

Annual Report

2023-24

We're
for
Human,
Kind.



Cover image: In a world first, a US Marine was treated with a combination of ECMO and hyperbaric therapies. This involved a range of specialists from our trauma, ICU, cardiothoracic, plastics, immunology and hyperbaric teams. Story: [page 37](#)

Inside cover: Associate Nurse Manager, Hayley Baker, is part of the hard-working and compassionate team in The Alfred's Emergency and Trauma Centre.

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Our purpose

To improve the lives of our patients and their families, our communities and humanity.



Strong connection: Alfred Health staff are committed to providing a positive patient experience.

Our beliefs

We make a difference

- Patients are the reason we are here
- We pursue the best experience and outcomes
- We keep each other safe

We work together

- We are strongest when we work as a team
- We make decisions in partnership with patients and the people around them
- We collaborate and partner across teams and beyond our walls

We work with compassion

- We respect, appreciate, and support each other
- We combine kindness with knowledge and skill
- We build trust, connection and belonging

We create the future

- We push boundaries and rise to the challenge
- We set new standards through research, innovation, and care
- We educate and develop for today and tomorrow

Our story

We provide treatment, care and compassion to the people of Melbourne and Victoria.

Our research and education programs advance the science of medicine and health and contribute to innovations in treatment and care.

Through our partnerships, we build our knowledge and share it with the world, enabling people to be treated close to home.

Across our diverse organisation, we value and respect life from beginning to end.

About this report

This Annual Report outlines the operational and financial performance for Alfred Health from 1 July 2023 to 30 June 2024.

It also includes information and data that constitute our Quality Account for the same reporting period.

We value transparency and accountability and aim to have all our reportable data available to the community in the one publication.

The relevant ministers for the period were:

Minister for Health

The Hon Mary-Anne Thomas
1 July 2023 to 30 June 2024

Minister for Ambulance Services

The Hon Gabrielle Williams
1 July 2023 to 2 October 2023

The Hon Mary-Anne Thomas
2 October 2023 to 30 June 2024

Minister for Mental Health

The Hon Gabrielle Williams
1 July 2023 to 2 October 2023

The Hon Ingrid Stitt
2 October 2023 to 30 June 2024

Minister for Disability, Ageing and Carers

The Hon Lizzie Blandthorn
1 July 2023 to 2 October 2023

Minister for Disability/Minister for Children

The Hon Lizzie Blandthorn
2 October 2023 to 30 June 2024

Minister for Ageing

The Hon Ingrid Stitt
2 October 2023 to 30 June 2024

Alfred Health is a metropolitan health service established under section 181 of the *Health Services Act 1988* (Vic).

This report is available online at alfredhealth.org.au

About Alfred Health

Alfred Health is one of Australia's leading healthcare services.

We have a dual role: caring for more than 770,000 locals who live in Melbourne's inner-south; and providing health services for Victorians experiencing the most acute and complex conditions through 18 statewide services.

Our three hospital campuses - The Alfred, Caulfield Hospital and Sandringham Hospital - as well as numerous community-based clinics, provide lifesaving treatments, specialist and rehabilitation services through to accessible local healthcare. We care for a wide range of people, from all age groups.

Our catchments

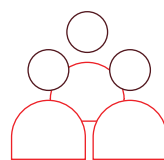
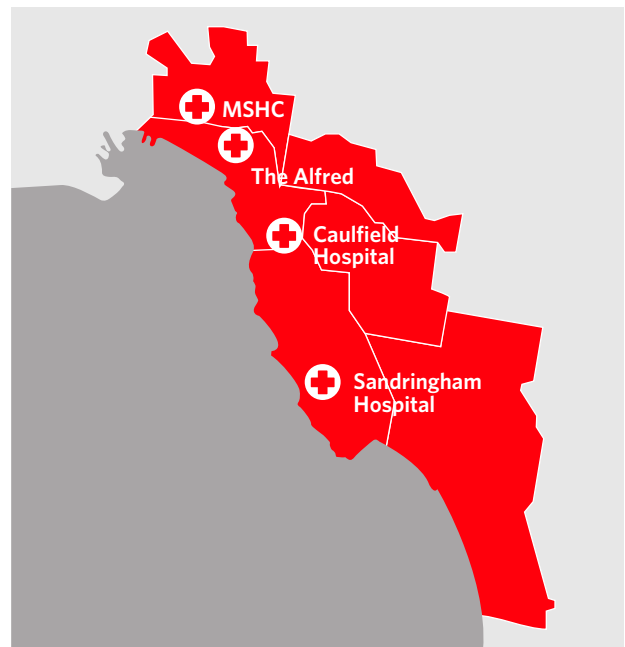
Alfred Health's catchment reflects our role in providing tertiary, quaternary, statewide and specialised health services. Our primary catchment includes the local government areas of Bayside, Glen Eira, Melbourne, Port Phillip and Stonnington.

Our primary catchment covers 770,000 people, with future growth projected. Our statewide and national services provide care to those residing around Victoria and Australia.

Serving all Victorians

Our tertiary services have a statewide catchment, with extensive provision to rural and regional Victoria in interventional cardiology, cardiothoracic surgery and burns. Almost half of our hospital admissions are patients who come from outside our local catchment.

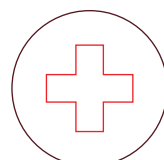
Most patients who use our services typically have highly complex conditions. Given the nature of their conditions and the services required, many patients will have a lifelong relationship with Alfred Health. These patients, and those close to them, are also part of our community.



770,000
people in our
catchment



18 statewide
services



3 hospital
campuses

Our hospitals

The Alfred

The Alfred is a major tertiary and quaternary referral hospital which provides specialised care and treats those who are critically ill. It is best known as one of Australia's busiest emergency and trauma centres, along with having the country's largest and most acute intensive care unit (ICU).

As home to many statewide services, including the Heart and Lung Transplant Service, Victorian Melanoma Service and Major Trauma Service, we provide comprehensive care for the most complex patients

The Alfred is home to the Alfred Research Alliance (A+) and offers the largest number of clinical trials in Victoria. We also train the next generation of healthcare professionals through our education and learning programs, while working to discover breakthroughs in clinical care through translational research.



Caulfield Hospital

Caulfield Hospital specialises in community services, rehabilitation, geriatric medicine, general medicine and aged mental health.

The hospital delivers many services through its inpatient, outpatient and community-based programs. It plays a statewide role in providing rehabilitation services, which includes the Acquired Brain Injury Rehabilitation Centre and Transitional Living Service, Burns Rehabilitation and Non-Traumatic Spinal Cord Injury Rehabilitation, which are instrumental in promoting patient independence before discharge.

Staff based at Caulfield Hospital also take the lead in providing care for people in their own homes. The Better at Home Program offers a diverse range of services outside the inpatient environment and is aimed at shortening a patient's stay, or avoiding hospital admission.

Our community health program offers a range of services, including health promotion activities for schools.



Sandringham Hospital

Sandringham Hospital is community focused, providing hospital healthcare needs for the local area through emergency, paediatrics, general medicine, general surgery, orthopaedics, dialysis and outpatient services.

Services such as Hospital in the Home and our Hospital Admission Risk Program also operate from Sandringham Hospital. Alongside its Emergency Department (ED), our partnership with the Sandringham Ambulatory Care Centre (SACC) plays a vital role treating non-urgent patients, allowing our ED to care for higher-acuity patients.

The Sandringham Community Bank Day Procedure Centre continues to provide a modern facility for same-day surgery.

The hospital works closely with Monash Health as the provider of maternity, newborn and gynaecology services for the community.



Community services and clinics

Community clinics meet the growing expectations of our patients for treatment in their communities or at home. We continue to develop new services to meet changing community needs.

Melbourne Sexual Health Centre

Melbourne Sexual Health Centre strives to provide the most effective service for individuals at high risk of sexually transmitted infection, with the aim of improving their individual health and also providing greatest population health benefit.

It provides a walk-in triage service for those with acute symptoms or needs requiring immediate care. We also provide limited appointments for those with less urgent needs such as screening tests.

Community mental health

Working in partnership with consumers, families and the community, our St Kilda Road Clinic works to reduce the impact of mental illness, improve quality of life and promote recovery. It provides comprehensive mental health assessment, treatment and support to adult clients aged 25–64 years who live in the City of Port Phillip, Glen Eira and Stonnington.

We also provide mental health support through our Child Youth and Mental Health Services in Moorabbin and headspace offices in Bentleigh, Elsternwick and Mount Waverley (headspace Syndal).



Clinical services

We provide the most comprehensive range of adult specialist medical and surgical services in Victoria.

Clinical services include:

- Care of older people (geriatric evaluation and management, acute)
- Cancer care (bone marrow transplantation, radiotherapy, oncology, haematology, melanoma, cancer surgery)
- Cardiothoracic services (heart and lung transplantation, cardiology, cardiac surgery, cardiac rehabilitation, respiratory medicine, thoracic surgery, adult cystic fibrosis)
- Clinical genetics and genomics
- Emergency medicine (intensive care, burns and adult major trauma)
- Ear, nose and throat (head and neck surgery)
- Gastrointestinal (gastroenterology, gastrointestinal surgery)
- General medicine
- General surgery
- Neurosciences (neurology, neurosurgery, stroke services)
- Ophthalmology
- Orthopaedics
- End-of-life care (palliative care, advanced care planning, voluntary assisted dying)
- Pathology (anatomical, clinical biochemistry, laboratory haematology, microbiology)
- Pharmacy
- Psychiatry (adult, child, adolescent, youth, aged)
- Radiology and nuclear medicine
- Rehabilitation (Acquired Brain Injury Rehabilitation Centre, amputee, cardiac, spinal, neurological, orthopaedic, burns)
- Renal services (nephrology, haemodialysis renal transplantation)
- Specialist medicine (asthma, allergy and clinical immunology, dermatology, endocrinology/diabetes, hyperbaric, infectious diseases, rheumatology)
- Specialist surgery (dental, faciomaxillary, plastic, vascular)
- Urology

Statewide services:

- Bariatric Service
- Clinical Haematology Service and Haemophilia Service
- Cystic Fibrosis Service
- Heart and Lung Transplant Service
- Hyperbaric Medicine Service
- Major Trauma Service
- Malignant Haematology and Stem Cellular Therapies Service
- Problem Gambling and Mental Health Program
- Psychiatric Intensive Care Service
- Sexual Health Service
- Specialist Rehabilitation Service
- Victorian Adult Burns Service
- Victorian HIV/AIDS Service
- Victorian Melanoma Service
- Victorian Neuropathology Laboratory Service
- Voluntary Assisted Dying Statewide Pharmacy Service
- Victorian ECMO (Extracorporeal Membrane Oxygenation) service (VECMOS)

National service:

- Paediatric Lung Transplant Service

Report of operations

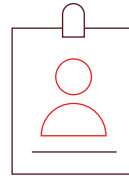
Responsible Body Declaration

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

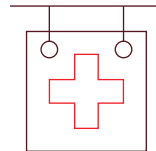


The Hon Martin Foley
Chair
Alfred Health Board
4 September 2024

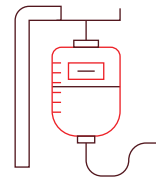
Fast facts 2023-24



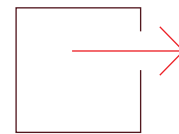
11,424
Employees



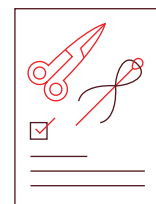
121,829
Emergency
presentations



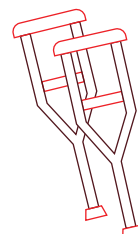
20,420
ICU occupied
bed bays



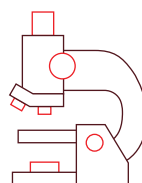
124,597 Acute
separations



11,828 Planned
surgeries performed
from waiting list



311,522
Specialist
outpatient
appointments



654 Clinical
trials open

Year in review 2023-24



The Hon Martin Foley
Board Chair



Adam Horsburgh
Chief Executive

In 2023-24, Alfred Health continued as one of Australia's leading health services.

We returned to regular operations in the first full year after the pandemic and launched several initiatives that strengthened our reputation as a leader in innovation and research, while tackling the challenge of deferred care.

In April 2024, we welcomed a new era in cancer treatment and research with the opening of the Paula Fox Melanoma and Cancer Centre. This new centre was the result of a partnership between Commonwealth and State governments, Monash University, Alfred Health and the philanthropic community.

A standout achievement was our strong accreditation performance against the National Safety and Quality Health Service Standards. Alfred Health became the first Victorian health service to complete a short-notice accreditation with no recommendations. This affirmed our commitment to meeting the sector's and community's expectations for consistent and reliable patient care.

Lifesaving care

We cared for Victoria's most critically ill and injured patients. The Alfred's Emergency and Trauma Centre remained one of the busiest in the country, with more than 73,400 presentations, plus an additional 48,400 presentations at Sandringham's emergency department.

There was a concerning increase in trauma presentations, particularly towards the end of the financial year, with senior clinicians at The Alfred raising public awareness around accidents involving burns and e-scooters.

Our Intensive Care Unit – Australia's largest and most acute – also played a crucial role in lifesaving interventions, including 79 Extra Corporeal Membrane Oxygenation (ECMO) cases and 120 organ transplants including heart, lung and renal.

Timely care in the right environment

With operational reform and reset complete following the pandemic, we were well positioned to meet the increased demand for care and treatment experienced across the sector during the second half of the year.

Initiatives to reduce waitlists for planned surgery were successful, with patients who were ready for surgery receiving treatment within clinically recommended times by the end of the year. An effective plan to decrease the wait times for outpatient appointments was successful.

Providing care beyond our walls continued as a priority.

Development in our Hospital in the Home Program meant that older patients with chronic and complex conditions could be provided with out-of-hospital care, when previously they were considered too complex for home care.

Workplace and staff development

We are fortunate to have more than 11,000 staff, and over 200 volunteers at Alfred Health, each committed to delivering quality healthcare.

Among those joining our team this year were 600 support service staff such as cleaners and security, who came onboard when the service contract with Downer ended in April 2024. This change has and will continue to create greater consistency and flexibility across our hospitals.

Our leadership team focused on mitigating the growing level of occupational violence and aggression that our staff experience at work. Improving security measures and encouraging reporting were priorities, along with specialised training that help staff recognise and de-escalate aggression.

Staff wellbeing was supported through a range of initiatives including our Peer Support Program, where staff are trained in providing support for their colleagues in times of need. Whether for work or personal matters, peer supporters are trained volunteers who are there to listen.

During the year we continued to attract and retain staff, resulting in a fully recruited clinical workforce, which included nursing and medicine. This is in part due to our strong graduate programs and excellent education, training and research opportunities.

A range of leadership initiatives helped build skills and capabilities in managers and team leads. Face-to-face programs targeted emerging medical and nursing leadership, while online courses provided all managers with regular updates and practical support.

Research and innovation

Alfred Health's culture of research and innovation saw new ways of better connecting care and finding new pathways to tackle growing diseases.

Our work to combat heart failure was evidenced by our work on a revolutionary, implantable mechanical device intended to fully replace a natural heart and provide patients with a possible alternative to heart transplant.

Meanwhile, our award-winning Diabetes Connecting Care Clinic continued to innovate. In addition to offering patients a broad and supportive clinical team, it also trains GPs from across Victoria so they can bring their skill set to their own clinics.

Sustainable healthcare

Working in partnership with regional health services, including Bass Coast and Central Gippsland, we continued to improve health equity in regional Victoria, bringing care closer to home.

As well as telehealth consults, close to 30 of our senior clinicians support patients through specialist clinics in local regional communities. Along with cancer, cardiac and neurology, respiratory clinics were established in Bass Coast.

We also provided specialist perioperative and surgical support for La Trobe Regional Hospital.

Following the release last year of our Environmental Sustainability Strategy 2022-25, we put our ambitions into practice with the new Paula Fox Melanoma and Cancer Centre, which features a range of water and power-saving initiatives such as a 40,000-litre water tank and solar panels.

Strategic Plan launch

This year saw the launch of our Strategic Plan for 2024-30, a plan developed with our community and our staff.

It features three transformational programs—Enhancing the Alfred Health Experience, Innovating Healthcare for All and Building a Sustainable Health System—that will help guide our priorities in the future and build the next generation of healthcare.

Thanks to Board and staff

Thank you to the Board, donors and our broader community for their ongoing support across the year. We would particularly like to acknowledge Melanie Eagle, Anna Leibel and Anne Howells, who we farewell after serving on the Board with great distinction. Thank you also to our Executive Team members for their outstanding leadership.

Most importantly, thank you to our hard-working and dedicated staff; they are the strength of our health service. The excellent care they provide each and every day is why Alfred Health is a healthcare leader, known for our commitment to quality patient care.

The Hon Martin Foley
Board Chair

Adam Horsburgh
Chief Executive



A change in Chief Executive

Alfred Health bid farewell to Prof Andrew Way AM in July 2024 after 15 years at the helm.

During his tenure, Prof Way cemented Alfred Health's position as a health service for all Victorians, leading in critical and complex care, teaching and education, and research. Quality and safety, and engaging with consumers and patients, were among his top priorities.

Prof Way fostered strong partnerships within the health research and education communities, intensifying the clinical research effort through the Alfred Research Alliance. He led the establishment of Victoria's first Academic Health Science Centre—Monash Partners—which is an accredited NHMRC Advanced Health and Research Translation Centre.

Alfred Health's new Chief Executive, Adam Horsburgh, started in August 2024 and brings a wealth of health service experience to the role. Most recently he was the Chief Executive of Austin Health and has previously held roles at Melbourne Health, Southern Health (now Monash Health) and in the Victorian Government.

Alfred Health thanks Prof Way for his outstanding contribution and welcomes Mr Horsburgh to the role. He is sure to further enhance our reputation as a leading provider of acute and complex healthcare.

Patients and community

From giving patients a voice through our consumer advisor program, to acting on feedback so we can improve our care, providing a better patient experience continued to be a priority.



Caring nature: Providing compassionate care is a key priority across Alfred Health, including at Caulfield Hospital's Acquired Brain Injury Rehabilitation Centre.

Over the past year, we have put into practice initiatives such as our **Access and Inclusion Plan**, actively engaged with consumers in the development of the **Fairfield Centre**, and committed to ongoing improvement by reviewing processes regarding lost belongings.

Patients are at the centre of everything we do. By offering a compassionate and positive approach, we are well placed to provide better healthcare outcomes.

Our patients

Patients Come First Strategy

Now in its third edition, the Patients Come First (PCF) Strategy 2021-24 is the strategic framework for patient experience and consumer partnership at Alfred Health.

It is built on our eight domains of patient-centred care. It supports the Alfred Health Strategic Plan by outlining how we will deliver on our strategic pillar: providing compassionate, high-quality and inclusive care.

Consumer engagement

Registered consumer advisors

2023

2024



Consumer Advisor Program

In 2023-24 we audited the Consumer Advisor Registry and reached out to all inactive members to invite them to re-engage with Alfred Health post the COVID-19 pandemic. As at May 2024, there were 107 active consumer advisors on the registry participating in activities.

Clinical governance committees

Consumer advisors play an important role in bringing their lived experience to Alfred Health's clinical governance committees. They work collaboratively with healthcare professionals to ensure high standards of care and that the patient perspective is considered. They help bring the patient voice into the health service's thinking and approach, impacting service planning and changes, as well as implementation.

There were 21 consumer advisors on Alfred Health governance and corporate committees. This is in addition to the 59 consumer advisors that make up the PCF consumer advisory and reference groups. New consumer advisors joining clinical governance committees are mentored by an experienced consumer advisor and support person from the respective committee.

Consumer Advisory Committee

The Consumer Advisory Committee (CAC) and its sub-committees continue to advise the Board and the Chief Executive on priority areas and concerns to enhance patient experience and promote consumer and community participation.

Alfred Health partnered with Safer Care Victoria to co-design a Committee Evaluation Plan. The evaluation process was conducted using a program logic methodology, with helpful insights gained about the effectiveness of consumer partnerships with Alfred Health.

Consumer feedback

“My experience on the Consumer Advisory Committee and other committees has been excellent. I know that my contributions are valued and acknowledged.”

Diversity and inclusion

Interpreters

Alfred Health enables communication with patients and families who have limited English proficiency by providing interpreting services.

In this reporting period, the Language Services Department provided interpreters across 96 different languages (including Auslan) and offered this service via face-to-face, telephone and video remote interpreting.

To service our interpreter requests, Alfred Health employs permanent and casual interpreting staff in addition to contracting external agencies. These external agencies include Oncall, Language Loop, All Graduates, Expression Australia (who provide Auslan services) and Connecting Now (who provide on-demand phone interpreting).

Alfred Health Language Services also provides a translation service which supports the translation of patient information and hospital-wide communications and documents.

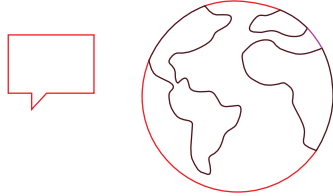


Gesture of thanks: Kiya (pictured centre with Board Chair Martin Foley and Chief Operating Officer Simone Alexander) is giving back to Alfred Health by being a consumer advisor.

Who are our patients?

Top 5 languages spoken by our patients (other than English)

- Greek
- Russian
- Mandarin
- Cantonese
- Italian



Carolyn Briggs AM. Supporting the work of the AHAG is the Aboriginal Health Outcome Working Group (AHOWG). The AHOWG is chaired by the Director of Endocrinology and Diabetes.

Improved diabetes care for Aboriginal patients

A collaboration with Access Health (Salvation Army) has been established with a drop-in model for Aboriginal patients to have access to specialist health care in local community health services. Alfred Health has provided a diabetes nurse educator (one day per week) and endocrinologist for one session per month to work with Access Health GPs.

Access and inclusion

The second Alfred Health **Disability Access and Inclusion Plan** (2023-2026) was launched in October 2023.

This plan outlines Alfred Health's commitment to ensuring everyone, whatever their abilities, has access to the healthcare and job opportunities they deserve. The plan was developed following an eight-month period of engagement with consumers and staff, both with and without disability. Since the plan was launched, achievements have included consumer review of guidelines related to patients with disability and the introduction of an outcomes and key metrics reporting schedule to the Disability Committee.

Reconciliation Action Plan (Aboriginal health)

The second Innovate **Reconciliation Action Plan** (RAP) is a sub-plan of the broader Patients Come First (PCF) Strategy.

The intent of the RAP is to improve health outcomes for Aboriginal patients and cultural safety for Aboriginal patients and employees.

The second Innovate RAP was endorsed by Reconciliation Australia (August 2023). The implementation of the RAP is overseen by the Aboriginal Health Advisory Group (AHAG). The AHAG is co-chaired by a Traditional Elder, N'arweet Prof



Important discussion: Events such as Reconciliation Week are an opportunity to shine a light on the role Alfred Health can play to close the health gap between Indigenous and non-Indigenous Australians.

Specialist Education And Knowledge (SPEAK) Project

The SPEAK Project is a co-designed project that commenced in September 2020 and is now in its final year.

The project aims to build skills in the health workforce to improve how we meet the healthcare needs of people with intellectual disability, communication disability and autism.

It is funded through the Victorian Department of Social Services with an Information, Linkages and Capacity Building grant. Due to COVID-19 interruptions, the project has been extended to December 2024.

Co-design workshops were held, with 53 people with disability participating. They told us what it was like to go to hospital, and offered ideas for improvement.

Other access and inclusion highlights included:

Rapid response disability liaison officers

The placement of rapid response disability liaison officers (DLOs) in the Emergency and Trauma Centre at The Alfred. The DLOs provide support to patients with communication and sensory support needs. The service commenced as a seven-day-a-week trial in October 2022.

A retrospective cohort study in 2023 demonstrated:

- a 1.8-hour reduction in the length of stay of patients with a disability;
- that patients are 1.44 times more likely to be discharged sooner from hospital; and
- patients are 2.47 times more likely to be discharged sooner if discharged directly from ED¹.

The success of this pilot has resulted in the permanent placement of DLOs in the Emergency and Trauma Centre at The Alfred and a plan to pilot a remote service in the Sandringham Emergency Department.

Disability awareness training

Disability awareness training for staff has been developed. Online learning modules cover topics such as the rights of people with disability, models of disability, hospital experience for people with disability, reasonable adjustments, and resources that staff can access. The learning modules were developed in collaboration with people with disability and were launched in May 2024 as a pilot. This online training is supported with planned face-to-face disability training to empower clinicians to provide accessible care for patients with a disability.

In addition, the Supporting People with Disability SharePoint page has been updated to act as a hub for information about disability for staff. Disability identification questions in nursing admission forms have also been updated for implementation in all Alfred Health emergency departments.

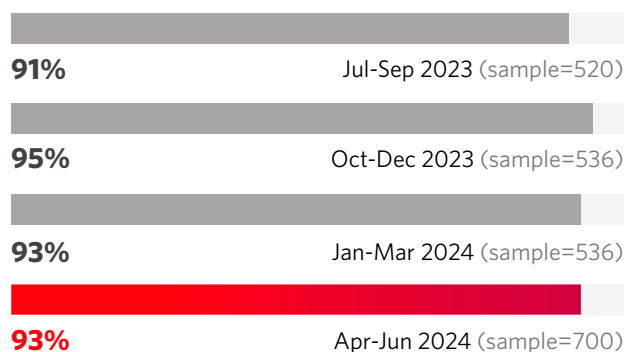
¹ O'Shannessy, E. (2024). Pilot Exploratory Study of the Cost Benefit of a Disability Liaison Officer Service in a Metropolitan Emergency Department. (Unpublished masters dissertation). La Trobe University.

Measuring the experience of our patients

Alfred Health Patient Experience Survey

Alfred Health's Patient Experience Survey (PES) helps us understand what patients think about all aspects of their treatment and care. It plays a key role in helping us improve our services. The survey provides patient experience insights on inpatient, outpatient, ambulatory and home-based care settings. Volunteers support their collection with an average of 600 surveys collected across all question sets per quarter.

Percentage of inpatients that rated overall care as 'very good' or 'good' (target: 95%)



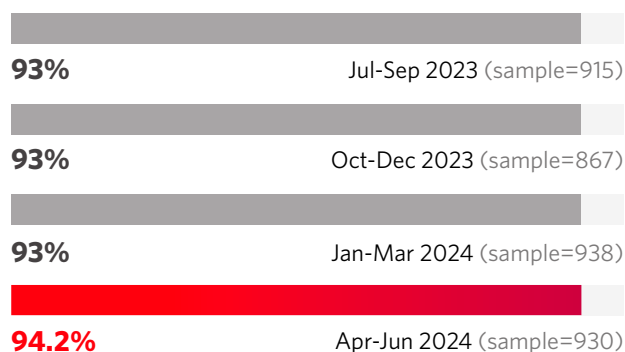
Victorian Healthcare Experience Survey (VHES)

The VHES program collects and analyses the experience of recent users of Victoria's public health system. Alfred Health regularly monitors and reports on results from the VHES and analyses the information to form part of an integrated patient experience report.

Across the majority of indicators, there has been a reassuring return to pre-pandemic levels of patient experience in a number of areas.

Adult inpatient results

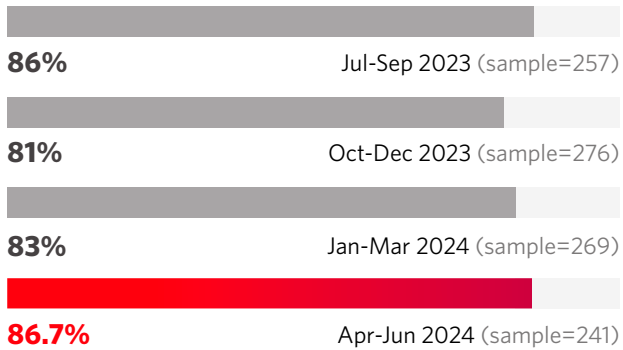
Percentage of adult inpatients that rated overall care as 'very good' or 'good' (target: 95%)



Adult emergency department results

Alfred Health emergency departments continue to perform above the state average in several indicators from the VHES Adult Emergency Survey.

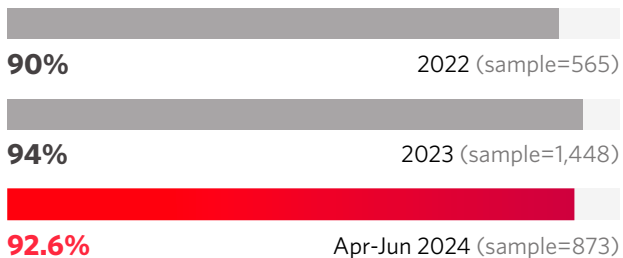
Percentage of adult emergency patients that rated overall care as 'very good' or 'good'



Adult specialist clinics—annual survey

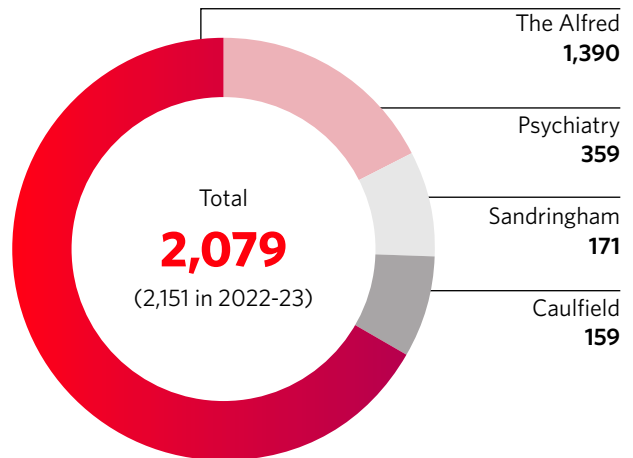
In 2023, Alfred Health had 12 aspects of care that were significantly higher and no aspects of care that were significantly lower than results compared to 2022.

Percentage of adult specialist clinic patients that rated overall care as 'very good' or 'good'

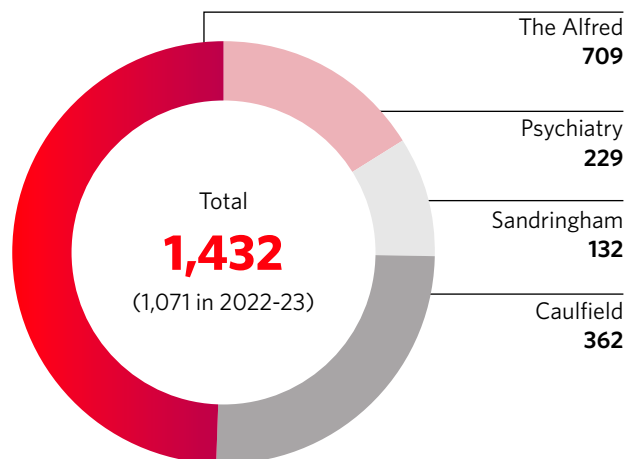


Compliments and complaints

Complaints



Compliments



Other highlights included the following.

- Participation in a Safer Care Victoria pilot as part of our contribution to investigating a statewide complaints classification approach.
- Improving how to respond to complaints about lost belongings.
- Continuing to support and train staff (clinical and non-clinical) with fundamental complaints management.

Patient feedback

“Staff were kind, caring and went above and beyond. The teamwork was better than an elite sporting team. The leading nurses treat the junior nurses with respect and always happy to teach. There is not one thing you could do better.”

“I can’t thank the staff enough for their compassion, kindness, availability, expertise and professionalism. You are all angels. There aren’t enough words to express our thanks.”

Improving patient experiences

Hidden Disability Sunflower initiative

Alfred Health is the first Victorian metropolitan hospital to be a member of the Hidden Disability Sunflower initiative, an international program to increase awareness and support of people with hidden disabilities.

By wearing a sunflower, participants are indicating they have a hidden disability or a chronic condition and may need some additional support, understanding or a little more time.

Staff at Alfred Health have been encouraged to complete a short training module to become sunflower supporters. To date, more than 500 staff have completed the training module.

Alfred Health has ethics approval to evaluate the usefulness of the initiative in supporting patients and staff with hidden disabilities. This evaluation is the first known research into the Hidden Disability Sunflower in Australia and internationally.

HIV community consultation and the opening of Fairfield Centre

The HIV Services Advisory Group (HSAG) led a comprehensive community engagement process to understand the evolving healthcare needs of people living with HIV.

A key recommendation from the consultation was the development of a new, purpose-built facility for inpatient HIV care at The Alfred to replace Fairfield House. Consumer advisors and community organisations partnered with Alfred Health throughout the design and development phases, ensuring the new facility would meet the community’s needs. This collaboration culminated, in March 2024, with a community survey to decide on the name of the centre: Fairfield Centre. Consumer advisors and community partners played a significant role in both the closing event for Fairfield House and the opening of the new centre in May 2024.

Improved management of lost belongings

A project to improve the management of lost patient belongings recommenced in late 2023.

Activities underway to improve this, include the establishment of rapid improvement groups in high volume areas such as emergency and radiography. Improved documentation and clarification of roles and processes is also being undertaken.

More broadly, we have raised organisational awareness of the issue by developing a staff intranet page and a catalogue of lost belongings stories for use at ward and department meetings, as well as huddles to reflect on practices and improve local management of belongings.

Carer involvement and recognition

The Carers Recognition Act 2012 (Vic) acknowledges and promotes the role of unpaid carers in care relationships. It recognises the contribution that carers in care relationships make to the social and economic fabric of our community.

In response to the Act, Alfred Health developed the guideline: 'Recognising Carers and Care Relationships as Part of Delivering Patient Care'. This guideline continues to advance Alfred Health's commitment to patients and their carers; helping staff recognise the role of unpaid carers (friends or family members) in a patient's care plan.

To comply with our obligations under the Act, we have taken measures to ensure that the needs of carers are recognised and responded to when the person whom they care for is admitted to Alfred Health, or when the carer is admitted to Alfred Health.

Alfred Health Carer Services

Alfred Health Carer Services (AHCS) supports unpaid carers through various programs, including the Victorian Government Support for Carers Program, the Commonwealth Carer Gateway Program, and the Commonwealth Home Support Program for older people with carers. AHCS assists unpaid carers who look after family members or friends with disability, mental health conditions, terminal or chronic illnesses and age-related conditions.

Operating out of Caulfield Hospital, AHCS provides short-term, tailored support to carers of all ages. It services the local government areas of Port Phillip, Stonnington, Glen Eira, Bayside, Kingston, Greater Dandenong, Casey, Cardinia, Frankston and the Mornington Peninsula.

In the past year, AHCS has supported more than 4,200 carers across 10 local government areas in the southern metropolitan region of Melbourne. The most in-demand services included more than 2,240 sessions of carer counselling and 50,000 hours of respite provided to carers.

A combined total of 255 events, facilitated both online and face-to-face, offered carers opportunities for education, respite, wellbeing activities, socialising and peer connection.

In 2023-24, AHCS focused on raising awareness of carer supports and services available to Alfred Health staff who are both caring and working. There was also a focus on increasing referrals of patients' relatives to AHCS and Carer Gateway. Collaborating with the Alfred Health Internal Communications team, AHCS ran Carers Week awareness campaigns and engaged with staff who identified as carers. This collaboration led to the creation of a private staff carers forum group on Engage, providing a channel for sharing carer-specific news, programs, supports, services and events.

Patient car parking

Alfred Health continues to work with our patients, carers, visitors, staff, local authorities and public transport providers to ensure car-parking facilities can be accessed as safely, conveniently and economically as possible.

Our digital wayfinding Parking Guidance System in visitor and staff car parks, which consists of directional LED signage and overhead lighting, has helped drivers quickly identify available parking. The system also provides real-time parking data to aid further improvement.

We continue to comply with the Department of Health hospital circular on car-parking fees. We ensure all car-parking charges and concessions are well publicised, including at car park entrances, wherever payment is made, inside the hospital and online at alfredhealth.org.au/parking. Alfred Health's Car Park Rates Policy is reviewed annually and seeks to reduce the financial burden for vulnerable patients who frequently attend our health service.

