair value	13,912	3,816
less accumulated depreciation	(3,568)	(1,724)
Total right-of-use buildings at fair value	10,344	2,092
Total right of use concessionary land and buildings	16,660	6,244
Right-of-use plant, equipment, furniture, fittings and vehicles at fair value	6,661	4,697
less accumulated depreciation	(3,024)	(2,075)
Total right of use plant, equipment, furniture, fittings and vehicles at fair value	3,637	2,622
Total right of use assets	20,297	8,866

Note 4.3(b): Reconciliations of carrying amount by class of asset

		Right-of-use concession -nary land	Right-of-use buildings	Right-of-use equipment, furniture & fittings and vehicles	Total
	Note	\$'000	\$'000	\$'000	\$'000
Consolidated					
Balance at 1st July 2022		2,975	2,567	2,396	7,938
Additions		-	346	1,440	1,786
Disposals		-	-	(89)	(89)
Depreciation-write back ⁽ⁱ⁾		1,636	-	-	1,636
Depreciation	4.6	(459)	(823)	(1,123)	(2,405)
Balance at 30th June 2023		4,152	2,090	2,624	8,866
Additions		-	506	2,201	2,707
Disposals		-	-	-	-
Asset classified as held for sale		-	-	-	-
Revaluation increments/(decrements)		-	-	-	-
Additions due to administrative restructure		2,810	9,596	-	12,406
Depreciation-write back ⁽ⁱ⁾		-	-	-	-
Depreciation	4.6	(646)	(1,848)	(1,188)	(3,682)
Balance at 30th June 2024		6,316	10,344	3,637	20,297

(i) via Accumulated surplus

Recognition of right-of-use assets**Initial recognition**

When a contract is entered into, Western Health assesses if the contract contains, or is, a lease. If a lease is present, a right-of-use asset and corresponding lease liability is recognised. The definition and recognition criteria of a lease is disclosed at Note 6.1(a) Lease liabilities.

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 the cost 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.

Subsequent measurement

Right-of-use assets are subsequently measured at fair value, except for 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 adjusted for re-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 Fair value determination.

Note 4.4: Revaluation surplus

		Consolidated	Consolidated
		2024	2023
	Note	\$'000	\$'000
Balance at the beginning of the reporting period		559,962	483,396
Revaluation increment/(decrement)			
Land		(23,685)	-
Buildings	4.2(b)	291,479	76,565
Transfer to retained earnings			
Land		(647)	-
Buildings		(53)	-
Balance at the end of the reporting period*		827,056	559,962
*Represented by:			
Land		135,058	159,390
Buildings		691,379	399,953
Right-of-use concessionary land		619	619
		827,056	559,962

Note 4.5: Intangible assets

Note 4.5(a): Gross carrying amount and accumulated amortisation

	Consolidated	Consolidated
	2024	2023
	\$'000	\$'000
Intangible produced assets - software	-	55
less accumulated amortisation	-	(11)
	-	44

Recognition of intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance

Initial recognition

Purchased intangible assets are initially recognised at cost.

An internally generated intangible asset arising from development, (or from the development phase of an internal project), is also recognised at cost if, and only if, all the following are demonstrated:

- > the technical feasibility of completing the intangible asset so that it will be available for use or sale
- > an intention to complete the intangible asset and use or sell it
- > the ability to use or sell the intangible asset
- > the intangible asset will generate probable future economic benefits
- > the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset and
- > the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Subsequent measurement

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

Note 4.6: Depreciation and amortisation

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Depreciation		
Property, plant and equipment		
Buildings	73,364	49,811
Plant and equipment	3,980	2,102
Motor vehicles	-	16
Medical equipment	10,963	8,949
Non-medical equipment	677	628
Computer equipment	5,507	1,994
Furniture and fittings	410	447
Total depreciation - property, plant and equipment	94,901	63,947
Right of use assets (leases)		
Right of use land	646	459
Right of use buildings	1,848	823
Right of use plant, equipment, furniture, fittings and vehicles	1,188	1,125
Total depreciation - right-of-use assets	3,682	2,407
Amortisation		
Software	-	5
Total amortisation	-	5
Total depreciation and amortisation	98,583	66,359

Recognition of depreciation

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets, (excluding items under assets held for sale, land and investment properties), 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 Western Health expects to exercise a purchase option, the specific right-of-use asset is depreciated over the useful life of the underlying asset.

Recognition of amortisation

Amortisation is the systematic allocation of the value 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		
Structure shell building fabric	40-52 years	40-52 years
Site engineering services and central plant	23-40 years	23-40 years
Central plant		
Fit out	15-40 years	15-40 years
Trunk reticulated building system	21-40 years	21-40 years
Plant and equipment	10 years	10 years
Medical equipment	5-10 years	5-10 years
Computers and communication	3 years	3 years
Non-medical equipment	10 years	10 years
Furniture and fittings	10 years	10 years
Motor vehicles	4 years	4 years
Intangible assets	3 years	3 years

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

Note 4.6(a): Change in accounting estimate

As at 30 June 2024, Western Health reassessed the estimated total useful lives of its buildings. This will have an impact on depreciation in future years. The useful life range has remained the same, but individual assets have moved within the range. The impact of this change in accounting estimate is a decrease in the yearly depreciation charge of \$32.4 million based on the assets held at balance sheet date.

Note 4.7: Inventories

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Medical and surgical consumables at cost	875	1,524
Pharmacy supplies at cost	3,185	3,409
Total inventories	4,060	4,934

Recognition of inventories

Inventories are goods held for internal consumption. It excludes depreciable assets. Inventories are measured at lower of cost and net realisable value.

