

24

ANNUAL REPORT





Our Mission

Healthy lives for everyone through sustainable, innovative, compassionate care.

Above image: Dr Anjali Khushu, Head of Unit, Geriatric Medicine with a patient at The Mornington Centre

Front cover image: Sexual and Reproductive Health Nurse Robyn Holmes, Dr Nikki Martin and HESTA Nurse of the Year Cathy Halmarick from the Sexual and Reproductive Health Hub at Hastings Community Health Centre

Our Values



Be the Best

We strive for excellence in all that we do.



Be a Role Model

We take initiative and inspire others.



Be Open and Honest

We demonstrate integrity through our actions, which are transparent and accountable.



Be Collaborative

We work as One Peninsula Health and seek diverse knowledge and perspectives.



Be Compassionate and Respectful

We care with kindness and foster dignity and inclusion.

Our Strategic Priorities

We aim to achieve our purpose by focusing on three strategic goals:



Consumers, Care and Community

We will partner with consumers and communities to deliver the care they need to live healthy lives.



People, Teams and Culture

We will co-create a culture where our people thrive, supporting healthy lives for everyone.



Sustainability, Systems and Infrastructure

We will design and facilitate the delivery of progressive and sustainable healthcare.

Contents

Board Chair and Chief Executive's Report	6
Report of Operations	22
Peninsula Health at a Glance	22
Our Local Community Area	23
Our Clinical Services	24
Our Governance and Organisational Structure	28
Board of Directors as at 30 June 2024	30
Board Committees as at 30 June 2024	33
Our Workforce	36
General Information	41
Additional Information Available on Request	53
Thank You to Our Supporters	54
Other Reporting Requirements	56
Key Financial and Service Performance Reporting	57
Strategic Priorities	57
Local Priorities	62
Performance Priorities	63
Financial Summary	68
Attestations	70
Data Integrity Declaration	70
Conflict of Interest Declaration	70
Compliance with Health Share Victoria (HSV) Purchasing Policies	70
Integrity, Fraud and Corruption Declaration	71
Financial Management Compliance Attestation	71
Responsible Bodies Declaration	71
Disclosure Index	72
Financial Statements	74

Acknowledgement

Peninsula Health acknowledges the Traditional Custodians of the lands where its health services are located. We acknowledge the Bunurong/Boon Wurrung people of the Kulin Nation. We pay our respects to Elders, past, present and emerging.

2023-2024 Year in Review



98,480

people attended our
Emergency Departments



23,310

surgeries were performed
by surgeons



100,820

people were treated
in our hospitals



41,430

people were admitted
to hospital from our
Emergency Departments



2,474

babies were born



20,008

children were cared
for in our Emergency
Departments



96,924

prescription items
were dispensed from
our Pharmacy



163,159

X-rays and scans
were performed



14,409

patients were
treated in our
Dental Clinics



48,315

clients were kept safe at
home by our MePACS
personal alarm service



4,915

people received care
in their home with our
At Home services



5,311

sole workers were kept
safe by MePACS in
the community

Data may include some patients treated more than once.

Board Chair and Chief Executive's Report



Image: Board Chair, Michael Gorton AM, and Chief Executive, Helen Cooper, at Frankston Hospital

Introduction

It has been a remarkable year at Peninsula Health, as our people have continued to deliver the very best care to our community across our many sites, through technology, and directly to people in their homes.

The *2024 Annual Report* provides an overview of our strategic, operational and financial performance for the financial year ending 30 June 2024. We are pleased to present this report to our community, staff, volunteers, partners and Victorian Government. This report details our achievements, as well as some of the emerging challenges we are facing.

The Frankston Hospital redevelopment project has now passed the halfway point. The redevelopment is the largest health infrastructure investment in Melbourne's south-east. The building is rapidly changing the landscape of Frankston and we are excited to open this new facility for our staff and community in early 2026.

The COVID-19 virus is still with us but it is not impacting on service delivery in the same way it did in previous years. We are operating in a COVID-normal environment, with staff well-trained in caring for patients who test positive to COVID-19, what to do if they catch the virus and how to reduce the spread of the disease. The winter months were challenging for our health service, but our teams continued to implement strategies to maintain patient flow in our hospitals and provide high-quality care to the people of Frankston and the Mornington Peninsula.

Capital Works, Services and Planning

The redevelopment of Frankston Hospital is on schedule, with the final level of the new tower recently completed. The 12-storey clinical services tower and helipad has already become a prominent part of the Frankston skyline.

In September 2023, we were pleased to name a tower crane at the construction site 'Pinkies', in recognition of the contribution of longstanding volunteer group, the Frankston Hospital Pink Ladies Auxiliary. Since 1968, the group has raised over \$10 million for Peninsula Health, and are a constant welcoming presence to everyone who comes through the main entrance with their cheerful greetings and delicious offering of homemade foods.

During the reporting period, we welcomed the Minister for Health, Health Infrastructure and Ambulance Services, the Hon. Mary-Anne Thomas, to the redevelopment site twice to celebrate progress events, alongside our partners Exemplar Health and the Victorian Health Building Authority (VHBA). In May 2024, the first part of the new building was handed over to Peninsula Health; with four levels of the multi-deck car park now open for staff use. Our people have been involved throughout the design, planning and construction phases, with staff viewing prototype rooms for the new hospital in August 2023, and site tours underway each month for different areas to gain an understanding of the new spaces.

In February 2024, we were joined by Prime Minister of Australia, the Hon. Anthony Albanese MP, and the Premier of Victoria, the Hon. Jacinta Allan MP, to open the Peta Murphy Breast Imaging Suite at Frankston Hospital. The facility was named in honour of Peta Murphy, as a tribute to her unwavering dedication to advancing the accessibility of health care for the local community. Peta was a Board Director at Peninsula Health from 2016–2018 and then served as the Member for Dunkley in the federal parliament from May 2019 until her passing in December 2023. The new service is a hub for comprehensive breast health care that fosters a proactive and preventive approach to women's health while ensuring our community continues to have access to the very best of care, close to home. Previously, patients who required this type of medical imaging had to access external services through the private sector, or travel further towards the city, causing additional stress and unexpected out-of-pocket costs. We have also commenced using Magseed, a breast cancer tumour marker electronic chip, which has replaced the need for a guide wire insertion, previously inserted off site.



Image: Mr Peter Evans, Clinical Director of Surgery with staff at the Frankston Public Surgical Centre.

The Frankston Public Surgical Centre continues to be a critical part of our surgical care. We opened two refurbished theatres and the Endoscopy Suite during the reporting period.

The Frankston Public Surgical Centre continues to be a critical part of our surgical care and we opened two refurbished theatres and the Endoscopy Suite during the reporting period. This growth in capacity has enabled us to increase the number of surgeries we provide and further reduce the planned surgery waiting list. In the past 12 months, the planned surgery waiting list has reduced by 46%, from 3169 to 1678 people. Our proportion of long-waiting patients has also reduced significantly, equating to a reduction from 1273 patients in June 2023 to 360 patients in June 2024.

Over the past 12 months, our At Home Model has evolved to improve patient selection and service allocation, ensuring that patients receive care from the most suitable service or team. The model includes pathways that connect various elements, allowing for flexible care delivery, reducing transitions between care settings, and implementing a system to promptly address patient condition deterioration. Enhanced programs now cater to a broader range of patients, including those with orthopaedic, neurological and general rehabilitation needs. This includes a sub-acute/rehabilitation bed substitution service, which enables patients to receive rehabilitation at home. The Hospital in the Home program has expanded to include patients transitioning from traditional overnight hospital care to day surgery. This includes surgical procedures such as laparoscopic cholecystectomy, haemorrhoidectomy, hernia repair, and adult tonsillectomy.

In August 2023, we began work on the next Strategic Plan, consulting with staff, consumer advisors, volunteers, partners, senior leadership and the Board. The Healthy Lives 2028 Strategic Plan was launched in May 2024, on level two of the Frankston Hospital redevelopment site, where the new day surgery theatre suite will be located. It was fitting to launch the plan – which sets the strategic direction for Peninsula Health over the coming years – in the building that will have a significant impact on the services and care we provide to our community. The comprehensive plan details how we will respond to strategic challenges recognised in our workforce, digital systems, infrastructure and financial sustainability, and how we will respond to the health of our community and the growing population, as well as climate change.

The Healthy Lives Strategic Plan 2028 has three goals that anchor the objectives that will help us to achieve our mission.

These goals are:



GOAL 1: Consumers, Care and Community

We will partner with consumers and communities to deliver the care they need to live healthy lives.



GOAL 2: People, Teams and Culture

We will co-create of a culture where our people thrive, supporting healthy lives for everyone.



GOAL 3: Sustainability, Systems and Infrastructure

We will design and facilitate the delivery of progressive and sustainable healthcare.

Peninsula Health continues to expand its Infant, Child and Youth Program as part of the Mental Health and Wellbeing Service. Having previously offered mental health services to young people aged 16–25 years old, in April 2024 we started delivering services to people aged 12–25 years. This new program will be expanded in September 2024 to include children aged 0–11 years, previously provided by Monash Health. A significant upgrade of the Youth Mental Health Hub at Yuille Street, adjacent to Frankston Hospital, is underway which will house these new services.

Peninsula Health has collaborated with The Queen Elizabeth Centre (QEC) and the Victorian Health Building Authority to design and build the new Hastings Early Parenting Centre. A builder is expected to be appointed later in 2024, with construction set to begin at our Hastings Community Health site on High Street. The Early Parenting Centre will support parents or carers with children up to four years old, and will be managed and operated by QEC.



Image: Shannyn Casbolt - Peer Support Worker, Infant Child and Youth Service with the new Mental Health Discharge Passport.

Celebrating Our People

In December 2023, Dr Nisha Khot, Clinical Director of Obstetrics and Gynaecology, was appointed Chair of the Multicultural Centre for Women's Health. Through this role Dr Khot aims to enhance women's healthcare equity, emphasising prevention and cultural sensitivity.

Also in the reporting period, Peninsula Health's Director of Education and Training, Dr Samantha Sevenhuysen, was awarded an Associate Fellow of the Australian and New Zealand Association for Health Professional Educators (ANZAHPE). Dr Sevenhuysen's area of interest in public health service research is clinical placement models, translational research and advancing scope of practice.

Over the last year, staff members across Peninsula Health were recognised by industry leaders. Congratulations to all the staff members listed below on their achievements and work to improve the care we provide to our community.

Emergency physician Dr Jonathan Henry was honoured by the Australasian Society for Ultrasound in Medicine with its **2023 Humanitarian of the Year Award**. The award recognises his creation of the PEARLS (POCUS for Emergency and Acute care in Resource-Limited Settings) program, which aims to upskill frontline clinicians in the Pacific and beyond with Point-Of-Care Ultrasonography (POCUS) skills. In 2022, Dr Henry travelled to Vanuatu to direct the inaugural PEARLS-ED course, providing ultrasonography education to doctors using handheld probes that plug into smartphones.

Senior Social Worker, Louisa Whitwam, along with researchers from Monash University, authored an article that was published in the journal *Australian Social Work* in 2023. The article 'Clinician Perspectives of the Evidence Underpinning Suicide Risk Assessment: A Mixed Methods Study', was based on research conducted at Peninsula Health and was awarded the prestigious **Norm Smith Publication in Social Work Research Award**. The Norm Smith Award is granted to the best research article published in *Australian Social Work* that is judged to make a significant contribution to the advancement of social work knowledge or professional practice.

Image: Dr Nisha Khot with outgoing Chief Executive Felicity Topp and General Manager, Jenny Abernethy in the Ngarnga Centre at Frankston Hospital



In March 2024, our maternity team was recognised at Parliament House in Canberra for its outstanding contribution to reducing the country's rate of preterm births and was honoured with an award for the transformation of healthcare within a health service. Peninsula Health is one of 60 health services nationwide participating in the National Preterm Birth Prevention Collaborative. The preliminary data is showing a promising decrease in near-term births – 37–38 weeks' gestation – a pivotal time for a baby's brain development.

Anaesthetist, Dr Helen Kolawole, was the recipient of the ANZCA Medal at the annual College Ceremony of the Australian and New Zealand College of Anaesthetists in Brisbane. Dr Kolawole was among six anaesthetists awarded for their significant and continuous contributions to local and international anaesthesia throughout their careers. She is a globally recognised expert in perioperative allergy and anaphylaxis, drawing from her own personal experience with a latex allergy to advance understanding and education in the field.

Nurse Practitioner, Cathy Halmarick, was awarded the HESTA Nurse of the Year Award. Announced at an awards ceremony in May 2024, this honour recognises Cathy's exceptional contributions and unwavering commitment to improving health care for all community members. For over 25 years, Cathy has been a driving force in developing healthcare and expanding vital sexual and reproductive health programs. Her expertise and passion have led to significant advancements in patient care and the accessibility of treatment. In 2017, Cathy played a pivotal role in establishing Peninsula Health's Sexual and Reproductive Health Hub, where she continues to lead innovative work to improve the services we provide to our community.

Showcasing excellence, diversity, and inclusivity at Peninsula Health, Dr Timothy Smith and Dr Angela La Macchia, are two of nine Aboriginal fellows across Australia contributing to improved healthcare outcomes. Dr Smith, a proud Taungurung man who grew up on Bunurong land, and Dr La Macchia, a proud Gumbaynggirr woman from northern New South Wales, are Emergency Medicine physicians working within Frankston Hospital's Emergency Department. The pair was recognised by the Australian Indigenous Doctors' Association for qualifying as specialists.

Congratulations to the following staff who received Monash University academic appointments during the last 12 months.

Fiona Reed (Executive, Nursing & Midwifery)
Adjunct Clinical Professor

Helen Cooper (Executive, Practice)
Adjunct Associate Professor

Janine Davies (Mental Health, Nursing)
Adjunct Associate Professor

Marcus Robertson (Gastroenterology, Medicine)
Adjunct Associate Professor

Sanjeev Sewak (Oncology, Medicine)
Adjunct Senior Lecturer

David Snowdon (Physiotherapy, Allied Health)
Adjunct Senior Lecturer

Richard Ross (Plastic Surgery, Surgery)
Adjunct Senior Research Fellow

Supporting an engaged and positive workplace culture, the Peninsula Health Staff Advisory Council was established in July 2023. It provides staff a forum to engage in consultation, innovation, promote ideas and provide feedback to the Executive team. The group provides input into staff engagement initiatives that occur across the health service and assists to plan and coordinate activities to support an inclusive and respectful workplace culture. The committee meets monthly, and provides updates at staff meetings.



Image: Aboriginal and Allied Health Manager, Kunal Mahajan with outgoing Chief Executive Felicity Topp at a National Reconciliation Week event at the Frankston Gathering Place.

Proudly Inclusive

In October 2023, Peninsula Health underwent a mid-cycle review for the Rainbow Tick Accreditation. The Quality Innovation Performance assessor was very impressed with the progress we have made over the last 18 months since we were re-accredited, and noted our growing maturity with Rainbow Tick and LGBTIQ+ inclusion.

Peninsula Health is well-known as a leader in the Rainbow Tick area, and the assessor was excited to see the planned future activities, which will take us beyond the immediate requirements of the Rainbow Tick standard. Of particular note, was the work completed in the Allies Program and with the onboarding of staff, consumer advisors and volunteers. Thank you to all our staff members for the ongoing work that contributes to our Rainbow Tick Accreditation, which helps us to deliver safe, personal, effective and connected care to every person, every time.

We have worked with staff and our community to develop our next Reconciliation Action Plan, which outlines how we will achieve better health and wellbeing outcomes for Aboriginal and Torres Strait Islander Peoples. The draft plan will be reviewed by Reconciliation Australia before being launched later this year.

We celebrated and recognised National Reconciliation Week in May, with many more staff members taking up the opportunity to own a set of our locally designed First Nations scrubs. The Aboriginal Health team collaborated with local artist Eamon Roberts in 2023, and the scrubs are increasingly seen around all our hospitals and healthcare sites, acting as a conversation starter, and helping to develop a connection between First Nations patients and healthcare providers.



Innovation, Recognition and Wellbeing

In a Victorian public health first, the Sexual and Reproductive Health Hub introduced the methoxyflurane inhaler (green whistle) as an analgesic option for women undergoing intrauterine device (IUD) procedures.

An IUD is a long-lasting contraceptive inserted into the uterus. Clinicians had noted the pain women experienced during this procedure was less than acceptable, and endeavoured to find a way to improve their experiences. Initial results indicate this form of pain relief makes the experience far more tolerable for women. The initiative has received national media coverage. Members of our Women's Health team -including Clinical Director of Obstetrics and Gynaecology, Dr Nisha Khot, and Nurse Practitioner, Cathy Halmarick - came together with Premier of Victoria Jacinta Allan and the Minister for Health and Ambulance Services, Mary-Anne Thomas, when they released the Inquiry into Women's Pain.

Image: Yahya Lahham, Vascular and Transplant Surgeon, Leah Korsten Anaesthetics Associate Nurse Unit Manager and Al Jane Estrada, Clinical Nurse Educator in Theatre at Frankston Hospital.

Also through the Sexual and Reproductive Health Hub, Peninsula Health is partnering with local Aboriginal Gathering Places to provide cervical and bowel cancer screening in a culturally safe environment for Aboriginal women. Approximately one-third of Aboriginal and Torres Strait Islander women participate in cervical screening, meaning two-thirds do not or are unable to be screened. Early detection is vital for treatment of cervical and bowel cancer, so to close the gap more Aboriginal women need to be screened. For the initial session, Peninsula Health engaged a local artist to facilitate a class at the Frankston Gathering Place, Nairn Marr Djambana, which provided an ideal informal setting to support the self-determination of Aboriginal women to take charge of their health. Some of the women who attended the art class had never been screened. Three sessions were run to allow adequate opportunity for clinicians to meet and have conversations with the women who had not been present at the first session and to provide results to those women who had already attended screening.

A nurse-initiated and led, patient-care focused project, the Acute Medical Surgical Unit (AMSU) Patient/Carer Involvement Project was conducted over three months from October 2023. It aimed to improve the patient experience by enabling healthcare teams to connect with patients and their carers more effectively.

The project utilised patient experience data to understand and identify key issues at hand, and used two principles to drive changes:



a more inclusive way of conducting bedside handovers



the introduction of senior safety rounds



Image: Consumer Advisor, Pauline D'Astoli, with then Chief Executive, Felicity Topp, at the Victorian Public Healthcare Awards

The positive outcomes include an improvement in the quality of handovers with greater patient and carer involvement, and a reduction in patient safety issues. It also drove a reduction in occupational violence and aggression (OVA) incidents and patient escalation Care Calls, which has been sustained since the completion of the project. The project is now being considered for rollout in other appropriate wards across Peninsula Health.

The launch of the SKIN bundle of care has helped to address the risk of pressure injuries through focus on the elements of SKIN assessment, Surface, Keep moving, Incontinence and Nutrition. Two key wards have piloted the project in 2023–2024, resulting in an increase in reporting of pressure injuries with little or no harm, and a reduction in the overall severity of pressure injuries.

During the reporting period, there has been a notable emphasis on achieving a reduction in OVA incidents as well as subsequent restrictive interventions. This strategy was the result of a comprehensive review and enhancement of the model of care for patients with challenging behaviours. This has delivered reductions in reported incidents of staff assaults. There has also been a significant decline in restrictive interventions within our Emergency Departments (ED), particularly in the utilisation of mechanical restraint. This has been attributed to improved proactive safety planning and the implementation of an increasing number of behaviour management plans for patients who have a history of aggression. The use of the behaviour huddles – which involve the ED leadership team and the Risk identification, Safety, Containment, Environment (RisCE) team – has helped facilitate this change in practice.

Our MePACS Personal Alarm service underwent a significant technology upgrade this year, rolling out the new Telstra Genesys Contact Centre solution to improve the experience for both MePACS staff and clients.

Our MePACS Personal Alarm service underwent a significant technology upgrade this year, rolling out the new Telstra Genesys Contact Centre solution to improve the experience for both MePACS staff and clients. It ensures MePACS remains on the forefront of technology and able to deliver a competitive offering to the market. The use of Telstra Genesys also enables the MePACS call takers to be able to work from anywhere, which means fewer staff members need to be on one site; this is an additional offering to assist in staff recruitment and retention. MePACS provides 24/7 support to more than 45,000 clients through our call centre

manned by experienced and empathetic Emergency Response Operators based in Chelsea Heights. The service receives more than 1300 alarm events every day, along with around 700 inbound phone calls.

Peninsula Health was recognised at the Victorian Public Healthcare Awards in November 2023. Pauline D'Astoli OAM was honoured as **Health Volunteer of the Year** at the gala night. Pauline was recognised for her unwavering dedication to advocating for superior healthcare, particularly within the mental health service. Pauline has spent more than six years with Peninsula Health as a Consumer Advisor and is also a former Chair of the Community Advisory Committee. Pauline has also used her experience and insight as a consumer advisor in working closely with research leads, Dr Samantha Sevenhuysen, and Associate Professor Gabrielle Brand from Monash University, to help co-design a simulation-based education package addressing cognitive bias in healthcare. This online package was developed using research methodology and is available to all staff through the Learning Hub.

Peninsula Health – in collaboration with Alfred Health, Better Health Network, Monash Health, and South Eastern Primary Health Network – claimed the **Health Service Partnership of the Year** award. This recognition underscores the power of collaboration in driving positive change within the healthcare landscape. The joint efforts of these institutions reflect a shared commitment to elevating healthcare standards and amplifying the impact of collective expertise. Our Women's Health Unit also received well-deserved recognition as finalists in the Excellence in Women's Health category for its ground-breaking Maternity Outpatient Triage System. This innovative system represents a significant leap forward in optimising maternity care, showcasing our commitment to providing comprehensive and efficient services to women in need.

Research

Research is an integral part of our strategic plan, and it has been pleasing to see our research output continue to grow over the last 12 months.

Congratulations to the following Peninsula Health staff members who were recipients of significant research grants during the reporting period:

Professor Ravi Tiruvoipati (Intensive Care)

received a grant from Baxter HealthCare for a study titled, Measuring the impact of extracorporeal carbon dioxide removal using PrismaLung+ in reducing ventilator induced lung injury in mechanically ventilated patients.

Dr Laura Jolliffe (Occupational Therapy)

received a Stroke Foundation Grant for research into Establishing the quality of Early Supported Discharge (At-Home) Services on Stroke Survivor Outcomes and Quality of Life.

Dr Nadine Andrew (National Centre for Healthy Ageing)

MRFF Data Infrastructure Grant for developing National Integrated Stroke Data: Advanced Learning Health Systems together with collaborators from The University of Melbourne.

Professor Velandai Srikanth

was part of a national team that successfully bid to update the National Dementia Clinical Practice Guidelines.

Progress continues in the development of the National Centre for Healthy Ageing (NCHA), a partnership between Peninsula Health and Monash University.