Community engagement

Health promotion

By embedding population health principles and practices, Alfred Health aims to:

- maintain and improve the health and wellbeing of our local population;
- promote environments in which people can be healthy;
- support the health and wellbeing of our workforce; and
- reduce inequalities in health status and outcomes.

Alfred Health has supported the wellbeing of our staff and community through the following activities:

Creating healthy food environments

Alfred Health met the Department of Health mandate for Healthy Choices in vending and catering, with Healthy Choices also included in new food retail contracts. These initiatives ensure patients, staff and visitors have access to nutritious food and drink.

Promoting staff physical activity

Providing end-of-trip facilities has encouraged staff to actively commute to and from sites, noting the numerous health and environmental benefits. Initiatives and challenges to encourage physical activity, such as Biketober and Ride2Work Day, were held. Staff also have access to discounted gym and fitness facility memberships through the onsite gym at The Alfred and Fitness Passport, a corporate gym membership.

Caulfield Community Health Service (CCHS)

Funded by the Victorian Department of Health, CCHS Health Promotion has made improvements across local early learning centres (ELCs) and schools to improve health and wellbeing. This has included a focus on healthy eating, physical activity and reducing harm from tobacco and e-cigarettes.

Seasonal Produce Guide

The CCHS team worked closely with six ELCs to co-design a Seasonal Produce Guide to create an evidence-based resource informing the benefits of seasonal eating and local food systems for the local catchment. The guide is now available across the catchment for 90 ELCs.

In partnership with Better Health Network, the Cooks Network program also continued, with 21 ELCs involved.

The development of the Seasonal Produce Guide also supported early childhood education settings in establishing and maintaining edible gardens in addition to reducing food waste and carbon footprints, while simultaneously promoting and prioritising healthy eating.

Alfred Health volunteers

There are currently 230 active volunteers registered at Alfred Health. Host volunteers help on wards or departments, concierge volunteers assist with wayfinding across all three campuses, and a group of volunteers also help to collect Patient Experience Survey data from inpatients. Volunteers also contribute to The Alfred Foundation events and support significant ceremonies such as the opening of the Paula Fox Melanoma Cancer Centre (PFMCC) and the annual employee Length of Service Awards night.

The Volunteer Program continues to be a major source of recruitment for consumer advisors. Many consumer advisors have a dual role. They find their volunteer activities inform their role as a consumer advisor on committees, working groups and in workshops or focus groups. Volunteers are also regularly recruited to participate in workshops where they have valuable knowledge and experience. For example, our current Wayfinding Project drew on volunteers' knowledge supporting patients with directions. The majority of concierge volunteers have participated in the training for the Hidden Disability Sunflower initiative, identifying to the public that they are able to help people with hidden disabilities who may require assistance.



Important view: The perspective of patients is vital so Alfred Health can deliver better care.

Enhancing the Alfred Health patient experience

Inclusive and compassionate care

Fostering meaningful connections with our patients and consumers so we can deliver better services is a key ambition for Alfred Health.

Providing patients with a range of avenues to provide feedback and understanding the patient perspective in the design of our services are just some of the initiatives we have undertaken.

We partnered with consumers and identified opportunities to improve accessibility options for people to give feedback, in particular for people who are deaf or hard of hearing, or who have limited literacy.

An Auslan video explaining how to give feedback has been developed as well as a 'How to Give Feedback - Easy English' guide, in collaboration with Scope Australia.

These resources were made accessible to the public in April 2024 via the Alfred Health website: [**How do I provide feedback about my care?**](#). Adjustments to the external feedback page have also been made so that people who are deaf or hard of hearing can also submit feedback via uploading a video of them signing.

Patients and consumers with lived experience were also consulted about an upgrade of therapeutic spaces areas for people with mental health concerns in The Alfred Emergency Department's West Wing.

Their feedback has seen the creation of a more calming space, with specialist mental health beds, and the needs of carers being better met. The lounge has also been transformed with the installation of a skylight, circadian lighting as well as sky and tree images.

Reaction to the upgrade has been overwhelmingly positive, with consumers saying they now feel comfortable and safe in the environment.

World-leading services

We are leaders in innovative healthcare, from our ground-breaking Total Artificial Heart Project, to the vital work our emergency and intensive care teams do each day.



Outstanding care: The Alfred is home to the largest and most acute ICU in Australia, with Malcolm Stewart and Sarah Georges part of the team.

We are working hard to build better healthcare facilities for our community, from The Paula Fox Melanoma and Cancer Centre, which will be a leader in treatment and research, to the Fairfield Centre, which will ensure patients with HIV can continue to receive specialist care.

We are committed to delivering care beyond our hospital walls. We have continued to provide more accessible care with telehealth and offer treatment closer to home with a range of specialist clinics in regional Victoria.

Innovative treatment

Alfred Health is home to world-leading experts who are revolutionising healthcare through ground-breaking research, innovative practices and the development of cutting-edge treatments.

We are committed to improving our services every day, and discovering new ways we can deliver better patient care.

Innovating new models of care and leveraging technologies – including to provide care closer to a patient's home are a priority.

We will continue to embed research findings into our clinical practice, ensuring our patients benefit from new discoveries and advancements.

Holistic diabetes approach

The Endocrinology and Diabetes Service has further improved access to care for patients. A key highlight has been the Diabetes Connecting Care Clinic (DCCC), which is delivering integrated care for people with type 2 diabetes while training general practitioners. This program was voted best innovation at the 2024 Health Roundtable.

Alongside Endocrine and Diabetes, other clinical units that are part of the Alfred Specialty Medicine include Clinical Genetics and Genomics, Renal and Rheumatology, Dermatology and Gastroenterology.



Holistic care: Headed by Prof Anthony Russell (pictured left) the Diabetes Connecting Care Clinic provides innovative care while also providing training to GPs, such as Dr Mario Fernando from Bendigo (pictured right).

Artificial heart gives hope

A revolutionary, implantable mechanical device is set to provide new hope to patients with debilitating heart failure.

The Total Artificial Heart Project is co-led by Director of Cardiology at The Alfred, Prof David Kaye and developed in Australia by BiVACOR.

The total artificial heart can adapt its pumping capabilities through a novel engineering solution. It is intended to fully replace a natural heart, providing patients with a possible alternative to heart transplant.

Reflecting this outstanding work, Prof David Kaye and the team at BiVACOR received a \$50 million federal innovations grant from the Medical Research Future Fund for the development of the total artificial heart in February 2024.

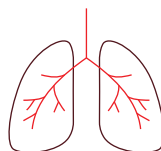
In July 2024, the BiVACOR total artificial heart was placed in a living human for the first time, with the patient's entire diseased heart removed and replaced with the device during an operation in the United States.

The total artificial heart is one of the technologies being created under the Artificial Heart Frontiers Program, based at the Monash Alfred Baker Centre for Cardiovascular Research at The Alfred.

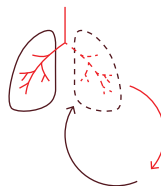
In 2023-24, Alfred Health's heart and lung team performed:



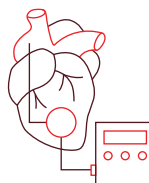
29 heart transplants



64 lung transplants



4 paediatric lung transplants and



14 Ventricular Assist (VAD) implants



Ground-breaking work: Led by Prof David Kaye, the Total Artificial Heart Project could bring new hope to patients.

Geriatric Trauma Service

The Geriatric Trauma Service is a new model of care designed to support and improve the surgical care received by older people. Operating seven days a week, it brings the trauma service and geriatric medicine team together, ensuring a holistic model of care where patients' perspectives and wishes are better understood.

A range of positives have come out of the service, including:

- decreased hospital-acquired delirium;
- improved participation in advance care planning and establishing goals of care;
- better recognition and management of frailty;
- earlier repatriation for rural and regional patients;
- improved staff satisfaction; and
- reduced hospital length of stay.

The service is part of our Home, Acute and Community (HAC) clinical program that plays an integral role in supporting people to maximise their health and independence, with services offered in settings such as people's homes, community centres and in hospital.

Alfred Allied Health Neurology Concussion Service

This multidisciplinary clinic commenced in February 2024 and is the first public adult concussion clinic in Victoria.

It provides rapid access for assessment and treatment of acute post-concussion and also follow-up for patients with post-concussion symptoms (up to six months). Care is provided by a multidisciplinary team of neurologists, occupational therapists, physiotherapists, speech pathologists and clinical psychologists.

In its first five months of operation, the clinic received 88 new patient referrals, with allied health clinicians providing more than 450 occasions of service.

The service is part of the Alfred Brain program, which brings together the surgical and medical neuroscience units of Neurosurgery, Neurology, Stroke, Epilepsy, Multiple Sclerosis Neuroimmunology (MSNI) and the Multidisciplinary Alfred Psychiatry research centre (MAPrc).



New support: The Geriatric Trauma Service has brought the trauma service and geriatric medicine team together, leading to better patient care.

Quality care in times of need

The Alfred has one of Australia's busiest emergency and trauma centres and the state's largest ICU.

Led by our compassionate staff, both services provide dedicated treatment and timely care to acutely unwell and injured Victorians, often when they are facing life-threatening conditions.

ED provides urgent care

Alfred Health emergency **sees more than 120,000 patients annually** across The Alfred Emergency and Trauma Centre (E & TC) and the Sandringham Emergency Department. It also delivers world-leading emergency education to hundreds of students in Victoria, the Indo-Pacific and worldwide.

The E & TC is one of the state's busiest emergency departments, providing timely, quality care to acutely unwell

and injured Victorians. Sandringham Hospital also offers emergency care, providing quality treatment in a community-focused environment.

The high volume and unique mix of patients means our staff are constantly developing their clinical expertise — ensuring patients are always receiving the highest quality, most appropriate treatment. We also collaborate with leading academic institutions, so research breakthroughs are promptly translated into improved patient care.

Highlights for the past year included:

- delivering the Formula 1 Australian Grand Prix Medical Centre service, a partnership which has spanned more than 20 years, and
- the Timely Management of Chest Pain project, which was extended following positive feedback from Urgent Care Centre staff and patients.



Urgent care: The Alfred's Emergency and Trauma Centre treats patients from across Victoria and beyond, with 571 air ambulance arrivals in 2023-24.

ICU's vital support

The Alfred is home to the largest and most acute ICU in Australia, with 61-funded beds across three floors. Our teams work in geographical pods, ensuring every patient benefits from highly-skilled medical, nursing, allied health, pharmacy, ward and administrative support.

In 2023, the ICU admitted 3,522 patients from across the city, state, nationally and internationally. **In the first half of 2024 there have already been 1,933 admissions.**

Our reputation as the largest trauma ICU in Australia is reflected in the treatment we provide patients beyond metropolitan Melbourne, with more than 700 of our patients each year coming from regional or rural Victoria.

The ICU also has the largest critical care training hubs in Australia for medical, nursing and allied health. This includes more than 100 postgraduate nursing students studying to become a critical care registered nurse.

The ICU team continued its enormous contribution to critical care research, with over 150 papers published over the past year.

In addition, The Alfred is equipped with one of the world's most advanced hyperbaric facilities, providing Victoria's statewide service in hyperbaric medicine. As further evidence of Alfred Health's breadth of partnerships, our hyperbaric team this year provided vital support to staff working on major tunnelling infrastructure projects in the state.

International partnership

Collaboration between the ICU and the E & TC led to a \$5 million Department of Foreign Affairs and Trade grant for the Regional Emergency and Critical Care Strengthening Initiative (RECSI).

RESCI aims to enhance emergency and critical care capabilities in Timor Leste, Papua New Guinea and the Pacific, with a focus on resilience and preparedness for health emergencies.

A major workforce initiative, RECSI will look to build on the experience of the pandemic, particularly in relation to the need for local critical care capacity, and the value of resilient emergency care systems in detecting and responding to health emergencies.

Alfred Health is part of a consortium which will deliver the project. Other partners include Monash University, the Australasian College for Emergency Medicine, Australian and New Zealand Intensive Care Society, the National Critical Care and Trauma Response Centre, Menzies School of Health Research, St John Ambulance Papua New Guinea and the Pacific Community.

Achievements in ECMO

In 2023-24, there were 79 ECMO separations, an increase on 58 ECMO separations in 2022-23.

The ICU team continued its involvement in the first Australasian trial of out of hospital ECMO (extracorporeal membrane oxygenation) — providing ECMO to patients in cardiac arrest in the Melbourne region with the support of Ambulance Victoria.

We have also continued to be a key partner and designated tier one site for the Victorian ECMO Service (VECMOS).

As a comprehensive centre for patients on ECMO, The Alfred offers all forms of ECMO support like heart and lung transplantation and mechanical ventricular assist devices.

The year also included providing ECMO to a patient in the hyperbaric chamber, a world first. (See feature story on [page 37](#))



Lifesaving technology: The use of ECMO in The Alfred's ICU is playing an important role in the care and treatment of our seriously ill patients.

Building better healthcare

The importance of building better infrastructure in order to deliver ongoing quality care is a key priority for Alfred Health.

We are committed to working with governments of all levels to create further investment that ensures we can continue to provide the standard of care that our community rightly expects.

As highlighted by the Paula Fox Melanoma and Cancer Centre, which opened this year, providing a better physical environment significantly enhances patient and staff experience and supports our services to make transformative leaps in care provision.

Paula Fox Melanoma and Cancer Centre

The Paula Fox Melanoma and Cancer Centre was opened in April 2024 by Prime Minister Anthony Albanese and Premier Jacinta Allan. The world-class facility is now delivering lifesaving clinical trials, research and cancer care. With research laboratories also to commence shortly, this facility heralds a new era in cancer care.

Highlights of the centre include modern treatment and consultation spaces, a Wellness Centre to provide respite, education and support services, a dedicated hub to deliver clinical trials, and world-class technology, research and training facilities with our key partner, Monash University.

The centre was made possible thanks to the generosity of Paula Fox and the Fox family. The Minderoo Foundation, Monash University, The Alfred Foundation, the Federal Department of Health and Aged Care and the Victorian State Government were also key supporters.



Bright beginning: Prime Minister Anthony Albanese and Premier Jacinta Allan join Paula Fox for a tour of the Paula Fox Melanoma and Cancer Centre.

The Paula Fox Melanoma and Cancer Centre forms part of our comprehensive Alfred Cancer program. In addition to clinical care for patients affected by cancer, blood disorders and at the end of life, we also provide clinical and research excellence in medical oncology, radiation oncology, haematology, bone marrow transplant, haemophilia, melanoma and palliative care.

The building also has a range of sustainability features, (see [page 79](#)).

Fairfield Centre

The new Fairfield Centre opened to patients on Monday 20 May 2024.

Located in Alfred Lane House, the new home for Alfred Infectious Diseases, it will continue the legacy of care that began at Fairfield Hospital and was continued in Fairfield House.

The creation of Fairfield Centre embodies person-centred care, informed by patients. It offers inpatient care tailored to the needs of people living with HIV, with specialist nurses, doctors and allied health providers central to the team.

Each patient has their own private room with ensuite bathroom. The six-bed ward also has a therapy and gym space, as well as a communal patient lounge.

Fairfield Centre is part of Alfred Infectious Diseases—a team of dedicated nurses, doctors and researchers who specialise in illness caused by the spread of infectious organisms. Its focus is to advance medical and scientific knowledge, provide comprehensive patient care and address challenges posed by life-threatening diseases.

Mental health care

Alfred Mental and Addiction Health (AMAH) provides community-based mental health treatment, care and support to infants, children, young people, families, adults and older adults across south-eastern Melbourne. It also provides inpatient care to adults and older adults at The Alfred and Caulfield Hospital.

Highly specialised care in crisis management, emergency psychiatry, youth orientated services (such as headspace primary centres) and a hospital-wide consultation and liaison service are also offered.

Women's Recovery Network

The past year saw the establishment of the Women's Recovery Network (Wren), the first public-private partnership of its kind, to transform mental health care for women. The partnership involves Alfred Health, Goulburn Valley Health and Ramsay Health and has been developed through lived experience and co-design.

This unique program offers specialist centre and community-based services for a broad range of conditions including sexual abuse, eating disorders and perinatal care. With services currently provided in Melbourne and Shepparton as well as in patients' homes, this statewide service has ambitious expansion goals.

Wren's opening commenced with Hospital in the Home in mid-2023 and then extended to a full opening in February 2024.

What makes Wren unique is that women are placed at the centre of their own recovery. Clinicians, women (and their support networks) work together to understand the individual's experience and develop gender and trauma-informed treatment, care and support.

From December 2023 until June 2024, a total of 93 women were discharged from the bed-based service with a third of admissions referred from outside of the Alfred Health catchment.

From July 2023 – June 2024, 66 women received treatment and care in the Hospital in the Home program (metro) and 38 in the Shepparton service.

Community care

Additional mental health care improvements included enhancements to the West Wing in The Alfred's emergency department, with consumers part of the planning process (see feature story on [page 21](#)). Our community mental health programs also received a boost, with our facilities at 1001 Nepean Highway and 607 St Kilda Road expanded.

Strong surgical effort

The Surgical Services program at Alfred Health provides world-class surgical care for the sickest, most vulnerable patients in Victoria and beyond, providing or supporting a range of statewide services.

It plays a vital role in the hospital, with a strong focus on emergency and critical care.

New theatre opens

Ensuring timely access to planned surgery is a key focus in Alfred Health's delivery of quality care.

This was given a welcome boost when a new operating theatre in The Alfred Centre opened in January 2024.



Fresh start: Surgeon Ms Jess Prasad, who is Head of the Ear, Nose and Throat Clinic, is delighted with the new theatre in The Alfred Centre which opened in January 2024.

The new theatre will enable the next generation of surgeons to access the technologies they will be using in the future.

The \$3.5 million theatre has been designed with surgical efficiency in mind, to help as many people as effectively as possible every day, with the best available technology.

It will play an important role in enhancing surgical capacity, so Alfred Health can continue to provide timely access to care and offer the best possible experience for patients.

Caring beyond our walls

We provide quality care beyond our hospital walls, demonstrating adaptability and flexibility to provide patients with outstanding treatment in their own homes and communities.

We understand the importance of being able to offer treatment in an environment where a patient is most comfortable, and where the barriers of access and travel are minimised.

To support this work, we place great importance in developing strong partnerships with other health services, so patients can access the best care in the most appropriate location.

Targeted surgical procedures, which previously required an overnight stay for patients, can now be performed as day cases due to a partnership with the Sandringham Ambulatory

Care Centre. Patients receive clinical follow up the day after surgery in the comfort of their own home, providing a better patient experience and improved flow through our surgical services.

In 2023, Alfred Health also introduced General Medicine Hospital in the Home (Gen Med HITH). This acute care model for older individuals with chronic and complex conditions provides out-of-hospital care for patients that were previously considered too complex for home care.

Gen Med HITH integrates a network of aligned services that collaboratively address the intricate needs of these patients.

This care model prioritises personalised treatment, ensuring patients receive the appropriate care in the most suitable setting, effectively extending our healthcare services beyond traditional hospital boundaries.



New service: The recently opened Respiratory Clinic at Bass Coast will mean local respiratory and sleep medicine patients can receive care closer to home.

Quality care closer to home

Beyond our hospital sites in Melbourne, Alfred Health is also delivering quality care in regional Victoria. A range of services are available, ensuring patients can receive treatment closer to home.

Endocrinology at Better Health Network

Alfred Health has partnered with Better Health Network to ensure patients can access endocrinology treatments and ongoing care close to where they live. We have established outreach services with Better Health to support them in delivering therapies closer to patients' homes.

Partnership with Bass Coast

In 2024, Alfred Health established respiratory clinics at Bass Coast to provide specialised respiratory and sleep medicine services to patients in the Bass Coast region.

This is in addition to other specialties, including cardiology, medical oncology, haematology, melanoma care and dermatology, breast and general surgery, geriatrics and radiation oncology, which are already supported by Alfred Health in partnership with Bass Coast Health.

As a leader of in-specialty care, Alfred Health is well positioned to support Bass Coast Health and its staff in delivering quality, timely care to their local community. Where a patient's condition is sufficiently serious to require more specialist care, the strength of our partnership enables prompt transfer to The Alfred. When clinically ready, patients then transition closer to home, so they are well supported by local services for any ongoing care needs.

Victorian Sexual Health Network brings care to suburban Melbourne

To improve access to sexually transmitted infection services for Victorians, we have partnered with nine general practitioner clinics to create the Victorian Sexual Health Network (VSHN). This is part of a program funded by the Department of Health.

Melbourne Sexual Health Centre (MSHC) provided 54,608 consultations to 27,365 individuals in 2023-24. While this is below our peak of 57,110 consultations in 2019, the complexity of cases has greatly increased as we continue to successfully transition patients with less complex needs to attend services such as those provided by the VSHN.

Partnering with Latrobe

Alfred Health has continued its strong collaborative partnership with Latrobe Regional Health.

Over the past year, Alfred Health has provided Latrobe Regional Health's surgical program with expertise, clinical governance, training and staffing in anaesthesiology and perioperative medicine.

Our radiation oncology service is well established in the Gippsland community, with our specialist staff continuing to provide expert advice and treatment.

Furthermore, our dermatology team has initiated a clinical and research program in inflammatory skin disease and non-melanoma skin cancers.

This resulted in Alfred Health's first non-oncology tele-trial with Latrobe Regional Health for an atopic dermatitis, helping to close an accessibility gap for rural patients.

Virtual care

From specialist consulting clinic appointments by telehealth, to providing treatment through a virtual clinical service, Alfred Health continues to innovate to deliver more accessible care in an increasingly digital environment.

Telehealth

With 22 percent of telehealth patients surveyed living more than two hours away from Alfred Health sites, virtual care is making specialist care easier to access.

In 2023-24, there was a 10 percent increase in telehealth usage at Alfred Health's Specialist Consulting Clinics.

According to our Telehealth Patient Feedback Survey, 99 percent reported they would use telehealth again, with 98 percent of patients rating the standard of care via telehealth as either 'good' or 'very good'.

The telehealth support team continues to contact patients two days prior to their appointment to ensure they are prepared for their telehealth call. As a result, 96.4 percent of patients have found it 'easy' or 'very easy' to start their telehealth call.

Specialist clinic appointments	2021-22	2022-23	2023-24
Face-to-face	132,042	200,031	219,697
Telehealth video	44,180	47,072	53,060
Telephone	88,849	35,684	38,765
Total activity	265,071	282,787	311,522

Delivering quality care

Alfred Health uses a range of indicators and standards to monitor the quality of care we provide our community.

We benchmark our performance nationally and internationally, and strive to ensure everyday care for each patient meets the National Safety and Quality Health Standards.

We are committed to ongoing improvement, always looking to build on what we have achieved and deliver better care and safety.

Accreditation

In September 2023, Alfred Health completed its first short-notice accreditation review, with all standards met and no recommendations made.

This outstanding result was formal recognition of the quality service we know we provide and is thanks to the efforts of individuals and teams right across the organisation.

It provided confirmation to our community of the safe, effective and high-quality care Alfred Health delivers every day.

Infection prevention

The Infection Prevention team works to reduce the risk of patients, staff and visitors acquiring healthcare-associated infections. They also effectively manage infections or outbreaks if they occur.

COVID-19 response

During 2023-24 the Infection Prevention team adopted a new risk-based approach, where service-wide use of personal protective equipment (PPE) and patient surveillance testing is determined by the general level of COVID-19 community transmission.

The team continued to provide support for COVID-19 exposures, ward outbreaks and outbreak response measures, including isolation of cases and contacts, patient and staff screening, increased protective measures and follow-up case reviews and actions.



Important role: The Pharmacy team at The Alfred play an integral role in the treatment and care of patients.

Staphylococcus aureus bloodstream infection rate

Healthcare-associated Staphylococcus aureus bloodstream (SAB) infections are monitored continuously. The statewide threshold was reduced in July 2021 from 1.0 healthcare-associated SAB per 10,000 occupied bed days (OBDs) to 0.7 healthcare-associated SABs per 10,000 OBDs.

All healthcare-associated SAB cases are investigated; hand hygiene and aseptic technique competency assessments are in place and help to reduce risk.

Work is underway on the peripheral intravenous catheter (PIVC) Clinical Care Standard following a review of current systems and processes, with implementation of improvements to practices and systems where relevant. A SAB working party has also been established to further reduce SAB risk.

Quarter	Q1 Jul-Sep 23	Q2 Oct-Dec 23	Q3 Jan-Mar 24	Q4 Apr-Jun 24
OBDs	101,680	100,810	99,709	105,160
SABs	13	11	7	16
Alfred Health rate	1.28	1.09	0.60	1.52
Reported to VICNISS	Yes	Yes	Yes	Yes

Central line-associated bloodstream infections

The Alfred ICU continues to report low rates of central line-associated bloodstream infections (CLABSIs) with monthly rates of infection being zero for five months during 2023-24. This is despite caring for the highest volume of ICU patients nationwide, many with high acuity. Our team continues to monitor these infections closely and works with ICU staff to implement strategies aligned with the statewide target of zero infections. All CLABSI events across Alfred Health are also investigated, with findings provided to relevant home teams.

Hand hygiene

During 2023-24, hand hygiene continued to be encouraged and promoted among staff. Education included training hand hygiene auditors at ward level to enhance observation, educational capacity and local accountability. There are more than 225 trained auditors at Alfred Health.

A dedicated hand hygiene coordinator continued to engage with key stakeholders, provide educational opportunities, develop resources and materials and capacity for training of auditors across the organisation. Local hand hygiene quality improvement initiatives are supported. Working closely with anaesthetics and the ED are two recent examples.

A working group was established in 2024 focusing on opportunities for improved hand hygiene of medical staff.

Hand hygiene rates for the year were as follows, with Alfred Health complying with the Hand Hygiene Australia target of 85 percent.



Staff influenza vaccination

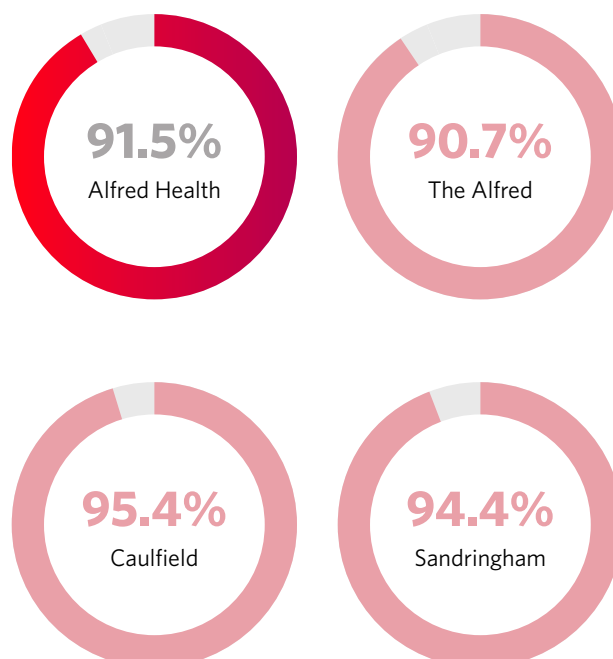
The 2023 influenza campaign saw 88 percent of all staff vaccinated across Alfred Health, with:

- 87.3 percent from The Alfred;
- 93.4 percent from Caulfield Hospital; and
- 94.6 percent from Sandringham Hospital.

Sandringham Hospital received a commendation, having exceeded the target for vaccination.

The Department of Health has mandated influenza vaccination for all clinical staff and uptake is reported on 15 August each year.

Influenza vaccination uptake for clinical staff in 2023 is as follows, with the Department of Health setting a target of 94 percent of healthcare workers to be immunised.



Surgical site infection

Infections related to key surgeries (hip and knee replacements, coronary artery bypass and colorectal surgeries) were monitored, in accordance with Department of Health requirements. Surveillance is performed in the post-operative period, including patient readmissions during the 30 or 90-day post-operative timeframe, using standardised surgical site infection criteria. Details of all significant events are reported to surgical teams to support quality improvement.

Carbapenemase-producing organisms (CPO)

In December 2023, the Department of Health released new guidance for managing patients with carbapenemase producing *Acinetobacter* and *Pseudomonas* (CPA and CPP), alongside the already instated carbapenemase producing *Enterobacteriaceae* (CPE) guidance.

Since January 2023, five locations were deemed to be transmission risk areas (TRAs) for CPE at Alfred Health:

- 4 West A
February - April 2023
- 6 West
March - June 2023 and
August 2023 - January 2024
- 5 East
September - October 2023
- ICU L1
November 2023 - February 2024
- 6 East
April 2023 - January 2024

All infection prevention measures were proactively initiated, and room contacts screened as per Department of Health requirements.

All interventions have previously been reviewed by the Victorian Department of Health's CPE Incident Management Team and have been deemed fully compliant with recommended best practice.

Blood management

Establishing the Sandringham Hospital's Smart Blood Fridge in December 2023 was a significant improvement initiative for blood management. The fridge has increased the safety of blood product dispensed by only allowing staff to remove blood for their intended patient.

Other highlights include the following.

- The key performance indicator (KPI) for wastage remaining within target (<2% for red cell wastage). Work continues with high-use areas to reduce avoidable wastage.
- Alfred Health now has patient information relating to blood transfusion translated into five different languages.
- Collaboration with staff from Paula Fox Melanoma and Cancer Centre to ensure safe and efficient blood product delivery to the centre from The Alfred Blood Bank.

Medication safety

A key priority of our pharmacy service is medication safety. Across our campuses, pharmacy staff support safe and effective use of medications for our patients. They work together with medical, nursing and allied health colleagues in clinical teams and also in dispensaries.

Cancer care goes electronic

In 2024, Alfred Health cancer therapy became completely electronic — from prescribing, ordering and the documentation of medicine administration, to appointment scheduling.

Over the past two years, the Digital Oncology Project team has thoroughly checked and developed 2,500 intravenous order sets, 476 power plans and 486 cancer regimens to ensure all cancer therapy can be managed within the electronic medical record (EMR).

The implementation of a closed loop medication management system, with electronic ordering, minimises the risk of transcription errors due to handwriting orders on paper. Pharmacists can also verify cancer therapy in the EMR and send orders electronically to the Aseptic Dispensary for preparation. This workflow reduces the wait time for patients, with treatments ordered in advance. Standardising doses for each cancer medication will reduce waste. Barcodes were added to products so nursing staff can scan therapies at the bedside, ensuring safer administration.

For prescribers, an electronic calculator supports tailoring doses, considering changes in individual patient weight, blood counts and kidney function. Both patients and clinicians benefit from the electronic treatment calendar, as all clinicians involved in the patient's care can view the treatment cycles and upcoming appointments. Ongoing reviews of new regimens by specialist clinicians ensures safer care for our cancer patients.

Teach-back study to improve patient communication

The teach-back method supports patients to understand information discussed with their health provider.

A medication safety team observational study in 2024 investigated whether pharmacist counselling skills can be improved to promote safe and effective medication use.

It evaluated the effect on teach-back training on pharmacist counselling methods, time spent counselling and whether it resulted in improvements to a patient's understanding and recall of changes to their medications. Consumers also played a role in supporting the training of researchers.

The use of standard counselling of patients at discharge and at the pre-surgery clinic was compared with pharmacists trained in teach-back. More than 260 counselling sessions were observed, with results available in late 2024.

Harm minimisation

Incidence and prevalence data are monitored continuously across Alfred Health to support and drive improvements.

The Alfred Health Pressure Ulcer Point Prevalence Survey (PUPPS)/Body Mass Index Audit was conducted again in May 2024.

Based on the learnings from the successful implementation of the annual PUPPS, a Nursing Quality Audit Day took place in October 2023 to understand and monitor patient care against all National Safety & Quality Health Service (NSQHS) Standards.

Go Bedside was rolled out in 2023 to improve nursing clinical handover and facilitate patient engagement. The campaign also involved a co-designed consumer project that resulted in the development of a new Patient Communication Board and a nursing process to ensure patients are asked 'What Matters to Me?'.

To achieve an integrated and targeted approach to patient safety, the Nursing Quality team works collaboratively with clinical teams to operationalise the NSQHS Standards. An example is the implementation of interdisciplinary risk rounds to support collaborative risk prevention with patients, families and carers.

Falls

Reducing falls and falls with harm continued to be a key priority. Alfred Health has invested in an additional harm free clinical nurse consultant (CNC) whose primary focus is fall prevention. The role commenced in February 2024 and works directly with clinical teams in high falls risk areas to engage teams in local falls quality improvement activities.

An evidence-based 'Community Falls' guideline was launched in late 2023 to support patients who are not admitted but have community care provided by Alfred Health.

Fall case reviews provide the opportunity to work with clinical teams to identify any gaps related to a fall and link to other clinical risks, such as delirium. Relevant learnings are reviewed by the Alfred Health Falls and Delirium Committee and used to inform organisational fall prevention recommendations.

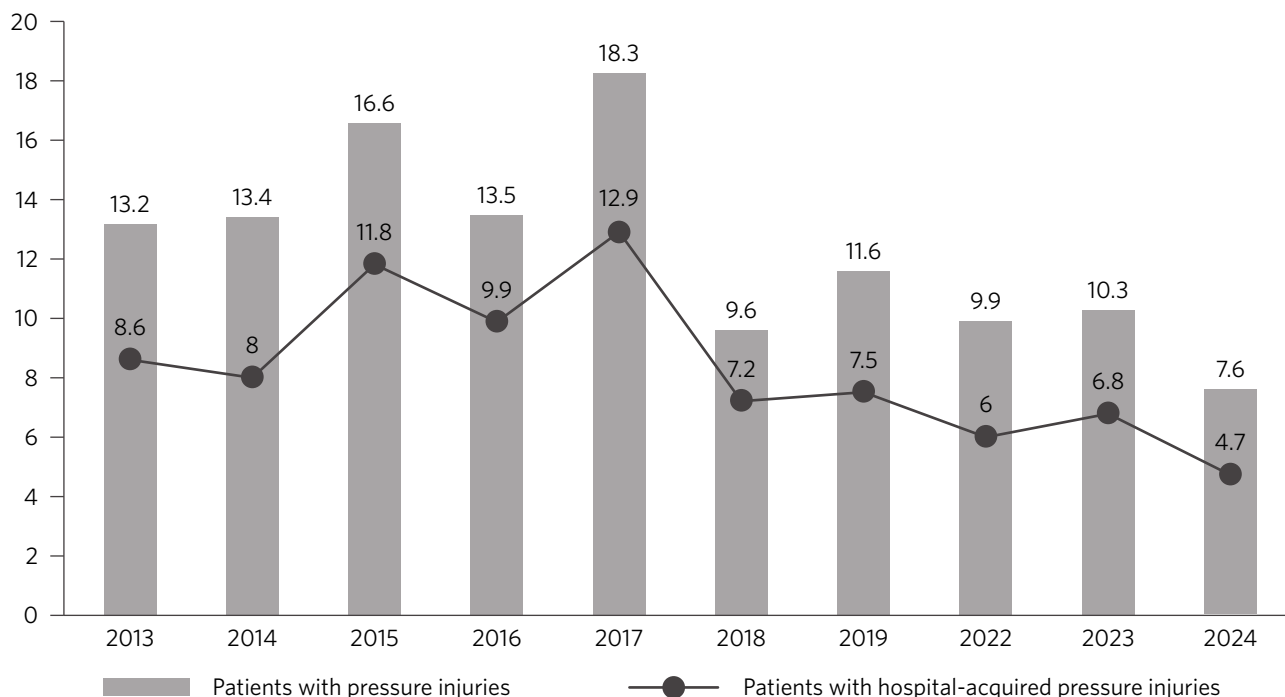
Alfred Health was a partner on the Monash Falls Alliance Falls Alarm Disinvestment Research Project. Two Alfred Health wards were involved in the intervention phase of the project. Final research project results are to be published later in 2024.

