AlfredHealth

Annual Report
2022-23

‘Patients are the reason we are here – they are the focus of what we do.’

Patient **Rachel Hoey** discusses her care under The Alfred SEEG (stereoelectroencephalography) program with Acting Director of Epilepsy **Andrew Neal** and Senior Neurophysiology Scientist **Cecilia Harb**. Story: p 14

Contents

About Alfred Health	2
Chair and chief executive's year in review	6
Operational highlights	8
Our patients	24
Our employees	36
Community engagement	46
Research and innovation	50
Projects and infrastructure	54
Environment	57
Delivering quality care	70
Performance	74
Governance	85
Disclosure index	102
Financial Statements	105
Glossary	180

About this report

This annual report outlines the operational and financial performance for Alfred Health from 1 July 2022 to 30 June 2023.

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

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

The relevant Ministers for the period were:

Minister for Health
The Hon Mary-Anne Thomas
from 1 July 2022 to 30 June 2023

Minister for Ambulance Services
The Hon Mary-Anne Thomas
1 July 2022 to 5 December 2022

The Hon. Gabrielle Williams
5 December 2022 to 30 June 2023

Minister for Mental Health
The Hon. Gabrielle Williams
1 July 2022 to 30 June 2023

Minister for Disability, Ageing and Carers
The Hon. Colin Brooks
1 July 2022 to 5 December 2022

The Hon. Lizzie Blandthorn
5 December 2022 to 30 June 2023

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

This report is available online at alfredhealth.org.au

Cover: Thanks to Alfred Health's TrialHub, **Marilyn De Haas** is able to participate in a clinical trial closer to her Stratford home in regional Victoria.
Story: p 53

About Alfred Health

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

We have a dual role: caring for more than 750,000 locals who live in inner-southern Melbourne; and providing health services for Victorians experiencing the most acute and complex conditions through 18 statewide services.

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

Our story

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

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

Through our partnerships we build our knowledge and share it with the world.

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

Our purpose

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

Our beliefs

Patients are the reason we are here – they are the focus of what we do.

How we do things is as important as what we do.

Respect, support and compassion go hand in hand with knowledge, skills and wisdom. Safety and care of patients and staff are fundamental.

Excellence is the measure we work to every day.

Through research and education, we set new standards for tomorrow.

We work together. We all play vital roles in a team that achieves extraordinary results. We share ideas and demonstrate behaviours that inspire others to follow.

Our catchments

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

Our primary catchment covers 750,000 people, with future growth projected. Our statewide and national services provide care to those residing around Victoria and Australia.

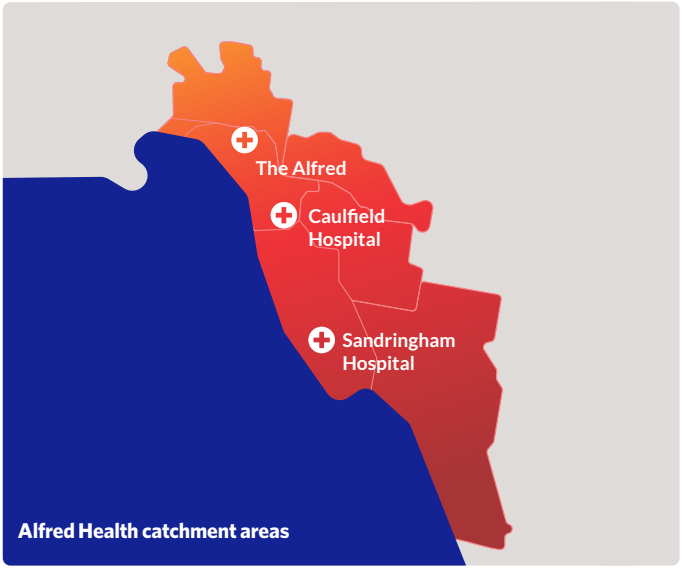
South East Metro Health Service Partnership

The South East Metro Health Service Partnership (SEMHSP) is a collaboration encompassing the three major public acute health providers in the South East – Alfred Health, Monash Health and Peninsula Health. South Eastern Melbourne Primary Health Network and independent community health provider Better Health Network are also key partners.

Its aim is to guide the coordination of a public health system in south-east Melbourne that provides equity of access and excellence in care.

The region covers thirteen local municipalities, from Melbourne's CBD to the tip of Mornington Peninsula, and east to Bunyip, with an estimated residential population of 1.8 million.

Since its establishment in 2020, priorities have included pandemic management, home based care, outpatient and specialist clinic access, access to elective surgery and shared service arrangements including pathology.



Alfred Health catchment areas

Our hospitals

The Alfred

The Alfred is a major tertiary and quaternary referral hospital which provides specialised care and treats those who are critically ill. It is best known as one of Australia's busiest emergency and trauma centres as well as its largest and most acute Intensive Care Units (ICU).

It is home to statewide services, including the Heart and Lung Transplant Service, Victorian Melanoma Service and Major Trauma Service, offering comprehensive care for the most complex patients.

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

The Alfred

Caulfield Hospital

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

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

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

Our community health program also offers services including health promotion.

Caulfield Hospital

Sandringham Hospital

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

Services such as Hospital in the Home and our Hospital Admission Risk Program also operate from Sandringham.

Alongside its ED, the Sandringham Ambulatory Care Centre (SACC) plays a vital role treating non-urgent patients, allowing our ED to care for higher-acuity patients.

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

The hospital works closely with Monash Health, as the provider of Maternity, Newborn and Gynaecology services for the community and local community healthcare providers.

Sandringham Hospital

Community services and clinics

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

Melbourne Sexual Health Centre

Melbourne Sexual Health Centre has dedicated clinics for individuals at risk of sexually transmitted infection, on-site testing for sexually transmitted infections, and provides counselling, advice and health information.

It prioritises access for those at highest risk of sexually transmitted infections (STI). A walk-in triage service is available for those with acute symptoms or needs, with access to free and immediate care. We also provide limited appointments for those with less urgent needs such as screening tests.

Community mental health

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

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

Melbourne Sexual Health Centre

Clinical services

We provide the most comprehensive range of adult specialist medical and surgical services in Victoria. We offer almost every form of medical treatment across our multiple sites and three hospital campuses.

Clinical services include:

Aged care (geriatric evaluation and management, acute)

Allied health and nursing services

Cancer care (bone marrow transplantation, radiotherapy, oncology, haematology, melanoma, cancer surgery)

Cardiothoracic services (heart and lung transplantation, cardiology, cardiac surgery, cardiac rehabilitation, respiratory medicine, thoracic surgery, adult cystic fibrosis)

Emergency medicine (intensive care, burns and adult major trauma)

Ear, nose and throat (head and neck surgery)

Gastrointestinal (gastroenterology, gastrointestinal surgery)

General medicine

General surgery

Neurosciences (neurology, neurosurgery, stroke services)

Ophthalmology

Orthopaedics

End of life care (palliative care, advanced care planning, voluntary assisted dying)

Pathology (anatomical, clinical biochemistry, laboratory haematology, microbiology)

Pharmacy

Psychiatry (adult, child, adolescent, youth, aged)

Radiology and nuclear medicine

Rehabilitation (Acquired Brain Injury Rehabilitation Centre, amputee, cardiac, spinal, neurological, orthopaedic, burns)

Renal services (nephrology, haemodialysis, renal transplantation)

Specialist medicine (asthma, allergy and clinical immunology, dermatology, endocrinology/diabetes, hyperbaric, infectious diseases, rheumatology)

Specialist surgery (dental, faciomaxillary, plastic, vascular)

Urology

Statewide services

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

We offer almost every form of medical treatment across our multiple sites and three hospital campuses.

1. Bariatric Service
2. Clinical Haematology Service & Haemophilia Service
3. Cystic Fibrosis Service
4. Heart & Lung Transplant Service
5. Hyperbaric Medicine Service
6. Major Trauma Service
7. Malignant Haematology and Stem Cell
8. Problem Gambling and Mental Health Program
9. Psychiatric Intensive Care Service
10. Sexual Health Service
11. Specialist Rehabilitation Service
12. Victorian Adult Burns Service
13. Victorian HIV/AIDS Service
14. Victorian Melanoma Service
15. Victorian Ne uropathology Laboratory Service
16. Voluntary Assisted Dying Statewide Pharmacy Service
17. Victorian ECMO service (VECMOS)

National service

18. Paediatric Lung Transplant Service

Sandringham Haemodialysis Clinical Nurse Specialist **Zhan Lin**.

The **Victorian ECMO Service** is among the statewide services led by Alfred Health.

Report of operations

Responsible Body Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the Report of Operations for Alfred Health for the year 30 June 2023.

Martin Foley
Chair
Alfred Health Board
6 September 2023

Chair and Chief Executive's year in review

Chair Martin Foley

Chief Executive Prof Andrew Way AM

In 2022–23, Alfred Health reinforced its commitment as a healthcare service for all Victorians.

With the support of our passionate workforce, we continued to be an internationally recognised leader in healthcare, dedicated to better health outcomes and improving patient experiences.

World leading care for all Victorians

This year we focused on recovering, resetting and reforming our operations. This sense of renewal, helped by our growing culture of engagement, allowed the health service to learn from the COVID experience and focus on the new challenges ahead.

It also reignited the sense of innovation with projects in outpatients, surgery, general medicine and emergency care bringing together a mix of technology, systems and evidence-based practice that will change how and where we deliver care.

Our statewide role remained central and we responded to the growing need for emergency care. The Alfred ED and Trauma Centre continued to be the busiest in the country with close to 74,000 presentations; and we continued to operate Australia's largest and most acute Intensive Care Unit. Deferred care particularly for patients with complex and critical conditions such as cancer, has also been a clinical priority, addressing the urgent needs of patients and community.

Beyond this, we continued to innovate. Our Mental Health program started a physical health hub at St Kilda Rd Clinic, providing an important bridge to primary health care. The new Functional Seizures clinic is the first public clinic of its kind in Australia to support people presenting with psychogenic non-epileptic seizures (PNEs). We also introduced a Diabetes Connecting Care Clinic (DCCC) at Caulfield Hospital, to provide holistic integrated care through individualised plans.

Quality care beyond our hospital walls

Improving health equity remained a priority, as we continued to extend the care we offered beyond our hospital walls.

The treatment we offer goes well beyond metropolitan Melbourne, thanks to collaborations we share with services in places such as Bairnsdale, Central Gippsland, Horsham, Mildura, Bass Coast, Bendigo and La Trobe.

We have played an important role increasing access to world-leading care through local and regional partnerships with our clinicians running specialised neurology, cardiac and cancer care. We have also extended the reach of clinical trials through our TrialHub program, delivering potentially life-saving cancer treatments by working with outer suburb and regional hospitals.

This year we extended our Better at Home program to people with disabilities, providing safe and timely transition for patients with disabilities who are under 65 years, supported by a team of clinicians.

Meanwhile, The Alfred-led Victorian Sexual Health Network continued to expand – now supported by eleven GP clinics offering specialist support closer to home.

Improving patient experiences

Underpinned by our Patient's Come First Strategy, Alfred Health has been on a journey engaging and listening to patients, and applying these learnings to the design and delivery of care. Improving the patient experience is key to what we do.

Our Rapid Response Disability Liaison Officers (DLOs) have made a positive difference to patients in The Alfred's Emergency and Trauma Centre, working hard to increase accessibility for people with different communication and sensory needs.

Our new Indigenous Garden is part of our living and growing commitment towards Aboriginal cultural safety. Our local Indigenous community were strongly involved in its planning and building, with the garden an 'antidote' for patients and staff to take a break from the hospital environment.

Supporting our passionate and diverse staff

With an understanding that great staff experiences contribute to great patient care, we have made listening to our staff, and taking actions to enhance their experiences, a key priority.

An Employee Experience (EX) program has been established to better understand what matters most to our staff. From analysing more than 15,000 pieces of employee feedback, we have identified issues important to them. By actively listening to their experiences, we will look to retain and grow our talent, foster belonging and wellbeing.

In addition, we are working hard to improve what we are doing in the peer recognition space, and build on events such as our Length of Service and Recognising Excellence Awards so we can highlight our high achieving staff.

Evidence based research and innovation

Evidence-based research and innovation remain a priority, so we can provide internationally recognised treatment to our patients.

In an Australian first, our ICU became home to a mobile CT scanner, reducing a one-hour process to just 15 minutes. While in a world-first study, for which The Alfred is the Victorian lead, 3D skin imaging technology and artificial intelligence is being used to significantly improve the early detection of melanoma.

Through the Alfred Research Alliance, we continue to collaborate with like-minded organisations so problems identified at the bedside can lead to improved diagnoses and new treatments. This has contributed to The Alfred being internationally recognised as the most research intense hospital in Australia for translational medicine.

Planning for the future

We continue to work with key stakeholders – including governments of all levels – to ensure we can continue to deliver quality care in the years ahead.

The Paula Fox Melanoma and Cancer Centre remains on target to open in 2024. Upon completion, it will bring together researchers, clinical care and treatment facilities while driving innovation in cancer research.

In addition, our Environment Sustainability Strategy 2022-25 was released in May 2023. A watershed report, it takes a broad view of sustainability, and the health impacts of climate change. It also sets our ambition to lead on sustainable healthcare practices, and harnessing the passion of Alfred Health's staff.

Thanks to Board and staff

Thank you to the Board, donors and broader community for their outstanding support over the past year; and also to the Executive Team for their leadership.

Most of all, thank you to our amazing staff. No matter what the challenge, your commitment to quality care has been resolute, and your dedication to our patients unwavering.

Professor Andrew Way AM
Chief Executive

Martin Foley
Board Chair

6 September 2023

Fast Facts 2022-23

Employees	**10,612**
Emergency presentations	**121,419**
ICU occupied Bed days	**18,111**
Acute separations	**127,475**
Elective surgeries performed from waiting list	**10,015**
Specialist outpatient appointments	**282,787**
Clinical trials open	**606**

Operational **highlights**

We provide world-leading care to all Victorians in a range of environments – from lifesaving emergency and critical care; to compassionate treatment for patients with complex health needs, chronic conditions or who require rehabilitation.

Hector's fight for survival

In early 2023, Hector Saenz became the second person in Australia to receive a lung transplant following COVID-19 – after six months in The Alfred ICU, more than 4,000 hours of critical care from 1,500 medical professionals, and the longest recorded stint on ECMO.

Hector was transferred to The Alfred with severe COVID-19. He deteriorated to the point he required support with veno-venous ECMO (a type of cardiac bypass than can be run through large veins).

He was referred and listed for lung transplantation. While awaiting a donor, he continued physical activities supervised by the ICU physiotherapy team, and was in good physical condition when he received a transplant, four months after commencing ECMO.

Hector's lung transplant was a success. A month later, he was discharged and is walking regularly. His treatment marks the longest successful bridge to transplant and highlights the dedication of Alfred staff.

Hector Saenz and wife **Ana** are grateful for the support they received from The Alfred.

SPOTLIGHT

"Being in the comfort of my own home is the biggest benefit. It's a great alternative for me to spend some treatment time here, and the staff are super helpful. I also have my own bed which is the best part."

Cystic Fibrosis patient **Caitlin** on the benefits of home-based care.

Caring beyond our walls

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

Virtual care

From specialist appointments via telehealth, to providing treatment using a virtual clinical service, Alfred Health is offering innovative ways to provide treatment, while still ensuring our patients receive quality care.

Telehealth

Alfred Health is working to ensure virtual care is embedded as a desirable and accessible option to deliver patient care. With high demand on physical clinical spaces, telehealth provides us with additional capacity to see patients.

With an easing of COVID restrictions, the past year has seen an increase in face-to-face appointments. However, the uptake of telehealth video has continued to increase, highlighting virtual care as an important option to access specialist clinics for a large number of patient groups.

To improve the telehealth experience, key initiatives have included:

- Creation of standardised processes for monitoring and supporting telehealth waiting rooms
- Telehealth soundproof booth pilot to allow staff more private space to conduct appointments
- Training and support for administration staff
- Infrastructure audit to ensure all clinical areas are telehealth enabled
- Training visits to Residential Aged Care Facilities to improve staff confidence in telehealth

Specialist clinic appointments	2021–22	2022–23
Telephone	88,849	35,684
Telehealth video	44,180	47,072
Face-to-face	132,042	200,031
Total activity	**265,071**	**282,787**

Virtual Emergency Department

The innovative Virtual ED (VED) service provided patients with access to the same level of high-quality care they would receive in a hospital setting, from the comfort of their own home using a smart device.

Services offered through VED included referrals to home care services, GPs and other specialists. The VED was also able to distribute prescriptions to be dispensed at local pharmacies close to patients.

The project which operated from January 2022–June 2023, was established to meet the challenges brought on by the pandemic and was implemented in partnership with Monash Health, Peninsula Health and Ambulance Victoria (AV). Important learnings from this exciting innovation are now being incorporated into broader virtual care and hospital avoidance strategies.

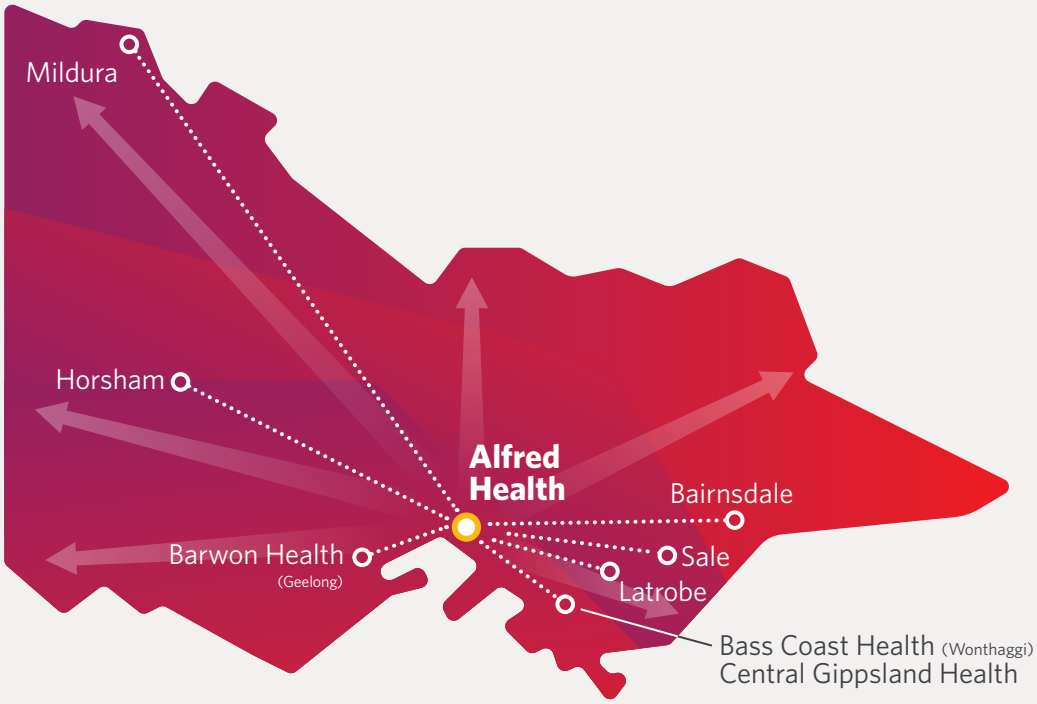
Using technology to provide better sexual health care

At Melbourne Sexual Health Centre, planning on an electronic Sexually Transmitted Infections (STI) service is underway. It will provide testing and treatment through a virtual clinical service with many steps being entirely automated. Ultimately this service would test clients through an external laboratory and MSHC would only need to provide clinical services to those who test positive. The Department of Health and University of Melbourne are among those partnering with MSHC on this project.

MSHC are working to improve the public's health literacy and understand STI symptoms through the development of AI tools. Led by Professor Lei Zhang, it is hoped technology can assist in the virtual diagnosis of images and symptoms that can be incorporated into MSHC services.

Work is also underway on upgrading of our electronic patient systems. The upgrade will allow clients to register their details and clinical history on their own mobile device and book appointments. It will mean that sexual health nurses are freed up to provide clinical services.

Partnering to take care closer to home: the health service for all Victorians



Beyond our hospital sites in Melbourne, Alfred Health is also delivering quality care in regional Victoria.

A range of services are available, ensuring patients can receive treatment closer to home.

At Bass Coast, La Trobe Regional Health and Central Gippsland, senior clinicians are supporting patients to receive treatment and recover close to home.

We are improving accessibility and removing the barriers of travel across key services including: **geriatric, neurology, cardiac** and **cancer specialist care**.

Meanwhile, at Bairnsdale, Central Gippsland, and Grampians Health (Horsham) and Mildura Base Hospital, our intensive care specialists support hospitals to build their ICU capability and capacity.

Central Gippsland Health Service (Alfred Brain)

In July 2022, Alfred Brain partnered with Central Gippsland Health Service to establish weekly neurology clinics, alternating between on-site and telehealth clinics. It is the first specialist neurology clinic in the region, and sees patients referred for a general neurology opinion and management as well as subspecialty clinics in stroke, epilepsy, movement disorders, headache and multiple sclerosis and neuroinflammation.

Medical oncology outreach

The extension of our regional partnerships to ensure patients received treatment in their local area continued, with the expansion of Alfred Medical Oncology's outreach services at Bass Coast Health providing high-level cancer care to patients directly in the region.

Renal (Specialty clinics)

The Renal Service continues to support a 'hub and spoke' model with Peninsula Health, supporting infrastructure and patient care delivery across the South East Metro partnership with Frankston, Hastings and Rosebud Dialysis units.

Home, Acute and Community

This year saw further innovation within the community with the Home, Acute and Community Program continuing to expand care 'beyond hospital walls'.

Alfred Health's Home, Acute and Community (HAC) is a clinical program that plays an integral role, supporting people to maximise their health, independence, and functioning, and minimise long-term care needs. It oversees a diverse group of services in settings such as people's homes, community centres and in hospital.

In 2022–23 all our programs scaled care delivery in the home as a key way of either preventing hospital admission or reducing the patient's time spent in hospital.

Hospital in the Home

Over the past year, our innovative Hospital in the Home (HITH) service was able to provide acute care in the home for more patients with conditions such as cancer, acute or surgical wounds and general medical needs.

In March 2023, we expanded capacity to safely treat more patients with acute general medical conditions in their home. Between March and June 2023, we have treated an additional 120 acute patients in their home for conditions such as respiratory and cardiac-related conditions and infections.

We have an ongoing commitment to innovate and transform the way we deliver care to patients giving them more choice of where they receive their care.

Better at Home

Our Rehabilitation, Health of Older Persons (HOP) and acute care teams continued to utilise our Better at Home service to offer care in the home for patients that was previously limited to inpatient care.

Our Better at Home Disability (BAH-D) service provides safe and timely transition for patients who are under 65 years old and live with a disability. These patients are supported by a team of clinicians to leave hospital and return to the community.

In 2022–23, 21 patients were admitted to the Better at Home Disability service with many supported along the NDIS pathway for ongoing support and care in the community.

Caring in the community

Our community teams continued to meet our patients' growing needs by providing urgent and high priority services, and ongoing goal orientated care in our therapy centres, clinics and in patients' own homes.

Residential Aged Care Support

The Alfred Health Mobile Assessment and Treatment Service (MATS) continued to support residential aged care facilities (RACF) in our region.

They are focused on optimising pathways to clinical support, improving infection prevention and supporting falls prevention within RACFs.

We continue to provide advice and treatment to residents to support their health and wellbeing, and information on how they can access support to remain well. In 2022–23, MATS provided over 15,000 occasions of care to residents via on-site visits, telehealth, and telephone consultations.

This important service has played a vital role in ensuring most residents are able to avoid a transfer to hospital and remain in their facility for treatment when experiencing clinical deterioration.

The Mobile Assessment Treatment Team Service offers support to people such as Yooralla Carnegie resident **Gaynor**. Pictured with Gaynor are Yooralla Service Manager **Ann-Marie Bassett** and Alfred Health Disability Project Officer **Elizabeth O'Shannessy**.

Alfred Brain

Alfred Brain brings together the surgical and medical neuroscience units of Neurosurgery, Neurology, Stroke, Epilepsy, Multiple Sclerosis Neuroimmunology (MSNI) and the Monash Psychiatric Research Centre (MAPrc).

The program's mission is to deliver the highest quality neuroscience patient care, training and research, be at the forefront of innovation and world's best practice, and to be recognised nationally and internationally for this. Alfred Health has become the destination of choice for patients, staff, trainees/students, researchers, and government and industry funding partners.

	2021–22	2022–23
Alfred Brain separations	5,660	5,982

The Alfred Functional Seizures Clinic

The Alfred Functional Seizures Clinic is now running three clinics every week to address demand. It is the first public clinic of its type in Australia dedicated to this group, with the service offering therapeutic interventions and clinical trials.

Patients with functional seizures, also known as psychogenic non-epileptic seizures (PNES), present with what appear to be epileptic seizures but have a psychological rather than a neurological basis. In addition to the major day-to-day impact these patients experience, they also have a 2.5 times increased mortality to that of the general population (matched for age and gender).

The program has published in the international journal, *Epilepsy and Behaviour*, highlighting the positive experience of the clinic's first year, with a feasible treatment pathway offered and high patient retention rates. Of 52 patients with follow-up data, 88 per cent were either stable or improved during clinic engagement.

Innovative care for advanced epilepsy

The Alfred SEEG (stereoelectroencephalography) program offers advanced epilepsy surgery for patients with highly disabling and potentially fatal drug resistant epilepsy, and where available medical options have failed to control their seizures. Since commencing in 2019, it has treated patients across the state and country.

Of the 50 patients the program has treated, approximately 70 per cent have been rendered completely seizure free, and 90 per cent significantly reduced seizures, from this treatment. It has transformed their quality of life, reduced risk of death and injury, and neuropsychiatry comorbidities.

Alfred Cancer

Alfred Cancer delivers comprehensive cancer care, ensuring quality clinical care for all Victorians through our statewide Melanoma, Haematology and Haemophilia service.

We provide Medical Oncology, Radiation Oncology, Survivorship and Palliative Care programs with a large focus on clinical trials and research emended in each unit.

Our mission is working together to provide comprehensive patient centred, quality care through investment, research and innovation.

We are one of the largest Bone Marrow Transplant centres in Victoria and only one of two Victorian hospitals able to deliver CAR-T therapy to all Victorians.

	2021–22	2022–23
Alfred Cancer separations	16,791	18,279

Haematology makes strides

Chimeric antigen receptor T cell therapy (CAR-T), continued to be an important part of Haematology's work, with the first state-funded CAR T-cell patient commencing treatment in May 2023. The team also performed 30 curative intent transplants in three months as it progressed treatment which had been deferred due to COVID, an outstanding effort given 4–6 transplants are usually performed each month.

30 years of Radiotherapy

As it marked its 30th anniversary, our Radiotherapy team continued to provide innovative care. The program became the first in Australia to treat patients using the Bravos High Dose Rate brachytherapy unit. Brachytherapy is an internal radiation therapy, with the highly customisable machine playing an important role in reducing treatment delivery times.

Cancer@Home

The Cancer@Home project continued to produce positive outcomes, with the recruitment of tumour stream nurse coordinators enhancing our patient centred approach. Our patients' experience of care has improved thanks to direct access to a specialist nurse at the immediate time of need, along with earlier intervention to avoid ED and admission.

Alfred Heart and Lung

Alfred Health's Heart and Lung Program remains a pioneering provider of treatments for severe heart and lung diseases and is recognised nationally and internationally for clinical excellence. Alfred Heart and Lung also continues to grow a strong network of regional partnerships in the Gippsland region.

In 2022–23, the team performed:	
Heart transplants	**24**
Lung transplants	**69**
Paediatric transplants	**4**
Ventricular Assist (VAD) implants	**11**

Firsts and milestones for Heart team

After reaching 1000 TAVI (Transcatheter Aortic Valve Implantation) cases in Sept 2022, our Structural Heart team led by A/Prof Tony Walton (pictured) performed the Victorian first mitral valve replacement procedure via transcatheter technique and our first Tricuspid valve intervention.

Mitral valve replacement is a new keyhole procedure which is giving hope to patients with a common yet deadly heart valve disease who have been previously considered ineligible for lifesaving surgery due to their age or health.

Associate Professor **Tony Walton** with the transcatheter mitral valve replacement.

Alfred Infectious Diseases

Alfred Infectious Diseases includes a team of dedicated nurses, doctors, and researchers who specialise in illness caused by the spread of infectious organisms.

The team's focus is to advance medical and scientific knowledge, providing comprehensive care to patients, and addressing the challenges posed by life-threatening diseases.

It has also formed key strategic partnerships with a range of institutions to conduct collaborative research.

Victorian Bacteriophage Therapy Program

The Alfred conducted the first two successful instances of phage therapy in Victoria, which involves utilising harmless viruses – known as bacteriophages or phages – to kill germs in cases where traditional antibiotics have failed. Since commencing in 2022, the Victorian Bacteriophage Therapy Program has built a diverse phage biobank targeting numerous multidrug-resistant bacteria and establishing collaborations for phage sourcing and production.

COVID Vaccines

BOOST-IC, a clinical trial funded by the Medical Research Future Fund (MRFF), focuses on individuals with compromised immune systems. The trial randomises participants to receive one or two additional bivalent COVID-19 vaccine boosters. The primary objective is to determine optimal vaccination strategies that provide protective immunity against COVID-19 for individuals with HIV, solid organ transplants, or haematological malignancies. This trial holds substantial importance in shaping future recommendations for COVID-19 vaccines.

Melbourne Sexual Health Centre

In 2022–23, Melbourne Sexual Health Centre had 51,886 consultations – a 23 per cent increase on the 42,141 consultations in 2021–22.

General practice clinics partnership

With the support of the Department of Health, Melbourne Sexual Health Centre has established a hub and spoke model to better service the increased demand for sexual health service. The Centre, along with six partner general practice clinics, form the Victorian Sexual Health Network (VSHN). The addition of the GP clinics provides an important alternative to MSHC's on-site service and provides enhanced access to health services for the effective control of STIs. MSHC is recruiting more practices in 2023.

Mpox

The appearance of a new STI, the Mpox virus in 2022, saw MSHC quickly change its processes to ensure all possible cases were detected as soon as possible to limit onward transmission. These adjustments and the early availability of a vaccine led to a successful public health response and largely controlled endemic Mpox virus transmission in Victoria.

Alfred Mental and Addiction Health

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

AMAH is at the forefront of service redesign and transformation, with a growing lived and living experience workforce as part of our team.

It offers highly specialised care in crisis management; ongoing clinic based and community care; addiction treatment including a specialised statewide gambling service; and suicide response and aftercare.

Additional programs include youth orientated services, such as headspace primary centres; emergency psychiatry; and a hospital-wide consultation and liaison service.

Volunteers who participated in headspace's Youth Peer Support Training are using their lived experience to support other young people.

Co-design

In support of a key finding in the recent Royal Commission into Victoria's mental health system, AMAH has been embedding co-design in its ongoing work so that patients, consumers, families, carers and staff are involved in the designing and refining of services. The service has produced an accessible and user-friendly guide to effective co-design, to ensure staff are able to put this into practice.