- The NCHA now has more than 120 international collaborators, and over 200 research members and affiliates.
- The NCHA has partnered with Voice, a global network of consumers, communities, research institutions and businesses that work together for healthier solutions. Voice Australia will help the NCHA engage with people of all ages in research and innovation, by providing regular opportunities to contribute to the design of new projects, products and services.
- More than 25 Living Labs research projects are underway, including several within Peninsula Health, across a range of topics involving interdisciplinary research teams.

- The development of research-enabling simulation facilities are under construction, with projects set to be completed in 2025:
 - **Smart Ward:** Peninsula Health ward environments will be retrofitted with enhanced sensory technologies to measure patient and staff interactions. This data will help inform better approaches to hospital room design to prevent hospital-acquired conditions.
 - **Intergenerational Playground:** This environment will support specific programs and general community activities promoting physical and mental health, intergenerational engagement, and educational and community development outcomes.
 - **Digital Library:** A video library of interactions with older people to generate new knowledge for better communication, informing clinician training, and developing innovative approaches to support healthy ageing.
 - **Ageing Well Clinics:** These clinics will test innovative services for healthy ageing whilst providing opportunities for research and improving staff and student training.
 - **Simulated Independent Living:** This project will identify ways to assist people to thrive at home by understanding how they interact with built environments as they age.
 - **Mobility Lab:** In this lab, we will study the movement, gait, balance, and physical rehabilitation in older people. This will inform the development of new educational and training materials for aged-care provision.
- An innovative pilot program of the NCHA, the Carer Health and Wellbeing Service, commenced operation in March 2023. The service, which is run by Peninsula Health clinicians, is supporting carers aged 50 years or more who provide informal care to older people aged 65 years and over. This is the first service of its kind to focus on carers aged 50 years or more, to improve their health and wellbeing, helping them sustain their carer role in better health.
- The Residential Aged Care Research Network continues to progress and grow in its impact in the aged-care sector, having been developed in partnership with aged-care partners and stakeholders. It brings together expert researchers, aged-care providers, employees, consumer representatives, advocates and peak body representatives from within the sector. Through the network, the NCHA provides two-way engagement between researchers and people involved in the residential aged-care sector, looking for input into quality improvement gaps and research priorities. The network aims to inform the next generation of aged-care research, co-designed with industry to deliver real-world solutions to address some of the greatest challenges facing our ageing communities.



Then Chief Executive, Felicity Topp, with donors from Menzies Caring for Kids, Communications and Philanthropy Director, Steve Pearce and Paediatrician Dr Simon Blair at Frankston Hospital

Community Engagement and Supporters

We are fortunate to be the beneficiary of many wonderful individuals and organisations, such as Menzies Caring for Kids, an organisation dedicated to supporting young people living in Frankston and on the Mornington Peninsula.

In September 2023, we received a generous donation from Menzies, which directly supports the appointment of a Paediatric Fellow for three years. This donation allows us to operate weekly school-based clinics, offering general paediatric, developmental and behavioural services to disadvantaged and low socio-economic households and families. Since their inception in 2017, these school-based clinics have facilitated more than 7,000 appointments and 2,300 case conferences involving education staff, allied health professionals, and paediatricians.

We continue to be well supported by the Peninsula Branch of the Blue Ribbon Foundation - which has pledged to raise significant funds to purchase life-saving equipment for the Intensive Care Unit at Frankston Hospital. The Frankston Hospital Pink Ladies Auxiliary also made another substantial donation to the health service, helping to fund a Professor of Nursing and Midwifery Research, an ongoing joint appointment with Monash University.

We are humbled by the support we continue to receive from our community and partners, and would like to thank everyone who has made a donation.

Thank You to Our People and Community

On behalf of the Board and Executive we would like to thank our staff, volunteers and consumer advisors at Peninsula Health for their contribution and dedication to providing the best of care to our community.

It is an exciting time at Peninsula Health, as we work together to enhance the services we provide our community through research, new facilities, partnerships and models of care. We look forward to working with our people and our community over the next 12 months.

We would also like to acknowledge and thank Felicity Topp, who finished in her role as Chief Executive on 28 June 2024 after six-and-a-half years with Peninsula Health. Under Felicity's leadership, Peninsula Health achieved significant milestones, expanded services, and enhanced the quality of care for our community. We will always remain grateful for her calm and collaborative leadership during the challenges of the pandemic, one of the most difficult periods in public health in Australia in living memory. Felicity's focus on collaboration and inclusivity fostered a supportive and welcoming environment for everyone who makes up our community at Peninsula Health - patients and loved ones, consumer advisors, volunteers and staff. We would also like to thank Allison Smith for her eight years with us on the Board of Directors. Allison was instrumental in helping to lead Peninsula Health through the pandemic, and her expertise and leadership was recognised in her role as Deputy Chair, up until her departure in June 2024. We wish both Allison and Felicity well in their future endeavours.

This publication details our strategic plans for the future, as well as providing more detail on our achievements over the last year. Please enjoy reading our 2024 Annual Report.



Mr Michael Gorton AM
Chairperson
Peninsula Health



Ms Helen Cooper
Chief Executive
Peninsula Health

August 2024

Report of Operations



Image: Samantha Blease, Social Support Group Worker Social Support Group participants at Hastings Community Health.

Peninsula Health at a Glance

Peninsula Health is the major metropolitan health service for Frankston and the Mornington Peninsula. We care for a population of around 300,000 people, which swells to over 400,000 people during the peak tourism seasons between December and March.

Our health service consists of five major hospitals: Frankston Hospital, Rosebud Hospital, Golf Links Road Rehabilitation Centre, The Mornington Centre and Frankston Public Surgical Centre. We also have five community mental health facilities and five community health centres in Frankston, Mornington, Rosebud, Hastings and Seaford.

Our services for the community include care across the life continuum: obstetrics, paediatrics, emergency medicine, intensive care, critical care, surgical and general medicine, rehabilitation, oncology, aged-care and palliative care. We also provide extensive services in community health, health education and promotion, ambulatory care, and mental health.

We are a major teaching and research health facility, training the next generation of doctors, nurses, allied health professionals and support staff. We have strong partnerships with Monash University, Deakin University, La Trobe University, Chisholm Institute and Holmesglen Institute.

Our local community has unique demographic features and challenges, including:

- a higher than average percentage of ageing people in the population;
- mix of wealth and extreme disadvantage;
- higher than average rates of vulnerable children, homelessness and family violence;
- higher than average rates of chronic diseases and mental health issues.

These factors create challenges in providing the best care, where and when it is needed to respond to the needs of children, people with mental health issues, and elderly residents.

With over 7500 staff and 510 volunteers, consumer advisors and auxiliary members, our dedicated and highly skilled teams work together to provide safe, personal, effective and connected care, for people and families living in Frankston and on the Mornington Peninsula.

We have undergone significant growth and transformation in recent years and we are recognised as a leading metropolitan health service.

Our Local Community Area



Our Clinical Services

AGED CARE

Inpatient Services

Geriatric Evaluation and Management
Orthogeriatric Service
Acute Care for the Elderly
Sub-acute Assessment Service
Residential Transitional Care Program

Community

Aged Care Assessment Service (MEACAS)
Regional Assessment Service
Geriatric Medicine Clinic
Cognitive, Dementia and Memory Service (CDAMS)
Falls Prevention Service
Continence and Urodynamics
Chronic Wound Clinic
Lymphoedema Service
Specialist Outpatient Clinics

ALLIED HEALTH

Audiology
Diversional Therapy
Exercise Physiology
Music Therapy
Neuropsychology
Nutrition and Dietetics
Occupational Therapy
Physiotherapy
Podiatry
Prosthetics and Orthotics
Psychology
Social Work
Speech Pathology
Spiritual Care

COMMUNITY HEALTH

Aboriginal Health:
• Including Elder/Cultural Lead
• Aboriginal Hospital Liaison Officer
Addiction Medicine

Alcohol and Other Drugs Services:

- Catchment Intake and Assessment
- Non-residential Withdrawal Services
- Counselling
- Care and Recovery
- Peer Support
- Needle Syringe Program (SHARPS)
- Youth Outreach
- Supported Accommodation
- Family Therapy
- ResetLife Day Rehabilitation Program
- Drink Drug Drive Behaviour Change Program
- Pharmacotherapy service

Forensic Mental Health in Community Health

Community Care Program:

- Care Coordination
- Post-acute Care
- Residential In-reach Program

Hospital in the Home

Advance Care Planning

Early Intervention in Chronic Disease Services:

- Cancer Rehabilitation Program
- Cardiac Rehabilitation Program
- Heart Failure Rehabilitation
- Pulmonary Rehabilitation
- Diabetes Education

Commonwealth Home Support Program:

- Podiatry
- Dietetics
- Physiotherapy
- Exercise Physiology
- Occupational Therapy
- Speech Pathology
- Nursing
- Aboriginal Access and Support
- Access and Support
- Social Support Groups

Home Care Packages

Dental Services

Mobile Integrated (MI) Health Program (Community Connections Homeless Program)

Supporting Vulnerable Victorians in Residential Services (SAVVI) and Pension Level Project (PLP)

Carer Support Program

NDIS Services:

- Adult Services
- Children's Services
- Support Coordination

Volunteers

Community Health Children's Services:

- Podiatry
- Dietetics
- Physiotherapy
- Occupational Therapy
- Speech Pathology
- Early Education
- School Readiness Program
- Healthy Mothers Healthy Babies
- Aboriginal Healthy Start to Life

Family Violence Services:

- Men's Behaviour Change Program
- Keeping Families Safe, Adolescent Violence Program

The Orange Door Family Violence Intake Service

Health Promotion

Sexual and Reproductive Health Service

Counselling

EMERGENCY MEDICINE

Frankston Hospital Emergency Department

Rosebud Hospital Emergency Department

INTENSIVE CARE MEDICINE

MEDICAL SERVICES

Acute Care of the Elderly

Cardiology:

- Cardiac Angiography
- Cardiac Investigation Unit
- Cardiac US

Endocrinology and Diabetes

Gastroenterology

General and Peri-operative Medicine

Haematology

Hospital in the Home

Infectious Diseases

Antimicrobial Stewardship

Infusion Centre

Medical Oncology

Neurology

Oncology

Renal Medicine

Respiratory and Sleep Medicine

Rheumatology

MENTAL HEALTH SERVICES

Specialist Mental Health Services

Clozapine Program

Families where a Parent has a Mental Illness (FaPMI)

Family Violence Advisor

Forensic Clinical Specialist Program

Neuropsychology

Therapy Service

Wellness Clinics (Dietetics, Exercise Physiology, Music Therapy)

Consultation Liaison Services:

- Mental Health Consultation Liaison General Hospital (MHCL GH)
- Mental Health Consultation Liaison Emergency Department (MHCL ED)
- Integrated Mental Health & AOD service
- Perinatal Mental Health and Wellbeing Service

Mental Health and Alcohol and Other Drugs Crisis Hub

Infant Child and Youth Services

Community

Integrated Youth Assertive Treatment (IYAT)

Access Assessment, Brief Intervention and Consultation (ABC)

Infant Child Youth (ICY)

Residential:

- Youth Prevention and Recovery Care (YPARC)
- Adult and Older Adult Service (26+ years)

Community Programs:

- Adult Community Mental Health - Frankston and Mornington teams
- Hospital Outreach Post-suicidal Engagement (HOPE)
- Intensive Recovery Team (IRT)

Acute Community Services

Crisis Assessment and Treatment Team (CATT)

Early Discharge Management (EDM)

Mental Health Telephone Triage (MHTT)

Police and Ambulance and Clinician

Residential:

- Adult Prevention and Recovery Care (APARC)
- Community Care Unit (CCU)

Inpatient:

- 2 West
- Psychiatric Assessment and Planning Unit (PAPU)

Community

Aged Persons Intensive Community Assessment Treatment Team (APICATT)

Case Management

Residential:

- Carinya

Inpatient:

- 1 West

Frankston Local Adult and Older Adult Mental Health and Wellbeing Service:

- Delivered in partnership with Wellways and Mentis Assist

MEPACS (PERSONAL ALARM CALL SERVICE)

PAEDIATRICS (CHILDREN'S HEALTH)

Child and Adolescent Health

Home and Community Care-based services

Paediatric Hospital in the Home

OPD – general paediatrics and developmental/behavioural clinics – Frankston and Hastings

MDT Diabetes OPD Service

Specialist Outpatient Clinics (including respiratory, neurology, dermatology, cardiology and paediatric gynaecology specialties)

School-based Clinics

Asthma Education

PAIN MEDICINE

Peninsula Health Integrated Pain Services

Persistent Pain Management Service

Pain Medicine Outpatient Clinic

Pain Medicine Inpatient Consult Service

PATHOLOGY

Mortuary Services

Biochemistry

Blood Banking Service

Blood Product Management

Bone Marrow Biopsies

Cytology (including fine needle aspirates)

Frozen Sections

Haematology (including coagulation)

Histopathology

Immunology

Microbiology

Serology

PHARMACY

Medicines Dispensing and Distribution

Medicines Procurement

Aseptic Manufacturing

Clinical Trials Support

Cancer Pharmacy Services

Clinical Pharmacy Services

Medication Protocol Maintenance

Formulary Management

RADIOLOGY AND IMAGING

Angiography

CT

Fluoroscopy

General X-ray

Interventional Radiology

MRI

Mammography

Nuclear Medicine

Ultrasound

DEXA

Dental OPG

REHABILITATION

Inpatient Services

Amputee Rehabilitation

General and Reconditioning Rehabilitation

Stroke and Neuro-rehabilitation

Orthopaedic Rehabilitation

Rehab at Home

Ambulatory Rehabilitation (centre-based and home-based)

@home Rehab/GEM/Palliative Care Program

Community Rehabilitation Program

Amputee Rehabilitation Clinic

@home Orthopaedic Program

General Community Rehabilitation

Movement Disorders Clinic

Neuro-rehabilitation Clinic

Spasticity Clinic

Movement Disorders Program

@home Neurological Program

SUPPORTIVE AND PALLIATIVE CARE

Inpatient Palliative Care Unit
Palliative Care Consult Service
Supportive and Palliative Care Clinic

SURGICAL AND ANAESTHETIC SERVICES

Anaesthesia, Acute Pain Management and Perioperative Medicine
Breast and Endocrine Surgery
Colorectal Surgery
Ear, Nose and Throat Surgery
Gastrointestinal Endoscopy
General Surgery
HepatoPancreatoBiliary and Upper Gastrointestinal Surgery
Maxillo Facial Surgery
Multidisciplinary Cancer Services
Orthopaedic Surgery
Otolaryngology and Head and Neck Surgery
Plastic and Reconstructive Surgery
Skin Integrity (wound care)
Specialist Outpatient Clinics
Stomal Therapy
Urological Surgery
Vascular Surgery

WOMEN'S HEALTH

Acute and Perioperative Gynaecology
Urogynaecology Outpatient Clinic
Outpatient Gynaecology Clinic
Colposcopy Clinic
Sexual health Clinic
Outpatient Hysteroscopy Service
Gynaecological Oncology Services
Early Pregnancy and Perinatal Assessment Service
Specialist Obstetrics and Midwifery Pregnancy Care
Fetal Diagnostic Unit
Complex Pregnancy Clinic
Continuity of Midwifery Care (Midwifery Group Practice)
Maternity and Newborn Care
Special Care Nursery (premature and sick newborn babies)
Maternity Hospital in the Home and Midwifery Home Care
Neonatal Hospital in the Home

For further information about our services, please visit our website: www.peninsulahealth.org.au

Our Governance and Organisational Structure

Manner of Establishment

Peninsula Health is one of 12 metropolitan public health services in Victoria. It was established in 2000 under section 70 of the *Health Services Act 1998*, and was reconstituted on 1 July 2008 to amalgamate the previous Peninsula Health and the former Peninsula Community Health Service.

Peninsula Health reports to Victoria's:

Minister for Health:

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

Minister for Ambulance Services

The Hon. Gabrielle Williams from 1 July 2023 to 2 October 2023

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

Minister for Mental Health

The Hon. Gabrielle Williams from 1 July 2023 to 2 October 2023

The Hon. Ingrid Stitt from 2 October 2023 to 30 June 2024

Minister for Disability, Ageing and Carers

The Hon. Lizzie Blandthorn from 1 July 2023 to 2 October 2023

Minister for Disability and Minister for Children

The Hon. Lizzie Blandthorn from 2 October 2023 to 30 June 2024

Minister for Ageing

The Hon. Ingrid Stitt from 2 October 2023 to 30 June 2024

The functions of a public health service Board are outlined in the Act and include establishing, maintaining and monitoring the performance of systems to ensure the health service meets community needs.



Purpose, Functions, Powers and Duties

The core objective of Peninsula Health 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*.

The health service operates across multiple sites, providing a broad range of services including:

- acute care at Frankston Hospital and Rosebud Hospital
- dedicated surgical care at Frankston Public Surgical Centre
- geriatric evaluation and management, rehabilitation, palliative care and residential services at Mornington, Frankston and Rosebud
- mental health services at Frankston, Hastings and Rosebud
- community health services at Frankston, Rosebud, Mornington and Hastings
- a patient alarm and monitoring service (MePACS).

Peninsula Health employs over 7,500 staff and is supported by 510 volunteers, consumer advisors and auxiliary members.

Governance

Peninsula Health's Board of Directors is appointed by the Governor-in-Council on the recommendation of the Minister for Health. Directors are usually appointed for a term of three years, with members eligible to apply for reappointment. The Minister for Health requires the Board to develop a Strategic Plan and to ensure accountable and efficient provision of health services.

The Board of Directors is responsible for the governance and strategic direction of Peninsula Health and works to ensure the services provided by Peninsula Health comply with the requirements of the *Health Services Act 1988* (Vic) as well as the purpose, vision and goals of Peninsula Health.

During 2023-2024, the Minister for Health and the Chair of Peninsula Health signed a Statement of Priorities of agreed funding, activity and service performance. The Board held 11 meetings in the financial year 1 July 2023 to 30 June 2024. At these meetings, members of the Peninsula Health Executive presented reports on their areas of responsibility as required.

Board of Directors as at 30 June 2024

MR MICHAEL GORTON AM (Board Chair) LLB, B.COMM, FRACS (Hon), FANZCA (Hon)

Appointed: 1 July 2023

Member: Audit and Risk Committee; Community Advisory Committee; Finance, Projects and Resources Committee; and Remuneration and Nominations Committee.

Michael Gorton AM is a senior partner at Russell Kennedy Lawyers and has more than 30 years' experience advising the health and medical sector, assisting boards of health organisations to understand their legal obligations for effective governance structures, governance policies and implementing risk management strategies.

He is the Chair of Peninsula Health, Chair of Wellways Australia and Chair of Holmesglen Institute (TAFE) and Board member of Latrobe Regional Hospital. He is the former Chair of Alfred Health, a past Board member of Ambulance Victoria and is the former Chair of the Australian Health Practitioner Regulation Agency (AHPRA) and former Board member of the Australasian College for Emergency Medicine. He is a former Chair of the Victorian Equal Opportunity and Human Rights Commission.

MS ALLISON SMITH B Acc, GAICD, CA (Australia and Scotland)

Appointed: 26 April 2016 to 30 June 2024

Chair: Finance, Projects Resources Committee

Member: Audit and Risk Committee

With extensive experience in multiple industries, Allison Smith is recognised as a leader in several disciplines but specifically financial analysis and reporting. She has held senior retail, merchandise, marketing, supply chain and finance roles in some of Australia's most influential organisations. Ms Smith specialises in growth and value creation agendas and has delivered significant value to the organisations in which she has operated. She is a member of the Australia & New Zealand Institute of Chartered Accountants and a Graduate of the Australian Institute of Company Directors.

MS KIRSTEN MANDER LL.M, FAICD, FGIA

Appointed: 22 August 2017

Chair: Audit and Risk Committee

Member: Quality, Safety and People Committee

Kirsten Mander is an experienced director, business woman and lawyer. She is currently Chair of the Audit and Risk Committee of Peninsula Health and Chair of Legal Super. Until recently, she was Chair of the International Women's Development Agency and the Victorian Assisted Reproductive Treatment Authority, and has been a director on various other boards, including Swinburne University, RT Health and the Law Institute of Victoria.

Ms Mander also has many years' experience as a senior executive, general counsel and company secretary for several of Australia's top companies including Australian Unity, Sigma Pharmaceuticals and Western Mining. She has worked throughout Australasia, Asia and the former Soviet Union.

She holds a Master of Laws from Melbourne University and is a fellow of the Australian Institute of Company Directors and the Governance Institute of Australia.

MS KAREN CORRY B.Com, FCA, FAICD

Appointed: 22 August 2017

Member: Finance, Projects and Resources Committee; and Audit and Risk Committee

Karen Corry is an experienced board director and business leader. As a partner at KPMG her work focused on business consulting, strategic planning and digital technology. Combining her digital skills with her audit, risk and financial management experience she led a consulting business for over 15 years prior to becoming a non-executive director. She is currently a board member and Chair of government, ASX-listed and not-for-profit organisations. She is a fellow of the Institute of Chartered Accountants and AICD.

MR HAMISH PARK B.Com, BA, ALM, GAICD

Appointed: 1 July 2020

Chair: Quality, Safety and People Committee

Member: Community Advisory Committee; Finance, Projects and Resources Committee

Hamish Park is an executive adviser, facilitator, trainer and board director with extensive public sector experience across all three tiers of government. He specialises in leadership development and working with boards and executives to lift the performance capability of their organisations.

Mr Park is a Director of Melbourne Leadership Group and a Senior Fellow at The University of Melbourne's School of Government. He has worked with some of Australia's foremost private institutions, including management consulting roles with EY, PwC, KPMG, ANZ Bank, National Australia Bank and Telstra. Mr Park also serves on the board of charity Dine For A Cure, which has raised over one million dollars in medical research funding.

MS RITA CINCOTTA BBusA, Masters of Industrial and Employee Relations, GAICD

Appointed: 1 July 2018

Chair: Remuneration and Nominations Committee

Member: Community Advisory Committee; Quality, Safety and People Committee; Audit and Risk Committee

Rita Cincotta is an experienced human resources practitioner, with industry experience in health, technology, financial services and higher education.

She is a director and principal consultant at Human Dimensions, which specialises in employee experience, organisational culture and enhancing team performance. Ms Cincotta is also the Deputy Chair and Chair of the Finance, Audit and Risk Committee at Left Write Hook.

Prior to embarking on a portfolio career, Ms Cincotta was the Vice-President of People and Culture at Swinburne University of Technology, where she was a member of the Swinburne Executive Group, Chair of the Science and Australia Gender Equity (SAGE) Committee and Chair of the Financial Inclusion Action Plan (FIAP) group.

MS SYLVIA HADJANTONIOU EMBA, B.Comm., GAICD

Appointed: 1 July 2019

Member: Finance, Projects and Resources Committee

Sylvia Hadjiantoniou is an experienced board director and executive. Ms Hadjiantoniou is a transformational leader who has worked across the public, private and not-for-profit sectors. In these roles, she has collaborated with multisector partners to deliver large-scale capital projects, develop precincts and manage organisational transformations. She is committed to advancing social justice by providing support services and improving access to affordable housing, community infrastructure, health care and education. Ms Hadjiantoniou holds a Bachelor of Commerce and an EMBA from Monash University. She has also obtained her Victorian Builder's Licence and is a Graduate of the Australian Institute of Company Directors.