Falls data, covering inpatients at all Alfred Health sites, was as follows:

	Actual falls	Actual serious injury
May 2019-Apr 2020	2,056	19
May 2020-Apr 2021	2,031	26
May 2021-Apr 2022	2,207	19
May 2022-Apr 2023	2,339	20
May 2023-Apr 2024	2,249	16

Pressure injury

The Alfred Health pressure injury point prevalence for 2024 was 4.7 percent. This is the lowest point prevalence across Alfred Health since 2003 when PUPPS was first conducted. The results also reflect improvement in application of risk prevention strategies for patients identified as moderate to high risk for a pressure injury.



Note: no data in 2020 and 2021 due to COVID-19.

A Surfaces, Skin, Keep your Patient Moving, Incontinence/Moisture, Nutrition (SSKIN) model has been rolled out across Alfred Health for staff to use to support pressure injury prevention.

Our wound clinical nurse consultants have established a Wound Lead Model to support local clinicians become local wound leaders in their clinical area.

Delirium

Clinical delirium data is available through a centralised quality and safety dashboard to empower clinicians to better understand the proportion of patients at risk of, or in a delirium, in their clinical area. The dashboard enables clinicians to review delirium data and understand the impact on patient risks such as falls, pressure injuries and malnutrition.

Nutrition

Nutrition point prevalence data collected through the annual body mass index (BMI) audit includes BMI, malnutrition risk, malnutrition diagnosis and nutrition care plans. This data is used to support organisational and local action plans.

Providing better meal variety and meeting the nutritional needs of our patients remains a key priority. Menu reviews are conducted annually to ensure we meet Nutrition and Quality Food Standards for Health Services, as well as patient needs. This is implemented by a multidisciplinary team including nutrition, food service, support services, speech pathology and consumers.

To reduce delays receiving nutrition in ICU, dietitians were upskilled to insert fine-bore nasogastric tubes. Over a

12-month period, there were 29 nasogastric tubes inserted by a dietitian and additional dietitians are being upskilled to participate in the program.

As part of our commitment to providing a better patient experience, Alfred Health implemented a new malnutrition key performance indicator in 2024. This dataset allows Alfred Health to track performance in real time and identify and address gaps in care.

Advance care planning

The Advance Care Planning (ACP) team works with patients to discuss and document their values and preferences relating to future medical treatment in an Advance Care Directive. Patients are also supported to appoint a medical treatment decision maker, a person who can make medical decisions on behalf of the patient should they lose the ability to make decisions or communicate their wishes themselves.

The ACP team is seeing more patients and offering a more comprehensive service compared to previous years, with a:

- 22 percent increase in the number referrals to the ACP service since 2022-23; and a
- 55 percent increase in the number of patient appointments since 2022-23.

The ACP team has been working to improve the cultural safety and accessibility of the service in partnership with First Nations and culturally and linguistically diverse communities. Consumer feedback has led to improvements in; patient information; the way in which the team prepares patients for ACP appointments; the utilisation of both telephone and face-to-face interpreting services to ensure high quality; and impartial interpreting that meets ACP legal requirements.

Urgent care: A US Marine was transported to The Alfred for treatment after an aircraft crash in Darwin.



Innovative healthcare for all

Collaboration the key in rescue effort

A US Marine injured in the V22 Osprey crash in Darwin was not expected to survive 24 hours. His story of survival is one of personal determination, international cooperation, clinical skill and world-first procedures at The Alfred.

On 22 August 2023, Travis was injured head to toe, with multiple complications due to sepsis. In addition, he developed a rare combination of fungal infection.

After being stabilised at Royal Darwin Hospital, Travis was transferred to The Alfred where we drew on our wide expertise, forming a large multidisciplinary team including trauma, ICU, cardiothoracic, plastics, immunology and hyperbaric specialists. After 31 days, his life remained in the balance.

The Alfred team, supported by a dedicated Clinical Innovations Committee and emergency ethics approvals, derived an experimental approach to saving his life while respecting his decisions and those of his family.

In a world-first, Travis was given hyperbaric treatment for infection, while still being on ECMO (Extra Corporeal Membrane Oxygenation), an advanced life support system.

Over 10 days, Travis dramatically improved.

The logistics of repatriating him home to the US started with The Alfred continuing to work closely with the US military. A 38-person retrieval team arrived in a C17-Globemaster to start the longest ECMO retrieval ever recorded.

Seven months later Travis has been discharged home from rehabilitation. He is the first patient ever reported to have survived Fusarium and Mucor infection along with significant devastating injuries.

In this unique case, the specialists at The Alfred came together to save a life against all odds.

Workforce and staff development

The wellbeing of our staff is a key priority. We aim to provide a safe and supportive environment, where their dedication and outstanding achievements are celebrated.



Warm welcome: Our new Support Services staff have made a bright start at The Alfred.

We recognise our staff as a diverse group, and we are committed to being an inclusive employer.

We also understand the importance of education and career learning, with our training programs helping to deliver our future healthcare leaders.

Our employees

Recruitment and retention

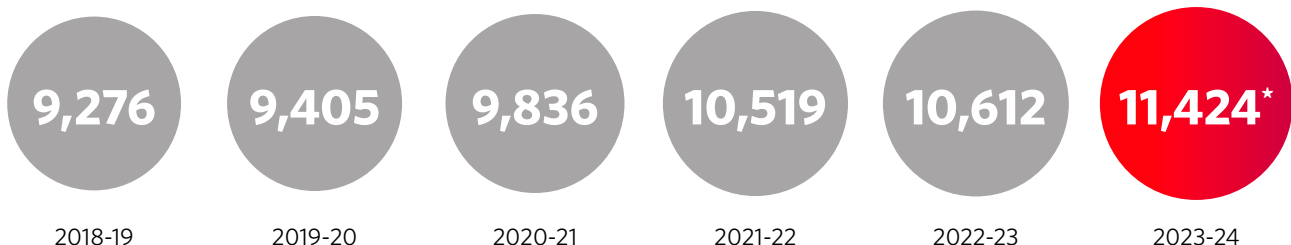
Alfred Health employed 11,424 staff (8,568 full-time equivalents), including 2,705 new employees who joined during the year. More broadly, there has been a 19 percent increase in staff numbers over the past five years.

In 2023-24 there was an increase in all employment types: full time, part time and casuals.

The rise in employee numbers can be attributed to insourcing and expansion of some priority areas. There has also been increasing demand and an expansion of services.

The new employees covered areas including nursing, allied health, research and technical and support roles.

Staff numbers



* Includes the transition of Support Services staff from Downer to Alfred Health in April 2024.

Creating a new Support Services group

In September 2023, Alfred Health announced it would not renew its agreement with Downer for the provision of non-clinical support services (NCSS) at The Alfred.

This includes food services, cleaning, ward support, ancillary services, gardening and security.

The change, which officially came into effect in May 2024, has provided Alfred Health with greater consistency and flexibility over managing non-clinical support services, and a more consistent approach across our three hospitals.

2023

Location	Casual	Part time	Full time	Grand total
The Alfred	582	4,981	3,882	9,445
Caulfield Hospital	46	392	305	743
Sandringham Hospital	26	224	174	424
Grand total	654	5,597	4,361	10,612

2024

Location	Casual	Part time	Full time	Grand total
The Alfred	682	5,315	4,170	10,167
Caulfield Hospital	54	418	328	800
Sandringham Hospital	31	239	185	457
Grand total	767	5,972	4,685	11,424



Friendly face: Receptionist Rhonda ensures patients get a warm welcome at Caulfield Hospital.

Workforce

Hospital labour category	June current month FTE		Average monthly FTE	
	2023	2024	2023	2024
Nursing	3,053	3,288	3,034	3,082
Administration and clerical	1,558	1,602	1,538	1,547
Medical support	687	701	674	693
Hotel and allied services	162	559	157	209
Medical officers	270	273	261	271
Hospital medical officers	683	718	676	710
Sessional clinicians	226	241	222	233
Ancillary staff (Allied Health)	1,263	1,286	1,244	1,268
Grand Total	7,902	8,668	7,806	8,013

Note: 2023 figures have been updated since 2022-23 Annual Report.

The average FTE is calculated based on the weighted average of employees in each category in the 2023-24 year.

Alfred Health's newly refreshed beliefs are designed to guide behaviour and support a positive culture for all. All staff are

issued with, and expected to adhere to, the Alfred Health Code of Conduct and Compliance Policy, which is consistent with the Charter of Human Rights and Responsibilities and the Public Sector Code of Conduct. It promotes the principles of equal opportunity and fair and reasonable treatment for all.

Occupational health and safety

Alfred Health is committed to fostering a healthy and engaged workforce, ensuring both physical and psychological safety. Staff wellbeing and support remain key priorities. Employees are encouraged to report any safety concerns they may have.

Overview of health and safety

Measure	2020-2021	2021-2022	2022-2023	2023-2024
The number of reported hazards/incidents for the year per 100 FTE	26.80	30.30	29.60	30.86
The number of lost-time standard WorkCover claims for the year per 100 FTE	1.44	1.24	1.46	1.45
The average cost per WorkCover claim for the year ('000)	\$7,053.00	\$11,705.19	\$6,673.95	\$4,601.55

Alfred Health has observed a rise in the reporting of hazards and incidents, particularly regarding occupational violence and aggression, for 2023-24. This increase is attributed to better staff awareness and encouragement to report health and safety concerns.

Occupational violence and aggression

The Occupational Violence and Aggression (OVA) Project for 2023-24 is a key initiative under the Prevention of OVA Steering Committee. Its primary objective is to establish a consistent and contemporary OVA program across Alfred Health.

Project focus areas included policy development, reviewing training programs, improving security measures, enhancing support resources, making reporting easy and developing a clear, comprehensive, and well-communicated response to Code Grey incidents.

The AWARE program continues to be well attended by staff from all cohorts, aiding in the reduction of aggression. The course is highly regarded, with the lead trainer advising numerous health services and external consultants. The course aims to provide practical actions and techniques for recognising and mitigating potential aggression, de-escalation and reducing risk of aggression.

This year, we have focused on high-risk areas such as the emergency department and community settings, as well as accommodating the large intake of graduate nurses. To date, the program has trained more than 5,600 staff through face-to-face sessions, with more than 920 staff trained in the past year alone.

In 2023-24, Alfred Health observed a rise in the reporting of hazards and incidents, particularly regarding Occupational Violence and Aggression. This rise is attributed to heightened staff awareness through the OVA Myths and Facts campaign and the encouragement to report health and safety concerns

Occupational violence statistics	2020-2021	2021-2022	2022-2023	2023-2024
WorkCover accepted claims with an occupational violence cause per 100 FTE	0.27	0.23	0.36	0.25
Number of accepted WorkCover claims with lost-time injury with an occupational violence cause per 1,000,000 hours worked	0.736	1	1	1
Number of occupational violence incidents reported	437	461	443	873
Number of occupational violence incidents reported per 100 FTE	5.8	5.96	5.72	10.91
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	4.5	3.90	7	2.75
Number of OVA incidents reported	461	548	443	873
Number of WorkCover claims	133	135	142	133
OVA claims frequency rate (per million hours worked)	0.6	1.0	1.1	0.7
Injury support claims	54	58	45	91

Organisational development

Employee Experience Program

Established in 2022, our Employee Experience (EX) Program is informed by more than 13,000 pieces of employee feedback each year across multiple listening channels.

Six domains have been identified by our employees as being central to shaping their experience at work:

- Purpose
- Culture
- Connection
- Growth
- Safety & Wellbeing
- Environment

These six domains form the basis of our employee value proposition. We invite our people to co-design solutions to employee priorities, so the action we take gets to the heart of the matter. We monitor our performance across these domains, with the program's effectiveness evident by significant improvements in the 2023 People Matter Survey (PMS) results.

Listening to our people

We are improving the ways we listen to our people and increasing opportunities for them to share their experiences.

By aggregating data across multiple feedback channels, we can identify major improvements to support our people.

Both organisation-wide and local listening activities are undertaken to help identify issues and take action. This includes our anonymous channel Whisppli, with more than 160 cases raised during the year.

Celebrating our people

Coming together to connect and celebrate the contributions of our people is a driver of positive employee experiences.

This year we were able to recognise the commitment and loyalty of our staff at the Length of Service event in April 2024, where approximately 350 staff were recognised for their service milestones from 10-45 years of service.

Our annual Recognising Excellence Awards were held in November 2023, where 350 people joined us to celebrate individuals and teams who have demonstrated excellence in their work, and the way in which they approach their work. Our award categories have been updated to align with our refreshed beliefs.

Our EX Insights Program highlighted more could be done to recognise and appreciate the contributions of our people.

As a result, we developed resources and tools for managers to:

- build capability and help implement local and personalised recognition practices; and
- support opportunities to highlight and celebrate our staff's contributions and milestones more frequently across the year.

This program will continue for the next 12 months.



Valuable effort: Nurse Tahni Baker and Dr Joseph Ackland are part of the hard-working team at Sandringham Hospital's Emergency Department.

Creating an equitable and inclusive workplace

At Alfred Health, 72 percent of the workforce is women. Ensuring they are treated equitably and respectfully is a high priority.

Our Gender Equality Action Plan (GEAP) outlines our commitment to taking positive action towards workplace gender equality. We are halfway through our first GEAP cycle, with the next iteration due in May 2026. There are 34 goals outlined in the current GEAP — 15 have been completed and 10 are in progress.

Work completed includes our inaugural Elevate Awards — spotlighting those in the organisation who go above and beyond to empower, mentor and advocate for the professional growth and development of women.

Work in progress includes a detailed analysis of women in senior leadership, exploring opportunities for more flexible work and analysing and responding to gender pay equity.

Building on existing activities we have initiated in this space, we are developing a comprehensive and robust action plan as part of our positive duty in preventing sex discrimination, sexual harassment and other unlawful behaviour.

We also took action to support our LGBTQIA+ community. This included:

- Development of the Supporting Transgender and Gender Diverse Employee Guideline, which aims to promote a safe and supportive work environment for trans and gender diverse employees, including during gender affirmation.
- Alfred Health was a proud participant in the Midsumma Pride March in February 2024, celebrating all gender expressions, sexualities and experiences. The turnout of Alfred Health staff, families and friends was a testament to our commitment to provide the very best care, along with an inclusive and equitable workplace, for all of our LGBTQIA+ patients and staff.



Diverse support: Alfred Health was a proud participant in the 2024 Midsumma Pride March.



Supportive voice: Speech Pathologist Mirosha Manoharan is part of the Peer Support team, with the program a key part of Alfred Health's commitment to staff wellbeing.

Building a positive culture

We undertook a review of our organisational beliefs to build and reinforce a positive culture across the organisation.

Consultation occurred with more than 500 employees, consumers and volunteers to understand how our current organisational beliefs resonated and what 'a great day at Alfred Health' looks like.

Our new beliefs are:

- We make a difference
- We work together
- We work with compassion
- We create the future

These refreshed beliefs are foundational in setting expectations and driving team cohesion around positive behaviours. The next phase of this program is fleshing out what our beliefs look like in action in our daily work interactions.

Investing in growth

Our people have told us that opportunities for growth and career progression matter and are key to feeling engaged and satisfied at work.

They have told us that manager support is key to their growth and wellbeing at work. A range of targeted leadership

programs were designed and delivered to build skills and capability in managers and leaders to better support their workforce and invest in their teams.

Our growth programs included:

- **Thrive:** a multidisciplinary program focusing on coaching, leading change, and exploring leadership styles.
- **Medical Emerging Leaders Program (MELP):** focused on transitioning from team leadership to senior leadership, with training in conflict resolution, change facilitation and team effectiveness.
- **Leadership Essentials:** designed exclusively for managers, this online program covers essential skills such as wellbeing, finance, team culture and handling challenging conversations.
- **Nurse Leadership Program:** tailored for nursing leaders, this program emphasises collaboration, leadership, conflict management and team development.

A leadership capability framework has been developed to further strengthen the leadership development program.

Peer support

We now have a skilled network of 200 trained psychological first aiders providing peer support across the organisation. This initiative ensures that our employees have access to immediate and compassionate support, promoting mental health and wellbeing within our workforce.

Education

Medical education

Alfred Health is a leader in training and support for junior doctors. We provide training in more than 40 specialist college programs and for doctors in their first two years after graduation. We also offer clinical placements for more than 250 medical students through our Monash University partnership.

There are 887 doctors in training employed at Alfred Health, including 72 interns and 204 hospital medical officers (HMOs) in second and third postgraduate years. The Medical Workforce Unit oversees recruitment, onboarding and rostering. They also coordinate information evenings for prospective doctors in training, with more than 600 doctors and final-year medical students interested in a career at Alfred Health.

The Medical Education Unit supports the orientation, education, professional development and wellbeing of doctors in training. A comprehensive program is provided, including specific education for those interested in surgical, medical and critical care and an after-hours program to support doctors working nights. Other individual units also run educational programs for their specialty.

The pre-vocational program includes practical workshops in communication skills, a suturing masterclass and simulation sessions focused on recognising and managing patient deterioration. In addition, Alfred Health commenced the first year of the new National Framework for Prevocational Medical Training in January 2024.

The Medical Education and Medical Workforce teams facilitate feedback with junior doctors and their supervisors to improve their training experience.

Alfred Health's performance in written and clinical Fellow of the Royal Australasian College of Physicians (FRACP) exams remain consistently above Victorian and Australian averages, with a pass rate of 96 percent for the written exam and 94.5 percent for the clinical exam.

Nursing education

Nursing education continues to respond to emerging organisational priorities. Our key professional development strategic actions are aligned to the themes of 'Growing our own' and 'Building your career with us'.

In collaboration with our university partners, Alfred Health nurses were supported to oversee 1,432 pre-registration students who undertook 21,746 placement days in 2023.

Evaluation results (109 returned surveys from pre-registration students) showed 94 percent felt safe and 89 percent reported having a sense of wellbeing at Alfred Health. Clinical placements were reinstated in ICUs and emergency departments, and we have standardised placement delivery through the introduction of a pre-registration nursing management guideline.

In 2023, we welcomed 220 graduates. During 2024, 340 graduate nurses in general nursing and 18 graduate nurses in mental health will commence their career at Alfred Health. A coaching model provides intensive support during the first few months of transition from student nurse to graduate nurse.

The revised and expanded transition to specialty practice programs is providing a career pathway into specialisation and postgraduate studies. This year, 118 nurses commenced a transition to specialty practice program and 187 nurses are undertaking postgraduate study in a specialty area. New and additional postgraduate courses in 2023 included another perioperative course through Deakin and the medical, surgical and trauma courses at Monash.

In early 2024, we established the Nursing Education Advisory Committee (NEAC) to strengthen governance and leadership of nursing education at Alfred Health.

Alfred Emergency Academic Centre

Established in 2023, the Alfred Emergency Academic Centre is committed to enhancing emergency care not only within Alfred Health but also on a national and global scale.

It has a multifaceted agenda spanning critical domains of innovation and advancement, cutting-edge research, comprehensive training and the progressive development of global healthcare systems.

Key work so far has included a collaboration with Abu Dhabi's Department of Health, where The Alfred delivered training for emergency care counterparts in the United Arab Emirates.



Next step: ABI Nurse Unit Manager Heidi Bulda is among the participants in the Nursing Leadership Development Program.

Enhancing the Alfred Health staff experience

Developing nursing leaders of the future

To ensure Alfred Health continues to attract and retain outstanding nursing staff, a focus on leadership development has been an important priority.

Among our key initiatives has been the Nursing Leadership Development Program.

Developing nurse managers and providing opportunities to enhance their leadership skills is a top priority for both nursing services and the organisation.

A leadership development program for nursing managers, which was co-designed by People Measures in collaboration with Alfred Health, commenced in March 2024 and ran for six months. There are currently, two programs underway with 51 nurse manager participants.

The program included Leadership Labs, which featured guest speakers and group activities, as well as an online peer learning group.

Participant Heidi Bulda, Nurse Unit Manager at Caulfield ABI, said the program allowed her to engage in self-reflection and think about what she was looking to achieve from her career.

"It was great to make connections with other nurse managers. I love hearing others' experiences and learning from them."

In addition to this, there is a 12-month learning set program, where senior nursing staff can be part of innovative thinking and develop their leadership skills.

Another opportunity is the Talent Identification Pool, which assists future nursing leaders by offering development pathways and opportunities to enhance their leadership skills.

Performance

As our healthcare system evolves, providing safe, timely and appropriate care to every patient throughout their entire health journey continues to be a key objective. We remain future focused, understanding the value of ongoing improvement to deliver better health outcomes.

Collective effort: Ensuring a positive experience requires a team effort from all staff across a patient's journey, with people such as physiotherapist Franco Marchesi playing an important role.



Statement of Priorities

Part A: Department of Health Operational Plan

Strategic Priorities – Alfred Health Statement of Priorities 2023-24 Year End Report

Strategic Priorities set out by Minister for Health	Alfred Health key deliverables	Progress
Excellence in clinical governance	Continue delivery of the Alfred Health Patients Come First (PCF) Strategy 2021-2024 framework for patient experience and consumer engagement. Built on our eight domains of patient-centred care to support the Alfred Health Strategic Plan, outlining how we deliver on our primary goal: providing high-quality patient-centred care.	COMPLETED Development of: - E-learning module for patient-centred guideline. - Ethics and evaluation framework for the statutory Duty of Candour legislation. - Co-design workshops to refine universal design principles for health, cultural appropriateness, and equity.
	Implement Department of Health (DH) Surgery Capability Framework when released.	GOOD PROGRESS Self-assessment completed and submitted to DH in March 2024. Awaiting DH feedback and next steps.
	Partner with Safer Care Victoria's (SCV) Mental Health Improvement Unit on reform including Elimination of Restrictive Practices and Implementation of Zero Suicide Framework.	GOOD PROGRESS - Completion of audit on restraint incidents and compliance. - Strong clinical governance with ongoing senior leadership review of all inpatient restraints. - Staff participation in SCV workshops on Zero Suicide. - Attendance at SCV Reducing Compulsory Treatment workshop in July. - Implementation of an updated training package integrating the Zero Suicide Framework to strengthen staff capabilities in suicide prevention, resilience and wellbeing.
	Implement and scale high-throughput approaches to planned surgery in line with Safer Care Victoria's targeted high-throughput approaches to theatre list management recommendations.	COMPLETED In 2023-24, provided additional treatment to 1,240 ESIS (reportable) patients and 910 non-ESIS (non-reportable) patients.
	Proactively manage preparation lists (formally waiting lists) including validation and supporting patients into optimal care pathways.	COMPLETED Alfred Health continuously oversees and validates all preparation lists in accordance with the DH Access Policy.
	Partner with SCV and relevant multidisciplinary groups to establish protocols and auditing processes to manage effective monitoring and escalation of deterioration in paediatric patients via VICTOR charts.	COMPLETED All guidelines have been revised to conform with the VICTOR chart-track and trigger escalation system. Monitoring processes have been consistently maintained and proven effective over time.

Strategic Priorities set out by Minister for Health	Alfred Health key deliverables	Progress
Excellence in Clinical Governance (continued)	Improve paediatric patient outcomes through implementation of the “ViCTOR track and trigger” observation chart and escalation system, whenever children have observations taken.	GOOD PROGRESS Full implementation of the ViCTOR track and trigger system necessitates upgrading of EMR (Cerner) to version 5. ▪ Stage 1 upgrade completed ▪ Stage 2 on track for September 2024. Full implementation by 31 December 2024.
	Implement staff training on the “ViCTOR track and trigger” tool to enhance identification and prompt response to deteriorating paediatric patient conditions.	GOOD PROGRESS Training and in-service education ongoing.
Working to ensure long-term financial sustainability	Implementation of cost-saving initiatives: Identify and implement cost-saving measures such as reducing unnecessary procedures, optimising supply chain management, and streamlining administrative processes.	COMPLETED Alfred Health achieved approximately \$20 million in recurring savings as planned for FY24.
Transform our area mental health and wellbeing services in line with Victoria’s mental health system reforms	Operational efficiency improvements: Develop and implement strategies to improve operational efficiency, such as reducing waiting times, improving patient flow, and optimising resource allocation.	GOOD PROGRESS Alfred Health successfully advanced financial sustainability through two key initiatives; through waitlist improvements and implementing a Financial Management Improvement Plan.
Improving equitable access to healthcare and wellbeing	CEO and Executive leadership will drive and be accountable for outcomes in cultural safety and Aboriginal self-determination.	GOOD PROGRESS The inaugural Yarning Circle is scheduled for launch during NAIDOC week (July 24) Implementation of pilot to promote attendance to outpatient appointments using telephone reminders.
Respond to new legal obligations and policy direction	Partnerships with Aboriginal community-controlled health organisations, respected Aboriginal leaders and Elders, and Aboriginal communities to deliver healthcare improvements.	GOOD PROGRESS In May 24, established partnership between Alfred Health and Access Health to provide place-based diabetes care within the Aboriginal community.
	Promote a culturally safe welcoming environment with Aboriginal cultural symbols and spaces to demonstrate the recognition, celebration and respect for Aboriginal communities and culture.	GOOD PROGRESS Ongoing initiatives to improve the safety of environment: ▪ Panel discussions to understand Aboriginal and Torres Strait Islander cultures through panel discussion. ▪ Tailored in-service sessions for departments with frequent interactions with First Nations people. ▪ Implementation of identifiers to promote discussions regarding heritage - desktop flags and flag stickers on staff badges.

Strategic Priorities set out by Minister for Health	Alfred Health key deliverables	Progress
A stronger workforce	Deliver programs to improve employee experience across four initial focus areas: leadership, safety and wellbeing, flexibility, and career development and agility.	COMPLETED Various programs to improve employee experience have made significant progress, or have been implemented, including: ▪ Capability framework consultation. ▪ Ongoing quarterly 'Leadership Essentials' sessions and monthly, manager forums. ▪ Development of the Nurse Unit Manager program and senior nursing leaders participate in Learning Sets. ▪ Completion of the first cohort of the Thrive Leadership Program, with preparations for the second cohort underway. ▪ The Medical Emerging Leader program concluded in March with positive feedback. ▪ More than 150 workplace concerns have been addressed via Whispli app for effective resolution.
	Implement and/or evaluate a new/expanded wellbeing and safety program and its improvement on workforce wellbeing.	COMPLETED Various initiatives are underway to improve workforce wellbeing: ▪ Thorough analysis is being conducted to address and manage high work stress in identified teams. ▪ A mandatory health and safety module for new employees began in February 2024. ▪ The Occupational Violence and Aggression (OVA) Project 2024 is concluding, with an organisation-wide survey released on June 24, 2024. ▪ The Manual Handling Action Plan for 2023-24 is being finalised and the Fatigue Management Project is launching with JMS. ▪ The Peer Support network has expanded to 200 members across the organisation, supported by ongoing refresher training and monthly community sessions to enhance wellbeing support.
Moving from competition to collaboration	Regional, sub-regional or local regional health needs assessment to develop a population health plan.	COMPLETED A joint Primary Care and Population Health work plan was to be completed and formally agreed upon by the end of July 2024 as part of Alfred Health's work with the Joint Primary Care and Population Health Advisory Committee.
	Reviewing specialist workforce requirements at a regional or sub-regional level and developing a shared workforce model, including coordinating efforts to attract and retain workforce at a regional or sub-regional level.	COMPLETED Alfred Health continues to actively expand its regional partnerships, with upcoming collaborations scheduled across multiple regional health services encompassing anaesthetics, surgery, nursing services, allied health, and dermatology.

Strategic Priorities set out by Minister for Health	Alfred Health key deliverables	Progress
Care closer to home	Implement new home-based and virtual remote models of care for patients managing chronic diseases to keep them well in the community.	GOOD PROGRESS Program of work to commence August 2024 to - Conduct current state review of Care in the Home and virtual models. - Analysing ongoing initiatives.
	Implement and/or evaluate new/expanded models of shared care between health services to enable patients managing chronic diseases to remain well and in the community.	COMPLETED Alfred Health continues with work with a range of public health services across regional Victoria to develop and implement new models of care for patients with chronic disease. - Respiratory/sleep studies service at Bass Coast Health. - Dermatology services at Latrobe Regional Hospital.
	Establish or further develop relationships between health services so that patients can be easily referred for care closer to, or in their homes.	COMPLETED Alfred Health maintains more than 25 distinct partnerships with public health services in regional Victoria, facilitating the provision of outpatient and inpatient services that prioritise local access to care for regional residents.
	Implement programs addressing barriers for rural and regional cohorts receiving care remotely, closer to, or in their homes.	COMPLETED Alfred Health maintains more than 25 partnerships with public health services in Regional Victoria, facilitating the provision of outpatient and inpatient services that prioritise local access to care for regional residents.

Strategic Priorities set out by Minister for Health	Alfred Health key deliverables	Progress
A health system that takes climate action	Develop an evidence-based plan and commence an initiative to reduce operational or clinical practices that are wasteful; identify appropriate data sources and outcome measures to demonstrate a positive environmental impact (i.e. avoided greenhouse gas emissions, reductions in resource use, reductions in waste).	GOOD PROGRESS Single Use Metal Instruments (SUMI) recycling has been deployed in ICU and emergency departments. Efforts are ongoing to implement soft plastic recycling initiatives.
	Incorporate the measurement of environmental outcomes (including avoided greenhouse gas emissions) within initiatives undertaken as part of other health service priorities including value-based care initiatives.	SOME PROGRESS In late 2023, Alfred Health conducted a comprehensive study of its carbon footprint, focusing on emissions associated with clinical care. This initiative has enabled the organisation to accurately quantify the environmental impact of forthcoming clinical initiatives.
	Plan for and initiate a project to improve the health service's understanding of its full carbon footprint.	COMPLETED Completion of the carbon footprint assessment.
	Plan and begin an analysis to improve understanding of the health service's Scope 3 emissions (indirect emissions which occur as a consequence of the facility, but from sources not owned or controlled by the facility, i.e. emissions from the production, manufacture and transport of food, pharmaceuticals, medical devices, and consumables purchased and used by a health service).	COMPLETED Completion of the carbon footprint assessment.
Development of the Alfred Health Strategic Plan 2024-2030	Production and approval of the Alfred Health Strategic Plan 2024-2030.	COMPLETED Published June 2024.

Part B: Performance priorities

High-quality and safe care

Accreditation	Target	Actual
Accreditation against the National Safety and Quality Health Standards	Accredited	Accredited
Infection prevention and control	Target	Actual
Compliance with the Hand Hygiene Australia program	85%	85.4%
Percentage of healthcare workers immunised for influenza	94%	88%
Continuing care	Target	Actual
Average change in the functional independence measure (FIM) score per day of care for rehabilitation separations	≥ 0.645	0.577
Healthcare associated infections (HAIs)	Target	Actual
Rate of central line (catheter) associated blood stream infections (CLABSI) in intensive care units, per 1,000 central line days	Zero	0.5
Rate of healthcare-associated S. aureus bloodstream infections per 10,000 bed days	≤ 0.7	1.0
Patient experience	Target	Actual
Percentage of patients who reported positive experiences of their hospital stay	95%	92.4%
Percentage of mental health consumers who rated their overall experience of care with a service in the last 3 months as positive	80%	67.5%
Percentage of mental health consumers reporting they 'usually' or 'always' felt safe using this service	90%	84.8%
Percentage of families/carers reporting a 'very good' or 'excellent' overall experience of service	80%	54.1%
Percentage of families/carers reporting they 'usually' or 'always' felt their opinions as a carer were respected	90%	81.4%
Aboriginal Health	Target	Actual
Percentage of Aboriginal admitted patients who left against medical advice	3.5%	6.2%
Percentage of Aboriginal emergency department presentations who did not wait to be seen	Sandringham 12.7%	Sandringham 11.1%
	The Alfred 7.2%	The Alfred 7.1%

Mental health	Target	Actual
Post-discharge follow-up		
Percentage of consumers followed up within seven days of separation – inpatient (adult)	88%	92%
Percentage of consumers followed up within seven days of separation – inpatient (older persons)	88%	95%
Percentage of consumers followed up within seven days of separation – inpatient (CAMHS – Child and Adolescent Mental health Services)	88%	95%
Readmission		
Percentage of consumers readmitted within 28 days of separation – inpatient (adult)	< 14%	10%
Percentage of consumers readmitted within 28 days of separation – inpatient (older persons)	< 7%	11%
Seclusion		
Rate of seclusion episodes per 1,000 occupied bed days – inpatient (adult)	≤ 8	6
Rate of seclusion episodes per 1,000 occupied bed days – inpatient (older persons)	≤ 5	0
Unplanned readmissions	Target	Actual
Unplanned readmissions to any hospital following a hip replacement	< 6%	The Alfred 11.4% Sandringham 6.8%

Note

As outlined in the *Victorian Health Services Performance Monitoring Framework Indicator Business Rules 2023-24*, the annual result for the following Statement of Priorities KPIs covers April 2023 – March 2024:

- Patient Experience
- Rate of central-line associated blood stream infections (CLABSI) in intensive care units, per 1,000 central-line days
- Rate of healthcare-associated *S. aureus* bloodstream infections per 10,000 bed days
- Unplanned readmissions to any hospital following treatment for a hip replacement
- Average change in the functional independence measure (FIM) score per day of care for rehabilitation separations

All other results are for the 2023-24 financial year (July 2023 – June 2024)

Strong governance, leadership and culture

Organisational culture	Target	Actual
People Matter Survey – percentage of staff with an overall positive response to safety culture survey questions	62%	73%

Timely access to care

Planned surgery	Target	Actual
Percentage of urgency category 1 planned surgery patients admitted within 30 days	100%	100%
Percentage of urgency category 1, 2 and 3 planned surgery patients admitted within clinically recommended time	94%	91%
Number of patients on the planned surgery waiting list	2,000	1,391
Number of patients admitted from the planned surgery waiting list	11,009	11,009
Number of patients (in addition to base) admitted from the planned surgery waiting list	1,845	819
Percentage of patients on the waiting list who have waited longer than the clinically recommended time for their respective triage category	5%	5.2%
Number of hospital-initiated postponements per 100 scheduled planned surgery admissions	≤ 7	2.6

Emergency care	Target	Actual
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%	The Alfred: 80.4% Sandringham: 88.4%
Percentage of triage category 1 emergency patients seen immediately	100%	100%
Percentage of triage category 1 to 5 emergency patients seen within clinically recommended time	80%	The Alfred: 64% Sandringham: 69%
Percentage of emergency patients with a length of stay in an emergency department of less than four hours	81%	The Alfred: 64% Sandringham: 78%
Number of patients with a length of stay in an emergency department greater than 24 hours	0	0

Mental health	Target	Actual
Percentage of mental health-related emergency department presentations with a length of stay of less than four hours	81%	The Alfred: 72% Sandringham Hospital: 80%
Percentage of triage episodes requiring an urgent response (triage scale C) where a face-to-face response was provided by the mental health service within eight hours	80%	36%
Home-based care	Target	Actual
Percentage of admitted bed days delivered at home	7.7%	9%
Percentage of admitted episodes delivered at least partly at home	2.3%	2.7%
Specialist clinics	Target	Actual
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	100%	65%
Percentage of routine patients referred by GP or external specialist who attended a first appointment within 365 days	90%	88.2%

Effective financial management

Key performance indicator	Target	2023-24 actuals
Finance		
Operating result (\$m)	(\$114.03m)	(\$55.6m)
Average number of days to paying trade creditors	60 days	39 days
Average number of days to receiving patient fee debtors	60 days	58 days
Adjusted current asset ratio (variance between actual ACAR and target, including performance improvement over time or maintaining actual performance)	0.7 or 3% improvement from health service base target	0.8
Variance between forecast and actual net result from transactions (NRFT) for the current financial year ending 30 June	Variance ≤ \$250,000	Not achieved
Actual number of days available cash, measured on the last day of each month	14 days	8 days

Part C: Activity and funding

	2023-24 activity achievement
Consolidated activity funding	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	173,357
Acute admitted	
National Bowel Cancer Screening Program NWAU	1
Acute admitted DVA	344
Acute admitted TAC	7,520
Acute non-admitted	
Home Enteral Nutrition NWAU	89
Home Renal Dialysis NWAU	558
Radiotherapy WAUs Public	82,472
Radiotherapy WAUs DVA	425
Subacute/non-acute admitted & non-admitted	
Subacute – DVA	53
Transition care – bed days	19,843
Transition care – home days	8,058
Aged care	
HACC	14,798
Mental Health and Drug Services	
Mental Health Ambulatory	130,757
Mental Health Inpatient – available bed days	30,336
Mental Health Subacute	5,408
Drug Services	77
Primary health	
Community health/primary care programs	11,471
Other	
NFC – Paediatric Lung Transplantation	6

Financial summary

A Net Operating Result of (\$55.6 million) was recorded for 2023-24. While a deficit, this result was within the target included in Alfred Health's Statement of Priorities (SoP).

