



Annual Report

2025-26

South West Healthcare



Dr Muhammad Javaid, Nephrologist, and Assoc. Prof. Martin Klein, Nephrologist, began two Nephrology clinics in Camperdown and Hamilton in 2026.

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This report provides performance, quality and financial information covering the 2025-26 financial year. It has been prepared in accordance with the *Health Services Act 1988, Financial Management Act 1994*, Standing Directions of the Minister for Finance (Section 4 Financial Management Reporting) and Financial Reporting Directions (specifically FRD22).

All data published in annual reports is accurate at the time of publishing. Data may change following audit and data verification, which may not be finalised at the time of publishing.

Pictured front cover (top to bottom):
1. Mya Drake was the first Public Fertility Care baby born at South West Healthcare
2. Lee Morgan performing the Smoking Ceremony at NAIDOC week celebrations at Merindah Lodge, Camperdown
3. Leura Aged Care officially opened 21 August 2025.

South West Healthcare acknowledges the traditional owners of the land on which our campuses are located: Gunditjmara, Eastern Maar and Wadawurrung People's. We pay respect to Elders past and present and their continued commitment and connection to Country, land, waters and culture.

South West Healthcare commissioned indigenous artist, Sherry Johnstone to complete this artwork. This piece titled Wayapa Pineitch Kirnda - Together Positive Change symbolises South West Healthcare as a meeting place, the number of services we provide to the community, people coming together and taking steps towards reconciliation.



2301
Total number of staff members across all campuses

419
New staff members

Our service

Sharon Scott, Oncology Nurse assists patients at the South West Regional Cancer Centre, Day Oncology Unit.

South West Healthcare snapshot

Total number of inpatients



5.7%
INCREASE FROM PREVIOUS YEAR

People treated In ED



8.7%
INCREASE FROM PREVIOUS YEAR

Total number of people treated in Camperdown Urgent Care



5.9%
INCREASE FROM PREVIOUS YEAR

Day oncology patients treated at South West Regional Cancer Centre



4.5%
INCREASE FROM PREVIOUS YEAR

11,001
Items were hired from South West Healthcare Supplies

754
Total number of babies born

29
Number of clinical trials underway in 2025-26

526
Number of people who have received care in their home (Hospital in the Home, GEM@Home and Rehab in the Home)

3,561
Interactions with our Mental Health and Wellbeing service

230,018
Total inpatient meals prepared by our food services department

The Aboriginal Programs team provided support to

837
people in their access to ED, acute and outpatient care

27,864
Number of Dental Service occasions of service across Camperdown, Warrnambool, Hamilton and Portland.

About us

Our values

Our culture of care
We put the person at the centre of everything we do. We are compassionate and responsive to the needs of consumers of our service, their families, our staff and volunteers.

Our culture of respect
We behave in a manner that demonstrates trust, inclusion and mutual understanding. We respect diversity and communicate openly with consideration of others.

Our culture of integrity
We are transparent and ethical in all that we do. We are accountable for our decisions and actions. We embrace honest feedback and act on it.

Our culture of excellence
We ensure every interaction is of the highest standard, every time. We do not compromise on quality.

Our culture of leadership
We lead by example and empower everyone. We are strategic, responsive and resilient.

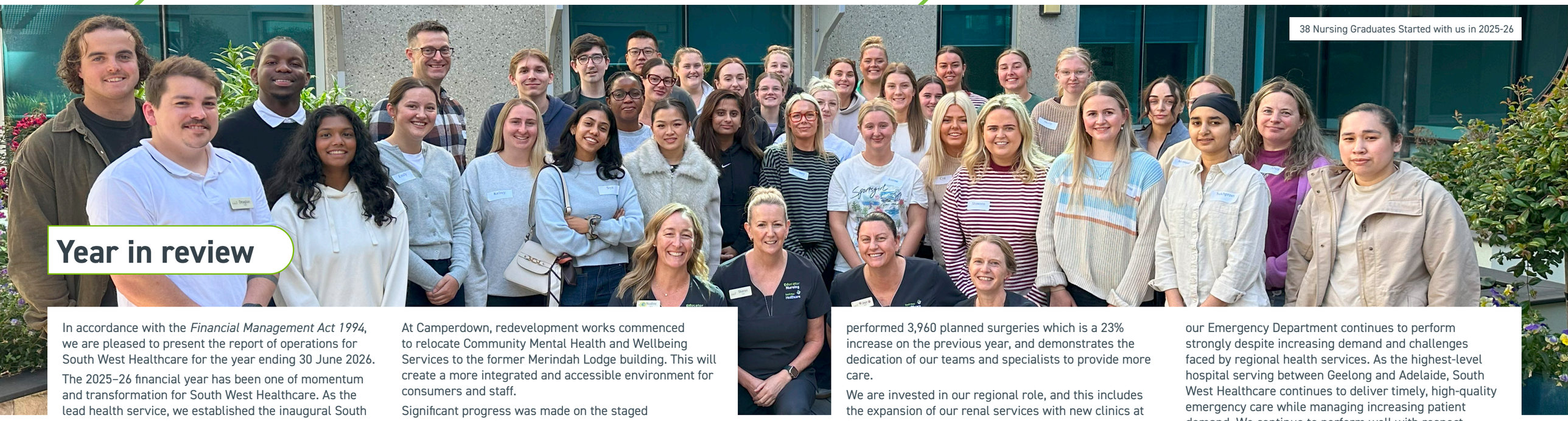
Our vision
Leaders in healthcare, Partners in wellbeing.

Our mission
To deliver exceptional care and achieve equitable health and wellbeing outcomes for people across South West Victoria.

Our locations



Our hospitals		
Camperdown Hospital	Robinson Street, Camperdown 3260	03 5593 7300 frontdesk@swh.net.au
Warrnambool Hospital	Ryot Street, Warrnambool 3280	03 5563 1666 info@swh.net.au
Our mental health and wellbeing services		
Camperdown	64 Scott Street, Camperdown 3260	03 5593 6000
Hamilton	122 Lonsdale Street, Hamilton 3300	03 5551 8418
Portland	152 Percy Street, Portland 3305	1800 808 284
Warrnambool	Koroit Street, Warrnambool 3280	03 5561 9100
Our aged care facility		
Leura Aged Care	Robinson Street, Camperdown 3260	03 5593 7366 agedcare@swh.net.au
Our community health centres		
Camperdown	140 Manifold Street, Camperdown 3260	03 5557 0900 mplace2@swh.net.au
David Newman Adult Day Centre	20a Church Street, Camperdown 3260	03 5593 7364 dcentre@swh.net.au
Lismore	High Street, Lismore 3324	03 5558 3000 lismore2@swh.net.au
Macarthur	12 Ardonachie Street, Macarthur 3286	03 5552 2000 macarthur@swh.net.au
Warrnambool	287 Koroit Street, Warrnambool 3280	03 5563 4000 intake@swh.net.au
Our laundry and supply facility		
Regional Logistics Distribution Centre	Cooper Street, Warrnambool 3280	03 5564 4211 supply@swh.net.au
Our dental services		
Camperdown	140 Manifold Street, Camperdown 3260	03 5557 0915 camperdowndental@swh.net.au
Hamilton	2 Roberts Street, Hamilton 3300	03 5551 8347 dental@swh.net.au
Portland	Bentinck Street, Portland 3305	03 5563 1500 dental@swh.net.au
Warrnambool	287 Koroit Street, Warrnambool 3280	03 5563 4250 dental@swh.net.au



Year in review

In accordance with the *Financial Management Act 1994*, we are pleased to present the report of operations for South West Healthcare for the year ending 30 June 2026.

The 2025–26 financial year has been one of momentum and transformation for South West Healthcare. As the lead health service, we established the inaugural South West Local Health Service Network with our partner South West health services. This is a huge development for the future of health care in our region and as one of twelve networks in the State, this will ensure our region develops more connected care closer to home.

In addition, we have continued to expand our South West Healthcare services, invest in modern infrastructure, and improve access to care closer to home for the communities we serve.

This progress reflects the dedication of our workforce, the strength of our partnerships, and our shared commitment to delivering high-quality, safe and sustainable healthcare across the South West.

Construction of the Warrnambool Base Hospital redevelopment reached several significant milestones this year, marking visible progress toward the delivery of a modern health facility that will support the region for decades to come.

The demolition of the former supply and laundry buildings cleared space for the critical underground infrastructure required to support the new clinical services building and future expansion of the campus.

The Main Works phase with the first major structural elements is now well underway. These milestones represent an important shift from planning to delivery, bringing the redevelopment to life on site. Two tower cranes were named in recognition of long-serving staff members, Carmel McLaren and Julieta Blain and valued volunteer, Neville Hogan.

Investment in infrastructure extended beyond the redevelopment project to include the refurbishment of the Warrnambool campus cafeteria, digitising our medical records, and expanding accommodation for Health Information Services.

At Camperdown, redevelopment works commenced to relocate Community Mental Health and Wellbeing Services to the former Merindah Lodge building. This will create a more integrated and accessible environment for consumers and staff.

Significant progress was made on the staged redevelopment of the Warrnambool Mental Health Acute Inpatient Unit, with key milestones achieved this year. The project will add five beds and deliver new and upgraded spaces, including a mental health intensive care area, low dependency unit, refurbished rooms, therapy areas and family meeting spaces. A new Vulnerable Persons Unit and Victoria's first negative pressure mental health inpatient room have also been introduced. These upgrades are enhancing mental health care in a safer, more modern and recovery focused environment, with completion expected in 2026.

Our mental health and wellbeing teams have expanded significantly, including a 15% overall increase in staff employed across all department teams in a twelve-month period. This has allowed us to expand mental health and wellbeing services, increase the number of available community-based appointments and improve overall responsiveness to community needs.

More broadly, we welcomed 419 new staff members, recruiting to a number of strategic medical specialist roles including Anaesthetics, Emergency Medicine, General Medicine, Nephrology, Geriatrics, Intensive Care, Oncology, Orthopaedics, Paediatrics, Plastic and Reconstructive Surgery, and Rehabilitation.

Additional staffing and medical services have allowed us to expand our public outpatient clinics which provided 8,433 appointments this year across gastroenterology, haematology, rheumatology, nephrology, geriatrics, general surgery and other clinics. Adding a renal liaison nurse and two gastroenterology health nurses further enhances care within the clinics.

Planned surgery has been a success for 2026, with the team working incredibly hard across a newly implemented 7-day roster to address surgical wait times. In the 2025-26 financial year South West Healthcare performed 3,960 planned surgeries which is a 23% increase on the previous year, and demonstrates the dedication of our teams and specialists to provide more care.

We are invested in our regional role, and this includes the expansion of our renal services with new clinics at Camperdown and Hamilton improving access to specialist care closer to home. Our Geriatric and Rehabilitation medical teams also continued to grow, supporting older people to maintain independence and recover safely within their communities.

Our Geriatric team has expanded significantly to meet growing demand, increasing from one specialist to five in 2026, alongside strong growth in our training program from one registrar application in 2024 to 13 in 2025. The Geriatric ED Admissions program continues to support older patients to be treated safely at home, reducing hospital stays. Between March 2025 and February 2026, 68% of eligible patients avoided admission or stayed less than 24 hours, with an estimated 4,701 bed days saved over the life of the program.

In 2026, our ICU transitioned to an intensivist-led model of care, under a dedicated ICU Clinical Director and with the assistance of eight specialist Intensive Care physicians. This has allowed us to treat a wider range of critically unwell patients in Warrnambool. Significant investment was made in nursing recruitment and training to adapt to the new model, growing from a full time equivalent of 15, to 34 nursing staff with specialist skills. This provides a strong base to provide more complex and comprehensive care.

Home care is strategically growing to meet our goal of providing the right care in the right place, closer to, and in, the home with 526 people receiving care in their home this year. The overall percentage of admitted days delivered at home was 10.2% with a target of 7.7%. Our Hospital Admission Risk Program, designed to deliver preventative care to at-risk individuals to avoid hospitalisation, saw over 567 people in their home or community-based settings.

Led by our new Specialist Clinical Director of Emergency, our Emergency Department continues to perform strongly despite increasing demand and challenges faced by regional health services. As the highest-level hospital serving between Geelong and Adelaide, South West Healthcare continues to deliver timely, high-quality emergency care while managing increasing patient demand. We continue to perform well with respect to admission time from Ambulance to Emergency Department with 84% of patients transferred from an ambulance to a hospital bed within 40 minutes, well above the target of 80%.

Our Emergency Department and Urgent Care have both seen an increase in the number of people seeking care, despite the establishment of an Urgent Care Clinic in Warrnambool and promotion of available Virtual Care across the State. The Warrnambool Emergency Department saw 27,807 people present, more than 2,000 more people than the previous financial year, with the Camperdown Urgent Care seeing 3,607 people, over 200 more than 2024-25.

Inpatient numbers also continue to climb upwards with the hospital seeing one of its busiest years on record. 26,655 people were admitted as inpatients to our wards in both Camperdown and Warrnambool combined.

The establishment of the South West Local Health Service Network also marked a major milestone in regional healthcare reform, and 2025–26 represented the Network's first full year of operation.

As the lead agency, South West Healthcare has worked closely with partner health services to build the foundations of a more coordinated, connected and sustainable regional health system. This has included establishing governance structures, developing the Network's inaugural three-year strategy, and progressing a comprehensive Clinical Services Plan to guide future service delivery across the region.

As the Network moves into its second year, the focus will shift from establishment to delivery, translating these strong foundations into tangible care improvements across the South West (read more on page 50).

During the year, South West Healthcare developed its



L-R South West Healthcare Consumer Advisors David Gittens, Julienne Clifford, Valerie Cameron.

new Strategic Plan for 2026–2030, shaped by the voices of our staff and stakeholders. The plan outlines our vision and direction for the next five years and identifies 12 strategic priorities aligned with four key pillars: delivering outstanding care, fostering excellence together, partnering for impact and shaping the future. This positions South West Healthcare to respond to changing community needs, strengthen partnerships and continue leading healthcare innovation.

It has been a strong year for research and clinical trials at South West Healthcare, with more studies and broader reach than ever before. We now run 29 active trials across cancer and other areas including aged care, stroke and palliative care. Tele trials allow patients to take part locally, reducing the need to travel long distance for care. Consumers from across South West Victoria are now able to take part in research locally, giving them better access to new treatments and leading to improved health outcomes.

We had record attendance at our third annual Research Day strengthening collaboration, and work has begun on a new research strategy to guide future priorities in regional and rural health.

Sustainability initiatives reduced our environmental impact whilst improving operational efficiency. A Battery Energy Storage System was installed at Rotary House Warrnambool, enabling the facility to store excess solar energy, support operations during power outages and reduce energy costs. A new solar array was also installed at Hamilton Community Mental Health and Wellbeing, contributing to long-term energy sustainability.

The volume of clinical waste sent to landfill was further reduced with the installation of a fluid waste diversion unit in the Camperdown theatre.

Staff-led environmental initiatives have delivered measurable results. The Blue Gloves campaign, designed to promote appropriate glove use and strengthen hand hygiene practices, achieved a significant reduction in glove consumption while supporting infection prevention and environmental sustainability. The initiative was recognised as a finalist in the 2025 Victorian Public Health Awards for creating a sustainable and climate-resilient health system.

Consumers are at the heart of everything we do, and the consumer voice has been amplified over the past year so that we live up to our values of partnering in care. 2026 saw the launch of the Great Healthcare Experience Strategy, which saw more than 245 consumers surveyed across all campuses about their experience, with input gathered by 21 of our registered Consumer Advisors. This feedback is now embedded to guide ongoing improvements.

A great example of person-centred care was recognised at the 2025 Victorian Public Healthcare Awards, where the Leura Aged Care team developed a no-melt ice cream for a resident with swallowing difficulties, helping them enjoy the same experience as others.

Many of our teams have increased their visibility across the community in order to positively influence health and wellbeing, such as our Community Health team in Camperdown and Lismore who held two Women's Health evenings attended by more than 300 people, as well as CPR and first-aid training and health information nights for farming families. Our Families where a Parent has a Mental Illness (FAPMI) team hosted an 'Amazing Race' school holiday program for students who were identified by their schools as needing support. The program provided targeted mental health education, wellbeing support and practical life-skills development in a highly engaging and non-clinical environment.

Despite significant change and innovation this year, quality and safety remain central to all we do. A new de-identified central dashboard now tracks incidents across the service, helping teams quickly identify patterns and take action. We've also introduced a standard approach to reviewing responses when patients become seriously unwell, helping teams learn from incidents and identify improvements. Since the start of the financial year, 265 reviews have been completed.

Electronic Health Records put patient information at the fingertips of our clinicians. This year, our Health Information team successfully coordinated the transition of over 205,000 paper medical records offsite for scanning, enabling secure electronic access. This has improved access to information, supported clinical decision-making and enhanced the patient experience.

In addition, we are also upgrading our electronic medical record, with a major regional rollout scheduled for 2026-27. This project will support greater integration and move South West Healthcare and all health services in the region closer to fully electronic health records.

The year ahead will bring continued change and opportunity as we prepare for the next phase of the Warrnambool Base Hospital redevelopment and continue strengthening regional partnerships through the South West Local Health Service Network.

With a clear strategic direction, a growing workforce and strong community support, South West Healthcare is excited about the future of healthcare in our region. We remain focused on delivering safe, high-quality care and improving health outcomes for the people of South West Victoria.

Allison Patchett
Board Chair



Craig Fraser
Chief Executive Officer





A place to call home: one year of Leura Aged Care

In August 2025, South West Healthcare marked a significant milestone with the completion of its $39.6 million greenfield aged care development in Camperdown - Leura Aged Care. Replacing the facility previously known as Merindah Lodge, the new facility represents the culmination of more than a decade of advocacy, planning and partnership, made possible through Victorian State Government funding announced in 2022-23 and sustained community support across the Corangamite region.

Since welcoming its first residents, Leura Aged Care has quickly established itself as more than just an outstanding building. Its first year has been characterised by connection, generosity and a shared commitment to ensuring older people in the region can age with dignity, purpose and belonging.

Designed for dignity, independence and connection

Leura Aged Care was purpose-built around a simple yet powerful principle: residents should be supported to live well, in a place that feels like home, for as long as possible. Designed to support ageing in place, the facility enables residents to remain in familiar surroundings as their care needs change, with services flexing around individual wellbeing rather than requiring future relocation.

Thoughtful design choices throughout the building support independence, accessibility and social connection, ensuring residents can continue to live rich, meaningful lives within a safe and supportive environment.

Community support that made the difference - turning a house into a home

While the core facility was delivered through government investment, community generosity has played a remarkable role in transforming Leura Aged Care from a state-of-the-art building into a warm and welcoming home.

Over several years, community fundraising efforts raised more than $562,000, enabling enhancements beyond the original scope of works. These funds supported features that residents now enjoy every day, including a purpose-built hair and nail salon, therapeutic gardens, and an outdoor exercise circuit designed to promote mobility, wellbeing and enjoyment of the outdoors.

Welcoming the community in

Community connection has been central to Leura Aged Care from the very beginning. Ahead of the official opening, more than 300 community members attended a special open day, taking part in guided tours, meeting staff and experiencing the new facility firsthand.

Guests were welcomed with complimentary refreshments from the on-site Sugarloaf Café, showcasing what has since become one of the facility's most popular and well-loved spaces.

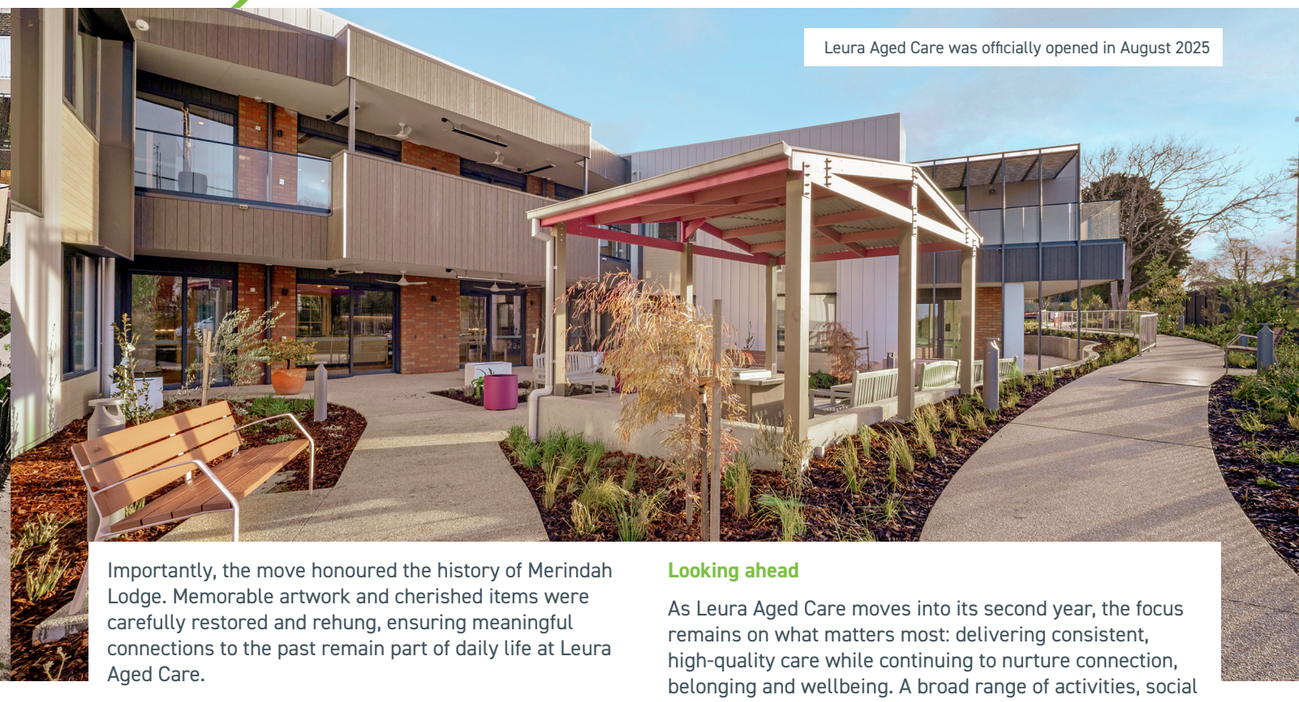
Community involvement extended even to the facility's name. Residents developed a shortlist, which was then opened to a community vote across towns including Camperdown, Cobden, Timboon, Lismore, Derrinallum and Peterborough. More than 450 people participated, ensuring the name Leura truly reflects the community it serves.