This has included establishing the Statewide Women's Mental Health Service (SWMHS), where 131 individuals with lived experience were consulted, and feedback also received from community organisations and peak bodies. Their participation means the new offering will more confidently meet the needs of a diverse range of service users.

Improving physical health

To support mental health consumers who present with other health concerns, the AMAH community program has set up a Physical Health Hub at the St Kilda Road Clinic.

This clinic provides an important bridge to primary health care and assists our consumers to navigate the health service system. This multidisciplinary team is led by a Nurse Practitioner, and offers mental health outpatients a metabolic clinic, sexual health care, wound care, and annual physical health checks.

In 2022–23 the clinic saw 313 consumers for physical health appointments. There was a 25 per cent increase in referrals annually and a 50 per cent increase in diagnosis of metabolic syndrome, pre-diabetes and type 2 diabetes.

Specialty Medicine

Alfred Speciality Medicine offers a diverse range of acute and chronic services including Rheumatology, Endocrinology and Diabetes, Dermatology, Gastroenterology, Renal Medicine and the newly established Clinical Genetics and Genomics service. These services play a critical role in the care of our community, with a particular emphasis on ambulatory health.

Clinical Genetics and Genomics

In its inaugural year, the Clinical Genetics and Genomics Service (CGGS) has recruited a highly skilled, multidisciplinary team.

In its first eight months of operation, more than 400 consultations have been completed. The Department of Health have endorsed the service as a Victorian Clinical Genetics service provider, committing ongoing funding in its first year of operation. Clinical Genetics and Genomics is now advancing the comprehensive capability of Alfred Health opening another statewide referral opportunity.

Gastroenterology

The Gastroenterology team have initiated a clinical and research program in gastro-intestinal (GI) cancer. This has resulted in a global first of a multidisciplinary Immuno-oncology complications clinic, with teams across Gastroenterology, Medical oncology, Rheumatology, Respiratory, Neurology, Dermatology and Cardiology treating complex immunotherapy complications. An overlap clinic incorporating GI cancer and Genetics called the GI Risk Management Service is also caring for high- risk patients with genetic predispositions to prevent cancer.

Endocrine and Diabetes

A new Diabetes Connecting Care Clinic (DCCC) opened at Caulfield Hospital in June 2023 to help people living with complex type 2 diabetes. It provides holistic integrated care by developing individualised care plans in collaboration with the Caulfield Community Health Service team.

This includes input from dietetics, exercise physiology, pharmacy and the diabetes nurse educator.

Patients are seen in the clinic by GPs, who have received specialised training from our service. These GPs can then take what they learnt back to their practice, spreading the improvement of diabetes management in the community.

Patients benefit from specialist care

Operating from Caulfield Hospital, the Diabetes Connecting Care Clinic (DCCC) is helping people living with complex type 2 diabetes. Led by Director of Endocrine and Diabetes Dr Tony Russell, the service provides dedicated care to patients such as Spiros Hrambanis.

Emergency

The Alfred Emergency & Trauma Centre (E & TC) is one of the state's busiest emergency departments, providing timely, quality care to acutely unwell and injured Victorians. Sandringham Hospital also offers emergency care, providing quality treatment in a community-focused environment.

The high number and unique mix of patients means our staff are constantly developing their clinical expertise – ensuring patients receive the highest quality, most appropriate treatment. We also collaborate with leading academic institutions, so local research can be translated into improved patient care.

Prahran Priority Primary Care Centre

Located across the road from The Alfred's Emergency & Trauma Centre, the Prahran Priority Primary Care Centre (PPPCC) is a GP-led service designed to increase access to primary care and to provide a viable alternative to visiting an emergency department.

The PPPCC provides bulk-billed, high-quality care for patients with non-life-threatening injuries and illnesses who may require urgent care but not an emergency response.

Since January 2023, PPPCC has had 1,475 presentations, proving an important support for The Alfred, reducing waiting times for patients and Emergency Department (ED) demand.

Eligible patients presenting to the E & TC can be referred to the PPPCC, where clinically appropriate. Similarly, the PPPCC can also refer patients to the E & TC when an emergency response is required. The PPPC is open from 8 am to midnight, seven days a week, with patients able to make direct bookings.

ED presentations 2022-23

Alfred Health inc SACC	121,419 (2021-22: 115,784)
The Alfred	73,770 (2021-22: 70,078)
Sandringham inc SACC	47,649 (2021-22: 45,706)

Teamwork is vital in **The Alfred's Emergency & Trauma Centre**, which is among Victoria's busiest emergency departments. Image: David Caird, Herald Sun

Chest pain pilot

The Virtual ED team is continuing to roll out a Timely Management of Chest Pain pilot across the state that provides urgent care for regional and rural Victorians who present with chest pain.

Since commencing in December 2022, the pilot has gone live at West Wimmera Health Service (Nhill), Maryborough Health and Gippsland Southern Health Service (Leongatha); Orbost Health, Bass Coast Health (Phillip Island) and Benalla Health.

The pilot involves Urgent Care Centre (UCC) staff in regional and rural Victoria using our triage tool for patients who present with chest pain and provides prompt access to care according to their needs. It ensures regional Victorians can receive specialist advice on management of chest pain via telehealth and timely access to electrocardiogram (ECG) interpretation, while remaining close to home. So far there have been more than 500 risk assessments by UCCs of patients presenting with chest pain.

Lifesaving care at Grand Prix

The Alfred's emergency and trauma specialists were once again trackside at the Australian Formula 1 Grand Prix at Albert Park, providing emergency care to anyone involved – from drivers to officials. The team included nurses, doctors, radiographers, a ward clerk and an orderly, with a Medical Centre set up to provide intensive care, lifesaving surgery, and support transfer to The Alfred if required.

Intensive Care

The Alfred ICU is the largest and most acute intensive care unit in the country, with 61 designated ICU beds. It provides quaternary clinical services for Victoria, specialising in Trauma, ECMO, burns, and heart and lung transplantation.

During 2022-23, ICU treated 3,183 patients with its care stretching beyond metropolitan borders due to our extensive statewide service. That number included 763 patients from regional Victoria, with 248 patients from interstate or overseas.

In addition, The Alfred provides a telehealth service for our regional ICU partners including Mildura Base Hospital and Grampians Health (Horsham).

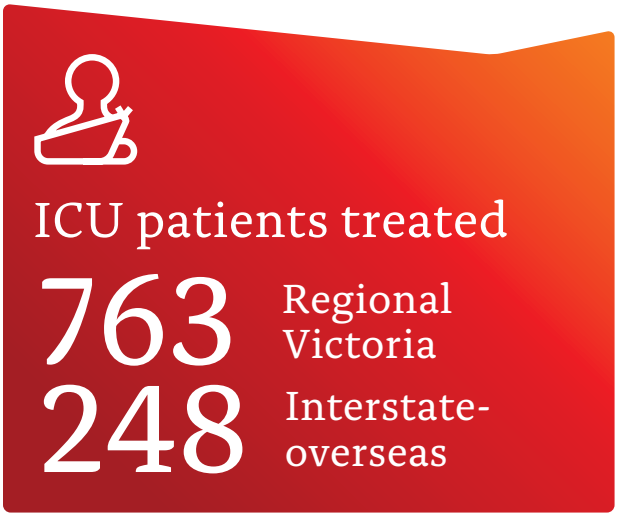
The ICU is also the largest provider of medical, nursing and allied health critical care training in Australia. It also makes an ongoing enormous contribution to critical care clinical research through over 200 research publications with authors representing all members of the multidisciplinary team.

ECMO Service

The Alfred continues to provide world leading outcomes for patients with profound heart and lung failure by providing ECMO (extracorporeal membrane oxygenation), an advanced form of life support. The hospital also plays the lead role in the coordination of VECMOS, the statewide ECMO service, which involves Ambulance Victoria and six other hospitals across Melbourne.

In 2022-23, there were 55 ECMO separations.

Highlights for the past year included funding of a multi-centre $1 million federal government-funded research study which aims to better identify patients who will most benefit from ECMO.



Training and recruitment boost

The rapid expansion and training of critical care nurses provided a welcome boost to the ICU team. More than 200 nurses have been recruited, with implementation of the largest critical care training pathway in Australia.

Clinical Nurse Specialist **Wendy Ding** is part of our hard-working Intensive Care Unit team.

Surgical services

Surgical Services provides world-class surgical care for the sickest, most vulnerable patients in Victoria and beyond, providing or supporting a range of statewide services. It plays a vital role in the hospital, with a strong focus on emergency and critical care.

Simulation program addresses avoidable harm

Surgical team training program Network Z is playing an important role improving safety and patient outcomes.

This year saw the relaunch of an innovative surgical team training initiative called Network Z, which uses in situ simulation.

Network Z has been developed to address avoidable harm in healthcare, improve patient safety and improve the efficiency of care. Its aim is to enhance communication and teamwork, leading to improvements in safety and patient outcomes.

Based on a program developed in New Zealand, Alfred Health's Network Z is the first of its kind in Australia. The training is conducted in the operating room, so processes, equipment and environment are also tested.

New Acute General Surgery Unit

This new Acute General Surgery Unit (AGSU) provides consultant-led care for patients who are admitted to Emergency at either The Alfred or Sandringham. Opened in May 2023, it will also manage all day surgery lists at Sandringham. These new lists at Sandringham will not only help us to treat more Emergency patients in hours, but combined with new outpatient services will enable us to grow our 'hub' of planned surgery at Sandringham.

Cutting edge technology improves patient care

Ultra Violet technology has played an important role in enhancing the care provided to burns patients in our surgical inpatients area.

Burns injured patients are highly susceptible to infection due to their skin loss and subsequent immunosuppressed state.

The introduction of Ultra Violet C technology in ward 6 West has seen measured doses of UV energy delivered, inactivating DNA & RNA and destroying microorganisms.

The 6 West team have embraced this technology. A structured training and introduction program has reduced the incidence of hospital acquired infections (HAI) significantly, from 18.3 to 10.2 HAI per 1000 bed days.

Surgical team training program **Network Z** is playing an important role improving safety and patient outcomes through enhanced communication and teamwork.

Outpatients

The Outpatient Program supports provision of non-admitted care across a wide range of medical, nursing and allied health services at Alfred Health.

Approximately 1200 patients are treated daily across Alfred Health Specialist Consulting Clinics within surgical, medical and other specialties.

Response beyond COVID-19

Building on its work during the pandemic where it managed high demand, the Outpatients Program has continued to improve access to specialist clinic appointments. Significant work was undertaken to improve the data quality and transparency of the service via data dashboards so we can accurately gauge service and demand delivery. There was also collaboration on projects to optimise ambulatory care, including a new neurosurgery spine assessment clinic, and establishment of the Diabetes Connecting Care Clinic.

Communication improvements

The team is continuing to work hard to improve communications, particularly with referrals – both within Alfred Health, and externally. More than 1,500 letters are now being sent daily to patients and their GPs via automated and standardised electronic workflow. The development of an electronic workflow has been essential to facilitate timely, safe and efficient processing of referrals.

GP Liaison Service

The GP Liaison Service aims to enhance integration and communication between Alfred Health and primary care providers to ensure seamless care to patients. In addition to being a central point of contact to assist GPs in navigating services at Alfred Health, the team has collaborated in improvement initiatives including improved communication from specialist clinics on discharge and integrating care between our health service and primary care.

Outpatients Administrative Officer **Duncan Fitzgerald** is part of the team at Alfred Lane House.

Our **Patients**

We are dedicated to improving patient experiences and how to best meet their individual care. We value the patient perspective, so we can continue to meet community healthcare needs

Physiotherapists, including **Sulakshana Ravindiran**, play a key role in the rehabilitation of patients such as **Pamela Brown**.

Patients Come First Strategy

The Patients Come First (PCF) Strategy 2021–2024 is the framework for patient experience and consumer engagement at Alfred Health.

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

Patient Centred Care

In 2022, the Patient Centered Care (PCC) Guideline was developed following consultation with staff and members of the PCF Committee.

This guideline highlights:

- patient-centred care principles and application to practice
- how to respond to individual needs and preferences to provide equitable healthcare
- how to identify and respond to patients with higher complexity and significant risk factors
- how patient-centred care principles can be incorporated into existing training and education packages

The guideline integrates the Supporting Vulnerable Patient Guideline, includes the Sensitive Inquiry Framework and has also been considered as part of the Comprehensive Care Guideline review.

Consumer engagement

Consumer Advisor Program

In 2023, there were 110 Consumer Advisors on the Consumer Register, an increase from 90 in 2022.

Over the past year, a progressive return to on-site engagement activities has included consumer workshops and focus groups. In conjunction with SaferCare Victoria and the Health Issues Centre, a new Consumer Mentor/Mentee program began in 2023 to provide additional support for new consumers.

The Digital Health Reference Group and the Diversity and Inclusion Reference Group (DIRG) are two new consumer-led reference groups implemented this past year. The DIRG engages a diverse group of consumers who provide advice on access and inclusion, service planning and improvement, and gender diversity.

Consumer Advisory Committee

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

Alfred Health has collaborated with the Health Issues Centre (HIC) in a Safer Care Victoria sponsored project to develop an evaluation framework for the Community Advisory Committees. It focuses on the function of CAC, impact and outcomes achieved, and the experience of the CAC members.

Diversity and inclusion

Who are our patients?

Top 10 languages spoken by our patients	
English	Greek
Russian	Mandarin
Turkish	Arabic
Cantonese	Italian
Vietnamese	Croatian

Interpreters

A new system is set to better respond to the significant demand associated with communication needs of patients.

Alfred Health averages 2,000 requests every month for interpreter services. Face-to-face interpreters are available in the hospital's five most commonly spoken languages.

The introduction of a new Interpreter Management System (IMS) will improve how interpreters are requested, managed and allocated to improve quality of patient care.

The introduction of IMS Alfred Health will also allow for internal interpreter resources to be shared between South East Metro Partnership members, enhancing the quality of interpreting across Alfred Health, Monash Health and Peninsula Health.

Patient resources in accessible formats

Alfred Health's commitment to developing information that is clear, focused and usable for our patients has enabled improved accessibility of information.

Our interpreter team has facilitated translating patient information resources into top ten languages on key issues, such as telehealth, patient portal and hand hygiene.

Easy Read and Easy English writing using simple language and carefully selected images to support understanding has provided access to information for people with a low literacy level.

The Patient Experience and Consumer Engagement team now has the ability to convert patient resources into Easy Read. A logo has also been developed to signpost Easy Read resources for patients.

Reconciliation Action Plan

The Reconciliation Action Plan (RAP) is a sub-plan of the broader Patients Come First (PCF) Strategy. The second Innovate RAP was endorsed in July 2023 by Reconciliation Australia, with Aboriginal owned and controlled businesses involved in its design and printing.

The re-establishment of the Aboriginal Health Advisory Group (AHAG) has overseen implementation of the RAP to ensure Alfred Health meets the requirements for Aboriginal actions of the National Safety and Quality Healthcare Service Standards. The AHAG is co-chaired by Traditional Elder, N'arweet Prof. Carolyn Briggs AM.

Supporting the work of the AHAG is the Aboriginal Health Outcome Working Group (AHOWG), whose members include the Aboriginal Hospital Liaison Service Team. The AHOWG meets regularly to assess key Aboriginal health outcome indicators and priorities for service improvement and care delivery.

Indigenous **Garden opens**

The Alfred Indigenous Garden represents the collective efforts of Boon Wurrung Senior Elder N'arweet Dr Carolyn Briggs AM, Boon Wurrung artist Caroline Martin, The Alfred Hospital and Mala Landscape Architecture. The work was carried out by an Aboriginal owned business, Wamarra.

The design introduces plants and natural textures as an 'antidote' to the internal hospital environment, allowing for small gatherings and quiet reflection. It features a timber screen design which is an architectural interpretation of the possum skin artwork by Caroline Martin. The plants and materials used to create the garden are all from Boon Wurrung country. The garden was opened during Reconciliation Week in May 2023.

People with disability

Access and inclusion plan

The Alfred Health Access and Inclusion Plan 2019–22 guided the organisation to become an inclusive, safe and accessible health service and workplace. Despite the disruptions of the pandemic, there was much progress. Of the 35 actions on the plan, 15 were achieved, with 16 partially achieved.

The engagement and planning activities for the 2023–26 Access and Inclusion Plan included:

- Key departments across Alfred Health completing a self-assessment of disability confidence and maturity based on the Access and Inclusion Index from the Australian Network on Disability (AND)
- Evaluation of current performance, and improvement opportunities to increase accessibility and inclusion practices
- Community engagement through seeking consumers with disability, carers and staff feedback.

The new Access and Inclusion Plan will be published in 2023.

Disability Services

The Victorian Government-funded Disability Liaison Service greatly improved access to healthcare for people with disability. The Disability Liaison Officer (DLO) service has supported 508 individuals to access health services in 2022–23, including COVID-19 vaccinations and health service system improvements.

Boon Wurrung man Jaeden Williams (main photo) peformed a smoking ceremony to open the new Indigenous Garden (pictured above).

Indigenous Garden photo courtesy Josh Robenstone

Rapid Response Disability Liaison Officers

In October 2022, Rapid Response Disability Liaison Officers commenced in the Emergency and Trauma Centre at The Alfred Hospital to provide DLO support to patients with communication and sensory support needs. The service currently provides access 7 days a week with after hours on call. Between 1 December 2022 to 31 May 2023 the service supported 320 different patients over 491 different patient encounters.

Rapid Response DLO **Corinne Darby** offers compassionate care to patients with communication and sensory support needs.

Feedback received about Rapid Response DLOs

"Upon telling the staff I couldn't hear I was thrilled to be warmly greeted by the DLO. She went out of her way to inform all the people I came in contact with that I was hearing impaired. Every day is obviously difficult with my disability, and I expected the worst when I decided to go to hospital. How wrong I was. She is an angel."

– patient with lived experience of deafness

"Our daughter has a mild intellectual disability and hospital can be her worst nightmare.I have to say that all the gold stars have to go the Disability Liaison Officer. Her support was wonderful and the experience would have been far more difficult without her. The doctors and nurses were also amazing. Their respectful caring of her was so much appreciated. The DLO program is fabulous and a brilliant initiative."

– mother of patient with intellectual disability

SPEAK Project

The SPEAK project continued work towards building capability in the workforce and improving service to meet the healthcare needs of people with disability.

As part of our commitment to co-design, 53 people with lived experience of autism, intellectual disability and communication disability participated in workshops in 2022 providing valuable insight into what it is like to go to hospital and how to improve the experience. A disability education package is under development for staff and includes online and face-to-face options for implementation in 2023.

National Disability Insurance Scheme

Alfred Health supported people with disability to make new applications for National Disability Insurance Scheme (NDIS) funding and supported existing participants to make changes to their NDIS plan. We are also a registered provider for prosthetic services, Community ABI rehabilitation and Occupational Therapy Driving Assessment.

Measuring the experience of our patients

As we move into a new normal which brings back the human to our care, with greater engagement between patients, staff, visitors and carers – we have seen substantial improvement across many key metrics.

We appreciate the support of the community, especially with reduced visitors' hours during the pandemic.

Compliments from our patients

"You were so kind and reassuring and really helped me to feel calm and safe."

"You supported me through a difficult time with kindness, wisdom and professionalism."

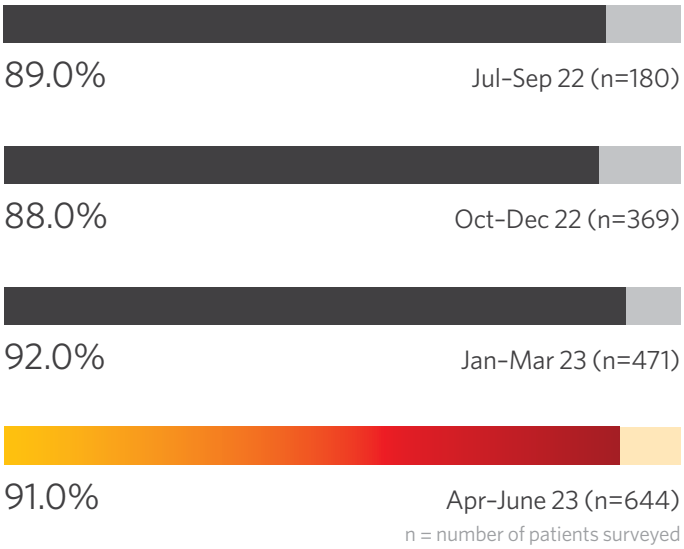
"You helped me find my dignity. I am so grateful."

Alfred Health Patient Experience Survey

Alfred Health's Patient Experience Survey (PES) helps us understand what patients think about all aspects of their treatment and care, playing a key role in improving services. It provides patient experience insights in inpatient, outpatient, ambulatory and homebased care settings.

Volunteers support the collection of the Patient Experience Surveys in ward areas and following a pause in volunteer services during the pandemic, recommenced in August 2022 collecting an average of 500 surveys per quarter.

Percentage of patients that rated care as very good or good (Adult Inpatients)



n = number of patients surveyed

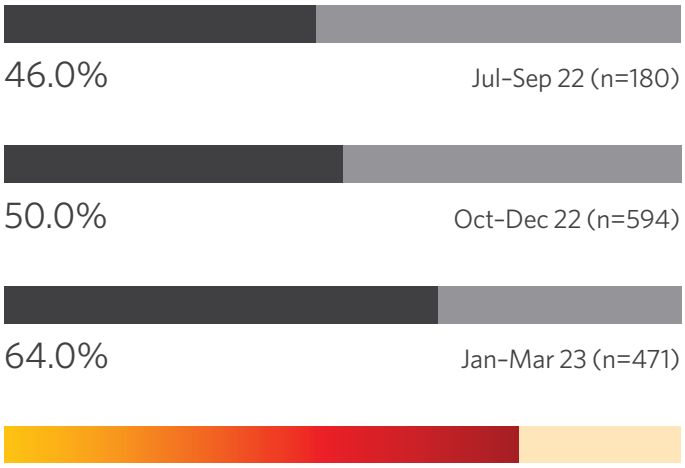
"My ultimate dream is that autistic people like me are not misunderstood. It's so good for my voice to be heard and I can help make a change,"

Through her involvement in the SPEAK Project, Disability Consumer Consultant **Sam Jones** provides an important voice for those with lived experience to provide better health outcomes.

Family, friends and carers domain

Despite the significant impact of visitor restrictions during the COVID pandemic on patient experience, steady improvements have progressively been noted in patient experience indicators during 2022-23, with increasing numbers of patients reporting their family have enough opportunity to talk to the healthcare team.

Percentage of patients that felt family had enough opportunity to talk to staff (Adult Inpatients)



n = number of patients surveyed

Victorian Healthcare Experience Survey (VHES)

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

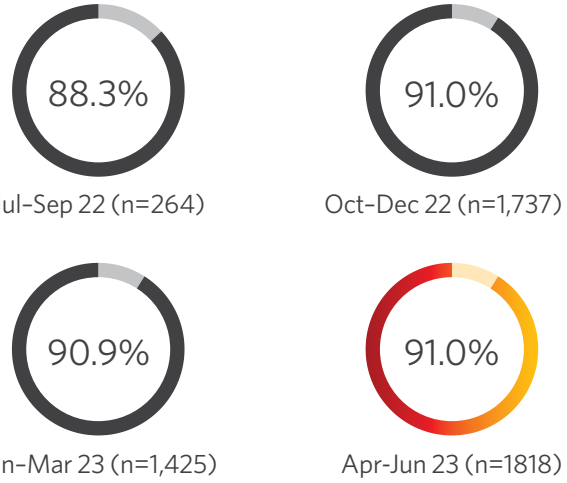
In November 2022, the VHES platform moved to a census approach, meaning all patients with an episode of care are invited to complete the survey electronically, and substantially increased the number of surveys completed.

VHES Adult inpatient results

Overall rating of care (Alfred Health)

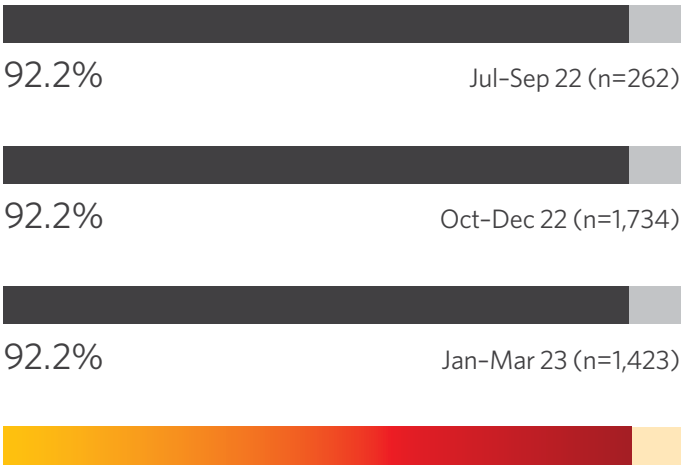
For the first time this key indicator has scored above 90% since the July–September 2021 quarter.

Percentage of patients that rated care as very good or good (Adult Inpatients)



Overwhelming majority of patients report 'always' feeling safe in hospital

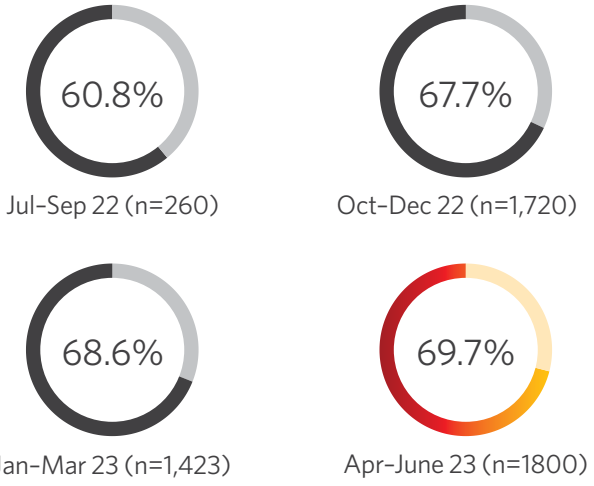
Percentage of patients that 'always' felt safe in hospital (Adult Inpatients)



n = number of patients surveyed

Visitor restrictions easing meant patients felt family were involved in decision making more. Was only 50.4% during Oct–December 2021.

Percentage of patients felt family 'definitely' were involved in decisions about care (Adult Inpatients)

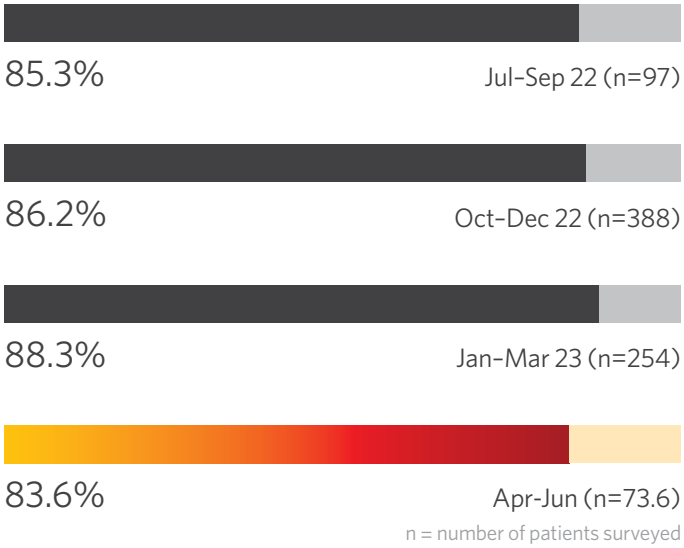


VHES Adult Emergency results

The VHES adult Emergency Department survey seeks to discover the experience of care for people aged 16 or over who have attended an Emergency Department in Victoria but were not admitted to hospital.

Alfred Health emergency departments at The Alfred and Sandringham consistently perform above the statewide average in a number of key indicators.

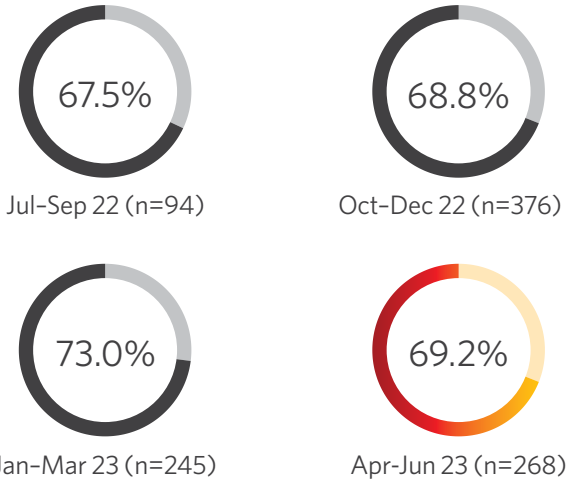
Percentage of patients that rated care as very good or good (Adult Emergency)



n = number of patients surveyed

Percentage of patients felt staff 'always' kept them updated about their care

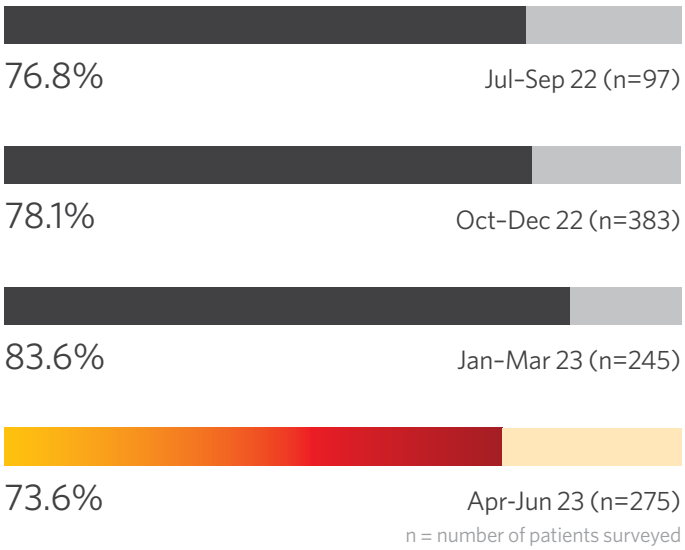
Percentage of patients that rated care as very good or good (Adult Emergency)



Victoria average for **Jan–Mar 23** quarter was 59.5%.

Percentage of patients that felt cared for

Percentage of patients that 'always' felt cared for (Adult Emergency)



n = number of patients surveyed

Victoria average for **Jan–Mar 23** quarter was 69.8%.

Compliments and complaints

	2021–22	2022–23	
Complaints	2,829	2,244	Down 21%
Compliments	964	1,071	Up 11%

During 2022–23, there were 2,244 complaints which is a 21 per cent reduction compared to 2021–22. The reduction in complaints may be associated with the easing of visitor restrictions.

Pleasingly, there is a 10 per cent increase in compliments, with 1071 recorded in 2022–23, a return to 2020–21 figures.

We continue to optimise methods for the community to provide feedback about their care and experiences. This has included updating policies and guidelines and feedback processes that are more transparent and provide greater clarity around roles and processes. We are supporting staff to respond to feedback at the local level and using feedback to drive improvement through local in-house training to improve our care through evaluating experience from a consumer perspective.

Improving patient experiences

Patient stories bring a human dimension to healthcare and are considered one of the most powerful patient feedback approaches.

Coordinated by the Patient Experience and Consumer Engagement Team, they are shared across a range of modalities including the staff intranet page, videos, training and education.