The \$53.2m decrease in the net result from the previous year was due to a negative operating result of \$55.6m.

Total revenue and expenditure increased in the financial year. Main drivers included:

- A 10 percent increase in activity compared to 2022-23, particularly in the second half of the year.
- Inflationary cost pressures in labour, pharmaceuticals and consumables.

- Initiatives to reduce waitlists, such as the planned surgery blitz, which included weekend rosters. The outcome was reduced patient wait times for treatment and by the end of the year, no one was waiting longer than clinically recommended times for planned surgery.

Alfred Health continued with a strong balance sheet. Net assets increased by \$630.8m in the financial year, largely due to revaluation of land and buildings.

During the year Alfred Health found efficiencies to constrain the size of the deficit, while providing excellent patient care. This was achieved through the health service's focus on savings and close cost monitoring.

	2020 \$'000	2021 \$'000	2022 \$'000	2023 \$'000	2024 \$'000
Operating result*	504	243	477	180	(55,646)
Total revenue	1,420,708	1,618,690	1,762,461	1,880,754	1,965,402
Total expenses	(1,452,121)	(1,619,231)	(1,785,672)	(1,876,589)	(2,014,548)
Net result from transactions	(31,413)	(541)	(23,211)	4,165	(49,146)
Total other economic flows	(9,674)	4,465	(16,931)	(14,740)	(1,883)
Net result	(41,087)	4,104	(40,142)	(10,575)	(51,029)
Total assets	1,486,095	1,586,391	1,681,851	1,756,251	2,440,619
Total liabilities	450,252	510,147	645,249	637,427	690,865
Net assets/total equity	1,035,843	1,076,244	1,036,602	1,118,824	1,749,754

*The years described in this table refer to financial years ended 30 June of the relevant year.

Reconciliation of net results from transactions and operating result

	2024
Net Operating Result	(55,646)
Capital and specific items	
Capital purpose income	117,753
Expenditure for a capital purpose	(2,364)
Depreciation and amortisation	(109,347)
Other	(1,425)
Net result from transactions	(51,029)

The operating result is the result for which the health service is monitored in its Statement of Priorities, also referred to as the net result before capital and specific items.

Years described in the table refer to financial years ended 30 June of the relevant year.

Information and communication technology (ICT) expenditure

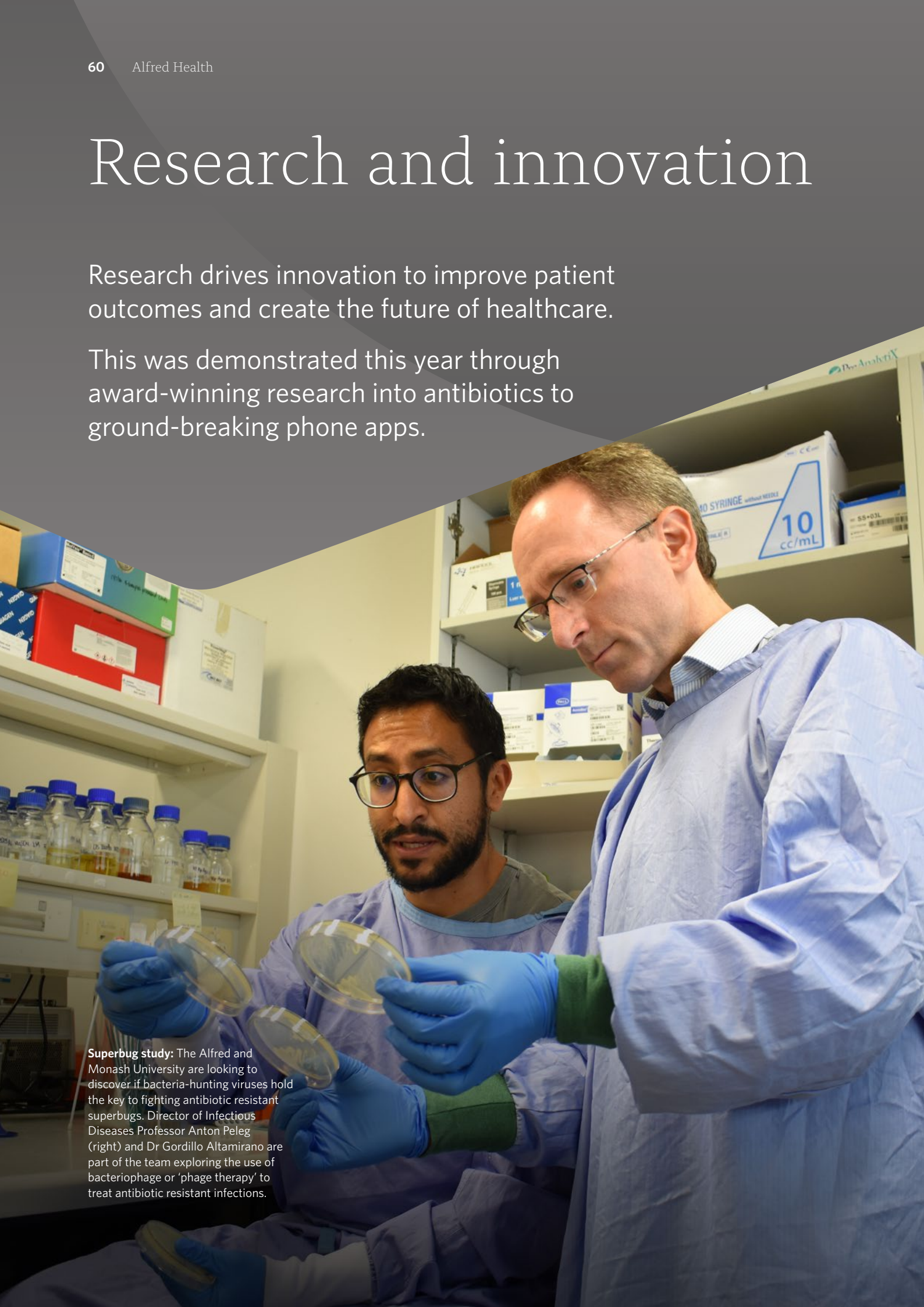
The total ICT expenditure incurred during 2023-24 is \$71.0 million (excluding GST):

Business-as-usual (BAU) ICT expenditure (\$m)	Non-business-as-usual (non-BAU) ICT expenditure (\$m)	Operational expenditure (\$m)	Capital expenditure (\$m)	Year
67.3	3.7	0.8	2.9	30 Jun 2024

Research and innovation

Research drives innovation to improve patient outcomes and create the future of healthcare.

This was demonstrated this year through award-winning research into antibiotics to ground-breaking phone apps.



Superbug study: The Alfred and Monash University are looking to discover if bacteria-hunting viruses hold the key to fighting antibiotic resistant superbugs. Director of Infectious Diseases Professor Anton Peleg (right) and Dr Gordillo Altamirano are part of the team exploring the use of bacteriophage or 'phage therapy' to treat antibiotic resistant infections.

Through clinical trials and translational research, we continued to demonstrate leadership as part of the Alfred Research Alliance and when collaborating with partners such as Monash University.

Major research highlights

Peanut allergy treatment trials underway

A promising peanut allergy treatment developed by Professor and Director of Allergy, Immunology and Respiratory Medicine at Monash University and Alfred Health Robyn O'Hehir has begun phase 2 trials, helped by a \$12 million Breakthrough Victoria grant. Melbourne biotech firm Aravax's drug, PVS108, is the result of more than 25 years of research led by Robyn, alongside her Aravax co-founders and inventors, Emeritus Professor Jennifer Rolland and Dr Sara Prickett.

Phone app may lead to better detection of STIs

Diagnosis of a sexually transmitted infection (STI) could soon be as simple as the click of a button, thanks to a new app developed by Melbourne Sexual Health Centre (MSHC) and Monash University.

The project was led by Melbourne Sexual Health Centre Epidemiologist and Development Team Leader, Prof Lei Zhang. The app allows users to upload a photo of an abnormal lesion area. Artificial intelligence (AI) then assists with the detection of STIs and other common genital skin conditions.

The app's development came from the collation of more than 5,000 images gathered with the assistance of MSHC clinicians and patient volunteers, who consented to images of their lesions being used for research purposes. Initial testing of the app already shows promising accuracy of between 60 to 90 percent.

Prof Zhang said the app may help address delays in diagnosis and treatment for people who are too shy or reluctant to see a clinician.

Eye test could provide brain insight

The Alfred has commenced clinical trials with BrainEye, a ground-breaking smartphone app which can help screen for neurological abnormalities using a 60-second eye movement test.

The study aims to recruit 500 participants across Australia with a variety of neurological conditions, including Alzheimer's, Parkinson's disease, epilepsy, and multiple sclerosis (MS), who will have their brain function assessed using BrainEye's eye tracking application.

BrainEye will collect data through its AI platform, which measures and compares more than 20 ocular biomarkers that the naked eye struggles to see. The data will then be compared to readings from neurologically healthy individuals to enhance the app's recognition and understanding of normal and abnormal brain function.

New trials tackle Borderline Personality Disorder riddle

Much-needed treatment options for individuals diagnosed with Borderline Personality Disorder (BPD) could be on the horizon, with researchers from the Monash Alfred Psychiatry Research Centre (MAPrc) positive about early results shown in two studies.

BPD is the most common personality disorder in Australia but has long confounded health professionals worldwide. Historically, treatment for individuals diagnosed with BPD has relied upon antidepressants and antipsychotics.

However, Research Fellow, Dr Eveline Mu, is part of the team looking into the effectiveness of a drug called Memantine, an Alzheimer's medication, which targets the glutamate system in the brain and addresses the cognitive disturbances that cause BPD symptoms. Early results have been encouraging, with many participants involved in the trial experiencing a reduction in symptoms.

A second trial is testing the hormonal treatment, Estradiol, in women with BPD diagnoses. (Women represent approximately 75 percent of BPD diagnoses globally.)



Important study: Prof Trisha Peel led the team that won the Australian Clinical Trials Alliance Trial of the Year Award.

Antibiotics research breakthrough

The results of the Australian Surgical Antibiotic Prophylaxis (ASAP) trial, led by Prof Trisha Peel (Department of Infectious Diseases, STM and Alfred Health) were published in the world's leading medical journal, *The New England Journal of Medicine*. The multicentre trial investigated how effective additional antibiotics are in the prevention of post-joint surgery infection and involved more than 4,200 patients across Australia. It was awarded the 2024 prestigious Australian Clinical Trials Alliance (ACTA) Trial of the Year Award.

Alfred Research Alliance

The Alfred Research Alliance brings together eight independent and diverse organisations to create a community of excellence for medical research, education and health services on The Alfred precinct.

The Alliance members are: Alfred Health, Monash University, Baker Heart and Diabetes Institute, Burnet Institute, Deakin University, La Trobe University, Nucleus Network and 360biolabs.

All members are co-located at The Alfred Precinct, but the impact of their outcome-driven, patient-centred research extends across Victoria, Australia and internationally.

Committed to solving the world's pressing health challenges, in 2023-24 Alliance members continued to advance medical discovery and improve clinical practice across their research strength areas.

- Blood diseases and cancer
- Cardiovascular disease
- Diabetes and obesity
- Epidemiology and public health
- Infection and immunity
- Mental health and neuroscience
- Nursing and allied health
- Trauma, critical care and perioperative medicine

In 2023, the Alliance members:

- published a total of 2,611 articles, including original research articles, reviews, book chapters and books;
- commenced or continued 654 clinical trials, of these, 354 were commercially sponsored (54 percent) and 300 were investigator initiated (46 percent); and
- congratulated 291 students on completing their master's and doctoral degrees.

Research funding

Alfred Health researchers were lead investigators on several new National Health and Medical Research Council (NHMRC) and Medical Research Future Fund (MRFF) grants during the year.

NHMRC

- Prof Marcus Chen (Investigator Grant): A new model for improved syphilis management and control. **\$2,897,165**
- Prof David Curtis (Ideas Grant): Bringing clonal haematopoiesis (CHIP) to the clinic through screening, risk profiling and treatment. **\$1,990,620**
- A/Prof Joseph Doyle (Investigator Grant): Innovative models of care to eliminate hepatitis C as a public health threat. **\$1,586,190**
- Prof Patrick Kwan (Investigator Grant): Transforming epilepsy outcomes through innovative technologies. **\$2,697,165**

- A/Prof Zoe McQuilten (Clinical Trials and Cohort Studies Grant): Clonal haematopoiesis of indeterminate potential and ageing-related diseases – the ASPREE-CHIP Extension (ASPREE-CHIP-XT) Study. **\$2,107,082**
- Prof Anton Peleg (Joint Programming Initiative on Antimicrobial Resistance): RESERVOIR - EnviRonmEnt and waStEwateR surVeillance in hOsPitals for antImicrobial Resistance. **\$737,291**
- Prof Erica Wood (Centres of Research Excellence): OPTIMAL: OPTimising Immunoglobulin Management in Australia. **\$2,500,000**

Medical Research Future Fund

- Prof Carol Hodgson: DRIVE RCT: Driving pressure versus tidal volume-limited ventilation for acute respiratory failure. **\$1,599,086**
- Prof Carol Hodgson: A National Intensive Care Research Data Initiative (NICE-Data). **\$2,497,605**
- Prof Anne Holland: Personalised exercise rehabilitation for people with multimorbidity – The PERFORM trial. **\$2,999,443**
- Prof Anne Holland: Implementing a treatable traits approach to optimise care of high-risk chronic respiratory disease (the TAPPET trial). **\$1,542,350**
- Prof David Kaye: The Artificial Heart Frontiers Program. **\$50,000,000**
- A/Prof Yet Khor: NOTE-FY – Nocturnal oxygen with telemonitoring in fibrotic interstitial lung disease feasibility evaluation. **\$642,426**
- A/Prof Mastura Monif: Australian Autoimmune Encephalitis Consortium Study – improving diagnosis, outcomes and quality of care for patients with this devastating neurological illness. **\$1,468,455**
- Prof Andrew Spencer: A centralised platform for functional high-risk multiple myeloma – THE ZEPFHR MM Trial (AMaRC 22-03). **\$3,417,815**
- Prof Dion Stub: Optimising chest pain pathways that ensure earlier access to definitive care for patients in remote and rural communities. **\$1,464,955**

Monash Partners Academic Health Science Centre

Alfred Health is a founding partner of Monash Partners Academic Health Science Centre, a collaboration between major healthcare, research and education institutions.

In January 2024, Professor Carol Hodgson became the Executive Director of Monash Partners after 25 years of clinical service at Alfred Health. A new strategic plan is in progress, with input from the leadership team across Alfred Health. It will be launched in November.

In 2023-24, Monash Partners continued valued community and philanthropic partnerships with the 65km for Cystic Fibrosis community and Equity Trustees. These partnerships

have played a critical role in supporting innovation in health and medical research and maximising patient benefit.

Alfred Health led the following projects, supported by grants offered by these partnerships, which were identified through robust prioritisation processes.

- 65km for Cystic Fibrosis grant (2022-24)
 - Dr Miranda Paraskeva: Motherhood and lung transplantation
- Equity Trustees grant (2022-24)
 - A/Prof Aleksander Voskoboinik: The syncope-stopper study – Comparison of upfront pacing with standard care for high-risk patients with unexplained syncope.
 - Dr Miles Andrews: A biomarker platform for personalised management of cancer immunotherapy toxicity.

TrialHub

TrialHub is an Australian-first pilot that is closing the gap in regional/rural and metro patient access to clinical trials by supporting hospitals to establish or improve their own clinical trial unit. Its key role is to increase the availability and participation of clinical trials in Victoria.

With Alfred Health as the metro lead, a growing list of partner hospitals in regional Victoria includes Latrobe Regional Hospital, Peninsula Hospital, Bendigo Health, Northern Health, Bass Coast Health and Mildura Base Public Hospital.

TrialHub has had a positive impact, with significant growth in clinical trial capacity across all partner sites and an increase in the overall multidisciplinary clinical trial workforce.

Milestones since the TrialHub pilot started in 2020 include:

- Mildura Base Public Hospital and Bass Coast Health opened their first clinical trial, with local patients now being recruited.
- Bendigo Health opened its first phase 1 cancer clinical trial with Alfred Health.
- 926 patients have been recruited to regional, rural and outer metro clinical trials since 2021.
- Latrobe Regional Health opened its first dermatology clinical trial with Alfred Health, marking the 36th clinical trial to open since 2020.
- Almost 50 new clinical trial jobs have been established at partner sites since 2021.
- Four upskilling programs have been developed for each of our partner sites, aligning with their unique needs.
- A Victorian Rare Cancer Clinical Trial Alliance has been established to build rare cancer clinical trial capacity and availability in regional and rural Victoria.
- TrialHub has developed and implemented 21 new innovative and tailored programs.

Sustainable healthcare

Prioritising patient experience and outcomes while also delivering a sustainable, renewable and resilient health service is of great importance to Alfred Health.



Greener alternative: A Wellness Garden is among the features at the Paula Fox Melanoma and Cancer Centre, providing a space where patients and carers can unwind and reconnect with nature.

From major infrastructure projects such as the Paula Fox Melanoma and Cancer Centre which features solar panels and rain water tanks (see [page 79](#)), to full compliance with single use plastic ban regulations, our aim is to reduce our carbon footprint and mitigate the impact of climate change through staff-driven, local and organisation-wide initiatives.

We will continue to identify innovative ways we can minimise our environmental impact, as part of our commitment to being a sustainable healthcare service.

Environmental sustainability

Highlights

Re-use of metered dose inhalers

The Lung Function Laboratory has reduced its annual asthma puffer use by purchasing recyclable holders and implementing a new cleaning process, allowing the safe re-use of Metered Dose Inhaler (MDI) canisters between patients. This has led to an annual reduction of nearly 5,000 inhalers. By purchasing a recyclable holder and implementing a new cleaning process, MDI canisters can safely be reused between patients with no compromise of infection control procedures, leading to a hundred-fold reduction in MDI use.

Compliance with the single use plastic ban

Alfred Health is now fully compliant with single use plastic ban regulations, since the rollout of paper straws. Implementation of the single use plastic ban began in 2023 with the phasing out of plastic cutlery and plates.

Carbon footprint study update

Stage three of the carbon footprint study was completed in October 2023. It identified decarbonisation pathways and the impact of a series of key actions. These have served as a foundation for our two-year Environmental Sustainability Action Plan, supported by our Environmental Sustainability Strategy. The carbon footprint study will form the baseline for our historical emissions to allow us to track our emissions reduction progress.

Climate risk assessment

In partnership with the Department of Health, Alfred Health is creating guidance and tools to support health services better understand and reduce climate risks. As identified in the carbon footprint study, we are initially prioritising our understanding of climate risks and impacts to build climate resilience.



Better alternative: PVC recycling is one of the ways Sandringham Hospital's Sarah Jenkins is making a difference when it comes to the environment.

Our performance

FRD24 Report: Alfred Health Organisation Hierarchy (Jul-23 to Jun-24)

Electricity use

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
EL1 Total electricity consumption segmented by source [MWh]				
Purchased	36,059.75	36,868.08	37,943.24	DH estimated data from February 2024 onwards
Self-generated	6,078.95	4,745.62	3,939.66	
EL1 Total electricity consumption [MWh]	42,138.70	41,613.70	41,882.90	
EL2 On site-electricity generated [MWh] segmented by:				
Consumption behind-the-meter				
Solar electricity	320.01	122.28		
Cogeneration electricity	5,758.94	4,623.34	3,939.66	
Total consumption behind-the-meter [MWh]	6,078.95	4,745.62	3,939.66	
Exports				
Cogeneration electricity	933.30	696.38	630.80	
Total electricity exported [MWh]	933.30	696.38	630.80	
EL2 total On site-electricity generated [MWh]	7,012.25	5,442.00	4,570.46	
EL3 On site installed generation capacity [kW converted to MW] segmented by:				
Cogeneration plant	6.00	6.00	6.00	
Diesel generator	9.83	9.83	9.83	
Solar system	0.26	0.26	0.26	
EL3 total on site installed generation capacity [MW]	16.09	16.09	16.09	
EL4 Total electricity offsets segmented by offset type [MWh]				
RPP (Renewable Power Percentage in the grid)	6,779.23	6,931.20	6,746.40	
EL4 Total electricity offsets [MWh]	6,779.23	6,931.20	6,746.40	

Stationary energy

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
F1 Total fuels used in buildings and machinery segmented by fuel type [MJ]				
Natural gas	273,788,651.58	255,478,021.21	207,348,116.20	DH estimated data from April 2024 onwards
Diesel			26,328.90	
F1 Total fuels used in buildings [MJ]	273,788,651.58	255,478,021.21	207,374,445.10	
F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type [tonnes CO₂-e]				
Natural gas	14,039.76	13,164.78	10,684.65	
Diesel			1.85	
F2 Greenhouse gas emissions from stationary fuel consumption [tonnes CO₂-e]	14,039.76	13,164.78	10,686.50	

Transportation energy

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
T1 Total energy used in transportation (vehicle fleet) within the Entity, segmented by fuel type [MJ]				
Non-executive fleet - gasoline	3,351,600.00	3,542,781.10	1,881,348.80	
Petrol	3,351,600.00	3,542,781.10	1,881,348.80	
Non-executive fleet - E10	167,918.40	139,796.00	103,331.20	
Petrol (E10)	167,918.40	139,796.00	103,331.20	
Non-executive fleet - diesel	211,528.00	224,273.70	52,893.50	
Diesel	211,528.00	224,273.70	52,893.50	
Total energy used in transportation (vehicle fleet) [MJ]	3,731,046.40	3,906,850.80	2,037,573.50	
T2 Number and proportion of vehicles in the organisational boundary segmented by engine/fuel type and vehicle category				
	Total number of vehicles across all sites - 168 Diesel - 2% of total fleet Petrol - 73% of total fleet EVs - 25% of total fleet	Total number of Vehicles across all sites - 160 Diesel - 2% of total fleet Petrol - 91% of total fleet EVs - 7% of total fleet		

Transportation energy (continued)

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type [tonnes CO₂-e]				
Non-executive fleet - gasoline	226.64	239.56	127.22	
Petrol	226.64	239.56	127.22	
Non-executive fleet - E10	10.23	8.51	6.29	
Petrol (E10)	10.23	8.51	6.29	
Non-executive fleet - diesel	14.89	15.79	3.72	
Diesel	14.89	15.79	3.72	
Total Greenhouse gas emissions from transportation (vehicle fleet) [tonnes CO₂-e]	251.75	263.87	137.23	

T4 Total distance travelled by commercial air travel (passenger km travelled for business purposes by entity staff on commercial or charter aircraft)				
Total distance travelled by commercial air travel	1,769,410.00	1,001,929.61	Not available	

T(opt1) Total vehicle travel associated with entity operations [1,000 km]				
Total vehicle travel associated with entity operations [1,000 km]			520.69	

T(opt2) Greenhouse gas emissions from vehicle fleet [tonnes CO₂-e per 1,000 km]				
tonnes CO₂-e per 1,000 km			0.26	

Total energy use

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]				
Total energy usage from stationary fuels (F1) [MJ]	272,457,966.18	255,478,021.21	207,374,445.10	
Total energy usage from transport (T1) [MJ]	3,731,046.40	3,906,850.80	2,037,573.50	
Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]	276,189,012.58	259,384,872.01	209,412,018.60	

E2 Total energy usage from electricity [MJ]				
Total energy usage from electricity [MJ]	151,699,329.12	149,809,316.55	150,778,423.42	

E3 Total energy usage segmented by renewable and non-renewable sources [MJ]				
Renewable	25,574,064.41	25,406,504.34	24,297,375.61	
Non-renewable (E1 + E2 - E3 renewable)	403,466,308.49	384,227,895.81	335,893,066.41	

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
E4 Units of stationary energy used normalised: (F1+E2)/normaliser				
Energy per unit of LOS [MJ/LOS]	1,056.15	1,036.89	978.33	
Energy per unit of bed-day (LOS+Aged Care OBD) [MJ/OBD]	1,056.15	1,036.89	978.33	
Energy per unit of separations [MJ/separations]	3,279.32	3,288.68	3,158.40	
Energy per unit of floor space [MJ/m ²]	1,477.05	1,411.34	1,247.20	

Sustainable buildings and infrastructure

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
B1 Discuss how environmentally sustainable design (ESD) is incorporated into newly completed entity-owned buildings				
	Alfred Health has established Construction Procurement Guidelines (CPG) which are aligned to Ministerial Directions for Public Construction Procurement in Victoria issued under the <i>Project Development and Construction Management Act 1994</i> (Ministerial Directions). These guidelines apply specifically to Alfred Health's Public Construction Procurement activities for the provision of: - construction works – which includes construction, maintenance, rehabilitation, alteration, extension or demolition of any building; or - construction services – which includes services directly related to the delivery of works such as architectural and design services. It does not include services indirectly related to the delivery of works such as legal or commercial advisory services.			
B2 Discuss how new entity leases meet the requirement to preference higher-rated office buildings and those with a Green Lease Schedule				
	Currently, our leasing policy does not include preference to higher-rated office buildings and those with Green Lease Schedules for office accommodation.			
B3 NABERS Energy (National Australian Built Environment Rating system) ratings of newly completed/occupied Entity-owned office buildings and substantial tenancy fit-outs (itemised)				
	The Alfred Energy: 4 stars Water: 3 stars Sandringham Hospital Energy: 5.5 stars Water: 5.5 stars Caulfield Hospital Energy: 2.5 stars Water: 3 stars			Not reported by Eden Suite
B4 Environmental performance ratings (eg. NABERS, Green Star, or ISCAIS rating scheme) of newly completed Entity-owned non-office building or infrastructure projects or upgrades with a value over \$1 million				
NABERS Energy	There were no new NABERS ratings for newly completed Entity-owned non-office buildings during FY 23-24.			

Sustainable buildings and infrastructure (continued)

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
B5 Environmental performance ratings achieved for Entity-owned assets portfolio segmented by rating scheme and building, facility, or infrastructure type, where these ratings have been conducted				
Rating scheme	Not available			

Water use

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
W1 Total units of metered water consumed by water source (kl)				
Potable water [kl]	324,311.76	309,118.72	255,983.61	DH estimated from April 2024 -June 2024
Total units of water consumed [kl]	324,311.76	309,118.72	255,983.61	

W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity				
Water per unit of LOS [kl/LOS]	0.81	0.79	0.70	
Water per unit of bed-day (LOS+Aged Care OBD) [kl/OBD]	0.81	0.79	0.70	
Water per unit of Separations [kl/Separations]	2.51	2.51	2.26	
Water per unit of floor space [kl/m ²]	1.13	1.08	0.89	

Waste and recycling

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
WR1 Total units of waste disposed of by waste stream and disposal method [kg]				
Landfill (total)				
General waste - bins	16,820.00	60,815.34	8,898.24	
General waste - compactors	2,154,982.80	1,840,264.32	1,899,690.00	
General waste - skips	175,130.88	252,899.92	192,020.00	
Clinical waste - incinerated	51,795.37	49,758.44	52,073.83	AH estimated from April 2024 -June 2024
Clinical waste - sharps	48,135.27	48,393.52	47,941.88	AH estimated from April 2024 -June 2024
Clinical waste - treated	434,783.94	557,001.64	687,335.45	AH estimated from April 2024 -June 2024
Recycling/recovery (disposal)				
Batteries	990.54	1,930.00	1,197.00	
Cardboard	51,123.28	163,143.83	213,605.54	
Commingle	104,739.81	147,665.21	185,602.56	
E-waste	11,072.00	9,198.00	682.54	
Fluorescent tubes	457.03	548.00	565.00	
Metals	1,383.14	13,125.00	1,717.72	
Organics (food)	69,316.80	24,393.60	23,284.20	
Paper (confidential)	64,191.46	124,212.52	58,851.35	
Paper (recycling)		1,050.62	87.55	
PVC	2,312.61	3,476.05	3,104.00	AH estimated from April 2024 -June 2024
Sterilisation wraps	41.00	168.00	2,313.00	
Toner & print cartridges	510.58	150.38	207.62	
Total units of waste disposed [kg]	3,187,786.52	3,298,194.39	3,379,177.49	

Waste and recycling (continued)

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
WR1 Total units of waste disposed of by waste stream and disposal method [%]				
Landfill (total)				
General waste	73.62%	65.31%	62.16%	
Offsite treatment				
Clinical waste - incinerated	1.62%	1.51%	1.54%	
Clinical waste - sharps	1.51%	1.47%	1.42%	
Clinical waste - treated	13.64%	16.89%	20.34%	
Recycling/recovery (disposal)				
Batteries	0.03%	0.06%	0.04%	
Cardboard	1.60%	4.95%	6.32%	
Commingle	3.29%	4.48%	5.49%	
E-waste	0.35%	0.28%	0.02%	
Fluorescent tubes	0.01%	0.02%	0.02%	
Metals	0.04%	0.40%	0.05%	
Organics (food)	2.17%	0.74%	0.69%	
Paper (confidential)	2.01%	3.77%	1.74%	
Paper (recycling)	Not available	0.03%	0.00%	
PVC	0.07%	0.11%	0.09%	
Sterilisation wraps	0.00%	0.01%	0.07%	
Toner & print cartridges	0.02%	0.00%	0.01%	
WR2 Percentage of office sites covered by dedicated collection services for each waste stream				
Printer cartridges	60-80%	60-80%		
Batteries	60-80%	60-80%		
e-waste	60-80%	60-80%		
Soft plastics	Not available	Not available		
WR3 Total units of waste disposed normalised by FTE, headcount, floor area, or other entity or sector specific quantity, by disposal method				
Total waste to landfill per patient treated [(kg general waste)/PPT]	3.70	3.48	3.62	
Total waste to offsite treatment per patient treated [(kg offsite treatment)/PPT]	0.84	1.06	1.36	
Total waste recycled and reused per patient treated [(kg recycled and reused)/PPT]	0.48	0.79	0.85	
WR4 Recycling rate [%]				
Weight of recyclable and organic materials [kg]	306,138.25	489,061.21	491,218.09	
Weight of total waste [kg]	3,187,786.52	3,298,194.39	3,379,177.49	

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
Recycling rate [%]	9.60%	14.83%	14.54%	
WR5 Greenhouse gas emissions associated with waste disposal [tonnes CO₂-e]				
Tonnes CO ₂ -e	3,724.35	3,630.94	3,732.44	

Greenhouse gas emissions

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
G1 Total scope one (direct) greenhouse gas emissions [tonnes CO₂e]				
Carbon dioxide	14,323.61	13,394.51	10,796.30	
Methane	27.45	25.63	20.78	
Nitrous oxide	9.02	8.51	6.65	
Total	14,360.08	13,428.65	10,823.73	
Scope 1 GHG emissions from stationary fuel (F2 Scope 1) [tonnes CO₂-e]	14,108.33	13,164.78	10,686.50	
Scope 1 GHG emissions from vehicle fleet (T3 Scope 1) [tonnes CO₂-e]	251.75	263.87	137.23	
Medical/refrigerant gases				
Isoflurane	3.22			
Nitrous oxide	543.96	897.72	203.07	
Sevoflurane	284.11	256.96	224.42	
Total scope one (direct) greenhouse gas emissions [tonnes CO₂e]	15,191.38	14,583.33	11,251.22	
G2 Total scope 2 (indirect electricity) greenhouse gas emissions [tonnes CO₂e]				
Cogen electricity	Not available	Not available	1,501.99	
Electricity	23,717.22	25,326.60	26,501.04	
Steam	Not available	Not available	1,402.77	
Total scope 2 (indirect electricity) greenhouse gas emissions [tonnes CO₂e]	23,717.22	25,326.60	29,405.80	

NOTE: The emissions calculation for electricity-related activities uses the market-based method, as opposed to the location-based method used in previous FRD report versions.

G3 Total scope 3 (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (tonnes CO₂e)				
Commercial air travel	446.52	224.13	Not available	
Waste emissions (WR5)	3,724.35	3,630.94	3,732.44	
Indirect emissions from stationary energy	4,017.88	4,285.03	3,724.81	
Indirect emissions from transport energy	510.43	289.63	7.47	
Paper emissions	74.51	92.47	89.79	
Any other scope 3 emissions	544.22	523.61	480.83	
Total scope 3 greenhouse gas emissions [tonnes CO₂e]	9,317.91	9,045.81	8,035.34	

Greenhouse gas emissions (continued)

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
G(Opt) Net greenhouse gas emissions (tonnes CO₂e)				
Gross greenhouse gas emissions (G1 + G2 + G3) [tonnes CO ₂ e]	48,157.94	48,955.74	48,692.37	
Any reduction measures offsets purchased (EL4-related)				
Any offsets purchased				
Net greenhouse gas emissions [tonnes CO ₂ e]	48,226.51	48,955.74	48,692.37	

Normalisation factors

	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22	Notes
1000km (corporate)			520.69	
1000km (non-emergency)				
Aged care OBD				
ED departures	103,457.00	104,634.00	101,345.00	
FTE	8,669.00	7,903.00	7,675.00	
LOS	401,608.00	390,869.00	366,085.00	
OBD	401,608.00	390,869.00	366,085.00	
PPT	634,408.00	618,740.00	580,827.00	
Separations	129,343.00	123,237.00	113,397.00	
Total Area M2	287,165.00	287,165.00	287,165.00	

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

General notes:

- Information in this report is sourced from data provided by retailers and in some cases, data manually uploaded by health services into Eden Suite. Data has not been externally validated. All annual values represent the year ending 30 June 2024.
- While best efforts have been made to source actual data, there may be variances in the data provided. In some instances, estimates are used and correspond to actual data used in the same time period of the previous year. Estimates are replaced once actual data becomes available, improving data accuracy.
- Emissions are calculated using the carbon factors for the year in which the emissions were generated. For health services provided with energy (electricity and steam) under the co-generation ESA (energy services agreement) carbon factors provided by the energy retailer are used.
- Our total greenhouse gas emissions included in the Annual Report consist of Scope 1, Scope 2 and Scope 3 emissions. Scope 1 emissions are direct greenhouse (GHG) emissions from sources controlled or owned by Alfred Health (e.g. natural gas, medical gases, fleet). Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Although Scope 2 emissions physically occur at the facility where they are generated, they are accounted for in our total emissions because they are a result of our energy use. Scope 3 emissions refer to all indirect emissions that occur outside of the organisation's control (e.g. waste disposal, air travel, indirect emissions from utilities).
- Electricity consumption values exclude line losses; some energy retailers include losses in reported values.
- Occupied bed days (OBD) include both inpatient and aged care data, unless stated otherwise.
- Leased buildings and the newly commissioned Paula Fox Melanoma and Cancer Centre are still in the process of being integrated into our reporting framework and reporting will commence in the coming financial year.
- Discrepancies in waste and recycling performance and data is due to change in waste suppliers and differences in reporting parameters used.

Projects and infrastructure

Highlights

Alfred Health has continued to improve our infrastructure and modernise our buildings, so we can continue to provide quality treatment and deliver contemporary models of care (see Building Better Care [pages 28-29](#)).

A new theatre in The Alfred Centre has enhanced surgical capacity, while the opening of the Women's Recovery Network has meant we can provide women's mental health care and accommodation in an inclusive, respectful and welcoming environment.