Moving day: a new chapter begins

The official opening on 21 August 2025, attended by the Minister for Ageing, Ingrid Stitt, marked a proud moment for residents, families, staff and the broader community who contributed to bringing the project to life.

Relocating to a new aged care facility can be a major life transition. At Leura Aged Care, careful planning and strong collaboration ensured the move was both smooth and positive.

Residents moving into the facility were supported by staff and families working side-by-side throughout the day. Wherever possible, residents were invited to choose their rooms in advance, helping foster a sense of familiarity, comfort and ownership from the very beginning.



Leura Aged Care was officially opened in August 2025

Importantly, the move honoured the history of Merindah Lodge. Memorable artwork and cherished items were carefully restored and rehung, ensuring meaningful connections to the past remain part of daily life at Leura Aged Care.

Life at Leura: the first year

Over its first year, Leura Aged Care has grown into a vibrant and welcoming community. Residents have embraced new opportunities - from social gatherings and creative activities to peaceful moments spent in the landscaped gardens.

The Sugarloaf Café has emerged as a central hub of activity. Open Monday to Friday, it provides a welcoming space for residents, families, staff and members of the public to connect over meals, snacks and barista-made coffee. For residents, it has become a favourite place to meet loved ones and remain connected to the life of the town. Operationally, the café also supports staff meals and provides catering for Camperdown Hospital. A new state of the art commercial kitchen included in the 'back of house' operations serves nutritious meals for residents as well as being used for staff meals and catering, and patient meals on the wards.

The modern facility has enabled events that were not previously possible, including regular outdoor barbecues and a large family Christmas celebration, which brought residents, families and staff together.

Feedback throughout the year has been overwhelmingly positive, with residents, families and staff noting how quickly Leura Aged Care began to feel like home. Consistent enquiry levels continue to reflect strong community confidence in the service.

Looking ahead

As Leura Aged Care moves into its second year, the focus remains on what matters most: delivering consistent, high-quality care while continuing to nurture connection, belonging and wellbeing. A broad range of activities, social programs and support services ensures residents remain engaged, active and connected to the community in which they live.

Perhaps the most powerful story of Leura Aged Care's first year is what it represents — a genuine community effort. From fundraising initiatives and choosing the facility's name to supporting residents through the transition into a new home, the region has played an integral role at every step. This collective contribution has helped shape Leura Aged Care into more than a facility; it is a place where people feel known, supported and at home.

That spirit of renewal continues beyond aged care. In March 2026, South West Healthcare commenced renovations on the former Merindah Lodge site, transforming it into a new Community Mental Health and Wellbeing facility. Once complete, the redevelopment will bring community mental health services together at the Camperdown Hospital site, co-locating them with other essential services to improve access and care coordination. The facility is expected to reopen to the public later in 2026, forming part of South West Healthcare's continued investment in modern, dignified and accessible healthcare for the region.

Walking together towards equality in healthcare outcomes for Indigenous communities

South West Healthcare is dedicated to the health and wellbeing of our Aboriginal and Torres Strait Islander community. We recognise that there is a gap in health outcomes between indigenous and non-indigenous Australians and that as the region's largest health service we have a significant role to play in closing this gap.

Indigenous communities in South West Victoria have historically experienced significant trauma, displacement and treatment, which has led to generational distrust of institutions – including healthcare services. We recognise the truth of this history and work tirelessly throughout the year to ensure that our service is a welcoming and safe space for families to repair this relationship and heal associated inter-generational traumas. We do this through events where community are welcomed, through dedicated clinical services and spaces to support the unique needs and lived experience of the community and by being involved in the community through outreach programs, projects and events which staff thoroughly enjoy participating in. Our teams also engage in cultural awareness workshops and training to better understand the lived-experience and the personal perspectives of our community, so that we can adapt our practice to accommodate this. In 2025-26 South West Healthcare's Aboriginal Programs team assisted 837 indigenous individuals and families in both inpatient and community settings.

Artwork on show for NAIDOC Week and beyond

As a new addition to the NAIDOC celebration, South West Healthcare held an expression of interest for local artists to submit a design which was to be used in a special run of NAIDOC scrubs for all staff to wear as a visual sign of support and safety to our community.

The winning design by artist Tarni Jarvis was chosen by a panel of Eastern Maar citizens and featured a green, white and yellow design entitled 'River meets Ocean'. The design tells the stories of journey and connection to country and the passing of knowledge and strength that youth gain from elders and knowledge holders. It also shows the role that country has in teaching us our stories and values, which Tarni noted were "similar to South West Healthcare's values".

All staff received a scrub top to wear throughout the year, as well as a lanyard for employee identification cards in the 'River Meets Ocean' design to show their support for NAIDOC and for First Nation's communities year-round. The scrubs have been well received by the community – they stand out on the wards as a striking visual symbol of culture and have been embraced collectively by staff and worn with pride all year round.



Pictured from left: CEO Craig Fraser, Emergency Department Nurse Unit Manager Jess Brereton and artist Tarni Jarvis.

Indigenous scholarships

In 2026, South West Healthcare launched dedicated scholarships to assist Aboriginal and Torres Strait Islander students to pursue a meaningful career in healthcare. The program provides financial, cultural, academic and professional support for students from secondary school through to tertiary study. It aims to create clear pathways into health careers while building a workforce that better reflects and supports the communities we serve.

The scholarship program has been designed to remove barriers to education and provide consistent support throughout a student's learning journey. It recognises that early engagement, mentorship and financial assistance can make a lasting difference in helping students complete their studies and transition into employment. We look forward to building on this in the years to come.

Year round programs provide on-going clinical support to close the gap

South West Healthcare is proud to support Aboriginal and Torres Strait Islander communities with continued investment in dedicated health services, clinics and programs including:

- The appointment of three new Aboriginal Liaison officers to support cancer patients across the region, including in Hamilton and Portland and one new Aboriginal Chronic Care Liaison Officer based in Warrnambool.
- Aboriginal Programs and Warrnambool Community Health Dental teams once again partnered to support the four Aboriginal Community Controlled Health Organisations (ACCHOs) and Aboriginal communities across the South West region with fitting and supplying 46 children with mouthguards for sport, ensuring that Aboriginal and Torres Strait Islander families had equitable access to oral protection to boost participation and safety in sport, as well as general oral checkups for better health.
- Cultural support is provided to Aboriginal patients, families, and community members ensuring care is culturally safe, respectful, and responsive to individual needs across all services and wards. These supports may include offering families the opportunity to conduct a smoking ceremony, providing possum skin and kangaroo skins for patients, culturally appropriate meals, soft music and oil burners, and the provision of ochre for patients and families - and working closely with families to accommodate cultural and personal requests wherever possible.
- Continued use and investment in the Aboriginal Family Room at Warrnambool Base Hospital – a dedicated space where families can gather when visiting a loved one, or where patients can find space to reflect, wait for appointments or find comfort when accessing the Emergency Department.
- Cultural Safety Training Partnerships with Terang and Mortlake Health Service, Moyne Health Services, and Eastern Maar Aboriginal Corporation to develop and deliver locally informed Cultural Safety training across the three health services. This work represents an ongoing commitment to strengthening and improved understanding of culturally safe practices resulting in improving care for Aboriginal communities across the region. The locally delivered training complements the new online Cultural Safety training statewide module currently being developed by the Aboriginal Unit within the Department of Health, in partnership with Victorian local ACCHOs.
- South West Healthcare's Infant, Child and Youth Mental Health and Wellbeing Services staff participated in ongoing trauma-informed care training throughout 2025, delivered by the Victorian Aboriginal Child Care Agency, Eastern Maar Aboriginal Corporation, and Gunditj Mirring. This training will continue into 2026, further strengthening culturally responsive, trauma-informed practice across services.



The Family With a Parent With a Mental Illness (FaPMI) and Mental Health and Wellbeing Aboriginal Liaison Officer worked collaboratively to host an 'Amazing Race' activity for school students to help build resilience and familiarity with support services.



Aboriginal programs Team, hosting one of their networking BBQ events, designed to bring together our staff, Aboriginal Controlled Community Health Organisations (ACCHOs), and other community groups.

- Regular birthing education classes held in partnership with the South West Healthcare Maternity team, Infant Feeding Support team, Social Workers and Perinatal Mental Health for Aboriginal families team, which include information tailored to Aboriginal and Torres Strait Islander culture so that families can familiarise themselves with all of the supports that are available to them should they wish to birth traditionally on country, within the hospital setting. This includes an orientation to our Aboriginal birth suite.
- South West Healthcare's School Readiness program – a multidisciplinary team of Occupational Therapists, Social Workers, Speech Pathologists and other allied health practitioners were again recognised for excellence for their work with vulnerable families through the Mitchell Park and Elsa McLeod playgroups and Kindergartens. These playgroups offer a safe space for families – a majority of which are indigenous - to access early intervention supports for childhood development and were finalists in the Victorian State Government's Early Years Awards.
- Ongoing Mental Health support programs in both the community and inpatient settings, staffed with a dedicated Mental Health Aboriginal Liaison Officer.

NAIDOC Week

NAIDOC is a highly celebrated and anticipated event for the year bringing our local Aboriginal community and staff members from various teams across our service together to host a week of events, culminating in our community open days in Camperdown and Warrnambool.

Residents of Camperdown and Leura Aged Care were invited to a smoking ceremony and yarn hosted by Lee Morgan and held in the old Merindah Lodge garden. Formed earlier in the year – the Reconciliation Choir, composed of volunteer staff members and musicians – performed live again with local artist Lee Morgan, singing "Solid Rock".

At Warrnambool's NAIDOC event, staff and members of the community were also welcomed to a Community Lunch with a Smoking Ceremony and Welcome to Country performed by local artist Sherry Johnstone. The Warrnambool Community Lunch also featured special guest speaker and former AFL Footballer Gavin Wanganeen as well as an expo where emergency services and community groups were invited to exhibit with interactive activities. The event was supported once again by the Worn Gundidj Nursery who provided native plants for staff and visitors to take home to help revegetate our local landscape. Books were donated to local children featuring dreaming stories and celebrating indigenous heroes and heroines, and a complimentary lunch was provided to all who attended. The event was featured on local media as well as South West Healthcare's media channels for staff to take part in remotely.

Close the Gap Day at Kirrae Health

In March 2026, South West Healthcare attended Close the Gap Day at the Kirrae Health Service in Framlingham. Close the Gap Day recognises the leadership of Aboriginal and Torres Strait Islander communities and the ongoing work needed to achieve health equity. A number of our teams including Warrnambool Community Health, Allied Health, Mental Health and Infection Prevention teams hosted interactive stalls offering advice and information on programs and services available at South West Healthcare.

Koorie Karnival

Held in March 2026, South West Healthcare staff attended the Warrnambool Koorie Karnival presented by the Koori Way – an annual event which brought together the four ACCHOs from across the South West. The Koori Karnival offered Live music, fun and games for all ages, cultural activities and delicious food and interactive stalls from organisations including South West Healthcare. This promoted healthy, strong and connected communities and was a vibrant community celebration of culture, creativity, and connection. There were live music performances from Aboriginal and Torres Strait Islander artists, Blak Market stalls, community partnership stalls, food trucks, cultural activities, animal encounters and kids entertainment and activities.

The regional event is proudly coordinated by Kirrae Health Service, Dhauwurd-Wurrung Elderly and Community Health Service, Gunditjmara Aboriginal Cooperative, and Winda-Mara Aboriginal Corporation.

Reconciliation Week 2026

Reconciliation activities in 2026 built upon the successful format delivered in 2025. The South West Healthcare Reconciliation Choir – celebrating it's first anniversary - performed for staff, supported again by artist, Lee Morgan, featuring the reconciliation song "Beds Are Burning". The choir were also taught to sing a song in the Gunditjmara language, providing an opportunity for staff to celebrate and strengthen local cultural connections.

Those who attended had the chance to sample muffins made with native ingredients and to take home native plants sourced from Worn Gundidj native nursery.



NAIDOC celebrations in 2025: (L-R) Infection Prevention Manager Jenny Lukeis a key member of the Reconciliation Choir, who performed with local artist Lee Morgan, with support from our Aboriginal Programs Team, including Aboriginal Liaison Officer Fiona Stafford.

Highlights



South West Healthcare represented by three teams in the Murray to Moyne fundraising race.



Portland Dental attendances were 2,074 in 2025-26.



We officially opened Hamilton Mental Health and Wellbeing on 26 August 2025.



Fun Scrubs Friday/ Casual Dress was introduced following feedback from the People Matter Survey.



David Newman Centre continued to support the Camperdown community with social support services.



Jennifer is one of eight South West Healthcare 2026 scholarship recipients.



One of two Women's Health Information nights held in Lismore and Allansford.



Easter Bunny was spotted in Camperdown and Warrnambool, visiting patients, staff and residents at Leura Aged Care.



Mya Drake was born in August 2025, making her the first Public Fertility Care baby born at South West Healthcare.



We collaborated with Terang and Mortlake Health Service to deliver a Farmer and Family event in Noorat.



98.45% of staff received their flu vaccination.



The Leading with Clarity program saw 31 graduate from the Leadership Development Program.



Holiday Actors and Santa spread the Christmas cheer across the hospital in December 2025.



Dr Muhammad Javaid and Dr Martin Klein expand Renal Services to Hamilton and Camperdown.



100% compliance with Healthy Choices policy directive in cafes', staff cafeteria and vending machines.



Implemented the Great Healthcare Experience Strategy. Staff engagement and community outreach supported its rollout across South West Healthcare.



The Administration Conference was an opportunity for administration staff to upskill and network.



Leura Aged Care and Gloves on, Gloves Off campaign awarded finalists at the Victorian Public Healthcare Awards.



82%
of staff are proud to say they work at South West Healthcare.
(PMS Survey)

93%
of staff say they achieve something important through their work
(PMS Survey)

Our people

South West Medical Centre colleagues, Tracey Brady (left) and Katrina Hoye (right) have been at South West Healthcare for a combined total of 65 years.

Our people

South West Healthcare has delivered yet another year of significant achievements and outstanding care for our community, and we have only been able to do so with the huge commitment of our people who are at the centre of everything we do. Our dedicated and collaborative teams work tirelessly to deliver quality care outcomes in partnership with our consumers, therefore our investment in staff to further develop and thrive in their roles, translates to better care for our communities.

Leading with Clarity

Leveraging off the success of the last two years, South West Healthcare transitioned into our third year of the Huron Studer Leading with Clarity Program – with a specific focus on care and consumer experience. Providing our leaders with the tools to better engage with our consumers to enhance their healthcare experience, communicate clearly and effectively within their teams, and deliver patient-tailored care that improves health outcomes continues to be our primary focus. Our managers state they are more confident in their roles, are more focused on the patients' whole experience, and are more equipped to lead with purpose, due to the work that has been done in this program.

Leadership Development Program

Developing our emerging leaders ensures building capabilities for individuals regardless of their role or formal position. In 2025 a cohort of 27 leaders from South West Healthcare and four from neighbouring health services graduated from our Leadership Development Program. South West Healthcare's Leadership Development Program provides managers with skills to have difficult conversations with their teams, establish regular rounding and accountability meetings and develop their management skills. The direct impact to our participants in their leadership journey was striking.

"This program helped me understand my strengths and values more deeply, and it completely reshaped how I show up as a leader."

"I've learned practical tools I now use every day — especially for communication, feedback and leading with confidence."

"I've learned to lead with empathy, accountability and curiosity. My communication is clearer, calmer and more values aligned."

LEAD Program

South West Healthcare is proud to also have developed the LEAD Program drawing upon internal subject matter experts to share their skills and knowledge in formal leadership training sessions - available to all staff who wish to take part. In 2025-26 we offered management development skills training across 13 different subjects with 216 of our current and emerging leaders attending.

We continue to expand our LEAD Program to ensure our emerging leaders are equipped with the skills they need. The LEAD Program is a key objective of the South West Healthcare People Strategy, further articulating our long term commitment to developing leaders from within.

Our skilled workforce

South West Healthcare proactively explores opportunities to further enhance professional pathways for all of our staffing cohorts – both clinical and non clinical – across all disciplines. One of the many professional development opportunities delivered was the Certificate IV in Health Administration. This program successfully supported 23 staff to undertake a nationally recognised qualification, opening new doors for our administration staff to progress their careers and to standardise processes across the organisation for consistency and professionalism. This exciting initiative has been met with such enthusiasm, planning for next year's program is already underway.

As well as ensuring our current workforce is provided with opportunities to grow their career, we are committed to engaging with our next generation of employees. Our engagement with the South West communities to promote the various career pathways on offer, are complemented by our attendance at student-focused career expos including Neil Porter Career Expo, Koori Careers and Aspirations Day and Nursing Career Expo, to name a few. Feedback by attendees has been overwhelmingly positive with many of our young local community members genuinely excited to start their career journey with South West Healthcare, and considering rural healthcare pathways.

South West Healthcare Scholarship Program

This year we were proud to further expand the South West Healthcare Scholarship Program. Scholarship offerings spanned multiple disciplines, with financial support provided to staff who may not have otherwise been able to access study. The program is a testament to South West Healthcare's commitment to equality, improving staff engagement and job satisfaction and supporting our staff in their career aspirations. Eight



Pictured (from left): Board Chair, Allison Patchett, 2025 AEW Matthews Travelling Scholarship recipient, Chris McGrath and CEO Craig Fraser.

scholarships were awarded to staff who took up further education opportunities at certificate, undergraduate and post-graduate levels. Some staff sought to extend their current career pathways, while others sought complete career changes, inspired by another area within the health service.

Recognising our staff

We are proud to recognise and celebrate the various professions across South West Healthcare and the contribution they make, through annual professional recognition days. This year we recognised both national and international days for Administration and Support staff, Nurses and Midwives, Allied Health professionals, Doctors and Specialists, and our healthcare support workers. These special days provide an opportunity to give thanks to these professions for which, without their expertise, South West Healthcare could not achieve all that we do.

Of particular importance this year was International Women's Day, celebrated in March to honour the contribution of women across South West Healthcare and the role they play in the health and wellbeing of women and girls. To further support the important leadership role women play in our organisation, three scholarships were awarded to staff to attend the Monash's Women in Health Leadership Program, which focuses on overcoming the unique challenges faced by women in leadership.

Honouring excellence

In 2025, the AEW Matthews travelling Scholarship was awarded to South West Healthcare's Healthcare Data Analyst, Chris McGrath, who attended the Healthcare Information and Management Systems Society 2026 conference in Copenhagen to better understand how Artificial Intelligence can be used in healthcare.

Staff health, safety and wellbeing

Ensuring our staff are healthy and well continues to be a key priority in order to retain our resilient and high performing workforce. This year we fostered staff wellbeing through a number of initiatives including; R U Ok Day, Ride To Work Day and Crazy Socks for Docs. We also celebrated a number of recognition occasions including IDAHOBIT Day, Reconciliation Week, Wear it Purple Day, and NAIDOC Week.

Providing a safe workplace where injuries and harm are minimised is intrinsically linked to staff health and wellbeing. Our focus on striving for an injury-free workplace has not waned as we continue to identify, assess, control and mitigate risks that may result in workplace injuries and incidents. Occupational violence and aggression, psychosocial risks and manual handling injuries continue to be priority areas for elimination, and with ongoing training, education, support and guidance, we are making significant progress.

A culture of respect

To further strengthen our organisational culture and to promote a safe and respectful workplace, we delivered a *Respect Matters* campaign and education program with supporting resources aimed at:

- Preventing bullying, harassment, and discrimination,
- Managing perceptions of work-related stress,
- Promoting wellbeing and mental health,
- Creating psychologically safe teams, and
- Modelling the South West Healthcare Values in everything we do.

The program continues to be delivered periodically with nearly 200 staff having already participated.