PROFESSOR MARK FRYDENBERG MBBS, FRACS, FAICD

Appointed: 1 July 2021

Member: Finance, Projects and Resources Committee; Quality, Safety and People Committee; Remuneration and Nominations Committee

Professor Mark Frydenberg was awarded the Fellowship of the Royal Australasian College of Surgeons in 1990, and then completed a formal clinical urological oncology fellowship at the Mayo Clinic, Minnesota, United States.

Upon returning to Australia, he was appointed as a urologist at Monash Health and the Royal Melbourne Hospital, and in 1997 was promoted to Associate Professor in the Department of Surgery, Faculty of Medicine, Nursing and Health Sciences, Monash University, and also became the Chairman of the Department of Urology, Monash Health, a position he held until 2017. He currently holds professorial positions within the Department of Surgery, Faculty of Anatomy and Developmental Biology, and the School of Public Health and Preventative Medicine, at Monash University.

Professor Frydenberg has been involved in many leadership roles within Australia, and is a past president and current board member of the Urological Society of Australia and New Zealand (USANZ). He is a member of the Council of the Royal Australasian College of Surgeons and is the Chair of the Health Policy and Advocacy Committee. He also holds the position of the Academic Chair of Urology, Cabrini Institute, Cabrini Health.

DR TONY KAMBOURAKIS MBBS MPH FACEM FRACMA FCHSM MAICD

Appointed: 1 July 2023

Member: Audit and Risk Committee; Quality, Safety and People Committee.

Dr Kambourakis is a medical specialist who is dual-qualified in emergency medicine and medical administration.

He is currently Director Medical Services at Alfred Health and was previously Director of Emergency Medicine at Monash Medical Centre.

Experience and areas of interest include clinical governance; patient safety and serious incident management; disaster and emergency clinical response; new clinical procedures and technologies; governance of specialist training programs, and clinician professional development and support. Dr Kambourakis is a past clinical lead of Safer Care Victoria's Emergency Care Clinical Network.

He is actively involved in inter-professional, undergraduate, and postgraduate medical education, and is an adjunct senior lecturer with the Monash University Central Clinical School and a member of the Board of Censors of the Royal Australasian College of Medical Administrators.

Board Committees as at 30 June 2024

Five committees provide specialist advice and support to the Board. The committees also assist the Board and senior management to meet the statutory, regulatory and operational requirements of the Health Service.

Finance, Projects and Resources Committee

The role of the Finance, Projects and Resources Committee is to assist the Board in the oversight and management of Peninsula Health's financial performance and resources. The Committee reviews all financial matters, management information, and internal control systems, and considers and makes recommendations to the Board on major and minor works.

Board members Allison Smith (Chair), Karen Corry, Michael Gorton AM, Sylvia Hadjiantoniou, Professor Mark Frydenberg and Hamish Park

Audit and Risk Committee

The Audit and Risk Committee role is to assist the Board in fulfilling its governance responsibilities under the Standing Directions of the Minister for Finance under the Financial Management Act 1994 (Vic). The Committee liaises with the internal and external auditors, reviews, approves audit programs, and evaluates the adequacy and effectiveness of the overall governance framework operating within Peninsula Health. The Committee receives reports via the compliance-monitoring framework and monitors all risk management activities for Peninsula Health.

Board members Kirsten Mander (Chair), Allison Smith, Karen Corry, Rita Cincotta, Michael Gorton AM and Dr Tony Kambourakis

Quality, Safety and People Committee

The role of the Quality, Safety and People Committee is to assist the Board to monitor and improve the quality and effectiveness of the care provided by Peninsula Health. The Committee is also responsible for the clinical risk management activities, which are integrated with Peninsula Health's quality systems.

Board members Hamish Park (chair), Rita Cincotta, Professor Mark Frydenberg, Dr Tony Kambourakis and Kirsten Mander

Consumer members John Clark-Kennedy, Pauline D'Astoli

Community Advisory Committee

The Community Advisory Committee brings the voices of the community and consumers into the decision-making processes of Peninsula Health to ensure services are responsive to the needs of our diverse community. Members provide information and advice on needs, demands, and service developments from a community perspective. The Committee is supported by 12 Community Advisory Groups.

Board members Rita Cincotta, Michael Gorton AM

Consumer members Sally Bird (Chair), Pauline D'Astoli, Norman Jones, Dinka Jakovac, Ann Urch, Graeme Prowd, Michael Forry, John Clark Kennedy, Shamala Jones, Mieke Breman-Mertens, Naomi Lawless, Jake Miller-Randle and Aunty Helen Bnads

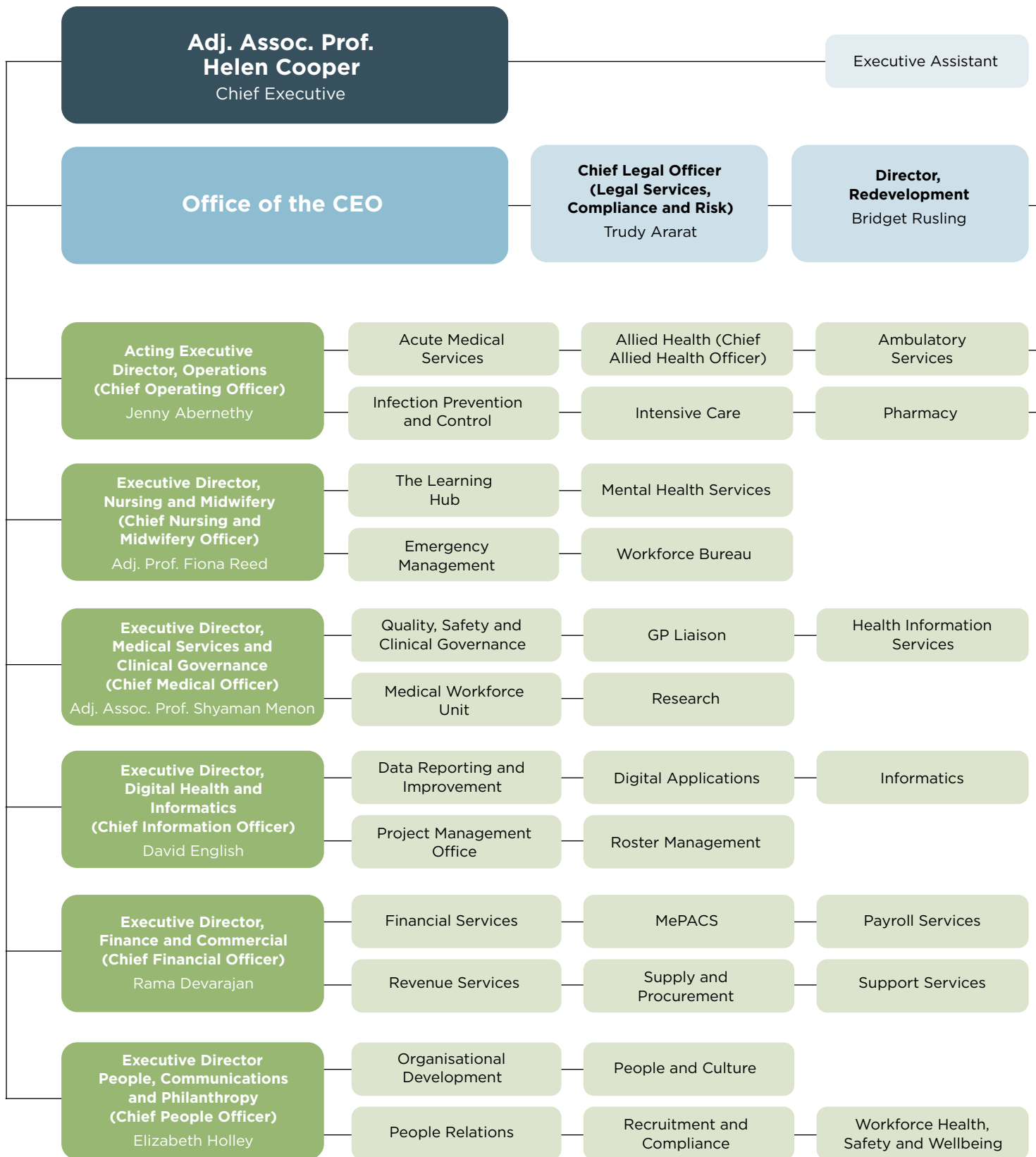
Remuneration and Nominations Committee

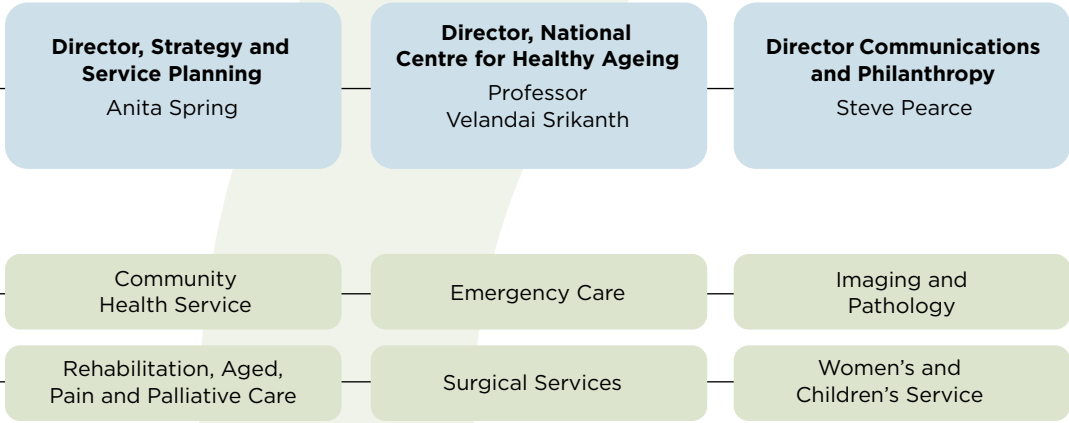
The role of the Remuneration and Nominations Committee is to ensure Peninsula Health's compliance with best practice integration of relevant Enterprise Agreements. The Committee meets biannually to review performance and determine remuneration of executive management.

Board members Rita Cincotta (Chair), Michael Gorton AM, Professor Mark Frydenberg and Hamish Park

The MePACS Advisory Committee ceased operating in December 2023.

Board of Directors as at 30 June 2024





Organisational structure as at 30 June 2024

Pranay Lodhiya left his role as Executive Director, Finance and Commercial on 15 August 2023.

Felicity Topp left her role as Chief Executive on 28 June 2024.

Our Workforce

Peninsula Health employs over 7500 highly skilled and dedicated staff members who work together to provide safe, personal, effective, and connected care to every person, every time.

We are committed to our vision of providing outstanding health and community care and delivering our best with dignity and respect. We continually strive for excellence in everything we do, ensuring we meet the needs of our community members and make a positive impact on their health and wellbeing.



Peninsula Health Employees 2023-2024

HOSPITALS LABOUR CATEGORY	JUNE CURRENT MONTH FTE*		AVERAGE MONTHLY FTE*	
	2023	2024	2023	2024
Nursing	2,120.45	2,205.84	2,073.44	2,175.58
Administration and Clerical	725.76	717.50	712.96	720.13
Medical Support	764.85	914.50	737.72	878.38
Hotel and Allied Services	392.33	380.18	399.75	383.48
Medical Officers	57.70	62.22	62.15	58.31
Hospital Medical Officers	406.61	437.29	392.03	423.71
Sessional Clinicians	141.25	151.90	128.76	145.85
Ancillary Staff (Allied Health)	198.81	195.30	192.08	193.43
Total	4,807.76	5,064.73	4,698.89	4,978.87

* The FTE figures in this table exclude overtime. They do not include contracted staff, i.e. agency nurses or fee-for-service Visiting Medical Officers who are not regarded as employees for this purpose.

Occupational Health and Safety

The health and safety of our workforce is paramount in delivering consistent, high-quality care to our clients. At Peninsula Health, we have intensified our commitment to creating a psychologically and physically safe work environment. We employ a consistent approach to protect the wellbeing of our team, with key performance indicators regularly reported to the Board. These include lost-time injury frequency rates (LTIFR), manual handling, psychological hazards and incidents, bullying and sexual harassment complaints, lost-time injuries, and lost-time WorkCover claim conversion rates.

Image: Michelle Leung, CT Supervisor and Dr Dariush Douraghi, Consultant Diagnostic and Interventional Radiologist at Frankston Hospital.

Our primary focus areas include the prevention of slips, trips, and falls, hazardous manual handling, and psychological injury. We have developed and implemented several programs and safety campaigns:

- **Systems Compliance Program:** This has been revised to meet the requirements outlined in ISO 45001 for OHS systems and ISO 45003 for managing psychosocial risk.
- **Manual Handling Compliance Program:** This has been updated to align with industry best practices and compliance codes. This program includes a new suite of tools leveraging the Peninsula Health dynamic risk assessment tool, ‘You First: Stop, Assess, Plan, Learn.’
- **Manual Handling Improvement:** We have identified seven key focus areas for improvement. We analysed incidents and injuries using the Task, Individual, Load, Environment (TILE) framework and conducted a Training Needs Review. Research was conducted to identify and implement a sustainable training model.
- **Appropriate Workplace Behaviours:** Redeveloped to align with the positive duties on employers to prevent workplace bullying and harassment.
- **Health Safety and Wellbeing Committee Structure:** This has been revised in collaboration with our stakeholders to ensure consistent coverage and escalation of psychosocial and physical safety matters. Local committees now integrate HSRs, wellbeing champions, and managers for a holistic approach to identifying improvement opportunities. Additionally, the oversight committees for safety and wellbeing have been combined to ensure a streamlined escalation process for unresolved matters at the local level.

Peninsula Health remains dedicated to fostering a safe and healthy work environment, and to continually enhance our programs and practices to support our workforce and uphold the highest standards of care.

As reflected in the table below, there was an increase in identified hazards, reflecting enhanced proactive hazard management, which likely contributed to a reduction in ‘lost-time’ claims in 2022-2023 compared to 2022-2023. Due to the successful reduction in the number of claims made relating to minor injuries (reflected in the ‘lost-time’ standard WorkCover claims for the year per 100 FTE below), and the reduction in the number of injuries overall, the resultant impact led to a higher average cost per claim.

Occupational Health and Safety Data

OCCUPATIONAL HEALTH AND SAFETY STATISTICS	2021-22	2022-23	2023-24
The number of reported hazards/incidents for the year per 100 FTE	30	35	40
The number of ‘lost-time’ standard WorkCover claims for the year per 100 FTE	1.19	1.36	1.28
The average cost per WorkCover claim for the year (‘000)	\$101,026	\$116,826	\$123,102

Occupational Violence

Occupational violence and aggression remains a focus for the organisation as an occupational health and safety priority for all. Peninsula Health adopts a multi-faceted approach to address this. The Board monitors statistics and trends relating to occupational violence through the monthly Key Performance Indicator dashboard.

In our commitment to ensuring the safety and welfare of consumers, employees, volunteers, contractors, and the community, we have implemented an integrated care and risk management framework supported by the dedicated Risk identification, Safety, Communication and Environment (RISCE) team. Our RISCE framework includes policies, procedures, education, and clinical support. The RISCE team collaborates with other clinical specialists to create a harm-minimisation approach, developing individualised plans for patients with behaviours of concern, ensuring the safety of both patients and staff. The team also runs cross-functional meetings, works with industry groups, and conducts occupational violence staff forums to ensure best practices in the development and management of our strategies.

During the reporting period, there was a notable enhancement in the reporting culture concerning incidents of occupational violence and aggression (OVA), compared to the preceding reporting period. Specifically, there has been a 41% increase in incidents documented in the Victorian Health Incident Management System (VHIMS), indicating a strengthened reporting culture at Peninsula Health. The impact on staff resulting from these incidents has decreased, with percentage of OVA incidents resulting in staff injury, illness or condition decreasing by 3.6%.

Occupational Violence Statistics

OCCUPATIONAL VIOLENCE STATISTICS	2023-24
WorkCover accepted claims with an occupational violence cause per 100 FTE	0.08
Number of accepted WorkCover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	1.01
Number of occupational violence incidents reported	1,149
Number of occupational violence incidents reported per 100 FTE	11.86
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	26.9%

Definitions

For the purposes of the occupational violence statistics, the following definitions apply:

- **Occupational violence:** any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of their employment.
- **Incident:** an event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included. Code Grey reporting is not included, however, if an incident occurs during the course of a planned or unplanned Code Grey, the incident must be included.
- **Accepted WorkCover claims:** accepted WorkCover claims that were lodged in 2023–2024.
- **Lost time:** greater than one day.
- **Injury, illness or condition:** this includes all reported harm as a result of the incident, regardless of whether the employee required time off work or submitted a claim.

Equal Opportunity and Code of Conduct

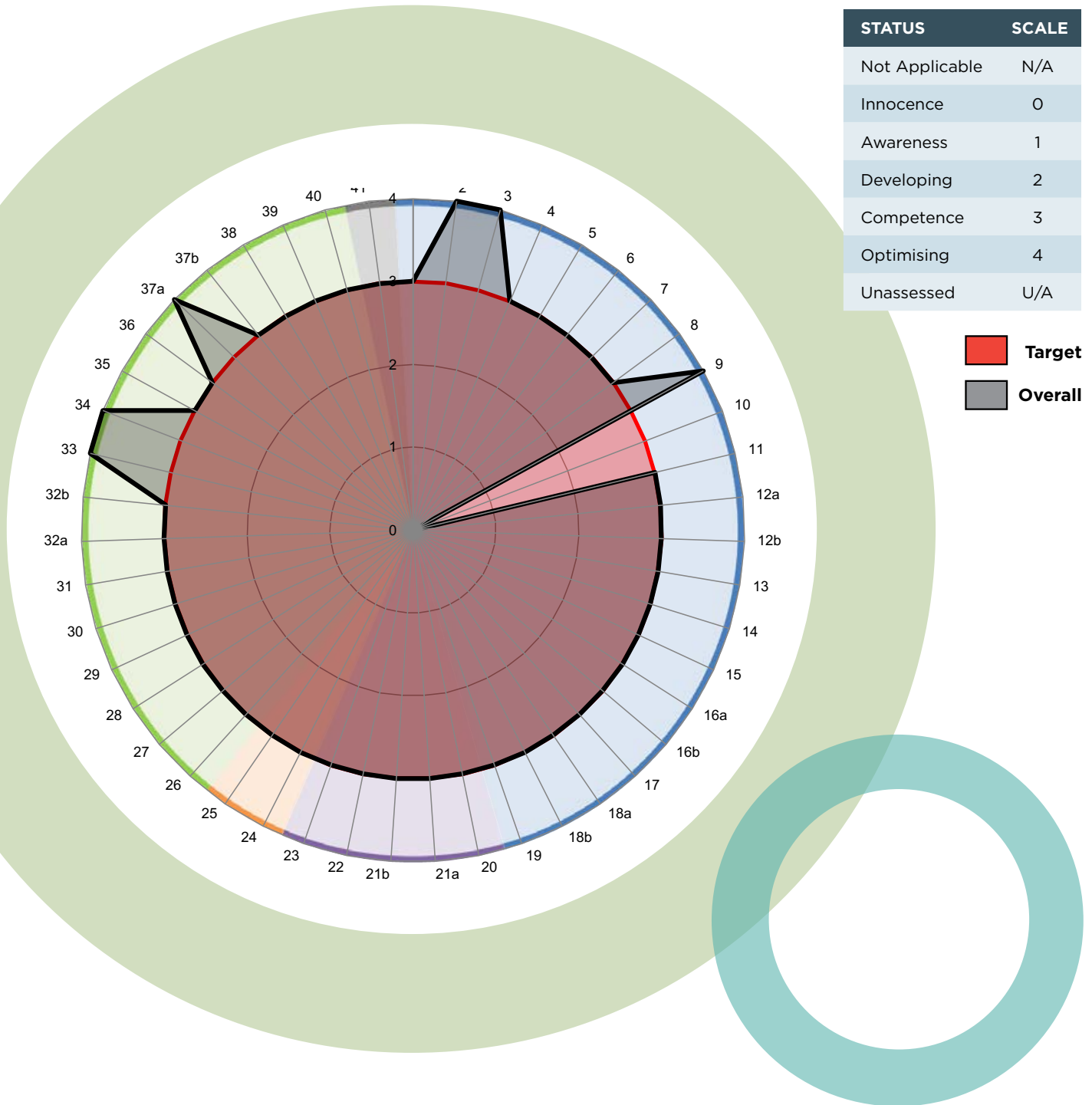
Peninsula Health embraces equal employment opportunity principles in relation to recruitment and employment. We have recently revised our Code of Conduct to ensure compliance with updated legislation around equal opportunity, child safe standards and sexual harassment in the workplace. To support our revised Code of Conduct, we have provided guidance and training to our 130 people leaders across the organisation and updated mandatory training for all staff.

Asset Management Accountability Framework

The Asset Management Accountability Framework is reported every three years as a legislative requirement.

The Peninsula Health Asset Management Accountability Framework (AMAF) purpose is to ensure compliance with the 2018 Standing Directions of the Assistant Treasurer section 4.2.3 regarding asset planning, acquisition, disposal and operations. Peninsula Health maintains adherence to the AMAF and continually seeks to enhance asset management compliance across the organisation. Peninsula Health remains materially compliant through its asset management strategies, capital governance frameworks, enabling improved performance standards and processes.

A summary of Peninsula Health’s performance against each of the pillars is described below.



General Information

Building Act 1993 (Vic)

The Minister for Finance has issued instructions in accordance with the *Building Act 1993 (Vic)*. All public entities are required to ensure that all buildings under their control are safe and fit for occupation, comply with statutory requirements, are maintained to a standard in which they remain safe and fit for occupancy, and to report annually on measures taken to ensure compliance with the *Building Act 1993*.

It is Peninsula Health's practice to obtain building permits for new projects and, where required, Certificates of Occupancy or Certificates of Final Inspection when these projects are completed. Registered building practitioners have been involved with all new building works projects. The Project Manager, Support Services, supervised these. In order to maintain buildings in a safe and serviceable condition, routine inspections were undertaken. Where required, Peninsula Health proceeded to implement the highest priority recommendations arising out of these inspections through planned rectification and maintenance works.

Carers Recognition Act 2012 (Vic)

Peninsula Health has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012 (Vic)*. These include:

- promoting the principles of the Act to people in care relationships who receive our services and to the wider community by providing links to state government resource materials on our website
- ensuring our staff have an awareness and understanding of the care relationship principles through offering induction and training programs based on care principles
- considering the care relationships principles set out in the Act when setting policies and providing services, including employment policies such as flexible working arrangements, staff leave policies and patient and carer-led escalation guidelines
- implementing priority actions in recognising and supporting Victoria's carers: Victorian carer strategy 2018–2022, including creation of the Carer Support Fund for MH carers experiencing financial hardship, and formation of the carer support groups in Community Health.