They are also presented and discussed at the Alfred Health Board, governance committees, and the Community Advisory Committee.

An example of a patient's experience being used for staff education was a story describing accessing Alfred Health services from the perspective of a person that identifies as transgender and non-binary. This story has been incorporated into LGBTIQ+ awareness training in the Emergency Department.

In addition, clinicians and consumers are collaborating on the future of home-based care and the role of virtual technology in home care delivery.

Patient car parking

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

Among the new improvements is our digital wayfinding Parking Guidance System in visitor and Staff Car Parks, which was completed in April 2023. The system, which consists of directional LED signage and overhead lighting, has helped drivers quickly identify available parking. The system also provides real-time parking data to aid further improvement.

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

Listening to patients and families to improve care

The Victorian ECMO Service (VECMOS) is a statewide collaboration of hospitals and ambulance service that provides Extracorporeal Membrane Oxygenation (ECMO) for critically ill people.

In May 2022, the service had its first opportunity to have an in-depth conversation with patients and families to understand their experiences and prioritise improvements to the service. Facilitated by the Patient Experience & Consumer Engagement Program, a focus group was conducted that included 13 consumers with a lived experience of the ECMO service.

A key theme from the focus group was the lack of detailed information about the ECMO service that resulted in confusion around potential side effects. As a result of the feedback, a suite of information on the VECMOS website was developed for patients and families, including information about what to expect during treatment and recovery after ECMO.

Carer involvement and recognition

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

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

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

Alfred Health Carer Services

Alfred Health Carer Services (AHCS) supports carers through the Victorian Government Support for Carers program, the Commonwealth Carer Gateway, and for older people who have a carer, through the Commonwealth Home Support Program. Through these programs AHCS supports unpaid carers who care for a family member or friend with a disability, mental health condition, terminal or chronic illness and ageing-related conditions.

We provide short-term support to carers of all ages, across the local government areas of: Port Phillip, Stonnington, Glen Eira, Bayside, Kingston, Greater Dandenong, Casey, Cardinia, Frankston and Mornington Peninsula. AHCS operates out of an office at Caulfield Hospital.

Our **Employees**

We are incredibly proud of our passionate and diverse staff, who each day demonstrate their expertise and adaptability in the outstanding care they provide our patients. We will continue to work hard to build our workforce, to ensure we continue to deliver quality care to our community.

Orthoptist **Mary Ochana** is a member of our committed Orthoptics Department.

Recruitment and training

In 2022–23, Alfred Health had 10,612 staff (7,884 full-time equivalents), including 2,594 new employees who joined us this year.

During the year there was an increase in casuals, part-time and full-time employees.

The rise in employee numbers can be attributed to increasing demand and an expansion of services.

Staff numbers grew by 14 per cent over the last five years, with services expanding and demand increasing.

Year	Staff numbers
2018–19	**9,276**
2019–20	**9,405**
2020–21	**9,836**
2021–22	**10,519**
2022–23	**10,612**

2022

Location	Casual	Part time	Full time	Grand total
Alfred Hospital	642	5,005	3,717	**9,364**
Caulfield Hospital	50	393	292	**735**
Sandringham Hospital	29	224	167	**420**
Grand total	**721**	**5,622**	**4,176**	**10,519**

2023

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

Workforce	Current month FTE		YTD FTE	
	2022	**2023**	**2022**	**2023**
Nursing	2,995	3,033	3,020	3,053
Administration and clerical	1,485	1,538	1,466	1,557
Medical support	669	673	662	687
Hotel and allied services	152	157	171	162
Medical officers	262	261	259	270
Hospital medical officers	660	676	644	682
Sessional clinicians	219	222	218	226
Ancillary staff (Allied Health)	1,232	1,244	1,250	1,263
Grand total	**7,674**	**7,804**	**7,690**	**7,900**

The average FTE is calculated based on the weighted average of employees in each category in the 2022–23 year.

Staff are expected to adhere to the Alfred Health beliefs and the Public Sector Code of Conduct for Victorian Public Sector Employees. All staff are issued with, and expected to adhere to, the Alfred Health Code of Conduct and Compliance, which is consistent with the Charter of Human Rights and Responsibilities and promotes the principles of equal opportunity and fair and reasonable treatment for all.

Occupational health and safety

Alfred Health prioritises the wellbeing and safety of its employees. Encouraging employees to highlight and report safety issues is an important step in maintaining a healthy and engaged workforce. By creating an environment where employees feel safe to raise concerns, we create a culture of transparency and accountability.

Overview of health and safety

Measure	2020 –2021	2021 –2022	2022 –2023
The number of reported hazards/ incidents for the year per 100 FTE	26.80	30.30	29.63
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	1.44	1.24	1.29
The average cost per WorkCover claim for the year ('000)	$7,053.00	$11,705.19	$6,673.95

Addressing both physical and psychosocial safety is crucial for the overall wellbeing of employees. Physical safety measures can include maintaining a safe working environment, providing appropriate training, and ensuring compliance with health and safety regulations. Meanwhile, psychosocial safety involves creating a supportive and respectful workplace culture where employees feel a sense of belonging and comfort expressing their thoughts and concerns without fear of negative consequences. By encouraging this, Alfred Health has again seen an increase in hazards and incidents reporting for 2022–23.

While we have had an increase in claims, the Injury Management Team have worked hard to get employees back to work in a timely manner, which has led to the average claim cost being so low.

Injury compensation data

Measure	2020 –2021	2021 –2022	2022 –2023
WorkCover Claims	125	133	142
Injury Support Claims	32	54	45

Main contributors of WorkCover Claims

Measure	2020 –2021	2021 –2022	2022 –2023
Manual Handling	56	49	45
Occupational violence and aggression (OVA)	20	11	31
Slips, trips and falls	18	26	17
COVID-19	13	4	1
Struck by / Against an Object	–	–	6

Occupational violence and aggression

Alfred Health continues to be proactive in creating a safe and respectful workplace. It is working hard to foster a culture that promotes employee wellbeing and mitigates the risks associated with occupational violence and aggression.

A new Occupational Violence and Aggression campaign aimed at raising awareness and reiterating the importance of reporting incidents and promoting a culture of safety and respect was introduced across Alfred Health's communication channels.

The AWARE course continued to have positive outcomes, with 730 employees participating in training, and 525 trained from January 2023 to date. This highlighted the program's impact and demand for its training offerings, with staff committed to creating a safe and respectful working environment.

Occupational Violence Statistics	2022–2023
WorkCover accepted claims with an occupational violence cause per 100FTE	0.36
Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	1
Number of occupational violence incidents reported	443
Number of occupational violence incidents reported per 100 FTE	5.72
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	7.00

WorkCover claims

Incident Type	2020–21	2021–22	2022–23
Exposure to chemical/substance	1	15	6
Hit or hit by, excluding violence	9	8	6
Mental Stress	8	11	8
Occupational Violence (physical and/or verbal)	20	11	33
Other	13	7	20
Slip, trip or fall	18	24	17
Manual Handling	56	55	45
Grand Total	**125**	**131**	**135**

Occupational violence statistics	2020 –2021	2021 –2022	2022 –2023
Number of OVA incidents reported	437	461	443
Number of WorkCover claims	9	133	142
OVA claims frequency rate (per million hours worked)	0.5	0.6	1.1
Injury Support claims	32	54	45

Employee equity and inclusion

In June 2023, we launched our Interim Employee Equity and Inclusion Strategy. It highlights how the health service values the experience of our employees and aims to promote a safe and inclusive environment where diversity is embraced and individuals are supported to realise their full potential.

While equity and inclusion are important for all employees, the strategy identifies five priority groups:

- Culturally and Linguistically Diverse (CALD) communities
- Gender
- First Nations People
- LGBTQIA+ and
- People with Disability

As we continue our equity and inclusion journey, consultation will play an important role, with progress being made in areas such as delivering an LGBTQIA+ Action Plan and CALD Action Plan, to improve the experience of Alfred Health staff.

Gender Equality Act 2020

Alfred Health is guided by the Victorian *Gender Equality Act 2020* to promote, encourage and facilitate the achievement of gender equality in our workplace.

In July 2022, we published our first Gender Equality Action Plan (GEAP). Key actions from the GEAP that have been achieved so far include the introduction of early intervention anonymous reporting platform WHISPLI; improved induction materials to include a range of gender sensitive information (i.e., family violence leave, parental leave and staff facilities); development of a parental leave toolkit; and the introduction of Family Violence Contact Officers to support staff needing access to family violence leave.

Marching with pride

Alfred Health was a proud participant in the Midsumma Pride March in February 2023.

More than 100 Alfred Health staff, family and friends took part in the event, showing their support for the LGBTQIA+ community.

Alfred Health's participation reflected the practical steps the organisation was taking as part of its commitment to employee equity and inclusion.

Alfred Health at the Midsumma Pride March in St Kilda.

SPOTLIGHT

"What I've noticed is the teamwork we have. Everyone comes together and supports each other. We have this level of respect that makes the patient journey a lot more seamless."

Talia MInsii, scrub/scout nurse, The Alfred.

Staff engagement

Annual excellence awards

The Recognising Excellence Awards, held in December, provided an opportunity for Alfred Health staff to highlight the achievements of their colleagues, both as individuals and teams.

Alfred Health understands the great value in recognising the contributions of our staff, which is not only important to their wellbeing, but also to celebrate their achievements. This is why Recognising Excellence and Length of Service are our most important events.

As an organisation, it is important we highlight the exemplary work ethic of our staff in supporting patient care, and the positive difference our staff play across the organisation on the lives of our patients, their colleagues, and our community.

King's honours

Three senior Alfred Health leaders have been recognised in the King's Birthday 2023 Honours List.

Congratulations to Chief Nursing Officer Prof Ged Williams AO, Director of Clinical Haematology and Alfred Cancer Program Director Prof Harshal Nandurkar AM, and Alfred Health Director Endocrinology and Diabetes Prof Duncan Topliss AM on this significant achievement.

Staff training, workforce and wellbeing initiatives

Improving the employee experience

An Employee Experience (EX) program has been established to analyse employee feedback and better understand what matters most to them at work. We actively listen to their experiences so we can retain and grow our talent, while also fostering belonging and wellbeing. By doing so, we hope to also drive improvements in patient care.

Since the introduction of EX, we have made a number of key improvements.

Positive workplace culture and behaviours

A review of our organisational beliefs is underway, with employees, consumers and volunteers involved. The work ensures that our organisational beliefs resonate with people, and importantly, that we work in partnership to define what the beliefs look like in practice. Participation in the Midsumma Pride March, development of an Interim Employee Equity and Inclusion Strategy, implementation of the Gender Equity Action Plan were other highlights.

Growth and development

We know from staff feedback that the potential to grow and learn are key components of what attracts people to Alfred Health, and what keeps them there. A range of leadership programs, forums and workshops continue to play an important role in developing the skills of our key staff.

Bolster recognition and connection

We are co-designing a program to bolster and refine our current recognition programs. We are also working to increase opportunities for staff to connect, highlight more individual and team contributions, and support peer-to-peer recognition.

Sustaining employee wellbeing

The wellbeing of our employees continues to be a key priority, with a range of initiatives introduced.

Our ***Peer Support*** program has upskilled more than 100 staff, and will soon grow to 200 people, who can now provide peer-to-peer, confidential, short-term support to their colleagues. Our peer supporters are trained in psychological first aid, coupled with a bi-monthly community of practice session.

The introduction of an ***anonymous feedback*** platform has provided an outlet for employees to safely raise workplace concerns. There have been 73 cases from September 2022 to June 2023 raised, with 30 to 40 per cent escalated, leading to appropriate interventions.

Schwartz Rounds continue to be an important forum for staff to hear from their colleagues, with recent topics including self-care and compassion.

We have also worked with employees to identify what issues in the workplace can add to workload and stress. Based on this feedback, a pilot program is underway to address car parking issues, as well as an IT blitz to address everyday technology issues.

Education

Medical education

The Medical Education Unit continues to support the education and wellbeing of prevocational doctors.

There are 839 doctors-in-training employed across Alfred Health, including 60 interns in their first postgraduate year, and 150 hospital medical officers (HMOs) in second and third postgraduate years.

The Postgraduate Medical Council of Victoria (PMCV) accredits Alfred Health to train junior doctors in their first two postgraduate prevocational years.

Alfred Health is accredited by the various specialty colleges for specialist (vocational) medical training in over 40 specialties including all medical (including general medicine and geriatrics) and surgical specialties, emergency medicine, intensive care, anaesthesiology, radiation oncology, psychiatry, radiology, pathology and rehabilitation medicine.

All the individual departments run educational programs in their specialty. The Medical Education Unit also coordinates education programs.

This has included a program for postgraduate years two and three critical care and surgical streams, and an after-hours program for postgraduate years two and three commencing night shifts.

Alfred Health results in written and clinical FRACP exams remain consistently above Victorian and Australian averages, with a pass rate of 97% for the written exam and 91% for the clinical exam.

Nursing education

In collaboration with our university partners, Alfred Health nurses were supported to oversee 1,750 Bachelor of Nursing, Masters of Nursing Science and Bachelor of Paramedicine students to undertake clinical placements across all three hospital sites in 2022–23.

Prioritising quality placements and supporting our nurses to support our future nursing workforce has been a focus. Student placements have been maintained and increased where possible, with 24,224 placement days during 2022–23.

The Graduate Nurse program saw 188 nurses complete the course in 2022 with another 205 commencing in 2023. A process for recommending outstanding placement students for our Graduate Nurse Program has also been established.

Nurses are supported to study at postgraduate level to enhance their understanding, critical thinking, care delivery and specialist knowledge. Postgraduate education is offered within specialties including acute care in medical, surgical, critical care – both ICU and emergency care, cardiac care and perioperative nursing.

In 2022–23, 183 Alfred Health nurses undertook specialist postgraduate education.

Both ICU and Emergency postgraduate enrolments increased significantly from previous years. A new Trauma stream in the Masters of Advanced Nursing has been developed by Monash University, NTRI and Alfred Health and will commence in 2023.

Scholarships were awarded to 106 nurses for postgraduate studies, with funding from Alfred Health Nursing Services and the Department of Health. Meanwhile, leadership and management skills for emerging nursing leaders are supported by the Intermediate LaMP program.

Allied Health education

Partnering with nine universities, over 13,000 clinical placement days were provided to more than 400 professional entry students across 11 Allied Health disciplines. The Allied Health Graduate program was made available for more than 50 new graduate Allied Health practitioners, with the inclusion for the first time in 2022-23 of Medical Imaging graduates.

The Victorian Department of Health funded COVID-19 Interdisciplinary Upskilling: Allied Health in Critical & Acute Care Project provided direct education, training and support interactions, e-Learning modules, and associated supportive learning resources. Staff from dietetics, pharmacy, physiotherapy, psychology, social work, speech pathology – as well as allied health assistants, nursing and medical – were among those involved.

Tasks included:

- increasing skills and confidence among nursing and allied health clinicians regarding psychosocial aspects of a patient's critical care
- developing a competency and upskilling package for dietitians, including how to better determine nutritional needs for intubated patients
- increasing the number of speech pathologists trained in tracheostomy management
- developing physiotherapy humidification and high airflow e-learning packages; and
- increasing the number of ICU trained Pharmacists available to work in ICU during business hours.

The project saw much achieved – both by those whose skills were enhanced and by educators, their managers and peers.

It provided a unique opportunity for Allied Health educators to learn from each other and work together. It allowed multiple professions to focus on identifying learning needs; and respond by designing, developing and evaluating educational resources.

Allied health staff were able to further develop their skillset during the pandemic.

Community **Engagement**

From our dedicated volunteers to those who have shown their generosity through fundraising, Alfred Health maintains a close connection with its community.

Together we share a common goal to enhance the health and wellbeing of people from all backgrounds.

Health promotion

Alfred Health works with key stakeholders to implement our Primary Care and Population Health Strategy 2018–2023. Priority areas for action include: reducing harm from tobacco, healthy living, reducing the harm from alcohol, improving mental health and vaccinations and prevention of blood-borne viruses.

Through this work, we aim to:

- Maintain and improve the health and wellbeing of our local population
- Promote environments in which people can be healthy
- Support the health and wellbeing of our workforce
- Reduce inequalities in health status and outcomes.

Highlights and achievements

Supporting local young people

Caulfield Community Health Service Health Promotion supports local Early Learning Centres, schools and Outside of School Hours Care services to improve health and wellbeing with a focus on healthy eating, physical activity and reducing harm from tobacco and e-cigarettes. Key projects include the South Eastern Region Cooks Network, where it has supported Early Learning Services to become compliant with Victorian Menu planning guidelines for long day care.

Life! Healthy lifestyle program

In partnership with Baker Heart and Diabetes Institute and Diabetes Victoria, 39 staff members participated in *Life!* – a healthy lifestyle program aimed at improving eating habits, increasing physical activity and managing stress. A survey of participants found all were satisfied with the program and would recommend it to others.

Ride2Work Day

We have continued to promote and encourage staff to take active travel to and from work through the provision of end-of-trip facilities and celebration of key days including Ride2Work Day. Ride2Work Day was celebrated at all sites, with free nutritious breakfasts and 'smoothie bikes' where staff were invited to cycle to blend their smoothie. Promoting active travel acknowledges the importance of regular physical activity, as well as the environmental benefits of cycling.

Smokefree Clinic

The Smokefree Clinic provides best practice smoking cessation care to individuals who smoke or vape, has experienced an increase in inpatient and outpatient referrals and bookings post-COVID. It has maintained accessibility through flexible consultation times and the option of face-to-face, telehealth and telephone consultations.

Volunteers

The Volunteer Program recommenced across Alfred Health at the end of 2022. There are 212 registered volunteers: 41 at Caulfield, 41 at Sandringham, and 130 at The Alfred. While there was a reduction of volunteer numbers during the pandemic, we are now recruiting approximately 10 volunteers per month.

Key programs which have recommenced include concierge volunteers for patients and visitors. The concierge volunteers also deliver items for patients (clothing, personal toiletries, flowers) to the ward to limit ward visiting.

New ward host volunteers have also commenced in inpatient wards at The Alfred site. The ward host volunteers are assigned to dedicated wards, to strengthen the relationship between volunteers and staff. We aim to recruit sufficient volunteers to provide host volunteers for all wards Monday to Friday.

In addition, volunteering has recommenced in The Emergency Department and Short Stay Units at The Alfred and Sandringham, Intensive Care at The Alfred, South Block Oncology and Day Procedure Unit at The Alfred, as well as administration support.

Formerly a patient in Caulfield Hospital's Acquired Brain Injury Rehabilitation Centre, **James Kirkwood** is now giving back by volunteering. He is pictured with carer **Lisa Wilson**.

Remembrance Day

For the first time in three years, The Alfred community came together in person to acknowledge Remembrance Day, and pay tribute to those who died while serving the country.

In a moving ceremony, Lieutenant Colonel Charles Pilgrim, an experienced trauma surgeon at The Alfred, spoke about the importance of service in front of more than 200 staff, patients, carers, volunteers and Alfred community members.

Associate Professor Pilgrim was joined by The Alfred's Reverend Chris Morris, Alfred Nurses League representatives Helen Gubbels and Holly Dalton, and Major Jonathan Begley, who is stationed at The Alfred and a member of the Australian Army.

Victoria Police bagpiper Simon Blackshaw, and musicians from Wesley College, delivered poignant tributes with their performances.

Major Jonathan Begley and **Lieutenant Colonel Charles Pilgrim** with **Chief Operating Officer Simone Alexander**

Fundraising

Thanks to generous supporters, The Alfred Foundation raised $14.6 million in 2022–23.

This enabled us to purchase trauma anaesthesia, burns and cardiac equipment; and support research into myeloma, melanoma prevention, Acute Myeloid Leukaemia (AML), long COVID, Alzheimer's and Dementia. The Alfred Cancer Biobank, PARTY program, and Paula Fox Melanoma and Cancer Centre also received funding.

Major contributions included a $500,000 gift from long-time supporter John Renison. Joan Etherington donated $100,000 to two research projects and two top priority equipment needs of the hospital, and Ibis World donated $150,000.

A significant $3.9 million was received from the estates of Constance Hunt, Nancy Balding, Shirley Margaret Loxley, Geoffrey Lawson Hook and Raymond Batty.

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

- Transforming care: In an Australian first, $850,000 was contributed to a mobile computed tomography (CT) scanner in ICU; a culmination of a six-year project to revolutionise care, particularly those who need head CT scans.
- Leading technology: A $400,000 plastics microscope was purchased for critical services to breast, skin, head and neck cancer patients and transplant patients.
- Advancing technology: Thanks to the Erdi Foundation, The Alfred is collaborating with Monash University in a Long COVID investigation into on the immune system, and mechanisms that cause Long COVID symptoms.
- Developing extraordinary caregivers: Paul Ross was granted the inaugural Castan ICU Nursing Research Fellowship thanks to the generosity of Anita Castan. A pulmonary fibrosis research fellow, two nursing scholarships, and the Jenkins Lymphoma Fellowship were also funded. The LEB Foundation and Bambery Family donated $50,000 each for Fellowships in blood cancer research.

Alfred Foundation Board Members 2022–23

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

Sandringham Hospital

Sandringham Hospital received generous support from individuals, community groups, businesses and trusts and foundations. Major fundraising events held in support of the hospital included the Oaks Day Lunch hosted by Royal Brighton Yacht Club, *Lunch by the Bay* annual fundraising lunch, Bayside Charity Golf Day held at Royal Melbourne Golf Club and Bayside Charity Pro-Am held at Sandy Golf Links.

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

Significant support was received from:

- All Souls Opportunity Shop
- Black Rock Sports Auxiliary
- Ethel Herman Charitable Trust
- Humpty Dumpty Foundation
- Isobel Hill Brown Charitable Trust
- Lions Club of Beaumaris
- Rotary Club of Beaumaris
- Lions Club of Brighton
- Rotary Club of Bentleigh Moorabbin Central
- Royal Brighton Yacht Club
- The Alfred & Jean Dickson Foundation
- William Paxton Charitable Fund
- Anonymous supporters

Research and **Innovation**

Evidence-based research and innovation ensures we can continue to provide internationally recognised treatment to our patients, while playing a leading role in changing the future of healthcare.

Working across Alfred Heath and Monash University, Infectious Diseases Research Fellow **Jane Hawkey** is conducting vital research into genomics.

Highlights

Melanoma study to boost early detection

A world-first study, for which The Alfred is the Victorian lead, is using 3D skin imaging technology and artificial intelligence to improve the early detection of melanoma for Australians.

It is using the total-body 3D imaging of up to 15,000 Australians with skin cancer, and other patient information, to create the largest melanoma database worldwide.

Research lead A/Prof Victoria Mar, who is head of The Alfred's Victorian Melanoma Service, said the data will be used to develop next-generation diagnostic and prognostic algorithms for the early detection of skin cancer.

The Alfred is the first Victorian hospital to introduce the technology, which will play an integral role in the Paula Fox Melanoma and Cancer Centre in 2024.

Life-saving technology by the bedside

A mobile CT scanner is being utilised at the bedsides of critically ill ICU patients for the first time in Australia, allowing specialists at The Alfred to quickly identify potentially life-threatening injuries in rapid time.

Alfred Health head of trauma neuro ICU Dr Andrew Hooper said the machine not only saves valuable time but is a much safer option for critically ill patients, with the mobile CT scanner able to be wheeled into the patient's room. The machine will primarily be used on trauma patients with brain injuries, as well as those who have had neurosurgery or a stroke, and intubated patients who are not waking.

Prophylaxis study to offer insight

The administration of an antimicrobial at the time of surgery (surgical prophylaxis) is a key strategy to prevent infections following cardiac surgery. While extending doses of prophylaxis in the postoperative period is common with cardiac surgery, it is not known whether it is beneficial or drives the emergence of antimicrobial resistance.

The Duration of Cardiac Antimicrobial Prophylaxis Outcomes Study (CALIPSO) will study this in one of the largest prophylaxis studies ever conducted, with patients recruited from across Australia, New Zealand, Europe and Canada. This trial demonstrates Alfred Health and Monash University's position as a global leader in perioperative infection prevention research.

Monash Partners

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

In 2023, the Monash Partners Strategic Translation and Research (MP STAR) Clinician Fellow Program was launched, supporting promising clinical researchers embedded in healthcare. It provides a pathway to combine research with clinical care, offering fellowship funding alongside protected research time, mentoring and training, Recipients included Dr Emma Foster, a Consultant Neurologist at The Alfred, Early Career Researcher at Central Clinical School, Monash University, and co-head of The Alfred First Seizure Clinic.

Monash Partners has been funded through the Medical Research Future Fund to strengthen consumer and community involvement in health and medical research.

Alfred Research Alliance

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

The Alliance members are: Alfred Health, Monash University, Baker Heart and Diabetes Institute, Burnet Institute, Deakin University, La Trobe University, Nucleus Network and 360biolabs. All members are co-located at the Alfred precinct, but the impact of their outcome-driven, patient-centred research extends across Victoria, Australia and internationally.

Committed to solving the world's pressing health challenges, in 2022-23 Alliance members continued to advance medical discovery and improve clinical practice across their research strengths:

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

In 2022, The Alliance members:

- Published a total of 3263 articles, including original research articles, reviews, book chapters and books.
- Commenced or continued 606 clinical trials. Of these, 332 were commercially sponsored trials (55% of all trials at the precinct) and 274 were investigator-initiated (45% of precinct-based trials).
- Congratulated 276 students on completing their masters and doctoral degrees.

TrialHub

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

Its key role is to increase the availability and participation of clinical trials in Victoria. It seeks to do this by raising awareness, upskilling local workforces, improving access through matching trials and patients, making use of digital technology and teletrials.

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

TrialHub has had a positive impact so far, with significant growth in clinical trial capacity across all partner sites and an increase in the overall multidisciplinary clinical trial workforce. Nine unique teletrials have opened, with recruitment ongoing; while five clinical trial participants are on the ground acting as ambassadors to improve awareness of clinical trials in their region. A Victorian Rare Cancer Alliance to build rare cancer clinical trial capacity and availability in regional and rural Victoria has also been established.

The most research-intense hospital for translational medicine in Australia.

The health service for all Victorians

TrialHub: Closing the health gap

Partnering with **six** outer suburban and regional hospitals to increase access to potentially life-saving treatments for more Victorians.

$184m **research funding** across the precinct in 2022

606 **Clinical Trials 2022** (drugs and devices)

1185 **human research activity** (excl.drugs or devices)

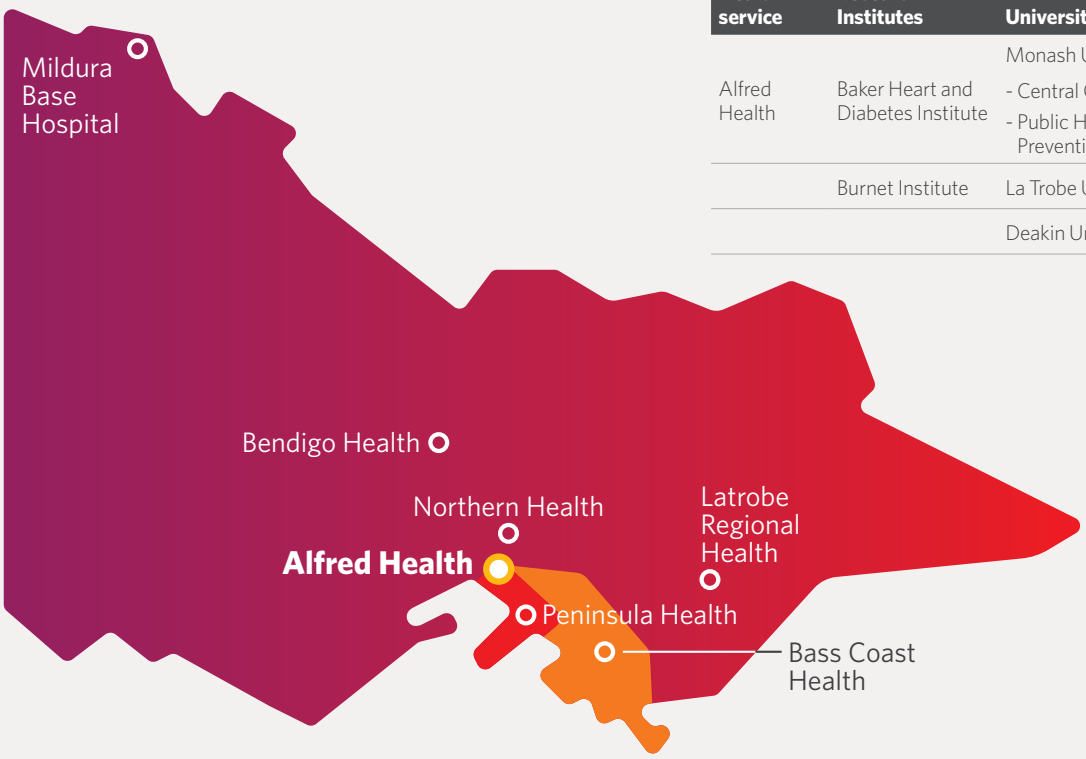
3263 **Alliance research publications 2022**

8.5% **increase in papers published in 2022**

8.3 **impact factor average across 2486** original research articles

Alfred Research Alliance: 8 members across The Alfred Precinct

Health service	Research Institutes	Universities	Commercial Partners
Alfred Health	Baker Heart and Diabetes Institute	Monash University - Central Clinical School - Public Health and Preventive Medicine	Nucleus Network
	Burnet Institute	La Trobe University	360 biolabs
		Deakin University	



Research Funding

Alfred Health researchers were lead investigators of several new NHMRC (National Health and Medical Research Council) and MRFF (Medical Research Future Fund) grants commencing in 2023.

NHMRC Investigator Grants

- Prof Jamie Cooper AO: Improving critically ill patient outcomes through randomised trials and registries in intensive care. $3,487,110
- Dr Narelle Cox: Improving access to non-pharmacological treatment in chronic respiratory disease. $1,526,390
- Prof Susan Davis AO: Role of testosterone in preventing major morbidity in women. $3,937,110
- Prof Peter Kistler: Atrial fibrillation: improving outcomes through lifestyle and ablation. $1,941,085
- Dr Sarah McGuinness: Improving strategies to combat preventable infections. $655,150
- A/Prof Dion Stub: Integration of Pre-hospital and Hospital cardiac clinical registries to investigate novel therapeutics and systems of care in cardiac emergencies. $1,461,112

Medical Research Future Fund

- Dr Susan Cartledge: HeartPath+: Targeting self-efficacy and health literacy through patient education to prevent recurrent heart events in Australians with heart disease. $598,381
- Prof Carol Hodgson: Generating new evidence to reduce complications and improve the safety and efficacy of extracorporeal membrane oxygenation (ECMO) in patients with severe cardiac and respiratory failure: THE RECOMMEND Platform Trial. $2,985,992
- Prof David Kaye: Novel, targeted therapies for heart failure with preserved ejection fraction. $998,334
- Prof Terence O'Brien: A Phase 2, double-blind, placebo-controlled trial of sodium selenate as a disease modifying treatment for chronic drug resistant temporal lobe epilepsy (SELECT Trial). $2,961,326
- Prof Terence O'Brien: Intracerebral delivery of Neuropeptide Y through hiPSC-derived progenitors (NPY-hiPSC-NPs) as a disease-modifying treatment for drug-resistant epilepsy. $671,512
- Dr Emma Ridley: A national platform for improving quality of nutrition care for critically ill adults and children. $1,494,950
- A/Prof Natasha Smallwood: Primary Breathe AUS: A primary care technology-enabled intervention to improve symptom self-management for people with chronic respiratory illness. $1,977,834
- Prof Andrew Udy: A national critical care research platform to ensure high-quality sepsis care in Australian ICUs. $4,899,778

TRIALHUB CASE STUDY:

Marilyn's story:

Alfred Health's TrialHub has played a key role in ensuring Marilyn De Haas can participate in a clinical trial closer to home. Marilyn receives her care through Latrobe Regional Health. Located 70 kms from her home in Stratford, it is a much closer journey compared to the 500 km round trip to Melbourne. She is the region's first ever melanoma clinical trial participant and, so far, the melanoma is responding extremely well to trial treatment.