A major project highlight was the opening of the world-class Paula Fox Melanoma and Cancer Centre (see feature on [page 79](#)) which will deliver lifesaving clinical trials, research and care under one roof, heralding a new era in cancer care.

Beyond this, a number of other projects are underway so we can provide a better patient experience and quality care to our community.

The Alfred Retail Precinct

Works on a reimagined retail precinct at The Alfred commenced in 2024.

The project will see the area become a contemporary, light-filled space. It will also provide an improved experience for patients, visitors and staff to pass through, or sit and enjoy.

Features will include more natural light, a modernised retail environment and more indoor and outdoor seating.



Fresh look: Capital and Infrastructure Project Manager, Steve Skapetis, is leading the team working on The Alfred's new Retail Precinct.

Sandringham Hospital upgrade

An upgrade of key facilities at Sandringham Hospital commenced in March 2024. It will play an important role in ensuring we continue to deliver quality care to our local community.

Due for completion in 2025, the project will include a refurbishment of the hospital's main entrance, level one and outpatients' department.

Upon completion, the outpatients' department will have accessible space to support 22 consulting spaces (including four paediatric specific spaces), new pathology layout and a patient gym.

The overall project will also see a new, refreshed modern front entrance and upgraded staff amenities, with a dedicated space for staff refreshments, low stimuli spaces and a focus on wellbeing.

Residential Eating Disorder Treatment Centre

Construction is underway on Victoria's first public Residential Eating Disorder Treatment Centre.

Located in Armadale, and operated by Alfred Health, the centre will be a statewide service for comprehensive, specialist and recovery-focused treatment for Victorians aged 18 and over living with an eating disorder.

It will offer a unique model of care that provides a therapeutic, home-like environment with 24/7 support, filling the gap between acute and primary healthcare for Victorians.

The project is a joint investment from the Victorian and Australian governments.

High-value equipment and infrastructure funding

2023-24 equipment and infrastructure projects funded by Department of Health	Amount \$000
Surgical Equipment Innovation Fund/Rapid Access Fund	350
2023-24 Metropolitan Health Infrastructure Fund	
Vital operating room equipment	4,000
Main switchboard upgrade	3,920
2023-24 mental health	
Improving safety in acute mental health intensive care areas	2,973
Mental Health Capital Renewal Fund	998
2023-24 Clinical technology refresh	906
Pathology Services - Western Health	8,500
Total	21,647

Building project status

Alfred Health complies with the *Building Act 1993*, utilising registered building practitioners on all building projects, with maintenance of their registered status for the duration of the works being a condition of their contract.

We maintain all buildings in a safe and serviceable condition, with routine inspections, ensuring that we undertake scheduled maintenance programs. We also inspect all buildings' essential services for compliance, as required by legislation.

Alfred Health obtained building permits for new projects, where required, as well as certificates of final inspection for all completed projects.

Projects completed (with Certificates of Final Inspection)

The Alfred

- Paula Fox Melanoma and Cancer Centre
- Fairfield Centre
- Cardiac Services Stage 2
- Main Ward Block Microbiology Lab Compliance Project
- Ward 6 East Neuroscience Clinical Trial Unit
- Alfred Centre Operating Theatre 8
- Alfred Centre Sterile Services Department (SSD)
- Main Ward Block Short Stay Unit Extension
- East Block positron emission tomography (PET) scanner

Sandringham Hospital

- N/A

Caulfield Hospital

- Building 23, Aged Care Infrastructure upgrade

Other Sites

- Community Mental Health expansion – 1,001 Nepean Highway
- Community Mental Health expansion – Level 1, 607 St Kilda Road.

Projects with building permits under construction

The Alfred

- Cardiac Stage 3 – improving ambulatory spaces
- Fairfield House – refurbishment for Aged Mental Health
- Ground Floor and Level 6, 607 St Kilda Road
- Main Ward Block Sterile Services Department (SSD)
- East Block Level 4 – Subacute
- Retail precinct

Sandringham Hospital

- Outpatients refurbishment
- Main entry and Level 1 amenities

Caulfield Hospital

- N/A

Other Sites

- MHSC – 580 Swanston St – flooring upgrades
- Residential Eating Disorder Centre

Fundraising

The Alfred Foundation

Thanks to generous supporters, The Alfred Foundation raised \$19.1 million in 2023-24.

The Paula Fox Melanoma and Cancer Centre officially opened thanks to the support of the Victorian Government, Australian Government, Monash University, Paula Fox and the Fox Family, Minderoo Foundation and other generous supporters.

Major contributions included a three-year renewal by the Jenkins Family Trees Philanthropy to cancer research and a similar renewal by the Dicker Family to the ECMO registry. Equity Trustees funded ground-breaking work in mental health research via the NatWest Foundation and \$3.35 million was also received thanks to distributions from the estates of Constance Hunt, Nancy Balding, Shirley Margaret Loxley, Geoffrey Lawson Hook and Raymond Batty.

The Alfred Foundation also funded initiatives aligned with its key pillars.

Transforming care: a revitalisation of The Alfred's Heart Centre was completed thanks to the generosity of supporters including the estate of Harry Sigmund Eichler, the Orloff Family Foundation, Jeff Kaufman and the O'Donohue Family Fund.

Leading technology: the purchase of a Grid Pad 12 with eye-gaze technology was made possible thanks to the Angior Family Foundation. The technology helps patients who may not be able to speak due to paralysis or a brain injury to communicate through eye tracking.

Advancing technology: the Paula Fox Melanoma and Cancer Centre opened, combining research, patient care and clinical expertise in the one place. A donation in memory of Saroj Godbole secured the purchase of a BioXP3250 DNA printer – the first of its kind in Australia. This automated DNA printer streamlines the synthesis of DNA (and mRNA) fragments, allowing researchers to generate custom constructs over a few days, providing rapid cancer monitoring and discovery research.

Developing extraordinary caregivers: The Alfred Health Nursing Scholarship was awarded to CAR-T Clinical Nurse Coordinator, Cassie Abbott, providing her with the opportunity to observe CAR-T processes across three United States hospitals. Fellowships were also established or continued across ICU, myeloma, lymphoma and melanoma research.

Alfred Foundation Board members

Alfred Foundation Board members for 2023-24 were:

- Sir Rod Eddington AO (Chair)
- Professor Andrew Way AM (Alfred Health Chief Executive)
- Patrick Baker (Alfred Foundation Director)
- Ravi Bhatia
- Anthony Charles
- Allan Hood
- Meg Landrigan
- Chris Nolan
- Nick O'Donohue
- Amanda Robertson
- Paul Sheahan AM

Sandringham Hospital

Sandringham Hospital received generous support from individuals, community groups, businesses and trusts and foundations. Major fundraising events held in support of the hospital included the Oaks Day Lunch hosted by Sandringham Yacht Club, the Bayside Charity Golf Day held at Royal Melbourne Golf Club and the Bayside Charity Pro-Am held at Sandy Golf Links. The Lunch by the Bay was held on 15 March to celebrate the 60th anniversary of the official opening of Sandringham Hospital.

Community support enabled a broad range of medical and surgical equipment to be upgraded to support patient care at Sandringham Hospital.

Significant support was received from:

- All Souls Opportunity Shop;
- Black Rock Sports Auxiliary;
- Community Bank Sandringham;
- the estate of Pamela Anne Campbell;
- Humpty Dumpty Foundation;
- J & Hope Knell Trust Fund;
- Lions Club of Beaumaris;
- Lions Club of Sandringham;
- Rotary Club of Beaumaris;
- Sandringham Yacht Club;
- The Alfred & Jean Dickson Foundation;
- The John & Thirza Daley Charitable Trust; and
- anonymous supporters.



Fundraising event: Sandringham Hospital Acting Director of Nursing and Operations, Melissa Reid, joined some of our long-serving volunteers at The Lunch by the Bay to celebrate the hospital's 60th anniversary.



Future care: In addition to outstanding patient care, the new Paula Fox Melanoma and Cancer Centre has a broad range of sustainability initiatives.

Building a sustainable health system

Paula Fox Melanoma and Cancer Centre

Alfred Health has put into practice the development of sustainable healthcare practices through the world-class Paula Fox Melanoma and Cancer Centre.

The centre was officially opened by Australian Prime Minister Anthony Albanese and Victorian Premier Jacinta Allan in April 2024, and is an example of what Alfred Health is doing to ensure a resilient healthcare system for Victorians.

The new \$152.4 million facility has delivered lifesaving clinical trials, research and care under one roof, heralding a new era in cancer care. From its St Kilda Rd location, clinical teams strive for breakthroughs and targeted treatments. Utilising the latest technologies, our teams provide truly compassionate care in an environment that promotes wellness and comfort.

In addition to quality patient care, sustainability was also at the forefront when planning the building. The centre is a fully electric building with no natural gas on site. It features a 93kW solar panel system, and all building lights have sensors which will turn off if no movement is detected within a half hour.

Rainwater tanks installed are used for our landscape gardens and are also used to flush all the toilets in the building. Sustainable travel is also a priority, with Active Travel Zone facilities including bicycle parking available.

The development of the centre was driven by Alfred Health patient and philanthropist Paula Fox, with significant support from the Victorian Government and Australian Government, the Fox Family Foundation, Minderoo Foundation, Monash University and many other supporters.

Governance

Being responsive and making sound, transparent decisions are key principles of Alfred Health's governance process.



Key position: Alfred Health staff, including Business Analyst Arun Kumar, complete a range of roles across the organisation.

Alfred Health's Board is accountable to the Minister for Health. Its role is to exercise good governance in achieving the objectives, as outlined in Alfred Health's Strategic Plan 2021-23, Strategic Plan 2024-30 and the annual Statement of Priorities.

The Board comprises up to nine independent non-executive directors who are elected for a period of up to three years and can be re-elected to serve for up to nine years. During the year the Board had nine directors.

Objectives, functions, power and duties

The core objective of the service is to provide public health services in accordance with the principles established as guidelines for the delivery of public hospital services in Victoria under section 17AA of the *Health Services Act 1988* (Vic) ('the Act').

The other objectives of the service as a public health service are to:

1. Provide high-quality health services to the community, which aim to meet community needs effectively and efficiently.
2. Integrate care as needed across service boundaries in order to achieve continuity of care and promote the most appropriate level of care to meet individual needs.
3. Ensure that health services are aimed at improvements in individual health outcomes and population health status by allocating resources according to best-practice healthcare approaches.
4. Ensure that the service strives to continuously improve quality and foster innovation.
5. Support a broad range of high-quality health research to contribute to new knowledge and to take advantage of knowledge gained elsewhere.
6. Operate in a businesslike manner, which maximises efficiency, effectiveness and cost-effectiveness and ensures the service's financial viability.
7. Ensure that mechanisms are available to inform consumers and protect their rights and to facilitate consultation with the community.
8. Operate a public health service as authorised by or under the Act.
9. Carry out any other activities that may be conveniently carried out in connection with the operation of a public health service or calculated to make more efficient any of the service's assets or activities.

The powers and duties of Alfred Health are as prescribed by the Act.



Working together: Alfred Health works in partnership with the state government to deliver better care for the community, with Albert Park MP Nina Taylor and Minister for Mental Health Ingrid Stitt collaborators on the Women's Recovery Network.

Board of Directors as of 30 June 2024



The Hon Martin Foley

Board Chair

Martin Foley, as an experienced Minister for Health and Minister for Mental Health, brings an understanding of the community operations of the health system.

With a background in government, community organisations and industrial relations, Mr Foley holds a Master's of Commerce and is a graduate of the Australian Institute of Company Directors.

He is a Board member of RISING Festival, the Melbourne Symphony Orchestra and Melbourne Arts Precinct Corporation.



Prof Christina Mitchell

AO, MB BS, FRACP, PhD, FAHMS

Professor Christina Mitchell is Dean, Faculty of Medicine, Nursing and Health Sciences at Monash University, having trained as a physician scientist specialising in clinical haematology. She was the first woman to be appointed Dean of Medicine of a Go8 university in Australia. Her research group has focused on the molecular drivers of human cancer. Prof Mitchell is an inductee on the Victorian Honour Roll of Women and a recipient of the Lemberg Medal. She is a member of the Australian Academy of Health and Medical Sciences as well as Council Chair, Monash Partners Academic Health Sciences Centre. In addition, she is a director on the boards of the Hudson Institute and The Sylvia and Charles Viertel Charitable Foundation Medical Advisory Board.



Ms Melanie Eagle

BA BSW LLB Post Graduate Diploma of International Development GAICD

Ms Eagle has qualifications in law, social work, international development, arts and is a graduate of the Australian Institute of Company Directors. She is the former Chief Executive Officer of Hepatitis Victoria/LiverWELL—the peak organisation providing advocacy, awareness raising, education and support in relation to viral hepatitis and liver disease. Her professional work has spanned: the public sector (city strategic planning, social policy, women's policy, law reform and equal opportunity); the private sector (as a solicitor); and the union movement. She was the Mayor and a councillor of the St Kilda Council. She has served on a wide range of boards including: Star Health (formerly Inner South Community Health Centre); Hanover Welfare; Prahran Mission; the Epilepsy Foundation; Hepatitis Australia; Respect Victoria; and the Chronic Illness Alliance of Victoria. Ms Eagle is the inaugural Chair of the Disability Worker Registration Board, and she is a member of Queen Victoria Women's Centre Trust and the Women 4 Justice Advisory Group. She is also a patron of the Epilepsy Foundation.



Ms Chloe Shorten

BA (Comm), MAICD, GAIST, GIA (Aff)

Ms Shorten is a national advocate for the rights of children and young people. She has been committed to improving the lives of women, children and people with disabilities through her 30-year involvement with not-for-profit organisations, particularly those in research. Ms Shorten is the Chair of the Centre for Digital Wellbeing, a director of Industry Funds Services serving on their Audit and Risk Committee. She is also a director of the SMC Trust. Ms Shorten is the Inaugural Ambassador for the Foyer Foundation for youth homelessness; a strategic advisor to Burnet Institute for their Healthy Mothers, Healthy Babies Program. She has had an extensive executive career in the resources and tech sectors, as head of corporate affairs, communications and reputation management. Ms Shorten is the author of two books published by Melbourne University Publishing. She chairs Alfred Health's Community Advisory Committee and is a member of the Quality Committee.



Ms Anna Leibel

GAICD

Ms Leibel is an experienced company director and C-suite executive across private and public service organisations that are highly regulated and asset intensive. She has guided organisations in reconceiving products to achieve growth aspirations, overseeing sophisticated risk management approaches and delivering services in complex compliance landscapes.

Ms Leibel is a non-executive director of Secure Electronic Registries Victoria (SERV) and serves on their Audit and Risk Committee. She is a former non-executive director of Ambulance Victoria and Chair of the Audit and Risk Committee. Selected as a Chief Executive Women Scholar in 2018, Anna completed Driving Strategic Innovation at Massachusetts Institute of Technology, USA. She holds a Postgraduate Diploma in IT Leadership (2019) from Deakin University and completed Succeeding in a Digital Economy (2012) with Massachusetts Institute of Technology, USA. Ms Leibel graduated from the AICD Company Directors course (2017) and will complete a Master of Laws in Enterprise Governance with Bond University in December 2023. She co-authored The Secure Board to outline the governance aspects of cybersecurity, which was published in 2021.



Mr Lynton Norris

BBus (Acc) BBus (IntTrade) FCPA GAICD

Mr Norris is a consultant and experienced company director. He is a recognised leader in funding and payment models, policy development and review, performance assessment and reporting and complex data analysis and analytics.

Mr Norris has more than 25 years' experience in both government and the private sector and held senior executive roles in the federal, state and territory government health and human service portfolios at the deputy director-general, chief executive officer and director levels. He has led and served on various government expert and advisory panels, pertaining to national agreements, disaster recovery, data integrity and analysis.

Mr Norris is a member of the Australian Health Practitioner Regulation Agency (AHPRA) Board, the national regulator of Australia's registered health practitioners, and a director of Aristotle Metadata, which provides data and metadata software solutions to government and industry. Mr Norris was a member of Health Purchasing Victoria's (now HealthShare Victoria) Finance and Risk Management Committee for nine years.

He holds degrees in international trade and accounting, is a Fellow Certified Practising Accountant (FCPA) and a graduate member of the Australian Institute of Company Directors (GAICD).



Ms Anne Howells

BCom, CA, MB (Corporate Governance), FGIA, GAICD

Ms Howells is a chartered accountant who is passionate about excellence in customer service, operations, compliance and corporate governance.

She began her career with PwC advising small and medium sized enterprises and later consulting in risk management, compliance and corporate governance. In the course of her career she has held a number of governance and senior quality and complaints management roles with Telstra, been a general manager of a nursing agency, run her own consultancy business and later worked for PwC's CRO in risk and compliance roles. Ms Howells is a director and former chairperson of Sexual Health Victoria (SHV) and the Director of CP Solutions Pty Ltd (her personal consulting company). She also serves on the Finance, Audit and Risk Committees (or their equivalents) for SHV, Scope (Aust) Ltd and the Royal Australasian College of Physicians.



Mrs Sally Campbell

BA, LLB, GAICD

Mrs Campbell brings extensive executive commercial and public sector experience to the Alfred Health Board. This experience has been earned in a wide range of organisations in Australia, New Zealand and the United Kingdom.

Mrs Campbell's background includes working in health, law, informatics, technology, telecommunications, manufacturing and services. She held executive positions at senior government, strategic and service delivery level within New Zealand, United Kingdom and Victorian health services. She is also a director of Forensicare.

Mrs Campbell has an exemplary track record in designing and delivering major business strategies and systems that drive significant cultural change and continuous improvement. She is skilled at delivering leadership and organisational change in large, complex and politically sensitive organisations. She also works enthusiastically to ensure all employees, governance leads and stakeholders respect the various contributions of the many who intersect with health service delivery.



Dr Abhishek (Abhi) Verma

BSc(Med) MBBS MS FRACGP GAICD AICGG

Dr Abhi Verma is an experienced clinician and non-executive director in the healthcare sector, with substantial experience in clinical governance and medical regulation. In addition to maintaining a number of portfolio board roles, he remains active in clinical practice. In 2022, he received the Victorian GP of the Year Award as well as the Australian GP of the Year Award.

Dr Verma currently serves as a member of the Victorian Medical Board, working with the Australian Health Practitioner Regulation Agency (AHPRA). He was appointed to this role by the Minister for Health, and is the youngest person ever appointed to this Board since the commencement of the national registration scheme. He is also a director of Peoplecare Health Limited and Yea and District Memorial Hospital, as well as member of the RACGP Victoria Faculty Council. He previously served on the Board of Edenhope and District Memorial Hospital, where he was Chair of the Clinical Governance Committee.

Dr Verma holds undergraduate degrees in medicine (University of New South Wales) as well as a Master of Surgery (University of Sydney) and is a fellow of the Royal Australian College of General Practitioners. He also holds formal postgraduate qualifications in corporate and clinical governance.

Board committees

The Alfred Health Board established a number of committees and advisory committees in accordance with sections 65S and 65ZA of the Act and the Victorian Government's Public Entity Executive Remuneration Policy.

Audit Committee

The Audit Committee assists the Board to fulfil its statutory and fiduciary duties relating to the financial management of Alfred Health with respect to internal controls, accounting and reporting practices.

It aims to ensure that those duties are carried out in accordance with the Act, the Financial Management Compliance Framework, the Risk Management Framework and any other relevant legislation. This committee is responsible for overseeing the internal audit function and developing and reviewing the Alfred Health Internal Audit Plan.

It is also responsible for:

- overseeing the maintenance of an effective system of internal monitoring and control of data integrity risk management;
- reviewing the implications of external audit findings for internal controls; and
- reviewing the annual accounts for recommendation to the Board.

Community Advisory Committee

The Community Advisory Committee (CAC) provides advice to the Board on consumer, carer and community participation and other Alfred Health community initiatives. It advises on priority areas and issues requiring consumer and carer participation. This includes matters of community interest and concern to culturally, religiously and linguistically diverse (CALD) communities. It is a forum through which members of the community can work in partnership with Alfred Health as consumer representatives to improve patient experiences.

Finance Committee

The Finance Committee assists the Board to fulfil its financial responsibilities. This includes reporting to the Board on Alfred Health's financial position and the appropriateness of the financial information prepared by management, receiving and reviewing the annual budget and key budget strategies, and overseeing and supervising the management and implementation of actions to address financial management risks. In addition, the committee considers and recommends to the Board financial commitments that require approval.

Primary Care and Population Health Advisory Committee

The Primary Care and Population Health Advisory Committee assists the Board in ensuring that:

- the health service provided meets the needs of our communities;
- the views of users and providers are taken into account; and
- arrangements are put in place with other relevant agencies and service providers ensures effective and efficient service delivery and continuity of care.

Quality, People and Culture Committee

The Quality, People and Culture Committee assists the Board's oversight of quality and safety of the clinical services provided by Alfred Health and to ensure that the experience of patients and staff is constantly being reviewed and challenged. This involves making certain that:

- there is a high level of aspiration for the clinical quality and patient experience of services provided by Alfred Health;
- priorities and strategic directions for clinical quality and safety are set, monitored and managed;
- effective and accountable systems are in place to monitor and improve the quality and effectiveness of health services; and
- systemic problems identified with the quality and effectiveness of health services are addressed.

Remuneration Committee

The Remuneration Committee provides advice to the Board on executive remuneration matters. It monitors the implementation of an executive remuneration policy that is consistent with the business objectives and human resources needs of Alfred Health, the Victorian Government's Public Entity Executive Remuneration Policy and prevailing legislation.

Committee membership 2023-24

Audit Committee

Anna Leibel (Chair)
Sally Campbell
Abhishek Verma
Des Pearson AO (Associate Director)

Community Advisory Committee (CAC)

Chloe Shorten (Chair)
Lynton Norris
Melanie Eagle
Kim Hungerford (Consumer)
Terry McNamara (Consumer)
Carol Gordon (Consumer)
Irene Havryluk-Davies (Consumer)
Kriss Will (Consumer)
Amtur Rafiq (Consumer)
Max Niggli (Consumer)
Astrid Edwards (Consumer)
Matthew Foo (Consumer)
Stephen James (Consumer)

Finance Committee

Anne Howells (Chair)
Lynton Norris
Martin Foley
Anna Leibel
Andrew Way, Chief Executive

Primary Care and Population Health Advisory Committee (PCPHA)

Melanie Eagle (Chair)
Sally Campbell
Andrew Way, CEO
Peter Hunter (AH staff)
Simon Stafrace (AH staff)
Galina Daraganova (external delegate - SEMPHN)
Amanda Ferrie (external delegate - Better Health Network)

Quality and People and Culture Committee

Christina Mitchell (Chair)
Abhishek Verma
Martin Foley
Chloe Shorten
Danielle Bolster (AH clinician)
Robert Stirling (AH clinician)
Sulakshana Ravindiran (AH clinician)

Remuneration Committee

Martin Foley (Chair)
Anne Howells
Anna Leibel
Lynton Norris
Christina Mitchell

Risk management

Alfred Health is committed to improving the quality and safety of our services and to managing the risks that may impact the achievement of our goals. A coordinated service-wide approach to risk management is present across the organisation. Alfred Health has an integrated enterprise and clinical risk register which consists of 35 open risks at the end of 2023-24. All risks are addressed by specific treatment plans and many have dedicated committees such as falls prevention, pressure injuries and medication safety. The Alfred Health Management Framework aligns with the international Risk Management Standard (AS/NZ ISO 31000:2018-02) and each year the risk profile of the health service is reviewed.

Alfred Health continues to use an incident reporting system, using the dataset of the Victorian Health Incident Management System (VHIMS), which is an integral component of Alfred Health's risk management framework. This allows the organisation to provide regular VHIMS data to the Victorian Agency for Health Information (VAHI) for analysis in order to inform patient safety efforts at a state level. The organisation is committed to building a positive risk culture throughout. Regular training and support are provided for staff throughout the year on the use of the incident reporting database and all staff members are encouraged to report adverse events in line with the organisation's just culture.

Artificial intelligence

Artificial intelligence (AI) in healthcare is advancing at a rapid pace. Alfred Health is committed to safe and responsible AI governance to meet the organisation's legal obligations, as well as community expectations regarding fairness, transparency and trustworthiness in the development and use of AI and other new and emerging technologies.

In view of this technological transformation, we developed our governance and oversight in respect of AI, which is currently guided by Australia's AI Ethics Principles released by the Commonwealth's Department of Industry, Science and Resources in 2019. We will continue to monitor and contribute to further federal and state developments in this area.

International best practice also provides direction for Alfred Health's AI governance framework including: technical and strategic AI capability; strong internal and external accountability; effective processes to ensure regulatory compliance and upholding ethical commitments.

Our research, clinical and operations leaders apply a human-centred approach to ensure technologies are fit-for-purpose in advancing outcomes for patients, respecting individual rights and protecting marginalised groups.

During the year, we worked in close consultation with Macquarie University and the Digital Health Cooperative Research Centre on a governance project and risk management framework for AI in healthcare. This is due for completion in early 2025 and is intended to be a valuable resource for Alfred Health and other health services.

We will monitor the progress of reform and legislation and ensure appropriate adoption of developments to ensure the safe use of AI.

Safe Patient Care Act 2015

In accordance with our obligations under section 40 of the *Safe Patient Care Act 2015* (Vic), we report that Alfred Health was not subject to any adverse findings, injunctions, penalties or directions.

Senior officers

Chief Executive

Professor Andrew Way AM
AM RN BSc (Hons) MBA FAICD FCHSM

Professor Way has served as Alfred Health's Chief Executive since 2009. His focus is on improving access, ensuring high-quality, safe services with low mortality, within a strong financial framework and a research-supportive environment. Alfred Health is now seen as a leader in these areas.

Professor Way led the development of Victoria's first Academic Health Science Centre — Monash Partners, now an accredited NHMRC Advanced Health and Research Translation Centre. He was appointed as Adjunct Clinical Professor in the School of Public Health and Preventative Medicine, Faculty of Medicine Nursing and Health Sciences, Monash University in 2015.

He is also a director of other health-related organisations and is a member of several government and other advisory groups. Prior to his relocation to Melbourne in 2009, Professor Way had an extensive career in the NHS in the United Kingdom, latterly as CEO of the Royal Free Hampstead NHS Trust.

Deputy Chief Executive and Chief Operating Officer

Adjunct Clinical Professor Simone Alexander
MHAdmin, MClinNurs, BN

Prof Alexander has more than 25 years' experience in the healthcare sector.

As the Deputy Chief Executive and Chief Operating Officer at Alfred Health, she is responsible for the management and performance of Alfred Health's clinical operations.

As a registered nurse by profession Prof Alexander has an extensive clinical background in perioperative nursing and clinical leadership of many areas including The Alfred and Sandringham Hospital's emergency departments, ICU, hyperbaric, surgical services, cardiology, general medicine, neurosciences, Hospital in the Home and inpatient wards. Having led the health service through the COVID-19 pandemic, she has demonstrated the ability to deliver quality, innovative healthcare that is agile, flexible and compassionate. Prof Alexander has a strong track record of leading teams, delivering programs, engaging stakeholders and influencing productive outcomes for organisations while ensuring quality of care.

She holds master's degrees in health management and in clinical nursing, is a graduate of the Australian Institute of Company Directors and is currently completing the Executive Leadership Certificate in Public Health at Harvard University.

Chief Medical Officer

Dr Lee Hamley
MBBS MBA FRACMA

As Executive Director Medical Services and Chief Medical Officer, Dr Hamley reports to the Chief Executive.

She is responsible for clinical governance, risk management and patient safety, the development of the clinical workforce across Alfred Health, professional medical issues, investigative services (pathology, radiology, and nuclear medicine) and pharmacy.

Dr Hamley chairs the Alfred Health Infection Control Committee, Medical Appointments Committee and Credentialing Committee.

Dr Hamley's external appointments include being a member of the Council of the Victorian Institute of Forensic Medicine.

Chief Nursing Officer

Prof Ged Williams
AO, RN, Bach. App. Sc. (Midwifery), Crit. Care Cert., LLM, MHA, GAICD, FACN, FACHSM, FAAN

Prof Williams has more than 40 years' experience in the healthcare sector and commenced in this role in March 2023.

He is responsible for leadership and oversight of nursing, midwifery, allied health and related support services to ensure Alfred Health continues to provide high-quality and safe healthcare to the many communities we serve. He has worked in similar roles throughout Australia and abroad.

Prof Williams has qualifications in nursing, midwifery, critical care (obtained at Alfred Hospital in 1989), public sector management, health administration, corporate governance, and law and holds adjunct appointments with a number of universities, as well as external board responsibilities related to nursing and healthcare.

Chief Finance Officer

Mr Scott Cumbrae-Stewart (from Oct 2023)

Mr Cumbrae-Stewart was appointed as Alfred Health's Chief Financial Officer (incorporating the role of Chief Procurement Officer) in October 2023.

He is responsible for Alfred Health's financial governance and helping to ensure the maximisation of, and optimal allocation of, the resources available to the organisation to best serve the public health of Victorians.

As Alfred Health's CFO, and from a career spanning more than 25 years in senior finance roles in large and complex organisations, Mr Cumbrae-Stewart has a strong track record in financial leadership, governance and control. He is a driven, passionate and experienced financial professional with proven experience of thriving in challenging environments, creating and supporting high-performance teams and enabling organisational change.

Mr Cumbrae-Stewart is a qualified CPA, graduate of the Australian Institute of Company Directors (AICD) and holds an MBA from the Australian Graduate School of Management and a Bachelor of Commerce from Melbourne University.

Mr Peter Joyce BCom FCPA (Jul 2023 – Sep 2023)

Chief Experience Officer

Ms Laura Wilkinson (from Mar 2024)

As Chief Experience Officer, Ms Wilkinson is responsible for driving Alfred Health's commitment to both the employee and patient experience.

This includes oversight for the patient and employee experience strategy, delivery of HR services, consumer engagement and innovative service delivery/design.

Ms Wilkinson was appointed to the role in March 2024. With over 15 years' experience in both the public and private sectors, Ms Wilkinson brings her extensive experience in strategy, people and culture roles and service transformations to Alfred Health. Ms Wilkinson is a creative executive who thrives in complex environments, working across systems and bringing the voice of different perspectives into service, policy and system design.

Mr Jarrard O'Brien (Jul 2023 – Feb 2024)

Executive Director, Strategy and Planning

Ms Jenny Walsh BHSc

Ms Walsh is responsible for ensuring Alfred Health has a clear future direction through our Strategic Plan. The plan, with its defined goals and objectives, supports the health and wellbeing of all Victorians and builds capability as a quaternary teaching hospital and international health and medical research centre.

She has direct responsibility for Alfred Health's service planning and capital and infrastructure functions including strategic projects and major capital projects such as the Paula Fox Melanoma and Cancer Centre. These functions are central to providing clinical and other corporate programs with a safe, efficient and effective operating environment.

Ms Walsh has held many senior management positions across the Queensland and Victorian public health systems. Her experience and interests lie in strategic planning and system design, creating opportunity to influence, transform and redesign systems and processes in response to changing health system environments.

Director, Research

Professor Stephen Jane MBBS PhD FRACP FRCPA FAHMS

Professor Jane is responsible to the Chief Executive for the strategic direction and governance of research at Alfred Health. An experienced haematologist, Professor Jane has a strong interest in translational research and, through his role, is a key player in Alfred Health's efforts to establish Monash Partners as an Academic Health Science Centre (AHSC).

He joined Alfred Health in 2011, following 10 years as head of one of the country's foremost bone marrow research laboratories at Royal Melbourne Hospital — a group of researchers he brought with him to The Alfred.

Executive Director, Public Affairs and Communication

Ms Ursula McGinnes BA

As Executive Director, Public Affairs and Communication, Ursula is responsible for external affairs, media relations, internal communications, community engagement, corporate communications as well as digital and creative services.

She also runs the Secretariat for the Alfred Research Alliance, a collaboration between research institutes, universities and biomedical specialists across The Alfred Precinct.

Ms McGinnes has 30 years' experience in strategy, policy, and public affairs. She has worked as an executive and consultant for public and private organisations including Australia Post, WMC, V/Line and Alumina Limited. She has also lectured in the University of Melbourne's Master of Global Media Communication program and served as a director on Mentone Girls Grammar's Fundraising Board.

Currently, Ms McGinnes is a board director for Mayflower, a not-for-profit organisation dedicated to the wellbeing of the older community.

Chief Digital Health Officer

Ms Amy McKimm BAppSc (Hons) CHIA ProfCert Health Systems Management

As Executive Director of Information Development (IDD), Ms McKimm is responsible for supporting Alfred Health through its digital transformation. This includes the strategic use of data and systems, so clinical care at the bedside is performed with all the information required for excellence.

IDD covers all aspects of IT infrastructure and support, projects, applications development, cybersecurity, privacy, and the ongoing development of the electronic medical record, which is a strategic focus for the organisation.

Ms McKimm has worked in a number of clinical and operational roles in health services in Australia and the United Kingdom.

Throughout her career, Ms McKimm's interest has been in using technology, data, and digital platforms to support healthcare to adapt and change to better meet the needs of patients and the broader community. In 2018, she completed Leadership Victoria's Williamson Leadership Program. In 2021, she became a Certified Health Informatician of Australasia.

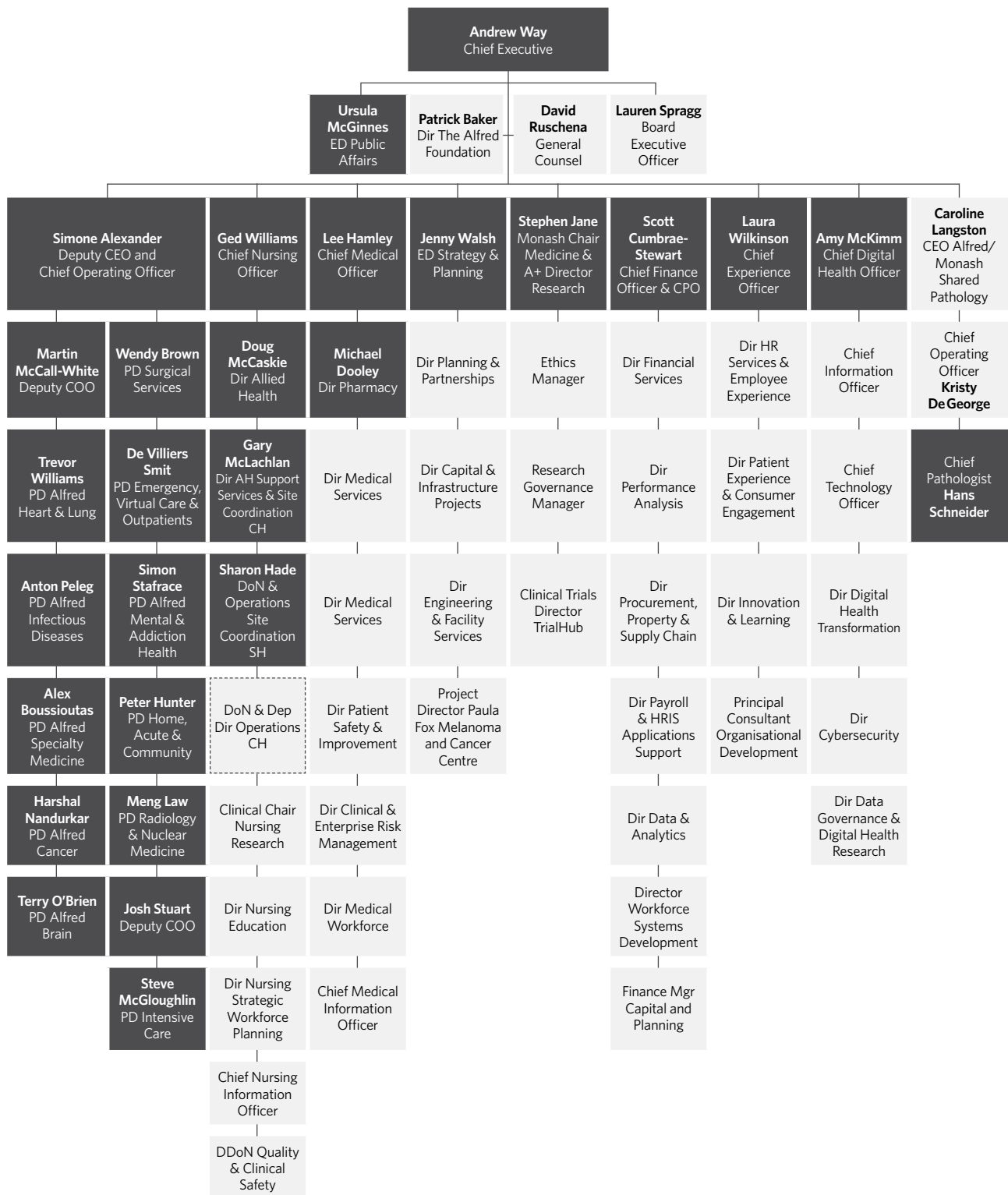
General Counsel

Mr David Ruschena BSc (Hons)/LLB(Hons), Grad Dip App Sci (OH&S), PhD

Mr Ruschena has been Alfred Health's General Counsel since August 2015. He manages Alfred Health's response to legal and other regulatory obligations, ensuring that responses are proportionate to risk and obligation.