National Competition Policy

Peninsula Health takes all practicable measures to ensure compliance with the National Competition Policy and Competitive Neutrality Policy Victoria. Measures include:

- Requirement for staff to declare conflicts of interest
- ensuring compliance with HealthShare Victoria's probity policies
- embedding probity principles embedded in procurement.

Public Interest Disclosures Act 2012 (Vic)

Peninsula Health has policies and procedures for receiving complaints and notifications of public sector improper conduct and corrupt conduct, which comply with the *Public Interest Disclosures Act 2012 (Vic)*.

The Peninsula Health Protected Disclosure Officer is responsible for managing the health and wellbeing of any person who makes a protected disclosure, including protection from detrimental action. Peninsula Health's protected disclosure policy informs employees of their right to report suspected improper and/or corrupt conduct directly to the Independent Broad-based Anti-corruption Commission.

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

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

Contracts

Local Jobs First Act 2003 (Vic)

During 2023–2024, Peninsula Health did not enter into any contracts under the *Local Jobs First Act 2003 (Vic)* or Local Industry Development plans.

Gender Equality Act 2020 (Vic)

Peninsula Health submitted its gender equity progress report to the Commission for Gender Equality in the Public Sector on 20 February 2024 (for the period 1 July 2021 to 30 June 2023). All results will be published on the Commission's website and key data in the report was shared with staff on International Women's Day on 8 March 2024. The report highlighted the progress Peninsula Health has made in progressing its inaugural Gender Equity Action Plan and the opportunities and challenges associated with conducting Gender Impact Assessments and with diversifying workforces that have traditionally been dominated by a single gender.

Notable progress and reporting on the Gender Equality Action Plan (GEAP) include:

- In both the 2021 and the 2023 audits, the gender composition split within the Governing Body remained the same with 78% women and 22% men.
- Sexual harassment mandatory training has continued to exceed the organisational target of 90% since the introduction of the GEAP.
- The percentage split of those accessing career development over the 2021 and 2023 reporting periods remained similar with 87.9% women and 12.1% men accessing career development in 2021, and 88.3% women and 11.6% men accessing career development in 2023.
- There has been an overall increase in women accessing higher duties. Of those who accessed higher duties, 67% were women and 33% were men in 2021, while in 2023, 80% were women and 20% men.

Car Parking Fees

Peninsula Health complies with the relevant hospital circular on car parking fees and details of car parking fees and concession benefits can be viewed on our website www.peninsulahealth.org.au/patientvisitor-information/parking-information.

Freedom of Information Annual Report 2023–2024

FREEDOM OF INFORMATION ACT 1982 (VIC), PART II STATEMENT

In accordance with Part II of the *Freedom of Information Act 1982 (Vic)* (**FOI Act**), Peninsula Health is required to publish certain statements in respect of its functions and processes.

Statement 1: Organisation and functions

Peninsula Health is a public health service established under section 65P of the *Health Services Act 1988 (Vic)*. The powers and duties of Peninsula Health are prescribed by the *Health Services Act 1988 (Vic)*. For information about the structure and functions of Peninsula Health, please visit the Peninsula Health website at <https://www.peninsulahealth.org.au/> and refer to the following links:

- **About us**
- **Organisational structure**
- **Our hospitals and locations**
- **Board structure**
- **Services and clinics**

Statement 2: Categories of documents held by Peninsula Health

Peninsula Health has a wide range of documents that are used by staff in the daily operations of the organisation and that assist with the administration of laws or schemes affecting the public. These include the following types of documents:

- **Policies and guidelines**
- **Financial records**
- **Commercial documents**
- **Employee records**
- **Medical records**
- **Reports**

Statement 3: Publications

The Peninsula Health website contains a wide range of publications available to the public. Please refer to the Publications page on Peninsula Health's website to access these documents.

Information relating to the application of the FOI Act at Peninsula Health is published in Peninsula Health's Annual Report. Please refer to the Publications page on Peninsula Health's website to access these documents. Further information about Peninsula Health's FOI activities is published in the Office of the Victorian Information Commissioner's (OVIC) Annual Report. This report can be accessed at Annual reports - Office of the Victorian Information Commissioner (ovic.vic.gov.au).

Statement 4: Subscriptions and mailing lists

Peninsula Health offers the community free access to our newsletter. To subscribe, please visit the Publications page on Peninsula Health's website to subscribe to our newsletter.

Members of the public who would like to donate to Peninsula Health or subscribe to the donor mailing list will find additional information about supporting Peninsula Health on our website under the Peninsula Health Donations page.

Statement 5: Freedom of Information arrangements

The Privacy and Information Release Unit (PIRU) is responsible for processing Freedom of Information requests at Peninsula Health. Contact details for this unit are listed under the '*All other information and privacy requests, including Freedom of Information requests*' within the Information Release section of Peninsula Health's website (<https://www.peninsulahealth.org.au/services/information-release/>).

Peninsula Health's FOI Officers can be contacted via email on PIRU@phcn.vic.gov.au or by calling (03) 9784 7748. All requests for access to documents under the provisions of the FOI Act must be made in writing, including sufficient information about that document to enable it to be identified and be accompanied by the prescribed, non-refundable application fee. As of 1 July 2023, the FOI application fee is \$31.80 for all FOI requests. People suffering financial hardship may apply to have the application fee reduced or waived.

For additional information regarding accessing your medical records, please see the *'How do I Access my Peninsula Health Medical Record?'* under the My Health Information - Frequently Asked Questions (FAQ) within the Information Release section of Peninsula Health's website.

The Department of Treasury and Finance index fee units each year. The fee units and charges applied by Peninsula Health under the FOI Act and associated regulations are set in line with these requirements. Further information about the current FOI costs charged by Peninsula Health are detailed on the application form.

Summary of the application and operation of the FOI Act

During the 1 July 2023 to 30 June 2024 reporting period, PIRU received 15,466 requests for information, 1,069 of which were processed under FOI (1,003 valid, 190 invalid), as follows:

NUMBER	OUTCOME
880	Access granted in full
11	Access granted in part
3	Access denied in full
11	Withdrawn
21	Not proceeded with
42	No documents exist
35	Not finalised as of 30 June 2024
866	Personal requests for information

As required by the FOI Act and Professional Standards, we are required to process requests for information informally, at the lowest reasonable cost and outside the FOI Act wherever possible and as permitted by law. As identified above, we processed 1,003 of the 15,466 requests under the FOI Act. 93.5% of all requests were processed outside the FOI Act at no charge to the requestor.

Of the 1,003 valid FOI applications, 866 were personal, meaning that these were made by the individual (or their legal representative) for personal information about themselves. The requestors making non-personal requests vary, but are predominantly insurers, agents acting for insurers or lawyers acting for insurers.

Consultancies Information

DETAILS OF CONSULTANCIES (UNDER \$10,000)

In 2023–2024, there were nine consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2023–2024 in relation to these consultancies is \$44,431 (excl. GST).

DETAILS OF CONSULTANCIES (VALUED AT \$10,000 OR GREATER)

In 2023–2024, there were five consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2023–2024 in relation to these consultancies is \$135,589 (excl. GST).

CONSULTANCIES OF \$10,000 OR GREATER

CONSULTANT	PURPOSE OF CONSULTANCY	START DATE	END DATE	TOTAL APPROVED PROJECT FEE (EXCL. GST)	EXPENDITURE 2023–2024 (EXCL. GST)	FUTURE EXPENDITURE (EXCL. GST)
Health Issues Centre	Consultancy services to establish Integrated Alcohol and Other Drugs Services Clinic	17 November 2023	8 March 2024	\$59,589	\$59,589	NIL
Sonus Consulting	Reconciliation Action Plan Consultancy Services	6 December 2023	21 May 2024	\$35,000	\$35,000	NIL
Rachael Young	Mental Health and Wellbeing Service Governance Review	10 May 2024	24 May 2024	\$16,000	\$16,000	NIL
EB and Co Consulting	Workplace culture advisory services	18 April 2024	18 April 2024	\$12,500	\$12,500	NIL
UT Consulting Trust	Technology Consulting Services for Frankston Hospital IT Network	25 March 2024	21 May 2024	\$12,500	\$12,500	NIL
TOTAL				\$135,589	\$135,589	

Information and Communication Technology (ICT) Expenditure

The total ICT expenditure incurred during 2023–2024 was \$29,560,500 (excluding GST), with the details shown below.

ICT EXPENDITURE

BUSINESS AS USUAL (BAU) ICT EXPENDITURE	NON BUSINESS AS USUAL (NON BAU) ICT EXPENDITURE		
(Total) (excluding GST)	(Total= Operational expenditure and Capital expenditure) (excluding GST)	Operational expenditure (excluding GST)	Capital expenditure (excluding GST)
\$25,685,098	\$3,875,402	\$468,902	\$3,406,500

Environmental Performance

Peninsula Health is committed to reducing its environmental impact while continuing to delivering high-quality healthcare. A summary of the Environmental Management Plan is available on our website.

Solar Installations

Peninsula Health installed two new solar panel systems at its dedicated geriatric and rehabilitation facilities, The Mornington Centre and Golf Links Road Rehabilitation Centre, to cut energy use and reduce carbon emissions. Funded by the Victorian Health Building Authority, the new 99.75 kilowatt systems will allow Peninsula Health to generate 230,000 kilowatt hours of energy annually, and will save 206 tonnes of carbon emissions each year. Officially switched on in March 2024, the new solar systems have begun transforming sunlight into useable electrical energy and are now powering each facility. The solar panel system is just one practical step Peninsula Health has taken to improve its environmental sustainability this year, with the health service also utilising energy efficient lights, set to save additional carbon emissions per year.

Peninsula Health NABERS Results

The National Australian Built Environment Rating System (NABERS) for energy and water at public hospitals, rates the efficiency and environmental impact of the entire hospital campuses. The ratings are based on actual operational data over a 12-month period. Unlike other NABERS ratings, NABERS for public hospitals operates through a direct relationship with state health departments in partnership with the Australasian Health Infrastructure Alliance (AHIA), rather than via third-party assessors. Ratings are conducted by trained assessors within health departments, which are then certified and audited by NABERS.

The Peninsula Health NABERS ratings for 2024 are:

SITE	ADDRESS	ENERGY STAR RATINGS (WITHOUT GREENPOWER)	WATER STAR RATINGS
Frankston Hospital	2 Hastings Road, Frankston 3199	5	5
Golf Links Road Rehabilitation Centre	125 Golf Links Road, Frankston 3199	4	5.5
The Mornington Centre	24 Separation Street, Mornington 3931	4	6
Rosebud Hospital	1527 Point Nepean Road, Rosebud 3199	6	5.5

Ratings for all hospitals can also be found at SPI 2024: Public Hospitals | NABERS (<https://www.nabers.gov.au/data-gallery/spi-2024-public-hospitals>)

Waste, Recycling, Education and Training

Over the last 12 months recycling rates have reduced. The data for the 2022 and 2023 financial years reflects the high recycling rates that occurred during the COVID pandemic due to the increased procurement of essential consumables; recycling on average was 43% higher. Peninsula Health has appointed an independent waste auditor to help us improve waste segregation. Work will commence in the second half of 2024.

Environmental Waste Initiatives

An interactive online training course was developed to educate staff about EPA waste regulations; improve waste segregation and recycling; reduce contamination of waste streams; ensure correct storage of waste prior to disposal; understand the disposal method for each waste stream and identify their responsibilities in relation to waste generation at Peninsula Health.

Peninsula Health's Coffee Cup program was introduced at Frankston Hospital in July 2023. This new waste stream has seen over 22,000 coffee cups diverted from landfill and recycled since the program commenced. Peninsula Health has partnered with Pharmacycle to stop blister packs ending up in landfill. This formal recycling program has been implemented at Frankston Hospital after the success of Rosebud Hospital's blister pack recycling. Pharmacycle manages the collection of blister packs while ensuring all blister packs are recycled in Australia. It also distributes recovered material to local manufacturers for use. Since collections began in May 2024 Peninsula Health has recycled 147 kilograms of blister packs.

Environmental Report

ELECTRICITY USE	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
EL1 Total electricity consumption segmented by source [MWh]			
Purchased	20,120.19	19,652.56	18,027.41
Self-generated	42.45	30.42	32.64
EL1 Total electricity consumption [MWh]	20,162.64	19,682.98	18,060.05
EL2 On-site electricity generated [MWh] segmented by			
Consumption behind-the-meter			
Solar electricity	42.45	30.42	32.64
Total consumption behind-the-meter [MWh]	42.45	30.42	32.64
EL2 Total On-site electricity generated [MWh]	42.45	30.42	32.64
EL3 On-site installed generation capacity [kW converted to MW] segmented by			
Diesel generator	14.56	14.56	8.01
Solar system	0.19	0.03	0.03
EL3 Total on-site installed generation capacity [MW]	14.75	14.59	8.03
EL4 Total electricity offsets segmented by offset type [MWh]			
RPP (Renewable Power Percentage in the grid)	14.56	8.01	8.01
EL4 Total electricity offsets [MWh]	3,782.60	3,694.68	3,351.30

STATIONARY ENERGY	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
F1 Total fuels used in buildings and machinery segmented by fuel type [MJ]			
Natural gas	69,681,228.40	77,595,886.40	57,957,075.30
Diesel	128,538.00	212,323.00	128,924.00
F1 Total fuels used in buildings [MJ]	69,809,766.40	77,808,209.40	58,085,999.30
F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type [Tonnes CO2-e]			
Natural gas	3,590.67	3,998.52	2,986.53
Diesel	9.02	14.90	9.05
F2 Greenhouse gas emissions from stationary fuel consumption [Tonnes CO2-e]	3,599.70	4,013.42	2,995.58
TRANSPORTATION ENERGY	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
T1 Total energy used in transportation (vehicle fleet) within the Entity, segmented by fuel type [MJ]			
Non-executive fleet - Gasoline	3,750,813.10	3,577,891.10	3,017,295.10
Petrol	3,750,813.10	3,577,891.10	3,017,295.10
Non-executive fleet - E10	19,938.20	12,900.20	16,073.10
Petrol (E10)	19,938.20	12,900.20	16,073.10
Non-executive fleet - Diesel	1,303,317.40	1,281,925.30	1,484,463.30
Diesel	1,303,317.40	1,281,925.30	1,484,463.30
Total energy used in transportation (vehicle fleet) [MJ]	5,074,068.70	4,872,716.60	4,517,831.50
T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type [tonnes CO2-e]			
Non-executive fleet - Gasoline	253.63	241.94	204.03
Petrol	253.63	241.94	204.03
Non-executive fleet - E10	1.21	0.79	0.98
Petrol (E10)	1.21	0.79	0.98
Non-executive fleet - Diesel	91.77	90.26	104.52
Diesel	91.77	90.26	104.52
Total greenhouse gas emissions from transportation (vehicle fleet) [tonnes CO2-e]	346.61	332.98	309.53
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	967,869.00		

TOTAL ENERGY USE	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]			
Total energy usage from stationary fuels (F1) [MJ]	69,809,766.40	77,808,209.40	58,085,999.30
Total energy usage from transport (T1) [MJ]	5,074,068.70	4,872,716.60	4,517,831.50
Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]	74,883,835.10	82,680,926.00	62,603,830.80
E2 Total energy usage from electricity [MJ]			
Total energy usage from electricity [MJ]	72,585,511.11	70,858,738.19	65,016,173.35
E3 Total energy usage segmented by renewable and non-renewable sources [MJ]			
Renewable	13,772,165.71	13,411,660.94	12,183,775.37
Non-renewable (E1 + E2 - E3 Renewable)	133,850,007.79	140,237,520.75	115,553,734.48
E4 Units of Stationary Energy used normalised			
Energy per unit of Aged Care OBD [MJ/Aged Care OBD]	N/A*	28,889.81	21,075.53
Energy per unit of LOS [MJ/LOS]	487.86	518.55	484.83
Energy per unit of bed-day (LOS+Aged Care OBD) [MJ/OBD]	487.86	509.41	473.93
Energy per unit of Separations [MJ/Separations]	1,425.41	1,593.57	1,441.97
Energy per unit of floor space [MJ/m2]	1,546.48	1,614.59	1,336.95
WATER USE			
W1 Total units of metered water consumed by water source (kL)			
Potable water [kL]	112,792.90	97,971.43	85,355.73
Reused water [kL]	8,542.05	10,436.73	9,381.67
Total units of water consumed [kL]	121,335.34	108,408.16	95,187.40
W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity			
Water per unit of Aged Care OBD [kL/Aged Care OBD]	N/A*	21.07	16.30
Water per unit of LOS [kL/LOS]	0.42	0.38	0.37
Water per unit of bed-day (LOS+Aged Care OBD) [kL/OBD]	0.42	0.37	0.37
Water per unit of Separations [kL/Separations]	1.21	1.16	1.11
Water per unit of floor space [kL/m2]	1.32	1.18	1.03

WASTE AND RECYCLING	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
WR1 Total units of waste disposed of by waste stream and disposal method [kg]			
Landfill (total)			
General waste - bins	121.44	378,793.44	384,180.96
General waste - compactors	1,036,880	524,070	407,590
General waste - skips	16,834.50	96,380	14,592
Offsite treatment			
Clinical waste - incinerated	7,043.03	10,210.69	10,628.67
Clinical waste - sharps	15,814.55	19,171.18	21,309.46
Clinical waste - treated	90,983.62	62,771.69	106,077.04
Recycling/recovery (disposal)			
Batteries	178	173	655
Blister packs	146.60		
Cardboard	139,480.88	211,034.23	193,672.62
Commingled	57,445.04	159,951.92	162,149.80
E-waste	8,311	9,241	1,101.36
Fluorescent tubes	297	237	227
Organics (food)	19,620	34,019	48,987.50
Other recycling	849.42		
Paper (confidential)	101,217.77	132,838.21	74,244.08
Paper (recycling)	N/A**	7,923.46	39,661.10
PVC	496	76	64
Sterilisation wraps	330	167	1,447
Toner and print cartridges	85.56	380	60
Total units of waste disposed [kg]	1,496,134.41	1,647,437.83	1,466,645.59
WR1 Total units of waste disposed of by waste stream and disposal method [%]			
Landfill (total)			
General waste	70.44%	60.65%	54.98%
Offsite treatment			
Clinical waste - incinerated	0.47%	0.62%	0.72%
Clinical waste - sharps	1.06%	1.16%	1.45%
Clinical waste - treated	6.08%	3.81%	7.23%
Recycling/recovery (disposal)			
Batteries	0.01%	0.01%	0.04%
Cardboard	9.32%	12.81%	13.21%
Commingled	3.84%	9.71%	11.06%
E-waste	0.56%	0.56%	0.08%
Fluorescent tubes	0.02%	0.01%	0.02%
Organics (food)	1.31%	2.06%	3.34%
Other recycling	0.06%		
Paper (confidential)	6.77%	8.06%	5.06%
Paper (recycling)	0%	0.48%	2.7%
PVC	0.03%	0%	0%
Sterilisation wraps	0.02%	0.01%	0.1%
Toner and print cartridges	0.01%	0.02%	0%

WASTE AND RECYCLING	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
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	2.15	2.07	1.81
Total waste to offsite treatment per patient treated (kg offsite treatment)/PPT	0.23	0.19	0.31
Total waste recycled and reused per patient treated (kg recycled and reused)/PPT	0.67	1.15	1.17
WR4 Recycling rate [%]			
Weight of recyclable and organic materials [kg]	328,457.27	556,040.82	522,267.46
Weight of total waste [kg]	1,496,134.41	1,647,437.83	1,466,645.59
Recycling rate [%]	21.95%	33.75%	35.61%
WR5 Greenhouse gas emissions associated with waste disposal [tonnes CO2e]			
tonnes CO2e	1,515.02	1,414.52	1,223.22

GREENHOUSE GAS EMISSIONS	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
G1 Total scope one (direct) greenhouse gas emissions [tonnes CO2e]			
Carbon Dioxide	3,935.72	4,334.81	3,296.11
Methane	7.07	7.87	5.88
Nitrous Oxide	3.52	3.73	3.11
Total	3,946.31	4,346.40	3,305.11
GHG emissions from stationary fuel (F2) [tonnes CO2e]	3,599.70	4,013.42	2,995.58
GHG emissions from vehicle fleet (T3) [tonnes CO2e]	346.61	332.98	309.53
Medical/refrigerant gases			
Nitrous oxide	917.10	420.14	1.27
Refrigerant - R134A	3,036.80	698.46	
Refrigerant - R22	1,447.42	132.18	
Refrigerant - R401A (MP39)	35.46	8.16	
Refrigerant - R402A (HP80)	27.88	6.41	
Refrigerant - R404A	74.92	16.32	
Refrigerant - R407A		43.81	
Refrigerant - R407C	160.39		
Refrigerant - R410A	1,202.65	109.28	
Total scope one (direct) greenhouse gas emissions [tonnes CO2e]	10,848.93	5,781.17	3,306.38
G2 Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]			
Electricity	13,233.45	13,500.37	13,164.47
Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO2e]	13,233.45	13,500.37	13,164.47

GREENHOUSE GAS EMISSIONS	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
G3 Total scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (tonnes CO2e)			
Commercial air travel	191.81		
Waste emissions	1,515.02	1,414.52	1,223.22
Indirect emissions from Stationary Energy	1,914.71	2,053.47	1,670.55
Indirect emissions from Transport Energy	279.18	83.78	16.29
Any other Scope 3 emissions	189.28	165.95	160.33
Total scope three greenhouse gas emissions [tonnes CO2e]	4,099.99	3,717.72	3,070.39
G(Opt) Net greenhouse gas emissions (tonnes CO2e)			
Gross greenhouse gas emissions (G1 + G2 + G3) [tonnes CO2e]	28,172.37	22,999.25	19,541.24
Net greenhouse gas emissions [tonnes CO2e]	28,172.37	22,999.25	19,541.24

NORMALISATION FACTORS	Jul-23 to Jun-24	Jul-22 to Jun-23	Jul-21 to Jun-22
Aged care OBD	N/A*	5,146.00	5,841.00
ED departures	98,492.00	98,168.00	99,517.00
FTE	4,706.00	4,573.00	4,223.00
LOS	291,878.00	286,698.00	253,909.00
OBD	291,878.00	291,844.00	259,750.00
PPT	490,268.00	483,304.00	444,638.00
Separations	99,898.00	93,292.00	85,371.00
TotalAreaM2	92,077.00	92,077.00	92,077.00

* OBD data unavailable at time of print

** Paper (recycling) data now included in cardboard (recycling) from 2023-2024

Social Procurement Framework

Peninsula Health engaged four Aboriginal social enterprises, with a total expenditure of \$15,575 and partnered with two Aboriginal businesses, recording a total expenditure of \$42,530. The intention is to progressively increase the commitment to the Social Procurement Framework objectives, driving both social and economic impact by supporting local enterprises and Aboriginal businesses. During FY26, Peninsula Health aims to streamline this reporting process and further enhance its procurement strategies to increase engagement with these key sectors.