Note 4.8: Impairment of assets

Recognition of impairment

At the end of each reporting period, Western 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 Western 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, Western 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, Western Health estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

Note 5: Other assets and liabilities

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

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Measuring deferred capital grant income	<p>Where Western 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>Western 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>
Measuring contract liabilities	<p>Western Health applies material judgement to measure its progress towards satisfying a performance obligation as detailed in Note 2 Funding for delivery of services. Where a performance obligation is yet to be satisfied, Western 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.</p>

Note 5.1: Receivables

		Consolidated 2024 \$'000	Consolidated 2023 \$'000
	Note		
Current receivables			
Contractual			
Inter hospital debtors		422	660
Trade receivables		3,137	3,065
Patient fees		10,356	7,973
Allowance for impairment losses	5.1(a)	(5,315)	(5,301)
Amounts receivable from government and agencies		181	4,829
Total contractual receivables		8,781	11,226
Statutory			
GST receivable		2,469	1,706
Accrued revenue - Department of Health		-	346
Total statutory receivables		2,469	2,052
Total current receivables		11,250	13,278
Non-current receivables			
Contractual			
Long service leave - Department of Health		89,635	65,069
Total contractual receivables		89,635	65,069
Total non-current receivables		89,635	65,069
Total receivables		100,885	78,347
(iii) Financial assets classified as receivables (note 7.1(a))			
Total receivables		100,885	78,347
GST receivable		(2,469)	(1,706)
Total financial assets		98,416	76,641

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

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Balance at beginning of year	5,301	4,227
Increase in allowance	5,450	5,015
Amounts written off during the year	(5,436)	(3,941)
Balance at the end of year	5,315	5,301

Recognition of 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. Western Health holds the contractual receivables with the objective to collect the contractual cash flows and therefore they are subsequently measured at amortised cost using the effective interest method, 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. Western 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 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*. Refer to note 7.2(a) for Western Health's contractual impairment losses.

Note 5.2: Contract assets

	Consolidated	Consolidated
	2024	2023
Note	\$'000	\$'000
Balance at beginning of the year	1,739	3,355
Add: additional costs incurred that are recoverable from the customer	2,466	1,739
Less: transfer to trade receivable or cash at bank	(1,739)	(3,355)
Total contract assets	2,466	1,739
	7.1(a)	
Represented by:		
Current assets	2,466	1,739
	2,466	1,739

Recognition of contract assets

Contract assets arise when Western Health has performed a service, in part or full, but has not billed for the service at the reporting date. An asset exists as payment is owed for the service performed even though it has not yet been billed.

The contract asset become a receivable (debtor) once the invoice is issued, all performance obligations (services) have been met and payment is expected to be recovered in the next financial year.

Note 5.3: Payables

		Consolidated 2024 \$'000	Consolidated 2023 \$'000
	Note		
Current payables and contract liabilities			
Contractual			
Trade creditors		13,933	17,710
Accrued salaries and wages		45,166	27,120
Accrued expenses		47,237	36,074
Deferred capital grant income	5.3(a)	16,132	22,013
Salary packaging		2,769	2,333
Superannuation		3,112	2,046
Amounts (receivable)/payable to governments and agencies		(4,916)	(5,606)
Other		356	390
Total contractual payables		123,789	102,080
Statutory			
Repayable grants – Department of Health		528	54,665
Total statutory payables		528	54,665
Total current payables		124,317	156,745
Total payables		124,317	156,745
(i) Financial liabilities classified as payables (note 7.1(a))			
Total payables		124,317	156,745
Deferred capital grant income		(16,132)	(22,013)
Repayable grants - Department of Health		(528)	(54,665)
Deposits		(356)	(390)
Total financial liabilities classified as payables	7.1(a)	107,301	79,677

Recognition of payables

Payables consist of:

Contractual payables, including 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 Western Health prior to the end of the financial year that are unpaid.

Statutory payables, including Goods and services tax (GST) payable. Statutory payables are recognised and measured similarly to contractual payables but are not classified as financial instruments and are 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 is net 60 days.

Note 5.3(a): Deferred capital grant income

	Consolidated	Consolidated
	2024	2023
	\$'000	\$'000
Opening balance of deferred capital grant income	22,013	14,863
Grant consideration for capital works received during the year	27,600	83,183
Deferred grant revenue recognised as revenue due to completion of capital works	(33,481)	(76,033)
Closing balance of deferred capital grant income	16,132	22,013

How do we recognise deferred capital grant income

Grant consideration was received during the financial year for the Linear Accelerator replacement program. Western Health receives grant revenue each year over the useful life of the linear accelerator, which is ten years. This grant consideration is deferred each year until the program has expired. At the expiration of the program, grant revenue is recognised in its tenth and final year at which time Western Health will acquire replacement linear accelerators which will be subject to the same grant deferment and recognition.

Note 5.4: Contract liabilities

	Consolidated	Consolidated
	2024	2023
	\$'000	\$'000
Opening balance of contract liabilities	24,840	23,999
Grant consideration for sufficiently specific performance obligations received during the year	1,441,934	1,276,398
Revenue recognised for the completion performance obligations	(1,456,629)	(1,275,557)
Total contract liabilities	10,145	24,840

Contract liabilities

Contract liabilities include consideration received in advance from the Commonwealth, Department of Justice and Dental Health funding grants and various funds from non-Department of Health entities. The balance of contract liabilities was significantly lower than the previous reporting period due to the recognition of grant income during the financial year 2024.

Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 2.1 Revenue and income from transactions.

Maturity analysis of payables

Please refer to Note 7.2(b) Liquidity risk for the aging analysis of payables.

Note 5.5: Other liabilities

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
	Note	
Current monies held in trust		
Refundable accommodation deposits	1,784	1,964
Total current monies held in trust	1,784	1,964
Total other liabilities	1,784	1,964
Represented by:		
Cash assets	6.2 1,784	1,964
	1,784	1,964

Recognition of other liabilities**Refundable accommodation deposit (RAD)/accommodation bond liabilities**

RADs/accommodation bonds are non-interest-bearing deposits made by some aged care residents to Western Health upon admission. The deposits are liabilities which fall due and payable when the resident leaves the home. As there is no unconditional right to defer payment for 12 months, these liabilities are recorded as current liabilities.

RAD/accommodation bond liabilities are recorded at an amount equal to the proceeds received, net of retention and any other amounts deducted from the RAD/accommodation bond in accordance with the *Aged Care Act 1997*.