Mr Ruschena has more than 25 years' experience in the junction between healthcare and law, as a researcher, management consultant and lawyer. He has a PhD in regulatory law, examining the public health effects of tobacco litigation.

Management and organisational structure



Key

ED - Executive Director
PD - Program Director
Dir - Director
DoN - Director of Nursing

Mgr - Manager
AH - Alfred Hospital
SH - Sandringham Hospital
COO - Chief Operating Officer

DDoN - Deputy Director of Nursing
CPO - Chief Procurement Officer

HSEC Member

Legislation change

There were no legislative changes that materially affected the delivery of medical services in 2023-24.

General information

Directions of the Assistant Treasurer

All the information described in the directions of the Assistant Treasurer is available to the relevant minister, members of parliament or the public on request.

Statement on National Competition Policy

Alfred Health continues to comply with government policy on competitive neutrality.

Alignment with public administration values

Alfred Health assists staff to identify desired behaviours and ensures that policy and practice are underpinned by core public sector values through its Code of Conduct and Financial Code of Practice. These are approved by the Board of Directors and are consistent with the Public Sector Code of Conduct for Victorian Public Sector Employees issued by the Public Sector Standards Commissioner. Principles of equal opportunity and fair and reasonable treatment of others are included in the Code of Conduct and the range of policies and guidelines. This includes a policy and guideline on conflicts of interest. We ensure that policy and practice are consistent with the *Charter of Human Rights and Responsibilities Act 2006* (Vic).

In addition, we are rolling out a series of animated e-learning modules to assist our people to apply these principles more easily in their day-to-day working lives.

The Freedom of Information Act 1982

Rights of the public under the *Freedom of Information Act* are published on our website. A request for documents must be in writing, or on an application form, sufficiently clear to enable a thorough search for documents, accompanied by a prescribed application fee, which can be waived for those experiencing financial hardship. Contact details of our Freedom of Information (FOI) Officer are on our website alfredhealth.org.au

The majority of information requested was released and acceded to in full.

Information about FOI may be obtained from the Office of the Victorian Information Commissioner.

Freedom of information decisions 2023-24

Applications received 2023-24	3,361
Applications granted (full)	3,035
Applications granted (part)	36
Access denied	4
No documents	6
Other ²	78
Not finalised	202

Applications received 2022-23	2,914
Access granted in full	2,771
Access granted in part	59
Access denied	2
No documents	23
Not finalised	59

Public Interest Disclosure Act 2012 (Vic)

Alfred Health complies with its obligations under the *Public Interest Disclosure Act 2012* (Vic). Information about the protection of persons from detrimental action can be found in the Alfred Health policy on protected disclosure which is located on our website alfredhealth.org.au

Hard copies are available from the office of the Alfred Health Legal Office.

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

DataVic access

In August 2012, the Victorian Government released the DataVic Access Policy, which enables the sharing of government data at no, or minimal, cost to users. Government data from all agencies will be progressively supplied in a machine-readable format that will minimise access costs and maximise use and re-use.

² Other includes FOI applications which were: not processed, not proceeded with, outside the Act, withdrawn and Act does not apply.

Consultancies

Consultancies less than \$10,000

In 2023-24, there were 145 consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2023-24 in relation to these consultancies was \$296,333 (excluding GST).

Consultancies \$10,000 or greater

In 2023-24 there were 10 consultancies where the total fees payable to the consultants were \$10,000 or greater.

The total expenditure incurred during 2023-24 in relation to these consultancies was \$608,162 (excl. GST). All consultancies were conducted in compliance with the procurement policies of Alfred Health and the Victorian Government.

Four main factors underpinned these costs:

- analysis of introducing new clinical information system in MSHC;
- bringing non-clinical support services in-house;
- review of Renal Services; and
- ongoing compliance with government policy and legislation.

Details of individual consultancies can be viewed at alfred.org.au

Consultant	Purpose of consultant	Total approved project fees	Expenditure 2023-24	Future approved expenditure
Araza	Privacy monitoring tools assessment	42,120	42,120	0
Deloitte	Heart and Lung comparative analysis	74,972	74,972	0
Grant Thornton Australia	Financial due diligence - insourcing non-clinical support services	40,170	40,170	0
Janet Weir-Phyland Consulting	Renal Services review	33,000	33,000	0
JLI Nurse Education Consultancy	Nurse education	12,000	12,000	0
Quantum Market Research	Planned surgery reform research	107,600	107,600	0
Siecap	Supply surety assessment	26,168	26,168	0
Steven Chadban	Renal Services review	33,568	33,568	0
TEK- V	MSHC new clinical information system replacement analysis	197,750	197,750	0
Ward 6	Women's Mental Health branding	40,814	40,814	0
Total		608,162	608,162	0

Local Jobs First Act disclosures

The following information for contracts commenced and/or completed in the financial year has been disclosed under the *Local Jobs First Act 2003*:

Local Jobs First reporting				Apprentice roles		Trainee roles		Cadet roles		Employee roles	
Number projects	Av local content	Total contract value	No SME engaged	Created	Retained	Created	Retained	Created	Retained	Created	Retained
7	92%	\$42m	953	6	8	0	0	0	3	17	66

Social procurements

Over the past year, Alfred Health has strengthened its commitment to achieving social and sustainable outcomes for the Victorian community by incorporating social procurement into its high-value procurement programs.

This includes integrating social procurement into the tendering process and applying assigned weightings in evaluation criteria.

Additionally, we have initiated capability building efforts within our procurement team, providing staff with training on effectively applying the Social Procurement Framework.

Moving forward, we will continue to embed social procurement objectives into regular procurement planning and further enhance staff training.

For the period 2023 to 2026, Alfred Health has identified three key priority objectives:

1. Expanding opportunities for Victorian Aboriginal people.
2. Promoting environmentally sustainable business practices.
3. Achieving environmentally sustainable outputs.

In the 2023-24 financial year, Alfred Health's total spend with social benefit suppliers amounted to \$238,237, as reflected in the table below.

Objective	Outcome	Number of business engaged	Total expenditure
Opportunities for Victorian Aboriginal people	Utilising the Kinway and Social Traders platforms Alfred Health engaged with the following Victorian Aboriginal businesses: Japarta Pty Ltd, Indigi Print Pty Ltd, Indigenous Cultural Connections Pty Ltd, Orana Commercial Relocation Pty Ltd, Baluk Arts, Merindah Gunya Art and Clothing The Gaps Pty Ltd	7	\$50,912
Opportunities for Victorians with disability	Utilising the Social Traders platform and existing commercial relationships Alfred Health engaged the following businesses: Villa Maria Catholic Homes Ltd, Scope Australia, Salvation Army, Uniting Vic and Latrobe Valley Enterprises (The Little Social Café).	5	\$95,844
Sustainable Victorian social enterprises	Alfred Health engaged with the following Victorian social enterprises: Meals with Impact, Asylum Seeker Resource Centre, Youth Projects Ltd and Streat Ltd	4	\$91,481



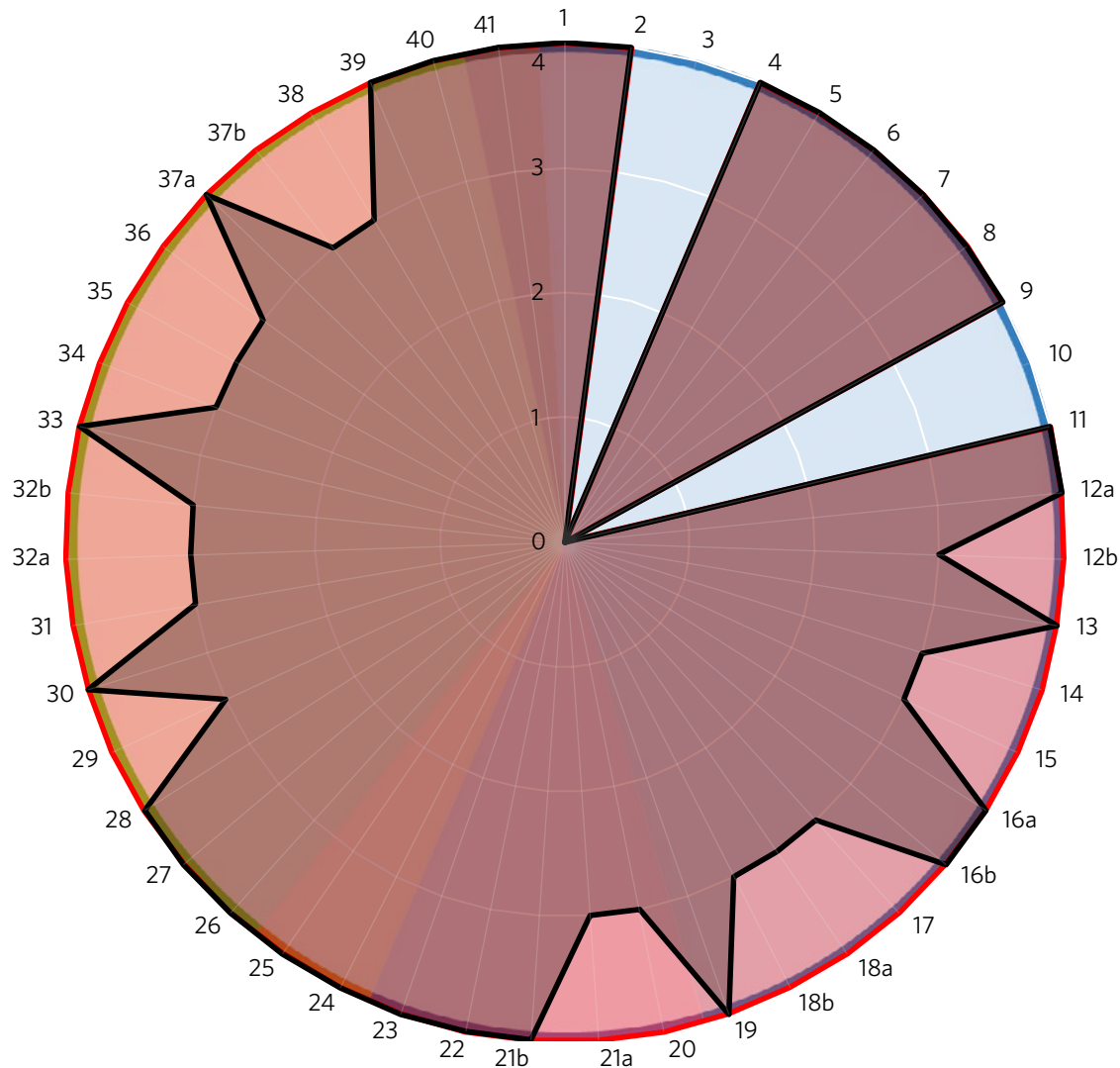
Team effort: Alfred Health volunteers provide dedicated and valuable support across the health service.

Asset Management Accountability Framework

The following section summarises Alfred Health’s assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF).

Alfred Health’s target maturity rating is ‘competence’, meaning systems and processes are in place and are consistently and systematically applied meeting the AMAF requirement. Alfred Health also has a continuous improvement process approach to continue to expand system performance above AMAF minimum requirements.

A key to the requirements can be found below the chart.



Legend

Status	Scale	Compliance
Not Applicable	N/A	Not applicable
Innocence	0	Non compliant
Awareness	1	Non compliant
Developing	2	Non compliant
Competence	3	Compliant
Optimising	4	Compliant
Unassessed	U/A	Unassessed

Alfred Health has met or exceeded its target maturity level under all requirements within the Asset Management Accountability Framework listed below.

Leadership and accountability (requirements 1-19)

1	Overview and key requirements (Leadership and accountability)
2	Resourcing and skills
3	Outsourced asset management – Governance (not applicable to Alfred Health)
4-5	Governance
6-9	Allocating management responsibility
10	Outsourced asset management – Operation (not applicable to Alfred Health)
11	Attestation requirements
11-14	Monitoring asset performance
15-16	Asset management system performance
17	Reporting to government
18	Evaluation of asset performance
19	Other requirements – Identifying risk and risk mitigation on assets

Planning (requirements 20 – 23)

20	Asset management strategy formulation
21	Asset lifecycle projection and planning
22	Asset risk management plans
23	Continuing risk assessment, evaluation and management processes

Acquisition (requirements 24 and 25)

24	Overview – including consultation and planning pre-acquisition
25	Acquisition process

Operation (requirements 26-40)

26-30	Monitoring and preventive action
31-32	Maintenance of assets
33-38	Information management
39	Record keeping
40	Asset valuation

Disposal (requirement 41)

41	Disposal – includes repurposing of assets
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Reviews and studies expenditure

During 2023-24, there was one study undertaken with a total cost of \$350,000. Details of the individual study are outlined below.

Name of review	Reason for review/study	Terms of reference/scope	Anticipated outcomes	Estimated cost for the year	Final cost if completed	Publicly available (Y/N)
CONVEY study into communication (using natural language processing (NLP) techniques)	Partnership with Deakin University to investigate clinical communication deficiencies, priorities and interventions across Alfred Health to improve care and patient safety	Three-year study to scope and examine issues, find solutions, implement solutions, evaluate outcomes	Deliver and evaluate communication interventions to improve care and patient safety	\$100,000 for 2023-24	\$350,000 over three years	N

Additional reviews or studies conducted have not been reported as they are commercially sensitive and doing so would be detrimental to Alfred Health's commercial operations.

Additional information

In compliance with the requirements of FRD 22G Standard Disclosures in the Report of Operations, details in respect of the items listed below have been retained by Alfred Health and are available to the relevant ministers, members of parliament and the public on request (subject to the freedom of information requirements, if applicable):

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

Attestations

Data integrity

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



Adam Horsburgh
Chief Executive
Melbourne
4 September 2024

Financial management compliance

I, **Martin Foley**, on behalf of the Responsible Body, certify that Alfred Health has No Material Compliance Deficiency with respect to the applicable Standing Directions of the Minister for Finance under the *Financial Management Act 1994* and Instructions.



The Hon Martin Foley
Chair
Melbourne
4 September 2024

Conflict of interest

I, **Adam Horsburgh**, certify that Alfred Health has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of hospital circular 07/2017 Compliance Reporting in Health Portfolio Entities (revised) and has implemented a Conflict of Interest Policy consistent with the minimum accountabilities required by the Victorian Public Sector Commission. Declaration of private interest forms have been completed by all executive staff within Alfred Health and members of the Board and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive Board meeting.



Adam Horsburgh
Chief Executive
Melbourne
4 September 2024

Integrity, fraud and corruption

I, **Adam Horsburgh**, certify that Alfred Health has put in place appropriate internal controls and processes to ensure that integrity, fraud and corruption risks have been reviewed and addressed at Alfred Health during the year.



Adam Horsburgh
Chief Executive
Melbourne
4 September 2024

Compliance with Health Share Victoria (HSV) Purchasing Policies

Schedule 1 and 5 health services are required to comply with the requirements of the Purchasing Policies as set out in the *Health Services Act 1988* (Vic).

No compliance issues

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



Adam Horsburgh
Chief Executive
Melbourne
4 September 2024

Disclosure index

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

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Important contribution: Registered nurse Phoebe is part of the dedicated team at Sandringham Hospital.

Financial statements

Year ended 30 June 2024

Board member's, accountable officer's and chief finance & accounting officer's declaration

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

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

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

We authorise the attached financial statements for issue on 4 September 2024.



The Hon Martin Foley
Board Chair
Melbourne
4 September 2024



Mr Adam Horsburgh
Accountable Officer
Melbourne
4 September 2024



Mr Scott Cumbrae-Stewart
Chief Finance & Accounting Officer
Melbourne
4 September 2024

Independent Auditor's Report

To the Board of Alfred Health

Opinion

I have audited the consolidated financial report of Alfred Health (the health service) and its controlled entities (together the consolidated entity), which comprises the:

- Consolidated entity and health service Balance sheets as at 30 June 2024
- Consolidated entity and health service Comprehensive operating statements for the year then ended
- Consolidated entity and health service Statements of changes in equity for the year then ended
- Consolidated entity and health service Cash flow statements 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 positions of the consolidated entity and the health service as at 30 June 2024 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

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 and the consolidated entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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.

Other information

The Board of the health service is responsible for the Other Information, which comprises the information in the health service's annual report for the year ended 30 June 2024, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the Other Information and accordingly, I do not express any form of assurance conclusion on the Other Information. However, in connection with my audit of the financial report, my responsibility is to read the Other Information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.

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 and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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



Dominika Ryan

as delegate for the Auditor-General of Victoria

Comprehensive Operating Statement

for the financial year ended 30 June 2024

	Note	Parent entity 2024 \$'000	Parent entity 2023 \$'000	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Revenue and income from transactions					
Operating activities	2.1	1,954,358	1,871,474	1,953,279	1,871,230
Non-operating activities	2.1	11,044	9,280	11,982	10,292
Total revenue and income from transactions		1,965,402	1,880,754	1,965,261	1,881,522
Expenses from transactions					
Employee expenses	3.1	(1,339,685)	(1,250,480)	(1,339,685)	(1,250,480)
Supplies and consumables	3.1	(390,955)	(368,455)	(390,955)	(368,455)
Finance costs	3.1	(2,869)	(2,147)	(2,869)	(2,147)
Depreciation and amortisation	3.1	(109,347)	(96,543)	(109,347)	(96,543)
Other administrative expenses	3.1	(93,650)	(82,933)	(94,049)	(83,194)
Other operating expenses	3.1	(78,042)	(76,050)	(78,042)	(76,050)
Total expenses from transactions		(2,014,548)	(1,876,608)	(2,014,947)	(1,876,869)
Net result from transactions - net operating balance		(49,146)	4,146	(49,686)	4,653
Other economic flows included in net result					
Net gain/(loss) on non-financial assets	3.2	388	(31)	388	(31)
Net (loss)/gain on financial instruments at fair value	3.2	(3,361)	(5,049)	(1,819)	(3,450)
Other gain/(loss) from other economic flows	3.2	1,090	(9,660)	1,090	(9,660)
Total other economic flows included in net result		(1,883)	(14,740)	(341)	(13,141)
Net result for the year		(51,029)	(10,594)	(50,027)	(8,488)
Other comprehensive income					
Items that will not be reclassified to net result					
Changes in property, plant and equipment revaluation surplus	4.4	673,878	90,897	673,878	90,897
Total other comprehensive income		673,878	90,897	673,878	90,897
Comprehensive result for the year		622,849	80,303	623,851	82,409

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

Balance sheet

as at 30 June 2024

	Note	Parent entity 2024 \$'000	Parent entity 2023 \$'000	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Current assets					
Cash and cash equivalents	6.2	157,811	177,111	158,059	177,356
Receivables	5.1	39,591	35,648	39,610	36,231
Contract assets	5.2	32,245	33,809	32,444	33,809
Inventories		16,091	18,360	16,091	18,360
Prepaid expenses		9,900	10,376	9,900	10,376
Total current assets		255,638	275,304	256,104	276,132
Non-current assets					
Receivables	5.1	38,727	35,592	38,727	35,592
Investments and other financial assets	4.1	56,461	54,841	78,921	75,939
Property, plant and equipment	4.2(a)	2,003,664	1,312,633	2,003,664	1,312,633
Right-of-use assets	4.3	85,298	77,795	85,298	77,795
Intangible assets	4.5	831	186	831	186
Total non-current assets		2,184,981	1,481,047	2,207,441	1,502,145
Total assets		2,440,619	1,756,351	2,463,545	1,778,277
Current liabilities					
Payables	5.3	205,177	193,245	205,227	193,297
Contract liabilities	5.4	28,177	34,909	28,177	34,909
Borrowings	6.1	12,116	10,529	12,116	10,529
Employee benefits	3.3	342,309	308,180	342,309	308,180
Other liabilities		70	70	70	70
Total current liabilities		587,849	546,933	587,899	546,985
Non-current liabilities					
Contract liabilities	5.4	14,430	-	14,430	-
Borrowings	6.1	55,270	49,211	55,270	49,211
Employee benefits	3.3	33,316	41,302	33,316	41,302
Total non-current liabilities		103,016	90,513	103,016	90,513
Total liabilities		690,865	637,446	690,915	637,498
Net assets		1,749,754	1,118,905	1,772,630	1,140,779
Equity					
Property, plant and equipment revaluation reserve	SCE	1,750,598	1,076,720	1,750,598	1,076,720
General purpose reserve	SCE	93,038	110,904	93,038	110,904
Restricted specific purpose reserve	SCE	50,709	52,363	73,583	74,235
Contributed capital	SCE	339,504	331,504	339,504	331,504
Accumulated deficits	SCE	(484,095)	(452,586)	(484,093)	(452,584)
Total equity		1,749,754	1,118,905	1,772,630	1,140,779

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

Statement of Changes in Equity

for the financial year ended 30 June 2024

Consolidated	Property, plant and equipment revaluation surplus \$'000	General purpose reserve \$'000	Restricted specific purpose reserve \$'000	Contributed capital \$'000	Accumulated deficits \$'000	Total \$'000
Balance at 1 July 2022	985,823	96,640	66,159	329,504	(421,756)	1,056,370
Net result for the year	-	-	-	-	(8,488)	(8,488)
Capital contribution	-	-	-	2,000	-	2,000
Other comprehensive income for the year	90,897	-	-	-	-	90,897
Transfer from/(to) accumulated deficit	-	14,264	8,076	-	(22,340)	-
Balance at 30 June 2023	1,076,720	110,904	74,235	331,504	(452,584)	1,140,779
Net result for the year	-	-	-	-	(50,027)	(50,027)
Capital contribution	-	-	-	8,000	-	8,000
Other comprehensive income for the year	673,878	-	-	-	-	673,878
Transfer from/(to) accumulated deficit	-	(17,866)	(652)	-	18,518	-
Balance at 30 June 2024	1,750,598	93,038	73,583	339,504	(484,093)	1,772,630

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

Statement of Changes in Equity

for the financial year ended 30 June 2024

Parent	Property, plant and equipment revaluation surplus \$'000	General purpose reserve \$'000	Restricted specific purpose reserve \$'000	Contributed capital \$'000	Accumulated deficits \$'000	Total \$'000
Balance at 1 July 2022	985,823	96,640	46,393	329,504	(421,758)	1,036,602
Net result for the year	-	-	-	-	(10,594)	(10,594)
Capital contribution	-	-	-	2,000	-	2,000
Other comprehensive income for the year	90,897	-	-	-	-	90,897
Transfer from/(to) accumulated deficit	-	14,264	5,970	-	(20,234)	-
Balance at 30 June 2023	1,076,720	110,904	52,363	331,504	(452,586)	1,118,905
Net result for the year	-	-	-	-	(51,029)	(51,029)
Capital contribution	-	-	-	8,000	-	8,000
Other comprehensive income for the year	673,878	-	-	-	-	673,878
Transfer from/(to) accumulated deficit	-	(17,866)	(1,654)	-	19,520	-
Balance at 30 June 2024	1,750,598	93,038	50,709	339,504	(484,095)	1,749,754

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

Cash Flow Statement

for the financial year ended 30 June 2024

	Note	Parent entity 2024 \$'000	Parent entity 2023 \$'000	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Cash flows from operating activities					
Operating grants from government - State		1,389,789	1,354,870	1,389,789	1,354,870
Operating grants from government - Commonwealth		187,262	180,007	187,262	180,007
Capital grants from government - State		57,374	36,388	57,374	36,388
Capital grants from government - Commonwealth		819	884	819	884
Patient fees received		45,413	40,950	45,413	40,950
Private practice fees received		73,853	74,135	73,853	74,135
Donations and bequests received		3,794	3,598	3,794	3,598
GST received from ATO		48,612	43,837	48,629	43,901
Interest received		8,913	6,685	8,950	6,691
Car park income received		12,919	11,792	12,919	11,792
Other receipts		152,322	125,175	152,864	125,175
Total receipts		1,981,070	1,878,425	1,981,666	1,878,391
Payments to employees		(1,250,828)	(1,209,012)	(1,250,828)	(1,209,012)
Payments to contractors and consultants		(26,808)	(21,193)	(26,808)	(21,193)
Payments for supplies and consumables		(553,448)	(541,995)	(554,889)	(542,241)
Payments for repairs and maintenance		(53,736)	(42,197)	(53,736)	(42,197)
Finance costs		(2,695)	(1,984)	(2,695)	(1,984)
Total payments		(1,887,515)	(1,816,381)	(1,888,956)	(1,816,627)
Net cash flow from operating activities	8.1	93,555	62,044	92,710	61,764
Cash flows from investing activities					
Purchase of non-financial assets		(127,614)	(91,896)	(127,614)	(91,896)
Proceeds from sale of non-financial assets		835	20	835	20
Proceeds from disposal of investments		3,516	2,500	4,364	3,000
Capital donations and bequests received		13,825	11,443	13,825	11,443
Net cash flows (used in) investing activities		(109,438)	(77,933)	(108,590)	(77,433)
Cash flows from financing activities					
Repayment of borrowings		(1,985)	(2,057)	(1,985)	(2,057)
Capital contribution		8,000	2,000	8,000	2,000
Repayment of principal portion of lease liabilities		(9,432)	(7,114)	(9,432)	(7,114)
Net cash flows (used in) financing activities		(3,417)	(7,171)	(3,417)	(7,171)
Net (decrease)/increase in cash and cash equivalents held		(19,300)	(23,060)	(19,297)	(22,840)
Cash and cash equivalents at beginning of financial year		177,111	200,171	177,356	200,196
Cash and cash equivalents at end of financial year	6.2	157,811	177,111	158,059	177,356

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

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Note 1 – Summary of significant accounting policies

Basis of preparation

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

This section explains the basis of preparing the financial statements and identifies the key accounting estimates and judgements.

(a) Basis of preparation of the financial statements

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

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

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

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

The financial statements are prepared on a going concern basis (refer to Note 8.8 - Economic dependency).

These financial statements are presented in Australian dollars, the functional and presentation currency of Alfred Health.

The amounts presented in the financial statements have been rounded to the nearest thousand dollars.

The annual financial statements were authorised for issue by the Board of Alfred Health and its controlled entities on 4 September 2024.

(b) Abbreviations and terminology used in the financial statements

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

Reference	Title
AASB	Australian Accounting Standards Board
AASs	Australian Accounting Standards, which include Interpretations
DH	Department of Health
DTF	Department of Treasury and Finance
FMA	<i>Financial Management Act 1994</i>
FRD	Financial Reporting Direction
NWU	National Weighted Activity Unit
SD	Standing Direction
VAGO	Victorian Auditor General's Office

(c) Principles of consolidation

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

These statements are presented on a consolidated basis in accordance with AASB 10 *Consolidated Financial Statements*.

Alfred Health controls the following entities:

- Alfred Hospital Whole Time Medical Specialists' Private Practice Trust;
- John F Marriott for HIV Trust; and
- Marriott for HIV Ltd.

Details of the controlled entities are set out in Note 8.9 - Controlled entities.

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

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

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

Transactions between segments within Alfred Health have been eliminated to reflect the extent of Alfred Health's operations as a group.

Note 1 – Summary of significant accounting policies continued

(d) Material accounting estimates and judgements

Management make estimates and judgements when preparing the financial statements. These estimates and judgements are based on historical knowledge and best available current information and assume any reasonable expectation of future events. Actual results may differ.

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

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

- Note 2.1: Revenue and income from transactions;
- Note 3.3: Employee benefits and related on-costs;
- Note 4.2: Property, plant and equipment;
- Note 4.3: Right-of-use assets;
- Note 4.5: Intangible assets;
- Note 4.6: Depreciation and amortisation;
- Note 4.7: Impairment of assets;
- Note 5.1: Receivables;
- Note 5.2: Contract assets;
- Note 5.3: Payables;
- Note 5.4: Contract liabilities;
- Note 6.1(a): Lease liabilities; and
- Note 7.3: Fair value determination.

(e) Accounting standards issued but not yet effective

An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to Alfred Health and their potential impact when adopted in future periods are outlined in Note 8.6 - Australian Accounting Standards issued that are not yet effective.

(f) Goods and services tax (GST)

Income, expenses, assets and liabilities are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case the GST payable is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flow.

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

(g) Reporting entity

The financial statements include all the controlled activities of Alfred Health.

Alfred Health's principal address is:

55 Commercial Road
Melbourne
Victoria 3004

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

Note 2 – Funding delivery of our services

Alfred Health's overall objective is to deliver programs and services that support and enhance the wellbeing of all Victorians.

To enable Alfred Health to fulfil this objective it receives revenue and income based on parliamentary appropriations, and is predominately funded by accrual-based grant funding for the provision of outputs. Alfred Health also receives revenue and income from the supply of services.

Structure

- 2.1 Revenue and income from transactions
- 2.2 Fair value of assets and services received free of charge or for nominal consideration

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Identifying performance obligations	Alfred Health applies material judgment when reviewing the terms and conditions of funding agreements and contracts to determine whether they contain sufficiently specific and enforceable performance obligations. If this criterion is met, the contract/funding agreement is treated as a contract with a customer, requiring Alfred Health to recognise revenue as or when the health service transfers promised goods or services to beneficiaries. If this criterion is not met, funding is recognised immediately in the net result from operations.
Determining timing of revenue recognition	Alfred Health applies material judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.
Determining time of capital grant income recognition	Alfred Health applies material judgement to determine when its obligation to construct an asset is satisfied. Costs incurred is used to measure the health service's progress as this is deemed to be the most accurate reflection of the stage of completion.
Assets and services received free of charge or for nominal consideration	Alfred Health services applies material judgement to determine the fair value of assets and services provided free of charge or for nominal value. Donations and bequests are generally recognised as income upon receipt (dependent on specific performance obligations) while personal protective equipment is recognised as stock on hand upon receipt and expensed when dispensed.

Note 2.1 – Revenue and income from transactions

	Note	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Operating activities			
Revenue from contracts with customers			
Government grants (State) – Operating		896,177	876,411
Government grants (Commonwealth) – Operating		185,172	178,874
Patient fees		48,414	44,000
Private practice fees		69,203	69,984
Commercial activities (i)		17,898	14,324
Total revenue from contracts with customers		1,216,864	1,183,593
Other sources of Income			
Government grants (State) – Operating		516,191	472,535
Government grants (State) – Capital		50,344	42,246
Government grants (Commonwealth) – Capital		4,849	40,172
Other capital purpose income		62,560	32,315
Consumables received free of charge or for nominal consideration	2.2	2,126	8,939
Salary and other recoveries		62,533	62,197
Research and sundry revenue		32,450	24,040
Assets received free of charge or for nominal consideration	2.2	-	293
Other income from operating activities (including non-capital donations)		5,362	4,900
Total other sources of income		736,415	687,637
Total revenue and income from operating activities		1,953,279	1,871,230
Non-operating activities			
Income from other sources			
Other interest		8,950	6,691
Dividends		3,032	3,601
Total other sources of income		11,982	10,292
Total income from non-operating activities		11,982	10,292
Total revenue and income from transactions		1,965,261	1,881,522

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

Revenue recognition and income from transactions

Government operating grants

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

When both these conditions are satisfied, the health service:

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

If a contract liability is recognised, Alfred Health recognises revenue in profit or loss as and when it satisfies its obligations under the contract, unless a contract modification is entered into between all parties. A contract modification may be obtained in writing, by oral agreement or implied by customary business practices.

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

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (such as; AASB 9 *Financial Instruments*, AASB 16 *Leases*, AASB 116 *Property, plant and equipment* and AASB 138 *Intangible Assets*);
- recognises related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount in accordance with AASB 1058 *Income for Not-for-Profit Entities*.

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

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

Government grant	Performance obligation
Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU)	NWAU is a measure of health service activity expressed as a common unit against which the national efficient price (NEP) is paid. The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and are weighted for clinical complexity. Revenue is recognised for inpatients when the patient is discharged and for non-admitted patients when the service event has ended.
Other Victorian and Commonwealth funding	Alfred Health receives various funding initiatives for the provision of health services from both the Victorian and Commonwealth government departments. The performance obligations are defined in accordance with the levels of activity agreed to within each grant agreement. Revenue is recognised at a point in time, which is when the service is provided.

Capital grants

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

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

Patient and resident fees

Patient and resident fees are charges that can be levied on patients for some services they receive. Patient and resident fees are recognised at a point in time when the performance obligation, the provision of services, is satisfied.

Private practice fees

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

Note 2.1 – Revenue and income continued**Commercial activities**

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

Interest income

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

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

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Alfred Health disaggregates revenue by the timing of revenue recognition		
Goods and services transferred to customers:		
Over time	1,081,349	1,055,285
At a point in time	135,515	128,308
Total revenue from contracts with customers	1,216,864	1,183,593

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

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Plant and equipment	-	149
Consumables received free of charge under State supply arrangements	2,126	8,939
Assets received free of charge under State supply arrangements	-	144
Total fair value of assets and services received free of charge or for nominal consideration	2,126	9,232

Recognition of fair value of assets and services received free of charge or for nominal consideration.

Donations and bequests

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

Personal protective equipment

Under the State Supply Arrangement, Health Share Victoria supplies personal protective equipment to Alfred Health for nil consideration.

Contributions of resources

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

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

Volunteer Services

Alfred Health receives volunteer services from members of the community in the following areas:

- Concierge – directing patients and visitors
- Emergency Short Stay Unit; Intensive Care Unit
- Host Volunteers – volunteers are allocated to a ward
- Referral volunteers' programs
- Driver Programs
- Consumer Advisor activities

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

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

Non-cash contributions from the Department of Health

The Department of Health makes some payments on behalf of Alfred Health as follows:

Supplier	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for Alfred Health which is paid directly to the Victorian Managed Insurance Authority. To record this contribution, such payments are recognised as income with a matching expense in the net result from transactions.
Victorian Health Building Authority	The Department of Health made payments to the Victorian Health Building Authority to fund capital works projects during the year ended 30 June 2024, on behalf of Alfred Health.
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 set out in the relevant Department of Health Hospital Circular.

Note 3 – The cost of delivering services

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

Structure

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

Material judgements and estimates

This section contains the following material judgements and estimates:

Key judgements and estimates	Description
Classifying employee benefit liabilities	Alfred Health applies material judgment when classifying its employee benefit liabilities. Employee benefit liabilities are classified as a current liability if Alfred Health does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category. Employee benefit liabilities are classified as a non-current liability if Alfred Health has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.
Measuring employee benefit liabilities	Alfred Health applies material judgment when measuring its employee benefit liabilities. The health service applies judgement to determine when it expects its employee entitlements to be paid. With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees. Expected future payments incorporate: ▪ an inflation rate of 4.45%, reflecting the future wage and salary levels; ▪ durations of service and employee departures, which are used to determine the estimated value of long service leave that will be taken in the future, for employees who have not yet reached the vesting period. The estimated rates are between 22% and 86%; and ▪ discounting at the rate of 4.348%, as determined with reference to market yields on government bonds at the end of the reporting period. All other entitlements are measured at their nominal value.