Projects and **Infrastructure**

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

We are committed to working with governments of all levels so further investment can be made to enhance the care we provide our community.

From projects such as our new Indigenous Garden at The Alfred (See Our Patients chapter) to the Paula Fox Melanoma and Cancer Centre, enhancing patient care is at the centre of what we do.

Deputy Director of Engineering & Facilities Caulfield, Sandringham and community sites **Jim Hamilton** with the new solar panels at Caulfield hospital.

Short Stay Unit Project

The Sandringham Hospital Emergency Short Stay Unit (ESSU) opened in September 2022. The new modular building has expanded the ED's capacity, enabling greater support for patients requiring a short admission, while freeing up space for growing general medical and surgical programs.

Meanwhile, the expanded Emergency Short Stay Unit area at The Alfred opened in April 2023, with an additional 12 points of care and state-of-the-art equipment and facilities.

Residential Eating Disorders Treatment Centre

Building of Victoria's first publicly funded statewide residential eating disorder centre will commence late 2023. To be operated by Alfred Health, the service will offer specialist care, and will be housed in a modern residential dwelling.

Solar panels shine at Caulfield

The installation of solar panels has provided Caulfield Hospital with an environmentally sustainable form of power.

A 60.5kWp solar PV system has been installed on the roof of Caulfield Hospital, which has helped minimise our environmental impact, and reduce power costs.

Construction on the Paula Fox Melanoma & Cancer Centre continued, with the structure reaching its highest point in June 2023.

Paula Fox and Minister of Health **Mary-Anne Thomas** check on the progress of the Paula Fox Melanoma & Cancer Centre (which is due to open in 2024).

Paula Fox Melanoma and Cancer Centre

Construction on the Paula Fox Melanoma & Cancer Centre continued, with the structure reaching its highest point in June 2023.

Works on the Paula Fox Melanoma & Cancer Centre continued, with the building structure reaching its highest point – level seven – in June 2023.

The building will have up to 1000 glass panels, weighing up to 700 kg each, being installed to create a skin-like façade on the structure. Planned to open in 2024, the centre will bring together leading skin cancer specialists, researchers and dedicated multi-disciplinary teams to ensure patients have the best access to care and clinical trials.

The project is supported by the Victorian Government, Australian Government, Monash University, Paula Fox and the Fox Family, Minderoo Foundation, and other generous philanthropists.

Building project status

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

Projects completed (with Certificates of Final Inspection)

The Alfred

- Cardiac Stage 1
- Indigenous Garden
- Emergency & Trauma Centre Short Stay Unit

Sandringham Hospital

- Short Stay Unit

Caulfield Hospital

- Staff indoor and outdoor amenity upgrade

Other Sites

- N/A

Projects with building permits under construction

The Alfred

- Cardiac Stage 2
- Junior Medical Staff Facility
- Alfred Centre Operating Theatre Eight
- Alfred Centre Sterile Services Department (SSD)
- Main Ward Block Short Stay Unit extension
- Parking Indicators upgrade

Sandringham Hospital

- N/A

Caulfield Hospital

- Aged Care Building Upgrade

Other Sites

- Mental Health – 1001 Nepean Highway
- Mental Health – 607 St Kilda Road.

Compliant with the *Building Act 1993*, Alfred Health used registered building practitioners on all building projects, with maintenance of their registered status for the duration of the works being a condition of their contract. We maintain all buildings in a safe and serviceable condition, with routine inspections, and ensure that we undertake scheduled maintenance programs. We also inspected all buildings' essential services for compliance, as required by legislation.

High value equipment and infrastructure funding

Approved project funding 2022–23	Amount $000
2022–23 Medical equipment replacement program	
Nuclear medicine – SPECT-CT Gamma Camera	$800
2022–23 Metropolitan Health Infrastructure Fund	
Helipad lift upgrade	$409
Endoscopes upgrade	$6,000
2022–23 Mental Health and Alcohol and Drugs Facility Renewal Fund – Round 6	
Amenity upgrade – Alfred Inpatient Unit	$989
2022–23 COVID Catch-up	
Rapid Access Hubs – Additional operating theatre	$3,500
Guaranteeing Future Energy Supply Project	$3,950
2022–23 Clinical Technology Refresh Program	$884
Total	**$16,532**

Environment

home

As one of Australia's leading public health services, Alfred Health understands its responsibility to minimise the environmental impact of our operations and meet the challenges posed by climate change. Our vision is to become a leader in the development of sustainable healthcare practices for the betterment of our patients, staff and community.

Carbon Footprint Study

Stage one of Alfred Health's Carbon Footprint Study, which establishes our environmental footprint in line with globally recognised carbon accounting methodologies and reporting standards, has been completed. Stage two, which calculates our total carbon footprint and provides an emissions forecast is due for completion in mid-2023. Stage 3 will look at developing decarbonisation pathways and the impact of key initiatives.

Nitrous Oxide Leak Study

A team led by consultant Dr Steven Gaff is looking at how emissions from nitrous oxide supply leaks can be reduced and remediated. A study was conducted into a prospective nitrous oxide leak at The Alfred, with the environmental impact equating to 110.3 tonnes CO2e p.a. – the equivalent of a return trip to Sydney in a medium SUV every day.

Electric vehicle rollout

As part of the Victorian Government's Zero Emissions Vehicles (ZEV) initiative, 7 Hyundai Kona electric vehicles arrived at Caulfield Hospital. These will be the first of our 42 new electric vehicles (EVs) used as fleet cars.

Research project on benefits of prescribing reusable insulin pens

Endocrinologist Dr Shoshana Sztal-Mazer has led a study to understand the environmental advantages of prescribing insulin delivered through a reusable pen instead of disposable pens.

They have commenced highlighting the environmental benefits of reusable pens to clinicians, including the Diabetes Connecting Care Clinic at Caulfield Hospital. Younger patients, in particular, were keen to be part of the initiative.

War on Waste at Caulfield Hospital

This program aims to improve waste segregation processes and reducing landfill. Stage one will be rolled out in non-clinical areas including offices. Required equipment has been purchased, with the next step to involve a waste audit to identify local area needs including staff education.

Physiotherapist **Sabrina Weberruss** charges her fleet vehicle after returning to the hospital.

Environmental performance

(as of 8 August 2023)

FRD24 report: Alfred Health Organisation Hierarchy (Jul-22 to Jun-23)

Electricity use	Jul-22 to Jun-23	Jul-21 to Jun-22	Jul-20 to Jun-21
EL1 Total electricity consumption segmented by source [MWh]			
Purchased	34,691.22	35,654.93	38,035.51
Self-generated	4,745.62	3,939.66	
EL1 Total electricity consumption [MWh]	**39,436.84**	**39,594.59**	**38,035.51**
EL2 On site-electricity generated [MWh] segmented by:			
Consumption behind-the-meter			
Solar Electricity	122.28		
Cogeneration Electricity	4,623.34	3,939.66	
Total Consumption behind-the-meter [MWh]	**4,745.62**	**3,939.66**	
Exports			
Solar Electricity	0.00	0.00	0.00
Cogeneration Electricity	696.38	630.80	
Total Electricity exported [MWh]	**696.38**	**630.80**	**0.00**
EL2 Total On site-electricity generated [MWh]	**5,442.00**	**4,570.46**	
EL3 On-site installed generation capacity [kW converted to MW] segmented by:			
Cogeneration Plant	6.00	6.00	6.00
Diesel Generator	9.83	9.83	9.83
Solar System	0.26	0.26	
EL3 Total On-site installed generation capacity [MW]	**16.09**	**16.09**	**15.83**
EL4 Total electricity offsets segmented by offset type [MWh]			
LGCs voluntarily retired on the entity's behalf	0.00	0.00	0.00
GreenPower	0.00	0.00	0.00
Certified climate active carbon neutral electricity purchased	0.00	0.00	0.00
EL4 Total electricity offsets [MWh]	**0.00**	**0.00**	**0.00**

Stationary Energy	Jul-22 to Jun-23	Jul-21 to Jun-22	Jul-20 to Jun-21
F1 Total fuels used in buildings and machinery segmented by fuel type [MJ]			
Natural gas	248,057,773.70	200,249,487.50	49,198,080.70
Diesel		26,328.90	38,746.50
F1 Total fuels used in buildings [MJ]	**248,057,773.70**	**200,275,816.40**	**49,236,827.20**
F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type [Tonnes CO_2-e]			
Natural gas	12,782.42	10,318.86	2,535.18
Diesel		1.85	2.72
F2 Greenhouse gas emissions from stationary fuel consumption [Tonnes CO_2-e]	**12,782.42**	**10,320.71**	**2,537.90**

Transportation energy	Jul-22 to Jun-23	Jul-21 to Jun-22	Jul-20 to Jun-21
T1 Total energy used in transportation (vehicle fleet) within the Entity, segmented by fuel type [MJ]			
Non-executive fleet - Gasoline	3,542,781.10	1,881,348.80	3,307,752.40
Petrol	**3,542,781.10**	**1,881,348.80**	**3,307,752.40**
Executive fleet – E10	0.00		
Non-executive fleet – E10	139,796.00	103,331.20	133,278.10
Petrol (E10)	**139,796.00**	**103,331.20**	**133,278.10**
Non-executive fleet – Diesel	224,273.70	52,893.50	203,692.00
Diesel	**224,273.70**	**52,893.50**	**203,692.00**
Total energy used in transportation (vehicle fleet) [MJ]	**3,906,850.80**	**2,037,573.50**	**3,644,722.50**
T2 Number and proportion of vehicles in the organisational boundary segmented by engine/fuel type and vehicle category			
	Total number of Vehicles across all sites - 160 Diesel – 2% of total fleet Petrol – 91% of total fleet EV's – 7% of total fleet		
T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type [tonnes CO2-e]			
Non-executive fleet - Gasoline	239.56		
Petrol	**239.56**	**127.22**	**223.67**
Non-executive fleet - E10	8.51	6.29	8.12
Petrol (E10)	**8.51**	**6.29**	**8.12**
Non-executive fleet - Diesel	15.79	3.72	14.34
Diesel	15.79	3.72	14.34
Total Greenhouse gas emissions from transportation (vehicle fleet) [tonnes CO_2-e]	**263.87**	**137.23**	**246.13**
T4 Total distance travelled by commercial air travel (passenger km travelled for business purposes by entity staff on commercial or charter aircraft)			
Total distance travelled by commercial air travel	1,001,929.61		

Total energy use	Jul-22 to Jun-23	Jul-21 to Jun-22	Jul-20 to Jun-21
E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]			
Total energy usage from stationary fuels (F1) [MJ]	248,057,773.70	200,275,816.40	49,236,827.20
Total energy usage from transport (T1) [MJ]	3,906,850.80	2,037,573.50	3,644,722.50
Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) [MJ]	**251,964,624.50**	**202,313,389.90**	**52,881,549.70**
E2 Total energy usage from electricity [MJ]			
Total energy usage from electricity [MJ]	141,972,637.64	142,540,527.41	136,927,839.07
E3 Total energy usage segmented by renewable and non-renewable sources [MJ]			
Renewable	23,933,208.71	22,765,950.76	21,432,347.00
Non-renewable (E1 + E2 - E3 Renewable)	370,004,053.43	322,087,966.55	168,377,041.77
E4 Units of Stationary Energy used normalised			
Energy per unit of LOS [MJ/LOS]	996.62	920.19	462.07
Energy per unit of Separations [MJ/Separations]	3,153.52	2,970.68	1,487.75
Energy per unit of floor space [MJ/m^2]	1,358.21	1,173.08	565.46

Sustainable buildings and infrastructure	Jul-22 to Jun-23	Jul-21 to Jun-22	Jul-20 to Jun-21	Notes
B1 Discuss how environmentally sustainable design (ESD) is incorporated into newly completed entity-owned buildings	Alfred Health has established Construction Procurement Guidelines (CPG) which are aligned to Ministerial Directions for Public Construction Procurement in Victoria issued under the *Project Development and Construction Management Act 1994* (Ministerial Directions). These guidelines apply specifically to Alfred Health's Public Construction Procurement activities for the provision of: § Construction Works – which includes construction, maintenance, rehabilitation, alteration, extension or demolition of any building; or § Construction Services – which includes services directly related to the delivery of Works such as architectural and design services. It does not include services indirectly related to the delivery of Works such as legal or commercial advisory services.			Not reported by Eden Suite
B2 Discuss how new entity leases meet the requirement to preference higher-rated office buildings and those with a Green Lease Schedule				Not reported by Eden Suite
B3 NABERS Energy (National Australian Built Environment Rating system) ratings of newly completed/occupied Entity-owned office buildings and substantial tenancy fit-outs (itemised)		**The Alfred :** Energy 4 Stars Water 3.5 Stars **Caulfield Hospital:** Energy 2 Stars Water 3.5 Stars **Sandringham Hospital:** Energy 5 Stars Water 3.5 Stars		Not reported by Eden Suite
B4 Environmental performance ratings (e.g. NABERS, Green Star, or ISCAIS rating scheme) of newly completed Entity-owned non-office building or infrastructure projects or upgrades with a value over $1 million				Not reported by Eden Suite

NABERS Energy

Sustainable buildings and infrastructure (continued)	Jul-22 to Jun-23	Jul-21 to Jun-22	Jul-20 to Jun-21	Notes
B5 Environmental performance ratings achieved for Entity-owned assets portfolio segmented by rating scheme and building, facility, or infrastructure type, where these ratings have been conducted				Not reported by Eden Suite
Rating scheme				

Sustainable procurement	Jul-22 to Jun-23	Jul-21 to Jun-22	Jul-20 to Jun-21

Water use	Jul-22 to Jun-23	Jul-21 to Jun-22	Jul-20 to Jun-21
W1 Total units of metered water consumed by water source (kl)			
Potable water [kL]	292,280.53	238,886.04	324,489.10
Total units of water consumed [kl]	**292,280.53**	**238,886.04**	**324,489.10**
W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity			
Water per unit of LOS [kL/LOS]	0.75	0.65	0.92
Water per unit of Separations [kL/Separations]	2.36	2.11	2.97
Water per unit of floor space [kL/m^2]	1.02	0.83	1.13

Waste and recycling	Jul-22 to Jun-23	Jul-21 to Jun-22	Jul-20 to Jun-21
WR1 Total units of waste disposed of by waste stream and disposal method [kg]			
Landfill (total)			
General waste	1,656,090.08	1,972,268.24	1,954,153.36
Offsite treatment			
Clinical waste – incinerated	47,721.65	50,175.15	57,217.11
Clinical waste – sharps	45,542.02	44,756.67	50,263.15
Clinical waste – treated	524,957.39	651,474.61	542,152.83
Recycling/recovery (disposal)			
Batteries	1,930.00	1,109.00	1,555.00
Cardboard	151,219.34	205,005.44	196,322.40
Commingled	116,070.24	163,722.24	172,423.68
E-waste	9,198.00	350.66	6,730.49
Fluorescent tubes	548.00	549.00	914.00
Metals	13,125.00	1,717.72	6,924.58
Organics (food)	21,201.60	23,284.20	
Paper (confidential)	116,750.54	53,598.24	74,829.58
Paper (recycling)	1,050.62	87.55	262.66
PVC	2,122.00	2,605.00	2,805.00
Sterilization wraps	168.00	1,944.00	508.00
Toner & print cartridges	150.38	153.30	590.56
Total units of waste disposed [kg]	**2,707,844.86**	**3,172,801.02**	**3,067,652.40**

Waste and recycling (continued)	Jul-22 to Jun-23	Jul-21 to Jun-22	Jul-20 to Jun-21
WR1 Total units of waste disposed of by waste stream and disposal method [%]			
Landfill (total)			
General waste	61.47%	62.16%	63.70%
Offsite treatment			
Clinical waste – incinerated	1.77%	1.58%	1.87%
Clinical waste – sharps	1.69%	1.41%	1.64%
Clinical waste – treated	19.49%	20.53%	17.67%
Recycling/recovery (disposal)			
Batteries	0.07%	0.03%	0.05%
Cardboard	5.61%	6.46%	6.40%
Commingled	4.31%	5.16%	5.62%
E-waste	0.34%	0.01%	0.22%
Fluorescent tubes	0.02%	0.02%	0.03%
Metals	0.48%	0.05%	0.23%
Organics (food)	0.79%	0.73%	
Paper (confidential)	4.33%	1.69%	2.44%
Paper (recycling)	0.04%	0.00%	0.01%
PVC	0.08%	0.08%	0.09%
Sterilization wraps	0.01%	0.06%	0.02%
Toner & print cartridges	0.01%	0.00%	0.02%

Waste and recycling (continued)	Jul-22 to Jun-23	Jul-21 to Jun-22	Jul-20 to Jun-21
WR2 Percentage of office sites covered by dedicated collection services for each waste stream*			
Printer cartridges	60-80%		
Batteries	60-80%		
e-waste	60-80%		
Soft plastics	60-80%		
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	2.67	3.40	3.24
Total waste to offsite treatment per patient treated (kg offsite treatment)/PPT	1.00	1.29	1.08
Total waste recycled and reused per patient treated (kg recycled and reused)/PPT	0.68	0.78	0.77
WR4 Recycling rate [%]			
Weight of recyclable and organic materials [kg]	433,533.72	454,126.35	463,865.95
Weight of total waste [kg]	2,707,844.86	3,172,801.02	3,067,652.40
Recycling rate [%]	**15.58%**	**14.31%**	**15.12%**
WR5 Greenhouse gas emissions associated with waste disposal [tonnes CO_2-e]	2,936.53	3,513.17	3,360.86
tonnes CO_2-e			

* Note: Not reported by Eden Suite

Greenhouse gas emissions	Jul-22 to Jun-23	Jul-21 to Jun-22	Jul-20 to Jun-21
G1 Total scope one (direct) greenhouse gas emissions [tonnes CO_2e]			
Carbon Dioxide	13,013.11	10,431.43	2,776.75
Methane	24.88	20.07	5.00
Nitrous Oxide	8.29	6.44	2.27
Total	**13,046.28**	**10,457.94**	**2,784.02**
GHG emissions from stationary fuel (F2) [tonnes CO_2-e]	12,782.42	10,320.70	2,537.90
GHG emissions from vehicle fleet (T3) [tonnes CO_2-e]	263.87	137.23	246.13
Medical/Refrigerant gases			
Desflurane	N/A	N/A	52.68
Isoflurane	N/A	N/A	0.00
Nitrous oxide	897.72	203.07	257.49
Sevoflurane	80.99	224.42	21.94
Total scope one (direct) greenhouse gas emissions [tonnes CO_2e]	**14,024.99**	**10,885.42**	**3,116.14**
G2 Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO_2e]			
Cogen Electricity		1,501.99	6,019.88
Electricity	23,831.20	24,830.01	24,512.17
Steam		1,402.77	5,019.08
Total scope two (indirect electricity) greenhouse gas emissions [tonnes CO_2e]	**23,831.20**	**27,734.77**	**35,551.13**

Greenhouse gas emissions (continued)	Jul-22 to Jun-23	Jul-21 to Jun-22	Jul-20 to Jun-21
G3 Total scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (tonnes CO_2e)			
Commercial air travel			
Waste emissions	2,936.53	3,513.17	3,360.86
Indirect emissions from Stationary Energy	4,062.68	3,513.85	3,025.26
Indirect emissions from Transport Energy	65.50	7.47	13.30
Paper emissions			
Any other Scope 3 emissions	581.72	538.51	630.10
Total scope three greenhouse gas emissions [tonnes CO_2e]	**7,646.43**	**7,573.00**	**7,029.52**
G(Opt) Net greenhouse gas emissions (tonnes CO_2e)			
Gross greenhouse gas emissions (G1 + G2 + G3) [tonnes CO_2e]	**45,502.63**	**46,193.20**	**45,696.76**
Carbon Neutral Electricity	0.00	0.00	0.00
Green Power Electricity	0.00	0.00	0.00
Purchased LGCs	0.00	0.00	0.00
Any Offsets purchased	**0.00**	**0.00**	**0.00**
Net greenhouse gas emissions [tonnes CO_2e]	**45,502.63**	**46,193.20**	**45,696.76**

Normalisation factors	Jul-22 to Jun-23	Jul-21 to Jun-22	Jul-20 to Jun-21
1000km (Corporate)		520.69	994.92
1000km (Non-emergency)			
Aged Care OBD			
ED Departures	104,635.00	101,345.00	142,515.00
FTE	7,690.00	7,675.00	7,298.00
LOS	391,354.00	366,085.00	351,429.00
OBD	391,354.00	366,085.00	351,429.00
PPT	619,670.00	580,827.00	603,092.00
Separations	123,681.00	113,397.00	109,148.00
TotalAreaM^2	287,165.00	287,165.00	287,174.50

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

General notes

1. Information in this report is sourced from data provided by retailers and, in some, cases data manually uploaded by health services into Eden Suite. Data has not been externally validated. All annual values represent the year ending 30 June.
2. Emissions are calculated using the carbon factors for the year in which the emissions were generated. For health services provided with energy (electricity and steam) under the co-generation ESA (energy services agreement) carbon factors provided by the energy retailer are used.
3. Electricity consumption values exclude line losses; some energy retailers include losses in reported values.
4. Occupied bed days (OBD) include both inpatient and aged care data, unless stated otherwise.

Delivering **Quality Care**

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

We benchmark our performance nationally and internally and strive to ensure our care to each patient meets the National Safety and Quality Health Service Standards.

As we look beyond the pandemic, we will continue to be committed to ongoing improvement and delivering better care to our patients, staff and community.

Linh Nguyen is part of Alfred Health's dedicated pharmacy team.

Infection prevention

The Infection Prevention team works to minimise the risks to patients, staff and visitors from acquiring preventable healthcare-associated infections and effectively manage infections when they occur.

COVID-19 response

Throughout 2022, Infection Prevention continued to actively strategise and support Alfred Health's COVID-19 pandemic response.

The team continued to provide clinical guidance and advice, and management support in relation to COVID-19 outbreaks involving patients, visitors and staff.

Key tasks included:

- Implementation of an updated contact tracing process for patient exposures
- Implementation and utilisation of the Contact Tracing Team to manage high-risk exposures and ward outbreaks
- Advice and consultation to the Respiratory Protection Program to maintain safety of our staff and comply with Department of Health (DH) and WorkSafe requirements.

During 2022–23, ongoing community cases resulted in several COVID-19 outbreaks.

Infection Prevention measures were swiftly implemented, such as isolation and testing of contacts, movement of positive patients to COVID-19 dedicated wards, increased cleaning, and point prevalence screening of staff and ward contacts.

During the time of increased community transmission, the team supported strategies for prevention such as entry point screening, staff and visitor mask wearing and early detection of new cases via proactive COVID-19 surveillance testing for patients in high-risk wards.

Staphylococcus aureus bacteraemia (SAB) rates

Quarter	Q1 Jul 22 – Sep 22	Q2 Oct 22 – Dec 22	Q3 Jan – Mar 23	Q4 Apr – Jun 23
OBDs	98847	98210	95358	98284
SABS	7	10	11	10
AH rate	0.71	1.02	1.15	1.02
Reported to VICNISS	Yes	Yes	Yes	Yes

Central line-associated blood stream infections

Alfred ICU is consistently reporting very low levels of central line-associated bloodstream infections (CLABSIs) despite caring for the highest volume of ICU patients nationwide, many with very high acuity. Our team continue to monitor these infections closely and work with ICU staff to implement strategies aligned with the statewide target of zero infections.

Hand hygiene

Infection Prevention launched a campaign targeting the 10 most missed moments of hand hygiene with the release of two videos. Mobile electronic devices have been purchased so hand hygiene compliance can be entered electronically at the point of care. A new dashboard has also been developed to allow greater transparency to staff of hand hygiene compliance rates.

Education also continues to be a priority, with hand hygiene auditors at ward level trained to enhance observation and accountability. There are more than 240 validated auditors trained across Alfred Health.

1 Jul 2022 – 31 Oct 2022	National Audit Three 2022	83.1 %
1 Nov 2022 – 31 Mar 2023	National Audit One 2023	84.4%
1 Apr 2023 – 30 Jun 2023	National Audit Two 2023	85.4%

Staff influenza vaccination

The 2022 influenza campaign saw 91 per cent of staff vaccinated across Alfred Health, with 90.9 per cent from The Alfred, 90.6 per cent from Caulfield and 95.8 per cent from Sandringham.

In 2022, the influenza vaccination was mandated by the Department of Health for all clinical staff.

Surgical site infection

We monitor infections related to key surgeries, in accordance with DH requirements.

Surveillance is performed in the post-operative period, including patient re-admissions during the 30 or 90-day post-operative timeframe, depending on the surgical site infection criteria. Details of all events are fed back to surgical teams to support quality improvement activities.

Antimicrobial stewardship (AMS)

The AMS program aims to optimise antimicrobial prescribing across Alfred Health. AMS rounds targeting broad spectrum antimicrobial prescribing and patients with positive blood cultures continue across all campuses, with a median of 80 patients reviewed per month from July 2022 to June 2023.

Integration between clinical service provision, quality improvement and research is ongoing, including antimicrobial allergy assessment and optimising surgical antimicrobial prophylaxis. In the era of patient-centred care, the AMS program, Infectious Diseases Unit, Pharmacy and Pathology service are collaborating to develop individualised antimicrobial dosing to improve clinical outcomes for patients with infections. New research is underway to investigate how to best implement this service within Alfred Health.

Work to improve sepsis management is ongoing, with the median time to antibiotic administration in the Alfred Emergency Department being consistently less than 60 minutes. Ongoing work is planned to continue to improve timely sepsis management outside of usual pharmacy hours and to maintain recent improvements observed in timely sepsis management at MET calls for inpatients.

Carbapenemase-producing Enterobacteriaceae (CPE)

CPE are a group of bacteria that have become resistant to many antibiotics, making them more difficult to treat. Since April 2022, three locations were deemed to be Transmission Risk Areas (TRAs) at Alfred Health, from July – September 2022, February – April 2023 and March – June 2023 respectively. All infection prevention measures were proactively initiated and room contacts screened as per DH requirements.

Interventions to reduce CPE cases include increased cleaning and monitoring, increased education, utilising a bleach-based cleaning product and patient alerts being placed in the EMR.

ICU-specific interventions have included a robust screening and decontamination regime of the clinical sinks and ongoing screening of all ICU patients on discharge from the unit.

All interventions have previously been reviewed by the Victorian CPE Incident Management Team, DH and have been deemed fully compliant with recommended best practice.

Blood management

A smart fridge has been installed at Sandringham, increasing the safety of blood product dispensing. The technology only allows the user to remove the blood product which matches the patient details entered. This reduces the risk of an incorrect blood product being removed. Training to use the fridge commenced in July 2023.

Other highlights include the KPI for wastage remaining within target (<2% for red cell wastage). Work continues with high use areas to reduce avoidable wastage.

Reporting of transfusion reactions has now been moved to an electronic order. This was one of the few processes which remained paper based until June 2023.

Medication safety

At Alfred Health, using medicines safely goes hand-in-hand with improving staff and consumer experience. Doctors, nurses and pharmacists work together to reduce the risk of harm and find ways to improve medication safety.

Improving medication use in deteriorating patients: Pharmacists in medical emergency team (MET).

As a result of an innovative and successful trial, Pharmacists at The Alfred are now attending all MET calls (7am and 9pm on weekdays). The trial, conducted over the preceding 18 months confirmed that the assistance of Pharmacists in the selection, dose calculation, charting, supply and preparation of medications improved patient care.

Pharmacists significantly increased the number of patients receiving antimicrobials within the hour from 59.7 per cent to 81.3 per cent. The time to antimicrobial administration was reduced from 54 minutes to 43 minutes.

Online ordering of prescriptions for outpatients

The Outpatient Pharmacy provides access to highly specialised medications, of which many are only available through Alfred Health, collected in-person or posted across the country.

In response to our patients' requests, the Outpatient Pharmacy at The Alfred implemented an online prescription ordering system to reduce the wait time when placing an order in person or over the phone.

The online ordering system was rolled out with an excellent uptake by patients, with most feedback overwhelmingly positive. The time that staff spent on the phone coordinating prescription orders was also cut in half, from almost 6 hours to less than 3 hours per day.

Harm minimisation

An Alfred Health Pressure Ulcer Point Prevalence Survey (PUPPS)/ Quality Audit was held in May 2023, expanded from the PUPPS/ BMI audit held in October 2022 and included quality auditing which covered risk identification, prevention and management, including care planning, for falls, delirium, pressure injuries and malnutrition all four harm minimisation risks.

The audit results are used to inform quality improvement activities in clinical areas.

Other key work included the launch of a Go Beside campaign for nursing, which promotes components of both Standard 5 Comprehensive Care and Standard 6 Communicating for Safety. A suite of Harm Minimisation Dashboards was also released, providing up-to-date data for staff for falls, delirium, pressure injuries and malnutrition.

Falls

Reducing falls and falls with harm continues to be a key priority for Alfred Health, with the introduction of a local Rapid Improvement Group (RIG) to improve falls prevention and management of this an important initiative. Learnings from this work have been shared with other wards.

The Staff Falls Learning Package was also updated to improve staff engagement and management knowledge.

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

Pressure

The Alfred Health Pressure Ulcer Point Prevalence Survey (PUPPS)/BMI audit was completed in October 2022.

Other achievements included the availability of a new evidenced based skin moisturiser to support skin integrity in inpatient wards; establishment of a Ward Wound Leads program, led by the Wound CNC team, at all Alfred Health sites; and a working party made up of Wound Clinical Nurse Consultants and Podiatrists to better understand patients with sustained heel pressure injuries.

Delirium

A renewed Delirium Model of Care was launched, within the updated Prevention and Management of Delirium in Adults guideline. A working group within the Emergency Department is supporting early identification of patients at risk of or in an active delirium. Key brochures were also updated with additional messaging – 'Support a Healthy Mind' – to promote delirium prevention.

Malnutrition

Improving meal variety while also ensuring our food meets the nutritional needs of our patients is a key priority for Alfred Health.

A menu review was conducted at The Alfred in 2022. This incorporated consumer engagement and a review of demographic data to ensure we are meeting the needs of our diverse population. We added 25 items, with 40 items modified to improve menu variety and diversity.