Workforce data — **Table 1.1**

Labour category	June current month FTE		Average monthly FTE	
	2025	2026	2025	2026
Nursing	599	619.01	577	631.85
Administration and Clerical	232	235.38	232	237.82
Medical Support	59	58.13	57	59.67
Hotel and Allied Services	162	156.86	162	171.26
Medical Officers	32	30.72	33	29.86
Hospital Medical Officers	101	105.19	98	106.59
Sessional Clinicians	13	14.88	13	14.4
Ancillary Staff (Allied Health)	194	207.63	188	208.39

Occupational health and safety statistics — **Table 1.2**

	2023-24	2024-25	2025-26
The number of reported hazards/incidents for the year per 100 FTE	41.24	46.65	51.78
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	0.76	0.50	0.27
The average cost per WorkCover claim for the year ('000)	$70,899.66	$38,791	$41,628.05

Occupational violence statistics — **Table 1.3**

	2025-26
Workplace accepted claims with an occupational violence cause per 100 FTE	0
Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,000, 000 hours worked	0
Number of occupational violence incidents reported	535
Number of occupational violence incidents reported per 100 FTE	37.4
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	0

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 2025-26.
- 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.

Staff service awards

This year we celebrated 148 staff who have been working at South West Healthcare for 10 or more years. Collectively these staff members have dedicated more than 2,970 years towards caring for our community.

Among those who were recognised were Jennifer Atwell (45 years), Susan Wines (45 years), Tracey Brady (40 years), Marita Byron (40 years), Glenda Cotton (40 years), Robyn Drake (40 years), Josephine Pearson (40 years) and Joanne Place (40 years).

Robyn Drake began working at Brierly in Warrnambool in 1986 as a food services attendant before moving to the Warrnambool Base Hospital and beginning an adult apprenticeship to become a Chef. She has worked in our kitchens ever since serving up meals for patients and staff.



Robyn Drake has worked at SWH for 40 years.

Joanne Place is a Registered Nurse having worked at the Camperdown Hospital as a valued member of the team, and the local community. She is currently a Clinical Coordinator.



Joanne Place has worked at SWH for 40 years.

Tracey Brady began working at South West Healthcare in 1984 after completing her training and living at the nurses quarters on site. She has worked across surgical, medical, district nursing, maternity, acute care and spent 15 rewarding years in rehabilitation before taking up her current role at the South West Medical Clinic as the practice nurse.



Tracey Brady has worked at SWH for 40 years.

Susan Wines is an operations Assistant in our Emergency Department, working casually over her 45-year career. Sue's presence in ED is always welcome to assist clinicians with anything they need in order to manage the fast-paced environment of the ED.



Susan Wines has worked at SWH for 45 years.

Marita (Midge) Byron is another of our amazing Food Services team members working across a number of roles including water attendant, ward distribution, office administration and now working in what is known as 'the salad room'.



Marita Byron has worked at SWH for 40 years.

Glenda Cotton and Josephine Pearson are Environmental Services Assistants (ESA's) whose contribution to the service can not be understated. Spending their days on their feet, our ESA's help to keep our service clean and hygienic and creating a welcoming space to all. Both Glenda and Josephine have seen a lot of changes to our service over their combined 80 years, including contributing significantly to patient safety and infection control during and after the COVID-19 pandemic.



Josephine Pearson has worked at SWH for 40 years.

Years served

45 years

Jennifer Atwell
Susan Wines

40 years

Tracey Brady
Marita Byron
Glenda Cotton
Robyn Drake
Josephine Pearson
Joanne Place

35 years

Jean Gray
Shane Grundy
Denise Habel
Donna Mahony
Glenn Mansbridge
Kathryn McLaren
Helen Moyle
Jennifer Sheen

30 years

David Carter
Jasmine Chakir
Maree Dalton
Lisa Gavin
Robyn Gordon
Moya Mahony
Debra Morris
Angela O'Brien
Debbie Reed
Tania Russell
Nicolas Van Zelst
Tanya Wright
Dianne Zanker

25 years

Suzanne Anderton
Trudi Blackmore
Joel Chadwick
Fiona Clissold
Andrea Couch
Natasha Dwyer
Jacinta Garfoot
Rebecca Hay
Mary-Ellen Hose
Angela Howard
Katrina Hoye
Cindy Joseph
Tania Lowery
Danny McCaul
Pauline McCaul
Tamara Moulden
Corrina O'Brien
Julia Relouw
Christine Risbey
Linda Said
Louisa Sargeant
Lynda Warden
Christopher Wensley
Ashley Zanker

20 years

Raelene Beckman
Jane Condon
Monique Devlin
Michael Duffy
Kerry Fary
Judith Gapes
Megan Gleeson
Meredith Glennen
Jennifer Kinna
Jennifer Lawlor
Kirsty Mitchell
Elisia Nichol
Cory O'Connor
Catherine Owen
Rachel Pekin
Donna Petrie
Heidi Rentsch
Tanya Robbins
Rachel Robertson
Deborah Rollo
Tamara Smith
Erin Southwell
Susan Thomas

15 years

Bethany Arms
Annie Atwell
Emily Batt
Hayley Black
Vittoria Burns
Garry Burns
Brooke Chambers
Megan Cooney
Carol Dunne
Alanna Finn
Christine Guardario
Rosalie Hallowell
Leanne Heard
Megan Hyland
Krystal Jones
Matthew Kiensrod
Elizabeth Leonard
Jane Logan
Paije Lucas
Robert McGregor
Natalie McKinley
Fredrik Nittsjo
Denis O'Keefe
Michelle Osborne
Praveen Premnath
Natasha Prout
Sladjana Prvulovic
Emma Rowbottom
Maria Shaw
Ian Shinners
Jodie Smith
Hayley Stonehouse
Alasdair Sutherland
Kaye Thompson
Lucinda Titmus
Merri Vandekolk
Anne Wakim
Rachel Wright

10 years

Siobhan Andrew
Sonia Broderick
Lisa Byron
Alice Cook
Paul Crimmin
Vicki Curran
Nicola Edwards
David Finnigan
Maggie Finnigan
Catherine Frusher
Jessica Gaut
Elvira Hewson
Bridget Hill
Jennifer Howe
Ann Inglis
Ashley Johnson
Tahleah Keane
Karina Kerr
Carolyn Koster
Tanya Lafferty
Nardia Liersch
Kym McAllister
Hannah Millard
Georgia Moncrieff
Jodie Outtram
Stephanie Polkinghorne
Belinda Richardson
Hannah Rippon
Kelsey Roberts
Georgina Rowe
Peter Sheehan
Jeanie Sheely
Amy Smith
Bridy Stephenson

Board of Directors

Our Board normally consists of nine directors responsible for overseeing our governance and ensuring all services comply with the requirements of the *Health Services Act 1988* and South West Healthcare's objectives.



Board Chair Allison Patchett

Managing Director – The Leadership Place Pty Ltd

Master Science, Bachelor Science (Hons), Registered Nurse, Post Graduate Certificate Organisational Coaching, Lead Auditor ISO 9001 (2015)

Appointed: July 2019

Board committees: Quality and Clinical Risk; Governance and Remuneration (Chair); Financial Performance, Audit and Financial Risk

Attendance: 8/8 (100%) board meetings



Deputy Chair Ann Larkins

Executive Director Information Communication and Technology/CIO – Australian Red Cross Lifeblood

Master of Business and Technology (MBT), Critical Care Registered Nurse (non-practicing) GAICD

Appointed: July 2023

Board committees: Governance and Remuneration; Quality and Clinical Risk (Chair)

Attendance: 8/8 (100%) board meetings



Deputy Vice Chair Bill Brown

Director, Advisor and Lawyer – Orange Advisory Pty Ltd

Bachelor Laws, Bachelor Economics

Appointed: July 2017

Board committees: Consumer Experience; Financial Performance, Audit and Financial Risk; Governance and Remuneration

Attendance: 8/8 (100%) board meetings



Director Dr Geoffrey Toogood

Cardiologist – Peninsula Health, Alfred Health

MBBS FRACP FCSANZ FHRS AFRACMA Graduate Certificate Health Service Management ACCAM AFCAsM

Appointed: July 2017

Board committees: Quality and Clinical Risk

Attendance: 8/8 (100%) board meetings



Director Ronda Held

Board Chair – Leadership Great South Coast, Board Director - Regional Leadership Collective

Master Policy and Administration, Bachelor Economics, Bachelor Social Administration

Appointed: July 2020

Board committees: Consumer Experience (Chair); Quality and Clinical Risk

Attendance: 7/8 (88%) board meetings



Director Alex White

Principal Consultant - MSG-Global

Tertiary (B.Com), CA qualified

Appointed: July 2024

Board committees: Financial Performance; Audit and Financial Risk (Chair – since April 2026, interim Chair January 2026 - April 2026)

Attendance: 7/8 (88%) board meetings



Director Bill Millard

Locum Executive – Local Government

BSSc, MBA, GAICD

Appointed: July 2025

Board committees: Financial Performance; Audit and Financial Risk; Quality and Clinical Risk

Attendance: 8/8 (100%) board meetings



Director Dr Gillian Vesty

Professor and Deputy Dean AISSC, College of Business and Law, Chair RMIT Education Committee, RMIT University

CPA Australia, Registered Nurse (non-practising), PhD History & Philosophy of Science, Master of Business (Accounting) Research, Bachelor of Business Accounting

Appointed: July 2025

Board committees: Quality and Clinical Risk; Consumer Experience

Attendance: 8/8 (100%) board meetings



Director Brandon Howard (1 July 2025 - 22 January 2026)

Interim Director Organisational Performance & CFO – Melton City Council

MBA, CPA Australia, Bachelor of Commerce (Professional Accounting, Taxation & Commercial Law)

Appointed: July 2025

Departed: January 2026

Board committees: Financial Performance; Audit & Financial Risk (Chair – up to January 2026); Governance & Remuneration

Attendance: 4/4 (100%) board meetings

Executive Directors



Chief Executive Officer Craig Fraser

BProsOrth, Dip Applied Science, GAICD, AFCHSE

Craig has more than 30 years' experience as an executive and senior manager in the Victorian public health sector, having worked in metropolitan teaching hospitals before moving into rural and regional health. Beginning his career as an allied health clinician, Craig has held leadership roles spanning acute health, aged care and primary and community services. Committed to improving the health of rural Victorians and reducing health disparities, Craig focuses on delivering care closer to home while strengthening safety quality, and the overall patient experience.



Chief Operating Officer Alex Demidov

JD, BN, MBA, GAICD

Alex is a senior healthcare executive with more than 20 years' experience leading complex, multi-site hospital and health service operations across metropolitan, regional and rural Australia. His background spans General Manager and Chief Executive Officer roles in both private and not-for-profit systems, with deep expertise across health service strategy, operational transformation, financial stewardship and clinical governance.

A clinician-trained leader, Alex combines frontline insight with executive discipline. He is committed to strengthening access to high-quality, patient-centred care for regional and rural communities, and is recognised for building high-performing teams, embedding strong governance frameworks, and delivering sustainable, future-focused healthcare services.



Executive Director Finance and Corporate/Chief Financial Officer Susan Walker

ACMA – Chartered Institute of Management Accountants

Susan has more than 30 years' experience in the health services sector across Australia, the UK, and the Middle East. With extensive experience in Financial and Operations Management and Data Analytics, Susan has worked in Australian Public and Private Hospitals and English NHS Trusts; the Australian National Cancer Screening Register; the Australian Centre for Health Innovation and with Australian Health Tech companies.

She is a Chartered Management Accountant and is committed to supporting regional healthcare organisations with high quality financial and corporate services that support clinical teams to provide excellent care, close to home for our community.



Executive Director Redevelopment and Infrastructure Jamie Brennan

BHealth Science (Physiotherapy), Cert Healthcare Innovation and Entrepreneurship, AFACHSM

Jamie has more than 15 years' experience in leading clinical and support service departments and divisions at Victorian rural and regional health services. He has responsibility for leading all the capital redevelopment projects across South West Healthcare, and for the operation of non-clinical support services, our Camperdown Hospital and Residential Aged Care Services. With extensive understanding of the public health care sector, he's committed to delivering outstanding healthcare and patient experiences in rural settings.



Chief Medical Officer Dr Miranda Sollychin

Bachelor of Science (Psychology), Doctor of Medicine, Grad Cert Youth Mental Health, Master of Psychiatry, Master of Health Leadership and Management, FRACMA

Miranda is a specialist medical administrator with a clinical foundation in psychiatry and psychology. Her experience includes executive level medical leadership roles across tertiary, sub-acute, and specialist services within large metropolitan health systems. Miranda is committed to embedding a culture of strong clinical governance and collaboration in order to best support and advocate for the needs of the South West community.



Chief Nursing & Midwifery Officer Sue Anderton

Bachelor of Nursing, Graduate Diploma of Nursing (Critical Care), Master of Nursing (Nurse Practitioner), Certificate of Advanced Leadership

Sue is an experienced nursing professional with over 25 years of expertise in the Victorian public health sector, leading clinical governance, quality and safety, infection prevention, workforce strategy, and professional education. Sue is passionate about rural and regional healthcare with a focus on improving equity and access for rural and regional communities. With a background in emergency and critical care nursing she brings strong frontline insight and has extensive experience across clinical practice, healthcare operations, executive leadership and governance. Sue is recognised for integrating clinical, operational and strategic leadership to deliver sustainable improvements in healthcare, alongside her commitment to community and patient-centred care.



Executive Director Mental Health and Wellbeing Services Richard Campion

BA (Hons), MA (Social Work), GAICD

Richard has more than 17 years' experience in the health services sector across Australia and the UK, including executive positions within health services in Victoria and the Northern Territory. He has a mental health clinical background and is committed to supporting the provision of high quality, consumer focused mental health and wellbeing services.



Executive Director Primary & Community Services/ Chief Allied Health Officer Kerryn Anderson

BPod (Hons), Prof Cert Workplace Leadership, GAICD

Kerryn has worked in the health care sector for more than 25 years. With a clinical background in Allied Health, she has worked in a variety of project and management roles and has a comprehensive understanding of community based healthcare. She is committed to continued development and provision of high-quality multidisciplinary healthcare, with a particular focus on staff development, patient empowerment, early intervention and service provision outside of hospital walls.



Executive Director People and Culture Sheron Cook

MBA – Enterprise, Ad Dip Bus, Dip HR and Bus, Cert IV TAA, Professional Member AHRI

Sheron is a highly experienced HR professional who has worked in executive and senior management roles across the public and private health sector. Sheron is committed to building robust systems that enable and empower people to achieve their full potential to meet emerging trends and demands, and to foster a vibrant and patient focused organisational culture, underpinned by collaboration and inclusion.

Organisational structure

Board of Directors

Chief Executive Officer

- Executive Officer
- Director South West Local Health Service Network

Chief Operating Officer

- Access & flow
- Medical Services
- Emergency & Critical Care
- Perioperative & Surgical Services
- Women's Services
- Children's Services
- Subacute
- Home bed-based programs (HITH)
- Cancer Services
- Palliative Care
- Camperdown Hospital
- Camperdown Aged Care
- Medical & Surgical Outpatients
- Renal & Dialysis

Executive Director Finance and Corporate / Chief Financial Officer

- Finance
- Audit & Risk
- Regional Procurement Logistics & Supply Chain
- Regional Linen
- Environmental Services
- Catering & Hotel Services
- Retail Services

Executive Director Redevelopment and Infrastructure

- Infrastructure & maintenance
- Capital development
- ICT services
- Biomedical Engineering
- Partnerships and Donations
- Regional leadership

Chief Medical Officer

- Medical Governance
- Medical Services
- Credentialing
- Medical education & training
- Medical Legal
- Medical Workforce
- Director Medical Services
- Research & Clinical Trials
- Pharmacy
- Health Information Services
- Pathology & Radiology

Chief Nursing and Midwifery Officer

- Nursing & Midwifery Governance
- Clinical Safety & Quality & Risk
- Regional Nursing & Midwifery workforce planning
- Infection Prevention
- Nursing & Midwifery Education
- Policy & Procedure Governance

Executive Director Mental Health and Wellbeing Services

- Adult Mental Health & Wellbeing (Camperdown, Hamilton, Portland, Warrnambool)
- Older Adult
- Child & Youth
- Inpatient Services
- Ngootyoong Prevention and Recovery Care Centre (PARC)
- Referral Services
- Primary Mental Health

Executive Director Primary and Community Services / Chief Allied Health Officer

- General Practice
- Aboriginal Health
- District Nursing
- Allied Health Governance
- Ambulatory Rehabilitation
- Intake and Access
- Regional Dental
- Community Health (Camperdown, Lismore, Macarthur, Warrnambool)
- Chronic Illness Programs
- Centre Against Sexual Assault (CASA)
- Community Aged Care

Executive Director People and Culture

- Employee Relations
- Industrial Relations
- Workforce
- Education Training & Development
- Health & Safety Wellbeing
- Employee Benefits & Support
- Communications
- Volunteers
- Regional Payroll

Our full organisational structure can be found by visiting southwesthealthcare.com.au/about-us/organisational-structure

Principal committees

The Board of Directors is supported by four principal committees.

Consumer Experience Committee

This committee ensures robust and accountable systems are in place to monitor and continually improve consumer experience and community engagement across South West Healthcare, enhancing patient outcomes by informing service improvements. This committee met four times in 2025-26.

Financial Performance, Audit and Financial Risk Committee

This committee oversees the development and monitoring of performance of South West Healthcare's strategic financial and annual business plans and financial risk management systems. This committee met six times in 2025-26.

Quality and Clinical Risk Committee

This committee ensures robust and accountable systems are in place to monitor and continually improve the quality, safety and effectiveness of health services provided by South West Healthcare in the delivery of patient centred care. This committee met six times in 2025-26.

Governance and Remuneration Committee

This committee ensures robust and accountable systems are in place to monitor and continually improve the outcomes and effectiveness of South West Healthcare through defined strategic and operational performance indicators for the CEO, Executive and Board. This committee met three times in 2025-26.

Performance and direction



Dawn Whitehead is a valued member of the South West Healthcare Disability Action Group.

2
Nominations as finalists in the Victorian Public Healthcare Awards 2025

95.5%
percentage of patients who reported a positive experience of their hospital stay

Statement of Priorities

In 2025-26 South West Healthcare contributed to the achievement of the Victorian Government's commitments by:

Innovate and improve access and care

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.

Goal

Align with the Victorian Clinical Governance Framework to strengthen clinical governance systems, ensuring safe, high-quality care.

Health service deliverable/s	Health service outcome/s
Demonstrate high quality care in which consumer engagement and input is actively sought, facilitated and used to drive system change to improve consumer experience and outcomes. **Achieved and Ongoing**	The Great Healthcare Experience Strategy (GHES) is a multi-year initiative designed to strengthen person-centred healthcare experiences across the organisation through meaningful engagement, partnership, capability development, and continuous improvement. Implementation activities are progressing in accordance with the established roadmap. Significant engagement activity has been undertaken to support the development and implementation of the strategy. Internal engagement has involved approximately 250 staff and volunteers, while external engagement has included approximately 575 community members and partner organisations. These activities have informed the strategic direction and helped build organisational and community ownership of the GHES. In addition, Consumer Experience surveys continue with an internal evaluation and action plan process established, and data trend reporting in development. All planned actions for 2025-26 have been achieved or are on track for completion. As a multi-year strategy, the GHES will continue into 2026-27, with a focus on sustaining achievements to date, embedding healthcare experience initiatives into business-as-usual practice, and progressing the remaining phases of implementation.
Ensure that health service reporting, reviews and decision-making are underpinned by a safety culture and systems that are transparent, accurate and fair for staff and consumers. **Achieved and Ongoing**	The Clinical Governance Framework is overseen by the Board of Directors with the Board Quality and Clinical Risk Committee's reporting schedule is ensuring this is adhered to. Performance against defined targets and key performance indicators including Consumer Experience, Quality and Safety Care, People and Culture and Financial Performance are routinely reported, in addition to performance and compliance with NSQHS Standards. These metrics are reported to the well established South West Healthcare committee structure, a four tiered structure that includes the various governance, clinical services and NSQHS Standards committees. The committees are regularly reviewed including having up to date Terms of References, effective executive sponsorship, chairs and membership. Committees report and action any variances that arise from South West Healthcare performance data and also benchmarked data including Victorian Agency for Health Information Dashboards, Hospital Acquired Complications reports, Victorian Health Monitor report, PRISM report, Mental Health Performance report, People Matter Survey, and Health Roundtable. Furthermore, following the implementation of the Leading with Clarity program, the safety culture of the organisation has strengthened at all levels from frontline staff, to senior managers and executive to review and escalate any concerns, risks or variations through multiple mechanisms (urgent escalations via direct communication, monthly accountability meetings and committees). Ongoing refinement of the Committee Structure and inter-connection with clearer documentation of risks and associated mitigation strategies is being further embedded across all committees.

Health services are able to show evidence of a comprehensive training program approach that includes performance management, accountability, and continuous improvement. **Achieved**	South West Healthcare delivers a comprehensive suite of training across all areas and disciplines, both clinical and non-clinical. The Leading with Clarity Program is complemented by the internal LEAD training to further improve accountability, promote continuous improvement and manage performance aligned with our strategic direction and operational requirements. Organisational policies and procedures also underpin and guide staff to ensure performance, accountability and continuous improvement form part of all staff's roles. Annual performance reviews of all staff include the deliverables.