Note 3.1 – Expenses from transactions

	Note	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Employee expenses			
Salaries and wages		1,020,325	972,895
On-costs		279,021	247,954
Agency expenses		18,286	16,547
Fee for service medical officer expenses		8,522	4,646
WorkCover premium		13,531	8,438
Total employee expenses		1,339,685	1,250,480
Supplies and consumables			
Drug supplies		184,217	172,212
Medical and surgical supplies (including Prostheses)		88,539	75,438
Diagnostic and radiology supplies		17,900	19,365
Other supplies and consumables		100,299	101,440
Total supplies and consumables		390,955	368,455
Finance costs			
Finance costs		2,869	2,147
Total finance costs		2,869	2,147
Other administrative expenses			
Other administrative expenses		94,049	83,194
Total other administrative expenses		94,049	83,194
Other operating expenses			
Fuel, light, power and water		10,699	10,480
Repairs and maintenance		25,236	15,636
Maintenance contracts		23,653	22,907
Medical indemnity insurance		15,851	13,260
Expenses related to short term leases		207	1,347
Expenditure for capital purposes		2,396	12,420
Total other operating expenses		78,042	76,050
Depreciation and amortisation	4.6	109,347	96,543
Total depreciation and amortisation		109,347	96,543
Total non-operating expenses		109,347	96,543
Total expenses from transactions		2,014,947	1,876,869

Note 3.1 – Expenses from transactions continued

How we recognise expenses from transactions

Expense recognition

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

Employee expenses

Employee expenses include:

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

Supplies and consumables

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

Finance costs

Finance costs include:

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

Other operating expenses

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

- fuel, light and power;
- repairs and maintenance;
- other administrative expenses; and
- expenditure for capital purposes (represents expenditure related to the purchase of assets that are below the capitalisation threshold of \$2,500).

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

Non-operating expenses

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

Note 3.2 – Other economic flows

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Net gain/(loss) on disposal of property plant and equipment	388	(31)
Total gain/(loss) on nonfinancial assets	388	(31)
Allowance for impairment losses of contractual receivables	(7,268)	(9,148)
Net gain/(loss) on revaluation of financial instruments (investments)	5,449	5,698
Total net gain/(loss) on financial instruments at fair value	(1,819)	(3,450)
Net gain/(loss) arising from revaluation of long service liability	1,090	(9,660)
Total other gain/(loss) from other economic flows	1,090	(9,660)
Total gain/(loss) from other economic flows included in net result	(341)	(13,141)

How we recognise other economic flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

- the revaluation of the present value of the long service leave liability due to changes in bond interest rates, vesting periods and retention probabilities; and
- reclassified amounts relating to equity instruments from the reserves to retained surplus/ (deficit) due to a disposal or derecognition of the financial instrument. This does not include reclassification between equity accounts due to machinery of government changes or 'other transfers' of assets.

Note 3.3 – Employee benefits and related on-costs

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Current employee benefits and related on-costs		
Accrued days off		
▪ Unconditional and expected to be settled wholly within 12 months (i)	4,036	3,193
	4,036	3,193
Annual leave		
▪ Unconditional and expected to be settled wholly within 12 months (i)	102,329	92,696
▪ Unconditional and expected to be settled wholly after 12 months (ii)	15,693	14,314
	118,022	107,010
Long service leave		
▪ Unconditional and expected to be settled wholly within 12 months (i)	16,869	15,111
▪ Unconditional and expected to be settled wholly after 12 months (ii)	164,584	149,205
	181,453	164,316
Provisions related to employee benefit on-costs		
▪ Unconditional and expected to be settled within 12 months (i)	14,740	12,639
▪ Unconditional and expected to be settled after 12 months (ii)	24,058	21,022
	38,798	33,661
Total current employee benefits and related on-costs	342,309	308,180
Non-current employee benefits and related on-costs		
Conditional long service leave (ii)	29,379	36,561
Provisions related to employee benefit on-costs (ii)	3,937	4,741
Total non-current employee benefits and related on-costs	33,316	41,302
Total employee benefits and related on-costs	375,625	349,482

(i) The amounts disclosed are nominal amounts.

(ii) The amounts disclosed are discounted to present values.

Note 3.3 – Employee benefits and related on-costs continued

Recognition of employee benefits

Employee benefit recognition

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

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 all recognised in the provision for employee benefits as 'current liabilities', because Alfred Health does not have an unconditional right to defer settlement of those liabilities.

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

- nominal value under AASB 119 where a component of this current liability is expected to fall due within 12 months after the end of the period; or
- present value under AASB 119 where the health service does not expect to settle a component of this current liability 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 Alfred Health does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. An unconditional right arises after a qualifying period.

The components of this current LSL liability are measured at:

- Nominal value – the component that Alfred Health expects to wholly settle within 12 months; and
- Present value – the component that Alfred Health does not expect to wholly settle within 12 months.

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

Termination benefits

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

Provision for on-costs related to employee benefits

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

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

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Current employee benefits and related on-costs		
Unconditional long service leave entitlements	205,684	185,429
Unconditional annual leave entitlements	132,589	119,558
Unconditional accrued days off	4,036	3,193
Total current employee benefits and related on-costs	342,309	308,180
Non-current employee benefits and related on-costs		
Conditional long service leave entitlements	33,316	41,302
Total non-current employee benefits and related on-costs	33,316	41,302
Total employee benefits and related on-costs	375,625	349,482
Attributable to:		
Employee benefits	336,827	315,821
Provision for related on-costs	38,798	33,661
Total employee benefits and related on-costs	375,625	349,482

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

Carrying amount at start of year	38,402	34,242
Additional provisions recognised	20,423	17,238
Amounts incurred during the year	(15,960)	(14,149)
Net loss/(gain) arising from revaluation of long service liability	(130)	1,071
Carrying amount at end of year	42,735	38,402

Note 3.4 – Superannuation

	Contribution paid		Contribution outstanding at year end	
	Consolidated 2024 \$'000	Consolidated 2023 \$'000	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Defined benefit plans (i)				
Health Super	319	384	62	57
Defined contribution plans:				
Aware	41,401	40,646	3,107	2,845
Vic Super	387	339	29	31
Hesta	41,339	39,622	3,188	2,960
Other	30,720	25,138	2,296	1,892
Total superannuation	114,166	106,129	8,682	7,785

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

How we recognise superannuation

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

Defined benefit superannuation plans

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

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

The Department of Treasury and Finance discloses the State's defined benefits liabilities in its disclosure for administered items. However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Comprehensive Operating Statement of Alfred Health.

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

Defined contribution superannuation plans

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

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

Note 4 – Key assets to support service delivery

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

Structure

- 4.1 Investments and other financial assets
- 4.2 Property, plant and equipment
- 4.3 Right-of-use assets
- 4.4 Property, plant and equipment revaluation surplus
- 4.5 Intangible assets
- 4.6 Depreciation and amortisation
- 4.7 Impairment of assets

Material judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring fair value of property, plant and equipment	Alfred Health obtains independent valuations for its non-current assets at least once every five years. If an independent valuation has not been undertaken at balance date, the health service estimates possible changes in fair value since the date of the last independent valuation with reference to Valuer-General of Victoria (VGV) indices. Management adjustments are recorded if the assessment concludes a material change in fair value has occurred. Where exceptionally large movements are identified, an interim independent valuation is undertaken. Management regards the VGV indices to be a reliable and relevant data set to form the basis of their assessment. The land and building balances are considered to be sensitive to market conditions.
Estimating useful life and residual value of property, plant and equipment	Alfred Health assigns an estimated useful life to each item of property, plant and equipment, whilst also estimating the residual value of the asset, if any, at the end of the useful life. This is used to calculate depreciation of the asset. The health service reviews the useful life, residual value and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	The useful life of each right-of-use asset is typically the respective lease term, except where the health service is reasonably certain to exercise a purchase option contained within the lease (if any), in which case the useful life reverts to the estimated useful life of the underlying asset. Alfred Health applies material judgement to determine whether or not it is reasonably certain to exercise such purchase options.
Estimating the useful life of intangible assets	Alfred Health assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.
Identifying indicators of impairment	At the end of each year, Alfred Health assesses impairment by evaluating the conditions and events specific to the health service that may be indicative of impairment triggers. Where an indication exists, the health service tests the asset for impairment. The health service considers a range of information when performing its assessment, including considering: ▪ If an asset's value has declined more than expected based on normal use; ▪ If a significant change in technological, market, economic or legal environment adversely impacts the way the health service uses an asset; ▪ If an asset is obsolete or damaged; ▪ If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life; and ▪ If the performance of the asset is or will be worse than initially expected. Where an impairment trigger exists, the health services applies material judgement and estimates to determine the recoverable amount of the asset.

Note 4.1 – Investments and other financial assets

	Note	Operating Fund 2024 \$'000	Operating Fund 2023 \$'000	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Non-current assets					
Financial assets at fair value through the net result					
Managed funds		76,240	73,258	76,240	73,258
Financial assets at amortised cost					
Managed funds		2,681	2,681	2,681	2,681
Total investments and other financial assets	7.1	78,921	75,939	78,921	75,939
Represented by:					
Investments held in trust		78,921	75,939	78,921	75,939
Total investments and other financial assets		78,921	75,939	78,921	75,939

Recognition of investments and other financial assets

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

Alfred Health manages its investments and other financial assets in accordance with an investment policy approved by the Board. Investments held by the controlled entities, Whole Time Medical Specialists' Private Practice Trust and John F Marriott for HIV Trust are managed by their respective trustees.

Investments held by Alfred Health and its controlled subsidiaries do not fall within the scope of the Standing Directions as they are not public entity funds (i.e. not controlled by the government). However, such investments are consolidated into Alfred Health's financial statements as Alfred Health has control.

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

Alfred Health classifies its other financial assets between current and non-current assets based on the health service's intention at balance date with respect to the timing of disposal of each asset.

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

Note 4.2 – Property, plant and equipment

a) Gross carrying amount and accumulated depreciation

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Land		
Crown land at fair value	286,937	279,382
Freehold land at fair value	28,640	31,000
Total land	315,577	310,382
Buildings		
Buildings at fair value	1,540,209	807,612
Less accumulated depreciation	(1,179)	(845)
Subtotal buildings at fair value	1,539,030	806,767
Leasehold improvements at fair value	14,992	11,910
Less accumulated amortisation	(3,137)	(3,278)
Subtotal leasehold improvements	11,855	8,632
Works in progress at cost	22,400	69,225
Total buildings	1,573,285	884,624
Plant & equipment and furniture & fittings		
Medical equipment at fair value	260,343	246,731
Less accumulated depreciation	(174,947)	(159,241)
Total medical equipment	85,396	87,490
Computers & communication equipment at fair value	54,671	53,774
Less accumulated depreciation	(52,434)	(50,652)
Total computers & communication equipment	2,237	3,122
Furniture & fittings at fair value	3,241	6,325
Less accumulated depreciation	(1,795)	(5,917)
Total furniture & fittings	1,446	408
Other plant & equipment at fair value	60,417	74,405
Less accumulated depreciation	(41,347)	(51,841)
Total other plant & equipment	19,070	22,564
Plant & equipment – work in progress at cost	6,653	4,043
Total plant & equipment and furniture & fittings	114,802	117,627
Total property, plant and equipment	2,003,664	1,312,633

Note 4.2 – Property, plant and equipment continued

b) Reconciliations of the carrying amount by class of asset

Consolidated	Note	Land \$'000	Buildings \$'000	Building works in progress \$'000	Leasehold improvements \$'000	Medical equipment \$'000	Computers & communication equipment \$'000	Furniture & Fittings \$'000	Other plant & equipment \$'000	Other plant & equipment works in progress \$'000	Totals
Balance at 1 July 2022		310,382	767,588	23,483	4,803	80,980	1,590	474	22,496	7,340	1,219,136
Additions		-	10,921	45,742	4,752	21,884	3,723	-	552	-	87,574
Disposals (WDV)		-	-	-	-	(51)	(834)	-	-	-	(885)
Net transfers between classes		-	-	-	-	-	-	-	3,297	(3,297)	-
Assets received free of charge		-	-	-	-	293	-	-	-	-	293
Revaluation increments	4.4	-	90,897	-	-	-	-	-	-	-	90,897
Depreciation	4.6	-	(62,639)	-	(923)	(15,616)	(1,357)	(66)	(3,781)	-	(84,382)
Balance at 30 June 2023	4.2(a)	310,382	806,767	69,225	8,632	87,490	3,122	408	22,564	4,043	1,312,633
Additions		-	-	85,285	6,534	1,741	897	1,119	3,925	15,311	114,812
Disposals (WDV)		-	-	-	-	(21)	-	-	-	-	(21)
Net transfers between classes		-	138,555	(132,110)	(2,210)	12,179	-	-	(3,714)	(12,700)	-
Revaluation increments	4.4	5,195	668,683	-	-	-	-	-	-	-	673,878
Depreciation	4.6	-	(74,975)	-	(1,101)	(15,993)	(1,782)	(81)	(3,706)	-	(97,638)
Balance at 30 June 2024	4.2(a)	315,577	1,539,030	22,400	11,855	85,396	2,237	1,446	19,070	6,653	2,003,664

The Valuer-General Victoria undertook to re-value all of Alfred Health's land and buildings to determine their fair value. The valuation, which conforms to Australian Valuation Standards, was determined with reference to the amount at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date, under current conditions. The valuation was based on independent assessments. The effective date of the valuation was 30 June 2024.

How we recognise property, plant and equipment

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

Initial recognition

Items of property, plant and equipment are initially measured at cost. Where an asset is acquired for nil or nominal cost, being far below the fair value of the asset, the deemed cost is its fair value at the date of acquisition. Assets transferred as part of an amalgamation/machinery of government change are transferred at their carrying amounts.

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

The cost of a leasehold improvement is capitalised as an asset and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the improvements.

Subsequent measurement

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

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

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

Revaluation

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

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

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

An independent valuation of Alfred Health's property, plant and equipment was performed by the VGV on 30 June 2024. The valuation, which complies with Australian Valuation Standards, was determined with reference to the amount for which an orderly transaction to sell the asset or transfer the liability would take place between market participants at the measurement date, under current market conditions.

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

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

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

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

Note 4.3 – Right-of-use assets

a) Gross carrying amount and accumulated depreciation

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Land		
Right-of-use concessionary land at fair value	36,336	36,336
Less accumulated depreciation	(4,580)	(3,617)
Total right-of-use land at fair value	31,756	32,719
Buildings		
Right-of-use buildings at fair value	71,415	63,523
Less accumulated depreciation	(22,195)	(20,538)
Right-of-use buildings at fair value	49,220	42,985
Total right-of-use concessionary land and buildings	80,976	75,704
Plant, equipment & motor vehicles		
Right-of-use – plant, equipment & motor vehicles	5,590	4,646
Less accumulated depreciation	(1,268)	(2,555)
Total right-of-use – plant, equipment & motor vehicles	4,322	2,091
Total right-of-use assets	85,298	77,795

Right of Use Assets Carried at Valuation

The Valuer-General Victoria undertook to re-value all of Alfred Health's land and buildings to determine their fair value. The valuation, which conforms to Australian Valuation Standards,

was determined with reference to the amount at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date, under current conditions. The valuation was based on independent assessments. The effective date of the valuation was 30 June 2024.

b) Reconciliations of carrying amount by class of asset

	Note	Right-of-use Concessional Land \$'000	Right-of-use Buildings \$'000	Right-of-use PE & MV \$'000	Total \$'000
Balance at 1 July 2022		33,682	32,419	2,681	68,782
Additions		-	19,889	-	19,889
Disposals		-	(1,645)	(33)	(1,678)
Depreciation	4.6	(963)	(7,678)	(557)	(9,198)
Balance at 30 June 2023	4.3(a)	32,719	42,985	2,091	77,795
Additions		-	16,168	3,335	19,503
Disposals		-	(80)	(432)	(512)
Depreciation	4.6	(963)	(9,853)	(672)	(11,488)
Balance at 30 June 2024	4.3(a)	31,756	49,220	4,322	85,298

How we recognise right of use assets

Initial recognition

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

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

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

- any lease payments made at or before the commencement date;
- any initial direct costs incurred; 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.

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

Subsequent measurement

Right-of-use assets are subsequently measured at fair value, with the exception of right-of-use asset arising from leases with significantly below-market terms and conditions, which are subsequently measured at cost less accumulated depreciation and accumulated impairment losses where applicable. Right-of-use assets are also adjusted for certain re-measurements of the lease liability (for example, when a variable lease payment based on an index or rate becomes effective).

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

Note 4.4 – Property, plant and equipment revaluation surplus

	Note	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Property, plant and equipment revaluation surplus			
Balance at the beginning of the reporting period		1,076,720	985,823
Revaluation increment			
▪ Land		5,195	-
▪ Buildings	4.2(b)	668,683	90,897
Total revaluation increment		673,878	90,897
Balance at the end of the reporting period*		1,750,598	1,076,720
*Represented by:			
▪ Land		271,650	266,455
▪ Buildings		1,485,393	810,265
▪ Leasehold improvements		(2,210)	-
▪ Other plant and equipment		(4,235)	-
Total property, plant and equipment revaluation surplus		1,750,598	1,076,720

Note 4.5 – Intangible assets

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Intangible assets		
Computer software at cost	30,484	29,619
Less accumulated amortisation	(29,653)	(29,433)
Total intangible assets	831	186

Reconciliations of the carrying amounts of intangible assets at the beginning and end of the previous and current financial years are set out below.

	Computer software \$'000
Balance at 1 July 2022	5,958
Additions	288
Disposals	(3,097)
Amortisation (refer to Note 4.6)	(2,963)
Balance at 30 June 2023	186
Additions	866
Disposals	-
Amortisation (refer to Note 4.6)	(221)
Balance at 30 June 2024	831

How we recognise intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance, being computer software and development costs (where applicable).

Initial recognition

Purchased intangible assets are initially recognised at cost.

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

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- an intention to complete the intangible asset and use or sell it;

- the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

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

Subsequent measurement

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

Software as a service (SaaS)

SaaS is a cloud-based delivery model in which the cloud provider develops and maintains the cloud application software. Significant costs may be incurred in relation to configuration and customisation of the supplier's application software to which Alfred Health receives access.

For the configuration and customisation costs to be recognised as an intangible asset Alfred Health would have to demonstrate that the costs:

- meet the definition of an 'intangible asset'; and

- meet the recognition criteria for an intangible asset in paragraphs 18-24 of AASB 138 *Intangible Assets*.

AASB 138 defines an intangible asset as 'an identifiable non-monetary asset without physical substance' and notes that an asset is a resource controlled by an entity. For the previous financial year, Alfred Health assessed that it did not control the configuration and customisation of \$12.4m of intangible SaaS assets and work-in-progress and therefore elected to write-off these previously capitalised values to the net result from transactions. For the current financial year there were no intangible assets identified as SaaS assets.

Note 4.6 – Depreciation and amortisation

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Depreciation		
Property, plant and equipment		
Buildings	74,975	62,639
Medical equipment	15,993	15,616
Computers and communication equipment	1,782	1,357
Furniture and fittings	81	66
Other plant and equipment	3,706	3,781
Leasehold improvements	1,101	923
Total depreciation – property, plant and equipment	97,638	84,382
Right-of-use assets		
Right-of-use land	963	963
Right-of-use buildings	9,853	7,678
Right-of-use plant, equipment, furniture and fittings and motor vehicles	672	557
Total depreciation – right-of-use assets	11,488	9,198
Total depreciation	109,126	93,580
Amortisation		
Computer software	221	2,963
Total amortisation	221	2,963
Total depreciation and amortisation	109,347	96,543

Note 4.6 – Depreciation and amortisation continued

How we recognise depreciation

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

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

How we recognise amortisation

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

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

	2024	2023
Buildings	25-56 years	25-56 years
Plant & equipment	10-20 years	10-20 years
Medical equipment	8-10 years	8-10 years
Computers and communication equipment	3 years	3 years
Furniture and fittings	10-15 years	10-15 years
Motor vehicles	8 years	8 years
Intangible assets	3-4 years	3-4 years
Leasehold improvements	3-40 years	3-40 years
Right-of-use assets (buildings)	2-10 years	2-10 years
Right-of-use assets (MV and other PP&E)	1-5 years	1-5 years
Right-of-use assets (land)	30-50 years	30-50 years

Note 4.7 – Impairment of assets

How we recognise impairment

At the end of each reporting period, Alfred Health reviews the carrying amount of its tangible and intangible assets that have a finite useful life, to determine whether there is any indication that an asset may be impaired. The assessment will include consideration of external sources of information and internal sources of information.

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

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

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

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

Alfred Health did not record any impairment losses for the year ended 30 June 2024.

Note 5 – Other assets and liabilities

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

Structure

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

Material judgements and estimates

This section contains the following material judgements and estimates:

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

Note 5.1 – Receivables

	Note	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Current receivables			
Contractual			
Inter hospital debtors		3,741	5,225
Trade debtors		15,756	11,235
Patient fees receivable		21,559	20,052
Total contractual assets before loss allowances		41,056	36,512
Less allowance for credit losses			
▪ Trade debtors		(234)	(322)
▪ Patient fees		(6,291)	(5,365)
Total allowance for credit losses	5.1(a)	(6,525)	(5,687)
Total contractual assets		34,531	30,825
Statutory			
GST receivable (i)		5,079	5,406
Total statutory receivables		5,079	5,406
Total current receivables		39,610	36,231
Non-current			
Contractual			
Long service leave – Department of Health		38,727	35,592
Total non-current receivables		38,727	35,592
Total receivables (i)		78,337	71,823
<i>(i) Financial assets classified as receivables (Note 7)</i>			
Total receivables		78,337	71,823
GST receivable		(5,079)	(5,406)
Total financial assets classified as receivables	7.1	73,258	66,417

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

	Note	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Balance at the beginning of the year		(5,687)	(5,066)
Amounts written off/(on) during the year		6,430	8,527
Increase in allowance recognised in net result		(7,268)	(9,148)
Balance at the end of year		(6,525)	(5,687)

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. Alfred Health holds the contractual receivables with the objective to collect the contractual cash flows which 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. Alfred Health applies AASB 9 *Financial Instruments* for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

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

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

Impairment losses of contractual receivables

Refer to Note 7.2(a) - Credit risk for Alfred Health's contractual impairment losses.

Note 5.2 - Contract assets

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Current		
Contract assets	32,444	33,809
Total current contract assets	32,444	33,809
Non-Current		
Contract assets	-	-
Total non-current contract assets	-	-
Total contract assets	32,444	33,809

Note 5.2(a) - Movement in contract assets

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Balance at the beginning of the year	33,809	46,704
Add: Additional costs incurred that are recoverable from the customer	32,444	33,809
Less: Transfer to revenue recognition	(33,809)	(46,704)
Total contract assets	32,444	33,809

How we recognise contract assets

Contract assets relate to Alfred Health's right to consideration in exchange for goods transferred to customers for works completed, but not yet billed at the reporting date.

The contract assets are transferred to receivables when the rights become unconditional, and at the time an invoice is issued. Contract assets are expected to be recovered during the next financial year.

Note 5.3 – Payables

	Note	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Current payables			
Contractual			
Trade creditors		2,522	5,302
Accrued expenses		63,764	87,336
Accrued salaries and wages		74,032	40,090
Deferred capital grant income (i)	5.3(a)	52,748	49,748
Salary packaging		3,479	3,036
Superannuation		8,682	7,785
Total payables (i)		205,227	193,297
<i>(i) Financial liabilities classified as payables</i>			
Total payables		205,227	193,297
Deferred capital grant revenue		(52,748)	(49,748)
Total financial liabilities	7.1	152,479	143,549

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

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

Note 5.3(a) – Movement in deferred capital grant income

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Opening balance of deferred capital grant income	49,748	86,181
Grant consideration for capital works received during the year	56,502	43,079
Deferred capital grant income recognised as income due to completion of capital works	(53,502)	(79,512)
Closing balance of deferred capital grant income	52,748	49,748

How we recognise deferred capital grant income

Grant consideration was received from the Department of Health to support infrastructure and engineering renewal, medical equipment replacement and technology enhancements. Capital grant income is recognised progressively as the asset is constructed, since this is the time when Alfred Health 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, Alfred Health has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Alfred Health expects to recognise all of the remaining deferred capital grant income in line with capital works undertaken during the 2024-25 financial year.

Note 5.4 – Contract liabilities

	Note	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Current			
Contract liabilities		28,177	34,909
Total current contract liabilities		28,177	34,909
Non-current			
Contract liabilities		14,430	-
Total non-current contract liabilities		14,430	-
Total contract liabilities	5.4(a)	42,607	34,909

Note 5.4(a) – Movement in contract liabilities

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Opening balance of contract liabilities	34,909	42,900
Add: payments received for performance obligations yet to be completed during the period	236,660	149,433
Add: grant consideration for sufficiently specific performance obligations received during the year	1,443,236	18,001
Less: revenue recognised in the reporting period for the completion of a performance obligation	(233,981)	(147,928)
Less: grant revenue for sufficiently specific performance obligations work recognised consistent with the performance obligations met during year (money released)	(1,438,217)	(27,497)
Total contract liabilities	42,607	34,909

How we recognise contract liabilities

Contract liabilities include consideration received in advance from government entities, Not for Profit (NFP) partners and other entities in respect of the provision of health services to the community. The balance of contract liabilities was higher than the previous reporting period due to contributions received in advance from Monash University for the 30-year lease (commenced April 2024) at the Paula Fox Melanoma and Cancer Centre.

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

Note 6 – How we finance our operations

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

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances).

Note 7.1 - Financial instruments provides additional, specific financial instrument disclosures.

Structure

- 6.1 Borrowings
- 6.2 Cash and cash equivalents
- 6.3 Commitments for expenditure

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Determining if a contract is or contains a lease	Alfred Health applies material judgement to determine if a contract is or contains a lease by considering if the health service: ▪ has the right-to-use an identified asset; ▪ has the right to obtain substantially all economic benefits from the use of the leased asset; and ▪ can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	Alfred Health applies material judgement when determining if a lease meets the short-term or low value lease exemption criteria. The health service estimates the fair value of leased assets when new. Where the estimated fair value is less than \$10,000, the health service applies the low-value lease exemption. The health service also estimates the lease term with reference to the remaining lease term and period that the lease remains enforceable. Where the enforceable lease period is less than 12 months the health service applies the short-term lease exemption.
Discount rate applied to future lease payments	Alfred Health discounts its lease payments using the interest rate implicit in the lease. If this rate cannot be readily determined, which is generally the case for the health service's lease arrangements, Alfred Health uses its incremental borrowing rate, which is the amount the health service would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. For leased land and buildings, Alfred Health estimates the incremental borrowing rate to be between 1.21% and 5.77%. For leased plant, equipment, furniture, fittings and vehicles, the implicit interest rate is between 1.60% and 1.90%.
Assessing the lease term	The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend or terminate the lease if Alfred Health is reasonably certain to exercise such options. Alfred Health determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including: ▪ if there are significant penalties to terminate (or not extend), the health service is typically reasonably certain to extend (or not terminate) the lease; ▪ if any leasehold improvements are expected to have a significant remaining value, the health service is typically reasonably certain to extend (or not terminate) the lease; and ▪ the health service considers historical lease durations and the costs and business disruption to replace such leased assets.

Note 6.1 – Borrowings

	Note	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Current borrowings			
Australian dollar borrowings			
▪ Treasury Corporation Victoria loans		1,477	1,985
▪ Lease liability	6.1(a)	10,639	8,544
Total current borrowings		12,116	10,529
Non-current borrowings			
Australian dollar borrowings			
▪ Treasury Corporation Victoria loans		3,256	4,733
▪ Lease liability	6.1(a)	52,014	44,478
Total non-current borrowings		55,270	49,211
Total borrowings	7.1	67,386	59,740

How we recognise borrowings

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

Initial recognition

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

Subsequent measurement

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

Maturity analysis

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

Defaults and breaches

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

Note 6.1(a) – Lease liabilities

	Note	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Total undiscounted lease liabilities		69,746	59,789
Less unexpired finance expenses		(7,093)	(6,767)
Net lease liabilities		62,653	53,022

Note 6.1(a) - Lease liabilities continued

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

	Minimum future lease payments		Present value of minimum future lease payments	
	Consolidated 2024 \$'000	Consolidated 2023 \$'000	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Not longer than one year	12,887	10,172	10,639	8,544
Longer than one year but not longer than five years	38,822	33,095	35,175	29,065
Longer than five years	18,037	16,522	16,839	15,413
Minimum future lease liability	69,746	59,789	62,653	53,022
Less unexpired finance expenses	(7,093)	(6,767)	-	-
Present value of lease liability	62,653	53,022	62,653	53,022
Represented by:				
Current liabilities			10,639	8,544
Non-current liabilities			52,014	44,478
Total			62,653	53,022

How we recognise lease liabilities

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

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

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

Alfred Health's lease arrangement consist of the following:

Type of asset leased	Lease term
Leased land	10-99 years
Leased buildings	2-10 years
Leased plant, equipment, furniture, fittings and vehicles	1-5 years

All leases are recognised on the balance sheet, with the exception of low value leases (less than \$10,000) and short-term leases of less than 12 months.

Initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or Alfred Health incremental borrowing rate. Our lease liability has been discounted by rates of between 1.21% to 5.77%.

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

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

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

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

Potential future cash outflows of \$89.9m have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

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

During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was an increase in recognised lease liabilities and right-of-use assets of \$11.1m.

Subsequent measurement

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

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

Leases with significantly below market terms and conditions

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

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

Description of Leased Asset	Our dependence on lease	Nature and terms of lease
Land located at 28 and 30 Adelaide Street (Armadale)	The leased land is used for the operation of a residential mental health service (eating disorders). Alfred Health's dependence on this lease is considered high. The asset has a purpose-built facility to allow the operation of a residential mental health service (eating disorders) with limited available substitutes.	Lease payments of \$104 are required per annum. The leases commenced in July 2023 and have a lease term of 10 years. Restrictions placed on the use of the asset are that it be used for the operation of a residential mental health service (eating disorders).
Land located at 75 Alma Road (St Kilda)	The leased land is used for the operation of a Community Care Unit residential mental health service. Alfred Health's dependence on this lease is considered high. The asset has a facility to allow the operation of a Community Care Unit residential mental health service with limited available substitutes.	Lease payments of \$104 are required per annum. The lease commenced in July 2023 and has a lease term of 10 years. Restrictions placed on the use of the asset are that it be used for the operation of a Community Care Unit residential mental health service.
Land located at 580 Swanston Street (Carlton)	The leased land is used for the operation of a Sexual Health Centre. Alfred Health's dependence on this lease is considered high. The asset has a facility to allow the operation of a Sexual Health Centre with limited available substitutes.	Lease payments of \$104 are required per annum. The lease commenced in November 2023 and has a lease term of 20 years. Restrictions placed on the use of the asset are that it be used for the operation of a Sexual Health Centre.
Land located at 99 Commercial Road (Melbourne)	The leased land is used for the operation of health and research services. Alfred Health's dependence on this lease is considered high. The asset has had significant capital works to allow the provision of health and research services on The Alfred campus.	Lease payments of \$104 are required per annum. The lease commenced in June 2008 and has a lease term of 99 years. Restrictions placed on the use of the asset are that it be used for the provision of health, laboratory and research services.

Note 6.2 – Cash and cash equivalents

	Note	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Cash on hand (excluding monies held in trust)		28	23
Cash at bank (excluding monies held in trust)		71	77
Cash at bank (held in trust)		78	70
Cash at bank – Central Banking System (CBS) (excluding monies held in trust)		157,882	177,186
Total cash and cash equivalents	7.1	158,059	177,356

How we recognise cash and cash equivalents

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

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

The cash flow statement includes monies held in trust.

Note 6.3 – Commitments for expenditure

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Capital expenditure commitments:		
Not later than one year	84,478	99,390
Later than one year but not later than five years	-	-
Total capital expenditure commitments	84,478	99,390
Other expenditure commitments:		
Not later than one year	46,240	79,360
Later than one year but not later than five years	49,857	75,765
Later than 5 years	6	510
Total other expenditure commitments	96,103	155,635
Total commitments for expenditure (inclusive of GST)	180,581	255,025
Less GST recoverable from the Australian Tax Office	(16,416)	(23,184)
Total commitments for expenditure (exclusive of GST)	164,165	231,841

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. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the balance sheet.

Short term and low value leases

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

Note 7 – Risks, contingencies and valuation uncertainties

Structure

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

Alfred Health is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information (including exposure 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 Alfred Health is related mainly to fair value determination.

Material judgements and estimates

This section contains the following material judgements and estimates:

Key judgements and estimates	Description
Measuring fair value of non-financial assets	Fair value is measured with reference to highest and best use, that is, the use of the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use. In determining the highest and best use, Alfred Health has assumed the current use is its highest and best use. Accordingly, characteristics of the health service's assets are considered, including condition, location and any restrictions on the use and disposal of such assets. Alfred Health uses a range of valuation techniques to estimate fair value, which include the following: ▪ Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of Alfred Health's specialised and non-specialised land is measured using this approach; ▪ Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of Alfred Health's specialised buildings, furniture, fittings, plant, equipment and vehicles are measured using this approach; and ▪ Income approach, which converts future cash flows or income and expenses to a single undiscounted amount. Alfred Health does not this use approach to measure fair value. The health service selects a valuation technique which is considered most appropriate, and for which there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Subsequently, the health service applies material judgement to categorise and disclose such assets within a fair value hierarchy, which includes: ▪ Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Alfred Health does not categorise any fair values within this level; ▪ Level 2, inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. Alfred Health categorises non-specialised land and right-of-use concessionary land in this level; and ▪ Level 3, where inputs are unobservable. Alfred Health categorises specialised land, specialised buildings, plant, equipment, furniture, fittings, vehicles, right-of-use buildings and right-of-use plant, equipment, furniture and fittings in this level.

Note 7.1 – Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of Alfred Health's activities, certain financial assets

and financial liabilities arise under statute rather than a contract (for example, taxes, fines and penalties). Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

Financial instruments: categorisation

		Financial assets at amortised cost 2024 \$'000	Financial assets at fair value through net result 2024 \$'000	Financial liabilities at amortised cost 2024 \$'000	Total 2024 \$'000
Consolidated 30 June 2024	Note				
Contractual financial assets					
Cash and cash equivalents	6.2	158,059	-	-	158,059
Receivables	5.1	73,258	-	-	73,258
Investments and other financial assets	4.1	2,681	76,240	-	78,921
Total financial assets (i)		233,998	76,240	-	310,238
Financial liabilities					
Payables	5.3	-	-	152,479	152,479
Borrowings	6.1	-	-	67,386	67,386
Other liabilities		-	-	70	70
Total financial liabilities (i)		-	-	219,935	219,935

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

		Financial assets at amortised cost 2023 \$'000	Financial assets at fair value through net result 2023 \$'000	Financial liabilities at amortised cost 2023 \$'000	Total 2023 \$'000
Consolidated 30 June 2023	Note				
Contractual financial assets					
Cash and cash equivalents	6.2	177,356	-	-	177,356
Receivables	5.1	66,417	-	-	66,417
Investments and other financial assets	4.1	2,681	73,258	-	75,939
Total financial assets (i)		246,454	73,258	-	319,712
Financial liabilities					
Payables	5.3	-	-	143,549	143,549
Borrowings	6.1	-	-	59,740	59,740
Other liabilities		-	-	70	70
Total financial liabilities (i)		-	-	203,359	203,359

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

Categories of financial assets

Financial assets are recognised when Alfred Health becomes party to the contractual provisions to the instrument. For financial assets, this is at the date Alfred Health commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through net result, in which case transaction costs are expensed to profit or loss immediately.

Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15 *Revenue from Contracts with Customers*.

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 Alfred Health solely to collect the contractual cash flows; and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specific dates.

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

Alfred Health recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables).

Financial assets at fair value through net result

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

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

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

Alfred Health recognises listed equity securities as mandatorily measured at fair value through net result and has designated all managed funds as fair value through net result.

Categories of financial liabilities

Financial liabilities are recognised when Alfred Health becomes a party to the contractual provisions to the instrument. Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit or loss, in which case transaction costs are expensed to profit or loss immediately.

Financial liabilities at 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 result as other economic flows, unless the changes in fair value relate to changes in Alfred Health's own credit risk. In this case, the portion of the change attributable to changes in Alfred Health's own credit risk is recognised in other comprehensive income with no subsequent recycling to net result when the financial liability is derecognised.

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.

Alfred Health recognises the following liabilities in this category:

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

Offsetting financial instruments

Financial instrument assets and liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, Alfred Health has a legal right to offset the amounts and intends to either settle on a net basis or to realise the asset and settle the liability simultaneously.

Note 7.1 – Financial instruments continued

Some master netting arrangements do not result in an offset of balance sheet assets and liabilities. Where Alfred Health does not have a legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events such as default, insolvency or bankruptcy, they are reported on a gross basis.

Derecognition of financial assets

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

- The rights to receive cash flows from the asset have expired; or
- Alfred Health retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- Alfred Health has transferred its rights to receive cash flows from the asset and either:
 - Has transferred substantially all the risks and rewards of the asset; or
 - Has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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

Derecognition of financial liabilities

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

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

Reclassification of financial instruments

Subsequent to initial recognition, reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when, and only when, Alfred Health's business model for managing its financial assets has changed such that its previous model would no longer apply.

Note 7.2 – Financial risk management objectives and policies

As a whole, Alfred Health's financial risk management program seeks to manage the risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above, are disclosed throughout the financial statements.

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

Alfred Health uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Accountable Officer.

Note 7.2(a) – Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. Alfred Health's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to Alfred Health. Credit risk is measured at fair value and is monitored on a regular basis.

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

In addition, Alfred Health does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. Alfred Health's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that Alfred Health will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debtors that are more than 60 days overdue, and changes in debtor credit ratings.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Alfred Health's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to Alfred Health's credit risk profile in FY2023-24.

Impairment of financial assets under AASB 9 *Financial Instruments*

Alfred Health records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's Expected Credit Loss approach. Subject to AASB 9, the impairment assessment includes the health service's contractual receivables and its investment in debt instruments.

Equity instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through net result are not subject to an impairment assessment under AASB 9.

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off

when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

Contractual receivables at amortised cost

Alfred Health applies AASB 9's simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. Alfred Health has grouped contractual receivables on shared credit risk characteristics and days past due and selects the expected credit loss rate based on Alfred Health's past history, existing market conditions, as well as forward looking estimates at the end of the financial year. Due to a change in the mix of contractual receivables with shared risk characteristics, the expected loss rate has changed from prior year.

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

30 June 2024	Current	Less than 1 month	1-3 months	3 months - 1 year	1-5 years	Total
Expected loss rate	3.1%	14.1%	31.4%	42.6%	42.6%	
Gross carrying amount of contractual receivables (\$'000) (i)	20,612	7,325	6,561	3,935	2,623	41,056
Loss allowance	643	1,029	2,062	1,675	1,116	6,525
30 June 2023						
Expected loss rate	2.6%	9.1%	39.3%	28.7%	28.7%	
Gross carrying amount of contractual receivables (\$'000) (i)	13,707	9,385	5,849	4,542	3,029	36,512
Loss allowance	361	855	2,301	1,302	868	5,687

(i) Gross carrying amount excludes Non-Current contractual asset – LSL Debtor due to being an amount not related to the provision of goods or services and the counterparty is the Department of Health, as such the expected credit loss is nil (2023: nil).

Statutory receivables at amortised cost

Alfred Health's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 *Financial Instruments* requirements as if those receivables are financial instruments.

Statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to 12 months expected losses.

Note 7.2(b) – Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due.

Alfred Health is exposed to liquidity risk mainly through the financial liabilities, as disclosed in the face of the balance sheet, and the amounts related to financial guarantees. The health service manages its liquidity risk by:

- receiving a letter of support from the Department of Health (see note 8.8 – Economic dependency);
- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements;

- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- holding investments and other contractual financial assets that are readily tradeable in the financial markets; and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

Alfred Health's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

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

				Maturity Dates				
30 June 2024	Note	Consolidated Carrying Amount \$'000	Consolidated Nominal Amount \$'000	Less than 1 Month \$'000	1-3 Months \$'000	3 Months - 1 Year \$'000	1-5 Years \$'000	Over 5 Years \$'000
Financial Liabilities at amortised cost								
Payables	5.3	152,479	152,479	114,359	22,872	15,248	-	-
Borrowings	6.1	67,386	76,914	1,297	2,474	10,715	44,391	18,037
Other Financial Liabilities		70	70	70	-	-	-	-
Total Financial Liabilities		219,935	229,463	115,726	25,346	25,963	44,391	18,037
30 June 2023								
Financial Liabilities at amortised cost								
Payables	5.3	143,549	143,549	107,662	21,532	14,355	-	-
Borrowings	6.1	59,740	67,404	1,020	2,264	9,255	38,343	16,522
Other Financial Liabilities		70	70	70	-	-	-	-
Total Financial Liabilities		203,359	211,023	108,752	23,797	23,610	38,343	16,522

Note 7.2(c) – Market risk

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

Sensitivity disclosure analysis and assumptions

Alfred Health's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period. Alfred Health's fund managers cannot be expected to predict movements in market rates

and prices. The following movements are 'reasonably possible' over the next 12 months:

- a change in interest rates of 1% up or down; and
- a change in the top ASX 200 index of 15% up or down.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. Alfred Health holds minimal interest-bearing financial instruments that are measured at fair value, and therefore has minimal exposure to fair value interest rate risk.

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

Foreign currency risk

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign monetary items existing at

the end of the reporting period are translated at the closing rate at the date of the end of the reporting period.

Alfred Health has minimal exposure to foreign currency risk.

Equity risk

Alfred Health is exposed to equity price risk through its investments in listed and unlisted shares and managed funds. Such investments are allocated and traded to match the health service's investment objectives.

	Carrying amount \$'000	Net result -15%	Net result +15%
30 June 2024			
Investments and other contractual financial assets	76,240	(11,436)	11,436
Total impact	76,240	(11,436)	11,436
30 June 2023			
Investments and other contractual financial assets	73,258	(10,989)	10,989
Total impact	73,258	(10,989)	10,989

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;
- Financial assets and liabilities at fair value through other comprehensive income;
- Property, plant and equipment; and
- Right-of-use assets.

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

Valuation hierarchy

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

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

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

Alfred Health determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There have been no transfers between levels during the period.

Alfred Health monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required. The Valuer-General Victoria (VGV) is Alfred Health's independent valuation agency for property, plant and equipment.

Identifying unobservable inputs (level 3) fair value measurements

Level 3 fair value inputs are unobservable valuation inputs for an asset or liability. These inputs require significant judgement and assumptions in deriving fair value for both financial and non-financial assets.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e., an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

Note 7.3 – Fair value determination continued

Managed investment fund

Alfred Health invests in managed funds, which are not quoted in an active market. The managed funds invest in both listed securities and debt securities:

- **Listed Securities:** The listed securities are valued at fair value with reference to a quoted (unadjusted) market price from an active market. Alfred Health categorises these instruments as Level 1.
- **Debt securities:** In the absence of an active market, the fair value of the debt securities and government bonds are valued using observable inputs, such as recently executed transaction prices in securities of the issuer or comparable

issuers and yield curves. Adjustments are made to the valuations when necessary to recognise differences in the instrument's terms. To the extent that the significant inputs are observable, Alfred Health categorises these investments as Level 2.

- **Managed investment funds:** The head managed investment fund invests in other managed funds, which may not be quoted in an active market and which may be subject to restrictions on redemptions. In measuring this fair value, the net asset value (NAV) of the funds is adjusted, as necessary, to reflect restrictions and redemptions, future commitments and other specific factors of the fund. In measuring fair value, consideration is also paid to any transactions in the shares of the fund. Alfred Health classifies these funds as Level 2.

Note 7.3(a) – Fair value determination of investments

			Fair value measurement at end of reporting period using:		
	Note	Consolidated carrying amount as at 30 June 2024	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
30 June 2024					
Financial assets at fair value through net result					
Managed Funds	4.1	76,240	66,017	10,223	-
Total financial assets and liabilities at fair value		76,240	66,017	10,223	-
			Fair value measurement at end of reporting period using:		
		Consolidated carrying amount as at 30 June 2023	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
30 June 2023					
Financial assets at fair value through net result					
Managed Funds	4.1	73,258	62,180	11,078	-
Total financial assets and liabilities at fair value		73,258	62,180	11,078	-

Note 7.3(b) – Fair value measurement of non-financial physical assets

		Consolidated carrying amount as at 30 June 2024	Fair value measurement at end of reporting period using:		
	Note	\$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Land at fair value					
Non-specialised land		28,640	-	28,640	-
Specialised land		286,937	-	-	286,937
Total land at fair value	4.2(a)	315,577	-	28,640	286,937
Buildings at fair value					
Specialised buildings	4.2(a)	1,550,885	-	-	1,550,885
Total buildings at fair value		1,550,885	-	-	1,550,885
Plant & equipment, furniture & fittings at fair value					
Medical equipment	4.2(a)	85,396	-	-	85,396
Computers & communication equipment	4.2(a)	2,237	-	-	2,237
Furniture & fittings	4.2(a)	1,446	-	-	1,446
Other equipment	4.2(a)	19,070	-	-	19,070
Total plant & equipment and furniture & fittings at fair value		108,149	-	-	108,149
Right-of-use concessionary land	4.3(a)	31,756	-	31,756	-
Right-of-use buildings	4.3(a)	49,220	-	-	49,220
Right-of-use plant & equipment and motor vehicles	4.3(a)	4,322	-	-	4,322
Total right-of-use assets at fair value		85,298	-	31,756	53,542
Total non-financial physical assets at fair value		2,059,909	-	60,396	1,999,513

Note 7.3(b) – Fair value measurement of non-financial physical assets continued

	Note	Consolidated carrying amount as at 30 June 2023	Fair value measurement at end of reporting period using:		
		\$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Land at fair value					
Non-specialised land		31,000	-	31,000	-
Specialised land		279,382	-	-	279,382
Total land at fair value	4.2(a)	310,382	-	31,000	279,382
Buildings at fair value					
Specialised buildings	4.2(a)	815,399	-	-	815,399
Total buildings at fair value		815,399	-	-	815,399
Plant & equipment, furniture & fittings at fair value					
Medical equipment	4.2(a)	87,490	-	-	87,490
Computers & communication equipment	4.2(a)	3,122	-	-	3,122
Furniture & fittings	4.2(a)	408	-	-	408
Other equipment	4.2(a)	22,564	-	-	22,564
Total plant & equipment and furniture & fittings at fair value		113,584	-	-	113,584
Right-of-use concessionary land	4.3(a)	32,719	-	32,719	-
Right-of-use buildings	4.3(a)	42,985	-	-	42,985
Right -of-use plant & equipment and motor vehicles	4.3(a)	2,091	-	-	2,091
Total right-of-use assets at fair value		77,795	-	32,719	45,076
Total non-financial physical assets at fair value		1,317,160	-	63,719	1,253,441

There have been no transfers between levels during the period.

How we measure fair value of non-financial physical assets

The fair value measurement of non-financial physical assets takes into account the market participant's ability to use the asset in its highest and best use, or to sell it to another market participant that would use the same asset in its highest and best use.

Judgements about highest and best use must take into account the characteristics of the assets concerned, including restrictions on the use and disposal of assets arising from the asset's physical nature and any applicable legislative/contractual arrangements.

Alfred Health has assumed the current use of a non-financial physical asset is its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

Theoretical opportunities that may be available in relation to the asset(s) are not taken into account until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best uses.

Non-specialised land

Non-specialised land is valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land independent valuations are performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets are determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2024.

Specialised land and specialised buildings

Specialised land includes Crown Land which is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset.

During the reporting period, Alfred Health held Crown Land. The nature of this asset means that there are certain limitations and restrictions imposed on its use and/or disposal that may impact their fair value.

The market approach is also used for specialised land although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued. Specialised assets contain significant, unobservable adjustments; therefore, these assets are classified as Level 3 under the market based direct comparison approach.

The CSO adjustment reflects the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement and considers the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For Alfred Health, the current replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation. As depreciation adjustments are considered as significant and unobservable inputs in nature, specialised buildings are classified as Level 3 for fair value measurements.

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

Vehicles

The Alfred Health acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by the health service who set relevant depreciation rates during use to reflect the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying amount (depreciated cost).

Furniture, fittings, plant and equipment

Furniture, fittings, plant and equipment (including medical equipment, computers and communication equipment) are held at carrying amount (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the depreciated replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that current replacement cost will be materially different from the existing carrying amount.

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

Note 7.3(b) – Fair value measurement of non-financial physical assets continued

Reconciliation of level 3 fair value measurement

Consolidated	Land \$'000	Buildings \$'000	Plant & equipment, furniture & fittings \$'000	Right-of use buildings \$'000	Right-of-use, plant, equipment, furniture & fittings \$'000	Totals \$'000
Balance at 1 July 2022	279,382	772,391	105,540	32,419	2,681	1,192,413
Additions / (disposals)	-	15,673	25,274	21,541	(33)	62,455
Assets provided free of charge	-	-	-	-	-	-
Net transfers between classes	-	-	293	-	-	293
<i>Gains or losses recognised in net result</i>						
▪ Depreciation and amortisation	-	(63,562)	(20,820)	(7,678)	(557)	(92,617)
▪ Impairment loss	-	-	-	-	-	-
<i>Items recognised in other comprehensive income</i>						
▪ Revaluation	-	90,897	-	-	-	90,897
Balance as at 30 June 2023	279,382	815,399	110,287	46,282	2,091	1,253,441
Additions / (disposals)		138,644	23,659	12,791	2,903	177,997
Assets provided free of charge	-	-	-	-	-	-
Net transfers between classes (i)	-	-	-	-	-	-
<i>Gains or losses recognised in net result</i>						
▪ Depreciation and amortisation		(76,076)	(21,562)	(9,853)	(672)	(108,163)
▪ Impairment loss		-	-	-	-	-
<i>Items recognised in other comprehensive income</i>						
▪ Revaluation	7,555	672,918	(4,235)	-	-	676,238
Balance as at 30 June 2024	286,937	1,550,885	108,149	49,220	4,322	1,999,513

(i) Classified in accordance with the valuation hierarchy, refer to Note 7.3 – Fair value determination.

Fair value determination of level 3 fair value measurement

Asset class	Likely valuation approach	Significant inputs (level 3 only)
Specialised land	Market approach	Community service obligations adjustments (i)
Specialised land and buildings	Current replacement cost approach	Cost per square metre Useful life
Plant, equipment, furniture, fittings and vehicles	Current replacement cost approach	Cost per unit Useful life

(i) CSO adjustment of 20% to 60% was applied to reduce the market approach value for Alfred Health's specialised land.

Note 7.4 – Contingent assets and contingent liabilities

No contingent assets or liabilities are present for the year ended 30 June 2024 (2023: nil).

How we measure and disclose contingent assets and contingent liabilities

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

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

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the health service.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

Contingent liabilities

Contingent liabilities are:

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

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

Note 8 – Other disclosures

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

Structure

- 8.1 Reconciliation of net result for the year to net cash inflow/(outflow) from operating activities
- 8.2 Responsible persons' disclosures
- 8.3 Executive officer disclosures
- 8.4 Related parties
- 8.5 Remuneration of auditors
- 8.6 Australian Accounting Standards issued that are not yet effective
- 8.7 Events occurring after the balance sheet date
- 8.8 Economic dependency
- 8.9 Controlled entities
- 8.10 Equity
- 8.11 Glossary of terms and style conventions

Note 8.1 – Reconciliation of net result for the year to net cash inflow/(outflow) from operating activities

	Note	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Net result for the year		(50,027)	(8,488)
Non-cash movements			
Depreciation	4.6	109,126	93,580
Amortisation of intangible assets	4.6	221	2,963
Provision for doubtful debts		7,268	8,500
Non-cash investment income		(1,463)	(1,815)
Net assets and inventory received free of charge		944	461
Net (gain)/loss on revaluation of financial instruments		(5,449)	(6,022)
Net gain/(loss) arising from revaluation of long service liability	3.2	(1,090)	9,660
Net (gain)/loss from disposal of non-financial physical assets	3.2	(388)	31
Capital donations received		(27,006)	(11,443)
Other non-cash movements		-	(1,320)
Movements in assets & liabilities			
Increase in employee benefits		60,983	21,801
Increase/(decrease) in payables		10,414	(48,302)
Increase/(decrease) in other liabilities		-	-
(Increase)/decrease in receivables		(12,626)	5,889
(Increase)/decrease in prepayments		476	(203)
(Increase)/decrease in inventories		1,327	(3,528)
Net cash inflows/(outflows) from operating activities		92,710	61,764

Note 8.2 – 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:	
Former Minister for Medical Research	1 Jul 2023 – 2 Oct 2024
Minister for Health	1 Jul 2022 – 30 Jun 2024
Minister for Health Infrastructure	5 Dec 2022 – 30 Jun 2024
Minister for Ambulance Services	2 Oct 2023 – 30 Jun 2024
The Honourable Ingrid Stitt MP:	
Minister for Mental Health	2 Oct 2023 – 30 Jun 2024
Minister for Ageing	2 Oct 2023 – 30 Jun 2024
Minister for Multicultural Affairs	2 Oct 2023 – 30 Jun 2024
The Honourable Gabrielle Williams MP:	
Minister for Mental Health	1 Jul 2022 – 2 Oct 2023
Minister for Ambulance Services	5 Dec 2022 – 2 Oct 2023
The Honourable Lizzy Blandthorn MP:	
Former Minister for Disability, Ageing and Carers	1 Jul 2023 – 2 Oct 2024
Minister for Children	2 Oct 2023 – 30 Jun 2024
Minister for Disability	2 Oct 2023 – 30 Jun 2024
Governing Board	
The Hon Martin Foley (Chair of the Board)	01 Jul 2023 – 30 Jun 2024
Mr Abhishek Verma BSc(Med), MBBS, MS, FRACGP, GAICD, AICGG	01 Jul 2023 – 30 Jun 2024
Ms Anna Leibel GAICD, GCertITMgt	01 Jul 2023 – 30 Jun 2024
Ms Melanie Eagle BA BSW LLB, GAICD, GradDip (International Development)	01 Jul 2023 – 30 Jun 2024
Ms Sally Campbell LLB/BA, GAICD	01 Jul 2023 – 30 Jun 2024
Ms Anne Howells BCom, CA, MB (Corporate Governance), GAICD, FGIA	01 Jul 2023 – 30 Jun 2024
Mr Lynton Norris FCPA, GAICD, BBus (Acc), BBus (Int Trade)	01 Jul 2023 – 30 Jun 2024
Ms Chloe Shorten BCom	01 Jul 2023 – 30 Jun 2024
Prof Christina Mitchell AO, MB BS, FRACP, PhD, FAHMS	01 Jul 2023 – 30 Jun 2024
Accountable Officer	
Prof Andrew Way AM (Chief Executive) RN BSc (Hons) MBA FAICD, FACHSM	01 Jul 2023 – 30 Jun 2024

Note 8.2 – Responsible persons’ disclosures continued

Remuneration of responsible persons’

The number of responsible persons’ is shown in their relevant income bands:

	Consolidated	
Income band	2024	2023
\$50,000 - \$59,999	8	8
\$90,000 - \$99,999	1	0
\$110,000 - \$119,999	0	1
\$580,000 - \$589,999	1	0
\$600,000 - \$609,999	0	1
Total number	10	10
	2024 \$'000	2023 \$'000
Total remuneration received or due and receivable by responsible persons’ from the reporting entity amounted to:	1,108	1,181

Amounts relating to the Governing Board Members and Accountable Officer of Alfred Health’s controlled entities are disclosed in their own financial statements. Amounts relating to Responsible Ministers are reported within the Department of Parliamentary Services’ Financial Report.

Note 8.3 – Executive officer disclosures

Remuneration of executives

The number of executive officers, other than ministers and the accountable officer, 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, and is disclosed in the following categories:

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits (such as superannuation guarantee contributions) paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long service benefits or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Remuneration of executive officers (included in key management personnel disclosed in Note 8.4)		
Short term employee benefits	2,575	2,366
Post-employment benefits	244	215
Other long-term benefits	156	61
Total remuneration (i) (ii)	2,975	2,642
Total number of executives	9	8
Total annualised employee equivalent (AEE) (iii)	9	7.5

- (i) The total number of executive officers includes persons' who meet the definition of key management personnel (KMP) of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties (refer to Note 8.4 – Related parties).
- (ii) The remuneration of executive officers disclosed includes pro-rata remuneration of employees whilst acting in the executive's roles.
- (iii) Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

Note 8.4 – Related parties

Alfred Health 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;
- Cabinet Ministers (where applicable) and their close family members;
- All hospitals and public sector entities that are controlled and consolidated into the State of Victoria consolidated financial statements; and

- Controlled entities – Alfred Hospital Whole Time Medical Specialists' Private Practice Trust, John F Marriott for HIV Trust and Marriott for HIV Ltd.

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

The Board of Directors and the Executive Directors of the Alfred Health and its controlled entities are deemed to be KMPs. This includes the following:

Entity	KMPs	Position Title
Alfred Health	The Hon Martin Foley	Board member – Chair (appointed 1 July 2023)
Alfred Health	Ms Sally Campbell	Board member
Alfred Health	Ms Melanie Eagle	Board member (term ended 30 June 2024)
Alfred Health	Ms Anne Howells	Board member (resigned 30 June 2024)
Alfred Health	Mr Lynton Norris	Board member
Alfred Health	Ms Chloe Shorten	Board member
Alfred Health	Mr Desmond Pearson	Associate Board member
Alfred Health	Dr Abhishek Verma	Board member (appointed 1 July 2023)
Alfred Health	Ms Anna Leibel	Board member (term ended 30 June 2024)
Alfred Health	Prof Christina Mitchell	Board member
Alfred Health	Prof Andrew Way(i)	Chief Executive Officer (resigned 3 August 2024)
Alfred Health	Ms Simone Alexander	Chief Operating Officer, Deputy CEO
Alfred Health	Mr Peter Joyce	Former Executive Director Finance (resigned 6 October 2023)
Alfred Health	Mr Scott Cumbrae-Stewart	Executive Director Finance (CFO) (appointed 5 October)
Alfred Health	Ms Ursula McGinnes	Executive Director Public Affairs & Communication
Alfred Health	Dr Lee Hamley	Chief Medical Officer, Executive Director Medical Services
Alfred Health	Mr Gerald Williams	Chief Nursing Officer, Executive Director Nursing Services
Alfred Health	Mr Jarrard O'Brien	Former Chief Experience Officer (resigned 2 February 2024)
Alfred Health	Ms Janet Weir-Phyland	Interim Chief Experience Officer (29 January to 27 March 2024)
Alfred Health	Ms Laura Wilkinson	Chief Experience Officer (appointed 26 March 2024)
Alfred Health	Ms Jenny Walsh	Executive Director Strategy and Planning
Alfred Health	Ms Amy McKimm	Chief Digital Health Officer, Executive Director Digital Health
Alfred Health	Ms Caroline Langston	Chief Executive, Shared Pathology Venture

(i) Professor Andrew Way Chief Executive Officer has resigned and has been replaced by Mr Adam Horsburgh.

Entity	KMPs	Position title
Alfred Hospital Whole Time Medical Specialists' Private Practice Trust	Mr John Brown	Trustee (term ended 3 May 2024)
Alfred Hospital Whole Time Medical Specialists' Private Practice Trust	Mr Lynton Norris	Trustee (appointed 18 June 2024)
Alfred Hospital Whole Time Medical Specialists' Private Practice Trust	Mr Michael Gorton	Trustee
Alfred Hospital Whole Time Medical Specialists' Private Practice Trust	Dr David Daly	Trustee
Marriott for HIV LTD as Trustee for John F Marriott Trust	Mr William O'Shea	Director
Marriott for HIV LTD as Trustee for John F Marriott Trust	Ms Melanie Eagle	Director (appointed 18 June 2024)
Marriott for HIV LTD as Trustee for John F Marriott Trust	Prof Jennifer Hoy	Director
Marriott for HIV LTD as Trustee for John F Marriott Trust	Ms Ann Larkins	Director (term ended 30 June 2024)
Marriott for HIV LTD as Trustee for John F Marriott Trust	Ms Natalie McDonald	Director

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 Department of Parliamentary Services' Financial Report.

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Compensation - KMPs		
Short term employee benefits	3,554	3,438
Post-employment benefits	342	298
Other long-term benefits	187	88
Total	4,083	3,824

Where appropriate KMPs are also reported in Note 8.2 - Responsible person's disclosures or Note 8.3 - Executive officer's disclosures.

Significant transactions with government-related entities

Alfred Health received funding from the Department of Health of \$1.46b (FY2023-24: \$1.39b) and indirect contributions of \$8.2m (FY2022-23: \$11.3m). Balances outstanding as at 30 June 2024 are \$4.4m (2023:\$18.8m).

Alfred Health has a receivable to partially fund long service leave obligations with the Department of Health at 30 June 2024 of \$38.7m (FY2022-23: \$35.6m).

Alfred Health also provided services to other government related entities that were not individually significant totaling \$20.8m (FY2022-23: \$22.1m), and received services that were not individually significant totaling \$18.1m (FY2022-23: \$14.0m).

Expenses incurred by Alfred Health in delivering services and outputs are in accordance with HealthShare Victoria requirements. Goods and services including procurement, diagnostics, patient meals and multi-site operational support are provided by other Victorian health service providers on commercial terms.

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

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

Note 8.4 – Related parties continued

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 Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with Alfred Health, there were no related party transactions that involved key management personnel, their close family members or their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with Cabinet Ministers required to be disclosed in 2024 (2023: none).

There were no related party transactions required to be disclosed for Alfred Health's Board of Directors, Chief Executive Officer and Executive Directors in 2024 (2023: none).

The Board of Directors hold positions where Alfred Health has transacted with the entity as noted below:

- Ms Chloe Shorten (Board member of Alfred Health) is also a Strategic Advisor of Burnet Institute Healthy Mothers, Healthy Babies Program;
- Mr Lynton Norris (Board member of Alfred Health) is also a Board Director at the Australian Health Practitioner Regulation Agency (AHPRA), a WTMS trustee (appointed 18 June 2023) and a Director and minority shareholder of Aristotle Cloud Services Pty Ltd;
- Ms Ann Larkins (Director of the John F Marriott Trust) also serves as the Chief Information Officer in the Australian Red Cross Lifeblood; and
- Mr John Brown (Trustee of the Alfred Hospital Whole Time Medical Specialist's Private Practice Trust) also serves as the Chief Financial Officer in the Australian Red Cross Lifeblood.

All transactions between the above entities and Alfred Health relate to reimbursements made by Alfred Health to the entities for the provision of good and services and the transfer of funds by way of distributions made to Alfred Health and are in the normal course of business and are on normal commercial terms and conditions. These transactions are therefore not required to be disclosed.

Alfred Health has an agreement to provide management services to WTMS Trust and in FY2023-24 charged an amount of \$0.1m (FY2022-23: \$0.1m). WTMS provides donation funding for the benefit of Alfred Health and its employees, in FY2023-24 this was \$0.4m (FY2022-23 \$0.1m).

Alfred Health has an agreement to provide management services to John F Marriott Trust and in FY2023-24 charged an amount of \$0.03m (FY2022-23: \$0.03m). John F Marriott Trust provides donation funding for the benefit of Alfred Health and its employees, in FY2024-24 this was \$0.6m (FY2022-23 \$nil).

Note 8.5 – Remuneration of auditors

	Consolidated 2024 \$'000	Consolidated 2023 \$'000
Victorian Auditor-General's Office		
Audit of financial statements	227	219
Total remuneration of auditors	227	219

Note 8.6 – Australian Accounting Standards issued that are not yet effective

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

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

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

Note 8.7 – Events occurring after the balance sheet date

A new Chief Executive Officer Mr Adam Horsburgh has been appointed on 1 August 2024. Refer to Note 8.4.

Note 8.8 – Economic dependency

Alfred Health is a public health service governed and managed in accordance with the *Health Services Act 1988* and its results form part of the Victorian General Government consolidated financial position. Alfred Health 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 Alfred Health's operations and on that basis, the financial statements have been prepared on a going concern basis.

Note 8.9 – Controlled entities

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

	Country of residence	Ownership Interest %
Name of entity		
Alfred Hospital Whole Time Medical Specialists' Private Practice Trust	Australia	100%
John F Marriott for HIV Trust	Australia	100%
Marriott for HIV Ltd	Australia	100%

Note 8.9 – Controlled entities disclosures continued

Controlled entities contribution to the consolidated results

	2024 \$'000	2023 \$'000
Net result/(loss) for the year		
Alfred Hospital Whole Time Medical Specialists' Private Practice Trust	782	1,272
John F Marriott for HIV Trust	205	836
Marriott for HIV Ltd	-	-

AASB 10 *Consolidated Financial Statements* is applied in the preparation of consolidated financial statements for a group of entities under the control of the parent. AASB 10 requires the satisfaction of all of the following three criteria for control to exist over an entity for financial reporting purposes:

- The investor has power over the investee;
- The investor has exposure, or rights to variable returns from its involvement with the investee; and
- The investor has the ability to use its power over the investee to affect the amount of investor's returns.

Alfred Hospital Whole Time Medical Specialists' Private Practice Trust (the Trust) is a charitable trust set up principally for the benefit of Alfred Health. Alfred Health has the powers noted above due to its ability to appoint and remove the majority of the trustees.

Control was deemed to have occurred on 31 May 2009, when Alfred Health appointed the trustees. At that time, the Trust had net assets of \$13.197m and under AASB 3 *Business Combinations*, this amount was recognised in Alfred Health's revenue.

The John F Marriott for HIV Trust is a charitable trust set up principally for the benefit of Alfred Health. Marriott for HIV Ltd is the corporate trustee of the Trust and Alfred Health has the powers noted above due to its ability to appoint and remove the majority of the directors of the trustee company.

Control was deemed to have occurred on 29 May 2020, when Alfred Health was appointed the trustee. At that time, the Trust had net assets of \$6.4m.

Marriott for HIV Ltd, a wholly owned entity, was established on 29 May 2020 to act as the Trustee of John F Marriott for HIV Trust.

Note 8.10 – Equity

Property, plant and equipment revaluation surplus

The property, plant and equipment revaluation surplus arises on the revaluation of infrastructure, land and buildings. The revaluation surplus is not normally transferred to accumulated surpluses/(deficits) on de-recognition of the relevant asset.

General purpose reserve

The general purpose reserve is established where Alfred Health has generated funds internally for a specific purpose.

Restricted specific purpose reserve

The restricted specific purpose reserve is established where Alfred Health has possession or title to the funds but has no discretion to amend or vary the restriction and/or condition underlying the funds.

Contributed capital

Contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Alfred Health.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Other transfers that are in the nature of contributions or distributions or that have been designated as contributed capital are also treated as contributed capital.

Note 8.11 – Glossary of terms and style conventions

Actuarial gains or losses on superannuation defined benefit plans

Actuarial gains or losses are changes in the present value of the superannuation defined benefit liability resulting from:

- (a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and
- (b) the effects of changes in actuarial assumptions.

Amortisation

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset.

Comprehensive result

The comprehensive result is the net result of all items of income and expense recognised for the period. It is the aggregate of operating result and other comprehensive income.

Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Current grants

Current grants are amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

Depreciation

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense reduces the 'net result for the year'.

Effective interest method

The effective interest method is used to calculate the amortised cost of a financial asset or liability and for allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial instrument, or, where appropriate, a shorter period.

Employee benefit expenses

Employee benefit expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Financial asset

A financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual or statutory right:
 - to receive cash or another financial asset from another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions
 - that are potentially favourable to the entity; or
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to receive a variable number
 - of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of
 - cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

Financial liability

A financial liability is any liability that is:

- (a) A contractual obligation:
 - to deliver cash or another financial asset to another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) A contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Note 8.11 – Glossary of terms and style conventions continued

Financial statements

A complete set of financial statements comprises:

- (a) Balance sheet as at the end of the period;
- (b) Comprehensive operating statement for the period;
- (c) A statement of changes in equity for the period;
- (d) Cash flow statement for the period;
- (e) Notes, comprising a summary of significant accounting policies and other explanatory information;
- (f) Comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 *Presentation of Financial Statements*; and
- (g) A statement of financial position at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

Grants and other transfers

Grants and other transfers are transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes. Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

General government sector

The general government sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those which are mainly non-market in nature, those which are largely for collective consumption by the community and those which involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

Interest expense

Interest expense relates to costs incurred in connection with the borrowing of funds. They include interest on short-term and long-term liabilities, amortisation of discounts or premiums relating to liabilities, interest component of finance lease repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

Interest income

Interest income includes the unwinding, over time, of discounts on financial assets and interest received on bank term deposits and other investments.

Liabilities

Liabilities refers to interest-bearing liabilities mainly raised from public liabilities raised through the Treasury Corporation of Victoria, finance leases and other interest-bearing arrangements. Liabilities also include non-interest-bearing advances from government that are acquired for policy purposes.

Net acquisition of non-financial assets (from transactions)

Net acquisition of non-financial assets includes purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets, less depreciation, plus changes in inventories and other movements in non-financial assets. It includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write-offs, impairment write-downs and revaluations.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other comprehensive income'. Net result from transactions/net operating balance, Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets.

Net worth

Net worth is assets less liabilities, which is an economic measure of wealth.

Non-financial assets

Non-financial assets are all assets that are not 'financial assets'. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, investment properties, cultural and heritage assets, intangible and biological assets.

Non-profit institution

A legal or social entity that is created for the purpose of producing or distributing goods and services but is not permitted to be a source of income, profit or other financial gain for the units that establish, control or finance it.

Payables

Payables include short and long-term trade debt and accounts payable, grants, taxes and interest payable.

Produced assets

Produced assets include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software, motion picture films, and research and development costs (which does not include the startup costs associated with capital projects).

Public financial corporation sector

Public financial corporations (PFCs) are bodies primarily engaged in the provision of financial intermediation services or auxiliary financial services. They are able to incur financial liabilities on their own account (e.g. taking deposits, issuing securities or providing insurance services). Estimates are not published for the public financial corporation sector.

Public non-financial corporation sector

The public non-financial corporation (PNFC) sector comprises bodies mainly engaged in the production of goods and services (of a non-financial nature) for sale in the market place at prices that aim to recover most of the costs involved (e.g. water and port authorities). In general, PNFCs are legally distinguishable from the governments that own them.

Receivables

Receivables include amounts owing from government through appropriation receivable, short and long-term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

Sales of goods and services

Sales of goods and services refer to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land. User charges includes sale of goods and services income.

Standing Directions

Standing Directions are issued by the Assistant Treasurer under section 8 of the *Financial Management Act 1994*. They specify public sector agency responsibilities to achieve a high standard of public financial management and accountability.

Supplies and services

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the Department.

Supplies and services 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 the inventories are distributed.

Transactions

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows in an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset.

Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash.

Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

- “-” represents zero, or rounded to zero
- (000) negative numbers
- FY2023-24 - current year period to 30 June 2024.
- FY2022-23 - prior year period to 30 June 2023.

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