Note 6: Financing

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

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

Material judgements and estimates

Key judgements	Description
Determining if a contract is or contains a lease	<p>Western Health applies material judgement to determine if a contract is, or contains, a lease by considering if Western Health:</p> <ul style="list-style-type: none"> > has the right-to-use an identified asset > has the right to obtain substantially all economic benefits from the use of the leased asset, and > can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	<p>Western Health applies material judgement when determining if a lease meets the short-term or low value lease exemption criteria.</p> <p>Western Health estimates the fair value of leased assets when new. Where the estimated fair value is less than \$10,000, Western Health applies the low-value lease exemption.</p> <p>Western 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 Western Health applies the short-term lease exemption.</p>
Discount rate applied to future lease payments	<p>Western 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 Western Health's lease arrangements, Western Health uses its incremental borrowing rate, which is the amount Western Health 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, Western Health estimates the incremental borrowing rate to be between 2.28% and 5.32%.</p> <p>For leased plant, equipment, furniture, fittings and vehicles, the implicit interest rate 1.5% and 5.5%.</p>
Assessing the lease term	<p>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 Western Health is reasonably certain to exercise such options.</p> <p>Western Health determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including:</p> <ul style="list-style-type: none"> > if there are significant penalties to terminate (or not extend), Western Health is typically reasonably certain to extend (or not terminate) the lease > if any leasehold improvements are expected to have a significant remaining value, Western Health is typically reasonably certain to extend (or not terminate) the lease > Western Health considers historical lease durations and the costs and business disruption to replace such leased assets.

Note 6.1: Borrowings

		Consolidated 2024 \$'000	Consolidated 2023 \$'000
Current borrowings			
TCV loan (i)		937	937
Lease liability (ii)	6.1(a)	3,177	2,386
DH Loan (iii)		800	800
Total current borrowings		4,914	4,123
Non-current borrowings			
TCV loan (i)		15,241	16,160
Lease liability (ii)	6.1(a)	11,168	2,685
DH loan (iii)		3,627	4,220
Total non-current borrowings		30,036	23,065
Total borrowings		34,950	27,188

- (i) This is an unsecured loan with the Treasury Corporation of Victoria and has an annualised weighted average interest rate of 1.805%. The loan finances the Sunshine Hospital multi-deck car park. The approved loan limit is \$20.4M.
- (ii) Secured by the motor vehicle assets leased. Finance leases are effectively secured as the rights to the leased assets revert to the lessor in the event of a default.
- (iii) Department of Health loan in relation to the Regional Kitchen Ltd acquisition in August 2020.

Recognition of 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 and other interest-bearing arrangements.

Initial recognition

All borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs.

Subsequent measurement

After 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 and loss'.

Maturity analysis of borrowings

Refer to Note 7.2(b) Liquidity risk for the maturity analysis of borrowings.

Defaults and breaches

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

Note 6.1(a): Lease liabilities

Western Health's lease liabilities are summarised below:

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Total undiscounted lease liabilities	15,982	5,234
Less unexpired finance expenses	(1,637)	(163)
Net lease liabilities	14,345	5,071

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

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Not longer than one year	3,739	2,484
Later than one year and not longer than five years	6,545	2,750
Longer than five years	5,698	-
Minimum future lease liability	15,982	5,234
Less unexpired finance expenses	(1,637)	(163)
Present value of lease liability*	14,345	5,071
*Represented by:		
Current liabilities	3,177	2,386
Non-current liabilities	11,168	2,685
Total finance lease liability	14,345	5,071

Recognition of Lease Liabilities

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

To apply this definition, Western 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 Western Health and for which the supplier does not have substantive substitution rights
- > Western Health has the right to obtain substantially all 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 Western Health has the right to direct the use of the identified asset throughout the period of use
- > Western Health has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use

Western Health's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased land	50 years
Leased buildings	3 years
Leased plant, equipment, furniture, fittings and vehicles	1 to 3 years

All leases are recognised on the balance sheet, except for 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:

Type of asset payment	Description of payment	Type of leases captured
Low value lease payments	Leases where the underlying asset's fair value, when new, is no more than \$10,000	Vic Fleet motor vehicles and medical equipment
Short-term lease payments	Leases with a term less than 12 months	Equipment storage facility

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 Western Health's incremental borrowing rate. The lease liability has been discounted by rates of between 1.10% and 5.48%.

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, and
- > payments arising from purchase and termination options reasonably certain to be exercised

In determining the lease term, Western Health considers all facts and circumstances that create an economic incentive to exercise an extension or 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.

Subsequent measurement

After 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 of 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

Western Health holds some lease arrangements which contain significantly below-market terms and conditions, which are principally to enable Western Health to further its objectives. These are commonly referred to as peppercorn or concessionary lease arrangements. The nature and terms of such lease arrangements, including Western Health's dependency on such leases arrangements is described below:

Description of leased asset	Dependence on lease	Nature and terms of lease
Land – 7 Macedon St, Sunbury (Sunbury Day Hospital)	The leased land is used to support day hospital service delivery. Western Health's dependence on this lease is considered high due to the specialised nature of the building on this land.	Lease payments of \$12 per annum The lease commenced in 2009 and has a lease term of 50 years.
Land – 198 to 209 Barries Rd, Melton (Melton Super Clinic)	The leased land is used to support day hospital service delivery. Western Health's dependence on this lease is considered high due to the specialised nature of the building on this land.	Lease payments of \$104 per annum. The lease commenced in 2007 and has a lease term of 30 years.
Land & Building – 54 Burnside St, Deer Park (Mental Health Prevention & Recovery Care)	The leased land and building is used to support day hospital service delivery. Western Health's dependence on this lease is considered high due to the specialised nature of the building on this land.	Lease payments of \$104 per annum. The lease commenced 1 July 2023 and has a lease term of 15 years.
Land – 38 Evergreen Avenue, St Albans (Mental Health Community Care Unit)	The leased land and building is used to support day hospital service delivery. Western Health's dependence on this lease is considered high due to the specialised nature of the building on this land.	Lease payments of \$104 per annum. The lease commenced 1 July 2023 and has a lease term of 15 years.

Note 6.2: Cash and cash equivalents

	Consolidated	Consolidated
	2024	2023
Note	\$'000	\$'000
Cash on hand (excluding monies held in trust)	14	15
Cash at bank (excluding monies held in trust)	87,106	156,013
Total cash held for operations	87,120	156,028
Cash at bank - CBS (monies held in trust)	1,784	1,964
Total cash held as monies in trust	1,784	1,964
Represented by:		
Cash for health service operations	88,904	157,992
Total cash and cash equivalents	88,904	157,992

7.1(a)

Cash and cash equivalents

Cash and cash equivalents recognised in the balance sheet comprise cash on hand and cash at bank, deposits at call and highly liquid investments, (with an original maturity of three months or less), which are held for the purpose of meeting short term cash commitments rather than for investment purposes, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash assets include cash on hand, at bank and short-term deposits.