Goal

Improve access to timely emergency care by implementing system-wide patient flow strategies that reduce emergency department wait times and improve ambulance-to-hospital transfer times.

Health service deliverable/s	Health service outcome/s
Implement initiatives that support early discharge of patients to appropriate settings to improve timely patient access to care. **Achieved**	South West Healthcare has developed a comprehensive system response for consumers experiencing co-occurring mental health and substance use disorders, underpinned by established service structures, targeted workforce initiatives and an integrated Model of Care. Significant achievements include the commencement of the Dual Diagnosis Nurse Practitioner role, implementation of the Alcohol and Other Drugs (AOD) Scholarship Program, and establishment of a Pharmacotherapy Program in partnership with Western Region Alcohol and Drug Centre (WRAD). Internal operating systems with real time data manage patient flow throughout days and nights.

Goal

Maintain a commitment to delivering equitable and timely access to planned care and drive reform in alignment with the Planned Surgery Reform Blueprint.

Health service deliverable/s	Health service outcome/s
Implement and scale theatre optimisation initiatives in planned surgery, for example same-day surgery and same-day surgery by default models of care, criteria-led discharge, monitoring of theatre measures, and high-throughput approaches such as high-intensity theatre lists. **Achieved and Ongoing**	South West Healthcare progressed a range of theatre optimisation initiatives across 2025-26 to improve planned surgery performance and deliver equitable, timely access to planned care in alignment with the Planned Surgery Reform Blueprint. Criteria led discharge was expanded in scope to support earlier, safe discharge from planned surgery pathways, and a comprehensive theatre schedule review was completed across both the Camperdown and Warrnambool sites. A broader theatre and workforce review is underway to inform staged redevelopment. Vascular surgery commenced during the year, extending the breadth of specialist surgical services available closer to home. Surgical length of stay is below the statewide benchmark. Elective surgery activity, measured through the Elective Surgery Information System (ESIS), remained above target. South West Healthcare delivered 3,960 ESIS reportable planned procedures against a target of 3,256. Category 1 compliance was maintained at 100 percent, and 96.5 percent of planned surgery patients were admitted within clinically recommended timeframes. Sustained patient optimisation by the Planned Surgery Unit and the continued rollout of criteria led discharge pathways contributed to elective length of stay of 2.34 days for the year, well below the DRG benchmark of 3.03 days. Work continues to improve theatre efficiency, including first case on time start performance and theatre utilisation at the Camperdown site, and to address bed availability pressures affecting hospital-initiated postponements. These form part of the ongoing focus for the initiative. The 2025-26 actions under this initiative were achieved. This is a multi-year strategy that will continue into 2026-27, with ongoing focus on same day surgery models of care, monitoring of theatre measures, and high throughput approaches such as high intensity theatre lists.

Proactively manage planned surgery and specialist clinics (or outpatients) waitlists, for example validating and supporting patients into optimal care pathways such as evidence-based alternatives to surgery and optimisation pathways. A particular focus should be applied to long-waiting patients and priority population groups (for example, Aboriginal and Torres Strait Islander patients and under-18 patients). **Achieved and Ongoing**	The Women's Health Pelvic Pain Physiotherapy service was implemented as an early intervention strategy aimed at reducing the need for longer term surgical interventions. Whilst the Women's Health Service has historically referred patients for physiotherapy services, this care has predominately been delivered through the private sector. The introduction of a publicly funded service has improved access to care and created a more streamlined referral pathway for women experiencing pelvic pain. The revised triage process enables appropriate patients to be directed to physiotherapy care earlier, reducing the need for an initial specialist consultation. The service commenced in February 2026 and provided 250 appointments to end of June 2026. Long standing initiatives related to surgical optimisation have also continued to be delivered including prehabilitation programs specifically related to orthopaedic surgery, smoking cessation support and diabetes management optimisation.

Goal

Support the implementation of the "Next Phase of Reform" to deliver inclusive, personalised, compassionate, integrated mental health and wellbeing care in the community.

Health service deliverable/s	Health service outcome/s
Progress mental health reform: Implement mental health services per department guidelines, and engage in reform related initiatives to improve access to community mental health services, crisis reforms, headspace integration, youth and adolescent inpatient care, catchment removal as well as infant, child and youth age streaming. **Achieved and Ongoing**	South West Healthcare has maintained momentum progressing mental health reform, meeting all requirements of the current Department-led reform phases. Significant progress has been made in the age streaming of mental health services, with the implementation of age streaming within mental health having been completed. As reform phases progress, South West Healthcare is well prepared to implement future Department initiatives and respond effectively to emerging policy directions and guidelines.
Partner with Safer Care Victoria on one or more mental health improvement programs: elimination of restrictive intervention, improving sexual safety, implementation of the zero suicide framework and reducing compulsory treatment. **Ongoing**	South West Healthcare has partnered with Safer Care Victoria on Improving Sexual Safety and Elimination of Restrictive Interventions initiatives. Senior staff have actively participated in statewide forums, contributing to policy development and the implementation of practice improvements across these priority areas. This engagement has strengthened our capacity to deliver evidence-based care and support, ongoing service quality and safety improvements. In addition, South West Healthcare will continue to engage in suicide prevention and response initiatives such as the Zero Suicide Framework service workshops.

Progress partnerships, whether through a formal partnership, MoU or exchange of letters, with local community based mental health services (including Mental Health and Wellbeing Locals, Headspace and other local NGO providers) and deliver initiatives that align with the objectives of the Mental Health and Wellbeing Act 2022, and in accordance with the priorities outlined in Victoria's next phase of reform for Mental Health and Wellbeing. **Achieved and Ongoing**	South West Healthcare has continued to strengthen collaborative partnerships with local service providers, including Headspace and a range of non-government organisations, to support the priorities outlined in Victoria's mental health reform agenda. Key partnerships have been established and maintained with Residential Aged Care Services, The Orange Door, Headspace, Western Region Alcohol and Drug Centre (WRAD), Wellways Early Intervention Psychosocial Support Response (EIPSR), Ermha 365, Worn Gundidj Aboriginal Cooperative, Brophy Family and Youth Services' Rough Sleeping Program, and Orygen MOST digital mental health service. These partnerships support a coordinated approach to addressing priority population groups and areas of reform. Through ongoing collaboration, South West Healthcare is continuing to build and strengthen these relationships to improve service integration, enhance care pathways, and deliver better outcomes for consumers, families, and communities across the region.

Prudent, sustainable and effective use of resources

We are innovative and resourceful in balancing improved patient care, operational performance, and system management to ensure a financially secure health system. We invest in a skilled and future-ready workforce, maintaining a modern, safe, and resilient healthcare system for all Victorians.

Goal

Develop and implement initiatives to strengthen financial sustainability. By delivering sustainable, responsible budgets, we can ensure a well-managed, viable, and sustainable health system for the future.

Health service deliverable/s	Health service outcome/s
Deliver the key initiatives outlined in the Budget Action Plan within Government parameters. **Achieved**	Budget Action Plan initiatives planned for delivery in 2025-26 were implemented within government funding parameters. Initiatives generated additional revenue and cost efficiencies through procurement reform and operational efficiency programs.
Utilise data analytics and performance metrics to identify areas of inefficiency and waste and make evidence-based decisions to improve financial sustainability and operational performance. **Achieved**	South West Healthcare utilised performance dashboards, activity data, benchmarking, process automation and operational metrics to identify inefficiencies, optimise patient flow, eliminate avoidable costs and reduce the cost of processing. This resulted in increased efficiencies that supported increased patient access.
Use funding efficiently and effectively to optimise patient facing services. Undertake programs to reduce the cost of service delivery, improve safety, capacity and reduce unnecessary waiting. **Achieved**	Through effective financial management and prioritisation of funding of clinical staffing and resources, South West Healthcare exceeded activity targets, providing increased access for the community and reducing waiting time and travel for out of area care. This was managed within the predicted budget despite an increased demand across all services.

A stronger workforce

We strive to foster an equitable, skilled and supported workforce that builds professional capabilities to meet current and future roles

Goal

Position Victoria as a leader in employee experience, capability, and capacity by focusing on future roles and professional development in line with the Victorian Health Workforce Strategy to ensure a regenerative and sustainable workforce

Health service deliverable/s	Health service outcome/s
Implement processes to sustain workforce supply and fulfill obligations, including those under the Gender Equality Act 2020 by improving employee experience in leadership, health and safety, flexibility, career development, and agility to ensure safe, high quality care. **Achieved**	South West Healthcare successfully concluded its first Gender Equality Action Plan during the past financial year. The objectives of this plan guided our efforts to create a more equitable, inclusive and supportive workplace, whilst strengthening our capacity to meet the diverse needs of the communities we serve. The Diversity and Inclusion Committee led our organisation to recognise and celebrate important awareness events throughout the year including IDAHOBIT and Wear It Purple Day. Additionally, South West Healthcare continued to promote equality and access by delivering leadership and career development opportunities through the Leading with Clarity Program and a comprehensive training and education calendar, as well as offer financial support to staff through the SWH Scholarship Program. This commitment to further developing our staff ensures future workforce pipelines to sustain our workforce to optimise service growth. Through various committees we promoted workforce health and safety programs to reduce the risk of injury and illness, to ensure our staff remain safe, healthy, resilient and competent, to continue to deliver high-quality care, in accordance with the relevant legislation.
Collaborate with the department to improve workforce data analytics, generate actionable insights, and enhance strategic planning. **Achieved**	South West Healthcare launched its new 2026-2030 Strategic Plan in early 2026. This was prepared with partner agencies and Department of Health input and further develops South West Healthcare into providing more services as the South West's regional provider. South West Healthcare has continued to work closely with the Department and the South West Local Health Service Network health services, using workforce data analytics to develop and plan for future workforce needs and enhance strategic planning for both South West Healthcare and the South West Local Health Service Network. South West Healthcare have also delivered training and leadership development opportunities across the South West Local Health Service Network to ensure our current and future services can be delivered by suitably experienced and qualified staff, in a sustainable manner. In the coming financial year, South West Healthcare will lead the roll out of the mandatory Training Framework and Recognition of Prior Learning across the South West Local Health Service Network, to further improve recruitment efficiencies and enhance employee experience. South West Healthcare are also committed to implementing the Victorian Healthcare Association Leadership Capability Framework, with representation on the Strategic Advisory Committee.

Improving Aboriginal health and wellbeing

Strengthen cultural safety in Victoria's health service system by fostering strong connections to Aboriginal culture, creating a holistic, accessible, and empowering health system.

Goal

Enhance delivery and access to culturally safe services, fostering strong connections to culture. Address racism and provide Aboriginal people with culturally safe healthcare and referral pathways between mainstream and community-controlled health services.

Health service deliverable/s	Health service outcome/s
Deliver high-quality cultural safety training to all executives and staff using independent, expert, community-controlled organisations or a registered Aboriginal business. **Not Achieved and Ongoing**	Eastern Maar Aboriginal Corporation were engaged throughout 2025-26 to develop a training package for roll out to complement the current mandatory e-learning module that all staff complete. Whilst delivery of this training has not yet been fully realised, considerable progress has been made to develop a shared understanding between Traditional Owners and the health service regarding content required to continue to develop and improve cultural understanding, and ultimately the way we deliver care to community. This work will continue to progress in 2026-27. We also await delivery of the new e-learning module under development between the Department of Health and the Victorian Aboriginal Community Controlled Health Organisation (VACCHO).
Health service executives and senior leaders establish and maintain strong, ongoing partnerships with Aboriginal community-controlled organisations and/or recognised Aboriginal leaders within their local catchments. These partnerships must be based on regular, proactive engagement that prioritises the voices, self-determined priorities, and cultural knowledge of Aboriginal communities in the design, delivery, and evaluation of health and wellbeing services. **Achieved and Ongoing**	South West Healthcare has a proud history of delivering care in partnership with the Aboriginal Community and this has continued in 2025-26 through various initiatives including: • Continuation of the Aboriginal Advisory Committee • Development and launch of a specifically funded Cancer Care Project designed to improve outcomes for Aboriginal people across the cancer care journey • Launch of scholarships for Aboriginal people to obtain healthcare related qualifications • Continued recognition of dates of significance with events marking Reconciliation and NAIDOC weeks • Introduction of an Aboriginal Liaison Officer role specifically focused on management of chronic disease • Implementation of a feedback system specific to Aboriginal Community • The Aboriginal Scrubs project, delivered in partnership with Eastern Maar through engagement of a Traditional Owner artist.
Ensure culturally appropriate systems for identifying Aboriginal and Torres Strait Islander patients and implement responsive discharge plans and referral pathways. **Achieved and Ongoing**	Across 2025-26, the Aboriginal Programs team provided support to 837 patients totalling 3,315 contact hours. A further 4,000 hours of service were provided to patients accessing mental health services. Whilst we know that not all Aboriginal patients will identify as such, strong systems have continued to ensure staff are asking the question, understand the importance of asking the question and are then able to respond in a culturally appropriate way. The Aboriginal Liaison Officers work with individual patients to ensure discharge needs are followed up (whether that be at the local Aboriginal Community Controlled Health Organisations, South West Healthcare or other) and connection into appropriate service is enabled. Across 2025-26 there has been a specific focus on patients with chronic health conditions, ensuring linkage to best service to enable optimal self-management.

Moving from competition to collaboration

We are committed to transforming Victoria's health system by partnering with care providers and health services to share knowledge, information, and resources.

Goal

Collaborate within the Local Health Service Network to build a more integrated health system, with better access and experience for patients, strengthened workforce, consistently high-quality care, and more sustainable healthcare delivery.

Health service deliverable/s	Health service outcome/s
Meet all objectives agreed to in the Local Health Service Network Statement of Expectations across priority areas (access, equity and flow, workforce, safety and quality, and shared services). **Achieved and Ongoing**	South West Healthcare have provided ongoing leadership and active participation as the Local Health Service Network Lead Agency in achieving the objectives of the Local Health Service Network Statement of Expectations across priority areas. These include engagement and consultation in the development of Clinical Services Plans. Various initiatives include: • Local Health Service Network nursing leadership meeting quarterly, engagement of planned surgery project lead, access and flow weekly regional meeting • Regional first nations cancer project • South West regional credentialling and scope of practice committee commenced • Regional renal services model • Expansion of the Intensive Care Unit to intensivist led model • Maternity group practice model commenced scoping work to expand to Camperdown • Commonwealth Psychosocial Support program for mental health.

Statement of Strategic Direction

Delivering outstanding care

We provide exceptional care close to home, leverage data and technology, and partner with communities to improve outcomes and experiences.

Service access

We deliver timely and integrated access to high-quality person-centred care, aligned with community needs.

Data & technology

We harness integrated data and information technology to foster insights, innovation, and continuous service improvement.

Community engagement

Our community members shape services that reflect their needs and help identify initiatives to improve health experiences and outcomes.

Fostering excellence together

We empower teams and individuals and embed values-based leadership and a culture grounded in collaboration.

Growing our workforce

We attract and retain talent to scale and enhance our capabilities and strengthen our reputation as a great place to work.

Values-based leadership

We embed accountable leadership to support our values-driven culture and empower effective decision-making.

Empowering the workforce

We fully realise the potential of every person through collective commitment and shared responsibility.

Our vision

Leaders in healthcare,
Partners in wellbeing.

Our mission

To deliver exceptional care and achieve equitable health and wellbeing outcomes for people across South West Victoria.

Shaping the future

We accelerate transformation through research and innovation, and deliver sustainable solutions aligned with future needs.

Research and innovation

We drive research and innovation to deliver contemporary care models for current and future generations.

Modern facilities

We invest in modern facilities to enhance safe, high-quality models of care and prepare for future demand.

Operational excellence

We are a high performing organisation, embedding excellence across our operations and a commitment to sustainable growth.

Partnering for impact

We lead with clarity of purpose, working in partnership to foster a connected health and wellbeing system.

Regional collaboration

We work with a range of partners and leverage our shared capabilities to further advance care across the region.

Connected care

We strengthen integrated care pathways to support timely access to a connected continuum of care.

Preventative health

We collaborate with the community and our partners to actively promote lifelong health and wellbeing in our community



Clinical trials team caption: Clinical rials team: L-R Ashlin Keane, Gabrielle Watt, Julie Sagniol, Ibby Nasir.

Performance priorities

High quality and safe care: *Key performance measure*	Target	2025-26 actuals
Infection prevention and control		
Percentage of healthcare workers immunised for influenza[1]	94%	99%
Continuing care		
Average change in the functional independence measure (FIM) score per day of care for rehabilitation separations	≥ 0.645	0.873
Aged care		
Public sector residential aged care services overall star rating	Minimum rating of 3 stars	Met
Patient experience		
Percentage of patients who reported positive experiences of their hospital stay	95%	95.5%
Aboriginal health		
Difference between the percentage of Aboriginal patients and non-Aboriginal patients who left against medical advice	0%	2%
Difference between the percentage of Aboriginal patients and non-Aboriginal patients presenting to ED who did not wait to be treated	0%	1%
Mental health patient experience		
Percentage of consumers who rated their overall experience with a service in the last three months as positive	80%	77.4%
Percentage of families/carers reporting a 'very good' or 'excellent' overall experience of the service	80%	43.1%
Percentage of families/carers who report they 'always' or 'usually' felt their opinions as a carer were respected	90%	65.4%
Percentage of mental health consumers reporting they 'usually' or 'always' felt safe using this service	90%	86.4%
Mental health follow-ups, readmissions and seclusions		
Percentage of consumers followed up within 7 days of separation – inpatient	88%	92%
Percentage of consumers re-admitted within 28 days of separation - inpatient	< 14%	10%
Rate of seclusion episodes per 1,000 occupied bed days - inpatient	≤ 6	8.0

[1] *Reporting period 7 April to 15 August 2025.*

Strong governance, leadership and culture: *Key performance measure*	Target	2025-26 Actuals
Organisational culture		
People Matter Survey - Percentage of staff with an overall positive response to safety culture questions **Changes to the 2025-26 Health Sector People Matter Survey has affected the 'Percentage of staff with an overall positive response to safety culture survey questions' measure. Historical results are not directly comparable and should be interpreted with consideration of a break in the time series.*	80%	78%
Timely access to care		
Planned surgery		
Percentage of urgency Category 1 planned surgery patients admitted within 30 days	100%	100%
Percentage of planned surgery patients admitted within clinically recommended time	94%	94.5%
Number of patients admitted from the planned surgery waiting list	3,256	3,960
Percentage of patients on the waiting list who have waited longer than clinically recommended time for their respective triage category	25% proportional improvement from prior year = 3.4%	1.7%
Optimisation of surgical inpatient length of stay (LOS), including through the use of virtual and home-based pre-and post-operative models of care	Reduction in average LOS for surgical patients by 2% from prior year= 1.22	1.23
Emergency care		
Percentage of patients transferred from ambulance to Emergency Department within 40 minutes[2]	3% improvement from the same time last year = 80%	90%
Number of patients with a length of stay in the Emergency Department greater than 24 hours	0	56
Average ED length of stay (non-admitted), in minutes	Avg LOS <414 minutes or, if not met, a 5% improvement from the same time last year =240 mins	224
Average ED length of stay (LOS) for non-admitted patients, in minutes	Avg LOS <240 minutes or, if not met, a 3% improvement from the same time last year =431 minutes	509

[2] *Differential targets have been set for health services to encourage and recognise incremental improvement towards the overall statewide target. The overall statewide target remains 80% or a 3% improvement from the same time last year with progress expected towards 90%.*

Mental health		
Percentage of mental health-related emergency department presentations with a length of stay of less than 4 hours	65%	42%
Percentage of departures from emergency departments to a mental health bed within 8 hours	80%	47%
Number of admitted mental health occupied bed days	2,140	3,862
Number of community mental health service hours*	46,752	35,632
Specialist clinics		
Percentage of patients referred by a GP or external specialist who attended a first appointment within the recommended timeframe[3]	95%	97.3%
Home based care		
Percentage of admitted bed days delivered at home	7.7%	10.2%

[3] 30 days for urgent patients, 365 days for routine patients
*Published results are impacted by Protected Industrial Action in Q1

Key performance indicator	Target	2025-26 Actuals
Operating result ($m)	0.00	-6.6
Adjusted current asset ratio (ACAR)	0.7 or 3% improvement from health service base target = 0.50	0.32
Variance percentage between the forecast and actual operating result for the current financial year ending 30 June	5% movement in forecast revenue and expenditure forecasts	Achieved

Activity reporting

		2025-26 Actuals
Funding type		**Activity Achievement**
Consolidated activity	Acute admitted, subacute admitted, emergency services, non-admitted NWAU*	30,086
	Community mental health NWAU*	3,960
Acute admitted	Acute admitted DVA	127
	Acute admitted TAC	84
Sub-acute/non-acute admitted	Sub-Acute - DVA	9
	Transition care – bed days	3,116
	Transition care – home days	3,312
Aged care	Residential Aged Care	6,757
	Commonwealth Home with Support Program	28,670
Mental health and drug services	Mental Health Ambulatory	1,484
	Mental Health Sub Acute	5,475
	Drug Services	89
Primary health	Community Health/Primary Care Programs	18,044
Community health contacts by campus	Warrnambool Community Health (inc HIP and Specialist Clinics)	46,804
	Camperdown Community Health/David Newman Centre	12,712
	Macarthur Community Health	2,968
	Lismore Community Health	2,450
	Regional Dental Service	27,864
	South West Medical Centre (GP Clinic)	11,934

*NWAU is the national weighted activity unit.