2023-24 SOCIAL PROCUREMENT FRAMEWORK REPORTING

SPF Objective	Outcome	Metric	Unit of Measure	2023-24 Actual
Sustainable Victorian social enterprises and Aboriginal business sectors	Purchasing from Victorian social enterprises and Aboriginal businesses	Number of Victorian social enterprises engaged	4	
		Number of Victorian Aboriginal businesses engaged	2	
		Total expenditure with Victorian social enterprises (excl. GST)	12 invoices	\$15,575.00
		Total expenditure with Victorian Aboriginal businesses (excl. GST)	9 invoices	\$42,530.00

Additional Information Available on Request

Details in respect of the items listed below have been retained by the health service and are available to the relevant Ministers, Members of Parliament and the public on request (subject to 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 health service;
- details of any major external reviews carried out on the health service;
- details of major research and development activities undertaken by the health service
- 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 health service to develop community awareness of the health service 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 health service and details of time lost through industrial accidents and disputes;
- a list of major committees sponsored by the health service, the purposes of each committee and the extent to which the purposes have been achieved; and
- details of all consultancies and contractors including:
 - i. consultants/contractors engaged;
 - ii. services provided; and
 - iii. expenditure committed for each engagement.



Image: Operations Director, ICU and Emergency, Trish O'Neill, with representatives from the Lions Club of Dromana

Thank You to Our Supporters

During the 12-month period to 30 June 2024, Peninsula Health was supported by many local people, community groups, estates, trusts, foundations and businesses.

Due to their generosity in donations, we were able to support a number of key areas across the health service including:

- Maternity Services
- Emergency Services
- Intensive Care Unit
- Mental Health
- The Learning Hub
- The Mornington Centre
- Oncology Services
- Palliative Care
- Paediatrics
- Cardiology
- Rosebud Hospital
- Special Care Nursery
- Research

Peninsula Health is very appreciative of the generous financial support received from individuals, businesses, trusts, foundations, community groups and other organisations. We are delighted to acknowledge these significant contributions below:

- Joyce Beckwith
- Peter & Dianne Beretta
- Pat Boag
- Mervyn & Janet Bullas
- Normie Bydder
- E.L. Chapman
- Sally Cleary
- Don Clifton
- Bill & Jean Connell
- Geoffrey Delahoy
- Beverley Easton
- Trevor Edwards
- Robert & Jan Flew
- Susan Grant
- Stephanie Johnston
- Norman Kaye
- Vijay Kooblal
- Alan McKenna
- Noel McKinnon
- Brian & Val Moss
- Graham Mouser
- Veronica Mulquiney
- Paul & Sue Neylan
- Enrico Petrosino
- Robyn Richards
- Clay Schell
- Greg Shalit & Dr Miriam Faine
- Andrew & Adele Tidd
- John Wiegandt
- Byron Woods
- Estate of Dorothy Ellen Glanvill
- Estate of Evelyn Ivy Hill
- Estate of Ingrid Van Der Voorm
- Estate of John Mathews
- Estate of Narelle Phyllis Turner
- Estate of Patricia Mary Duffy
- Estate of Paul Douglas Daniel
- Angior Family Foundation
- Australian Croatian Social Club
- Australian Executor Trustees - Angior Family Foundation
- Bagôt Gjergja Foundation
- Carrington Park Golf Club at Eagle Ridge
- Blue Label Pty Ltd
- Bluescope Steel
- Dr Owen Williams Mental Health Research Grant
- Dromana T.O.W.N. Club
- Frankston Chemotherapy Day Unit
- Frankston Hospital Pink Ladies Auxiliary
- Lions Club Dromana
- Lions Club Mornington Inc.
- McClelland Secondary College
- Menzies Caring for Kids
- Moglonemby Trading Co-Budget Vic
- Munchalots 2
- Nans Baby Bundles
- Peninsula Boys Car Enthusiasts
- Peninsula Timber & Hardware Pty Ltd
- Quest Apartment Hotels Frankston
- Rosebud Country Club Ladies Division
- Rosebud Hospital
- Rosebud Hospital Kiosk Auxiliary
- Rosebud Italian Club
- Rotary Club of Frankston North
- Rotary Club of Frankston Peninsula 2.0
- Rotary Club of Frankston Sunrise
- Rotary Somerville Tyabb
- RSL Rosebud Women's Auxiliary
- Senior Citizens Club Flinders Italian & Ethnic
- Senior Citizens Club Tootgarook
- Sorrento Golf Club



Other Reporting Requirements

Mental Health and Wellbeing Act 2022 (Vic)

Victoria's *Mental Health and Wellbeing Act 2022 (Vic)* (the Act) which commenced on 1 September 2023, requires all mental health and wellbeing service providers that are required to produce an annual report, to address one or more mental health and wellbeing principles in their annual report.

- **Mental health and wellbeing services are provided with the least possible restriction of a person's rights, dignity and autonomy with the aim of promoting their recovery and full participation in community life**
- **The rights, dignity and autonomy of people living with mental illness or psychological distress are to be promoted and protected**

Peninsula Health is a leader in the reduction of restrictive interventions in Australia. The Mental Health and Wellbeing Service team has continued its sector-leading work in this area, and has eliminated the use of seclusion, while maintaining low rates of physical restraints and maintaining staff safety. Peninsula Health is currently engaged in multiple research projects to further evaluate the nature of systems change and culture underlying this success, while supporting the development of further improvements. The Mental Health and Wellbeing Service regularly hosts learning visits from other services across Victoria and the rest of Australia, to provide teaching in how to implement these successes elsewhere.

Key Financial and Service Performance Reporting

Strategic Priorities

In 2023–2024, Peninsula Health contributed to the achievement of the Victorian Government’s commitments within ‘Health 2040: Advancing Health, Access and Care’, in the below strategic priorities, as agreed with the Minister for Health.

Excellence in Clinical Governance

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

MA9 Implement and scale same day surgery models of care in line with Safer Care Victoria’s Expanding Day Surgery recommendations

OUTCOME: IN PROGRESS

The Default Day Surgery project was launched in 2023, focussing on maximising same-day surgery for procedures deemed suitable. The default day surgery maximisation project has specifically concentrated on laparoscopic cholecystectomies, hernia repairs, haemorrhoidectomies and tonsillectomies with significant progress and positive outcomes achieved over the past year.

Overall, 68% of potential same-day cases have been completed as same-day surgery.

MA11 Partner with Safer Care Victoria (SCV) and relevant multidisciplinary groups to establish protocols and auditing processes to manage effective monitoring and escalation of deterioration in paediatric patients via ViCTOR charts

OUTCOME: IN PROGRESS

This activity was a late inclusion in the 2023–2024 Statement of Priorities and will continue in 2024–2025.

Peninsula Health partners with SCV and other Victorian health services through the Victorian Children's Network. The use of ViCTOR charts is well established across Peninsula Health. ViCTOR charts are used in all settings where children aged 0–18 years are admitted and require observation. Triggers for escalation in the case of clinical deterioration are embedded in the ViCTOR charts supporting the provision of safe care for all children.

MA11 Improve paediatric patient outcomes through implementation of the 'ViCTOR track and trigger' observation chart and escalation system, whenever children have observations taken

OUTCOME: IN PROGRESS

This activity was a late inclusion in the 2023–2024 Statement of Priorities and will continue in 2024–2025.

Peninsula Health has a structured approach to the monitoring of outcomes for all patients including children. The National Standards committee that oversees 'Recognising and Responding to Acute Deterioration' is responsible for reviewing and monitoring audit results and supports local areas to establish and implement action plans when opportunity for improvement is identified.

MA11 Implement staff training on the 'ViCTOR track and trigger' tool to enhance identification and prompt response to deteriorating paediatric patient conditions

OUTCOME: IN PROGRESS

This activity was a late inclusion in the 2023–2024 Statement of Priorities and will continue in 2024–2025.

Training to support clinical staff to use ViCTOR charts is built into staff orientation. During 2024–2025 targeted training will be developed and rolled out to all staff using ViCTOR charts.

Working to Achieve Sustainability

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

MB2 Financial forecasting and risk management: Develop robust financial forecasting models to project future revenue and expenditure, identify financial risks, and implement risk mitigation strategies to ensure long-term sustainability

OUTCOME: ONGOING

Peninsula Health continues to optimise and produce financial and activity targets that are regularly monitored. We continue to develop our financial tools and models. A robust risk management system is in place with regular reviews occurring at all levels including the Board of Directors.

Improving Equitable Access to Healthcare and Wellbeing

Ensure that Aboriginal people have access to a health, wellbeing and care system that is holistic, culturally safe, accessible and empowering. Ensure that communities in rural and regional areas have equitable health outcomes irrespective of locality.

MC2 Participate in the Aboriginal Health Innovative Initiative in collaboration with SEMHSP to deliver place-based diabetes care in Aboriginal Communities

OUTCOME: ONGOING

In partnership with First People's Health and Wellbeing, Peninsula Health is currently participating in the delivery of the Aboriginal Health Innovative Initiative, employing a Dietitian, Endocrinologist and Podiatrist to deliver proactive, culturally safe health care and guidance, tailored to support Aboriginal clients with managing high risk and other stages of diabetes. Between 15 April and 21 June 2024, a baseline of 41 clients were referred to and cared for by this service.

A Stronger Workforce

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

MD1 Undertake gap analysis and implement changes to meet compliance against new psychological safety legislation amendment

OUTCOME: IN PROGRESS

Significant progress has been made to improve psychological safety at work. This work has included an independent review of our high-risk workgroups, which has resulted in revised policies and procedures, the issuing of new Appropriate Workplace Behaviours mandatory training for all staff, and the introduction of a confidential email, respect@phcn.vic.gov.au, for reporting inappropriate workplace behaviour. In addition, all workplace safety assessments now include psychological safety assessments to identify any risks or hazards in a proactive manner.

Moving from Competition to Collaboration

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

ME2 Undertake planning and design of new EPC at Hastings site in collaboration with VHBA and QEC

OUTCOME: ONGOING

Peninsula Health is collaborating with The Queen Elizabeth Centre and the Victorian Health Building Authority to design and build the new Hastings Early Parenting Centre. A builder is expected to be appointed later this year. Early Parenting Centres support parents or carers with children up to four years old. The centres help build parenting skills, from enhancing parent-child relationships to providing support with:

- sleep, settling and feeding
- infant and child behavioural concerns
- bonding and attachment
- strengthening parenting capacity and skills.

Care Close to Home

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

EB3 Implement new home-based and virtual remote models of care for patients managing chronic diseases to keep them well in the community

OUTCOME: ONGOING

The Virtual Monitoring Service (VMS) continues to build capacity to provide virtual monitoring services to a broad scope of patients. The service initially provided virtual care to patients with chronic heart failure and more recently expanded its capability to monitor patients diagnosed with respiratory conditions and gestational diabetes (GDM).

MePACS now provides a daily follow up response to those clients on the pathway who have not responded to their daily check in. The VMS continues to grow and refine systems to support an increasing client base and currently provides care to more than 100 patients.

EB3 Implement programs that increase the number of clinical staff capable and confident to deliver at-home or remote care to patients managing chronic disease

OUTCOME: IN PROGRESS

The Virtual Monitoring Service (VMS) is underpinned by robust clinical guidelines and workflows to support staff to safely deliver care under this model. As the service expands to other clinical cohorts, relevant groups of specialist staff are supported by the core VMS team to develop local expertise as required to develop guidelines specific to the target group. Staff are trained against the requirements of the relevant guidelines.

EB3 Become a state-wide provider for chronic disease virtual care partnering with Peninsula Health Community Health and MePACS

OUTCOME: IN PROGRESS

MePACS is now supporting the Care at Home team through the daily follow up and triage of patients who fail to submit data or information for chronic disease monitoring. Discussions were held with South East Metro Health Service Partnership regarding supporting the Care at Home teams across Monash Health and Alfred Health. This project has not yet commenced.

A Health System That Takes Effective Climate Action

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

EC3 Plan for and initiate a project to improve the health service's understanding of its full carbon footprint

OUTCOME: ONGOING

Peninsula Health is committed to environmental sustainability through construction. New construction initiatives consider the long-term environmental impact and ways to mitigate ongoing emissions through sustainable construction. Initiatives introduced include:

- Installation of Photovoltaic Arrays in new and existing construction
- Rainwater harvesting systems
- Sustainable building materials, including the use of recycled content
- Energy-efficient hot water systems
- Abolishment of gas services through construction
- Zero emission fleet planning
- Durable and cost-effective design
- 100kW solar installation at GLR and 100kW installed at The Mornington Centre
- New Array for Youth Prevention and Recovery Centre (YPARC) facility
- Gas abolishment at YPARC
- Redevelopment of Frankston Hospital meets sustainability guidance and is all electric, inclusive of 50 electric vehicle chargers.

As Peninsula Health develops its sustainability strategy and grows its understanding of health services' impacts, we are committed to regularly updating how we address and implement new initiatives.

Local Priorities

Develop new Peninsula Health Strategic Plan

OUTCOME: COMPLETE

New strategic plan informed by comprehensive situational analysis and stakeholder engagement submitted for Ministerial approval

OUTCOME: COMPLETE

Peninsula Health undertook a comprehensive process to develop the Healthy Lives Strategic Plan 2028. The process included analysis of the internal and external environment as well as emerging trends in healthcare. We looked closely at the needs of our region as well as the factors impacting the health and wellbeing of our community. Most importantly we asked our consumers, our people and our strategic partners about what is important to them. All this information shapes our direction for the next five years. The Minister for Health approved the plan in May 2024, after which we launched the Healthy Lives Strategic Plan to our people, our community and all stakeholders.

Work with the Department of Health to improve access to services for people living and visiting the Mornington Peninsula

OUTCOME: IN PROGRESS

All Emergency access Key Performance Indicators (KPIs) have been maintained or improved since June 2023. We are not yet meeting target on all measures, but significant improvement has been made in the time to treat (all patients) at both sites and Ambulance Victoria (AV) offload at Rosebud Hospital. Smaller improvements have been noted in the overall ED length of stay (LOS) performance with stronger gains in the non-admitted cohort. The table below summarises the changes from 22/23 financial year to the 2023–2024 across both Emergency departments.

ACCESS KPI RESULTS 2022–2023 VS 2023–2024

Measure	Frankston	Rosebud
AV offload < 40 minutes (%)	63–63	75–88
Cat 1 seen in time (%)	100–100	100–100
All patients seen in time (%)	67–80	81–90
LOS < 4 hours (%)	40–45	61–64
LOS > 24 hours (number patients)	0–0	0–0

There is an ongoing focus on a whole-of-hospital approach to patient flow with an emphasis on reducing acute LOS through diversion programs and addressing barriers to discharge particularly for older persons and NDIS participants. Peninsula Health will participate in the Timely Emergency Care Collaborative (TEC2) program focusing on the Inpatient settings. Implementation of the digital bed management solution is progressing and will greatly enhance the other patient flow initiatives.

Establishment of a long-term plan for Rosebud Hospital

OUTCOME: IN PROGRESS

Rosebud Hospital delivers excellent healthcare through its busy emergency and inpatient units, community health, dental, dialysis and expanding cancer and clinical trials services. Rosebud Hospital provides much needed healthcare for the local community, as well for visitors to the Mornington Peninsula. Our community has a strong connection to Rosebud Hospital, which is evident in the number of volunteers and the success of local fundraising appeals. The infrastructure at Rosebud Hospital is ageing and has been identified as a priority in our new Healthy Lives Strategic Plan. Peninsula Health is working closely with the Department of Health to establish a long-term plan for Rosebud Hospital to ensure we meet the health needs of our community.

Performance Priorities

High-quality and Safe Care

KEY PERFORMANCE MEASURE	Target	Result
Infection prevention and control		
Compliance with the Hand Hygiene Australia program	85%	92%
Percentage of healthcare workers immunised for influenza	94%	71%
Patient experience		
Percentage of patients who reported positive experiences of their hospital stay: Quarter 1	95%	89.7%
Percentage of patients who reported positive experiences of their hospital stay: Quarter 2	95%	88.2%
Percentage of patients who reported positive experiences of their hospital stay: Quarter 3	95%	88.3%
Healthcare Associated Infections (HAIs)		
Rate of central line (catheter) associated bloodstream infection (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	1.3
Unplanned readmissions		
Unplanned readmissions to any hospital following a hip replacement	≤6	14.87
Aboriginal Health		
Percentage of Aboriginal admitted patients who left against medical advice	25% reduction in gap based on prior year's annual rate	4.5%
Percentage of Aboriginal emergency department presentations who did not wait to be seen	25% reduction in gap based on prior year's annual rate	2.8%

KEY PERFORMANCE MEASURE	Target	Result
Mental health patient experience		
Percentage of mental health consumers who rated their overall experience of care with a service in the last 3 months as positive	80%	90.6%
Percentage of mental health consumers reporting they 'usually' or 'always' felt safe using this service	90%	91.6%
Percentage of families/carers reporting a 'very good' or 'excellent' overall experience of the service	80%	50%
Percentage of families/carers who report they 'always' or 'usually' felt their opinions as a carer were respected	90%	70.9%
Mental Health Post-Discharge follow-up		
Percentage of consumers followed up within 7 days of separation - Inpatient (CAMHS)	88% (performance evaluation to take into account service transition)	96.9%
Percentage of consumers followed up within 7 days of separation - Inpatient (adult)	88%	99.6%
Percentage of consumers followed up within 7 days of separation - Inpatient (older persons)	88%	100%
Mental Health Seclusion		
Rate of seclusion episodes per 1,000 occupied bed days - Inpatient (Adult)	≤8	0
Rate of seclusion episodes per 1,000 occupied bed days - Inpatient (older persons)	≤5	0
Mental Health Readmission		
Percentage of consumers readmitted within 28 days of separation - Inpatient (adult)	<14%	13%
Percentage of consumers readmitted within 28 days of separation - Inpatient (older persons)	<7%	0%
Maternity and newborn		
Percentage of full-term babies (without congenital anomalies) who are considered in poor condition shortly after birth (APGAR score <7 to 5 minutes)	<1.4%	0.88%
Percentage of singleton babies with severe fetal growth restriction (FGR) delivered at 40 or more weeks gestation	<28.6%	16.13%
Continuing care		
Average change in the functional independence measure (FIM) score per day of care for rehabilitation separations	>0.645	0.632

Strong Governance, Leadership and Culture

KEY PERFORMANCE MEASURE	Target	Result
Organisational culture		
People Matter Survey - Percentage of staff with an overall positive response to safety culture survey questions	62%	56%

Timely Access to Care

KEY PERFORMANCE MEASURE	Target	Result
Emergency Care - Frankston Hospital		
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%	63%
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%	80%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours	81%	45%
Number of patients with a length of stay in the emergency department greater than 24 hours	Zero	0
Emergency Care - Rosebud Hospital		
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%	88%
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%	90%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours	81%	64%
Number of patients with a length of stay in the emergency department greater than 24 hours	Zero	0
Mental Health		
Percentage of 'urgent' (category 'C') mental health triage episodes with a face-to-face contact received within 8 hours	80%	88.7%
Percentage of mental health related emergency department presentations with a length of stay of less than four hours	81%	51.1%
Planned Surgery		
Percentage of urgency category 1 planned surgery patients admitted within 30 days	100%	100%
Percentage of all planned surgery patients admitted within clinically recommended time	94%	80%
Number of patients on the planned surgery waiting list	2,290	1,679
Number of patients admitted from the planned surgery waiting list	13,216	9,308
Number of patients (in addition to base) admitted from the planned surgery waiting list	399	0
Percentage of patients on the waiting list who have waited longer than clinically recommend time for their respective triage category	5% or 15% proportional improvement from prior year	21.8%
Number of hospital-initiated postponements per 100 scheduled planned surgery admissions	<7	5.5

KEY PERFORMANCE MEASURE	Target	Result
Specialist clinics		
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	100%	97%
Percentage of routine patients referred by GP or external specialist who attended a first appointment within 365 days	90%	96%
Home Based Care		
Percentage of admitted bed days delivered at home	Equal to or better than prior year result	13.13%
Percentage of admitted episodes delivered at least partly at home	Equal to or better than prior year result	4.5%

Effective Financial Management

KEY PERFORMANCE MEASURE	Target	Result
Operating result (\$m)	(128.00)	(73.27)
Average number of days to paying trade creditors	60 days	52 days
Average number of days to receive patient fee debtors	60 days	31 days
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	0.46
Actual number of days of available cash, measured on the last day of each month	14 days	0 days
Variance between forecast and actual Net Result from transactions (NRFT) for the current financial year ending 30 June	Variance ≤ \$250,000	Not Achieved

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

Activity and Funding Performance

FUNDING TYPE	2023-2024 ACTIVITY ACHIEVEMENT
Consolidated Activity Funding	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	110,366.7
Acute Admitted	
National Bowel Cancer screening program NWAU	8
Acute admitted DVA	451.3
Acute admitted TAC	217.6
Other admitted	309.3
Acute Non-Admitted	
Home Enteral Nutrition NWAU	39.1
Radiotherapy - other	238
Sub-Acute/Non-Acute, Admitted and Non-Admitted	
Sub-acute - DVA	123.3
Transition Care - Bed days	11,687
Transition Care - Home days	10,973
Aged Care	
HACC**	13,180
Mental Health and Drug Services	
Mental Health Ambulatory	75,937
Mental Health Inpatient - Available bed days	13,926
Mental Health Residential	3,333
Mental Health Sub-acute	9,376
Drug Services	2,563
Primary Health	
Community Health / Primary Care Programs	40,832

*NWAU is a National Weighted Activity Unit. NWAU data as reported in this publication is recorded as at Tuesday 6 August 2024. The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health

** Home and Community Care

Financial Summary

Financial Information

	2024 \$000	2023 \$000	2022 \$000	2021 \$000	2020 \$000
OPERATING RESULT*	(73,269)	47	254	181	(12,448)
Total revenue	884,568	932,517	819,836	755,170	660,458
Total expenses	957,837	932,469	819,582	754,989	672,906
Net result from transactions	(62,859)	21,015	4,404	(10,564)	(24,933)
Total other economic flows	3,737	(5,289)	(6,630)	4,261	(978)
Net result	(59,122)	15,726	(2,226)	(6,303)	(25,911)
Total assets	721,739	741,063	617,503	575,398	551,072
Total liabilities	386,160	382,784	310,508	258,532	242,601
Net assets/total equity	335,579	358,279	306,995	316,866	308,471

* The Operating result is the result for which the hospital is monitored in its Statement of Priorities.