In addition, initiatives have been implemented to improve the nutrition care delivered to patients in ICU. This includes upskilling dietitians to insert nasogastric tubes, and structured nutrition rounds for long-stay and complex patients.

Further work to the menu review will continue across 2023 and 2024, and will include additional new recipes, food fortification and working with suppliers to source products that contribute to meeting nutrition standards.

Similarly, we will continue to work with suppliers to further enhance the menu at our Caulfield and Sandringham sites, with meals and products that contribute to meeting the nutrition standards.

Performance

Part A: Department of Health Operational Plan

Strategic Priorities – Alfred Health Statement of Priorities 2022–23 – Year End Report

Strategic Priorities set out by Minister for Health	Alfred Health Key Deliverables	Accountable Officer	Progress
Maintain COVID-19 readiness and response	Response Plans: • Infection prevention and contact tracing • Surge capacity – emergency and ICU • Staff screening and surveillance programs • Staff vaccination and Respiratory Protection programs	COO	**COMPLETED** COVID response remains relative to the level of community transmission.
Update nutrition and food quality standards	Review contracts and services to implement new nutrition and food quality standards by December 2023	CNO	**COMPLETED** Menu review and new items adhering to the new nutrition and food quality standards implemented – The Alfred in February 2023 and planned for Sandringham/Caulfield in December 2023. Contracts reviewed and amended to encompass new nutrition and food quality standards.
Enhance health system resilience by improving environmental sustainability	Deliver annual plan in line with AH Environmental Sustainability Strategy 2022–25	ED S&P	**COMPLETED** Alfred Health Environmental Sustainability Strategy 2022–2025 launched May 2023.
Pathology Reform	Progress forming of shared public pathology Implement new integrated Laboratory Information Systems	CEO	**GOOD PROGRESS** Alfred/Monash Joint Pathology Service established and operational. New Laboratory Information Systems being procured.

Strategic Priorities set out by Minister for Health	Alfred Health Key Deliverables	Accountable Officer	Progress
Asset Maintenance and Management	Develop and maintain Alfred Health Asset Management Plan in accordance with DH framework	CFO	**COMPLETED** A framework to develop an enterprise-wide asset management strategy is in development to supplement the level of compliance already achieved.
Improve Aboriginal health and wellbeing	Deliver Alfred Health Innovate Reconciliation Action Plan	CXO	**COMPLETED** Innovate Reconciliation Action Plan complete and in publication, incorporating a workforce plan to increase, sustain and develop our Aboriginal workforce. Aboriginal garden complete and launched with the local Aboriginal community.
Foster and develop partnerships to promote collaboration	Collaborate with health service partners to leverage efficiency in planning, procurement and service delivery	CEO	**COMPLETED** Continue to explore opportunities through South Metro Health Service Partnership. Expanded clinical service partnerships with Regional and Rural health services to enable care closer to home – Anaesthetics, Neurology, Cardiology and Cancer Care in Gippsland.
Provide safe and reliable care	Embedded systems and processes to ensure delivery of safe and reliable care	CNO	**COMPLETED** Ward governance structures established to ensure safe systems of clinical review, leadership and to ensure progression of care: • Ward rounding • Clinical handover • Electronic journey boards to promote progression of care.

Strategic Priorities set out by Minister for Health	Alfred Health Key Deliverables	Accountable Officer	Progress
Reform the way we deliver care to ensure a sustainable safe and reliable system	3Rs transformation program (Recovery, Reset, Reform) 1. ***Surgical Recovery & Reform*** to ensure patients are treated within clinically recommended times 2. ***Better@Home*** – enhance the system model as a user friendly, equitable patient-focused experience that is scalable to other patient cohorts 3. ***Upstreaming clinical decision making to*** enable timely right care in the right place for the patient 4. ***Optimising ambulatory care*** through improved patient referrals and integrated care systems for specialist consultation/care	COO	**GOOD PROGRESS** Surgical optimisation work continues, however, there is significant improvement in times to treatment across most specialities. Better@Home, providing out of hospital acute care for identified patient cohorts commenced Dec 2022. Partnerships in place with regional ICU centres providing virtual consultancy with capacity to expand. Chest Pain Service (Pilot) supporting regional Urgent Care Centres commenced in December 2022. Commencement of new integrated model of care for patients with Diabetes in partnership with Primary Care providers (GPs) in June 2023.
Transform our Area Mental Health and Wellbeing Services in line with Victoria's Mental Health System reforms.	Deliver Alfred Mental and Addiction Health Strategic Direction Invest, develop and embed new models/services: a. Women's Mental Health b. Eating Disorders c. Lived Experience d. Addiction Health e. Urgent & intensive mental health care	COO	**GOOD PROGRESS** Specialist Women's Mental Health Service in partnership with Ramsay Healthcare and Goulbourn Valley established. • Bed-based and home-based service operational in Shepparton • Home-based service operation in metro Melbourne, bed-based service to commence in December 2023. Residential Eating Disorders Treatment Centre project progressing with capital build. Building Lived Experience (LE) workforce capacity with appointment of Directors of Consumer LE and Director of Carer LE.

Strategic Priorities set out by Minister for Health	Alfred Health Key Deliverables	Accountable Officer	Progress
Improve the experience of our patients and staff	Reinvigorate existing patient experience program Develop, implement Employee Experience Recruit and retain employees and build capability as a high performing workforce	CXO	**COMPLETED** Patient experience program reignited and contract signed with Monash University to establish experience research partnership. Employee experience program developed and priority actions underway in culture, leadership development and employee recognition. International recruitment campaign successful with 160 experienced nurses engaged. Campaign to continue for another 12 months with a focus on priority areas such as ICU.
Respond to new legal obligations and policy direction	Implement Victorian Duty of Candour Guidelines from 30 November 2022, to: Implement MBS Policies and interpretive guidelines as they relate to Private patients in public health services through revised systems and processes Implement Critical Infrastructure/Cyber Security legislative changes (TBA)	CMO CFO CDHO	**COMPLETED** Duty of Candour information roadshows and learning modules implemented. Guidelines implemented to guide and support staff with changes. **SOME PROGRESS** Five key projects involving significant changes to processes and workflows have been established Ongoing work into 2024. **SOME PROGRESS** Cybersecurity maturity model and plan to increase maturity in place. Critical asset registration under new legislation Security of Critical Infrastructure.

Part B: Performance Priorities

High quality and safe care

Infection prevention and control	Target	Actual
Compliance with the Hand Hygiene Australia program	85%	84.2%
Percentage of healthcare workers immunised for influenza	92%	91%

Continuing care	Target	Actual
Functional independence gain from an episode of rehabilitation admission to discharge relative to length of stay	≥ 0.645	0.573

Healthcare associated infections (HAIs)	Target	Actual				
Rate of surgical site infections for selected procedures (aggregate)	No outliers	**Surgery type**	**Deep/organ count**	**Superficial count**	**Surgery count**	**Rate**
		CABG	2	6	347	0.57% Deep/organ (4% all)
		HPRO	5	2	345	1.45% Deep/organ (2% all)
		KPRO	0	1	141	0% Deep/organ (0.71% all)

Healthcare associated infections (HAIs)	Target	Actual
Rate of central line (catheter) associated blood stream infections (CLABSI) in intensive care units, per 1,000 central line days	Zero	0.37
Rate of healthcare-associated *S. aureus* bloodstream infections per 10,000 bed days	≤ 0.7	0.97

Patient Experience	Target	Actual
Percentage of patients who reported positive experiences of their hospital stay	95%	90%

Mental Health	Target	Actual
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%	85%
Percentage of mental health consumers reporting they 'usually' or 'always' felt safe using this service	90%	87%
Percentage of families/carers reporting a positive experience of the service	80%	74%
Percentage of families/carers who report they 'always' or 'usually' felt their opinions as a carer were respected	90%	87%
Closed Community Cases		
Percentage of closed community cases re-referred within six months: adults and aged persons	< 25%	Adult 37% Aged 15%
Post-Discharge Follow-up		
Percentage of consumers followed up within 7 days of separation – Inpatient (adult)	88%	86%
Readmission		
Percentage of consumers re-admitted within 28 days of separation – Inpatient (adult)	< 14%	9%
Percentage of consumers re-admitted within 28 days of separation – Inpatient (older persons)	< 7%	3%
Seclusion		
Rate of seclusion episodes per 1,000 occupied bed days – Inpatient (adult)	≤ 8	6/15
Rate of seclusion episodes per 1,000 occupied bed days – Inpatient (older persons)	≤ 5	0/15
Unplanned Readmissions		
Unplanned readmissions to any hospital following a hip replacement	< 6%	5%

Strong Governance, leadership and culture

Organisational culture	Target	Actual
People matter survey – Percentage of staff with an overall positive response to safety culture survey questions	62%	66%

Timely access to care

Elective Surgery	Target	Actual
Percentage of urgency category 1 elective surgery patients admitted within 30 days	100%	100%
Percentage of urgency category 1, 2 and 3 elective surgery patients admitted within clinically recommended time	94%	83%
Number of patients on the elective surgery waiting list	2,590	2,261
Number of patients admitted from the elective surgery waiting list	11,009	10,015
Number of patients (in addition to base) admitted from the elective surgery waiting list	3,092	NIL
Percentage of patients on the waiting list who have waited longer than clinically recommended time for their respective triage category	5% or 15% proportional improvement from prior year	20% (-28% change)
Number of hospital-initiated postponements per 100 scheduled elective surgery admissions	≤ 7	4

Emergency Care	Target	Actual
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%	Alfred 81% Sandringham 89%
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%	Alfred 65% Sandringham 66%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours	81%	Alfred 66% Sandringham 78%
Number of patients with a length of stay in the emergency department greater than 24 hours	0	0

Mental Health	Target	Actual
Percentage of mental health-related emergency department presentations with a length of stay of less than 4 hours	81%	Alfred 72% Sandringham 72%
Percentage of triage episodes requiring an urgent response (triage scale C) where a face-to-face response was provided by the mental health service within 8 hours	80%	86%

Specialist Clinics	Target	Actual
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	100%	58%
Percentage of routine patients referred by GP or external specialist who attended a first appointment within 365 days	90%	84%

Effective financial management

Key performance indicator	Target	2022–23 actuals
Finance		
Operating result ($m)	$0.00	$0.18m
Average number of days to paying trade creditors	60 days	40 days
Average number of days to receiving patient fee debtors	60 days	66 days
Adjusted current asset ratio (Variance between actual ACAR and target, including performance improvement over time or maintaining actual performance)	0.7	0.85
Forecast number of days a health service can maintain its operations with unrestricted cash (based on the end of year forecast)	14 days	2 days
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June	Variance ≤ $250,000	Not achieved

Part C: Activity and funding

	2022–23 activity achievement
Consolidated activity funding	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	156,279
Acute Admitted	
National Bowel Cancer Screening Program NWAU	1
Acute admitted DVA	455
Acute admitted TAC	7,427
Acute Non-Admitted	
Home Enteral Nutrition NWAU	99
Home Renal Dialysis NWAU	959
Radiotherapy WAUs Public	75,996
Radiotherapy WAUs DVA	229
Subacute/Non-Acute Admitted & Non-admitted	
Subacute – DVA	64
Transition Care – Bed days	19,819
Transition Care – Home days	7,568
Aged care	
HACC	13,496
Mental Health and Drug Services	
Mental Health Ambulatory	111,401
Mental Health Inpatient – Available bed days	22,077
Mental Health Subacute	6,517
Drug Services	128
Primary Health	
Community Health/Primary Care Programs	9,953
Other	
NFC – Paediatric Lung Transplantation	4

Financial Summary

A Net Operating Result of $0.18 m was recorded in 2022–23. The result is in line with the target in the Statement of Priorities. Total revenue and expenditure increased in financial year 2022–23 largely due to Alfred Health's increased activity related to deferred care during the pandemic, including elective surgery.

The increase of $27.4 m in the Net Result from Transactions in 2022–23 reflects higher capital revenue recognised following works on the Paula Fox Melanoma and Cancer Centre which is expected to complete in financial year 2023–24.

Net Assets increased by $82.2 million in the 2022–23 financial year. This was largely due to the expenditure on the Paula Fox Melanoma and Cancer Centre and an improvement in investment values following an increase in global share markets.

During the year Alfred Health continued to find efficiency improvements while providing excellent patient care. Despite being disrupted by the COVID-19 operating environment, the operating surplus is a result of the health service continuing its commitment to achieving savings targets through efficiency programs and close monitoring of costs.

	2019	2020	2021	2022	2023
	$'000	$'000	$'000	$'000	$'000
Operating result*	**193**	**504**	**243**	**477**	**180**
Total revenue	1,314,925	1,420,708	1,618,690	1,762,461	1,880,754
Total expenses	(1,352,319)	(1,452,121)	(1,619,231)	(1,785,672)	(1,876,608)
Net result from transactions	**(37,394)**	**(31,413)**	**(541)**	**(23,211)**	**4,146**
Total other economic flows	(6,938)	(9,674)	4,465	(16.931)	(14,740)
Net result	**(44,332)**	**(41,087)**	**4,104**	**(40,142)**	**(10,594)**
Total assets	1,446,645	1,486,095	1,586,391	1,681,851	1,756,351
Total liabilities	356,039	450,252	510,147	645,249	637,446
Net assets/Total equity	**1,090,606**	**1,035,843**	**1,076,244**	**1,036,602**	**1,118,905**

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

Reconciliation of net results from transactions and operating result

	2022 $'000
Net Operating Result	**180**
Capital and specific items	
COVID-19 State Supply Arrangements – Assets received free of charge or for nil consideration under the State Supply	8,939
State supply items consumed up to 30 June 2023	(9,693)
Capital purpose income	114,852
Assets provided free of charge	293
Expenditure for a Capital Purpose	(12,420)
Depreciation and amortisation	(96,543)
Other	(1,462)
Net result from transactions	**4,146**

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

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

Information and communication technology (ICT) expenditure

The total ICT expenditure incurred during 2022–23 is $61.8 million (excluding GST):

Business as usual (BAU) ICT expenditure ($m)	Non-business as usual (non-BAU) ICT expenditure ($m)	Operational expenditure ($m)	Capital expenditure ($m)	Year
56.9	4.9	1.9	3.0	30 Jun 2023

Governance

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

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

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

Objectives, functions, power and duties

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

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

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

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

Board of Directors as of 30 June 2023

Mr Michael Gorton
AM BCom, LLB FRACS (Hon), FANZCA (Hon), FAICD

Board Chair

Mr Gorton is a senior partner at Russell Kennedy Lawyers and has more than 30 years' experience advising the health and medical sector.

He has assisted boards of health organisations to understand their legal obligations for effective governance structures, governance policies and implementing risk management strategies.

Mr Gorton is the Chair of Wellways Australia and Holmesglen Institute.

He is a former Board Member of Ambulance Victoria, Melbourne Health, and NW Melbourne Primary Health Network (PHN). In addition, he is the former Chair of the Australian Health Practitioner Regulation Agency (AHPRA) and the Victorian Equal Opportunity and Human Rights Commission.

Prof Christina Mitchell
AO, MB BS, FRACP, PhD, FAHMS

Professor Christina Mitchell is Dean, Faculty of Medicine, Nursing & Health Sciences at Monash University having trained as a physician scientist specialising in clinical haematology.

She was the first woman to be appointed Dean of Medicine of a Go8 university in Australia. Her research group has focused on the molecular drivers of human cancer.

Prof Mitchell is an inductee on the Victorian Honour Roll of Women and a recipient of the Lemberg Medal.

She is a member of the Australian Academy of Health and Medical Sciences as well as Council Chair, Monash Partners Academic Health Sciences Centre. In addition, she is a director on the boards of the Hudson Institute and The Sylvia and Charles Viertel Charitable Foundation Medical Advisory Board.

Ms Melanie Eagle
BA BSW LLB Post Graduate Diploma of International Development GAICD

Ms Eagle has qualifications in Law, Social Work, International Development, Arts and is a Graduate of the Australian Institute of Company Directors.

She is the former Chief Executive Officer of Hepatitis Victoria/LiverWELL – the peak organisation providing advocacy, awareness raising, education and support in relation to viral hepatitis and liver disease.

Her professional work has spanned the public sector (city strategic planning, social policy, women's policy, law reform and equal opportunity); the private sector (as solicitor); and the union movement. She was Mayor and a Councillor of the St Kilda Council. She has served on a wide range of Boards including Star Health (formerly Inner South Community Health Centre); Hanover Welfare; Prahran Mission; the Epilepsy Foundation; Hepatitis Australia; Respect Victoria and the Chronic Illness Alliance of Victoria.

Ms Eagle is the inaugural Chair of the Disability Worker Registration Board, and she is a member of Queen Victoria Women's Centre Trust and the Women 4 Justice Advisory Group. She is also a Patron of the Epilepsy Foundation.

Ms Kaye McNaught
BA (PSYCH, CRIM) LLB (MELB)

Ms McNaught has over 20 years' experience working in the public health system.

Between 1985 and 1995 she was employed at the Royal Children's Hospital Melbourne as the HIV/AIDS and Haemophilia Clinical Nurse Consultant and Counsellor. This statewide service was provided to families, individuals and staff. During this time Ms McNaught was a member of various committees, some of which included the National AIDS Counsellor Association, Paediatric AIDS Task Force, the AIDS Education Strategy Committee, the RCH Infection Control Committee and the AIDS Health Department task force education program.

Ms McNaught was called to the Victorian Bar in 2001, and is a member of the Victorian Bar's Health and Well-being Committee. She is also a member of the Law Institute of Victoria Family Law Section Children Youth and Issues Committee.

Ms Chloe Shorten
BA (Comm), MAICD, GAIST, GIA (Aff)

Ms Shorten is a national advocate for the rights of children and young people. She has been committed to improving the lives of women, children and people with disabilities through her 30-year involvement with not-for-profit organisations, particularly those in research.

Ms Shorten is the Chair of the Centre for Digital Wellbeing, a Director of Industry Funds Services serving on their Audit and Risk Committee. She is also a Director of the SMC Trust. Ms Shorten is the Inaugural Ambassador for the Foyer Foundation for youth homelessness; a strategic advisor to Burnet Institute for their Healthy Mothers, Healthy Babies Program.

She has had an extensive executive career in the resources and tech sectors, as head of corporate affairs, communications and reputation management.

Ms Shorten is the author of two books published by Melbourne University Publishing.

She chairs Alfred Health's Community Advisory Committee and is a member of the Quality Committee.

Ms Anna Leibel
GAICD

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

Ms Leibel is a Non-Executive Director of Secure Electronic Registries Victoria (SERV) and serves on their Audit and Risk Committee. She is a former Non-Executive Director of Ambulance Victoria and Chair of the Audit and Risk Committee.

Selected as a Chief Executive Women Scholar in 2018, Anna completed Driving Strategic Innovation at Massachusetts Institute of Technology, USA. She holds a Postgraduate Diploma in IT Leadership (2019) from Deakin University and completed Succeeding in a Digital Economy (2012) with Massachusetts Institute of Technology, USA. Ms Leibel graduated from the AICD Company Directors course (2017) and will complete a Master of Laws in Enterprise Governance with Bond University in December 2023. She co-authored The Secure Board to outline the governance aspects of cyber security, which was published in 2021.

Mr Lynton Norris
BBus (Acc) BBus (IntTrade) FCPA GAICD

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

Mr Norris has over 25 years' experience in both government and the private sector and held senior executive roles in the Commonwealth, State and Territory Government health and human service portfolios at the Deputy Director-General, Chief Executive Officer and Director level. He has led and served on various government expert and advisory panels, pertaining to national agreements, disaster recovery, data integrity and analysis.

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

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

Ms Anne Howells
BCom, CA, MB (Corporate Governance), FGIA, GAICD

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

She began her career with PwC advising small and medium sized enterprises and later consulting in risk management, compliance and corporate governance. In the course of her career she has held a number of governance and senior quality and complaints management roles with Telstra, been General Manager of a nursing agency, run her own consultancy business and later worked for PwC's CRO in risk and compliance roles.

Ms Howells is a Director and former Chairman of Sexual Health Victoria (SHV) and the Director of CP Solutions Pty Ltd (her personal consulting company). She also serves on the Finance, Audit and Risk Committees (or their equivalents) for SHV, Scope (Aust) Ltd and the Royal Australasian College of Physicians.

Mrs Sally Campbell
BA, LLB, GAICD

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

Mrs Campbell's background includes working in health, law, informatics, technology, telecommunications, manufacturing and services. Her most recent positions have been in the health and research sectors.

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

In 2017, Mrs Campbell retired from Melbourne Health (as the Executive Director of Corporate & Information Services) and also concluded an executive role managing strategy and planning at Barwon Health at the end of June. Mrs Campbell is also a Director of Forensicare.

Board committees

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

Audit Committee

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

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

It is also responsible for:

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

Community Advisory Committee

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

Finance Committee

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

Primary Care and Population Health Advisory Committee

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

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

Quality, People and Culture Committee

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

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

Remuneration Committee

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

Committee membership 2022–23

Audit Committee

Sally Campbell (Chair)
Anna Leibel (Deputy Chair)
Anne Howells
Michael Gorton (ex officio)
Des Pearson AO (Associate Director)

Community Advisory Committee (CAC)

Chloe Shorten (Chair)
Kaye McNaught
Lynton Norris
Kim Hungerford (Consumer)
Terry McNamara (Consumer)
Carol Gordon (Consumer)
Kevin Boyce (Consumer)
Irene Havryluk-Davies (Consumer)
Kriss Will (Consumer)
Amtur Rafiq (Consumer)
Max Niggl (Consumer)
Astrid Edwards (Consumer)
Matthew Foo (Consumer)

Finance Committee

Anne Howells (Chair)
Lynton Norris (Deputy Chair)
Michael Gorton
Anna Leibel
Christina Mitchell
Andrew Way, CEO

Primary Care and Population Health Advisory Committee (PCPHA)

Kaye McNaught (Chair)
Melanie Eagle (Deputy Chair)
Sally Campbell
Andrew Way, CEO
Peter Hunter (AH staff)
Simon Stafrace (AH staff)
Galina Daraganova (external delegate – SEMPHN)
Damien Ferrie (external delegate – Better Health Network)

Quality and People & Culture Committee

Melanie Eagle (Chair)
Michael Gorton (Deputy Chair)
Christina Mitchell
Chloe Shorten
Cathy Balding (Associate Director)
Kay Currie (Consumer)
Michelle Tuck (AH clinician)
Robert Stirling (AH clinician)

Remuneration Committee

Michael Gorton (Chair)
Anne Howells (Deputy Chair)
Anna Leibel
Christina Mitchell
Lynton Norris

Risk management

Alfred Health is committed to improving the quality and safety of our services and to managing the risks that may impact on achieving our goals. A coordinated service-wide approach to risk management is present across the organisation. Alfred Health has an integrated enterprise and clinical risk register which currently consists of 35 open risks at the end of 2022–23. All risks are addressed by specific treatment plans and many have dedicated committees such as falls prevention, pressure injuries, medication safety and mental state deterioration. The Alfred Health Management Framework aligns with the international Risk Management Standard (AS/NZ ISO 31000:2018-02) and each year the risk profile of the health service is reviewed.

Alfred Health continues to use an incident reporting system, using the dataset of the Victorian Health Incident Management System (VHIMS), which is an integral component of Alfred Health's risk management framework. This allows the organisation to provide regular VHIMS data to the Victorian Agency for Health Information (VAHI) for analysis in order to inform patient safety efforts at a state level. Weekly transmission of incident data via a secure portal to VAHI was introduced across Alfred Health in July 2022. This will support Safer Care Victoria's plans to develop an Early Warning System across the state.

Regular training and support are provided for staff on the use of the incident reporting database throughout the year and all staff members are encouraged to report adverse events in line with the organisation's 'just' culture. Incident data is routinely analysed for trends and reported to the various committees and groups responsible, including to the Executive Committee and the Board Quality Sub-Committee.

Safe Patient Care Act 2015

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

Senior officers

Chief Executive

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

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

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

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

Chief Operating Officer

Ms Simone Alexander MHAdmin, MClinNurs, BN

Ms Alexander has more than 25 years' experience in the healthcare sector and has served as Alfred Health's Chief Operating Officer (COO) role since December 2017. In 2022, she was appointed Deputy Chief Executive Officer in addition to her substantive role as COO.

Ms Alexander is responsible for the management and performance of Alfred Health's clinical operations. Most recently she has led the Operations team response in the COVID-19 pandemic including the Hotel Support Services program providing exemplary leadership, governance and clinical standards to protect the broader Victorian Community.

Ms Alexander chairs the Comprehensive Care Committee, the Alfred Health Emergency Management Committee, the Alfred Health Acquired Brain Injury Community Advisory Committee, and is a co-chair of the Alfred Health Gender Equity Committee.

Chief Medical Officer

Dr Lee Hamley MBBS MBA FRACMA

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

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

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

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

Chief Nursing Officer

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

Mr Williams has over 40 years' experience in the healthcare sector and commenced in this role in March 2023.

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

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

Executive Director, Strategy and Planning

Jenny Walsh BHSc

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

She has direct responsibility for Alfred Health's service planning and capital and infrastructure functions including the Major Capital Project, Victorian Melanoma and Clinical Trials Centre. These functions are central to providing clinical and other corporate programs with a safe, efficient and effective operating environment. Ms Walsh is also responsible for the leadership and management of the organisation's Outpatients Program.

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

Director, Research

Professor Stephen Jane MBBS PhD FRACP FRCPA FAHMS

Professor Jane is responsible to the Chief Executive for the strategic direction and governance of research at Alfred Health.

An experienced haematologist, Professor Jane has a strong interest in translational research and, through his role, is a key player in Alfred Health's efforts to establish an Academic Health Science Centre (AHSC).

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

Chief Finance Officer

Mr Peter Joyce BCom FCPA

As Chief Finance Officer, Mr Joyce is responsible for all finance and procurement functions.

This includes financial accounting, management accounting and analysis, digital analytics services, payroll services, supply and internal and external financial reporting.

Mr Joyce has a long and diverse career as a senior financial executive and general manager as well as a number of years as a small business owner. He has worked in Europe, Asia and Australia in consumer products, financial services and IT and has a significant background in process improvement and organisational change. He has had major involvement for a long period of time in mergers and acquisitions, including the integration of new businesses into existing structures especially related to systems, processes and human resources.

Mr Joyce has spent eleven years at Alfred Health and before that spent over a decade as a consultant, small business owner in the IT industry and as CFO of a company providing services in the financial products industry.

Chief Experience Officer

Jarrad O'Brien BSc (Hons)

Mr O'Brien commenced as Alfred Health's first Chief Experience Officer in December 2021, leading the organisation to understand patient and staff experience, and use these to drive improvement and innovation.

He is responsible for providing leadership and direction to demonstrate the link between staff wellbeing and better experience and outcomes for patients.

Mr O'Brien's team includes Patient Experience and Consumer Engagement, Human Resources and Employee Experience, Organisational Development, and Learning and Innovation. Collectively the team helps the organisation to understand patient and staff experience and use these to drive improvement and innovation.

Mr O'Brien is an anthropologist by background and has worked for more than 20 years in public health systems in the UK, NZ and Australia. He is passionate about putting people at the heart of healthcare delivery and bringing people together to co-design innovative solutions to health problems. Mr O'Brien is committed to equity, diversity and inclusion, and is currently completing his PhD looking at the contemporary impact of colonisation on indigenous health experience in NZ.

Chief Digital Health Officer

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

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

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

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

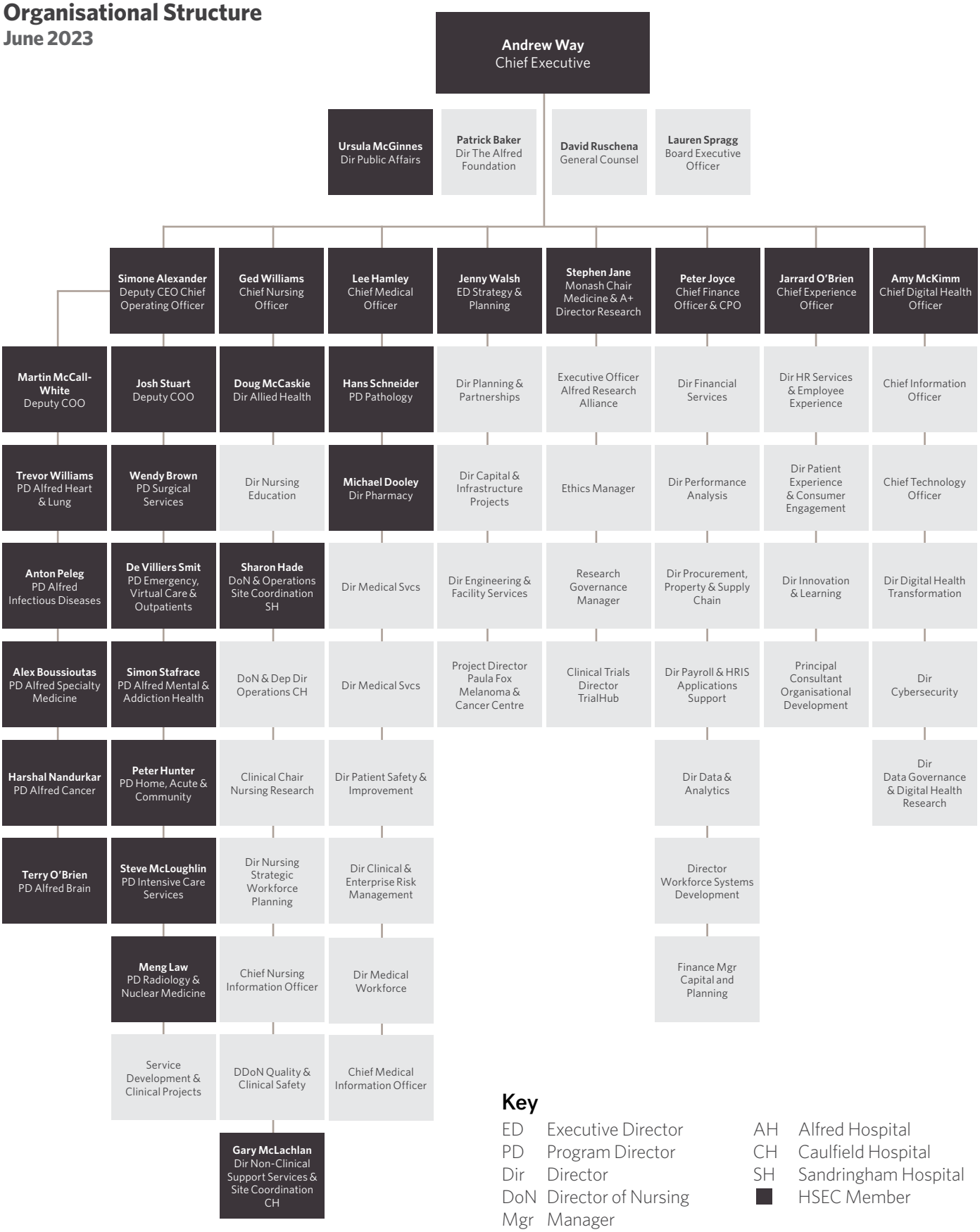
General Counsel

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

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

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

Organisational Structure
June 2023



Key

ED	Executive Director	AH	Alfred Hospital
PD	Program Director	CH	Caulfield Hospital
Dir	Director	SH	Sandringham Hospital
DoN	Director of Nursing	■	HSEC Member
Mgr	Manager		

Legislation change

Mental Health and Wellbeing Act 2022

The new *Mental Health and Wellbeing Act 2022* will commence on 1 September 2023, replacing the *Mental Health Act 2014*. The new Act implements some of the recommendations of the Royal Commission into Victoria's Mental Health System. It enacts rights-based principles that will guide how service providers should deliver assessment, treatment, care and support to promote the values, preferences and views of mental health consumers. Service providers will be required to report on how they are responding to the mental health principles in annual reports.