Community patnerships

L-R: Lauren Patterson, Manager Camperdown and Lismore Community Health; Jenny Hirth, Community Health Nurse; Bronwyn Stewart, Administration Support Officer.

33,187
total number of hours worked by our volunteers

$684,872.12
total dollars raised by our community in 2025-26

Donors

The generosity of our donors and supporters continued to shine in 2025-26, even as many local families faced financial pressure from the ongoing cost of living crisis and record fuel prices. During 2025–26, we raised an astonishing $684,872.12. As always, these funds helped us purchase essential medical equipment and support the unique, locally-driven initiatives South West Healthcare is known for.

Our $120,000 Breast Tumour Locator System Appeal was the largest fundraising goal of the year. This highly specialised equipment will allow our surgeons and radiologists to precisely locate impalpable breast lesions. That precision means less invasive surgery for patients facing a mastectomy or lumpectomy. Launched in January, our communities rallied behind the cause, and the appeal closed successfully in less than five months.

Another proud milestone was the official unveiling of Warrnambool theatres' new $255,329 operative microscope, generously donated by Don McLeod. This is the most valuable single piece of medical equipment ever gifted to us by an individual donor. The microscope will help save lives by allowing more patients to receive complex surgery locally, rather than being transferred to metro hospitals following road, workplace, or farm accidents. It will also support critical procedures for patients with skin and breast cancer.

We gratefully received bequests totalling $24,530 from the late John Clark and John Gordon. Memorial gifts totaling $1,820 were also made in honour of the late David Clements, Michael Griffin, Phyllis McLeish, and Anne Skepper. These thoughtful tributes continue to make a lasting difference to patient care.

Our auxiliaries once again worked tirelessly to fund important initiatives across our services. The Warrnambool Auxiliary donated $27,340, enabling us to purchase a chemotherapy treatment chair, a jaundice meter and a cableless tocodynamometer transducer for our Maternity Unit. They also contributed $10,000 toward our Breast Tumour Locator System Appeal.

The Woolsthorpe Auxiliary donated $11,374 to fund a chemotherapy treatment chair and12 months of distraction therapy through the Paediatrics Unit's Smileyscope initiative. The Camperdown & District Hospital Auxiliary contributed $10,000 toward our $48,000 appeal to install piped medical air in the Camperdown Hospital theatre.

We also farewelled our fourth auxiliary, Friends and Relatives of Merindah (FROM), after decades of dedicated fundraising for residents at Merindah Lodge. As a final act of generosity, FROM donated $3,839, which included funding for a new keyboard for residents at Leura Aged Care. We sincerely thank FROM members for their many years of commitment to our residents, staff, and the wider Camperdown community.

In April, we welcomed a third team to our Murray–Moyne Cycle Relay. Their participation in the gruelling relay race raised $7,500 to purchase the first treatment chair for the Camperdown Urgent Care and launched our $11,115 appeal for the hospital's first palliative care cuddle blanket. Meanwhile, Team 12 raised $15,691 and rode to support a new type of neonatal cot which we hope to trial in our Maternity Unit. Finally, the Scrubbers and The Gasman team rode in support of the Breast Tumour Locator System, donating $1,800.

We continue to benefit from the strong support of local service clubs, trusts, and foundations. This year, Rotary House Warrnambool Inc. donated $27,000 toward repainting the 12 guest suites and common areas at our emergency accommodation facility of the same name. The Peter's Project Foundation also made a significant contribution of $93,305 across four important initiatives. Their support included $65,305 toward our Prostate Cancer Detector Appeal, $12,000 for the Breast Tumour Locator System Appeal, $11,000 to fund a therapy and counselling space within the South West Regional Cancer Centre for 2025–26, and $5,000 to provide another 161 compression bras through our South West Healthcare Bra Fund.

This fund supports patients experiencing financial hardship following a breast cancer diagnosis. We provide each patient with a compression bra to help reduce the risk of fluid build-up after surgery. It is a simple but meaningful form of support, and one we are very proud to offer. Thanks to our donors, we now have enough bras to meet demand until at least 2030.

Medical equipment made possible through donor support in 2025–26:

Paediatric colonoscope and gastroscope, *Warrnambool Theatres* **$69,000**

Resuscitation cart, *Surgical Services* **$7,175**

ECG machine, *Mental Health Acute Inpatient Unit* **$7,291**

Transrectal/ transvaginal endocavity probes (x2), *Warrnambool Theatres* **$81,925**

Bladder scanner, *Warrnambool Community Health Continence Clinic* **$19,700**

Spot monitor, *Macarthur Community Health* **$4,000**

Surgical fluid disposal unit, *Camperdown Theatre* **$22,132**

Vital signs monitor, *Warrnambool Community Health Hospital in the Home (HITH)* **$8,700**

Wheelchairs, *Warrnambool Community Health Community Palliative Care* **$7,784**

External dual chamber pacemaker, *Critical Care Unit* **$8,500**

South West Local Health Service Network

South West Local Health Service Network – year one highlights

The South West Local Health Service Network (SW LHSN) was established to strengthen collaboration across our region and support member health services to address shared challenges and improve outcomes for our communities.

Our first year focused on building strong foundations for long-term success. Together, we established governance arrangements, developed a shared three-year strategy, strengthened regional partnerships, and commenced initiatives to support more coordinated, equitable and sustainable healthcare across South West Victoria.

Key achievements included progressing regional workforce planning, re-establishing the Residential In-Reach program, advancing the Network Clinical Services Plan, improving regional approaches to planned surgery and patient flow, supporting recognition of prior learning, strengthening safety and quality collaboration, and coordinating work in diversity, inclusion and family violence.

Importantly, the SW LHSN has built on the region's long history of collaboration by strengthening existing partnerships rather than creating new ones, providing a formal mechanism for member health services to work together while respecting each organisation's autonomy.

As the Network enters its second year, the focus will shift from establishing foundations to delivering measurable improvements for patients, communities and staff, supported by strong governance, dedicated resources and a shared commitment to improving healthcare across South West Victoria.

8
SW LHSN staff members (and growing)

7
Number of health services part of SW LHSN

25,000
SW LHSN square km coverage

120,000
The population the Network collectively services

390,000
Occasions of service (outpatient, primary and community) provided annually across the network.

Beds in the region:

373
Acute

594
Aged Care

30
Mental Health



SW LHSN team (L-R): Jane Williams (Residential in-Reach Coordinator), Olivia Henderson (Diversity & Inclusion Coordinator), Karyn Doyle (Senior Administration Support Officer), Erin Tyler (Safer Together Program Coordinator), [on screen]: Rochelle Winnen (Family Violence Project Lead), Aregawi Abera (Safer Together Program Data Analyst), Shanae Draffen (Programs Manager), Sophie O'Keeffe (Director).



SW LHSN Executive (CEO) Committee (L-R): Sophie O'Keeffe (SW LHSN), Leigh Parker (HRH), Gary Castledine (TDHS), Karena Prevett (PDH), Katharina Redford (MHS), Rowena Clift (WDHS), Julia Ogdin (TMHS), Craig Fraser (SWH).



Celebrating NAIDOC Week at South West Healthcare (L-R): Karyn Doyle (Senior Administration Support Officer), Sophie O'Keeffe (Director), Shanae Draffen (Programs Manager).

Volunteers

South West Healthcare volunteers continued to make an extraordinary contribution to the care and wellbeing of our consumers, families and communities in 2025-26.

Across hospitals, community health, aged care, palliative care and mental health services, 207 active volunteers supported people through practical help, social connection and compassionate care.

Volunteers welcomed visitors, guided consumers to appointments, delivered flowers, assisted with transport and administration, and offered companionship to people receiving care. Others shared their time through music, craft, gentle exercise, massage, laundry support and community programs.

As South West Healthcare grows as a regional referral service, volunteers have expanded their reach to support more people travelling for care.

At Rotary House, volunteers helped consumers and families with everyday tasks including shopping, transport and laundry, helping to reduce the burden on families and allowing people to focus on treatment and recovery while away from home.

Together, volunteers contributed 33,187 hours over the past year, reflecting remarkable dedication, generosity and community spirit.

Growing and adapting

This year we welcomed 19 new volunteers and continued to build a volunteer community that reflects the diversity of the region.

We also acknowledged important farewells with 16 volunteers retiring after many years of service.

This year also marked the conclusion of the Friends and Relatives of Merindah Lodge (FROM) Group after more than 35 years of dedicated fundraising and support. Their contribution leaves a lasting legacy for residents and families.

Supporting communities across the South West

Volunteers supported services across:

- Warrnambool Base Hospital
- Community and Allied Health
- Camperdown Hospital
- Mental Health Services
- Palliative Care
- David Newman Centre
- Leura Aged Care Facility
- Macarthur Community Health
- Lismore Community Health

Warrnambool Base Hospital remained the largest volunteer location, supporting inpatient, outpatient and community-based programs including specialist and palliative care services.

We also continued to grow flexible volunteering opportunities, including volunteering from home arrangements.

Community voices shaping better care

Alongside service volunteers, South West Healthcare partnered with 19 Community Advisors who contributed to service improvement, governance, co-design, evaluation and workforce education.

These community members helped review services, contribute to staff education and strengthen initiatives including the Great Healthcare Experience Strategy and Leading with Clarity.

Their contribution ensures the consumer voice remains central to how care is designed and delivered.

Every volunteer contribution, large or small, helps create a better healthcare experience for our communities.





Volunteers Judy Rauert (left) and Val Ryan (right) are responsible for changing the artwork at our Warrnambool Campus



Our volunteers spread the word about Palliative Care in May 2026.

222
Registered volunteers

207
Active volunteers in 2025-26

33,187
Volunteer hours contributed

19
New volunteers welcomed



Neville (middle) was honoured with his name on a tower crane at the Warrnambool Base Hospital Redevelopment site, recognising 14 years of volunteering with South West Healthcare.

Recognising our volunteers

We gathered once again to celebrate National Volunteers Week and National Palliative Care Week with a morning tea at Warrnambool and Camperdown for all our volunteers, and to acknowledge our volunteers years of service achievements.



David Gordon, 10 years of volunteer service.



Helen Moloney, 15 years of volunteer service.



Carol White, 10 years of volunteer service.



Margaret Stephens, 25 years of volunteer service.



Carolyn Taylor, 35 years of volunteer service.



Bernadette Kirsch, 10 years of volunteer service.



Transparency and Commitments

Statutory requirements

South West Healthcare is a public health service established under the *Health Services Act 1988 (Vic).*

Responsible Ministers 2025-26

The responsible Minister(s) for the reporting period was/were:

Minister for Health
Minister for Ambulance Services
The Hon. Mary-Anne Thomas MP
From 1 July 2025 to 15 April 2026

Minister for Health
Minister for Ambulance Services
Hon. Harriet Shing MP
From 15 April 2026 to 30 June 2026

Minister for Disability/Minister for Children
The Hon. Lizzie Blandthorn MP
From 1 July 2025 to 30 June 2026

Minister for Health Infrastructure
The Hon. Melissa Horne MP
From 1 July 2025 to 30 June 2026

Minister for Mental Health
Minister for Ageing
The Hon. Ingrid Stitt MP
From 1 July 2025 to 30 June 2026

Workforce Inclusion Policy

South West Healthcare concluded its first Gender Equality Action Plan (GEAP) 2022–2026 during the reporting period. The plan has guided our efforts over the past four years to create a more equitable, inclusive and supportive workplace, while strengthening our capacity to meet the diverse needs of the communities we serve.

As part of the transition to the South West Local Health Service Network, the Gender Equality Commission has provided participating health services with an additional five months to develop the next Gender Equality Action Plan, which will commence in November 2026. This collaborative approach will enable network partners to combine resources, share learnings and build on the achievements of the inaugural GEAP.

The future network-wide action plan will focus on advancing gender equality in leadership and decision-making roles, improving equitable access to health services across the region, and strengthening alignment with the principles of the *Gender Equality Act 2020 (Vic)*. Working collectively as a network will create new opportunities to drive meaningful and sustainable improvements in inclusion for both our workforce and the broader community.

During 2025–26, South West Healthcare continued to promote diversity and inclusion through the recognition and celebration of significant awareness events, including the International Day Against Homophobia, Biphobia, Intersexism and Transphobia (IDAHOBIT) and Wear It Purple Day. These events provided opportunities for staff and the community to celebrate diversity, increase awareness, and reinforce our commitment to creating an environment where all people feel respected, valued and supported.

South West Healthcare remains committed to fostering a workplace culture that embraces diversity, promotes equity and inclusion, and enables all employees to contribute and thrive.

Safe Patient Care (Nurse-to-Patient and Midwife-to-Patient Ratios) Act 2015

South West Healthcare has no matters to report in relation to its obligations under section 40 of the *Safe Patient Care (Nurse to Patient and Midwife to Patient Ratios) Act 2015.*

Competitive neutrality

South West Healthcare complies with the National Competition Policy and the requirements of the Competitive Neutrality Policy Victoria with regard to all significant business activities.

Building Act 1993

South West Healthcare complies with the building and maintenance provisions of the *Building Act 1993*. All buildings constructed after 1994 have been designed to conform to the *Building Act 1993* and its regulations, as well as to meet our statutory regulations that relate to health and safety matters.

South West Healthcare undertakes extensive Essential Safety Measures determined by the Occupancy Permits issued by the Building Surveyor to ensure all regulatory and safety standards on buildings, fire management systems, plant and equipment are maintained.

South West Healthcare has a comprehensive preventative maintenance program that it uses as a structured mechanism for the inspection, reporting, scheduling, and execution of maintenance activities across existing hospital buildings and infrastructure at all South West Healthcare campuses. The program involves routine inspections of building assets, including electrical systems, mechanical services, fire safety equipment, plumbing, medical gas systems, and building fabric, to identify defects or deterioration before failures occur. Inspection findings are documented and reported through a maintenance management system (FMI), which prioritises works based on risk, compliance requirements, and operational impact, with clinical services as a priority. Scheduled maintenance tasks are then planned and coordinated to minimise disruption to clinical services while ensuring assets remain safe, reliable, and compliant with regulatory standards. Maintenance works are carried out by trade qualified staff employed by South West Healthcare and expert contractors, with records maintained to verify completion, monitor asset performance, and support continuous improvement. Through this proactive approach, South West Healthcare reduces the risk of equipment and building failures, enhances patient and staff safety, extends asset life, and supports the delivery of uninterrupted healthcare services.

All South West Healthcare controlled buildings are constructed in accordance with the National Construction Code (NCC) and relevant Australian standards at the time of construction. For 2025-26, South West Healthcare had a total of two major works projects (greater than $50,000) completed.

No. of projects requiring a building permit	2
No. of certificate of occupancy/certificate of final inspection received	6
No. of emergency orders and building orders for buildings	Nil to report
No. of buildings brought into conformity with building standards during the financial year	Nil to report

Public Interest Disclosure Act 2012

South West Healthcare has in place appropriate procedures for disclosures in accordance with the *Public Interest Disclosure Act 2012* (Vic). Information about the protection of persons from detrimental action can be found on the South West Healthcare website via southwesthealthcare.com.au/contact-us/feedback

Complaints about misconduct or corruption involving public health services in Victoria can be made by individuals directly to the Independent Broad-based Anti-corruption Commission (IBAC) on 1300 735 135 or via their website at ibac.vic.gov.au

Carers Recognition Act 2012

South West Healthcare has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012* (the Act).

- promoting the principles of the Act to people in care relationships who receive our services and to the wider community (e.g. distributing printed material about the Act at community events or service points; providing links to state government resource materials on our website; providing digital and/or printed information about the Act to our partner organisations)
- ensuring our staff have an awareness and understanding of the care relationship principles set out in the Act (e.g. developing and implementing a staff awareness strategy about the principles in the Act and what they mean for staff; induction and training programs offered by the organisation include discussion of the Act and the statement of principles therein)
- considering the care relationships principles set out in the Act when setting policies and providing services (e.g. reviewing our employment policies such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the Act, developing a satisfaction survey for distribution at assessment and review meetings between workers, carers and those receiving care).
- implementing priority actions in *Victorian Carer Strategy 2025-2035.*

Local Jobs Act disclosure

In August 2018, the Victorian Parliament reformed the *Victorian Industry Participation Policy Act 2003* in the Local Jobs First Act 2003. The *Local Jobs First Act 2003*, the Local Jobs First Policy and related Local Jobs First Guidelines apply to all projects, with an estimated total project expenditure of $1 million or greater in regional Victoria, put to tender from 15 August 2018. South West Healthcare complies with *Local Jobs First Act 2003*.

Projects commenced – local jobs first standard

During 2025-26 South West Healthcare commenced and awarded three Local Jobs First Standard projects totalling $4.1 million. One of the projects was for Goods and Services, with a contract term of 60 months and a local content commitment of 88 percent. The two other projects were for Construction, one with a contract term of 15 months and a local content commitment of 91 percent, the other with contract term of 17 months and a local content commitment of 91 percent.

The employment commitments are calculated as annualised employee equivalent (AEE) and the outcomes for the three projects are as follows:

- a total of 42.0 (AEE) jobs were retained with 30.5 jobs being in Victoria and 11.5 jobs for the rest of Australia and New Zealand.
- No new jobs were created, and no apprentice jobs were created or retained.
- Suppliers have committed to a total of 32,700 local labour hours in the first year and 24,960 per annum in the following two years.

A total of 69 small to medium-sized businesses will be engaged through the supply chain on the three Standard Projects commenced during the 2025-26 reporting period.

Projects completed – local jobs first standard

During 2025-26, South West Healthcare completed two Local Jobs First Standard projects. With a total contract value of $2.83 million, each was for Construction Services with an average commitment of 95 percent local content.

A total of 11.1 AEE employment commitments were made as part of Local Jobs First Policy for the two projects which included 4.2 AEE apprentices and cadets.

Local jobs first strategic

There were no Local Jobs First Strategic projects commenced or completed during 2025-26.

Reporting requirements – grants

There were no relevant grants during 2025-26 and no interaction reference numbers required.

Government advertising campaign

Nil report - South West Healthcare did not undertake any advertising campaigns of $100,000 or greater.

Social procurement

South West Healthcare continues to support the objectives of Victoria's Social Procurement Framework.

Sustainability

South West Healthcare endeavours to promote sustainable practices that go beyond compliance requirements to minimise adverse environmental impact and to deliver positive environmental outcomes. Our approach is consistent with Environmental Impact in Procurement, Goods and Services Procurement Guide and the Sustainable Investment Guidelines.

Key opportunities include the inclusion of building materials with recycled content in redevelopment projects, and in the tendering process through replacement of products with more environmentally sustainable alternatives and the identification of sustainable practices by bidding parties.

Tenders for the replacement of equipment include a requirement for the contractor to commit to either repurposing equipment, typically through donation, or to provide evidence of the old equipment being decommissioned through recognised recyclers. As an example, the recent contract to replace patient beds across the Warrnambool and Camperdown campuses resulted in the successful contractor engaging one or more accredited recyclers in Geelong and Ballarat to dispose of the replaced beds.

Our procurement activities are environmentally conscious and include the following highlights for 2025-26:

- Single patient use items such as pathology and pneumatic tourniquets, infuser bags, assisted air transfer mats and sequential sleeves are consumables which go into general waste after use. A social enterprise company based in Victoria collects these devices, remanufactures them and offers healthcare facilities buy back. The cycle continues until the device is no longer fit for use and then it is recycled. This program was introduced in 2024 with collections established across Warrnambool and Camperdown campuses and with other health services in the South West Local Health Service Network. In 2025-26, 5,250 devices weighing 510kg, passed visual inspection and were sent for remanufacturing. South West Healthcare started buying back remanufactured single-use patient use tourniquets and single-use air-assisted transfer mattresses in 2025, with over 8,000 items ordered to date, effectively closing the loop on these resources.
- A discounted rate for beverages for those with Keep Cups has continued to reduce the number of disposable cups used to serve hot drinks at our cafes with over 8,650 transactions recorded where staff used their own cups.
- In 2026, our Food Services department have commenced, with Western District Food Share, a collection of non-perishable unopened items (single service cereals, spreads, coffee and sugar) left over from meal trays, diverting these items from landfill. The items are used in Emergency Food Hampers for single orders placed by their registered agencies.

Social value

Social Procurement is when organisations use their buying power to generate social value above and beyond the value of goods, services, or construction being procured. Of the seven specific objectives focused on Social Procurement under the Social Procurement Framework, South West Healthcare targeted the following:

- Opportunities for Victorian Aboriginal people
- Opportunities for Victorians with disability
- Opportunities for Victorian priority jobseekers

South West Healthcare engaged with 11 social benefit suppliers for a total direct spend of $331,776 in the financial year 2025-26. This reflects an increase in the number of engagements and a decrease in net spend when compared to the prior year. It does not reflect indirect spend made to sub-contractors as part of construction projects undertaken during the reporting period.

Emergency procurement and procurement complaints and disclosures

Disclosure of emergency procurements

Nil report – South West Healthcare did not activate emergency procurement, resulting in nil spending for emergency procurements.

Disclosure of procurement complaints

Nil report - No procurement complaints were received in 2025-26.