Reconciliation of Net Result from Transactions and Operating Result

	2023-24 (\$000)
OPERATING RESULT*	(69,904)
Capital Purpose Income	45,064
Specific Income	0
COVID-19 State Supply Arrangements – assets received free of charge or for nil consideration under the State Supply	1,425
State supply items consumed up to 30 June 2024	(1,514)
Assets provided free of charge	0
Assets received free of charge	327
Expenditure for capital purpose	0
Depreciation and amortisation	(33,519)
Impairment of non-financial assets	0
Finance costs (other)	(4,738)
Net Result from transactions	(62,859)

*The impact of the State Supply Arrangements have been excluded from the Statement of Priorities Operating Result calculation in the above.

The impact of the Controlled Entity MePACS has been included in the Statement of Priorities Operating Result calculation in the above.

Financial Commentary

Peninsula Health's financial performance in the 2023-2024 financial year showed an operating deficit (recorded before discontinued operations, capital income and depreciation) of \$73,268,832.

In 2023-2024, in comparison to the previous financial year:

- total revenue decreased to \$885 million from \$933 million
- total assets decreased by \$19 million to \$722 million
- liabilities increased by \$3 million to \$386 million
- equity (the difference between assets and liabilities) decreased by \$23 million to \$336 million.

SUBSEQUENT EVENTS TO BALANCE DATE

There has been no event or matter that has arisen that has significantly affected or may significantly affect the operations or financial position of Peninsula Health between the end of the reporting period and the date of this report.

EX-GRATIA PAYMENTS

Ex-gratia payments of \$4,881 were made by Peninsula Health during the 2023-2024 financial year. These payments relate to compensation payments or discretionary reimbursement of expenses.

Attestations

Data Integrity Declaration

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

Conflict of Interest Declaration

I, Helen Cooper, certify that Peninsula Health has put in place appropriate internal controls and processes to ensure that it has implemented a Conflict of Interest policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within Peninsula 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.

Compliance with Health Share Victoria (HSV) Purchasing Policies

I, Helen Cooper, certify that Peninsula 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.

Integrity, Fraud and Corruption Declaration

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



Helen Cooper
Accountable Officer
Peninsula Health
August 2024

Financial Management Compliance Attestation

I, Michael Gorton, on behalf of the Responsible Body, certify that Peninsula Health has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.

Responsible Bodies Declaration

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



Mr Michael Gorton AM
Board Chair
Frankston
August 2024

Disclosure Index

The Annual Report of Peninsula 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.

LEGISLATION	REQUIREMENT	PAGE REFERENCE
Ministerial Directions Report Of Operations Charter and Purpose		
FRD 22	Manner of establishment and the relevant Ministers	28
FRD 22	Purpose, functions, powers and duties	29
FRD 22	Nature and range of services provided	24-27
FRD 22	Activities, programs and achievements for the reporting period	6-21
FRD 22	Significant changes in key initiatives and expectations for the future	6-21
Management and Structure		
FRD 22	Organisational structure	34-35
FRD 22	Workforce data/employment and conduct principles	36-37
FRD 22	Occupational Health and Safety	36-37
Financial Information		
FRD 22	Summary of the financial results for the year	68
FRD 22	Significant changes in financial position during the year	69
FRD 22	Operational and budgetary objectives and performance against objectives	66-67
FRD 22	Subsequent events	69
FRD 22	Details of consultancies under \$10,000	45
FRD 22	Details of consultancies over \$10,000	45
FRD 22	Disclosure of ICT expenditure	45

LEGISLATION	REQUIREMENT	PAGE REFERENCE
Legislation		
FRD 22	Application and operation of <i>Freedom of Information Act 1982</i> (Vic)	43
FRD 22	Compliance with building and maintenance provisions of <i>Building Act 1993</i> (Vic)	41
FRD 22	Application and operation of <i>Public Interest Disclosures Act 2012</i> (Vic)	41
FRD 22	Statement on National Competition Policy	41
FRD 22	Application and operation of <i>Carers Recognition Act 2012</i> (Vic)	41
FRD 24	Environmental data reporting	46-52
FRD 22	Additional information available on request	53
FRD 25	<i>Local Jobs First Act</i> disclosures	42
SD 5.1.4	Financial Management Compliance Attestation	70-71
SD 5.2.3	Declaration in Report of Operations	70-71
Attestations		
	Attestation on Data Integrity	70
	Attestation on managing Conflicts of Interest	70
	Attestation on Integrity, fraud and corruption	70
	Compliance with HealthShare Victoria (HSV) Purchasing Policies	70
Other reporting requirements		
	Reporting of outcomes from Statement of Priorities 2022-2023	57-67
	Occupational Violence reporting	38-39
	<i>Gender Equality Act 2020</i> (Vic)	39
	Reporting obligations under the <i>Safe Patient Care Nurse to Patient and Midwife to Patient Ratios Act 2015</i> (Vic)	42
	Reporting of compliance regarding Car Parking Fees	42

Annual Publications

Our 2024 *Annual Report* comprises two sections: Report of Operations and Financial Statements. The Financial Statements are provided in the back of this publication.

For a broader picture of our achievements and activities over the past year, please see our other annual corporate publication:

- Research Report, which highlights the achievements of our many researchers and their contribution to improving outcomes for our patients.

For further information about Peninsula Health, or to download a publication, please visit our website: www.peninsulahealth.org.au

Financial Statements

Financial Report

Board Chair's, Chief Executive's, and Chief Financial Officer's Declaration.

Auditor-General's Report

1 Basis of Preparation

1.1	Basis of preparation of the financial statements	74
1.2	Abbreviations and terminology used in the financial statements	75
1.3	Material accounting estimates and judgements	75
1.4	Accounting standards issued but not yet effective	76
1.5	Goods and Services Tax (GST)	76
1.6	Reporting Entity	76

2 Funding Delivery of Our Services

2.1	Revenue and income from transactions	77
2.1(b)	Fair value of assets and services received free of charge or for nominal consideration	77

3 The Cost of Delivering Our Services

3.1	Expenses from transactions	83
3.2	Other economic flows	85
3.3	Employee benefits and related on-costs	86

4 Key Assets to Support Service Delivery

4.1	Investments and other financial assets	91
4.2	Property, plant and equipment	92
4.3	Right-of-use assets	94
4.4	Depreciation and amortisation	98
4.5	Impairment of assets	100

74 5 Other Assets and Liabilities 101

5.1	Receivables	102
5.2	Contract assets	103
5.3	Payables	104
5.4	Contract liabilities	105

74 6 How We Finance Our Operations 107

6.1	Borrowings	108
6.2	Cash and cash equivalents	111
6.3	Commitments for expenditure	112

7 Risks, Contingencies and Valuation Uncertainties 113

7.1	Financial Instruments	115
7.2	Financial risk management objectives and policies	118
7.3	Contingent assets and contingent liabilities	118
7.4	Fair value determination	121

8 Other Disclosures 127

8.1	Reconciliation of net result for the year to net cash flows from operating activities	128
8.2	Responsible persons disclosures	129
8.3	Remuneration of executives	130
8.4	Related parties	131
8.5	Remuneration of auditors	133
8.6	Ex-gratia expenses	133
8.7	Events occurring after the balance sheet date	134
8.8	Equity	134
8.9	Economic dependency	134

Peninsula Health Financial Statements

Financial Year ended 30 June 2024

Board Chair's, Chief Executive's and Chief Financial Officer's Declaration.

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

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

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

We authorise the attached financial statements for issue on 1 October 2024.

Board Chair



Michael Gorton AM
Board Chair
Frankston
1 October 2024

Chief Executive Officer



Helen Cooper
Chief Executive Officer
Frankston
1 October 2024

Chief Financial Officer



Rama Devarajan
Chief Financial Officer
Frankston
1 October 2024

Independent Auditor’s Report

To the Board of Peninsula Health

Opinion	<p>I have audited the financial report of Peninsula Health (the health service) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2024 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including material accounting policy information • board chair's, chief executive 's and chief finance officer's declaration. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor’s Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board’s responsibilities for the financial report	<p>The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the health service’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

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

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

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

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



MELBOURNE
8 October 2024

Dominika Ryan
as delegate for the Auditor-General of Victoria

Peninsula Health

Comprehensive Operating Statement

For the Financial Year Ended 30 June 2024

		2024	2023
	Note	\$'000	\$'000
Revenue and income from transactions			
Operating activities	2.1	946,689	1,006,085
Non-operating activities	2.1	5,980	4,916
Total revenue and income from transactions		952,669	1,011,001
Expenses from transactions			
Employee expenses	3.1	(746,489)	(721,149)
Supplies and consumables	3.1	(115,983)	(112,431)
Finance costs	3.1	(4,827)	(3,833)
Depreciation and amortisation	4.4	(33,519)	(27,887)
Other administrative expenses	3.1	(50,333)	(60,266)
Other operating expenses	3.1	(64,377)	(64,420)
Total Expenses from transactions		(1,015,528)	(989,986)
Net result from transactions - net operating balance		(62,859)	21,015
Other economic flows included in net result			
Net gain / (loss) on sale of non-financial assets	3.2	811	(8,632)
Net gain on financial instruments	3.2	1,007	405
Other gain from other economic flows	3.2	1,919	2,938
Total other economic flows included in net result		3,737	(5,289)
Net result for the year		(59,122)	15,726
Other economic flows - other comprehensive income:			
Items that will not be reclassified to net result			
Changes in property, plant and equipment revaluation surplus		36,422	34,236
Total other comprehensive income		36,422	34,236
Comprehensive result for the year		(22,700)	49,962

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

Peninsula Health Balance Sheet as at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Current assets			
Cash and cash equivalents	6.2	16,194	94,230
Receivables	5.1	32,503	20,303
Contract assets	5.2	5,985	7,119
Inventories		5,451	6,297
Investments and other financial assets	4.1	14,063	13,056
Prepaid expenses		6,331	2,201
Total current assets		80,527	143,206
Non-current assets			
Receivables	5.1	37,118	44,089
Property, plant, and equipment	4.2(a)	513,257	471,448
Right of use assets	4.3(a)	90,024	81,058
Intangible assets		813	1,262
Total non-current assets		641,212	597,857
Total assets		721,739	741,063
Current liabilities			
Payables	5.3	83,601	79,602
Contract liabilities	5.4	2,630	21,344
Borrowings	6.1	12,119	10,352
Employee benefits	3.3	176,430	167,349
Total current liabilities		274,780	278,647
Non-current liabilities			
Borrowings	6.1	87,156	81,679
Employee benefits	3.3	24,224	22,458
Total non-current liabilities		111,380	104,137
Total liabilities		386,160	382,784
Net assets		335,579	358,279
Equity			
Property, plant, and equipment revaluation surplus	SCE	234,044	197,622
Restricted specific purpose reserve	SCE	38,714	18,413
Contributed capital	SCE	196,803	196,803
Accumulated (deficit)	SCE	(133,982)	(54,559)
Total equity		335,579	358,279

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

Peninsula Health

Cash Flow Statement

For the Financial Year Ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Cash Flows from operating activities			
Operating grants from State Government		771,464	817,159
Operating grants from Commonwealth Government		43,594	39,390
Capital grants from State Government		20,428	48,140
Patient and resident fees received		34,895	36,636
GST received from ATO		23,150	21,434
Other receipts		30,536	26,181
Total receipts		924,067	988,940
Payments to employees		(729,918)	(697,407)
Payments to contractors and consultants		(14,160)	(13,158)
Payments for supplies and consumables		(197,993)	(192,770)
Payments for repairs and maintenance		(20,171)	(17,386)
Finance costs		(4,827)	(3,687)
Total payments		(967,069)	(924,408)
Net cash flows (used in) / from operating activities	8.1	(43,002)	64,532
Cash Flows from investing activities			
Proceeds from sale of non-financial assets		1,263	1,142
Purchase of non-financial assets		(23,854)	(44,651)
Net cash flows (used in) investing activities		(22,591)	(43,509)
Cash flows from financing activities			
Capital contribution		-	1,250
Repayment of borrowings		(12,673)	(8,619)
Receipt / (repayments) of accommodation deposits		230	(50)
Net cash flows (used in) financing activities		(12,443)	(7,419)
Net (decrease) / increase in cash and cash equivalents held		(78,036)	13,604
Cash and cash equivalents at beginning of year		94,230	80,626
Cash and cash equivalents at end of year	6.2	16,194	94,230

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

Peninsula Health Statement of Changes in Equity For the Financial Year Ended 30 June 2024

	Property, Plant and Equipment Revaluation \$'000	Restricted Specific Purpose Reserve \$'000	Contributed Capital \$'000	Accumulated (Deficit) \$'000	Total \$'000
Balance at 30 June 2022	163,386	10,956	195,484	(62,828)	306,998
Net result for the year	-	-	-	15,726	15,726
Other comprehensive income for the year	34,236	-	-	-	34,236
Transfer from / (to) accumulated (deficit)	-	7,457	-	(7,457)	-
Capital contribution	-	-	1,319	-	1,319
Balance at 30 June 2023	197,622	18,413	196,803	(54,559)	358,279
Net result for the year	-	-	-	(59,122)	(59,122)
Other comprehensive income for the year	36,422	-	-	-	36,422
Transfer from / (to) accumulated (deficit)	-	20,301	-	(20,301)	-
Capital contribution	-	-	-	-	-
Balance at 30 June 2024	234,044	38,714	196,803	(133,982)	335,579

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

Note 1 Basis of preparation

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

This section explains the basis of preparing the financial statements.

Note 1.1 Basis of preparation of the financial statements

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

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

Peninsula 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 set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events, and conditions. Apart from the changes in accounting policies, standards and interpretations as noted below, material accounting policies adopted in the preparation of these financial statements are the same as those adopted in the previous period.

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

The financial statements have been prepared on a going concern basis (refer to Note 8.9 Economic Dependency).

The financial statements are presented in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of Peninsula Health on 1 October 2024.

Note 1.2 Abbreviations and terminology used in the financial statements

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

Reference	Title
AASB	Australian Accounting Standards Board
AASs	Australian Accounting Standards, which include Interpretations
DH	Department of Health
DTF	Department of Treasury and Finance
FMA	Financial Management Act 1994
FRD	Financial Reporting Direction
NWAU	National Weighted Activity Unit
SCE	Statement of Changes in Equity
SD	Standing Direction
VAGO	Victorian Auditor General's Office

Note 1.3 Material accounting estimates and judgements

Management makes estimates and judgements when preparing the financial statements.

These estimates and judgements are based on historical knowledge and 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 4.4: Depreciation and amortisation
- Note 4.5: 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
- Note 7.4: Fair value determination

Note 1.4 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 Peninsula Health and their potential impact when adopted in future periods is outlined below:

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

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

Note 1.5 Goods and Services Tax (GST)

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

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

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

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

Note 1.6 Reporting Entity

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

Peninsula Health’s principal address is:

2 Hastings Road
Frankston, Victoria 3199

A description of the nature of Peninsula 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

Peninsula Health’s overall objective is to provide exceptional health and community care through embracing a collaborative approach. Peninsula Health is predominantly funded by grant funding for the provision of outputs. Peninsula Health also receives income from the supply of services.

Structure

2.1 Revenue and income from transactions

Material judgements and estimates

This section contains the following material judgements and estimates:

Material judgements and estimates	Description
Identifying performance obligations	<p>Peninsula Health applies material judgment when reviewing the terms and conditions of funding agreements and contracts to determine whether they contain sufficiently specific and enforceable performance obligations.</p> <p>If this criterion is met, the contract/funding agreement is treated as a contract with a customer, requiring Peninsula Health to recognise revenue as or when the health service transfers promised goods or services to the beneficiaries.</p> <p>If this criterion is not met, funding is recognised immediately in the net result from operations.</p>
Determining timing of revenue recognition	<p>Peninsula Health applies material judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.</p>
Determining timing of capital grant income recognition	<p>Peninsula 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.</p>
Assets and services received free of charge or for nominal consideration	<p>Peninsula Health applies material judgement to determine the fair value of assets and services provided free of charge or for nominal value. Revenue is based on the market value of assets of the products received free of charge or for nominal consideration.</p>

Note 2.1 Revenue and income from transactions

		2024	2023
	Note	\$'000	\$'000
Operating activities			
Revenue from contracts with customers			
Government grants (State) - Operating		704,633	764,706
Government grants (Commonwealth) - Operating		44,339	39,577
Private Personal Alarm Monitoring Services		9,854	9,792
Patient and resident fees		27,612	31,466
Commercial activities		9,495	8,012
Total revenue from contracts with customers	2.1(a)	795,933	853,553
Other sources of income			
Government grants (State) - Operating		82,921	70,636
Government grants (State) - Capital		39,758	44,817
Non-Cash Contributions from the Department of Health		5,642	14,910
Capital donations		-	40
Assets received free of charge or for nominal consideration	2.1(b)	1,798	5,889
Other income from operating activities		20,637	16,240
Total other sources of income		150,756	152,532
Total revenue and income from operating activities		946,689	1,006,085
Non-operating activities			
Income from other sources			
Interest		3,992	2,992
Dividends		407	1,332
Other income from non-operating activities		1,581	592
Total other sources of income		5,980	4,916
Total income from non-operating activities		5,980	4,916
Total revenue and income from transactions		952,669	1,011,001

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

	2024	2023
	\$'000	\$'000
Peninsula Health disaggregates revenue by the timing of revenue recognition.		
Goods and services transferred to customers:		
At a point in time	768,293	824,989
Over time	27,640	28,564
Total revenue from contracts with customers	795,933	853,553

How we recognise revenue and income from operating activities

Government operating grants

To recognise revenue, Peninsula 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
- recognises revenue as it satisfied its performance obligations, at a point in time or over time as and when services are rendered.

If a contract liability is recognised, Peninsula Health recognises revenue in the comprehensive operating statement as and when it satisfies its obligations under the contract.

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

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

In contracts with customers, the 'customer' is typically a funding body, who is the party that promises funding in exchange for Peninsula Health's goods or services. Peninsula 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 Peninsula Health's revenue streams, with information detailed below relating to Peninsula Health's significant revenue streams:

Government grant	Performance obligation
Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU)	NWAU is a measure of health service activity expressed as a common unit against which the national efficient price (NEP) is paid. The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and is weighted for clinical complexity. Revenue is recognised at point in time, which is when a patient is discharged.
Pharmaceutical Benefits Scheme (PBS)	The Pharmaceutical Benefits scheme is a Commonwealth government funded program whereby a rebate is paid to Peninsula Health in respect of specified medicine dispensed to patients. The performance obligation is satisfied at the time of medication being dispensed to the patient.
Financial Sustainability	The financial sustainability funding supports the ongoing viability of the health service. Revenue is recognised at a point in time when funding is provided.

Capital grants

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

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

Patient and resident fees

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

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

	2024	2023
	\$'000	\$'000
Personal protective equipment and other consumables	1,798	5,889
Total fair value of assets and services received free of charge or for nominal consideration	1,798	5,889

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

Personal protective equipment

Under the State Supply Arrangement, Health Share Victoria supplies personal protective equipment to Peninsula Health for nil consideration

Non-cash contributions from the Department of Health

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

Supplier	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for Peninsula 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 Peninsula 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 with the DH.

Note 3 The cost of delivering our services

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

Structure

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

Material judgements and estimates

This section contains the following material judgements and estimates:

Key judgements and estimates	Description
Classifying employee benefit liabilities	<p>Peninsula Health applies material judgment when classifying its employee benefit liabilities.</p> <p>Employee benefit liabilities are classified as a current liability if Peninsula Health does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category.</p> <p>Employee benefit liabilities are classified as a non-current liability if Peninsula Health has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.</p>
Measuring employee benefit liabilities	<p>Peninsula Health applies material judgment when measuring its employee benefit liabilities.</p> <p>The health service applies judgement to determine when it expects its employee entitlements to be paid.</p> <p>With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees.</p> <p>Expected future payments incorporate:</p> <ul style="list-style-type: none"> ▪ an inflation rate of 4.45%, reflecting the future wage and salary levels ▪ durations of service and employee departures, which are used to determine the estimated value of long service leave that will be taken in the future, for employees who have not yet reached the vesting period. The estimated rates are between 30% and 89% ▪ discounting at the rate of 4.35%, as determined with reference to market yields on government bonds at the end of the reporting period. <p>All other entitlements are measured at their nominal value.</p>

Note 3.1 Expenses from transactions

	2024	2023
Note	\$'000	\$'000
Salaries and wages	651,547	635,817
On-costs	65,745	59,708
Agency expenses	12,836	11,358
Fee for service medical officer expenses	1,622	1,657
Workcover premium	14,739	12,609
Total employee expenses	746,489	721,149
Drug supplies	40,562	37,006
Medical and surgical supplies (including Prostheses)	37,952	40,889
Diagnostic and radiology supplies	29,907	27,195
Other supplies and consumables	7,562	7,341
Total supplies and consumables	115,983	112,431
Finance costs	4,827	3,833
Total finance costs	4,827	3,833
Advertising	1,667	1,549
Consumable Equipment	5,327	6,463
Housekeeping and Linen	5,709	4,426
Postage, Printing and Stationery	1,979	1,609
Staff Training	5,592	5,598
Telecommunications	3,984	4,798
Other Administrative Expenses	26,075	35,823
Total other administrative expenses	50,333	60,266
Fuel, light, power, and water	5,365	4,836
Repairs and maintenance	24,207	23,608
Client Brokerage Costs	10,417	12,587
Medical indemnity insurance	15,692	15,128
Patient Transport	4,623	4,183
Security Services	4,073	4,078
Total other operating expenses	64,377	64,420
Total operating expenses	982,009	962,099
Depreciation and amortisation	4.4 33,519	27,887
Total depreciation and amortisation	33,519	27,887
Total non-operating expenses	33,519	27,887
Total expenses from transactions	1,015,528	989,986

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.

Supplies and consumables

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

Other operating expenses

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

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

The DH also makes certain payments on behalf of Peninsula 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 expenditure 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

	2024	2023
	\$'000	\$'000
Impairment of property plant and equipment (including intangible assets)	-	(2,313)
Net gain/(loss) on disposal of property plant and equipment	811	(6,319)
Total net gain/(loss) on non-financial assets	811	(8,632)
Net Gain on Financial Instruments	1,007	405
Total net gain on financial instruments	1,007	405
Net gain/(loss) arising from revaluation of long service liability	1,919	(1,217)
Other gains from other economic flows	-	4,155
Total other gains from other economic flows	1,919	2,938
Total gains/(losses) from other economic flows	3,737	(5,289)

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 the bond interest rates, 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

	2024	2023
	\$'000	\$'000
Current employee benefits and related on-costs		
<i>Accrued days off</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	2,076	2,010
	2,076	2,010
<i>Annual leave</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	56,287	52,041
Unconditional and expected to be settled wholly after 12 months ⁱⁱ	8,985	8,171
	65,272	60,212
<i>Long service leave</i>		
Unconditional and expected to be settled wholly within 12 months ⁱ	8,550	8,188
Unconditional and expected to be settled wholly after 12 months ⁱⁱ	78,825	77,468
	87,375	85,656
<i>Provisions related to employee benefit on-costs</i>		
Unconditional and expected to be settled within 12 months ⁱ	8,823	6,219
Unconditional and expected to be settled after 12 months ⁱⁱ	12,884	13,252
	21,707	19,471
Total current employee benefits and related on-costs	176,430	167,349
Non-current employee benefits and related on-costs		
Conditional long service leave	21,100	19,622
Provisions related to employee benefit on-costs	3,124	2,836
Total non-current employee benefits and related on-costs	24,224	22,458
Total employee benefits and related on-costs	200,654	189,807

ⁱ The amounts disclosed are nominal amounts.