Statutory duty of candour

On 30 November 2022, new Victorian legislation creating a Statutory Duty of Candour (SDC) came into effect across the state. The legislation imposes a legal obligation on public health services to provide information and an apology to patients following a serious adverse event. It applies to all serious adverse patient safety events (SAPSE), with the aim to complement and elevate our existing obligations of open disclosure to our patients and families.

In response to this new requirement, Alfred Health convened a SDC Working party chaired by the Chief Medical Officer and attended by consumer representatives. Guidelines have been updated to incorporate these new requirements into our usual process and an extensive educational program has been rolled out to staff. Compliance reporting against this new legislation will come into effect across the state from 1 July 2023.

Once investigated, de-identified serious adverse patient events are presented to staff via Grand Rounds, newsletters and unit level governance meetings to share the learnings and to reduce the change of recurrence across our system of care.

Electronic Patient Health Information Sharing System

Other changes to the *Health Services Act 1988* created a new Electronic Patient Health Information Sharing System, which will commence on 7 February 2024. The changes will enable public health services to share patient information with other legal entities, without patient consent.

General information

Directions of the Assistant Treasurer

All the information described in the directions of the Assistant Treasurer is available to the relevant Minister, Members of Parliament or the public on request.

Statement on National Competition Policy

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

Alignment with public administration values

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

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

Freedom of Information Act 1982 (Vic)

Rights of the public under the *Freedom of Information Act 1982 (Vic)* are published on our website. A request for documents must be in writing or on an application form, sufficiently clear to enable a thorough search for documents, accompanied by a prescribed application fee, which can be waived for those experiencing financial hardship. Contact details of our FOI officer are on our website alfredhealth.org.au

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

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

Freedom of Information decisions

Applications received 2022-23	**2914**
Applications granted in full	2,771
Applications granted in part	59
Access denied	2
No documents	23
Not finalised	59
Applications received 2021-22	**2,714**
Access granted in full	2,482
Access granted in part	27
Access denied	2
No documents	44
Not finalised	159

Public Interest Disclosure Act 2012 (Vic)

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

alfredhealth.org.au

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

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

ibac.vic.gov.au

DataVic access

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

Consultancy costs

Details of consultancies (under $10,000)

In 2022–23, there were no consultancies where the total fees payable to the consultants were less than $10,000.

Details of consultancies (valued at $10,000 or greater)

In 2022-23 there were 21 consultancies where the total fees payable to the consultants were $10,000 or greater.

The total expenditure incurred during 2022-23 in relation to these consultancies was $2,704,584 (excl GST).

All consultancies were conducted in compliance with the procurement policies of Alfred Health and the Victorian Government.

Four main factors underpinned these costs:

- a funding agreement where Alfred Health paid for the costs/ consulting costs incurred by the South East Metro Health Partnership
- the establishment of a new statewide women's mental health service
- ongoing compliance with government policy and legislation
- the recovery, reform and reset program for models of care post the COVID pandemic

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

Consultant	Purpose of Consultant	Total Approved Project Fees	Expenditure 2022-23	Future approved expenditure
360 Edge	Mental and Addiction Health Partnership Mapping	61,700	61,700	0
Clinical Documentation Improvement Australia	Clinical Documentation Audit	125,000	125,000	0
Deloitte	Cyber Security Action Plan	79,548	79,548	0
Deloitte	Revenue and cost analysis of Heart/ Lung transplant services	58,728	58,728	0
Deloitte	Orthopaedic Centre Feasibility Study (Elective Surgery)	149,944	149,944	0
Health Consult	Evaluation of TrialHub pilot program	117,724	117,724	0
Impact Collaborative	Mental Health Model of Care validation	50,362	50,362	0
ImpactfulWork	Emerging Leaders Program	24,000	24,000	0
KPMG	Shared Pathology Services Project	149,752	149,752	0
LN Consulting	Culture Report	23,000	23,000	0
Mercer Consulting Services	Organisational pay review	70,800	70,800	0
Pitcher Partners	Pathology project due diligence	125,000	68,381	0
Pitcher Partners	Independent Billing Review	21,605	2 1,605	0
PriceWaterhouse Coopers	Asset Management Maturity Assessment	125,000	125,000	0
PriceWaterhouse Coopers	Asset Risks and Issues Matrix	55,000	55,000	0
PriceWaterhouse Coopers	Non-Clinical Support Services Transition Plan	87,989	87,989	0
Q5 Australia	Model of care review	1,224,046	1,224,046	0
Quantum Market Research	Elective Surgery Reform Research	114,700	114,700	0
Sharon Kelly	Review of ENT Surgery	10,000	10,000	0
South Australian Health and Medical Research Institute	Wellbeing strategy evaluation	23,500	23,500	0
Ward 6	Women's Mental Health Branding	63,805	63,805	0
Total		**2,761,203**	**2,704,584**	**0**

Local jobs disclosures

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

Local jobs First Reporting				Apprentice Roles		Trainee Roles		Cadet Roles		Employee Roles	
Number Projects	Av. Local Content	Total Contract Value	No. SME Engaged	Created	Retained	Created	Retained	Created	Retained	Created	Retained
11	93%	$17.5m	473	7	7	0	3	0	1	32	20

Social procurements

The Alfred Health Social Procurement Strategy has been refreshed in 2023 with implementation to continue over the next financial year.

Alfred Health has identified three Social Procurement priority objectives:

1. Opportunities for Victorian Aboriginal People;
2. Environmentally sustainable business practices; and
3. Environmentally sustainable outputs.

Objective	No. Business Engaged	Total Expenditure ($'000)
Opportunities for Victorian Aboriginal people	11	339
Opportunities for Victorians with disability (Group 1)	5	402
Opportunities for Victorians with disability (Group 2)	14	1,484
Opportunities for disadvantaged Victorians (Group 1)	5	77
Opportunities for disadvantaged Victorians (Group 2)	33	8,382
Sustainable Victorian social enterprises and Aboriginal business sectors (Group 1)	8	157
Sustainable Victorian social enterprises and Aboriginal business sectors (Group 2)	57	9,324
Total Social Benefit Suppliers	71	9,678

Additional information

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

a. A statement of pecuniary interest has been completed.

b. Details of shares held by senior officers as nominee or held beneficially.

c. Details of publications produced by the Department about the activities of the Health Service and where they can be obtained.

d. Details of changes in prices, fees, charges, rates and levies charged by the Health Service.

e. Details of any major external reviews carried out on the Health Service.

f. Details of major research and development activities undertaken by the Health Service that are not otherwise covered either in the Report of Operations or in a document that contains the financial statements and Report of Operations.

g. Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit.

h. Details of major promotional, public relations and marketing activities undertaken by the Health Service to develop community awareness of the Health Service and its services.

i. Details of assessments and measures undertaken to improve the occupational health and safety of employees.

j. General statement on industrial relations within the Health Service and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the Report of Operations.

k. A list of major committees sponsored by the Health Service, the purposes of each committee and the extent to which those purposes have been achieved.

l. Details of all consultancies and contractors including consultants/contractors engaged, services provided, and expenditure committed for each engagement.

Attestations

Data integrity

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

Professor Andrew Way AM
Chief Executive

Melbourne
6 September 2023

Financial management compliance

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

Martin Foley
Chair

Melbourne
6 September 2023

Conflict of interest

I, Andrew Way, certify that Alfred Health has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of hospital circular 07/2017

Compliance Reporting in Health Portfolio Entities (revised) and has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the Victorian Public Sector Commission. Declaration of private interest forms have been completed by all executive staff within Alfred Health and members of the board, and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive board meeting.

Professor Andrew Way AM

Chief Executive

Melbourne
6 September 2023

Integrity, fraud and corruption

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

Professor Andrew Way AM

Chief Executive

Melbourne
6 September 2023

Compliance with Health Share Victoria (HSV) Purchasing Policies

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

No compliance issues

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

Professor Andrew Way AM

Chief Executive

Melbourne
6 September 2023

Disclosure index

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

Legislation	Requirement	Page
Ministerial Directions		
Report of Operations		
Charter and purpose		
FRD 22	Manner of establishment and the relevant Ministers	1
FRD 22	Purpose, functions, powers and duties	2, 85
FRD 22	Nature and range of services provided	2-5, 6-7
FRD 22	Activities, programs and achievements for the reporting period	6-7, 8-23
FRD 22	Significant changes in key initiatives and expectations for the future	6-7, 8-23
Management and structure		
FRD 22	Organisational structure	94
FRD 22	Workforce data/employment and conduct principles	38
FRD 22	Occupational Health and Safety	39-40

Legislation	Requirement	Page
Financial information		
FRD 22	Summary of the financial results for the year	83-84
FRD 22	Significant changes in financial position during the year	83-84
FRD 22	Operational and budgetary objectives and performance against objectives	74-84
FRD 22	Subsequent events	N/A
FRD 22	Details of consultancies under $10,000	97
FRD 22	Details of consultancies over $10,000	97-98
FRD 22	Disclosure of ICT expenditure	84
Legislation		
FRD 22	Application and operation of *Freedom of Information Act 1982*	96
FRD 22	Compliance with building and maintenance provisions of *Building Act 1993*	56
FRD 22	Application and operation of *Public Interest Disclosure 2012*	97
FRD 22	Statement on National Competition Policy	95
FRD 22	Application and operation of Carers Recognition Act	35
FRD 22	Summary of the entity's environmental performance	57-69
FRD 22	Additional information available on request	100
FRD24	Environmental data reporting	57-69
FRD25	*Local Jobs First Act 2003* disclosures	99
SD 5.1.4	Financial Management Compliance attestation	100
SD 5.2.3	Declaration in report of operations	5

Legislation	Requirement	Page
Attestations		
	Attestations on Data Integrity	100
	Attestation on managing Conflicts of Interest	101
	Attestation on Integrity, fraud and corruption	101
	Compliance with HealthShare Victoria (HSV) Purchasing Policies	
Other reporting requirements		
	Reporting of outcomes from Statement of Priorities 2022–23	74-84
	Occupational Violence reporting	39-40
	Gender Equality Act 2020	40-41
	Reporting obligations under the *Safe Patient Care Act 2015*	91
	Reporting of compliance regarding Car Parking Fees	34

Financial Statements

Year ended 30 June 2023

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

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2023 and the financial position of Alfred Health Service and the Consolidated Entities at 30 June 2023.

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 6 September 2023.

Mr Martin Foley
Board Chair
Melbourne
6 September 2023

Prof Andrew Way AM
Accountable Officer
Melbourne
6 September 2023

Mr Peter Joyce
Chief Finance & Accounting Officer
Melbourne
6 September 2023

Established as Bayside Health, the name of the health service was changed to Alfred Health from 10 September 2008, by order of the Governor in Council.

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of Alfred Health

Opinion	I have audited the consolidated financial report of Alfred Health (the health service) and its controlled entities (together the consolidated entity), which comprises the: • Consolidated entity and health service Balance sheets as at 30 June 2023 • Consolidated entity and health service Comprehensive operating statements for the year then ended • Consolidated entity and health service Statements of changes in equity for the year then ended • Consolidated entity and health service Cash flow statements for the year then ended • Notes to the financial statements, including significant accounting policies • Board member's, accountable officer's and chief finance & accounting officer's declaration. In my opinion, the financial report presents fairly, in all material respects, the financial positions of the consolidated entity and the health service as at 30 June 2023 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975*. My staff and I are independent of the health service and the consolidated entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Other information	My opinion on the financial report does not cover the Other Information and accordingly, I do not express any form of assurance conclusion on the Other Information. However, in connection with my audit of the financial report, my responsibility is to read the Other Information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.
Board's responsibilities for the financial report	The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the health service and the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
22 September 2023

Dominika Ryan
as delegate for the Auditor-General of Victoria

Comprehensive operating statement for the financial year ended 30 June 2023

	Note	Parent entity 2023 $'000	Parent entity 2022 $'000	Consolidated 2023 $'000	Consolidated 2022 $'000
Revenue and income from transactions					
Operating activities	2.1	1,871,474	1,759,579	1,871,230	1,759,314
Non-operating activities	2.1	9,280	2,882	10,292	4,240
Total revenue and income from transactions		**1,880,754**	**1,762,461**	**1,881,522**	**1,763,554**
Expenses from transactions					
Employee expenses	3.1	(1,250,480)	(1,169,255)	(1,250,480)	(1,169,255)
Supplies and consumables	3.1	(368,455)	(370,943)	(368,455)	(370,943)
Finance costs	3.1	(2,147)	(1,583)	(2,147)	(1,583)
Depreciation and amortisation	3.1	(96,543)	(93,919)	(96,543)	(93,919)
Other operating expenses	3.1	(158,983)	(149,972)	(159,244)	(150,162)
Total expenses from transactions		**(1,876,608)**	**(1,785,672)**	**(1,876,869)**	**(1,785,862)**
Net result from transactions - net operating balance		**4,146**	**(23,211)**	**4,653**	**(22,308)**
Other economic flows included in net result					
Net gain/(loss) on non-financial assets	3.2	(31)	210	(31)	210
Net gain/(loss) on financial instruments at fair value	3.2	(5,049)	(8,785)	(3,450)	(11,041)
Other gain/(loss) from other economic flows	3.2	(9,660)	(8,356)	(9,660)	(8,356)
Total other economic flows included in net result		**(14,740)**	**(16,931)**	**(13,141)**	**(19,187)**
Net result for the year		**(10,594)**	**(40,142)**	**(8,488)**	**(41,495)**
Other comprehensive income					
Items that will not be reclassified to net result					
Changes in property, plant and equipment revaluation surplus	4.4	90,897	-	90,897	-
Total other comprehensive income		**90,897**	**-**	**90,897**	**-**
Comprehensive result for the year		**80,303**	**(40,142)**	**82,409**	**(41,495)**

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

Balance sheet
as at 30 June 2023

	Note	Parent entity 2023 $'000	Parent entity 2022 $'000	Consolidated 2023 $'000	Consolidated 2022 $'000
Current assets					
Cash and cash equivalents	6.2	177,111	200,171	177,356	200,196
Receivables and contract assets	5.1	69,457	80,706	70,040	81,170
Inventories		18,360	15,586	18,360	15,586
Prepaid expenses		10,376	10,173	10,376	10,173
Total current assets		**275,304**	**306,636**	**276,132**	**307,125**
Non-current assets					
Receivables and contract assets	5.1	35,592	30,351	35,592	30,351
Investments and other financial assets	4.1	54,841	50,988	75,939	70,308
Property, plant and equipment	4.2(a)	1,312,633	1,219,136	1,312,633	1,219,136
Right-of-use assets	4.3	77,795	68,782	77,795	68,782
Intangible assets	4.5	186	5,958	186	5,958
Total non-current assets		**1,481,047**	**1,375,215**	**1,502,145**	**1,394,535**
Total assets		**1,756,351**	**1,681,851**	**1,778,277**	**1,701,660**
Current liabilities					
Payables and contract liabilities	5.2	228,154	276,467	228,206	276,508
Borrowings	6.1	10,529	7,865	10,529	7,865
Employee benefits	3.3	308,180	278,745	308,180	278,745
Other liabilities		70	70	70	70
Total current liabilities		**546,933**	**563,147**	**546,985**	**563,188**
Non-current liabilities					
Borrowings	6.1	49,211	42,826	49,211	42,826
Employee benefits	3.3	41,302	39,276	41,302	39,276
Total non-current liabilities		**90,513**	**82,102**	**90,513**	**82,102**
Total liabilities		**637,446**	**645,249**	**637,498**	**645,290**
Net assets		**1,118,905**	**1,036,602**	**1,140,779**	**1,056,370**
Equity					
Property, plant and equipment revaluation surplus	4.4	1,076,720	985,823	1,076,720	985,823
General purpose reserve		110,904	96,640	110,904	96,640
Restricted specific purpose reserve		52,363	46,393	74,235	66,159
Contributed capital		331,504	329,504	331,504	329,504
Accumulated deficits		(452,586)	(421,758)	(452,584)	(421,756)
Total equity		**1,118,905**	**1,036,602**	**1,140,779**	**1,056,370**

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

Statement of changes in equity for the financial year ended 30 June 2023

Consolidated	Property, plant and equipment revaluation surplus $'000	General purpose reserve $'000	Restricted specific purpose reserve $'000	Contributed capital $'000	Accumulated deficits $'000	Total $'000
Balance at 1 July 2021	**985,823**	**88,507**	**65,085**	**329,004**	**(371,054)**	**1,097,365**
Net result for the year	-	-	-	-	(41,495)	(41,495)
Capital contribution	-	-	-	500	-	500
Transfer from/(to) accumulated deficit	-	8,133	1,074	-	(9,207)	-
Balance at 30 June 2022	**985,823**	**96,640**	**66,159**	**329,504**	**(421,756)**	**1,056,370**
Net result for the year	-	-	-	-	(8,488)	(8,488)
Capital contribution	-	-	-	2,000	-	2,000
Other comprehensive income for the year	90,897	-	-	-	-	90,897
Transfer from/(to) accumulated deficit	-	14,264	8,076	-	(22,340)	-
Balance at 30 June 2023	**1,076,720**	**110,904**	**74,235**	**331,504**	**(452,584)**	**1,140,779**

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

Statement of changes in equity for the financial year ended 30 June 2023

Parent	Property, plant and equipment revaluation surplus $'000	General purpose reserve $'000	Restricted specific purpose reserve $'000	Contributed capital $'000	Accumulated deficits $'000	Total $'000
Balance at 1 July 2021	985,823	88,507	43,948	329,004	(371,038)	**1,076,244**
Net result for the year	-	-	-	-	(40,142)	(40,142)
Capital contribution	-	-	-	500	-	500
Transfer from/(to) accumulated deficit	-	8,133	2,445	-	(10,578)	-
Balance at 30 June 2022	**985,823**	**96,640**	**46,393**	**329,504**	(421,758)	**1,036,602**
Net result for the year	-	-	-	-	(10,594)	(10,594)
Capital contribution	-	-	-	2,000	-	2,000
Other comprehensive income for the year	90,897	-	-	-	-	90,897
Transfer from/(to) accumulated deficit	-	14,264	5,970	-	(20,234)	-
Balance at 30 June 2023	**1,076,720**	**110,904**	**52,363**	**331,504**	(452,586)	**1,118,905**

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

Cash flow statement
for the financial year ended 30 June 2023

Consolidated	Note	Parent entity 2023 $'000	Parent entity 2022 $'000	Consolidated 2023 $'000	Consolidated 2022 $'000
Cash flows from operating activities					
Operating grants from government - State		1,534,877	1,471,283	1,534,877	1,471,283
Capital grants from government - State		36,388	37,659	36,388	37,659
Capital grants from government - Commonwealth		884	25,786	884	25,786
Patient fees received		40,950	27,850	40,950	27,850
Private practice fees received		74,135	73,432	74,135	73,432
Donations and bequests received		3,598	3,657	3,598	3,657
GST received from ATO		43,837	35,640	43,901	35,640
Interest received		6,685	437	6,691	437
Car park income received		11,792	5,300	11,792	5,300
Other capital receipts		1,601	1,570	1,601	1,570
Other receipts		123,678	118,230	123,574	118,626
Total receipts		**1,878,425**	**1,800,844**	**1,878,391**	**1,801,240**
Payments to employees		(1,209,012)	(1,117,097)	(1,209,012)	(1,117,097)
Payments to contractors and consultants		(21,193)	(18,849)	(21,193)	(18,849)
Payments for supplies and consumables		(541,995)	(479,885)	(542,241)	(480,509)
Payments for repairs and maintenance		(42,197)	(39,221)	(42,197)	(39,221)
Finance costs		(1,987)	(1,478)	(1,984)	(1,478)
Total payments		**(1,816,381)**	**(1,656,530)**	**(1,816,627)**	**(1,657,154)**
Net cash flow from operating activities	**8.1**	**62,044**	**144,314**	**61,764**	**144,086**
Cash flows from investing activities					
Purchase of non-financial assets		(91,896)	(55,023)	(91,896)	(55,023)
Proceeds from sale of non-financial assets		20	210	20	210
Proceeds from disposal of investments		2,500	-	3,000	-
Capital donations and bequests received		11,443	18,545	11,443	18,545
Net cash flows (used in) investing activities		**(77,933)**	**(36,268)**	**(77,433)**	**(36,268)**
Cash flows from financing activities					
Repayment of borrowings		(2,057)	(1,932)	(2,057)	(1,932)
Receipt of capital contribution		2,000	500	2,000	500
Repayment of principal portion of lease liabilities		(7,114)	(7,670)	(7,114)	(7,670)
Net cash flows (used in) financing activities		**(7,171)**	**(9,102)**	**(7,171)**	**(9,102)**
Net increase/(decrease) in cash and cash equivalents held		**(23,060)**	**98,944**	**(22,840)**	**98,716**
Cash and cash equivalents at beginning of financial year		200,171	101,227	200,196	101,480
Cash and cash equivalents at end of financial year	**6.2**	**177,111**	**200,171**	**177,356**	**200,196**

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

Notes to the financial statements
30 June 2023

Table of Contents		Page
Note 1	Summary of significant accounting policies	114
Note 2	Funding delivery of our services	115
Note 2.1	Revenue and income from transactions	116
Note 2.2	Fair value of assets and services received free of charge or for nominal consideration	118
Note 2.3	Other income from operating and non-operating activities	120
Note 3	The cost of delivering services	121
Note 3.1	Expenses from transactions	122
Note 3.2	Other economic flows included in net result	124
Note 3.3	Employee benefits in the balance sheet	125
Note 3.4	Superannuation	127
Note 4	Key assets to support service delivery	128
Note 4.1	Investments and other financial assets	129
Note 4.2	Property, plant and equipment	130
Note 4.3	Right-of-use assets	133
Note 4.4	Property, plant and equipment revaluation surplus	135
Note 4.5	Intangible assets	135
Note 4.6	Depreciation and amortisation	137
Note 4.7	Impairment of assets	138
Note 5	Other assets and liabilities	139
Note 5.1	Receivables and contract assets	140
Note 5.2	Payables and contract liabilities	143
Note 6	How we finance our operations	145
Note 6.1	Borrowings	147
Note 6.2	Cash and cash equivalents	150
Note 6.3	Commitments for expenditure	151
Note 7	Risks, contingencies and valuation uncertainties	152
Note 7.1	Financial instruments	153
Note 7.2	Financial risk management objectives and policies	156
Note 7.3	Fair value determination	160
Note 7.4	Contingent assets and contingent liabilities	166
Note 8	Other disclosures	167
Note 8.1	Reconciliation of net result for the year to net cash inflow/(outflow) from operating activities	167
Note 8.2	Responsible persons' disclosures	168
Note 8.3	Executive officer disclosures	169
Note 8.4	Related parties	170
Note 8.5	Remuneration of auditors	173
Note 8.6	Australian Accounting Standards issued that are not yet effective	174
Note 8.7	Events occurring after the balance sheet date	175
Note 8.8	Economic dependency	175
Note 8.9	Controlled entities	175
Note 8.10	Equity	176
Note 8.11	Glossary of terms and style conventions	178

Note 1 – Summary of significant accounting policies

Basis of preparation

These annual financial statements represent the audited general-purpose financial statements for Alfred Health and the Consolidated Entities for the year ended 30 June 2023. The report provides users with information about Alfred Health's stewardship of the resources entrusted to it.

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

(a) Basis of preparation of the financial statements

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

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

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

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

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

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

The amounts presented in the financial statements have been rounded to the nearest thousand dollars. The annual financial statements were authorised for issue by the Board of Alfred Health and its controlled entities on 6 September 2023.

(b) Impact of the COVID-19 pandemic

The Pandemic (Public Safety) Order 2022 (No.5) which commenced on 22 September 2022 ended on 12 October 2022 when it was allowed to lapse. Long-term outcomes from COVID-19 infection are currently unknown and while the pandemic response continues, a transition plan towards recovery and reform in 2022/23 was implemented. Victoria's COVID-19 Catch-Up Plan is aimed at addressing Victoria's COVID-19 case load and restoring surgical activity.

(c) Abbreviations and terminology used in the financial statements

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

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

Note 1 – Summary of significant accounting policies (continued)

(d) Principles of consolidation

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

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

Alfred Health controls the following entities:

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

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

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

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

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

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

(e) Key accounting estimates and judgements

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

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

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

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

(f) Accounting standards issued but not yet effective

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

(g) Goods and services tax (GST)

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

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

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

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

(h) Reporting entity

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

Alfred Health's principal address is:

55 Commercial Road

Melbourne

Victoria 3004

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

Note 2 – Funding delivery of our services

Alfred Health's overall objective is to deliver programs and services that support and enhance the wellbeing of all Victorians.

To enable Alfred Health to fulfil this objective it receives revenue and income based on parliamentary appropriations, and is predominately funded by accrual-based grant funding for the provision of outputs. Alfred Health also receives revenue and income from the supply of services.

Structure

2.1 Revenue and income from transactions

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

2.3 Other income from operating and non-operating activities

Impact of COVID-19 on Funding

Revenue recognised to fund the delivery of our services during the financial year was not materially impacted by the COVID-19 Coronavirus pandemic and the scaling down of the COVID-19 public health response during the year ended 30 June 2023.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Identifying performance obligations	Alfred Health applies significant judgment when reviewing the terms and conditions of funding agreements and contracts to determine whether they contain sufficiently specific and enforceable performance obligations. If this criteria is met, the contract/ funding agreement is treated as a contract with a customer, requiring Alfred Health to recognise revenue as or when the health service transfers promised goods or services to beneficiaries. If this criteria is not met, funding is recognised immediately in the net result from operations.
Determining timing of revenue recognition	Alfred Health applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.
Determining time of capital grant income recognition	Alfred Health applies significant judgement to determine when its obligation to construct an asset is satisfied. Costs incurred are used to measure the health service's progress as this is deemed to be the most accurate reflection of the stage of completion.
Assets and services received free of charge or for nominal consideration	Alfred Health Services applies significant judgement to determine the fair value of assets and services provided free of charge or for nominal value. Donations and bequests are generally recognised as income upon receipt (dependent on specific performance obligations) while personal protective equipment is recognised as stock on hand upon receipt and expensed when dispensed.

Note 2.1 - Revenue and income from transactions

	Note	Consolidated 2023 $'000	Consolidated 2022 $'000
Revenue from contracts with customers			
Operating activities			
Government grants (State) – Operating		876,411	775,019
Government grants (Commonwealth) - Operating		178,874	156,500
Patient fees		44,000	37,336
Private practice fees		69,984	63,866
Commercial activities (i)		14,324	8,255
Total revenue from contracts with customers		**1,183,593**	**1,040,976**
Other sources of Income			
Government grants (State) – Operating (ii)		472,535	542,679
Government grants (State) – Capital		42,246	30,939
Government grants (Commonwealth) - Capital		40,172	11,826
Other capital purpose income		32,315	25,773
Consumables received free of charge or for nominal consideration	2.2	8,939	17,881
Assets received free of charge or for nominal consideration	2.2	293	2,176
Other income from operating activities (including non-capital donations)	2.3	91,137	87,064
Total other sources of Income		**687,637**	**718,338**
Total revenue and income from operating activities		**1,871,230**	**1,759,314**
Non-operating activities			
Other interest and investment income	2.3	10,292	4,240
Total income from non-operating activities		10,292	4,240
Total revenue and income from transactions		**1,881,522**	**1,763,554**

(i) Commercial activities represent business activities which Alfred Health enters into to support its operations.
(ii) Government Grant (State) – Operating includes additional funding from the COVID -19 submission of $43.1m (2022: $160.4m) which was received to negate the financial impact of COVID-19.

Revenue recognition and income from transactions
Government operating grants

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

When both these conditions are satisfied, the health service:

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

If a contract liability is recognised, Alfred Health recognises revenue in profit or loss as and when it satisfies its obligations under the contract, unless a contract modification is entered into between all parties. A contract modification may be obtained in writing, by oral agreement or implied by customary business practices.

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

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (such as; AASB 9 *Financial Instruments*, AASB 16 *Leases*, AASB 116 *Property, plant and equipment* and AASB 138 *Intangible Assets*);
- recognises related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount in accordance with AASB 1058 *Income for Not-for-Profit Entities*.

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

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

Government grant	Performance obligation
Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU	NWAU is a measure of health service activity expressed as a common unit against which the national efficient price (NEP) is paid. The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and are weighted for clinical complexity. Revenue is recognised for inpatients when the patient is discharged and for non-admitted patients when the service event has ended.
Other Victorian and Commonwealth funding	Alfred Health receives various funding initiatives for the provision of Health services from both the Victorian and Commonwealth government departments. The performance obligations are defined in accordance with the levels of activity agreed to within each grant agreement. Revenue is recognised at a point in time, which is when the service is provided.

Note 2.1 – Revenue and income from transactions (continued)

Capital grants

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

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

Patient and resident fees

Patient and resident fees are charges that can be levied on patients for some services they receive. Patient and resident fees are recognised at a point in time when the performance obligation, the provision of services, is satisfied.

Private practice fees

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

Commercial activities

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

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

	Consolidated 2023 $'000	Consolidated 2022 $'000
Alfred Health disaggregates revenue by the timing of revenue recognition		
Goods and services transferred to customers:		
Over time	1,055,285	931,519
At a point in time	128,308	109,457
Total revenue from contracts with customers	**1,183,593**	**1,040,976**

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

	Consolidated 2023 $'000	Consolidated 2022 $'000
Plant and equipment	149	91
Consumables received free of charge under State supply arrangements	8,939	17,881
Assets received free of charge under State supply arrangements	144	2,085
Total fair value of assets and services received free of charge or for nominal consideration	**9,232**	**20,057**

Recognition of fair value of assets and services received free of charge or for nominal consideration.

Donations and bequests

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

Personal protective equipment

In order to meet the State of Victoria's health system supply needs during the COVID-19 pandemic, arrangements were put in place to centralise the purchasing of essential personal protective equipment (PPE) and other essential plant and equipment. The general principles of the State Supply Arrangement were that HealthShare Victoria sourced, secured and agreed terms for the purchase of the PPE products, funded by the Department of Health, while Monash Health took delivery, and distributed an allocation of the products to Alfred Health as resources provided free of charge. HealthShare Victoria and Monash Health were acting as an agent of the Department of Health under this arrangement.