Note 6.3: Commitments for expenditure

	Consolidated	Consolidated
	2024	2023
	\$'000	\$'000
Capital expenditure commitments		
Less than one year	49,304	35,859
Longer than one year but not longer than five years	9,423	3,058
Five years or more	-	-
Total capital expenditure commitments	58,728	38,917
Operating expenditure commitments		
Less than one year	43,523	67,400
Longer than one year but not longer than five years	34,736	42,652
Five years or more	579	232
Total operating expenditure commitments	78,838	110,283
Total commitments for expenditure (inclusive of GST)	137,565	149,201
Less: GST recoverable from the Australian Tax Office	(10,950)	(13,564)
Total commitments for expenditure (exclusive of GST)	126,616	135,637

Commitments

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 individual 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

Western 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 Borrowings for further information.

Note 6.4: Non-cash financing and investing activities

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Assumption of liabilities		
Acquisition of plant and equipment by means of leases	1,895	2,890
Acquisition of motor vehicles by means of leases	3,276	2,181
Transfer from administrative restructures	18,907	-
Total non-cash financing and investing activities	24,078	5,071

Note 7: Risks, contingencies and valuation uncertainties

Western Health is exposed to some 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 the 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 Western Health is related mainly to fair value determination.

Material judgements and estimates

Material judgements and estimates	Description
Measuring fair value of non-financial assets	<p>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.</p> <p>In determining the highest and best use, Western Health has assumed the current use is its highest and best use. Accordingly, characteristics of Western Health's assets are considered, including condition, location and any restrictions on the use and disposal of such assets.</p> <p>Western Health uses a range of valuation techniques to estimate fair value, which include the following:</p> <ul style="list-style-type: none"> > Market approach, which uses prices and other relevant information generated by market transactions involving identical or Comparable assets and liabilities. The fair value of Western Health's specialised land, non-specialised land, non-specialised buildings, and investment properties 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). Where, current replacement cost (depreciated cost) is adjusted for obsolescence. The fair value of Western 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. Western Health does not this use approach to measure fair value. <p>Western 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, Western Health applies material judgement to categorise and disclose such assets within a fair value hierarchy, which includes:</p> <ul style="list-style-type: none"> > Level 1, using quoted prices (unadjusted) in active markets for identical assets that Western Health can access at measurement

date. Western 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. Western Health categorises non-specialised land and right-of-use concessionary land in this level.
- > Level 3, where inputs are unobservable. Western 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 Western 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

	Note	Financial assets at amortised cost \$'000	Financial assets at fair value through net result \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
Consolidated					
30th June 2024					
Contractual financial assets					
Cash and cash equivalents	6.2	88,904	-	-	88,904
Receivables	5.1	98,416	-	-	98,416
Contract assets	5.2	2,466	-	-	2,466
Investments and other financial assets	4.1	-	19,818	-	19,818
Total financial assets		189,786	19,818	-	209,604
Financial liabilities					
Payables	5.3	-	-	107,301	107,301
Borrowings	6.1	-	-	34,950	34,950
Other financial liabilities – refundable accommodation	5.5	-	-	1,784	1,784
Total financial liabilities		-	-	144,035	144,035

	Note	Financial assets at amortised cost \$'000	Financial assets at fair value through net result \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
Consolidated					
30th June 2023					
Contractual financial assets					
Cash and cash equivalents	6.2	157,992	-	-	157,992
Receivables	5.1	76,641	-	-	76,641
Contract assets	5.2	1,739	-	-	1,739
Investments and other financial assets	4.1	-	17,403	-	17,403
Total financial assets		236,372	17,403	-	253,775
Financial liabilities					
Payables	5.3	-	-	79,677	79,677
Borrowings	6.1	-	-	27,188	27,188
Other financial liabilities - refundable accommodation	5.5	-	-	1,964	1,964
Total financial liabilities		-	-	108,829	108,829

Recognition of financial instruments

Categories of financial assets

Financial assets are recognised when Western Health becomes party to the contractual provisions to the instrument. For financial assets, this is at the date Western 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. Western Health expects all trade receivables to be collected within one year or less; therefore, the effects of payment terms extending beyond this timeframe are not considered with respect to the time value of money. As a result, trade receivables do not contain a significant financing component, as specified in *AASB 15 Revenue from contracts with customers*, paragraph 63.

Financial assets at fair value through other comprehensive income

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- > the assets are held by Western Health to achieve its objective both by collecting the contractual cash flows and by selling the financial assets, and
- > the assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost

Financial assets are measured at amortised cost 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 Western Health solely to collect the contractual cash flows, and
- > the assets' contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specific dates.

These assets are initially recognised at fair value plus any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method less any impairment.

Western Health recognises the following assets in this category:

- > cash and deposits
- > receivables (excluding statutory receivables) and
- > term deposits.

Financial assets at fair value through net result

Western Health initially designates a financial instrument as measured at fair value through net result if:

- > it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or recognising the gains and losses on them, on a different basis
- > it is in accordance with the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial asset can be managed and evaluated consistently on a fair value basis or
- > it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract

The initial designation of the financial instruments to measure at fair value through net result is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Changes to financial assets valued at fair value are shown in other economic flows, which is reported in the net result.

The financial assets valued at fair value for Western Health is the investment in the VFMC.

Categories of financial liabilities

Financial liabilities are recognised when Western 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 at fair value through profit or loss, in which case transaction costs are expensed to profit or 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 net result.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in 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 net carrying amount at initial recognition.

Western Health recognises the following liabilities in this category:

- > payables (excluding statutory payables and contract liabilities)
- > borrowings
- > other liabilities (including monies held in trust)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- > the rights to receive cash flows from the asset have expired or
- > Western Health retained the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement or

Western Health has transferred its rights to receive cash flows from the asset and either:

- > has transferred substantially all the risks and rewards of the asset or
- > has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset

Where Western Health has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Western Health's continuing involvement in the asset.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

Reclassification of financial instruments

A financial asset is required to be reclassified between amortised cost, fair value through net result and fair value through other comprehensive income when, and only when, Western Health's business model for managing its financial assets has changed such that its previous model would no longer apply.

A financial liability reclassification is not permitted.

Note 7.2: Financial risk management objectives and policies

Western Health seeks to manage the risks and the associated volatility of its financial performance.

Details of the material accounting policies and methods adopted, included 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.

Western Health's main financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk. Western Health manages these financial risks in accordance with its financial risk management policy.