ⁱⁱ The amounts disclosed are discounted to present values.

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

	2024	2023
	\$'000	\$'000
Current employee benefits and related on-costs		
Unconditional accrued days off	2,076	2,010
Unconditional annual leave entitlements	74,086	67,408
Unconditional long service leave entitlements	100,268	97,931
Total current employee benefits and related on-costs	176,430	167,349
Non-current employee benefits and related on-costs		
Conditional long service leave entitlements	24,224	22,458
Total non-current employee benefits and related on-costs	24,224	22,458
Total employee benefits and related on-costs	200,654	189,807
Attributable to:		
Employee benefits	175,823	167,500
Provision for related on-costs	24,831	22,307
Total employee benefits and related on-costs	200,654	189,807

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

	2024	2023
	\$'000	\$'000
Carrying amount at start of year	189,807	168,019
Additional provisions recognised	84,938	85,771
Amounts incurred during the year	(72,172)	(65,200)
Net (loss)/gain arising from revaluation of long service liability	(1,919)	1,217
Carrying amount at end of year	200,654	189,807

How we recognise employee benefits

Employee benefit recognition

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

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

Annual leave and accrued days off

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

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

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

Long service leave

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

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

The components of this current LSL liability are measured at:

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

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

Termination benefits

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

Provision for on-costs related to employee benefits

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

Note 3.4 Superannuation

	Paid Contribution for the Year		Contribution Outstanding at Year End	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Defined benefit plans:ⁱ				
Aware Superannuation Fund	173	204	3	3
ESSSuper - Emergency Services & State Super	60	76	-	-
Defined contribution plans:				
Aware Superannuation Fund	26,199	25,574	501	337
Hesta Superannuation Fund	19,808	19,704	390	264
Other Funds	19,087	13,888	331	201
Total	65,327	59,446	1,225	805

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

Defined benefit superannuation plans

A defined benefit plan provides benefits based on years of service and final average salary. The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by Peninsula Health to the superannuation plans in respect of the services of current Peninsula 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.

Peninsula Health does not recognise any unfunded defined benefit liability in respect of the plans because the health service has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The DTF discloses the State's defined benefits liabilities in its disclosure for administered items. Superannuation contributions paid or payable for the reporting period however, are included as part of employee benefits in the Comprehensive Operating Statement of Peninsula Health.

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

Note 4 Key assets to support service delivery

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

Structure

4.1 Investments and other financial assets

4.2 Property, plant & equipment

4.3 Right-of-use assets

4.4 Depreciation and amortisation

4.5 Impairment of assets

Material judgements and estimates

This section contains the following material judgements and estimates:

Key judgements and estimates	Description
Estimating useful life of property, plant, and equipment	Peninsula Health assigns an estimated useful life to each item of property, plant, and equipment. This is used to calculate depreciation of the asset. The health service reviews the useful life and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	The useful life of each right-of-use asset is typically the respective lease term, except where the health service is reasonably certain to exercise a purchase option contained within the lease, in which case the useful life reverts to the estimated useful life of the underlying asset. Peninsula Health applies material judgement to determine whether or not it is reasonably certain to exercise such purchase options.
Estimating restoration costs at the end of a lease	Where a lease agreement requires Peninsula Health to restore a right-of-use asset to its original condition at the end of a lease, the health service estimates the present value of such restoration costs. This cost is included in the measurement of the right-of-use asset, which is depreciated over the relevant lease term.
Identifying indicators of impairment	At the end of each year, Peninsula 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: <ul style="list-style-type: none"> ▪ If an asset's value has declined more than expected based on normal use ▪ If a significant change in technological, market, economic or legal environment which adversely impacts the way 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 ▪ If the performance of the asset is or will be worse than initially expected. Where an impairment trigger exists, the health service applies material judgement and estimate to determine the recoverable amount of the asset.

Note 4.1 Investments and other financial assets

	Capital Fund	
	2024	2023
	\$'000	\$'000
Current		
Financial assets at fair value through net result		
Managed Investments	14,063	13,056
Total current financial assets	<u>14,063</u>	<u>13,056</u>
Total investments and other financial assets	<u>14,063</u>	<u>13,056</u>
Represented by:		
Health service investments	14,063	13,056
Total investments and other financial assets	<u>14,063</u>	<u>13,056</u>

Note 4.2 Property, plant, and equipment

Note 4.2(a) Gross carrying amount and accumulated depreciation

	2024	2023
	\$'000	\$'000
Land at fair value - Freehold	78,532	75,872
Total land at fair value	78,532	75,872
Buildings at fair value	389,287	388,653
Less accumulated depreciation	(894)	(37,385)
Total buildings at fair value	388,393	351,268
Works in progress at cost	10,887	7,398
Total land and buildings	477,812	434,538
Plant and equipment at fair value	136,036	130,932
Less accumulated depreciation	(102,932)	(101,456)
Total plant and equipment at fair value	33,104	29,476
Motor vehicles at fair value	105	561
Less accumulated depreciation	(105)	(561)
Total motor vehicles at fair value	-	-
Furniture and fittings at fair value	33,458	53,474
Less accumulated depreciation	(31,117)	(46,040)
Total furniture and fittings at fair value	2,341	7,434
Total plant, equipment, furniture, fittings, motor vehicles at fair value	35,445	36,910
Total property, plant, and equipment	513,257	471,448

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

		Land	Buildings	Capital works in progress	Furniture & fittings	Plant & equipment and motor vehicles	Total
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2022		75,872	312,274	8,826	6,204	21,903	425,079
Additions		-	12,865	10,452	2,570	15,189	41,076
Impairment		-	-	-	(41)	(2,479)	(2,520)
Disposals		-	(96)	(7,280)	-	-	(7,376)
Revaluation increments		-	34,236	-	-	-	34,236
Net transfers between classes		-	2,342	(4,600)	227	1,964	(67)
Depreciation	4.4	-	(10,353)	-	(1,526)	(7,101)	(18,980)
Balance at 30 June 2023	4.2(a)	75,872	351,268	7,398	7,434	29,476	471,448
Additions		-	9,170	9,027	868	8,208	27,273
Disposals		-	-	-	(7)	(48)	(55)
Revaluation increments		2,660	33,762	-	-	-	36,422
Net Transfers between classes		-	5,538	(5,538)	(5,421)	5,421	-
Depreciation	4.4	-	(11,345)	-	(533)	(9,953)	(21,831)
Balance at 30 June 2024	4.2(a)	78,532	388,393	10,887	2,341	33,104	513,257

Land and Buildings Carried at Valuation

The Valuer-General Victoria undertook to re-value all of Peninsula Health's land and buildings to determine 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 Peninsula Health in the supply of goods or services, for rental to others, or for administration purposes, and are expected to be used during more than one financial year.

Initial recognition

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

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

Subsequent measurement

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

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

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

Revaluation

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

An independent valuation of Peninsula Health's land was performed by the VGV on 30 June 2024. The valuation, which complies with Australian Valuation Standards, was determined by 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 surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that same class of asset previously recognised as an expense in net result, in which case the increment is recognised as income in the net result.

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

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

Note 4.3 Right-of-use assets

Note 4.3(a) Gross carrying amount and accumulated depreciation

	2024	2023
	\$'000	\$'000
Right-of-use concessionary land at fair value	9,898	9,898
Total right of use land at fair value	9,898	9,898
Right-of-use buildings at fair value	82,938	78,259
Less accumulated depreciation	(18,590)	(11,772)
Total right of use buildings at fair value	64,348	66,487
Right of use plant, equipment, furniture, and fittings at fair value	23,545	9,166
Less accumulated depreciation	(7,767)	(4,493)
Total right of use plant, equipment, furniture, and fittings at fair value	15,778	4,673
Total right of use assets	90,024	81,058

Note 4.3(b) Reconciliations of the carrying amounts of each class of asset

		Right-of-use - Concessionary Land	Right-of-use - Buildings	Right-of-use - Plant & Equipment and Furniture & Fittings	Total
	Note	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2022		9,898	7,634	4,656	22,188
Additions		-	65,254	2,132	67,386
Disposals		-	-	(493)	(493)
Depreciation	4.4	-	(6,401)	(1,622)	(8,023)
Balance at 30 June 2023	4.3(a)	9,898	66,487	4,673	81,058
Additions		-	4,678	15,636	20,314
Disposals		-	-	(397)	(397)
Depreciation	4.4	-	(6,817)	(4,134)	(10,951)
Balance at 30 June 2024	4.3(a)	9,898	64,348	15,778	90,024

How we recognise right-of-use assets

Initial recognition

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

Unless the lease is considered a short-term lease or a lease of a low-value asset (Refer to Note 6.1 for further information) the contract give 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.

Peninsula 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 assets 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 7.4.

Note 4.4 Depreciation and amortisation

	2024	2023
	\$'000	\$'000
Depreciation		
Property, plant, and equipment		
Buildings	11,345	10,353
Plant and equipment	9,953	7,101
Furniture and fittings	533	1,526
Total depreciation - property, plant, and equipment	21,831	18,980
Right-of-use assets		
Right of-use buildings	6,817	6,416
Right-of-use plant, equipment, furniture, and fittings	4,134	1,607
Total depreciation - right-of-use assets	10,951	8,023
Total depreciation	32,782	27,003
Amortisation		
Software	737	884
Total amortisation	737	884
Total depreciation and amortisation	33,519	27,887

How we recognise depreciation

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

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

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

	2024	2023
Buildings		
- Structure shell building fabric	45 to 60 years	45 to 60 years
- Site engineering services and central plant	20 to 30 years	20 to 30 years
Central plant		
- Fit out	20 to 30 years	20 to 30 years
- Trunk reticulated building system	30 to 40 years	30 to 40 years
Plant and equipment	3 to 20 years	3 to 20 years
Medical equipment	3 to 15 years	3 to 15 years
Computers and communication	2 to 9 years	2 to 9 years
Furniture and fittings	2 to 20 years	2 to 20 years
Motor vehicles	4 to 10 years	4 to 10 years
Leasehold improvements	2 to 10 years	2 to 10 years
Intangible assets	3 to 7 years	3 to 7 years

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

Note 4.5 Impairment of assets

How we recognise impairment

At the end of each reporting period, Peninsula 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, Peninsula 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 it is not possible to estimate the recoverable amount of an individual asset, Peninsula Health estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Peninsula Health did not record any impairment losses for the year ended 30 June 2024 (30 June 2023: \$2,520k).

Note 5 Other assets and liabilities

This section sets out those assets and liabilities that arose from Peninsula 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 key judgements and estimates:

Key judgements and estimates	Description
Estimating the provision for expected credit losses	Peninsula 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.
Classifying a sub-lease arrangement as either an operating lease or finance lease	<p>Peninsula Health applies material judgement to determine if a sub-lease arrangement, where the health service is a lessor, meets the definition of an operating lease or finance lease.</p> <p>The health service considers a range of scenarios when classifying a sub-lease. A sub-lease typically meets the definition of a finance lease if:</p> <ul style="list-style-type: none"> ▪ the lease transfers ownership of the asset to the lessee at the end of the term ▪ the lessee has an option to purchase the asset for a price that is significantly below fair value at the end of the lease term ▪ the lease term is for the majority of the asset's useful life ▪ the present value of lease payments amounts to the approximate fair value of the leased asset and ▪ the leased asset is of a specialised nature that only the lessee can use without significant modification. <p>All other sub-lease arrangements are classified as an operating lease.</p>
Measuring deferred capital grant income	<p>Where Peninsula Health has received funding to construct an identifiable non-financial asset, such funding is recognised as deferred capital grant income until the underlying asset is constructed.</p> <p>Peninsula Health applies material judgement when measuring the deferred capital grant income balance, which references the estimated the stage of completion at the end of each financial year.</p>
Measuring contract liabilities	Peninsula Health applies material judgement to measure its progress towards satisfying a performance obligation as detailed in Note 2. Where a performance obligation is yet to be satisfied, 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

	2024	2023
Note	\$'000	\$'000
Current receivables		
Contractual		
Inter hospital debtors	589	184
Trade receivables	1,354	1,038
Patient fees	4,697	3,296
Allowance for impairment losses	5.1(a) (303)	(499)
Amounts receivable from governments and agencies	780	220
Long service leave - Department of Health	23,315	11,910
Total contractual receivables	30,432	16,149
Statutory		
GST receivable	2,071	4,154
Total statutory receivables	2,071	4,154
Total current receivables	32,503	20,303
Non-current receivables		
Contractual		
Long service leave - Department of Health	37,118	44,089
Total contractual receivables	37,118	44,089
Total non-current receivables	37,118	44,089
Total receivables	69,621	64,392
(i) Financial assets classified as receivables (Note 7.1(a))		
Total receivables	69,621	64,392
GST receivable	(2,071)	(4,154)
Total financial assets classified as receivables	7.1(a) 67,550	60,238

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

	2024	2023
	\$'000	\$'000
Balance at the beginning of the year	(499)	(230)
(Increase) in allowance	(8)	(565)
Amounts written off during the year	204	296
Balance at the end of the year	(303)	(499)

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 costs'. They are initially recognised at fair value plus any directly attributable transaction costs. The health service hold the contractual receivables with the objective to collect the contractual cash flows and therefore they are subsequently measured at amortised cost using the effective interest method, less any impairment.
- **Statutory receivables**, including Goods and Services Tax (GST) input tax credits that are recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments for disclosure purposes. The health service applies AASB 9 for initial measurement of the statutory receivables and as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

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

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

Note 5.2 Contract assets

	2024	2023
	\$'000	\$'000
Balance at the beginning of the year	7,119	2,180
Add: Additional costs incurred that are recoverable from the customer	5,985	7,119
Less: Transfer to trade receivable or cash at bank	(7,119)	(2,180)
Total contract assets	5,985	7,119

Represented by:

- Current assets	5,985	7,119
	5,985	7,119

How we recognise contract assets

Contract assets relate to the Peninsula 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 this time an invoice is issued. Contract assets are expected to be recovered during the next financial year.

Note 5.3 Payables

	2024	2023
Note	\$'000	\$'000
Current payables		
Contractual		
Trade creditors	6,879	10,164
Accrued salaries and wages	14,152	8,236
Accrued expenses	38,351	33,654
Deferred capital grant income	5.3(a) 14,498	22,431
Salary packaging	1,529	1,353
Inter hospital creditors	215	357
Amounts payable to governments and agencies	7,398	3,058
Refundable accommodation deposits	579	349
Total contractual payables	83,601	79,602
Total current payables	83,601	79,602
Total payables	83,601	79,602

(i) Financial liabilities classified as payables (Note 7.1(a))

Total payables	83,601	79,602
Deferred grant income	(14,498)	(22,431)
Total financial liabilities classified as payables	7.1(a) 69,103	57,171

How we recognise payables

Payables consist of:

Contractual payables, including payables that relate to the purchase of goods and services. These payables are classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to the Peninsula 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

	2024	2023
	\$'000	\$'000
Opening balance of deferred capital grant income	22,431	17,721
Grant consideration for capital works received during the year	15,980	43,597
Deferred capital grant income recognised as income due to completion of capital works	(23,913)	(38,887)
Closing balance of deferred capital grant income	14,498	22,431

How we recognise deferred capital grant income

Grant consideration was received from the Department of Health to support the construction of various capital construction projects.

Capital grant income is recognised progressively as the asset is constructed, since this is the time when Peninsula 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, Peninsula Health has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Note 5.4 Contract liabilities

	2024	2023
	\$'000	\$'000
Opening balance of contract liabilities	21,344	25,170
Grant consideration for sufficiently specific performance obligations received during the year	583,184	566,427
Revenue recognised for the completion of a performance obligation	(601,898)	(570,253)
Total contract liabilities	2,630	21,344

Represented by:

- Current contract liabilities	2,630	21,344
	2,630	21,344

How we recognise contract liabilities

Contract liabilities include consideration received in advance from customers in respect of funding provided by the Department of Health. The balance of contract liabilities was significantly lower than the previous reporting period due to the change in funding arrangements provided by the Department of Health. In previous reporting periods, the Department of Health allowed for the funding to be deferred into following periods subject to the satisfaction of criteria stated in AASB15. However, in the current financial year, the Department of Health advised that it believed that the associated performance obligations with its funding were satisfied in current financial year.

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

In the determination of fair value, consideration is given to factors including the overall capital management/prudential supervision framework in operation, the protection provided by the DH by way of funding should the probability of default increase, probability of default by the guaranteed party and the likely loss to the health service in the event of default.

Maturity analysis of payables

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

Note 6 How we finance our operations

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

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

Structure

6.1 Borrowings

6.2 Cash and cash equivalents

6.3 Commitments for expenditure

Material judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Determining if a contract is or contains a lease	<p>Peninsula Health applies material judgement to determine if a contract is or contains a lease by considering if the health service:</p> <ul style="list-style-type: none"> ▪ has the right-to-use an identified asset ▪ has the right to obtain substantially all economic benefits from the use of the leased asset and ▪ can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	<p>Peninsula Health applies material judgement when determining if a lease meets the short-term or low value lease exemption criteria.</p> <p>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.</p> <p>The health service also estimates the lease term with reference to remaining lease term and period that the lease remains enforceable. Where the enforceable lease period is less than 12 months the health service applies the short-term lease exemption.</p>
Discount rate applied to future lease payments	<p>Peninsula 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, Peninsula Health uses its incremental borrowing rate, which is the amount the health service would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security, and conditions.</p> <p>For leased land and buildings, Peninsula Health estimates the incremental borrowing rate to be between 1.0% and 6.1%.</p> <p>For leased plant, equipment, furniture, fittings and vehicles, the implicit interest rate is between 2.3% and 5.5%.</p>

Assessing the lease term	<p>The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend, or terminate the lease if Peninsula Health is reasonably certain to exercise such options.</p> <p>Peninsula Health determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including:</p> <ul style="list-style-type: none"> ▪ If there are significant penalties to terminate (or not extend), 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. ▪ The health service considers historical lease durations and the costs and business disruption to replace such leased assets.
--------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Note 6.1 Borrowings

	Note	2024 \$'000	2023 \$'000
Current borrowings			
TCV loan ⁱ		1,474	1,412
Lease liability ⁱⁱ	6.1(a)	10,645	7,277
Advances from government ⁱⁱⁱ		-	1,663
Total current borrowings		12,119	10,352
Non-current borrowings			
TCV loan ⁱ		14,318	15,793
Lease liability ⁱⁱ	6.1(a)	72,838	65,886
Total non-current borrowings		87,156	81,679
Total borrowings	7.1(a)	99,275	92,031

ⁱ These are secured loans with a weighted average interest rate of 4.7% (2023: 4.7%).

ⁱⁱ Secured by the assets leased.

ⁱⁱⁱ These are unsecured loans which bear no interest.

How we recognise borrowings

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

Initial recognition

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

Subsequent measurement

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

Maturity analysis

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

Defaults and breaches

There were no defaults or breaches of loan agreements during the current or previous financial years.

Note 6.1(a) Lease liabilities

Peninsula Health's lease liabilities are summarised below:

	2024	2023
	\$'000	\$'000
Total undiscounted lease liabilities	108,046	99,048
Less unexpired finance expenses	(24,563)	(25,885)
Net lease liabilities	83,483	73,163

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

	2024	2023
	\$'000	\$'000
Not longer than one year	14,513	10,672
Longer than one year but not longer than five years	49,409	39,109
Longer than five years	44,124	49,267
Minimum future lease liability	108,046	99,048
Less unexpired finance expenses	(24,563)	(25,885)
Present value of lease liability	83,483	73,163

* Represented by:

- Current liabilities	10,645	7,277
- Non-current liabilities	72,838	65,886
	83,483	73,163

How we recognise lease liabilities

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

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

Peninsula Health's lease arrangements consist of the following:

Type of asset leased	Lease term
Leased land	10 to 40 years
Leased buildings	2 to 15 years
Leased plant, equipment, furniture, fittings, and vehicles	1 to 5 years

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

Type of payment	Description of payment	Type of leases captured
Low value lease payments	Leases where the underlying asset's fair value, when new, is no more than \$10,000	Computer Equipment
Short-term lease payments	Leases with a term less than 12 months	Property Leases

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 Peninsula Health incremental borrowing rate. Our lease liability has been discounted by rates of between 1% to 7%.

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, and
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date

These terms are used to maximise operational flexibility in terms of managing contracts. 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).

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.

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

Peninsula 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 concessionary lease arrangements.

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

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2024 (continued)

Description of leased asset	Our dependence on lease	Nature and terms of lease
<p>Land and Buildings located at:</p> <ul style="list-style-type: none"> - 17-23 Yuille Street, Frankston - 87-91 Beach Street, Frankston - 185 High Street, Hastings 	<p>The lease of land and buildings are the premises from which Peninsula Health provides a part of its healthcare services. Peninsula Health's dependence on this lease is high. This level of dependency stems from the inability for Peninsula Health to source an equivalent substitute site with equal facilities and amenities within a comparable area for the given value.</p>	<p>17-23 Yuille Street, Frankston</p> <p>Lease payments of \$104 are required per annum.</p> <p>The lease commenced in 2013 and had a lease term of 10 years and is now ongoing on a month to month arrangement</p> <p>Restrictions placed on the use of the asset include requirement to provide healthcare services</p> <p>87-91 Beach Street, Frankston</p> <p>Lease payments of \$104 are required per annum.</p> <p>The lease commenced in 2014 and has a lease term of 10 years and is now ongoing on a month to month arrangement</p> <p>Restrictions placed on the use of the asset include requirement to provide healthcare services.</p> <p>185 High Street, Hastings</p> <p>Lease payments of \$104 are required per annum.</p> <p>The lease commenced in 2009 and has a lease term of 40 years which includes extension options.</p> <p>Restrictions placed on the use of the asset include requirement to provide healthcare services.</p>

Note 6.2 Cash and Cash Equivalents

	2024	2023
Note	\$'000	\$'000
Cash on hand (excluding monies held in trust)	16	20
Cash at bank - CBS (excluding monies held in trust)	15,559	93,861
Total cash held for operations	15,615	93,881
Cash at bank (monies held in trust)	19	19
Cash at bank - CBS (monies held in trust)	560	330
Total cash held as monies in trust	579	349
Total cash and cash equivalents	7.1(a) 16,194	94,230

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.

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as liabilities on the balance sheet. The cash flow statement includes monies held in trust.