Contributions of resources

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

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

Volunteer Services

Alfred Health receives volunteer services from members of the community in the following areas:

- Concierge – directing patients and visitors
- Emergency Short Stay Unit; Intensive Care Unit
- Host Volunteers – volunteers are allocated to a ward
- Referral volunteers' programs
- Driver Programs
- Consumer Advisor activities

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

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

Non-cash contributions from the Department of Health

The Department of Health makes some payments on behalf of Alfred Health as follows:

Key judgements and estimates	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for Alfred Health which is paid directly to the Victorian Managed Insurance Authority. To record this contribution, such payments are recognised as income with a matching expense in the net result from transactions.
Department of Health	Long service leave (LSL) revenue is recognised upon finalisation of movements in LSL liability in line with the long service leave funding arrangements set out in the relevant Department of Health Hospital Circular.

Note 2.3 - Other income from operating and non-operating activities

	Consolidated 2023 $'000	Consolidated 2022 $'000
Other income from operating activities		
Cash donations and gifts (non-capital)	3,605	3,677
Rental income	1,295	1,015
Salary and other recoveries	62,197	59,155
Research and sundry revenue	24,040	23,217
Total other income from operating activities	**91,137**	**87,064**
Income from non-operating activities		
Investment income	3,601	3,803
Other interest income	6,691	437
Total income from non-operating activities	**10,292**	**4,240**

Other income includes recoveries for salaries and wages and external services provided, and donations and bequests. If donations are for a specific purpose, they may be appropriated to a surplus, such as the specific restricted purpose surplus.

Interest income

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

Rental income – Investment properties

Rental income from leasing of properties is recognised on a straight-line basis over the term of the lease, unless another systematic basis is more representative of the pattern of use of the underlying asset.

Operating leases relate to properties owned by Alfred Health with various lease terms. All operating lease contracts contain market review clauses. The lessee does not have an option to purchase the property at the expiry of the lease period. The risks associated with rights that Alfred Health retains in underlying assets are not considered to be significant.

Where a lease incentive is provided to a lessee, this is considered an integral part of the net consideration agreed for the use of the lease asset and therefore the incentive is recognised as a reduction of rental income over the period to which it relates.

Note 3 – The cost of delivering services

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

Structure

3.1 Expenses from transactions

3.2 Other economic flows included in net result

3.3 Employee benefits in the balance sheet

3.4 Superannuation

Impact of the COVID-19 pandemic

Expenses incurred to deliver services during the financial year were not materially impacted by the COVID-19 Coronavirus pandemic and the scaling down of the COVID-19 public health response during the year ended 30 June 2023.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Classifying employee benefit liabilities	Alfred Health applies significant judgment when classifying its employee benefit liabilities. Employee benefit liabilities are classified as a current liability if Alfred Health does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category. Employee benefit liabilities are classified as a non-current liability if Alfred Health has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.
Measuring employee benefit liabilities	Alfred Health applies significant judgment when measuring its employee benefit liabilities. The health service applies judgement to determine when it expects its employee entitlements to be paid. With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees. Expected future payments incorporate: • an inflation rate of 4.35%, 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 24% and 87%; and • discounting at the rate of 4.06%, as determined with reference to market yields on government bonds at the end of the reporting period. All other entitlements are measured at their nominal value.

Note 3.1 – Expenses from transactions

	Note	Consolidated 2023 $'000	Consolidated 2022 $'000
Employee expenses			
Salaries and wages		972,895	920,675
On-costs		247,954	221,527
Agency expenses		16,547	15,166
Fee for service medical officer expenses		4,646	3,683
WorkCover premium		8,438	8,204
Total employee expenses		**1,250,480**	**1,169,255**
Supplies and consumables			
Drug supplies		172,212	150,382
Medical and surgical supplies (including Prostheses)		75,438	69,328
Diagnostic and radiology supplies		19,365	30,833
Other supplies and consumables		101,440	120,400
Total supplies and consumables		**368,455**	**370,943**
Finance costs			
Finance costs		2,147	1,583
Total finance costs		**2,147**	**1,583**
Other operating expenses			
Fuel, light, power and water		10,480	9,611
Repairs and maintenance		15,636	16,240
Maintenance contracts		22,907	19,317
Medical indemnity insurance		13,260	12,114
Expenses related to short term leases		1,347	466
Other administrative expenses		83,194	92,135
Expenditure for capital purposes		12,420	279
Total other operating expenses		**159,244**	**150,162**
Depreciation and amortisation	4.6	96,543	93,919
Total depreciation and amortisation		**96,543**	**93,919**
Total non-operating expenses		**96,543**	**93,919**
Total expenses from transactions		**1,876,869**	**1,785,862**

Recognition of expenses from transactions

Expense recognition

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

Employee expenses

Employee expenses include:

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

Supplies and consumables

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

Finance costs

Finance costs include:

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

Other operating expenses

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

- fuel, light and power;
- repairs and maintenance;
- other administrative expenses; and
- expenditure for capital purposes (represents expenditure related to the purchase of assets that are below the capitalisation threshold of $2,500).

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

Other non-operating expenses

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

Note 3.2 – Other economic flows included in net result

	Consolidated 2023 $'000	Consolidated 2022 $'000
Net gain/(loss) on non financial assets		
Net gain/(loss) on disposal of property plant and equipment	(31)	210
Total gain/(loss) on non financial assets	**(31)**	**210**
Net gain/(loss) on financial instruments at fair value		
Allowance for impairment losses of contractual receivables	(9,148)	(6,390)
Net gain/(loss) on revaluation of financial instruments (investments)	5,698	(4.651)
Total net gain/(loss) on financial instruments at fair value	**(3,450)**	**(11,041)**
Other gain/(loss) from other economic flows		
Net gain/(loss) arising from revaluation of long service liability	(9,660)	(8,356)
Total other gain/(loss) from other economic flows	**(9,660)**	**(8,356)**
Total gain/(loss) from other economic flows included in net result	**(13,141)**	**(19,187)**

Recognition of other economic flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

- the revaluation of the present value of the long service leave liability due to changes in bond interest rates, vesting periods and retention probabilities; and
- reclassified amounts relating to equity instruments from the reserves to retained surplus/ (deficit) due to a disposal or derecognition of the financial instrument. This does not include reclassification between equity accounts due to machinery of government changes or 'other transfers' of assets.

Net gain/(loss) on non-financial assets

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

- net gain/(loss) on disposal of non-financial assets and is recognised at the date of disposal.

Net gain/(loss) on financial instruments

Net gain/(loss) on financial instruments at fair value include:

- realised and unrealised gains and losses from revaluations of financial instruments at fair value;
- impairment and reversal of impairment for financial instruments at amortised cost (refer to Note 7.1 - Financial Instruments); and
- disposals of financial assets and derecognition of financial liabilities.

Note 3.3 – Employee benefits in the balance sheet

	Consolidated 2023 $'000	Consolidated 2022 $'000
Current employee benefits and related on-costs		
Employee benefits [i]		
Accrued days off		
- Unconditional and expected to be settled wholly within 12 months [ii]	3,193	2,718
Annual leave		
- Unconditional and expected to be settled wholly within 12 months [ii]	92,696	91,312
- Unconditional and expected to be settled after 12 months [iii]	14,314	9,904
Long service leave		
- Unconditional and expected to be settled wholly within 12 months [ii]	15,111	12,945
- Unconditional and expected to be settled after 12 months [iii]	149,205	132,124
Total current employee benefits	**274,519**	**249,003**
Provisions related to employee benefit on-costs		
- Unconditional and expected to be settled within 12 months [ii]	12,639	11,644
- Unconditional and expected to be settled after 12 months [iii]	21,022	18,098
Total current related on-costs	**33,661**	**29,742**
Total current employee benefits and related on-costs	**308,180**	**278,745**
Non-current employee benefits and related on-costs		
Conditional long service leave [iii]	36,561	34,776
Provisions related to employee benefit on-costs [iii]	4,741	4,500
Total non-current employee benefits and related on-costs	**41,302**	**39,276**
Total employee benefits and related on-costs	**349,482**	**318,021**

(i) Employee benefits consist of amounts for accrued days off, annual leave and long service leave accrued by employees, not including on-costs.
(ii) The amounts disclosed are nominal amounts.
(iii) The amounts disclosed are discounted to present values.

Recognition of employee benefits

Employee benefit recognition

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

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

Annual leave and accrued days off

Liabilities for annual leave and accrued days off are all recognised in the provision for employee benefits as 'current liabilities', because Alfred Health does not have an unconditional right to defer settlement of those liabilities

Note 3.3 – Employee benefits in the balance sheet (continued)

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

- Nominal value – if Alfred Health expects to wholly settle within 12 months; or
- Present value – if Alfred 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 Alfred Health does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. An unconditional right arises after a qualifying period.

The components of this current LSL liability are measured at:

- Nominal value – the component that Alfred Health expects to wholly settle within 12 months; and
- Present value – the component that Alfred Health does not expect to wholly settle within 12 months.

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

Termination benefits

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

Provision for on-costs related to employee benefits

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

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

	Consolidated 2023 $'000	Consolidated 2022 $'000
Employee benefits and related on-costs		
Current employee benefits and related on-costs		
Unconditional long service leave entitlements	185,429	163,525
Unconditional annual leave entitlements	119,558	112,502
Unconditional accrued days off	3,193	2,718
Total current employee benefits and related on-costs	**308,180**	**278,745**
Non-current employee benefits and related on-costs		
Conditional long service leave entitlements	41,302	39,276
Total non-current employee benefits and related on-costs	**41,302**	**39,276**
Total employee benefits and related on-costs	**349,482**	**318,021**
Provision for related on-costs movement schedule		
Carrying amount at start of year	34,242	26,589
Additional provisions recognised	17,238	18,519
Amounts incurred during the year	(14,149)	(11,795)
Net gain arising from revaluation of long service liability	1,071	929
Carrying amount at end of year	**38,402**	**34,242**

Note 3.4 – Superannuation

	Contribution paid or payable for the year		Contribution outstanding at year end	
	Consolidated 2023 $'000	Consolidated 2022 $'000	Consolidated 2023 $'000	Consolidated 2022 $'000
Defined benefit superannuation plans:				
Health Super	384	513	57	87
Defined contribution superannuation plans:				
Aware	40,985	37,163	2,876	3,115
Hesta	39,622	33,536	2,960	3,447
Other	25,138	22,450	1,892	5,354
Total superannuation	**106,129**	**93,662**	**7,785**	**12,003**

Recognition of superannuation

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

Defined benefit superannuation plans

The defined benefit plan(s) provide benefits based on years of service and final average salary. The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by Alfred Health to the superannuation plans in respect of the services of current Alfred Health's staff during the reporting period. Superannuation contributions are made to the plans based on the relevant rules of each plan, and are based upon actuarial advice.

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

The Department of Treasury and Finance discloses the State's defined benefits liabilities in its disclosure for administered items. However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Comprehensive Operating Statement of Alfred Health.

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

Defined contribution superannuation plans

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

Note 4 – Key assets to support service delivery

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

Structure

4.1 Investments and other financial assets

4.2 Property, plant and equipment

4.3 Right-of-use assets

4.4 Property, plant and equipment revaluation surplus

4.5 Intangible assets

4.6 Depreciation and amortisation

4.7 Impairment of assets

Impact of the COVID-19 pandemic

Assets used to support the delivery of our services during the financial year were not materially impacted by the COVID-19 Coronavirus pandemic.

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring fair value of property, plant and equipment	Alfred Health obtains independent valuations for its non-current assets at least once every five years. If an independent valuation has not been undertaken at balance date, the health service estimates possible changes in fair value since the date of the last independent valuation with reference to Valuer-General of Victoria (VGV) indices. Management adjustments are recorded if the assessment concludes a material change in fair value has occurred. Where exceptionally large movements are identified, an interim independent valuation is undertaken. Management regards the VGV indices to be a reliable and relevant data set to form the basis of their assessment. The land and building balances are considered to be sensitive to market conditions.
Estimating useful life and residual value of property, plant and equipment	Alfred Health assigns an estimated useful life to each item of property, plant and equipment, whilst also estimating the residual value of the asset, if any, at the end of the useful life. This is used to calculate depreciation of the asset. The health service reviews the useful life, residual value and depreciation rates of all assets at the end of each financial year and where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	The useful life of each right-of-use asset is typically the respective lease term, except where the health service is reasonably certain to exercise a purchase option contained within the lease (if any), in which case the useful life reverts to the estimated useful life of the underlying asset. Alfred Health applies significant judgement to determine whether or not it is reasonably certain to exercise such purchase options.
Estimating the useful life of intangible assets	Alfred Health assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.

Key judgements and estimates (continued)	Description
Identifying indicators of impairment	At the end of each year, Alfred Health assesses impairment by evaluating the conditions and events specific to the health service that may be indicative of impairment triggers. Where an indication exists, the health service tests the asset for impairment. The health service considers a range of information when performing its assessment, including considering: • If an asset's value has declined more than expected based on normal use; • If a significant change in technological, market, economic or legal environment adversely impacts the way the health service uses an asset; • If an asset is obsolete or damaged; • If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life; and • If the performance of the asset is or will be worse than initially expected. Where an impairment trigger exists, the health services applies significant judgement and estimate to determine the recoverable amount of the asset.

Note 4.1 – Investments and other financial assets

	Note	Operation Fund 2023 $'000	Operation Fund 2022 $'000	Consolidated 2023 $'000	Consolidated 2022 $'000
Non-current assets					
Financial assets at fair value through the net result					
Managed funds		73,258	67,627	73,258	67,627
Financial assets at amortised cost					
Managed funds		2,681	2,681	2,681	2,681
Total investments and other financial assets	7.1	**75,939**	**70,308**	**75,939**	**70,308**
Represented by:					
Investments held in trust		75,939	70,308	75,939	70,308
Total investments and other financial assets		**75,939**	**70,308**	**75,939**	**70,308**

Recognition of investments and other financial assets

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

Alfred Health manages its investments and other financial assets in accordance with an investment policy approved by the Board. Investments held by the controlled entities, Whole Time Medical Specialists' Private Practice Trust and John F Marriott for HIV Trust are managed by their respective trustees.

Investments held by Alfred Health do not fall within the scope of the Standing Directions as they are not public entity funds (i.e. not controlled by the government). However, such investments are consolidated into Alfred Health's financial statements as Alfred Health has control.

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

Alfred Health classifies its other financial assets between current and non-current assets based on the Health Service's intention at balance date with respect to the timing of disposal of each asset.

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

Note 4.2 – Property, plant and equipment

a) Gross carrying amount and accumulated depreciation

	Consolidated 2023 $'000	Consolidated 2022 $'000
Land		
Crown land at fair value	279,382	279,382
Freehold land at fair value	31,000	31,000
Total land	**310,382**	**310,382**
Buildings		
Buildings under construction at cost	69,225	23,483
Buildings at fair value	807,612	954,378
Less accumulated depreciation	(845)	(186,790)
Subtotal buildings at fair value	875,992	791,071
Leasehold improvements at fair value	11,910	7,158
Less accumulated amortisation	(3,278)	(2,355)
Subtotal leasehold improvements	8,632	4,803
Total buildings	**884,624**	**795,874**
Plant & equipment and furniture & fittings		
Medical equipment at fair value	246,731	225,203
Less accumulated depreciation	(159,241)	(144,223)
Total medical equipment	87,490	80,980
Computers & communication equipment at fair value	53,774	51,261
Less accumulated depreciation	(50,652)	(49,671)
Total computers & communication equipment	3,122	1,590
Furniture & fittings at fair value	6,325	6,376
Less accumulated depreciation	(5,917)	(5,902)
Total furniture & fittings	408	474
Other plant & equipment at fair value	74,405	70,604
Less accumulated depreciation	(51,841)	(48,108)
Total other plant & equipment	22,564	22,496
Plant & equipment – work in progress at cost	4,043	7,340
Total plant & equipment and furniture & fittings	**117,627**	**112,880**
Total property, plant and equipment	**1,312,633**	**1,219,136**

Note 4.2 – Property, plant and equipment

Consolidated	Note	Land $'000	Buildings $'000	Building works in progress $'000	Leasehold improve-ments $'000	Medical equipment $'000	Computers & commu-nication equipment $'000	Furniture & Fittings $'000	Other plant & equipment $'000	Totals $'000
Balance at 1 July 2021		**310,382**	**821,014**	**13,773**	**4,039**	**76,129**	**1,623**	**588**	**26,698**	**1,254,246**
Additions		-	8,915	9,710	1,186	19,334	1,041	33	6,684	46,903
Disposals (WDV)		-	-	-	-	(126)	-	-	(2)	(128)
Transfer		-	-	-	-	-	-	-	17	17
Depreciation	4.6	-	(62,341)	-	(422)	(14,357)	(1,074)	(147)	(3,561)	(81,902)
Balance at 30 June 2022	4.2(a)	**310,382**	**767,588**	**23,483**	**4,803**	**80,980**	**1,590**	**474**	**29,836**	**1,219,136**
Additions		-	10,921	45,742	4,752	21,884	3,723	-	552	87,574
Disposals (WDV)		-	-	-	-	(51)	(834)	-	-	(885)
Assets received free of charge		-	-	-	-	293	-	-	-	293
Revaluation increments	4.4	-	90,897	-	-	-	-	-	-	90,897
Depreciation	4.6	-	(62,639)	-	(923)	(15,616)	(1,357)	(66)	(3,781)	(84,382)
Balance at 30 June 2023	**4.2(a)**	**310,382**	**806,767**	**69,225**	**8,632**	**87,490**	**3,122**	**408**	**26,607**	**1,312,633**

Note 4.2 – Property, plant and equipment (continued)

Recognition of property, plant and equipment

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

Initial recognition

Items of property, plant and equipment are initially measured at cost. Where an asset is acquired for nil or nominal cost, being far below the fair value of the asset, the deemed cost is its fair value at the date of acquisition. Assets transferred as part of an amalgamation/machinery of government change are transferred at their carrying amounts.

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

The cost of a leasehold improvement is capitalised as an asset and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the improvements.

Subsequent measurement

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

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

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

Revaluation

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

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

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

An independent valuation of Alfred Health's property, plant and equipment was performed by the VGV in June 2019. The valuation, which complies with Australian Valuation Standards, was determined by reference to the amount for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. As an independent valuation was not undertaken on 30 June 2023, a managerial assessment was performed at 30 June 2023, which indicated an overall:

- increase in fair value of land of 1.4% ($5.0m) since 30 June 2021; and
- increase in the fair value of buildings of 12.8% ($90.9m) since 30 June 2019.

As the cumulative movement was greater than 10% but less than 40% for buildings since the last revaluation, a managerial revaluation adjustment was required as at 30 June 2023. As the cumulative movement was less than 10% for land since the last revaluation, a managerial adjustment was not required as at 30 June 2023.

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

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

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

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

Note 4.3 Right-of-use assets

a) Gross carrying amount and accumulated depreciation

	Consolidated 2023 $'000	Consolidated 2022 $'000
Land		
Right-of-use concessionary land at fair value	36,336	36,336
Less accumulated depreciation	(3,617)	(2,654)
Total right-of-use land at fair value	**32,719**	**33,682**
Buildings		
Right-of-use buildings at fair value	63,523	45,330
Less accumulated depreciation	(20,538)	(12,911)
Right-of-use buildings at fair value	**42,985**	**32,419**
Total right-of-use concessionary land and buildings	**75,704**	**66,101**
Plant, equipment & motor vehicles		
Right-of-use – plant, equipment & motor vehicles	4,646	4,736
Less accumulated depreciation	(2,555)	(2,055)
Total right-of-use – plant, equipment & motor vehicles	2,091	2,681
Total right-of-use assets	**77,795**	**68,782**

Note 4.3 – Right-of-use assets (continued)

b) Reconciliations of carrying amount by class of asset

	Note	Right-of-use Concessional Land $'000	Right-of-use Buildings $'000	Right-of-use PE & MV $'000	Total $'000
Balance at 1 July 2021		**34,645**	**16,073**	**2,215**	**52,933**
Additions		-	22,965	1,349	24,314
Disposals		-	(252)	(239)	(491)
Depreciation	4.6	(963)	(6,367)	(644)	(7,974)
Balance at 30 June 2022	**4.3(a)**	**33,682**	**32,419**	**2,681**	**68,782**
Additions		-	19,889	-	19,889
Disposals		-	(1,645)	(33)	(1,678)
Depreciation	4.6	(963)	(7,678)	(557)	(9,198)
Balance at 30 June 2023	**4.3(a)**	**32,719**	**42,985**	**2,091**	**77,795**

Recognition of right-of-use assets

Where Alfred Health enters a contract, which provides the health service with the right to control the use of an identified asset for a period of time in exchange for payment, this contract is considered a lease.

Unless the lease is considered a short-term lease or a lease of a low-value asset (refer to Note 6.1 – Borrowings for further information), the contract gives rise to a right-of-use asset and corresponding lease liability. Alfred Health presents its right-of-use assets as part of property, plant and equipment as if the asset was owned by the health service.

Right-of-use asset	Lease term
Leased land	10 to 99 years
Leased buildings	2 to 10 years
Leased plant, equipment, furniture, fittings and vehicles	1 to 5 years

Initial recognition

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

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

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

Alfred Health holds lease agreements which contain significantly below-market terms and conditions, which are principally to enable the health service to further its objectives. The health service has applied temporary relief and continues to measure those right-of-use assets at cost. Refer to Note 6.1 - Borrowings for further information regarding the nature and terms of the concessional leases, and Alfred Health's dependency on such lease arrangements.

Subsequent measurement

Right-of-use assets are subsequently measured at fair value, with the exception of right-of-use asset arising from leases with significantly below-market terms and conditions, which are subsequently measured at cost less accumulated depreciation and accumulated impairment losses where applicable. Right-of-use assets are also adjusted for certain re-measurements of the lease liability (for example, when a variable lease payment based on an index or rate becomes effective).

Note 4.4 - Property, plant and equipment revaluation surplus

	Note	Consolidated 2023 $'000	Consolidated 2022 $'000
Property, plant and equipment revaluation surplus			
Balance at the beginning of the reporting period		985,823	985,823
Revaluation increment			
- Buildings	4.2(b)	90,897	-
Total revaluation increment		**90,897**	**-**
Balance at the end of the reporting period*		**1,076,620**	**985,823**
***Represented by:**			
- Land		266,455	266,455
- Buildings		810,165	719,368
Total property, plant and equipment revaluation surplus		**1,076,620**	**985,823**

Note 4.5 – Intangible assets

	Consolidated 2023 $'000	Consolidated 2022 $'000
Intangible assets		
Computer software at cost	29,619	60,383
Less accumulated amortisation	(29,433)	(54,425)
Total intangible assets	**186**	**5,958**

Reconciliations of the carrying amounts of intangible assets at the beginning and end of the previous and current financial years are set out below.

	Computer software $'000
Balance at 1 July 2021	**4,918**
Additions	5,083
Disposals	-
Amortisation (refer to Note 4.6)	(4,043)
Balance at 30 June 2022	**5,958**
Additions	288
Disposals	(3,097)
Amortisation (refer to Note 4.6)	(2,963)
Balance at 30 June 2023	**186**

Note 4.5 – Intangible assets (continued)

Recognition of intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance, being computer software and development costs (where applicable).

Initial recognition

Purchased intangible assets are initially recognised at cost.

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

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

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

Subsequent measurement

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

Software as a service (SaaS)

SaaS is a cloud-based delivery model in which the cloud provider develops and maintains the cloud application software. Significant costs may be incurred in relation to configuration and customisation of the supplier's application software to which Alfred Health receives access.

For the configuration and customisation costs to be recognised as an intangible asset Alfred Health would have to demonstrate that the costs:

- meet the definition of an 'intangible asset'; and
- meet the recognition criteria for an intangible asset in paragraphs 18–24 of AASB 138 *Intangible Assets*.

AASB 138 defines an intangible asset as 'an identifiable non-monetary asset without physical substance' and notes that an asset is a resource controlled by an entity. Alfred Health has assessed that it does not control the configuration and customisation of the supplier's application software. Accordingly, Alfred Health has revised its accounting treatment of previously capitalised costs and has written off $12.4m of intangible assets and work-in-progress to the net result from transactions.

Note 4.6 – Depreciation and amortisation

	Consolidated 2023 $'000	Consolidated 2022 $'000
Depreciation		
Property, plant and equipment		
Buildings	62,639	62,341
Medical equipment	15,616	14,357
Computers and communication equipment	1,357	1,074
Furniture and fittings	66	147
Other plant and equipment	3,781	3,561
Leasehold improvements	923	422
Total depreciation – property, plant and equipment	**84,382**	**81,902**
Right-of-use assets		
Right-of-use land	963	963
Right-of-use buildings	7,678	6,367
Right-of-use plant, equipment, furniture and fittings and motor vehicles	557	644
Total depreciation – right-of-use assets	**9,198**	**7,974**
Total depreciation	**93,580**	**89,876**
Amortisation		
Computer software	2,963	4,043
Total amortisation	**2,963**	**4,043**
Total depreciation and amortisation	**96,543**	**93,919**

Recognition of depreciation

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

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

Recognition of amortisation

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

Useful lives

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

	2023	2022
Buildings	25 – 56 years	25 – 56 years
Plant & equipment	10 – 20 years	10 – 20 years
Medical equipment	8 – 10 years	8 – 10 years
Computers and communication equipment	3 years	3 years
Furniture and fittings	10 – 15 years	10 – 15 years
Motor vehicles	8 years	8 years
Intangible assets	3 – 4 years	3 – 4 years
Leasehold improvements	3 – 40 years	3 – 40 years
Right-of-use assets (buildings)	2 – 10 years	2 – 10 years
Right-of-use assets (MV and other PP&E)	1 – 5 years	1 – 5 years
Right-of-use assets (land)	30 – 50 years	30 – 50 years

Note 4.7 - Impairment of assets

How we recognise impairment

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

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

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

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

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

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

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

Alfred Health did not record any impairment losses for the year ended 30 June 2023.

Note 5 – Other assets and liabilities

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

Structure

5.1 Receivables and contract assets

5.2 Payables and contract liabilities

Impact of the COVID-19 pandemic

The measurement of other assets and liabilities were not materially impacted by the COVID-19 Coronavirus pandemic and its impact on our economy and the health of our community.

Key judgements and estimates

This section contains the following key judgements and estimates:

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

Note 5.1 – Receivables and contract assets

	Note	Consolidated 2023 $'000	Consolidated 2022 $'000
Current receivables			
Contractual			
Inter hospital debtors		5,225	1,985
Trade debtors		11,235	11,165
Contract assets	5.1(c)	33,809	46,704
Patient fees receivable		20,052	22,179
Total contractual assets before loss allowances		**70,321**	**82,033**
Less allowance for credit losses			
- Trade debtors		(322)	(271)
- Patient fees		(5,365)	(4,795)
Total allowance for credit losses	5.1(a)	(5,687)	(5,066)
Total contractual assets		**64,634**	**76,967**
Statutory			
GST receivable		5,406	4,203
Total statutory receivables		**5,406**	**4,203**
Total current receivables		**70,040**	**81,170**
Non-current			
Contractual			
Long service leave – Department of Health		35,592	30,351
Total non-current receivables		**35,592**	**30,351**
Total receivables		**105,632**	**111,521**

Note 5.1(a) – Movement in the allowance for impairment losses

	Consolidated 2023 $'000	Consolidated 2022 $'000
Opening balance brought forward	(5,066)	(5,077)
Amounts written off/(on) during the year	8,527	6,401
Increase in allowance recognised in net result	(9,148)	(6,390)
Balance at end of year	**(5,687)**	**(5,066)**

Note 5.1(b) – Financial assets classified as receivables

	Note	Consolidated 2023 $'000	Consolidated 2022 $'000
Total receivables		105,632	111,521
GST receivable		(5,406)	(4,203)
Total financial assets	**7.1**	**100,226**	**107,318**

Recognition of receivables

Receivables consist of:

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

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

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

Alfred Health is not exposed to any significant credit risk to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates, management considers the credit quality of trade receivables that are not past due or impaired to be good.

Impairment losses of contractual receivables

Refer to Note 7.2(a) - Credit risk for Alfred Health's contractual impairment losses.

Note 5.1(c) – Contract assets

	Consolidated 2023 $'000	Consolidated 2022 $'000
Current contract assets		
Opening balance brought forward	46,704	27,635
Add: Additional costs incurred that are recoverable from the customer	33,809	46,704
Less: Transfer to trade receivable or cash at bank	(46,704)	(27,635)
Total current contract assets*	**33,809**	**46,704**
***Represented by:**		
Current contract assets	33,809	46,704
Non-current contract assets	-	-

Recognition of contract assets

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

Note 5.2 – Payables and contract liabilities

	Note	Consolidated 2023 $'000	Consolidated 2022 $'000
Current payables and contract liabilities			
Contractual			
Trade creditors		5,302	13,501
Accrued expenses		101,168	98,530
Accrued salaries and wages		40,090	37,376
Deferred grant revenue	5.2(b)	51,500	97,112
Contract liabilities – income received in advance	5.2(c)	19,325	14,314
Salary packaging		3,036	3,672
Superannuation		7,785	12,003
Total current payables and contract liabilities[(i)]		**228,206**	**276,508**
Financial liabilities classified as payables and contract liabilities			
Total current payables and contract liabilities		228,206	276,508
Deferred grant revenue		(51,500)	(97,112)
Contract liabilities		(19,325)	(14,314)
Total financial liabilities	7.1	**157,381**	**165,082**

(i) The average time taken to pay trade creditors is 40 days (2022: 37 days). No interest is charged on payables. Creditor days is calculated on trade creditors and accrued expenses excluding amounts owing to the Department of Health.

Recognition of payables and contract liabilities

Payables consist of:

- **Contractual payables**, includes payables in relation to goods and services. These payables are classified as financial instruments and measured at amortised cost. Accrued expenses and accrued salaries and wages represent liabilities for goods and services provided to Alfred Health prior to the end of the financial year that are unpaid.
- **Statutory payables**, include amounts payable to the Victorian Government and Goods and Services Tax (GST). 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.

Maturity analysis of payables

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

Note 5.2(a) – Deferred capital grant revenue

	Consolidated 2023 $'000	Consolidated 2022 $'000
Opening balance of deferred grant income	86,181	67,843
Grant consideration for capital works received during the year	43,079	67,987
Grant revenue for capital works recognised consistent with the capital works undertaken during the year	(79,512)	(49,649)
Closing balance of deferred capital grant income	**49,748**	**86,181**

Recognition of deferred capital grant revenue

Grant consideration was received from the Department of Health to support the construction of multiple capital projects. Capital grant revenue is recognised progressively as the asset is constructed, since this is the time when Alfred Health satisfies its obligations. The progressive percentage of costs incurred is used to recognise income because this most closely reflects the percentage of completion of the building works. As a result, Alfred Health has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Alfred Health expects to recognise all of the remaining deferred capital grant revenue in line with capital works undertaken during future years.

Note 5.2(b) – Deferred grant revenue

	Consolidated 2023 $'000	Consolidated 2022 $'000
Revenue recognised from performance obligations satisfied in previous periods		
Transaction price allocated to the remaining performance obligations from contracts with customers to be recognised in:		
Not longer than one year	1,752	10,931
Longer than one year but not longer than five years	-	-
Longer than five years	-	-
Total grant consideration	**1,752**	**10,931**
Total deferred capital grant income 5.2(a)	**49,748**	**86,181**
Total deferred grant revenue	**51,500**	**97,112**

In addition, grant consideration was also received from the State Government in support of medical and associated services. Grant income is recognised as service obligations are met. Differences in the number of some services provided may be adjusted in the funding provided annually. The remaining grant revenue is recognised when the service obligations are delivered in the following year.