Western 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. Western Health's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to Western Health. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with Western Health's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, Western Health is exposed to credit risk associated with patient and other debtors.

Western 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, Western 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 Western 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. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

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 Western Health's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There was no material change to Western Health's credit risk profile in 2023-24.

Impairment of financial assets under AASB 9 Financial Instruments

Western Health records the allowance for expected credit loss for the relevant financial instruments, in accordance with AASB 9's 'Expected Credit Loss' approach. Subject to AASB 9, the impairment assessment includes Western 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 at amortised cost

Western 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. Western Health has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on Western Health's past history, existing market conditions, as well as forward looking estimates at the end of the financial year.

On this basis, Western Health determines the closing loss allowance at the end of the financial year as follows:

	Current	Less than 1 month	1-3 months	3 months – 1 year	1-5 years	Total
30th June 2024						
Expected loss rate	5.9%	25.1%	57.6%	80.7%	0.0%	
Gross carrying amount of contractual receivables	7,674	2,960	2,886	3,042	-	16,562
Loss allowance	454	742	1,663	2,456	-	5,315

	Current	Less than 1 month	1-3 months	3 months – 1 year	1-5 years	Total
30th June 2023						
Expected loss rate	0.1%	0.3%	53.7%	100.0%	0.0%	
Gross carrying amount of contractual receivables	7,389	4,559	2,245	4,073	-	18,266
Loss allowance	9	14	1,205	4,073	-	5,301

Statutory receivables at amortised cost

Western 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 Financial Instruments requirements as if those receivables are financial instruments.

The 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. Western Health is exposed to liquidity risk mainly through the financial liabilities as disclosed on the face of the balance sheet. Western Health manages its liquidity risk by:

- > 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
- > holding investments and other contractual financial assets that are readily tradeable in the financial markets, and
- > careful maturity planning of its financial obligations based on forecast future cashflows

Western Health's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from liquidation of investments and other financial assets.

The following table discloses the contractual maturity analysis for Western Health's financial liabilities. For interest rates applicable to each class of liability refer to individual notes to the financial statements.

	Note	Carrying amount \$'000	Nominal amount \$'000	Less than 1 month \$'000	Maturity dates			
					1-3 months \$'000	3 months -1 year \$'000	1-5 years \$'000	Over 5 years \$'000
Consolidated								
30th June 2024								
Financial liabilities at amortised cost								
Payables ⁽ⁱ⁾	5.3	107,301	107,301	77,777	23,619	5,905	-	-
Borrowings	6.1	34,953	34,950	409	818	3,687	13,085	16,951
Other financial liabilities - refundable accommodation deposits	5.5	1,784	1,784	-	-	1,784	-	-
Total financial liabilities		144,038	144,035	78,186	24,437	11,376	13,085	16,951

	Note	Carrying amount \$'000	Nominal amount \$'000	Less than 1 month \$'000	Maturity dates			
					1-3 months \$'000	3 months -1 year \$'000	1-5 years \$'000	Over 5 years \$'000
Consolidated								
30th June 2023								
Financial liabilities at amortised cost								
Payables ⁽ⁱ⁾	5.3	79,677	79,677	57,132	18,037	4,508	-	-
Borrowings	6.1	27,188	27,188	347	687	3,091	8,018	15,045
Other financial liabilities - refundable accommodation deposits	5.5	1,964	1,964	-	-	1,964	-	-
Total financial liabilities		108,829	108,829	57,479	18,724	9,563	8,018	15,045

(i) Ageing analysis of financial liabilities excludes statutory financial liabilities (i.e. GST payable).

Note 7.2(c): Market risk

Western Health's exposures to market risk are primarily through interest rate risk, foreign currency risk and equity price risk. Objectives, policies and processes used to manage each of these risks are disclosed below.

Sensitivity disclosure analysis and assumptions

Western Health's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period. Western Health's fund managers cannot be expected to predict movements in market rates and prices. The following movements are 'reasonably possible' over the next 12 months:

- > a change in interest rates of 1% up or down
- > a change in the top ASX 200 index of 10% up or down

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. Western Health does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Western Health has minimal exposure to cash flow interest rate risks through cash and deposits, term deposits and bank overdrafts that are at floating rate.

Foreign currency risk

Western Health has minimal exposure to foreign currency risk. Any foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign monetary items existing at the end of the reporting period are translated at the closing rate at the date of the end of the reporting period.

Equity risk

Western Health's sensitivity to equity price risk is set out below:

	Carrying amount	(10%) Net result	10% Net result
Consolidated	\$'000	\$'000	\$'000
30th June 2024			
Investments and other contractual financial assets	19,818	(1,982)	1,982
Total impact	19,818	(1,982)	1,982

	Carrying amount	(10%) Net result	10% Net result
Consolidated	\$'000	\$'000	\$'000
30th June 2023			
Investments and other contractual financial assets	16,903	(1,690)	1,690
Total impact	16,903	(1,690)	1,690

Note 7.3: Contingent assets and contingent liabilities

Western Health does not have any material contingent assets or liabilities as at 30th June 2024 (2023: nil).

Measurement and disclosure of contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Western Health. These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

Contingent liabilities

Contingent liabilities are:

- > Possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Western Health or
- > Present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations or
 - the amount of the obligations cannot be measured with sufficient reliability

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

Note 7.4: Fair value determination

Measurement of 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
- > 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 value 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, and
- > Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Western 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 been no transfers between levels during the period.

Western 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 Western 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 investments and other financial assets

	Note	Consolidated carrying amount 30 th June 2024 \$'000	Fair value measurement at end of reporting period using:		
			Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Managed investment funds	4.1	19,818	-	19,818	-
Total financial assets held at fair value through net result		19,818	-	19,818	-
Total investments and other financial assets at fair value		19,818	-	19,818	-

	Note	Consolidated carrying amount 30 th June 2023	Fair value measurement at end of reporting period using:		
		\$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Managed investment funds	4.1	16,903	-	16,903	-
Total financial assets held at fair value through net result		16,903	-	16,903	-
Total investments and other financial assets at fair value		16,903	-	16,903	-

Management investment funds

Western Health invests in managed funds, which are not quoted in an active market and which may be subject to restrictions on redemptions. Western Health considers the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investment, to ensure they are reasonable and appropriate. The net asset value of these funds is used as an input into measuring their fair value, and is adjusted as necessary, to reflect restrictions and redemptions, future commitments and other specific factors of the fund. Western Health classifies these funds as Level 2.