Note 6.3 Commitments for expenditure

	2024	2023
	\$'000	\$'000
Capital expenditure commitments		
Less than one year	3,613	16,557
Total capital expenditure commitments	3,613	16,557
Operating expenditure commitments		
Less than one year	13,953	26,638
Longer than one year but not longer than five years	9,177	56,323
Five years or more	147	92
Total operating expenditure commitments	23,277	83,053
Total commitments for expenditure (inclusive of GST)	26,890	99,610
Less GST recoverable from Australian Tax Office	(2,445)	(9,055)
Total commitments for expenditure (exclusive of GST)	24,445	90,555

How we disclose our commitments

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

Expenditure commitments

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

Short term and low value leases

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

Note 7 Risks, contingencies, and valuation uncertainties

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

Structure

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

Material judgements and estimates

This section contains the following material judgements and estimates:

Key judgements and estimates	Description
<p>Measuring fair value of non-financial assets</p>	<p>Fair value is measured with reference to highest and best use, that is, the use of the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use.</p> <p>In determining the highest and best use, Peninsula 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.</p> <p>Peninsula Health uses a range of valuation techniques to estimate fair value, which include the following:</p> <ul style="list-style-type: none"> ▪ Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of Peninsula Health's specialised land, non-specialised land and non-specialised buildings are measured using this approach. ▪ Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of Peninsula Health's specialised buildings, furniture, fittings, plant, equipment, and vehicles are measured using this approach. <p>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.</p> <p>Subsequently, the health service applies material judgement to categorise and disclose such assets within a fair value hierarchy, which includes:</p> <ul style="list-style-type: none"> ▪ Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Peninsula 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. Peninsula Health categorises non-specialised land and right-of-use concessionary land in this level. ▪ Level 3, where inputs are unobservable. Peninsula Health categorises specialised land, non-specialised buildings, specialised buildings, plant, equipment, furniture, fittings, vehicles, right-of-use buildings and right-of-use plant, equipment, furniture, and fittings in this level.

Note 7.1 Financial instruments

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

Note 7.1(a) Categorisation of financial instruments

		Financial Assets at Amortised Cost	Financial Assets at Fair Value Through Net Result	Financial Liabilities at Amortised Cost	Total
30 June 2024	Note	\$'000	\$'000	\$'000	\$'000
Contractual Financial Assets					
Cash and Cash Equivalents	6.2	16,194	-	-	16,194
Receivables and contract assets	5.1	67,550	-	-	67,550
Investments and other financial assets	4.1	-	14,063	-	14,063
Total Financial Assetsⁱ		83,744	14,063	-	97,807
Financial Liabilities					
Payables	5.3	-	-	69,103	69,103
Borrowings	6.1	-	-	99,275	99,275
Total Financial Liabilitiesⁱ		-	-	168,378	168,378
		Financial Assets at Amortised Cost	Financial Assets at Fair Value Through Net Result	Financial Liabilities at Amortised Cost	Total
30 June 2023	Note	\$'000	\$'000	\$'000	\$'000
Contractual Financial Assets					
Cash and cash equivalents	6.2	94,230	-	-	94,230
Receivables and contract assets	5.1	60,238	-	-	60,238
Investments and other financial assets	4.1	-	13,056	-	13,056
Total Financial Assetsⁱ		154,468	13,056	-	167,524
Financial Liabilities					
Payables	5.3	-	-	57,171	57,171
Borrowings	6.1	-	-	92,031	92,031
Total Financial Liabilitiesⁱ		-	-	149,202	149,202

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

How we categorise financial instruments

Categories of financial assets

Financial assets are recognised when Peninsula Health becomes party to the contractual provisions to the instrument. For financial assets, this is at the date Peninsula Health commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through net result, in which case transaction costs are expensed to profit or loss immediately.

Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15 para 63.

Financial assets at amortised cost

Financial assets are measured at amortised 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 Peninsula 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.

Peninsula Health recognises the following assets in this category:

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

Categories of financial liabilities

Financial liabilities are recognised when Peninsula 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 results as other economic flows, unless the changes in fair value relate to changes in Peninsula Health's own credit risk. In this case, the portion of the change attributable to changes in Peninsula 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.

Peninsula 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, Peninsula Health has a legal right to offset the amounts and intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Some master netting arrangements do not result in an offset of balance sheet assets and liabilities. Where Peninsula 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
- Peninsula 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
- Peninsula 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 Peninsula Health has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Peninsula Health's continuing involvement in the asset.

Derecognition of financial liabilities

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

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

Reclassification of financial instruments

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

A financial liability reclassification is not permitted.

Note 7.2 Financial risk management objectives and policies

As a whole, Peninsula 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, included the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability, and equity instrument above are disclosed throughout the financial statements.

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

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

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

In addition, Peninsula Health does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, Peninsula 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 Peninsula 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.

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

There has been no material change to Peninsula Health's credit risk profile in 2023-24.

Impairment of financial assets under AASB 9

Peninsula Health records the allowance for expected credit losses for the relevant financial instruments by 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.

The credit loss allowance is classified as other economic flows in the net result.

Contractual receivables at amortised cost

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

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

Note 7.2(a) Expected credit losses

30 June 2024	Note	Current	Less than 1 month	1–3 months	3 months – 1 year	1-5 years	Total
Expected loss rate		0.3%	1.4%	3.5%	5.3%	81.4%	
Gross carrying amount of contractual receivables	5.1	4,542	1,236	726	653	263	7,420
Loss allowance		(12)	(17)	(26)	(34)	(214)	(303)

30 June 2023	Note	Current	Less than 1 month	1–3 months	3 months – 1 year	1-5 years	Total
Expected loss rate		0.1%	0.8%	2.5%	3.2%	27.2%	
Gross carrying amount of contractual receivables	5.1	7,097	1,336	645	977	1,582	11,637
Loss allowance		(10)	(11)	(16)	(31)	(431)	(499)

Note 7.2(b) Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due.

Peninsula Health is exposed to liquidity risk mainly through the financial liabilities as disclosed in the balance sheet and the amounts related to financial guarantees. The health service manages its liquidity risk by:

- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements
- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations
- holding investments and other contractual financial assets that are readily tradeable in the financial markets, and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

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

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

Note 7.2(b) Payables and borrowings maturity analysis

		Maturity Dates						
		Carrying Amount \$'000	Nominal Amount \$'000	Less	1-3 Months \$'000	3 months - 1 Year \$'000	1-5 Years \$'000	Over 5 years \$'000
				than 1 Month \$'000				
30 June 2024	Note							
Financial Liabilities at amortised cost								
Payables	5.3	69,103	69,103	35,559	12,784	20,182	579	-
Borrowings	6.1	99,275	123,816	1,332	3,997	10,659	47,528	60,300
Total Financial Liabilities		168,378	192,919	36,891	16,781	30,841	48,107	60,300

		Maturity Dates						
		Carrying Amount \$'000	Nominal Amount \$'000	Less	1-3 Months \$'000	3 months - 1 Year \$'000	1-5 Years \$'000	Over 5 years \$'000
				than 1 Month \$'000				
30 June 2023	Note							
Financial Liabilities at amortised cost								
Payables	5.3	57,171	57,171	32,347	12,237	12,237	350	-
Borrowings	6.1	92,031	99,048	971	2,914	6,786	39,109	49,268
Total Financial Liabilities		149,202	156,219	33,318	15,151	19,023	39,459	49,268

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

Note 7.2(c) Market risk

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

Sensitivity disclosure analysis and assumptions

Peninsula Health's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period. Peninsula 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. Peninsula Health does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

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

Equity risk

Peninsula Health is exposed to equity price risk through its investments in managed investment schemes. Such investments are allocated and traded to match the health service's investment objectives.

Peninsula Health's sensitivity to equity price risk is set out below.

Note 7.2(c) Equity risk

		-15%	+15%
	Carrying amount	Net result	Net result
30 June 2024	\$'000	\$'000	\$'000
Investments and other contractual financial assets	14,063	(2,109)	2,109
Total impact	14,063	(2,109)	2,109

		-15%	+15%
	Carrying amount	Net result	Net result
30 June 2023	\$'000	\$'000	\$'000
Investments and other contractual financial assets	13,056	(1,958)	1,958
Total impact	13,056	(1,958)	1,958

Note 7.3 Contingent assets and contingent liabilities

At balance date, there was an action in the Federal Court of Australia being brought against Peninsula Health with regards to junior doctor claims for overtime. A penalty hearing was heard in July 2024, with a determination yet to be delivered. The claim on behalf of class members is yet to be resolved.

Note 7.4 Fair value determination

How we measure fair value

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

The following assets and liabilities are carried at fair value:

- Financial assets and liabilities at fair value through net result
- Financial assets and liabilities at fair value through other comprehensive income
- Property, plant, and equipment
- Right-of-use assets

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

Valuation hierarchy

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

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities

Peninsula Health
Notes to the Financial Statements
For the Financial Year Ended 30 June 2024 (continued)

- 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.

Peninsula Health has managed investment schemes which have been assessed as Level 2 on the fair value hierarchy and have a total carrying value of 14.06 million (2023: 13.06 million).

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

	Note	Carrying amount 30 June 2024 \$'000	Fair value measurement at end of reporting period using:		
			Level 1 ⁱ \$'000	Level 2 ⁱ \$'000	Level 3 ⁱ \$'000
Specialised land		78,532	-	-	78,532
Total land at fair value	4.2(a)	78,531	-	-	78,532
Specialised buildings		388,393	-	276	388,117
Total buildings at fair value	4.2(a)	388,393	-	276	388,117
Plant and equipment	4.2(a)	33,104	-	-	33,104
Furniture and fittings	4.2(a)	2,341	-	-	2,341
Total plant, equipment, furniture, fittings, and vehicles at fair value		35,445	-	-	35,445
Right-of-use concessionary land	4.3(a)	9,898	-	4,044	5,854
Right-of-use buildings	4.3(a)	64,348	-	-	64,348
Right of use plant, equipment, furniture, fittings, and vehicles	4.3(a)	15,778	-	-	15,778
Total right-of-use assets at fair value		90,024	-	4,044	85,984
Total non-financial physical assets at fair value		592,394	-	4,320	588,078

ⁱ Classified in accordance with the fair value hierarchy.

	Note	Carrying	Fair value measurement at end of		
		amount 30 June 2023	reporting period using:		
		\$'000	Level 1 ⁱ \$'000	Level 2 ⁱ \$'000	Level 3 ⁱ \$'000
Specialised land		75,872	-	-	75,872
Total land at fair value	4.2(a)	75,872	-	-	75,872
Specialised buildings		351,268	-	-	351,268
Total buildings at fair value	4.2(a)	351,268	-	-	351,268
Plant and equipment	4.2(a)	29,476	-	-	29,476
Furniture and fittings	4.2(a)	7,434	-	-	7,434
Total plant, equipment, furniture, fittings, and vehicles at fair value		36,910	-	-	36,910
Right-of-use concessionary land	4.3(a)	9,898	-	4,044	5,854
Right-of-use buildings	4.3(a)	66,487	-	-	66,487
Right of use plant, equipment, furniture, fittings, and vehicles	4.3(a)	4,673	-	-	4,673
Total right-of-use assets at fair value		81,058	-	4,044	77,014
Total non-financial physical assets at fair value		545,108	-	4,044	541,064

ⁱ Classified in accordance with the fair value hierarchy.

How we measure fair value of non-financial physical assets

The fair value measurement of non-financial physical assets considers the market participant's ability to use the asset in its highest and best use, or to sell it to another market participant that would use the same asset in its highest and best use.

Judgements about highest and best use must consider the characteristics of the assets concerned, including restrictions on the use and disposal of assets arising from the asset's physical nature and any applicable legislative/contractual arrangements.

Peninsula Health has assumed the current use of a non-financial physical asset is its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

Theoretical opportunities that may be available in relation to the asset(s) are not considered until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best use.

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, an independent valuation was performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location, and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 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, Peninsula 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 Peninsula 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 Peninsula 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

Peninsula 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 of reflect the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying amount (depreciated cost).

Furniture, fittings, plant, and equipment

Furniture, fittings, plant, and equipment (including medical equipment, computers, and communication equipment) are held at carrying amount (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the current replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that current replacement cost will be materially different from the existing carrying amount.

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

Reconciliation of level 3 fair value measurement

	Note	Land \$'000	Buildings \$'000	Plant, equipment, furniture, fittings, and vehicles \$'000	Right-of- use buildings \$'000	Right-of-use plant, equipment, and furniture, fittings \$'000	Right-of-use concessionary land \$'000
Balance at 1 July 2022		75,872	312,274	28,107	7,634	4,656	5,854
Additions/(Disposals)		-	12,769	17,759	65,254	1,639	-
Net Transfers between classes		-	2,342	2,191	-	-	-
<i>Gains/(Losses) recognised in net result</i>							
- Depreciation and amortisation		-	(10,353)	(8,627)	(6,401)	(1,622)	-
- Impairment loss		-	-	(2,520)	-	-	-
<i>Items recognised in other comprehensive income</i>							
- Revaluation		-	34,236	-	-	-	-
Balance at 30 June 2023	7.4(a)	75,872	351,268	36,910	66,487	4,673	5,854
Additions/(Disposals)		-	9,170	9,021	4,678	15,239	-
Net Transfers between classes		-	5,538	-	-	-	-
<i>Gains/(Losses) recognised in net result</i>							
- Depreciation and Amortisation		-	(11,345)	(10,486)	(6,817)	(4,134)	-
<i>Items recognised in other comprehensive income</i>							
- Revaluation		2,660	33,762	-	-	-	4
Balance at 30 June 2024	7.4(a)	78,532	388,393	35,445	64,348	15,778	5,858

ⁱ Classified in accordance with the fair value hierarchy, refer Note 7.4.

Asset class	Likely valuation approach	Significant inputs (Level 3 only)
Specialised land (Crown/freehold)	Market approach	Community Service Obligations Adjustments ⁽ⁱ⁾
Specialised buildings	Current replacement cost approach	- Cost per square metre - Useful life
Vehicles	Current replacement cost approach	- Cost per unit - Useful life
Plant and equipment	Current replacement cost approach	- Cost per unit - Useful life
Investments	Market approach	- Quoted market prices

⁽ⁱ⁾ A community service obligation (CSO) of 20% was applied to the Peninsula Health's specialised land.

Note 8 Other disclosures

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

Structure

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

8.2 Responsible persons disclosure

8.3 Remuneration of executives

8.4 Related parties

8.5 Remuneration of auditors

8.6 Ex-gratia expenses

8.7 Events occurring after the balance sheet date

8.8 Equity

8.9 Economic dependency

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

	Note	2024 \$'000	2023 \$'000
Net result for the year		(59,122)	15,726
Non-cash movements:			
(Gain) / Loss on sale or disposal of non-financial assets		(811)	8,632
(Gain) / Loss on financial instruments		(1,007)	405
Depreciation and amortisation of non-current assets	4.4	33,519	27,887
Impairment of non-current assets		-	2,312
Assets and services received free of charge		(1,798)	(5,889)
(Gain) / Loss on revaluation of long service leave liability		(1,919)	1,217
Movements in Assets and Liabilities:			
(Increase) in receivables and contract assets		(4,095)	(2,783)
Decrease / (Increase) in inventories		846	(1,081)
(Increase) / Decrease in prepaid expenses		(4,130)	4,399
(Decrease) in payables and contract liabilities		(14,945)	(7,009)
Increase in employee entitlement provisions		10,460	20,716
Net cash inflow from operating activities		(43,002)	64,532

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:	
Minister for Health	1 July 2023 - 30 June 2024
Minister for Health Infrastructure	1 July 2023 - 30 June 2024
Minister for Ambulance Services	2 October 2023 - 30 June 2024
The Honourable Gabrielle Williams MP:	
Minister for Mental Health	1 July 2023 - 2 October 2023
Minister for Ambulance Services	1 July 2023 - 2 October 2023
The Honourable Lizzy Blandthorn MP:	
Minister for Children	2 October 2023 - 30 June 2024
Minister for Disability	2 October 2023 - 30 June 2024
The Honourable Ingrid Stitt MP:	
Minister for Mental Health	2 October 2023 - 30 June 2024
Minister for Ageing	2 October 2023 - 30 June 2024
Minister for Multicultural Affairs	2 October 2023 - 30 June 2024
Governing Board	
Mr Michael Gorton	1 July 2023 - 30 June 2024
Dr Anthony Kambourakis	1 July 2023 - 30 June 2024
Prof Mark Frydenberg	1 July 2023 - 30 June 2024
Ms Rita Cincotta	1 July 2023 - 30 June 2024
Ms Allison Smith	1 July 2023 - 30 June 2024
Ms Kirsten Mander	1 July 2023 - 30 June 2024
Ms Karen Corry	1 July 2023 - 30 June 2024
Ms Sylvia Hadjiantoniou	1 July 2023 - 30 June 2024
Mr Hamish Park	1 July 2023 - 30 June 2024
Accountable Officer	
Felicity Topp (Chief Executive Officer)	1 July 2023 - 28 June 2024
Helen Cooper (Acting Chief Executive Officer)	28 June 2024 – 30 June 2024

Remuneration of Responsible Persons

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

Income Band	2024	2023
	No.	No.
\$0 - \$10,000	1	1
\$40,000 - \$49,999	7	7
\$80,000 - \$89,999	1	2
\$370,000 - \$379,999	-	1
\$480,000 - \$489,999	1	-
Total Numbers	10	11

	2024	2023
	\$'000	\$'000
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	890	861

Amounts relating to Responsible Ministers are reported within the Department of Parliamentary Services' Financial Report.

Note 8.3 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 of executive officers (including Key Management Personnel disclosed in Note 8.4)	Total Remuneration	
	2024	2023
	\$'000	\$'000
Short-term benefits	1,967	1,909
Post-employment benefits	161	159
Other long-term benefits	63	67
Termination benefits	22	32
Total remunerationⁱ	2,213	2,167
Total number of executives	8	8
Total annualised employee equivalent ⁱⁱ	7	7

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

ⁱⁱ Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided in exchange for services rendered, and is disclosed in the following categories:

Short-term employee benefits

Salaries and wages, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits

Pensions and other retirement benefits (such as superannuation guarantee contributions) paid or payable on a discrete basis when employment has ceased.

Other long-term benefits

Long service leave, other long-service benefit, or deferred compensation.

Termination benefits

Termination of employment payments, such as severance packages.

Note 8.4 Related parties

The Peninsula 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 health services and public sector entities that are controlled and consolidated into the State of Victoria financial statements.

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

Key management personnel

The Board of Directors and the Executive Directors of the Peninsula Health and its controlled entities are deemed to be KMPs. This includes the following:

Entity	KMPs	Position Title
Peninsula Health	Michael Gorton	Chair of the Board
Peninsula Health	Allison Smith	Board Member
Peninsula Health	Mark Fydenberg	Board Member
Peninsula Health	Kirsten Mander	Board Member
Peninsula Health	Karen Corry	Board Member
Peninsula Health	Syliva Hadjiantoniou	Board Member
Peninsula Health	Hamish Park	Board Member
Peninsula Health	Rita Cincotta	Board Member
Peninsula Health	Anthony Kambourakis	Board Member
Peninsula Health	Felicity Topp	Chief Executive Officer
Peninsula Health	Helen Cooper	Chief Operating Officer
Peninsula Health	Fiona Reed	Chief Nursing & Midwifery Officer
Peninsula Health	Shyaman Menon	Chief Medical Officer
Peninsula Health	David English	Chief Information Officer
Peninsula Health	Pranay Lodhiya	Chief Financial Officer
Peninsula Health	Rama Devarajan	Chief Financial Officer
Peninsula Health	Elizabeth Holley	Chief People Officer

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.

	2024	2023
	\$'000	\$'000
Compensation - KMPs		
Short-term Employee Benefits ⁱ	2,775	2,653
Post-employment Benefits	228	210
Other Long-term Benefits	78	70
Termination Benefits	22	32
Totalⁱⁱ	3,103	2,965

ⁱ Total remuneration paid to KMPs employed as a contractor during the reporting period through accounts payable has been reported under short-term employee benefits.

ⁱⁱ KMPs are also reported in Note 8.2 Responsible Persons or Note 8.3 Remuneration of Executives.

Significant transactions with government related entities

The Peninsula Health received funding from the DH of \$787.6 m (2023: \$835.3 m) and indirect contributions of \$5.6m (2023: \$14.9 m). Balances outstanding as at 30 June 2024 are \$7.4 m (2023: \$3.1 m)

Expenses incurred by Peninsula 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 Peninsula Health to hold cash (in excess of working capital) in accordance with the State of Victoria's centralised banking arrangements. All borrowings are required to be sourced from Treasury Corporation Victoria unless an exemption has been approved by the Minister for Health and the Treasurer.

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 occurs on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the HealthShare Victoria and Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with Peninsula 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 the Peninsula Health Board of Directors, Chief Executive Officer and Executive Directors in 2024 (2023: none).

Note 8.5 Remuneration of Auditors

	2024	2023
	\$'000	\$'000
Victorian Auditor-General's Office		
Audit of the financial statements	173	168
Total remuneration of auditors	173	168

Note 8.6 Ex gratia expenses

	2024	2023
	\$'000	\$'000
Peninsula Health has made the following ex gratia expenses:		
Compensation for economic loss	5	5
Property damage payments	-	3
Total ex-gratia expenses	5	8

Includes ex-gratia for both individual items and in aggregate that are greater than or equal to \$5,000.

Note 8.7 Events occurring after the balance sheet date

There are no events occurring after balance date.

Note 8.8 Equity

Contributed capital

Contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of Peninsula 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.

Property, plant, and equipment revaluation surplus

The property, plant, and equipment revaluation surplus arises on the revaluation of infrastructure, land, and buildings. The revaluation surplus is not normally transferred to the accumulated surpluses/(deficits) on derecognition of the relevant asset.

Financial assets at fair value through comprehensive income revaluation reserve

The financial assets at fair value through other comprehensive income revaluation reserve arises on the revaluation of financial assets (such as equity instruments) measured at fair value through other comprehensive income. Where such a financial asset is sold, that portion of the reserve which relates to that financial asset may be transferred to accumulated surplus/deficit.

Restricted specific purpose reserves

The specific restricted purpose reserve is established where Peninsula Health has possession or title to the funds but has no discretion to amend or vary the restriction and/or condition underlying the funds received.

Note 8.9 Economic dependency

Department of Health, with the approval of the Department of Treasury and Finance, has advised that Peninsula 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. Peninsula Health provides essential services and is predominately dependent on the continued financial support of the State Government, particularly the Department of Health, and the Commonwealth funding via the National Health Reform Agreement (NHRA).

The State of Victoria plans to continue Peninsula Health operations and on that basis, the financial statements have been prepared on a going concern basis.

Healthy lives for everyone
through sustainable, innovative,
compassionate care.





Graphic Design by Cubbyhole Creative



Peninsula Health is proudly inclusive.



Peninsula Health is child safe.

Hastings Road (PO Box 52) Frankston Vic. 3199

Tel (03) 9784 7777

www.peninsulahealth.org.au

ABN 52 892 860 159 © 2024 Peninsula Health