Grants and transfer payments (other than contributions by owners)

Ripple Effect Grants

South West Healthcare was the auspice organisation for a grant from Wannon Water that purchased bike racks for consumers to better access the health service and to encourage healthy lifestyle and better environmental outcomes. The money was spent in May 2025 and will be acquitted in May 2026.

Organisation	Payment $
Wannon Water	2,400

Summary of financial results for the year

This report is presented in accordance with the *Financial Management Act 1994,* for the year ending 30 June 2026.

As detailed in the below tables, we are pleased to confirm the total operating revenue increased from $367M to $411M for the 2025-26 financial year. This reflects an increase of $44M or 14 percent. The service profile of South West Healthcare continues to grow year on year. South West Healthcare recorded an operating deficit of $6.6M in the 2025-26 financial year (1.6 percent of operating revenue). As detailed through this report, we remain innovative and focused on responding to the rapidly changing health needs of the community we serve.

	2026 $000	2025 $000	2024 $000	2023 $000	2022 $000
Operating Result*	**(6,634)**	**(2,062)**	**(22,009)**	**234**	**9**
Total revenue	411,382	366,787	330,145	294,215	253,020
Total expenses	361,769	334,107	(303,005)	277,768	(252,411)
Net results from transactions	**49,613**	**32,680**	**27,140**	**16,447**	**609**
Total other economic flows	411	424	1,430	37	1,709
Net result	**50,024**	**33,104**	**28,570**	**16,484**	**2,318**
Total assets	537,073	478,142	435,042	351,035	304,610
Total liabilities	94,757	85,850	75,854	83,452	84,204
Net assets/Total equity	**442,316**	**392,292**	**359,188**	**267,583**	**220,406**

*The operating result is the result for which the health service is monitored in its Statement of Priorities

Reconciliation between the Net result from transactions to the Operating Result as agreed in the Statement of Priorities

	2025-26 $000
Net operating result*	**(6,634)**
Capital purpose income	83,682
Expenditure for capital purpose	(1,250)
Depreciation and amortisation	(26,030)
Finance costs (other)	(155)
Net result from transactions	**49,613**

*The operating result is the result for which the health service is monitored in its Statement of Priorities.

Details of 2025-26 consultancies

Details of consultancies under $10,000
In 2025-26, there were five consultancies where the total fees payable to the consultants were less than $10,000. The total expenditure incurred during 2025-26 in relation to these consultancies is $26,464.09 (exclusive of GST).

Details of consultancies over $10,000
In 2025-26, there were five consultancies where the total fees payable to the consultants were $10,000 or greater. The total expenditure incurred during 2025-26 in relation to these consultancies was $455,948.79 (exclusive of GST). Details of these consultancies can be viewed below.

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excluding GST) $	Expenditure 2025-26 (excluding GST) $	Future expenditure (excluding GST) $
Donald Cant Watts Corke Health Advisory Pty Ltd	Network Clinical Services Plan – Local Health Services Network	15/01/2026	31/12/2026	396,838	106,783.05	254,448
Mayfield Advisory Pty Ltd	Regional Finance Model Consultancy – Local Health Services Network	13/02/2025	4/12/2025	66,000	65,754.54	0
The Trustee for Armour Finance Trust	Clinical Services Plan – Local Health Services Network	4/09/2025	30/11/2025	18,000	16,515.00	0
Impact Collaborative Pty Ltd	Strategic Planning SWH 2026-2030	16/07/2025	26/03/2026	80,000	79,687.50	0
Studer Group Australia Pty Ltd	Leadership and management training	15/01/2024	31/12/2026	540,000	187,208.70	95,000

Information and communication technology (ICT) disclosure

For the 2025-26 reporting period, South West Healthcare had a total ICT expenditure of $10.74M (excluding GST) with the details shown below.

All operational ICT expenditure	ICT expenditure related to projects to create or enhance ICT capabilities		
Business as Usual (BAU) ICT expenditure (Total)	Non-Business as Usual (non-BAU) ICT expenditure (Total = Operational expenditure and capital expenditure)	Operational expenditure	Capital expenditure
$6.31 million	$4.43 million	$4.43 million	$0

Commercial appointments

External auditors
Crowe Australasia

Internal auditors
Moore Australia

Bankers
Australia & New Zealand Banking Group Ltd
Westpac Banking Corporation
Commonwealth Bank of Australia

Freedom of information requests

During 2025-26, South West Healthcare received 579 applications. Of these requests, all were from the general public.

South West Healthcare made 537 FOI decisions during the 12 months ended 30 June 2026 and all decisions were made within the statutory time periods.

Of the total decisions made, 479 granted access to documents in full, 57 granted access in part and one denied access in full. One decision was 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 the request was 9.3 days.

During 2025-26, four 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).

Principal Officer
Allison Patchett
Board Chair

Chief Medical Officer
Dr Miranda Sollychin
Chief Medical Officer

Freedom of Information Officer
Ms Robyn White

Additional information available upon request

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994*, details in respect of the items listed below have been retained by the health service and are available on request to the relevant Ministers, Members of Parliament and the public, subject to the provisions of the *Freedom of Information Act 1982*.

The following information must be retained and made available upon request:

(a) a statement that declarations of pecuniary interests have been duly completed by all relevant officers;

(b) details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;

(c) details of publications produced by the entity about itself, and how these can be obtained;

(d) details of changes in prices, fees, charges, rates, and levies charged by the entity;

(e) details of any major external reviews carried out on the entity;

(f) details of major research and development activities undertaken by the entity;

(g) details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;

(h) details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services;

(i) details of assessments and measures undertaken to improve the occupational health and safety of employees;

(j) a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes;

(k) 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

(l) details of all consultancies and contractors including:

i. consultants/contractors engaged;

ii. services provided; and

iii. expenditure committed to for each engagement

This information is available on request from:

Freedom of Information
South West Healthcare
Phone: (03) 5563 1666
Email: foi@swh.net.au

Attestations

South West Healthcare Financial Management Compliance Attestation Statement

I, Allison Patchett, on behalf of the Responsible Body, certify that South West Healthcare has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Allison Patchett
Board Chair
South West Healthcare
24 September 2026

Data integrity declaration

I, Craig Fraser certify that South West Healthcare has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. South West Healthcare has critically reviewed these controls and processes during the year.



Craig Fraser
Chief Executive Officer
South West Healthcare
24 September 2026

Conflict of interest declaration

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



Craig Fraser
Chief Executive Officer
South West Healthcare
24 September 2026

Integrity, fraud and corruption declaration

I, Craig Fraser, certify that South West Healthcare has put in place appropriate internal controls and processes to ensure that integrity, fraud, and corruption risks have been reviewed and addressed at South West Healthcare during the year.



Craig Fraser
Chief Executive Officer
South West Healthcare
24 September 2026

Compliance with HealthShare Victoria (HSV) Purchasing Policies

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



Craig Fraser
Chief Executive Officer
South West Healthcare
24 September 2026

Responsible body's declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the report of operations for South West Healthcare for the year ending 30 June 2026.



Allison Patchett
Board Chair
South West Healthcare
24 September 2026

Environmental sustainability

Environmental sustainability work at South West Healthcare is guided by our 2025-27 Environmental Management Plan (EMP) and includes an annual summary of performance as it relates to energy and water usage, waste production and the generation of Greenhouse Gas Emissions (GHG).

To support patient services and our core business across our various sites, South West Healthcare has commercial kitchens at two sites, two cafes at Warrnambool, one café at Camperdown, a Regional Logistics Distribution Centre (RLDC) supporting South West Healthcare and 9 other public health services across the Barwon South West region, maintenance departments, a warehouse, tenancies and a range of smaller owned and leased dwellings (i.e. Rotary House and medical student accommodation).

Utility data is included for all owned and leased sites. Waste production totals relate primarily to our three largest sites, with clinical waste and confidential paper recycling streams reported across the organisation.

Greenhouse gas emissions

Improving our environmental performance with a particular focus on decreasing emissions is a primary focus of sustainability activity at South West Healthcare. Consistent with national and international reporting standards, greenhouse gas emissions are broken down into emissions scopes as defined by the Greenhouse Gas (GHG) Protocol and summarised in table one. Emissions material (>1%) to South West Healthcare are reported. Our larger campuses electricity and natural gas utilities are part of the statewide health services large scale electricity and natural gas contracts. As of July 1, 2025, the large-scale electricity contract adopted a 100% green power agreement, meaning that emissions from 90% of electricity are offset. Accordingly, for the first time, South West Healthcare has included net greenhouse gas emissions as an indicator. Overall net greenhouse gas emissions have decreased in 2025-26 by 66% compared to 2024-25.

Scope one emissions, or direct emissions from sources owned or controlled by South West Healthcare increased slightly, reflecting a decrease in natural gas balanced by the first inclusion of emissions from medical gases and refrigerants. Scope two emissions, or indirect emissions from electricity use, have increased by 18% in 2025-26, reflecting the transition to all-electric facilities in new redevelopment activity. Scope three emission sources, or indirect emissions from sources South West Healthcare does not control but influences, includes waste, transport, commercial air travel and indirect emissions from stationary and transport energy.

Greenhouse gas emissions (GHG) *Table 1*

	2022-23	2023-24	2024-25	2025-26
Total scope 1 greenhouse gas emissions (tonnes CO_2-e) [G1] (i)	**2,707**	**2,688**	**2,414**	**2,490**
Carbon dioxide	2,698	2,680	2,407	2,161
Methane	4	5	4	3
Nitrous oxide	4	3	3.5	3
Scope 1 GHG Emissions from stationary fuel		2,302	2,027	1,774
Scope 1 GHG Emissions from vehicle fleet		386	386	393
Total stationary fuel and vehicle fleet scope 1 GHG		**2,688**	**2,414**	**2,140**
Medical/refrigerant gases – nitrous oxide				322
Medical/refrigerant gases – R134A (HFC-134A)				1

The report has been prepared in accordance with the Department of Health's Public Environmental Reporting Guidelines 2023 to meet Financial Reporting Direction 24: Reporting of environmental data by government entities (FRD24) requirements. South West Healthcare is classified as a Tier 3a entity under FRD24, with disclosure requirements noted as indicators (in the format letter/number i.e. [T1]) in the report.

Data provided in this report is normalised using indicators relevant to the healthcare sector, to provide the most accurate evaluation of environmental performance in the context of changes to service provision. The current reporting period data is compiled using known totals and estimates generated by the Department of Health for data not available prior to publication dates. Any estimate will be updated in the following year's Annual Report to include actual usage figures and noted in italics.

Greenhouse gas emissions (GHG)

Table 1

	2022-23	2023-24	2024-25	2025-26
Total Scope 2 greenhouse gas emissions (tonnes CO_2-e) [G2]	**4,581**	**4,594**	**4,910**	**5781**
Total Scope 3 greenhouse gas emissions (tonnes CO_2-e) [G3]	**1,428**	**1,589**	**1,982**	**1852**
Commercial air travel	0	40	156	134
Waste emissions [WR5]	457	663	696	592
Indirect emissions from stationary energy	766	749	826	923
Indirect emissions from transport energy	106	96	97	98
Water emissions	98	99	109	104
Net greenhouse gas emissions (tonnes CO_2-e) [GOpt]				
Gross greenhouse gas emissions [G1+G2+G3]	**8,711**	**8,915**	**92,620**	**10,123**
Purchased LGCs [ii]	-71	0	92,629	-6,951
Net greenhouse gas emissions (tonnes CO_2-e)	**8,640**	**8,915**	**366**	**3,171**

[i] RH134a is a hydrofluorocarbon refrigerant used in Chillers and large air conditioning systems.
[ii] LGCs - Large Scale Generation Certificates

Electricity production and consumption

Electricity consumption is detailed in table two with purchased electricity increasing by 17% in 2025-26. Increases are attributed primarily to the first full year of operation of the new all-electric Leura Aged Care Facility, the introduction of electric infrastructure replacing aged gas fired infrastructure at Warrnambool and the first year of operations at the new all-electric Hamilton Community Mental Health and Wellbeing facility.

The Rotary House Battery Energy Storage System (BESS) was installed and commissioned in the current reporting period. The 48kwH BESS was supported through a grant from the Department of Energy, Environment and Climate Action (DEECA) with Rotary House Warrnambool providing the co-contribution. The BESS is designed to soak up excess solar from Rotary House's 6.6kw solar system, to support core functions during onsite power outages and top-up charge during off-peak times in order to provide power to the site during peak times, thereby reducing operational costs for the facility.

Electricity production and consumption

Table 2

	2022-23	2023-24	2024-25	2025-26
Total electricity consumption (MWh) [EL1]	**7,090**	**7,404**	**7,910**	**9,163**
Purchased Electricity	6,671	6,985	7,442	8,694
Self-generated (MWh)	422	419	468	468
On-site electricity generated (MWh) [EL2]	**445**	**449**	**499**	**502**
Solar PV	445	449	468	468
Consumption behind-the-meter	422	419	468	468
Exports	24	31	30	33
On-site installed generation capacity (MW) [EL3]	**2.83**	**3.93**	**3.93**	**3.94**
Solar PV	0.427	0.526	0.526	0.537
Diesel backup generator	2.4	3.4	3.4	3.4
Total electricity offsets (MWh) [EL4]	**1,325**	**1,313**	**1,362**	**8,694**
Green power: LGCs voluntarily retired on the entity's behalf	71	0	0	7,556
RPP (Renewable power percentage in the grid)	1,254	1,313	1,362	1,557

Stationary fuel usage

Natural gas usage continued to decrease in 2025-26, with a 15% reduction compared to 2024-25, as summarised in table three. Decreased consumption reflect key infrastructure changes at Warrnambool Base Hospital and Camperdown Hospital. The steam boilers at Warrnambool Base Hospital were decommissioned in 2025-26, with a temporary new and more efficient steam boiler installed to support the remaining gas infrastructure in the kitchen. The kitchen is being upgraded to become all electric in 2026-27. South West Healthcare participated in Gas Substitution Planning with the Victorian Infrastructure Delivery Authority (VIDA) in the current reporting period, mapping feasibility of replacing remaining assets reliant on gas at the Warrnambool campus.

Stationary fuel usage

Table 3

	2022-23	2023-24	2024-25	2025-26
Total fuels used in buildings and machinery (GJ) [F1]	44,202	45,507	40,421	34,442
Buildings[iii]	44,163	45,507	40,344	34,442
Natural gas	44,163	45,430	40,344	34,442
Machinery - diesel	39	77	77	0
Greenhouse gas emissions from stationary fuel use (T CO_2e) [F2]	2,275	2,346	2,088	1,774

[iii]Natural gas usage associated with the Regional Linen service is a Scope 1 emission for South West Healthcare. In future years, Scope 3 emissions for other participating health services will be calculated.

Transportation

South West Healthcare fleet comprised an average of 103 vehicles essential to provision of services during 2025-26, with fleet composition as of June 2026 detailed in table four. Feasibility assessments of EV charging infrastructure at sites supporting fleet cars have commenced in 2025-26. Table five highlights fleet energy usage and emissions.

Overall fuel usage remained similar to the previous reporting period, reflecting the similar breakdown of vehicle types. Diesel usage is primarily attributed to supply/linen trucks supporting South West Healthcare and other health services across the region.

Fleet composition

Table 4

	2023-24	%	2024-25	%	2025-26	%
Number and proportion of vehicles [T2]	103	100	105	100	105	100
Road vehicles	103	100	105	100	105	100
Passenger vehicles	**99**		**97**		**97**	
Internal combustion engines	**14**		**11**		**10**	
Petrol	11	11	3	3	2	2
Diesel/biodiesel	3	3	8	8	8	8
Hybrid/electric	**85**		**86**		**87**	
Hybrid	68	66	69	66	69	66
Range-extended electric vehicle	17	16	17	16	18	17
Goods vehicles	**4**		**8**		**8**	
Internal combustion engines	**0**		8		8	
Petrol	0		4	4	4	4
Diesel/ biodiesel	4	4	4	4	4	4

Fleet energy use				*Table 5*
	2022-23	2023-24	2024-25	2025-26
Total energy used in transportation (GJ) [T1]	5,781	5,589	5,598	5,675
Road and goods vehicles[iv]	5,781	5,589	5,598	5,675
Petrol	2,819	2,674	2,691	2,393
Diesel	2,962	2,914	2,907	3,281
Electricity (MWh)	37	31	33	28
Greenhouse gas emissions from vehicle fleet (Tonnes CO2 e) [T3]	432.1	386	387	392
Road and goods vehicles	432.1	386	387	392
Total distance travelled by commercial air travel (km) [T4]	512,806	270,953	679,872	812,476

Notes:
[iv]Aggregated totals are provided for road and goods vehicles, as data is not available at the fleet composition category level.

Total energy use

Total energy used by South West Healthcare decreased by 2% in 2025-26, with reductions in natural gas use partly offset by increases in electricity use, as shown in table six. The proportion of energy attributed to renewable sources demonstrated the most significant change in the current reporting period, reflecting the adoption of 100% Green Power for the large site electricity contract.

Total energy use				*Table 6*
	2022-23	2023-24	2024-25	2025-26
Total energy usage from fuels (stationary and transportation) (GJ) [E1]	50,279	51,095	46,019	40,117
Total energy used from electricity (GJ) [E2]	25,527	26,653	28,477	32,986
Total energy used segmented into renewable and non-renewable sources (GJ) [E3]	77,335	79,256	74,496	73,103
Renewable	6,033	6,234	6,589	32,986
Non-renewable	71,304	73,021	67,907	40,116
Units of energy used normalised by OBD (GJ/OBD) [E4] [v]	1.07	1.07	1.04	0.98

Notes:
[v]OBD refers to inpatient bed days as reported through the Victorian Admitted Episodes Dataset (VAED) and the number of residential aged care beds for the reporting period reported to the Department of Health's Aged Care branch. For 2025-26, South West Healthcare OBD was 74,457.



Environmentally sustainable design features in the Hamilton Community Mental Health Facility include a 14kwp solar array, bright, naturally light filled offices, consult rooms and open-planned workspaces and an EV charger.

Sustainable buildings and infrastructure

Redevelopment and service expansion across multiple campuses has continued to define the reporting period in 2025-26. Two key projects, Leura Aged Care and Hamilton Community Mental Health and Wellbeing commenced operation in the reporting period with both sites designated as all-electric. The Acute Mental Health Inpatient Unit refurbishment in Warrnambool is reaching completion and the early works construction phase for the Warrnambool Base Hospital Redevelopment has commenced with decommissioning and demolition of three key buildings occurring during the reporting period to make way for the new clinical tower. Environmentally sustainable design features are incorporated into newly completed entity-owned buildings [B1], with the Hamilton Community Mental Health and Wellbeing facility including a 14kwp solar array, bright, naturally light filled offices, consult rooms and open-planned workspaces and an EV charger. South West Healthcare will develop guidance for new leases to preference buildings (where available) with higher energy efficiency ratings and those covered by a Green Lease Schedule, consistent with commitments in the Whole of Victorian Government emissions reduction pledge 2021-25. [B2] In 2025-26, no NABERS Energy rating of newly completed/occupied entity-owned office buildings and substantial tenancy fit-out, or other environmental performance ratings of newly completed/occupied entity-owned fit outs of office buildings occurred. [B3 & 4]

Sustainable procurement

Sustainable procurement is reported as part of Social Procurement Framework reporting on page 58, and our approach is consistent with Environmental Impact in Procurement, Goods and Services Procurement Guide and the Sustainable Investment Guidelines.

A discounted rate for beverages for those with Keep Cups has continued to reduce the number of disposable cups used to serve hot drinks at Café Nosh with 8,682 transactions recorded where staff used their own cups. In 2026, Food Services have also set up a collection of non-perishable unopened items (single service cereals, spreads, coffee and sugar) left over from meal trays to Western District Food Share, diverting these items from landfill. The items are used in Emergency Food Hampers for single orders placed by their registered agencies.

Single-use patient items such as pathology and pneumatic tourniquets, infuser bags, assisted air transfer mats and sequential sleeves are consumables which go into general waste after use. Medsalv is a newly founded company based in Victoria who collect these devices, remanufacture them and offer healthcare facilities buy-back. The cycle continues until the device is no longer fit for use and then it is recycled by Medsalv. This program was introduced in 2024 and in 2025-26, 5,250 devices weighing 510kg, passed visual inspection and were sent for remanufacturing. South West Healthcare started buying back remanufactured single-use patient tourniquets and single-use air-assisted transfer mattresses in 2025, with over 8,000 items ordered to date, effectively closing the loop on these resources [B6].

Water use

Potable water use increased by 9% in 2025-26 as shown in table seven, with water usage at Warrnambool Base Hospital increasing by 10,000kL over the reporting period. The 300,000L rainwater/reuse tank at Warrnambool Base Hospital was decommissioned early in the reporting period, primarily accounting for increased potable water usage.

The rainwater tank will be rebuilt toward the final stages of redevelopment works in 2027-28. South West Healthcare is participating in water conservation programs managed by Wannon Water to monitor water usage, detect leaks and other abnormal usage at Warrnambool Base Hospital and the RLDC.