Note 7.4(b): Fair value determination of non-financial physical assets

	Note	Consolidated carrying amount 30 Jun 2024	Fair value measurement at end of reporting period using:		
		\$'000	Level 1 ⁽ⁱ⁾ \$'000	Level 2 ⁽ⁱ⁾ \$'000	Level 3 ⁽ⁱ⁾ \$'000
Specialised land		151,711	-	-	151,711
Non-specialised land		14,604	-	14,604	-
Total land at fair value	4.2(a)	166,315	-	14,604	151,711
Specialised buildings		970,472	-	-	970,472
Non-specialised buildings ⁽ⁱⁱ⁾		1,476	-	1,476	-
Total buildings at fair value	4.2(a)	971,948	-	1,476	970,472
Plant	4.2(a)	7,062	-	-	7,062
Medical equipment	4.2(a)	39,145	-	-	39,145
Non-medical equipment	4.2(a)	2,570	-	-	2,570
Computer equipment	4.2(a)	4,038	-	-	4,038
Furniture and fittings	4.2(a)	1,074	-	-	1,074
Total plant, equipment, furniture & fittings and vehicles at fair value		53,889	-	-	53,889
Right-of-use concessionary land	4.3(a)	6,314	-	-	6,314
Right-of-use buildings	4.3(a)	10,344	-	-	10,344
Right-of-use plant, equipment, furniture & fittings and vehicles	4.3(a)	3,637	-	-	3,637
Total right-of use assets at fair value		20,295	-	-	20,295
Total non-financial physical assets at fair value		1,212,447	-	16,080	1,196,367

	Note	Consolidated carrying amount 30 June 2023 \$'000	Fair value measurement at end of reporting period using:		
			Level 1 ⁽ⁱ⁾ \$'000	Level 2 ⁽ⁱ⁾ \$'000	Level 3 ⁽ⁱ⁾ \$'000
Specialised land		173,391	-	-	173,391
Non-specialised land	4.2(a)	4,355	-	4,355	-
Total land at fair value		177,746	-	4,355	173,391
Specialised buildings		715,628	-	-	715,628
Non-specialised buildings ⁽ⁱⁱ⁾	4.2(a)	376	-	376	-
Total buildings at fair value		716,004	-	376	715,628
Plant	4.2(a)	7,330	-	-	7,330
Medical equipment	4.2(a)	38,740	-	-	38,740
Non-medical equipment	4.2(a)	3,174	-	-	3,174
Computer equipment	4.2(a)	1,737	-	-	1,737
Furniture and fittings	4.2(a)	1,685	-	-	1,685
Total plant, equipment, furniture & fittings and vehicles at fair value		52,665	-	-	52,665
Right-of-use concessionary land	4.3(a)	4,152	-	-	4,152
Right-of-use buildings	4.3(a)	2,090	-	-	2,090
Right-of-use plant, equipment, furniture & fittings and vehicles	4.3(a)	2,624	-	-	2,624
Total right-of use assets at fair value		8,866	-	-	8,866
Total non-financial physical assets at fair value		955,281	-	4,731	950,550

- i. Classified in accordance with the fair value hierarchy.
- ii. Non-specialised buildings are buildings that might have an alternative use that would generate higher and therefore better use. For Western Health, this relates to the Drug and Alcohol addiction centres.

Measuring 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.

Western Health has assumed the current use of a non-financial physical asset is its HBU 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 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. A managerial revaluation of non-specialised land took place on the 30th June 2022 and a non-specialised building managerial revaluation took place on the 30th June 2023.

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 the valuation is 30th 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, Western 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 Western Health, the depreciated replacement cost method is used for most specialised buildings. As depreciation adjustments are considered significant and unobservable inputs in nature, specialised buildings are classified as Level 3 assets.

An independent valuation of Western Health's specialised land and specialised buildings was performed by the Valuer-General Victoria. The effective date of the valuation was the 30th of June 2024.

Vehicles

Western 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 Western 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 depreciated replacement cost is used to estimate fair value. Unless

there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying amount.

There were no changes in valuation techniques throughout the period ending 30th June 2024.

Fair value determination of level 3 fair value measurement

Asset class	Likely valuation approach	Significant inputs (Level 3 only)
Non-specialised land	Market approach	N/A
Specialised land (Crown/freehold)	Market approach	Community Service Obligations Adjustments ⁽ⁱ⁾
Non-specialised buildings	Market approach	N/A
Specialised buildings	Cost approach	Cost per square metre Useful life
Plant	Cost approach	Cost per unit Useful life
Medical equipment	Cost approach	Cost per unit Useful life
Computer equipment	Cost approach	Cost per unit Useful life

(i) Community service obligations adjustment of 20% was applied to Western Health's specialised land

Note 7.5: Reconciliation of level 3 fair value measurement

	Note	Land \$'000	Buildings \$'000	Plant \$'000	Medical equipment \$'000	Computer equipment \$'000	Non- Medical Equipment \$'000	Furniture & Fittings \$'000	Right-of- use concessio nary land \$'000	Right-of- use buildings \$'000	Right-of- use plant, equipment, furniture & fittings and vehicles \$'000
Consolidated											
Balance at 1st July 2023		173,391	715,628	7,330	38,740	1,737	3,174	1,685	4,152	2,090	2,624
Additions/(disposals)		13,265	37,646	3,712	11,368	7,808	73	(201)	2,810	10,102	2,201
Net transfer between classes		(9,623)	(697)	-	-	-	-	-	-	-	-
Depreciation		-	(73,165)	(3,980)	(10,963)	(5,507)	(677)	(410)	(646)	(1,848)	(1,188)
		177,033	679,142	7,062	39,145	4,038	2,570	1,074	6,316	10,344	3,637
Revaluation		(25,322)	291,060	-	-	-	-	-	-	-	-
Balance at 30th June 2024	7.4(b)	151,711	970,472	7,062	39,145	4,038	2,570	1,074	6,316	10,344	3,637
Consolidated											
Balance at 1st July 2022		173,391	687,531	6,015	34,721	2,645	3,341	2,036	2,975	2,567	2,396
Additions/(disposals)		-	1,343	3,417	12,968	1,086	461	96	-	346	1,351
Depreciation and amortisation		-	(49,811)	(2,102)	(8,949)	(1,994)	(628)	(447)	1,177	(823)	(1,123)
		173,391	639,063	7,330	38,740	1,737	3,174	1,685	4,152	2,090	2,624
Revaluation		-	76,565	-	-	-	-	-	-	-	-
Balance at 30th June 2023	7.4(b)	173,391	715,628	7,330	38,740	1,737	3,174	1,685	4,152	2,090	2,624