Water consumption *Table 7*

	2022-23	2023-24	2024-25	2025-26
Total water consumption by an entity (kilolitres) [W1]	72,425	73,745	82,743	77,438
Potable water consumption	60,425	60,745	70,743	77,438
Metered reused water consumption	12,000	12,000	12,000	0
Units of metered water consumed normalised by OBD [W2]	0.99	1.00	1.15	1.04

Waste and recycling

A Fluid Waste Diverter at Camperdown Theatre was installed in April 2026. The Units reduce volumes of clinical waste destined for landfill by flushing fluid suction waste generated through theatre procedures directly into the wastewater network, rather than being transported as clinical waste and processed with energy intensive treatment before being sent to landfill. The installation of this Unit brings Camperdown into alignment with Warrnambool Theatres which have had a Fluid Waste Diverter since 2023.

In 2025-26, both waste to landfill and recycling totals decreased with activity summarised in table eight. The period was marked by interruptions to key recycling stream servicing associated with redevelopment activity restrictions to loading dock space at Warrnambool, with key recycling streams temporarily suspended due to lack of space to service skips. This is reflected in the decrease of recycling rates from 23% to 13%. The decrease in general waste, reflects the change from estimated weights based on servicing of skips, derived from the Victorian Public Health Services Waste Reporting Tool: version 2.01, to known weights from our compactor truck.

Waste and recycling *Table 8*

	2022-23	%	2023-24	%	2024-25	%	2025-26	%
Total units of waste disposed (kg and %) [WR1]	402,131	100	639,805	100	700,277	100	520,986	100
Landfill (disposal)	319,975	79	517,590	81	532,841	77	452,867	87
Recycling/recovery (disposal)	82,156	21	122,215	19	167,436	23	68,110	13
Batteries	520	1	785	1	804	0.5	530	1
Cardboard	51,939	63	81,626	56	84,072	50	31,278	46
Comingled	3,714	4	29,414	20	49,715	30	9,409	14
E waste	1,478	2	4,012	3	3,109	2	2,770	4
FOGO (including garden organics)	6,689	8	6,087	4	1,365	1	2,184	3
PVC (IV Bags, O^2 masks and tubing)	96	1	129	0	262	0	192	0
Paper (confidential and other)	16,772	20	18,812	13	20,192	12	20,043	29
Remanufactured items	0	0	44	0	251	0	510	1
Sterilisation wrap	936	1	4,219	3	7,464	4	1,458	2
Toner and print cartridge	0	0	0	0	0	0	0	0
Uniform recycling	0	0	694	0	202	0	151	0
Total units of waste disposed of normalised by OBD (kg/OBD) [WR3]	5.0		5.04		7.43		6.08	
Recycling rate (%) [WR4]	21		19		23		13	
Greenhouse gas emissions associated with waste disposal (Tonnes CO2-e) [WR5]	457		672		696		592	

Disclosure index

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

Legislation	*Requirement*	*Page reference*
Standing directions and financial reporting directions		
Report of Operations		
Charter and purpose		
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FRD 22	Purpose, functions, powers and duties	8-13
FRD 22	Nature and range of services provided	9
FRD 22	Activities, programs and achievements for the reporting period	10-18
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Management and structure		
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FRD 22	Summary of the financial results for the year	59
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FRD 22	Subsequent events	N/A
FRD 22	Details of consultancies under $10,000	60
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FRD 22	Asset Management Accountability Framework	N/A
FRD 22	Disclosure of social procurement activities under the Social Procurement Framework	58
FRD 22	Disclosure of reviews and study expenses	N/A
FRD 22	Disclosure of grants and transfer payments	59
FRD 22	Application and operation of *Freedom of Information Act 1982*	61
FRD 22	Compliance with building and maintenance provisions of *Building Act 1993*	56
FRD 22	Application and operation of *Public Interest Disclosure Act 2012*	56
FRD 22	Statement on National Competition Policy	55
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FRD 25	*Local Jobs First Act 2003* disclosures	57
Compliance attestation and declaration		
SD 5.1.4	Financial Management Compliance attestation	62
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	Attestation on Data Integrity	62
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	Reporting of compliance regarding Car Parking Fees (if applicable)	N/A
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Other disclosures as required by FRDs in notes to the financial statements [a][b]		
FRD 11	Disclosure of Ex gratia Expenses	N/A
FRD 103	Non-Financial Physical Assets	92, 103
FRD 110	Cash Flow Statements	79
FRD 112	Defined Benefit Superannuation Obligations	87
FRD 114	Financial Instruments - general government entities and public non-financial corporations	N/A
Legislation		
Freedom of Information Act 1982 (Vic) (FOI Act)		61
Building Act 1993		56
Public Interest Disclosure Act 2012		56
Carers Recognition Act 2012		56
Local Jobs First Act 2003		57
Financial Management Act 1994[b]		73

Notes:
[a] References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are in the nature of disclosure.
[b] Refer to the Model financial statements section (part two) for further details.



Financial Statements

90
businesses serviced by the Regional Logistic Distribution Centre

South West Healthcare

Financial statements
Financial year ended 30 June 2026

Board member's, Accountable Officer's, and Chief Finance and Accounting Officer's declaration

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2026 and the financial position of South West Healthcare at 30 June 2026.

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

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

Board member

Allison Patchett
Board Chair

Warrnambool

24 September 2026

Accountable officer

Craig Fraser
Chief Executive Officer

Warrnambool

24 September 2026

Chief Finance and Accounting Officer

Susan Walker
Chief Finance and Accounting Officer

Warrnambool

24 September 2026

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of South West Healthcare

Opinion

I have audited the financial report of South West Healthcare (the health service) which comprises the:

- balance sheet as at 30 June 2026
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including material accounting policy information
- board member's, accountable officer's and chief finance & accounting officer's declaration.

In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2026 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and Australian Accounting Standards – Simplified Disclosures.

Basis for Opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975.* My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Board's responsibilities for the financial report

The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the health service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
1 October 2026

Simone Bohan
as delegate for the Auditor-General of Victoria

Comprehensive operating statement

South West Healthcare
For the financial year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Revenue and income from transactions			
Revenue from contracts with customers	2.1(a)	271,330	242,002
Government grants	2.1(b)	116,014	100,869
Other sources of income	2.1(c)	22,513	22,455
Non-operating activities		1,525	1,461
Total revenue and income from transactions		**411,382**	**366,787**
Expenses from transactions			
Employee expenses	3.1(a)	(253,901)	(233,839)
Supplies and consumables	3.1(c)	(40,136)	(36,119)
Depreciation and amortisation	4.1(a), 4.1(b)	(26,030)	(24,326)
Other operating expenses	3.1(d)	(41,702)	(39,823)
Total Expenses from transactions		**(361,769)**	**(334,107)**
Net result from transactions - net operating balance		**49,613**	**32,680**
Other economic flows included in net result			
This statement should be read in conjunction with the accompanying notes.		**(19)**	415
Net gain/(loss) on financial instruments		(108)	13
Other gain/(loss) from other economic flows		538	(5)
Total other economic flows included in net result		**411**	**424**
Net result		**50,024**	**33,104**
This statement should be read in conjunction with the accompanying notes.		**50,024**	**33,104**

Balance sheet

South West Healthcare
As at 30 June 2026

	Note	2026 $'000	2025 $'000
Financial assets			
Cash and cash equivalents	6.1	9,395	19,730
Receivables	5.1	34,528	25,396
Total financial assets		**43,923**	**45,126**
Non-financial assets			
Prepayments		1,223	192
Inventories		2,146	1,949
Property, plant and equipment	4.1, 4.1(b)	489,781	431,576
Total non-financial assets		**493,150**	**433,717**
Total assets		**537,073**	**478,844**
Liabilities			
This statement should be read in conjunction with the accompany	5.2	27,869	21,249
Contract liabilities		3,240	4,055
Borrowings		3,713	4,072
Employee benefits	3.1(b)	55,844	53,229
Monies held in trust	5.3	4,091	3,947
Total liabilities		**94,757**	**86,552**
Net assets		**442,316**	**392,292**
Equity			
Reserves		215,366	215,366
Contributed capital		77,339	77,339
Accumulated surplus/(deficit)		149,630	99,587
Total equity		**442,316**	**392,292**

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

Statement of changes in equity

South West Healthcare
For the financial year ended 30 June 2026

	Property, Plant and Equipment Revaluation Surplus	Restricted Specific Purpose Reserve	Contributed Capital	Accumulated Surplus/(Deficit)	Total
	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2024	**215,344**	**22**	**77,339**	**66,483**	**359,189**
Net result for the year	-	-	-	33,104	33,104
Balance at 30 June 2025	**215,344**	**22**	**77,339**	**99,587**	**392,293**
Net result for the year	-	-	-	50,043	50,024
Balance at 30 June 2026	**215,344**	**22**	**77,339**	**149,611**	**442,316**

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

Cash flow statement

South West Healthcare
For the financial year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Operating grants from State Government		273,264	255,936
Operating grants from Commonwealth Government		22,307	20,766
Capital grants from State Government		8,342	9,506
Commercial activity revenue received		7,060	6,420
GST received from ATO		7,971	6,858
Interest and investment income received		1,525	1,461
Other receipts		14,338	14,932
Total receipts		**334,807**	**315,879**
Payments to employees		(250,282)	(193,108)
Payments to suppliers and consumables		(27,703)	(64,783)
Finance costs		(1,882)	(1,440)
Other payments		(48,116)	(42,748)
Total payments		**(327,983)**	**(302,079)**
This statement should be read in conjunction with the accompanying notes.			
Net cash flows from/(used in) operating activities		**6,824**	**13,800**
Cash Flows from investing activities			
Proceeds from sale of non-financial assets		949	1,148
Purchase of non-financial assets		(18,084)	(13,604)
Capital donations and bequests received		684	800
Net cash flows from/(used in) investing activities		**(16,451)**	**(11,656)**
Cash flows from financing activities			
Repayment of borrowings and principal portion of lease liabilities		(813)	(628)
This statement should be read in conjunction with the accompanying notes.		(805)	(200)
Receipt of accommodation deposits		910	800
This statement should be read in conjunction with the accompanying notes.		**(708)**	**(28)**
Net increase/(decrease) in cash and cash equivalents held		**(10,335)**	**2,116**
Cash and cash equivalents at beginning of year		19,730	17,614
Cash and cash equivalents at end of year	6.1	**9,395**	**19,730**

Notes to the financial statements

South West Healthcare
For the financial year ended 30 June 2026

Structure

1.1 Basis of preparation

1.2 Material accounting estimates and judgments

1.3 Reporting entity

1.4 Economic dependency

Note 1: About this report

These financial statements represent the financial statements of South West Healthcare for the year ended 30 June 2026.

South West Healthcare is a not-for-profit entity established as a public agency in 1999, under the *Health Services Act 1988 (Vic)*, as a result of an amalgamation between Corangamite Regional Hospital Service and Warrnambool and District Base Hospital. A description of the nature of its operations and its principal activities is included in the Report of Operations, which does not form part of these financial statements.

This section explains the basis of preparing the financial statements.

Note 1.1 Basis of preparation

These financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and Financial Reporting Direction 101 *Application of Tiers of Australian Accounting Standards* (FRD 101).

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AASs), which include interpretations, issued by the Australian Accounting Standards Board (AASB).

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 *Contributions*, 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 South West Healthcare.

The financial statements have been prepared on a going concern basis (refer to Note 1.4 Economic Dependency).

The financial statements are presented in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of South West Healthcare on 24 September 2026.

Note 1.2 Material accounting estimates and judgments

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 any reasonable expectation of future events. Actual results may differ.

South West Healthcare
Notes to the financial statements
For the financial year ended 30 June 2026

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

The material accounting judgements and estimates used, and any changes thereto, are disclosed within the relevant accounting policy.

Note 1.3 Reporting entity

The financial statements include all the controlled activities of South West Healthcare.

South West Healthcare's principal address is:

25 Ryot Street
Warrnambool, Victoria 3280

Note 1.4 Economic dependency

South West Healthcare 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. South West Healthcare provides essential services and is predominantly 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 South West Healthcare's operations and on that basis, the financial statements have been prepared on a going concern basis.

Note 2: Funding delivery of our services

South West Healthcare's overall objective is to provide quality health services that support and enhance the wellbeing of all Victorians. South West Healthcare is predominantly funded by grant funding for the provision of outputs. South West Healthcare also receives income from the supply of services.

Significant judgement – Grants revenue

South West Healthcare has made the judgement that amounts received in relation to specific Department of Health funded programs, including activity based grants (NWAU, aged care and dental), specific programs and workforce initiatives, should be recognised under AASB 15 Revenue from Contracts with Customers on the basis that the funding agreements include enforceable and sufficiently specific performance obligations requiring South West Healthcare to deliver identified services and outcomes. Revenue is recognised over time as the services are delivered and the related obligations are fulfilled.

Management applies significant judgement in determining whether individual funding agreements contain sufficiently specific performance obligations and in measuring progress towards their completion. Funding arrangements that do not contain enforceable and sufficiently specific performance obligations are recognised under AASB 1058 Income of Not-for-Profit Entities.

Structure

2.1 Revenue and income from transactions

Note 2.1 Revenue and income from transactions

	Note	2026 $'000	2025 $'000
Revenue from contracts with customers	2.1(a)	271,330	242,002
Government grants	2.1(b)	116,014	100,869
Other sources of income	2.1(c)	22,513	22,455
Total revenue and income from transactions		**409,857**	**365,326**

Note 2.1(a) Revenue from contracts with customers

	2026 $'000	2025 $'000
Government grants (State) - operating	241,852	214,978
Government grants (Commonwealth) - operating	22,307	20,766
Patient and resident fees	4,164	3,966
Private practice fees	3,007	2,292
Total revenue from contracts with customers	**271,330**	**242,002**

How we recognise revenue from contracts with customers

Government grants

Revenue from government operating grants that are enforceable and contain sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15.

In contracts with customers, the 'customer' is the funding body, who is the party that promises funding in exchange for South West Healthcare's goods or services. South West Healthcare 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 South West Healthcare's revenue streams, with information detailed below relating to South West Healthcare's material 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.

Patient and resident fees

Patient and resident fees are charges incurred by patients for services they receive. Patient and resident fees are recognised under AASB 15 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.

Note 2.1(b) Revenue from contracts with customers

	2026 $'000	2025 $'000
Government grants (State) - operating	34,013	41,660
Government grants (State) - capital	82,001	59,209
Total Government grants	**116,014**	**100,869**

How we recognise Government grants

Government grants

South West Healthcare recognises income of not-for-profit entities under AASB 1058 where it has been earned under arrangements that are either not enforceable or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations or that are not enforceable, is recognised when South West Healthcare has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, South West Healthcare recognises any related contributions by owners, increases in liabilities, decreases in assets or revenue (related amounts) in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- contributions by owners, in accordance with AASB 1004 *Contributions*
- revenue or contract liability arising from a contract with a customer, in accordance with AASB 15
- a lease liability in accordance with AASB 16 *Leases*
- a financial instrument, in accordance with AASB 9 *Financial Instruments*
- a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets.*

Capital grants

Where South West Healthcare receives a capital grant it recognises a liability, equal to the financial asset received less amounts recognised under other Australian Accounting Standards.

Income is recognised in accordance with AASB 1058 progressively as the asset is constructed which aligns with South West Healthcare's obligation to construct the asset. The progressive percentage of costs incurred is used to recognise income, as this most accurately reflects the stage of completion.

Non-cash contributions from the Department of Health

The Department of Health makes some payments on behalf of South West Healthcare as follows:

Supplier	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for South West healthcare 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.
Victorian Infrastructure Delivery Authority	The Department of Health made payments to the Victorian Infrastructure Delivery Authority to fund capital works projects during the year ended 30 June 2026, on behalf of South West Healthcare.
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 Department of Health.

Note 2.1(c) Other sources of income

	Note	2026 $'000	2025 $'000
Other capital purpose income		1,597	1,592
Assets received free of charge or for nominal consideration		86	(97)
Other income from operating activities		20,830	20,960
Total other sources of income		**22,513**	**22,455**

Other income from operating activities comprises revenue from shared service arrangements, cost recoveries, sales of goods and services, rental income, clinical supervision and other miscellaneous operating activities.

South West Healthcare
Notes to the financial statements
For the financial year ended 30 June 2026

Note 3: The cost of delivering our services

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

Structure

3.1 Expenses incurred in the delivery of services

Note 3.1 Expenses incurred in the delivery of services

	Note	2026 $'000	2025 $'000
Employee expenses	3.1(a)	253,901	233,839
Supplies and consumables	3.1(c)	40,136	36,119
Other operating expenses	3.1(d)	41,702	39,823
Total expenses incurred in the delivery of services		**335,740**	**309,781**

Note 3.1 (a) Employee expenses

	2026 $'000	2025 $'000
Salaries and wages	197,841	182,361
Superannuation expense [1]	21,218	18,651
Agency expenses	21,241	20,504
Fee for service medical officer expenses	13,601	12,323
Total employee expenses	**253,901**	**233,839**

(1) Defined contribution superannuation expense and defined benefit superannuation expense have been combined.

How we recognise employee expenses

Employee expenses include salaries and wages, fringe benefits tax, leave entitlements, termination payments, WorkCover payments and agency expenses.

The amount recognised in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period.

Note 3.1 (b) Employee benefits and related on-costs

	2026 $'000	2025 $'000
Current provisions for employee benefits		
Accrued days off	797	754
Annual leave	18,278	16,659
Long service leave	25,081	24,625
Provision for on-costs	7,009	6,580
Total current provisions for employee benefits	**51,165**	**48,618**
Non-current provisions for employee benefits		
Long service leave	4,091	4,036
Provision for on-costs	588	575
Total non-current provisions for employee benefits	**4,679**	**4,610**
Total provisions for employee benefits	**55,844**	**53,229**

How we recognise employee-related provisions

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

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

Annual leave and accrued days off

Liabilities for annual leave and accrued days off are recognised in the provision for employee benefits as current liabilities because South West Healthcare does not have an unconditional right to defer settlement 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 South West Healthcare expects to wholly settle within 12 months or
- present value – if South West Healthcare 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 South West Healthcare does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. An unconditional right arises after a qualifying period.

The components of this current LSL liability are measured at:

- nominal value – if South West Healthcare expects to wholly settle within 12 months or
- present value – if South West Healthcare does not expect to wholly settle within 12 months.

Conditional LSL is measured at present value and is disclosed as a non-current liability. There is a conditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

Provisions

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred. The on-costs provision is immaterial in 2026.

Note 3.1 (c) Supplies and consumables

	2026 $'000	2025 $'000
Drug supplies	17,100	14,517
Medical and surgical supplies (including prosthesis)	12,052	11,848
Diagnostic and radiology supplies	8,277	7,400
Other supplies and consumables	2,707	2,354
Total supplies and consumables	**40,136**	**36,119**

How we recognise 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.

Note 3.1 (d) Other operating expenses

	2026 $'000	2025 $'000
Fuel, light, power and water	2,907	2,590
Repairs and maintenance	3,798	4,051
Maintenance contracts	1,733	1,882
Medical indemnity insurance	3,618	3,447
Other administration expenses	29,416	27,723
Finance costs	230	129
Total other operating expenses	**41,702**	**39,823**

How we recognise other operating expenses

Expense recognition

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

Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

The DH also makes certain payments on behalf of South West Healthcare. These amounts have been brought to account in determining the operating result for the year, by recording them as revenue (Refer to Note 2.1(b)) and recording a corresponding expense.

Note 4: Key assets to support service delivery

South West Healthcare 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 South West Healthcare to be utilised for delivery of services.

Significant judgement – Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

Structure

4.1 Property, plant & equipment

4.2 Depreciation and amortisation

Note 4.1 Property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Land at fair value - Crown	27,998	27,335	(105)	(51)	27,893	27,284
Buildings at fair value	354,761	315,253	(40,607)	(19,503)	314,154	295,750
Works in progress at cost	114,734	74,683	-	-	114,734	74,683
Plant, equipment and vehicles at fair value	65,299	62,344	(41,171)	(38,021)	24,128	24,323
Total property, plant and equipment	**562,792**	**479,614**	**(81,883)**	**(57,575)**	**480,909**	**422,040**

How we recognise property, plant and equipment

Items of property, plant and equipment are initially measured at cost, and are subsequently measured at fair value less accumulated depreciation and impairment. 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.

Note 4.1(a) Reconciliation of the carrying amount of each class of asset

	Land $'000	Buildings $'000	Works in progress $'000	Plant, equipment and vehicles $'000	Total $'000
Balance at 1 July 2025	**27,284**	**295,750**	**74,683**	**24,323**	**422,040**
Additions	663	3,301	76,416	3,627	84,007
Disposals	-	-	-	(64)	(64)
Net transfers between classes	-	36,207	(36,365)	158	-
Depreciation	(54)	(21,104)	-	(3,916)	(25,074)
Balance at 30 June 2026	**27,893**	**314,154**	**114,734**	**24,128**	**480,909**

Fair value assessments have been performed for all classes of assets in this purpose group and the decision was made that the movements were not material (less than or equal to 10%). As such, an independent revaluation was not required per FRD 103. In accordance with FRD 103, South West Healthcare has elected to apply the practical expedient in FRD 103 Non-Financial Physical Assets and has therefore not applied the amendments to AASB 13 Fair Value Measurement. The amendments to AASB 13 will be applied at the next scheduled independent revaluation, which is planned to be undertaken in 2029, in accordance with South West Healthcare's revaluation

Note 4.1(b) Right-of-use assets

The following tables are right-of-use assets.

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Land and buildings at cost	8,508	8,508	(3,224)	(2,930)	5,284	5,578
Plant, equipment and vehicles at cost	8,371	8,960	(4,783)	(5,001)	3,588	3,959
Total right-of-use assets	**16,879**	**17,468**	**(8,007)**	**(7,931)**	**8,872**	**9,537**

	Land & Buildings $'000	Plant, equipment and vehicles $'000	Total $'000
Balance at 1 July 2025 (1)	**5,578**	**3,959**	**9,537**
Additions	-	1,328	1,328
Disposals	-	(1,037)	(1,037)
Depreciation	(294)	(662)	(956)
Balance at 30 June 2026	**5,284**	**3,588**	**8,872**

(1) As a result of a change in FRD104 Leases effective for reporting periods from 30 June 2026, right-of-use assets are measured at cost for reporting period 2026. The comparative information for reporting period 2025 is not restated as is reported at the previously determined fair value. For further information, refer to Note 7.3.

How we recognise right-of-use assets

Initial recognition

When South West Healthcare enters a contract, which provides the health services with the right to control the use of an identified asset for a period of time in exchange for payment, this contract is considered a lease.

Unless the lease is considered a short-term lease or a lease of a low-value asset the contract gives rise to a right-of-use asset and corresponding lease liability.

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

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

Subsequent measurement

Right-of-use assets are subsequently measured at cost less accumulated depreciation, impairment and any adjustments for remeasurement of the lease liability.

Further information regarding fair value measurement is disclosed in Note 7.3.

Note 4.1(c) impairment of property, plant and equipment

The recoverable amount of the primarily non-financial physical assets of South West Healthcare, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement, with the consequence that AASB 136 Impairment of Assets does not apply to such assets that are regularly revalued.

South West Healthcare has assessed all right-of-use assets for impairment, and no indicators of impairment are identified as at 30 June 2026.

Note 4.2 Depreciation and amortisation

How we recognise depreciation

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

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

How we recognise amortisation

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

Useful lives of non-current assets

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

	2026	2025
Buildings	4 - 52 years	4 - 52 years
Plant, equipment and vehicles (including leased assets)	0 - 50 years	0 - 50 years

Note 5: Other assets and liabilities

This section sets out those assets and liabilities that arose from South West Healthcare's operations.

Structure

5.1 Receivables

5.2 Payables

5.3 Monies held in trust

Note 5.1 Receivables

	Notes	2026 $'000	2025 $'000
Current receivables			
Contractual			
Trade receivables		6,463	4,220
Receivables - South West Alliance of Rural Health		1,066	1,483
Patient fees and resident debtors		686	560
Allowance for impairment losses		(168)	(60)
Accrued revenue		52	56
Accrued Grants - Department of Health		218	744
Deferred capital grant income	5.2(a)	7,689	702
Total contractual receivables		**16,006**	**7,705**
Statutory			
GST receivable		1,037	803
Total statutory receivables		**1,037**	**803**
Total current receivables		**17,042**	**8,508**
Non-current receivables			
Contractual			
Long service leave - Department of Health		17,486	16,888
Total contractual receivables		**17,486**	**16,888**
Total non-current receivables		**17,486**	**16,888**
Total receivables		**34,528**	**25,396**
(i) Financial assets classified as receivables			
Total receivables		34,528	25,396
GST receivable		(1,037)	(803)
Total financial assets classified as receivables	7.1	**33,491**	**24,593**

How we recognise receivables

Receivables consist of:

- **Contractual receivables,** including debtors that relate to goods and services. These receivables are classified as financial instruments and are categorised as 'financial assets at amortised cost'. They are initially recognised at fair value plus any directly attributable transaction costs. The health service holds 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. The health service applies AASB 9 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.

Note 5.2 Payables

	Note	2026 $'000	2025 $'000
Current payables			
Contractual			
Trade creditors		7,942	2,357
Accrued salaries and wages		8,648	6,878
Accrued expenses		9,692	10,374
Payables - South West Alliance of Rural Health		1,587	1,639
Total contractual payables		**27,869**	**21,249**
Total current payables		**27,869**	**21,249**
Total payables		**27,869**	**21,249**
(i) Financial liabilities classified as payables			
Total payables		27,869	21,249
Deferred grant income		(7,689)	(702)
Total financial liabilties classified as payables	7.1	**20,180**	**20,547**

How we recognise 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 South West Healthcare prior to the end of the financial year that are unpaid.
- **Statutory payables,** including Goods and Services Tax (GST) payable are recognised and measured similarly to contractual payables but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

The normal credit terms for accounts payable are usually Net 30 days.

Note 5.2 (a) Movement in deferred capital grant income

	2026 $'000	2025 $'000
Opening balance of deferred capital grant income	(702)	(642)
Grant consideration for capital works received during the year	8,342	9,505
Deferred capital grant income recognised as income due to completion of capital works	(15,329)	(9,565)
Closing balance of deferred capital grant income	**(7,689)**	**(702)**

How we recognise deferred capital grant income

Grant consideration was received from Department of Health to support the construction / expansion / update of the Mental Health Acute Inpatient Unit, Emergency Department, Leura Aged Care and the Warrnambool Base Hospital Redevelopment.

Capital grant income is recognised progressively as the asset is constructed, since this is the time when South West Healthcare satisfies its obligations. The progressive percentage of costs incurred is used to recognise income because this most closely reflects the percentage of completion of the building works. As a result, South West Healthcare has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Note 5.3 Monies held in trust

	Note	2026 $'000	2025 $'000
Current monies held in trust			
Patient monies		55	45
Refundable accommodation deposits		3,650	3,545
Other monies		386	357
Total current monies held in trust		**4,091**	**3,947**
Total other liabilities		**4,091**	**3,947**
*** Represented by:**			
- Cash assets	6.1	4,091	3,947
		4,091	**3,947**

How we recognise monies held in trust

Refundable Accommodation Deposit (RAD)/Accommodation Bond liabilities

RADs/Accommodation bonds are non-interest-bearing deposits made by some aged care residents to South West Healthcare upon admission. These deposits are liabilities which fall due and payable when the resident leaves the home.

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: How we finance our operations

This section provides information on the sources of finance utilised by South West Healthcare during its operations and other information related to financing activities of South West Healthcare.

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

Structure

6.1 Cash and cash equivalents

6.2 Commitments for expenditure

Note 6.1 Cash and cash equivalents

	Note	2026 $'000	2025 $'000
Cash on hand (excluding monies held in trust)		29	27
Cash at bank (excluding monies held in trust)		5,275	15,756
Total cash held for operations		**5,304**	**15,783**
Cash at bank (monies held in trust)		4,091	3,947
Total cash held as monies in trust		**4,091**	**3,947**
Total cash and cash equivalents	7.1	**9,395**	**19,730**

Note 6.2 Commitments for expenditure

30 June 2026	Less than 1 year $'000	1-5 Years $'000	Total $'000
Capital expenditure commitments	6,119	-	6,119
Operating expenditure commitments	2,948	2,228	5,176
Total commitments (inclusive of GST)	**9,067**	**2,228**	**11,295**
Less GST recoverable			(1,027)
Total commitments (exclusive of GST)			**10,268**

30 June 2025	Less than 1 year $'000	1-5 Years $'000	Total $'000
Capital expenditure commitments	11,875	-	11,875
Operating expenditure commitments	3,224	4,140	7,364
Total commitments (inclusive of GST)	**15,099**	**4,140**	**19,239**
Less GST recoverable			(687)
Total commitments (exclusive of GST)			**18,552**

South West Healthcare
Notes to the financial statements
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How we disclose our commitments

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

Expenditure commitments

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

Note 7: Risks, contingencies and valuation uncertainties

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

Structure

7.1 Financial instruments

7.2 Contingent assets and contingent liabilities

7.3 Fair value determination

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 South West Healthcare'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.*

30 June 2026	Note	30 June 2026 Carrying amount $'000	30 June 2025 Carrying amount $'000
Financial assets at amortised cost			
Cash and cash equivalents	6.1	9,395	19,730
Receivables	5.1	33,491	23,891
Total financial assets [i]		**42,886**	**43,621**
Financial liabilities at amortised cost			
Payables	5.2	20,180	20,547
Borrowings		772	1,092
Other financial liabilities - Refundable Accommodation Deposits	5.3	3,650	3,545
Other financial liabilities - patient monies held in trust	5.3	441	402
Total financial liabilities [i]		**25,043**	**25,586**

[i] The carrying amount excludes statutory receivables (i.e. GST receivable) and statutory payables (i.e. GST payable and revenue in advance).

How we categorise financial instruments

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 South West Healthcare 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.

South West Healthcare recognises the following assets in this category:

- cash and deposits
- receivables (excluding statutory receivables)

Financial assets at fair value through net result

South West Healthcare 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.

Categories of financial liabilities

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.

South West Healthcare recognises the following liabilities in this category:

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

Financial liabilities at fair value through net result

A financial liability is measured at fair value through net result if the financial liability is:

- held for trading or
- initially designated as at fair value through net result.

Changes in fair value are recognised in the net results as other economic flows, unless the changes in fair value relate to changes in South West Healthcare own credit risk. In this case, the portion of the change attributable to changes in South West Healthcare own credit risk is recognised in other comprehensive income with no subsequent recycling to net result when the financial liability is derecognised.

Derecognition of financial assets

South West Healthcare has not derecognised any assets in the current or previous financial year.

Derecognition of financial liabilities

South West Healthcare has not derecognised any liabilities in the current or previous financial year.

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, South West Healthcare'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 contingent assets and contingent liabilities

At balance date, the Board are not aware of any contingent assets or liabilities in the current or prior year.

Note 7.3 fair value determination

How we measure fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- Financial assets and liabilities at fair value through net result
- Property, plant and equipment, with the exception of right-of-use assets arising under AASB 16, which are measured using the cost model.

In addition, the fair value of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure.

Valuation hierarchy

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

South West Healthcare 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.

South West Healthcare 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 South West Healthcare's independent valuation agency for property, plant and equipment.

Fair value determination: non-financial physical assets

AASB 2010-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities amended AASB 13 Fair Value Measurement by adding Appendix F Australian Implementation Guidance for Not-for-Profit Public Sector Entities. Appendix F explains and illustrates the application of the principles in AASB 13 on developing unobservable inputs and the application of the cost approach. These clarifications are mandatorily applicable annual reporting periods beginning on or after 1 January 2024. FRD 103 permits Victorian public sector entities to apply Appendix F of AASB 13 in their next scheduled formal asset revaluation or interim revaluation process (whichever is earlier).

The last scheduled full independent valuation of all of South West Healthcare's non-financial physical assets was performed by VGV on 30 June 2024. The annual fair value assessment for 30 June 2026 using VGV indices does not identify material changes in value. In accordance with FRD 103, South West Healthcare will reflect Appendix F in its next scheduled formal revaluation on 30 June 2029 or interim revaluation process (whichever is earlier). All annual fair value assessments thereafter will continue compliance with Appendix F.

For all assets measured at fair value, South West Healthcare considers the current use as its highest and best use.

<u>Non-specialised land and non-specialised buildings</u>

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

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added improvement value. From this analysis, an appropriate rate per square metre has been applied to the asset.

<u>Specialised land and specialised buildings</u>

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.

During the reporting period, South West Healthcare 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.

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.

For South West Healthcare, the current replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation.

<u>Vehicles</u>

Vehicles are valued using the current replacement cost method. South West Healthcare 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 experienced fleet managers in South West Healthcare who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Furniture, fittings, plant and equipment

Furniture, fittings, plant and equipment (including medical equipment, computers and communication equipment) are held at fair value. When plant and equipment is specialised in use, such that it is rarely sold, fair value is determined using the current replacement cost method.

Significant assumptions

Description of significant assumptions applied to fair value measurement:

Asset class	Valuation technique	Significant assumption (a)	Range (weighted average) [i]
Specialised land	Market approach	Community service obligations adjustment	0-20 per cent discount (20 per cent)[ii]
Specialised buildings	Current replacement cost approach	Cost per square metre	$2,000-$9,000/m^2 ($4,300)
		Useful life	5-52 years (45 years)
Vehicles	Current replacement cost approach	Cost per unit	$8,000-$157,000 per unit ($31,000)
		Useful life	3-10 years (3 years)
Plant, equipment, furniture and fittings	Current replacement cost approach	Cost per unit	$1,000-$10,215,000 per unit ($10,000 per unit)
		Useful life	3-50 years (8 years)

[i] Illustrations on the valuation techniques and significant assumptions and unobservable inputs are indicative and should not be directly used without consultation with the health service independent valuer.

[ii] CSO adjustments ranging from 0% to 20% were applied to reduce the market approach value for South West Healthcare's specialised land, with the weighted average 20% reduction applied.

Note 8: Other disclosures

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

Structure

8.1 Responsible persons disclosures
8.2 Remuneration of executives
8.3 Related parties
8.4 Remuneration of auditors
8.5 Events occurring after the balance sheet date
8.6 Joint arrangements

Note 8.1 Responsible persons disclosures

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

	Period
The Honourable Mary Anne Thomas MP:	
Minister for Health	1 Jul 2025 - 15 Apr 2026
Minister for Ambulance Services	1 Jul 2025 - 15 Apr 2026
Honourable Harriet Shing MP:	
Minister for Health	15 Apr 2026 - 30 Jun 2026
Minister for Ambulance Services	15 Apr 2026 - 30 Jun 2026
The Honourable Melissa Horne MP:	
Minister for Health Infrastructure	1 Jul 2025 - 30 Jun 2026
The Honourable Ingrid Stitt MP:	
Minister for Mental Health	1 Jul 2025 - 30 Jun 2026
Minister for Ageing	1 Jul 2025 - 30 Jun 2026
The Honourable Lizzie Blandthorn MP:	
Minister for Disability	1 Jul 2025 - 30 Jun 2026
Governing Boards	
Ms A Patchett (Chair of the Board)	1 Jul 2025 - 30 Jun 2026
Mr B Brown	1 Jul 2025 - 30 Jun 2026
Ms R Held	1 Jul 2025 - 30 Jun 2026
Mr B Howard	1 Jul 2025 - 22 Jan 2026
Mrs A Larkins	1 Jul 2025 - 30 Jun 2026
Mr W Millard	1 Jul 2025 - 30 Jun 2026
Dr G Toogood	1 Jul 2025 - 30 Jun 2026
Dr G Vesty	1 Jul 2025 - 30 Jun 2026
Mr A White	1 Jul 2025 - 30 Jun 2026
Accountable Officers	
Craig Fraser (Chief Executive Officer)	1 Jul 2025 - 30 Jun 2026

Remuneration of Responsible Persons

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

Income Band	2026 No	2025 No
$0 - $9,999	-	1
$10,000 - $19,999	8	7
$20,000 - $29,999	1	1
$390,000 - $399,999	-	1
$400,000 - $449,999	1	-
Total Numbers	**10**	**10**

	2026 $'000	2025 $'000
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	**590**	**524**

Amounts relating to Responsible Ministers are reported within the State's Annual Financial Report.

Note 8.2 Remuneration of executives

The number of executive officers, other than Ministers and Accountable Officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalent provides a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis.

Several factors affected total remuneration payable to executives over the year. A number of employment contracts were completed and renegotiated, and a number of executive officers retired, resigned or were retrenched in the past year. This has had a significant impact on remuneration figures for the termination benefits category.

Remuneration of executive officers (including Key Management Personnel disclosed in Note 8.3)	Total Remuneration 2026 $'000	Total Remuneration 2025 $'000
Total remuneration [i]	2,211	2,112
Total number of executives	12	9
Total annualised employee equivalent [ii]	8.73	8.15

[i] The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of South West Healthcare under AASB 124 Related Party Disclosures and are also reported within Note 8.3 Related Parties.
[ii] Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

Note 8.3 Related parties

South West Healthcare is a wholly owned and controlled entity of the State of Victoria. Related parties of the health service include:

- all key management personnel (KMP) and their close family members and personal business interests
- all cabinet ministers (where applicable) and their close family members
- jointly controlled entities – A member of Southwest Alliance of Rural Health and
- all health services and public sector entities that are controlled and consolidated into the State of Victoria financial statements.

Significant transactions with government related entities

South West Healthcare received funding from government related entities of $271m (2025: $248m) and indirect contributions of $67m (2025: $52m). Balances outstanding as at 30 June 2026 are $17.5m (2025: $17m).

Expenses incurred by South West Healthcare in delivering services are in accordance with HealthShare Victoria requirements. Goods and services including procurement, diagnostics, patient meals and multi-site operational support are provided by other Victorian Health Service Providers on commercial terms.

Professional medical indemnity insurance and other insurance products are obtained from the Victorian Managed Insurance Authority.

The Standing Directions of the Minister for Finance require South West Healthcare to hold cash (in excess of working capital) in accordance with the State of Victoria's centralised banking arrangements. All borrowings are required to be sourced from Treasury Corporation Victoria unless an exemption has been approved by the Minister for Health and the Treasurer.

Key management personnel

KMP's are those people with the authority and responsibility for planning, directing and controlling the activities of South West Healthcare, directly or indirectly.

The Board of Directors, Accountable Officer and the Executive Directors of South West Healthcare are deemed to be KMPs. This includes the following:

Entity	KMPs	Position Title	Period
South West Healthcare	Ms A Patchett	Chair of the Board	01/07/25 - 30/06/26
South West Healthcare	Mr B Brown	Board Member	01/07/25 - 30/06/26
South West Healthcare	Dr G Toogood	Board Member	01/07/25 - 30/06/26
South West Healthcare	Ms R Held	Board Member	01/07/25 - 30/06/26
South West Healthcare	Mr B Howard	Board Member	01/07/25 - 22/01/26
South West Healthcare	Mrs A Larkins	Board Member	01/07/25 - 30/06/26
South West Healthcare	Mr A White	Board Member	01/07/25 - 30/06/26
South West Healthcare	Dr G Vesty	Board Member	01/07/25 - 30/06/26
South West Healthcare	Mr W Millard	Board Member	01/07/25 - 30/06/26
South West Healthcare	Mr C Fraser	Chief Executive Officer	01/07/25 - 30/06/26
South West Healthcare	Mr A Demidov	Chief Operating Officer	19/01/26 - 30/06/26
South West Healthcare	Mr J Brennan	Executive Director Redevelopment and Infrastructure	01/07/25 - 30/06/26
South West Healthcare	Mr R Campion	Executive Director Mental Health and Wellbeing Services	01/07/25 - 30/06/26
South West Healthcare	Ms K Anderson	Executive Director Primary & Community Services/Chief Allied Health Officer	01/07/25 - 30/06/26
South West Healthcare	Dr K McConnon	Executive Director Medical Services	01/07/25 - 31/08/25
South West Healthcare	Dr M Sollychin	Chief Medical Officer	29/09/25 - 30/06/26
South West Healthcare	Ms S Cook	Executive Director People and Culture	01/07/25 - 30/06/26
South West Healthcare	Ms S Anderton	Chief Nursing and Midwifery Officer	01/07/25 - 30/06/26
South West Healthcare	Mr J Taylor	Acting Executive Director Finance and Corporate	01/07/25 - 18/07/25
South West Healthcare	Ms S Walker	Executive Director Finance and Corporate/Chief Financial Officer	21/07/25 - 30/06/26

Remuneration of key management personnel

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

	2026 $'000	2025 $'000
Total compensation - KMPs [i]	2,801	2,636

[i] KMPs are also reported in Note 8.1 Responsible Persons or Note 8.2 Remuneration of Executives.

Transactions with KMPs and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the HealthShare Victoria and Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with South West Healthcare, 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 required to be disclosed in 2026 (2025: none).

There were no related party transactions required to be disclosed for South West Healthcare Board of Directors, Chief Executive Officer and Executive Directors in 2026 (2025: none).

Note 8.4 Remuneration of auditors

	2026 $'000	2025 $'000
Victorian Auditor-General's Office		
Audit of the financial statements	55	52
Total remuneration of auditors	**55**	**52**

Note 8.5 events occurring after the balance sheet date

There are no events occurring after the balance sheet date that require disclosure on the financial statements.

Note 8.6 joint arrangements

		Ownership Interest	
	Principal Activity	2026 %	2025 %
Southwest Alliance of Rural Health	Information Systems	15.59	15.90

For the year ended 30 June 2026, South West Healthcare's share of the joint operations financials was:

	2026 $'000	2025 $'000
Total revenue and income	5,641	5,920
Total expenses	(5,731)	(5,568)
Total net result	(90)	352
Total other economic flows	15	54
Comprehensive result for the year	(75)	406
Total assets	5,196	6,126
Total liabilities	4,113	4,945
Total equity	1,083	1,181

*Figures obtained from the unaudited SWARH financial statements.

Contingent liabilities and capital commitments

There are no known contingent liabilities or capital commitments held by the jointly controlled operations at balance date. South West Healthcare is involved in joint arrangements where control and decision-making are shared with other parties. South West Healthcare has determined the entities detailed in the above table are joint operations and therefore recognises its share of assets, liabilities, revenues and expenses in accordance with its rights and obligations under the arrangement.