Note 8: Other disclosures

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Note 8.1: Reconciliation of net result for the year to net cash flow from operating activities

		Consolidated 2024 \$'000	Consolidated 2023 \$'000
Net result for the year	Note	(104,509)	60,476
Non-cash movements:			
Depreciation of non-current assets	4.6	98,583	66,354
Amortisation of non-current assets	4.6	-	5
Assets and services received free of charge		(1,303)	(6,200)
Loss allowance for receivables		5,450	5,098
Loss on revaluation of long service leave liability	3.2	(3,715)	8,356
(Gain)/loss on financial assets through profit & loss		(94)	(440)
Non-cash capital grants received from State Government		(25,402)	(118,868)
Movements included in investing and financing activities:			
Net (gain)/loss from disposal of non-financial physical assets		414	(66)
Capital donations and bequests received		-	(347)
Movements in assets and liabilities:			
(Increase)/decrease in receivables and contract assets		(28,717)	(12,924)
(Increase)/decrease in prepayments		(4,502)	(2,049)
(Increase)/decrease in inventories		874	457
Increase/(decrease) in payables and contract liabilities		(47,123)	35,986
Increase/(decrease) in employee benefits		50,421	21,691
Increase/(decrease) in other liabilities		(180)	300
Net cash inflow from operating activities		(59,805)	57,829

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.

Responsible Ministers	Period
The Honourable Mary-Anne Thomas MP	
Former Minister for Medical Research	1 July 2023 – 2 October 2023
Minister for Health	1 July 2023 – 30 June 2024
Minister for Health Infrastructure	2 October 2023 - 30 June 2024
Minister for Ambulance Services	2 October 2023 – 30 June 2024
The Honourable Gabrielle Williams MP:	
Former Minister for Mental Health	1 July 2023 – 2 October 2023
Former Minister for Ambulance Services	1 July 2023 – 2 October 2023
The Honourable Ingrid Stitt MP	
Minister for Mental Health	2 October 2023 - 30 June 2024
Minister for Ageing	2 October 2023 – 30 June 2024
The Honourable Lizzy Blandthorn MP:	
Former Minister for Disability, Ageing and Carers	1 July 2023 – 2 October 2023
Minister for Children	2 October 2023 - 30 June 2024
Minister for Disability	2 October 2023 - 30 June 2024
Governing Board	
Robyn Batten (Chair)	1 July 2023 – 30 June 2024
Andrew Conway	1 July 2023 – 30 June 2024
Monica Gould	1 July 2023 – 30 June 2024
Elizabeth Kennedy	1 July 2023 – 30 June 2024
David Lau	1 July 2023 – 30 June 2024
Deborah Cole	1 July 2023 – 30 June 2024
Ben Davison	1 July 2023 – 30 June 2024
Anna Peeters	1 July 2023 – 30 June 2024
Harvey Newnham	1 July 2023 – 30 June 2024
Accountable Officer	
Russell Harrison (Chief Executive Officer)	1 July 2023 – 30 June 2024

Remuneration of responsible persons

The number of Responsible Persons is shown in their relevant income bands:

Remuneration of responsible persons	Consolidated 2024 No.	Consolidated 2023 No.
The number of responsible persons are shown in their relevant income bands:		
Income band		
\$40,000 - \$49,999	2	1
\$50,000 - \$59,999	5	1
\$60,000 - \$629,999	2	8
Total numbers	9	10
	2024	2023
	\$'000	\$'000
Total remuneration received, or due and receivable by responsible persons from the reporting entity amounted to:	\$1,084	\$1,221

Amounts relating to the Governing Board Members and Accountable Officer of Western Health's controlled entities are disclosed in their own 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 officer, (excluding responsible persons), and their total remuneration during the reporting period is shown in the table below. Total annualised employee equivalent provides a measure of full time equivalent executive officers over the reporting period.

	Consolidated Total remuneration	
	2024	2023
	(\$'000)	(\$'000)
Remuneration of executive officers (including key management personnel disclosed in Note 8.4)		
Short-term employee benefits	2,424	2,271
Post-employment benefits	182	198
Other long-term benefits	71	100
Termination benefits	8	15
Total remuneration⁽ⁱ⁾	2,685	2,584
Total number of executives	7	8
Total annualised employee equivalent⁽ⁱⁱ⁾	6	7

(i) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of Western Health under *AASB 124 Related Party Disclosures* and are also reported within Note 8.4 Related parties.

(ii) 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.

Termination benefits

Termination of employment payments, such as severance packages.

Note 8.4: Related parties

Western Health is a wholly owned and controlled entity of the State of Victoria. Related parties of Western Health include:

- > all key management personnel (KMP) and their close family members
- > cabinet ministers (where applicable) and their close family members
- > controlled entities – Western Health Foundation Limited, Western Health Foundation Trust Fund
- > all Health Services and public sector entities that are controlled and consolidated into the State of Victoria financial statements

KMPs are those people with the authority and responsibility for planning, directing and controlling the activities of Western Health and its controlled entity, directly or indirectly.

Key management personnel

The Board of Directors and the Executive Directors of Western Health are deemed to be KMPs. This includes the following:

Entity	KMPs	Position Title
WH	Robyn Batten (Chair)	Board Chair
WH	Andrew Conway	Board Member
WH	Monica Gould	Board Member
WH	Elizabeth Kennedy	Board Member
WH	David Lau	Board Member
WH	Deborah Cole	Board Member
WH	Ben Davison	Board Member
WH	Anna Peeters	Board Member
WH	Harvey Newnham	Board Member
WH	Russell Harrison	Chief Executive Officer
WH	Mark Lawrence	Chief Financial Officer
WH	John Ferraro	Chief Operating Officer
WH	Abi Aruanandarajah	Chief Medical Officer
WH	Sandy Schutte	Executive Director People, Culture & Communications
WH	Tess Lye	Executive Director Strategy, Partnerships and Corporate Governance
WH	Shane Crowe	Executive Director Nursing & Midwifery
WH	Susan Wardle (until 31/01/2024)	Executive Director Strategy & Partnerships

The compensation detailed below excludes the salaries and benefits Portfolio Ministers receive. The Minister's remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported in the State's Annual Financial Report.

	2024 (\$'000)	2023 (\$'000)
Compensation - KMPs		
Short-term employee benefits	3,418	3,381
Post-employment benefits	248	223
Other long-term benefits	95	170
Termination benefits	8	15
Total⁽ⁱ⁾	3,769	3,789

(i) KMPs are also reported in Note 8.2 Responsible persons disclosure or Note 8.3 Remuneration of executives.

Significant transactions with government related entities

Western Health received funding from the Department of Health of \$1.5 billion (2023: \$1.4 billion), including indirect contributions of \$24.6 million (2023: \$21.1 million).

Expenses incurred by Western 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.

Transactions with key management personnel and other related parties

Given the breadth and depth of the State Government, related parties transact with the Victorian public sector in arm's length transactions similar to other members of the public. 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 requirements.

Outside of normal citizen type transactions with Western Health, there were no related party transactions that involved key management personnel, their close family members or 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 in 2024 (2023: none).

There were no related party transactions for Western Health Board of Directors, Chief Executive Officer and Executive Directors in 2024 (2023: none)

Controlled entity related party transactions

The transactions between the two entities relate to reimbursements made by the Western Health Foundation to the Western Health for goods and services and the transfer of funds by way of distributions made to Western Health. All dealings are in the normal course of business and are on normal commercial terms and conditions.

Western Health Foundation

The transactions between the entities relate to distributions made to Western Health from the Foundation and reimbursements to Western Health from the Foundation for the costs of fundraising activities.

	Consolidated 2024 (\$'000)	Consolidated 2023 (\$'000)
Distribution and reimbursements of funds by Western Health Foundation	1,009	1,255
Intercompany receivable at 30th June	1,009	1,255

Note 8.5: Remuneration of auditors

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Victorian Auditor-General's Office		
Audit of financial statements	148	169
Total remuneration of auditors	148	169

Note 8.6: Events occurring after the balance sheet date

No events occurred after the Balance Sheet date that need reporting.

Note 8.7: Controlled entities

Western Health's interest in the controlled entities is detailed below. The amounts are included in the consolidated financial statements under their respective categories:

Name of Entity	Country of Incorporation	Ownership Interest %	Equity Holding
Western Health Foundation Trust Fund	Australia	100%	100%
Western Health Foundation Limited	Australia	100%	Limited by Guarantee

Controlled entity contributions to the consolidated results

	2024	2023
	\$'000	\$'000
Net result for the year		
Western Health Foundation Trust Fund	(464)	574
Western Health Foundation Limited	-	-
	(464)	574

Western Health's interest in the above jointly controlled operations is detailed below. The amounts are included in the consolidated financial statements under the respective categories below.

Effective 30th June 2024, Western Health is the Corporate Trustee of the Western Health Foundation.

Contingent liabilities and capital commitments

There are no known contingent liabilities or capital commitments held by the controlled entity at balance date.

Note 8.8: Jointly controlled operations

Name of Entity		Ownership Interest %	
		2024(i)	2023
Victorian Comprehensive Cancer Centre.	The member entities have committed to the establishment of world leading comprehensive cancer centre in Parkville, Victoria, through the joint venture, with a view to saving lives through the integration of cancer research, education and training and patient care.	0.00%	10.00%

(i) Effective 31st October 2023, the Victorian Comprehensive Cancer Centre joint venture enacted changes to its constitution which no longer requires unanimous consent from all members for decisions. In addition, the Board structure changed from having a representative from each member entity to a hybrid Board comprising independent and member nominated directors. Consequently, the joint venture no longer meets the

definition of joint control under AASB11 Joint Arrangements and was derecognised by its members.

Contingent liabilities and capital commitments

There are no known contingent liabilities or capital commitments held by the jointly controlled operation at balance date.

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 Western 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 contributions or distributions or that have been designated as contributed capital are also treated as contributed capital.

Restricted specific purpose reserves

The specific restricted purpose reserve is established where Western 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.

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 de-recognition of the relevant asset.

Note 8.10: Economic dependency

Western 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. Western Health provides essential services and is predominately dependent on the continued financial support of the State Government, particularly the Department of Health, and the Commonwealth funding via the National Health Reform Agreement (NHRA). The State of Victoria plans to continue Western Health operations and on that basis, the financial statements have been prepared on a going concern basis.

TOGETHER, CARING FOR THE WEST

FOOTSCRAY HOSPITAL

Gordon Street
Footscray VIC 3011
Locked Bag 2
Footscray VIC 3011
8345 6666

SUNSHINE HOSPITAL

Furlong Road
St Albans VIC 3021
PO Box 294
St Albans VIC 3021
8345 1333

**SUNSHINE HOSPITAL RADIATION
THERAPY CENTRE**

176 Furlong Road
St Albans VIC 3021
8395 9999

**WESTERN CENTRE FOR HEALTH
RESEARCH AND EDUCATION**

Sunshine Hospital
Furlong Road
St Albans VIC 3021
8345 1333

**JOAN KIRNER WOMEN'S AND
CHILDREN'S AT SUNSHINE HOSPITAL**

Furlong Road
St Albans VIC 3021
PO Box 294
St Albans VIC 3021
8345 1333

SUNBURY DAY HOSPITAL

7 Macedon Road
Sunbury VIC 3429
9732 8600

WILLIAMSTOWN HOSPITAL

Railway Crescent
Williamstown VIC 3016
9393 0100

BACCHUS MARSH HOSPITAL

29 - 35 Grant Street,
Bacchus Marsh VIC 3340
5367 2000

GRANT LODGE RESIDENTIAL AGED CARE

6 Clarinda Street
Bacchus Marsh VIC 3340
5367 9627

MELTON HEALTH & COMMUNITY SERVICES

195 - 209 Barries Road,
Melton West VIC 3337
9747 7600

COMMUNITY MENTAL HEALTH & WELLBEING

Harvester Clinic, Sunshine VIC 3020
St Albans Community Care Unit, Albanvale VIC 3021
Burnside PARC, Deer Park VIC 3023

DAME PHYLLIS FROST CUSTODIAL CENTRE

101-201 Riding Boundary Road,
Ravenhall VIC 3023
9217 8400