Note 5.2(c) – Contract liabilities – income received in advance

	Consolidated 2023 $'000	Consolidated 2022 $'000
Opening balance of contract liabilities	14,314	3,016
Payments received for performance obligations yet to be completed during the period (i)	5,011	11,298
Total contract liabilities	**19,325**	**14,314**
Represented by:		
Current contract liabilities	19,325	14,314
Non-current contract liabilities	-	-

(i) Contract liabilities for donations with specific performance obligations that have not been met. During FY2022-23 $3.9m of capital donations were received for the Paula Fox Melanoma and Cancer Centre (FY2021-22: $11.3m).

Recognition of contract liabilities

Contract liabilities include consideration received in advance from government entities, Not for Profit (NFP) partners and other entities in respect of the provision of health services to the community. The balance of contract liabilities was higher than the previous reporting period due to additional funds received in advance for construction of the Paula Fox Melanoma and Cancer Centre.

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

Note 6 – How we finance our operations

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

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

Structure

6.1 Borrowings

6.2 Cash and cash equivalents

6.3 Commitments for expenditure

Impact of the COVID-19 pandemic

Our finance and borrowing arrangements were not materially impacted by the COVID-19 Coronavirus pandemic and the scaling down of the COVID-19 public health response during the year ended 30 June 2023.

Key judgements and estimates

This section contains the following key judgements and estimates:

Note 6 – How we finance our operations (continued)

Key judgements and estimates	Description
Determining if a contract is or contains a lease	Alfred Health applies significant judgement to determine if a contract is or contains a lease by considering if the health service: • has the right-to-use an identified asset; • has the right to obtain substantially all economic benefits from the use of the leased asset; and • can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	Alfred Health applies significant judgement when determining if a lease meets the short-term or low value lease exemption criteria. The health service estimates the fair value of leased assets when new. Where the estimated fair value is less than $10,000, the health service applies the low-value lease exemption. The health service also estimates the lease term with reference to the remaining lease term and period that the lease remains enforceable. Where the enforceable lease period is less than 12 months the health service applies the short-term lease exemption.
Discount rate applied to future lease payments	Alfred Health discounts its lease payments using the interest rate implicit in the lease. If this rate cannot be readily determined, which is generally the case for the health service's lease arrangements, Alfred Health uses its incremental borrowing rate, which is the amount the health service would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. For leased land and buildings, Alfred Health estimates the incremental borrowing rate to be between 1.15% and 4.97%. For leased plant, equipment, furniture, fittings and vehicles, the implicit interest rate is between 1.60% and 2.24%.
Assessing the lease term	The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend or terminate the lease if Alfred Health is reasonably certain to exercise such options. Alfred Health determines the likelihood of exercising such options on a lease-by-lease basis through consideratwion of various factors including: • if there are significant penalties to terminate (or not extend), the health service is typically reasonably certain to extend (or not terminate) the lease; • if any leasehold improvements are expected to have a significant remaining value, the health service is typically reasonably certain to extend (or not terminate) the lease; and • the health service considers historical lease durations and the costs and business disruption to replace such leased assets.

Note 6.1 – Borrowings

	Note	Consolidated 2023 $'000	Consolidated 2022 $'000
Current			
Australian dollar borrowings			
- Treasury Corporation Victoria loans (i-iv)		1,985	2,057
- Lease liability (v)	6.1(a)	8,544	5,808
Total current borrowings		**10,529**	**7,865**
Non-current			
Australian dollar borrowings			
- Treasury Corporation Victoria loans (i-iv)		4,733	6,717
- Lease liability (v)	6.1(a)	44,478	36,109
Total non-current borrowings		**49,211**	**42,826**
Total borrowings	**7.1**	**59,740**	**50,691**

Terms and conditions of borrowings

The following details outlines Alfred Health's terms and conditions on borrowings:

Treasury Corporation Victoria

(i) Repayments for the multi storey car park are quarterly with the final instalment due on 22 March 2024. The principal outstanding for this loan at 30 June 2023 is $0.6m (2022: $1.4m).

(ii) Repayments for the Alfred Centre car park are quarterly with the final instalment due on 15 June 2027. The principal outstanding for this loan at 30 June 2023 is $6.1m (2022: $7.4m).

(iii) Average interest rate applied during FY2022–23 was 6.45% (FY2021-22: 6.44%). Interest rate is fixed for the life of the loans.

(iv) Repayment of these loans has been guaranteed in writing by the Treasurer and are unsecured.

Lease liability

(v) Secured by the assets leased. Leases are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Recognition of borrowings

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

Initial recognition

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

Subsequent measurement

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

Maturity analysis

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

Defaults and breaches

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

Note 6.1(a) - Lease liabilities

	Note	Consolidated 2023 $'000	Consolidated 2022 $'000
Total undiscounted lease liabilities		59,789	44,963
Less unexpired finance expenses		(6,767)	(3,046)
Net lease liabilities		**53,022**	**41,917**

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

	Minimum future lease payments		Present value of minimum future lease payments	
	Consolidated 2023 $'000	Consolidated 2022 $'000	Consolidated 2023 $'000	Consolidated 2022 $'000
Not longer than one year	10,172	6,616	8,544	5,808
Longer than one year but not longer than five years	33,095	24,597	29,065	22,656
Longer than five years	16,522	13,750	15,413	13,453
Minimum future lease liability	59,789	44,963	53,022	41,917
Less unexpired finance expenses	(6,767)	(3,046)	-	-
Present value of lease liability	**53,022**	**41,917**	**53,022**	**41,917**
Represented by:				
Current liabilities			8,544	5,808
Non-current liabilities			44,478	36,109
Total			**53,022**	**41,917**

Recognition of lease liabilities

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

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

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

Right-of-use asset	Lease term
Leased land	10 to 99 years
Leased buildings	2 to 10 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) and short-term leases of less than 12 months.

Separation of lease and non-lease components

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

Initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or Alfred Health's incremental borrowing rate of 4.6%.

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

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

Building leases may have options to extend the lease term.

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

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

Potential future cash outflows of $59.1m have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

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

Subsequent measurement

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

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

Leases with significantly below market terms and conditions

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

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

Description of Leased Asset	Our dependence on lease	Nature and terms of lease
Land located at 28 and 30 Adelaide Street (Armadale)	The leased land is used for the operation of a residential mental health service (eating disorders). Alfred Health's dependence on this lease is considered high. The asset has a purpose-built facility to allow the operation of a residential mental health service (eating disorders) with limited available substitutes.	Lease payments of $104 are required per annum. The leases commenced in July 2022 and have a lease term of 10 years. Restrictions placed on the use of the asset are that it be used for the operation of a residential mental health service (eating disorders).

Note 6.1(a) – Lease Liabilities (continued)

Description of Leased Asset	Our dependence on lease	Nature and terms of lease
Land located at 75 Alma Road (St Kilda)	The leased land is used for the operation of a Community Care Unit residential mental health service. Alfred Health's dependence on this lease is considered high. The asset has a facility to allow the operation of a Community Care Unit residential mental health service with limited available substitutes.	Lease payments of $104 are required per annum. The lease commenced in July 2022 and has a lease term of 10 years. Restrictions placed on the use of the asset are that it be used for the operation of a Community Care Unit residential mental health service.
Land located at 580 Swanston Street (Carlton)	The leased land is used for the operation of a Sexual Health Centre. Alfred Health's dependence on this lease is considered high. The asset has a facility to allow the operation of a Sexual Health Centre with limited available substitutes.	Lease payments of $104 are required per annum. The lease commenced in November 2022 and has a lease term of 20 years. Restrictions placed on the use of the asset are that it be used for the operation of a Sexual Health Centre.
Land located at 99 Commercial Road (Melbourne)	The leased land is used for the operation of health and research services. Alfred Health's dependence on this lease is considered high. The asset has had significant capital works to allow the provision of health and research services on The Alfred campus.	Lease payments of $104 are required per annum. The lease commenced in June 2008 and has a lease term of 99 years. Restrictions placed on the use of the asset are that it be used for the provision of health, laboratory and research services.

Note 6.2 – Cash and cash equivalents

	Note	Consolidated 2023 $'000	Consolidated 2022 $'000
Cash on hand (excluding monies held in trust)		23	22
Cash at bank (excluding monies held in trust)		77	24
Cash at bank (held in trust)		70	70
Cash at bank – Central Banking System (CBS) (excluding monies held in trust)		177,186	200,080
Total cash and cash equivalents	**7.1**	**177,356**	**200,196**

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

The cash flow statement includes monies held in trust.

Note 6.3 – Commitments for expenditure

	Consolidated 2023 $'000	Consolidated 2022 $'000
Capital expenditure commitments:		
Not later than one year	99,390	102,649
Later than one year but not later than five years	-	36,053
Total capital expenditure commitments	**99,390**	**138,702**
Other expenditure commitments:		
Not later than one year	79,360	62,429
Later than one year but not later than five years	75,765	86,257
Later than 5 years	510	1,904
Total other expenditure commitments	**155,635**	**150,590**
Total commitments for expenditure (inclusive of GST)	**255,025**	**289,292**
Less GST recoverable from the Australian Tax Office	**(23,184)**	**(26,299)**
Total commitments for expenditure (exclusive of GST)	**231,841**	**262,993**

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 individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the balance sheet.

Short-term and low value leases

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

Note 7 – Risks, contingencies and valuation uncertainties

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

Structure

7.1 Financial instruments

7.2 Financial risk management objectives and policies

7.3 Fair value determination

7.4 Contingent assets and contingent liabilities

Key judgements and estimates

This section contains the following key judgements and estimates:

Key judgements and estimates	Description
Measuring fair value of non-financial assets	Fair value is measured with reference to highest and best use, that is, the use of the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use. In determining the highest and best use, Alfred Health has assumed the current use is its highest and best use. Accordingly, characteristics of the health service's assets are considered, including condition, location and any restrictions on the use and disposal of such assets. Alfred Health uses a range of valuation techniques to estimate fair value, which include the following: • Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of Alfred Health's specialised and non-specialised land is measured using this approach; • Cost approach, which reflects the amount that would be required to replace the service capacity of the asset (referred to as current replacement cost). The fair value of Alfred Health's specialised buildings, furniture, fittings, plant, equipment and vehicles are measured using this approach; and • Income approach, which converts future cash flows or income and expenses to a single undiscounted amount. Alfred Health does not this use approach to measure fair value. The health service selects a valuation technique which is considered most appropriate, and for which there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Subsequently, the health service applies significant judgement to categorise and disclose such assets within a fair value hierarchy, which includes: • Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Alfred Health does not categorise any fair values within this level; • Level 2, inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. Alfred Health categorises non-specialised land and right-of-use concessionary land in this level; and • Level 3, where inputs are unobservable. Alfred Health categorises specialised land, specialised buildings, plant, equipment, furniture, fittings, vehicles, right-of-use buildings and right-of-use plant, equipment, furniture and fittings in this level.

Note 7.1 – Financial instruments

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

Financial instruments: categorisation

Consolidated 30 June 2023	Note	Financial assets at amortised cost 2023 $'000	Financial assets at fair value through net result 2023 $'000	Financial liabilities at amortised cost 2023 $'000	Total 2023 $'000
Contractual financial assets					
Cash and cash equivalents	6.2	177,356	-	-	177,356
Receivables					
- Trade debtors		10,913	-	-	10,913
- Other receivables		89,313	-	-	89,313
Total Receivables	5.1	100,226	-	-	100,226
Investments and other financial assets					
- Managed funds	4.1	2,681	73,258	-	75,939
Total financial assets [(i)]		**280,263**	**73,258**	**-**	**353,521**
Financial liabilities					
Payables	5.2	-	-	157,381	157,381
Borrowings	6.1	-	-	59,740	59,740
Other liabilities		-	-	70	70
Total financial liabilities [(ii)]		**-**	**-**	**217,191**	**217,191**

(i) The total amount of financial assets disclosed here excludes statutory receivables (i.e. amounts owing from Victorian State Government and GST input tax credit recoverable).
(ii) The total amount of financial liabilities disclosed here exclude statutory liabilities (i.e. amounts payable or deferred grant liabilities recognised against Victorian State Government and taxes payable).

Note 7.1 – Financial instruments (continued)

Consolidated 30 June 2022	Note	Financial assets at amortised cost 2023 $'000	Financial assets at fair value through net result 2023 $'000	Financial liabilities at amortised cost 2023 $'000	Total 2023 $'000
Contractual financial assets					
Cash and cash equivalents	6.2	200,196	-	-	200,196
Receivables					
- Trade debtors		10,894	-	-	10,894
- Other receivables		96,424	-	-	96,424
Total Receivables	**5.1**	**107,318**	**-**	**-**	**107,318**
Investments and other financial assets					
- Managed funds	4.1	2,681	67,627	-	70,308
Total financial assets [(i)]		**310,195**	**67,627**	**-**	**377,822**
Financial liabilities					
Payables	5.2	-	-	165,082	165,082
Borrowings	6.1	-	-	50,691	50,691
Other liabilities		**-**	**-**	**70**	**70**
Total financial liabilities [(ii)]		**-**	**-**	**215,843**	**215,843**

(i) The total amount of financial assets disclosed here excludes statutory receivables (i.e. amounts owing from Victorian State Government and GST input tax credit recoverable).
(ii) The total amount of financial liabilities disclosed here excludes statutory liabilities (i.e. amounts payable or deferred grant liability recognised against Victorian State Government and taxes payable).

Categories of financial assets

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

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

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

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15 *Revenue from Contracts with Customers* paragraph 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 Alfred Health solely to collect the contractual cash flows; and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specific dates.

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

Alfred Health recognises the following assets in this category:

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

Financial assets at fair value through net result

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

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

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

Alfred Health recognises listed equity securities as mandatorily measured at fair value through net result and has designated all managed funds as fair value through net result.

Categories of financial liabilities

Financial liabilities are recognised when Alfred Health becomes a party to the contractual provisions to the instrument. Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit or loss, in which case transaction costs are expensed to profit or loss immediately.

Financial liabilities at fair value through net result

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

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

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

Financial liabilities at amortised cost

Financial liabilities are measured at amortised cost using the effective interest method, where they are not held at fair value through net result.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in net result over the relevant period. The effective interest is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Alfred Health recognises the following liabilities in this category:

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

Offsetting financial instruments

Financial instrument assets and liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, Alfred Health has a legal right to offset the amounts and intends to either settle on a net basis or to realise the asset and settle the liability simultaneously.

Some master netting arrangements do not result in an offset of balance sheet assets and liabilities. Where Alfred Health does not have a legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events such as default, insolvency or bankruptcy, they are reported on a gross basis.

Note 7.1 – Financial instruments (continued)

Derecognition of financial assets

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

- the rights to receive cash flows from the asset have expired; or
- Alfred Health retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- Alfred Health has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset; or
  - has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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

Derecognition of financial liabilities

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

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

Reclassification of financial instruments

Subsequent to initial recognition, reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when, and only when, Alfred Health's business model for managing its financial assets has changed such that its previous model would no longer apply.

Note 7.2 - Financial risk management objectives and policies

As a whole, Alfred Health's financial risk management program seeks to manage the risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above, are disclosed throughout the financial statements.

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

Alfred Health uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Accountable Officer.

Note 7.2(a) - Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. Alfred Health's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to Alfred Health. Credit risk is measured at fair value and is monitored on a regular basis.

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

In addition, Alfred Health does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. Alfred Health's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that Alfred Health will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debtors that are more than 60 days overdue, and changes in debtor credit ratings.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Alfred Health's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to Alfred Health's credit risk profile in FY2022-23.

Impairment of financial assets under AASB 9 *Financial Instruments*

Alfred Health records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's Expected Credit Loss approach. Subject to AASB 9, 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 impairment assessment under AASB 9.

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

Contractual receivables at amortised cost

Alfred Health applies AASB 9's simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. Alfred Health has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on Alfred Health's past history, existing market conditions, as well as forward looking estimates at the end of the financial year. Due to a change in the mix of contractual receivables with shared risk characteristics, the expected loss rate has changed from prior year.

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

30 June 2023	Current	Less than 1 month	1–3 months	3 months –1 year	1–5 years	Total
Expected loss rate	0.8%	9.1%	39.3%	28.7%	28.7%	
Gross carrying amount of contractual receivables ($'000) (i)	47,516	9,385	5,849	4,542	3,029	70,321
Loss allowance	**361**	**855**	**2,301**	**1,302**	**868**	**5,687**

(i) Gross carrying amount excludes Non-Current contractual asset – LSL Debtor due to being an amount not related to the provision of goods or services and the counterparty is the Department of Health, as such the expected credit loss is nil (2022: nil).

30 June 2022	Current	Less than 1 month	1–3 months	3 months –1 year	1–5 years	Total
Expected loss rate	0.8%	8.1%	15.2%	39.7%	39.7%	
Gross carrying amount of contractual receivables ($'000) (i)	59,169	7,999	5,771	5,456	3,638	82,033
Loss allowance	**483**	**652**	**880**	**1,831**	**1,220**	**5,066**

(i) Gross carrying amount excludes Non-Current contractual asset – LSL Debtor due to being an amount not related to the provision of goods or services and the counterparty is the Department of Health, as such the expected credit loss is nil (2022: nil).

Note 7.2(a) - Credit risk (continued)

Statutory receivables at amortised cost

Alfred Health's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 *Financial Instruments* requirements as if those receivables are financial instruments.

Statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to 12 months expected losses.

Note 7.2(b) - Liquidity risk

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

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

- receiving a letter of support from the Department of Health (see note 8.8 – Economic dependency);
- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements;
- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- holding investments and other contractual financial assets that are readily tradeable in the financial markets; and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

Alfred Health's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

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

				Maturity Dates				
30 June 2023	**Note**	**Consolidated Carrying Amount $'000**	**Consolidated Nominal Amount $'000**	**Less than 1 Month $'000**	**1-3 Months $'000**	**3 Months - 1 Year $'000**	**1-5 Years $'000**	**Over 5 Years $'000**
Financial Liabilities at amortised cost								
Payables	5.2	157,381	157,381	118,036	23,607	15,738	-	-
Borrowings	6.1	59,740	67,404	1,020	2,264	9,255	38,343	16,522
Other Financial Liabilities		70	70	70	-	-	-	-
Total Financial Liabilities		**217,191**	**224,855**	**119,126**	**25,871**	**24,993**	**38,343**	**16,522**

				Maturity Dates				
30 June 2022	**Note**	**Consolidated Carrying Amount $'000**	**Consolidated Nominal Amount $'000**	**Less than 1 Month $'000**	**1-3 Months $'000**	**3 Months - 1 Year $'000**	**1-5 Years $'000**	**Over 5 Years $'000**
Financial Liabilities at amortised cost								
Payables	5.2	165,082	165,082	129,929	22,979	12,174	-	-
Borrowings	6.1	50,691	57,726	710	1,821	6,659	33,037	15,499
Other Financial Liabilities		70	70	70	-	-	-	-
Total Financial Liabilities		**215,843**	**222,878**	**130,709**	**24,800**	**18,833**	**33,037**	**15,499**

Note 7.2(c) - Market risk

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

Sensitivity disclosure analysis and assumptions

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

- a change in interest rates of 1% up or down; and
- a change in the top ASX 200 index of 15% up or down.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. Alfred Health holds minimal interest-bearing financial instruments that are measured at fair value, and therefore has minimal exposure to fair value interest rate risk.

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

Foreign currency risk

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign monetary items existing at the end of the reporting period are translated at the closing rate at the date of the end of the reporting period.

Alfred Health has minimal exposure to foreign currency risk.

Equity risk

Alfred Health is exposed to equity price risk through its investments in listed and unlisted shares and managed funds. Such investments are allocated and traded to match the health service's investment objectives.

30 June 2023	Carrying amount $'000	Net result -15%	Net result +15%
Investments and other contractual financial assets	73,258	(10,989)	10,989
Total impact	**73,258**	**(10,989)**	**10,989**

30 June 2022	Carrying amount $'000	Net result -15%	Net result +15%
Investments and other contractual financial assets	67,627	(10,144)	10,144
Total impact	**67,627**	**(10,144)**	**10,144**

Note 7.3 – Fair value determination

How we measure fair value

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

The following assets and liabilities are carried at fair value:

- Financial assets and liabilities at fair value through net result;
- Property, plant and equipment; and
- Right-of-use assets.

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

Valuation hierarchy

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

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

Alfred Health determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There have been no transfers between levels during the period.

Alfred Health monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required. The Valuer-General Victoria (VGV) is Alfred Health's independent valuation agency for property, plant and equipment.

Identifying unobservable inputs (level 3) fair value measurements

Level 3 fair value inputs are unobservable valuation inputs for an asset or liability. These inputs require significant judgement and assumptions in deriving fair value for both financial and non-financial assets.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e., an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

How we measure the value of financial instruments

Alfred Health currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts approximate to fair value, due to their short-term nature or with the expectation that they will be paid in full by the end of the 2022-23 reporting period.

Financial assets	Financial liabilities
Cash and deposits	Payables:
Receivables:	• For supplies and services
• Sale of goods and services	• Amounts payable to government and agencies
• Other receivables	• Other payables
Investments and other contractual financial assets:	Borrowings:
• Managed Funds	• Loans

Financial assets and liabilities measured at fair value

There have been no transfers between levels during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate fair value.

Managed investment fund

Alfred Health invests in managed funds, which are not quoted in an active market. The managed funds invest in both listed securities and debt securities:

- Listed Securities: The listed securities are valued at fair value with reference to a quoted (unadjusted) market price from an active market. Alfred Health categorises these instruments as Level 1.
- Debt securities: In the absence of an active market, the fair value of the debt securities and government bonds are valued using observable inputs, such as recently executed transaction prices in securities of the issuer or comparable issuers and yield curves. Adjustments are made to the valuations when necessary to recognise differences in the instrument's terms. To the extent that the significant inputs are observable, Alfred Health categorises these investments as Level 2.
- Managed investment funds: The head managed investment fund invests in other managed funds, which may not be quoted in an active market and which may be subject to restrictions on redemptions. In measuring this fair value, the net asset value (NAV) of the funds is adjusted, as necessary, to reflect restrictions and redemptions, future commitments and other specific factors of the fund. In measuring fair value, consideration is also paid to any transactions in the shares of the fund. Alfred Health classifies these funds as Level 2.

Note 7.3(a) - Financial assets and liabilities measured at fair value

30 June 2023	Note	Consolidated carrying amount as at 30 June 2023 $'000	Fair value measurement at end of reporting period using: Level 1 $'000	Level 2 $'000	Level 3 $'000
Financial assets at fair value through net result					
Managed Funds	4.1	73,258	62,180	11,078	-
Total financial assets and liabilities at fair value		**73,258**	**62,180**	**11,078**	**-**

30 June 2022	Note	Consolidated carrying amount as at 30 June 2022 $'000	Fair value measurement at end of reporting period using: Level 1 $'000	Level 2 $'000	Level 3 $'000
Financial assets at fair value through net result					
Managed Funds	4.1	67,627	53,681	13,946	-
Total financial assets and liabilities at fair value		**67,627**	**53,681**	**13,946**	**-**

Note 7.3(b) - Fair value measurement of non-financial physical assets

	Note	Consolidated carrying amount as at 30 June 2023 $'000	Fair value measurement at end of reporting period using: Level 1 $'000	Level 2 $'000	Level 3 $'000
Land at fair value					
Non-specialised land		31,000	-	31,000	-
Specialised land		279,382	-	-	279,382
Total land at fair value	**4.2(a)**	**310,382**	**-**	**31,000**	**279,382**
Buildings at fair value					
Specialised buildings	4.2(a)	815,399	-	-	815,399
Total buildings at fair value		**815,399**	**-**	**-**	**815,399**
Plant & equipment, furniture & fittings at fair value					
Medical equipment	4.2(a)	87,490	-	-	87,490
Computers & communication equipment	4.2(a)	3,122	-	-	3,122
Furniture & fittings	4.2(a)	408	-	-	408
Other equipment	4.2(a)	22,564	-	-	22,564
Total plant & equipment and furniture & fittings at fair value		**113,584**	**-**	**-**	**113,584**
Right-of-use concessionary land	4.3(a)	32,719	-	32,719	-
Right-of-use buildings	4.3(a)	42,985	-	-	42,985
Right-of-use plant & equipment and motor vehicles	4.3(a)	2,091	-	-	2,091
Total right-of-use assets at fair value		**77,795**	**-**	**32,719**	**45,076**
Total non-financial physical assets at fair value		**1,317,160**	**-**	**63,719**	**1,253,441**

Note 7.3(b) - Fair value measurement of non-financial physical assets

	Note	Consolidated carrying amount as at 30 June 2022 $'000	Fair value measurement at end of reporting period using: Level 1 $'000	Level 2 $'000	Level 3 $'000
Land at fair value					
Non-specialised land		31,000	-	31,000	-
Specialised land		279,382	-	-	279,382
Total land at fair value	**4.2(a)**	**310,382**	**-**	**31,000**	**279,382**
Buildings at fair value					
Specialised buildings	4.2(a)	772,391	-	-	772,391
Total buildings at fair value		**772,391**	**-**	**-**	**772,391**
Plant & equipment, furniture & fittings at fair value					
Medical equipment	4.2(a)	80,980	-	-	80,980
Computers & communication equipment	4.2(a)	1,590	-	-	1,590
Furniture & fittings	4.2(a)	474	-	-	474
Other equipment	4.2(a)	22,496	-	-	22,496
Total plant & equipment and furniture & fittings at fair value		**105,540**	**-**	**-**	**105,540**
Right-of-use concessionary land	4.3(a)	33,682	-	33,682	-
Right-of-use buildings	4.3(a)	32,419	-	-	32,419
Right -of-use plant & equipment and motor vehicles	4.3(a)	2,681	-	-	2,681
Total right-of-use assets at fair value		**68,782**	**-**	**33,682**	**35,100**
Total non-financial physical assets at fair value		**1,257,095**	**-**	**64,682**	**1,192,413**

There have been no transfers between levels during the period.

How we measure fair value of non-financial physical assets

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

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

In accordance with AASB 13 *Fair Value Measurement* paragraph 29, Alfred Health has assumed the current use of a non-financial physical asset is its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

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

Note 7.3(b) - Fair value measurement of non-financial physical assets (continued)

Non-specialised land

Non-specialised land is valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land independent valuations are performed by the Valuer-General Victoria to determine the fair value using the market approach. Valuation of the assets are determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. No formal valuation has been undertaken due the non-specialised land's recent acquisition and current construction.

Specialised land and specialised buildings

Specialised land includes Crown Land which is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the assets are not taken into account until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best use.

During the reporting period, Alfred Health held Crown Land. The nature of this asset means that there are certain limitations and restrictions imposed on its use and/or disposal that may impact their fair value.

The market approach is also used for specialised land although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued. Specialised assets contain significant, unobservable adjustments; therefore, these assets are classified as Level 3 under the market based direct comparison approach.

The CSO adjustment is a reflection of 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 takes into account the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For Alfred Health, the depreciated 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 the Alfred Health's specialised land and specialised buildings was performed by independent valuers Urbis Valuations as agent for the Valuer-General Victoria (VGV) to determine the fair value of the land. The valuation was performed using the market approach adjusted for CSO. 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 was 30 June 2019.

In accordance with FRD 103 Alfred Health performed an annual fair value assessment of all non-financial physical assets taking into account all fair value indicators, which includes VGV land and building indices.

Vehicles

The Alfred Health acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by the health service who set relevant depreciation rates during use to reflect the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying amount (depreciated cost).

Furniture, fittings, plant and equipment

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

There were no changes in valuation techniques throughout the period to 30 June 2023.

Note 7.3(b) - Fair value measurement of non-financial physical assets

Reconciliation of level 3 fair value measurement

Consolidated	Land $'000	Buildings $'000	Plant & equipment, furniture & fittings $'000	Right-of use buildings $'000	Right-of-use, plant, equipment, furniture & fittings $'000	Totals $'000
Balance at 1 July 2021	**279,382**	**826,968**	**97,183**	**16,073**	**2,215**	**1,221,821**
Additions/(disposals)	-	8,186	27,479	22,713	1,110	59,488
Assets provided free of charge	-	-	17	-	-	17
Net transfers between classes	-	-	-	-	-	-
Gains or losses recognised in net result						
- Depreciation and amortisation	-	(62,763)	(19,139)	(6,367)	(644)	(88,913)
- Impairment loss	-	-	-	-	-	-
Items recognised in other comprehensive income						
- Revaluation	-	-	-	-	-	-
Balance as at 30 June 2022	**279,382**	**772,391**	**105,540**	**32,419**	**2,681**	**1,192,413**
Additions / (disposals)	-	15,673	25,274	21,541	(33)	62,455
Assets provided free of charge	-	-	-	-	-	-
Net transfers between classes[(i)]	-	-	293	-	-	293
Gains or losses recognised in net result						
- Depreciation and amortisation	-	(63,562)	(20,820)	(7,678)	(557)	(92,617)
- Impairment loss	-	-	-	-	-	-
Items recognised in other comprehensive income						
- Revaluation	-	90,897	-	-	-	90,897
Balance as at 30 June 2023	**279,382**	**815,399**	**110,287**	**46,282**	**2,091**	**1,253,441**

Classified in accordance with the valuation hierarchy, refer to Note 7.3 – Fair value determination.

Note 7.3(b) - Fair value measurement of non-financial physical assets (continued)

Fair value determination of level 3 fair value measurement

Asset class	Likely valuation approach	Significant inputs (level 3 only)
Specialised land	Market approach	Community service obligations adjustments (ii)
Specialised buildings (i)	Current replacement cost approach	Cost per square metre Useful life
Plant and equipment (i)	Current replacement cost approach	Cost per unit Useful life
Vehicles	Market approach	N/A
	Current replacement cost approach	Cost per unit Useful life

(i) Newly built / acquired assets could be categorised as level 2 assets as depreciation would not be a significant unobservable input (based on the 10% materiality threshold).

(ii) CSO adjustment of 20% to 50% was applied to reduce the market approach value for Alfred Health's specialised land.

AASB 13 *Fair Value Measurement* provides an exemption for not for profit public sector entities from disclosing the sensitivity analysis relating to 'unrealised gains/ (losses) on non-financial assets' if the assets are held primarily for their current service potential rather than to generate net cash inflows.

There were no changes in valuation techniques throughout the period to 30 June 2023.

Note 7.4 – Contingent assets and contingent liabilities

No contingent assets or liabilities are present for the year ended 30 June 2023 (2022: nil).

Measurement and disclosure of contingent assets and contingent liabilities

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

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

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the health service.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

Contingent liabilities

Contingent liabilities are:

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

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

Note 8 – Other disclosures

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

Structure

8.1 Reconciliation of net result for the year to net cash inflow/ (outflow) from operating activities

8.2 Responsible persons' disclosures

8.3 Executive officer disclosures

8.4 Related parties

8.5 Remuneration of auditors

8.6 Australian Accounting Standards issued that are not yet effective

8.7 Events occurring after the balance sheet date

8.8 Economic dependency

8.9 Controlled entities

8.10 Equity

8.11 Glossary of terms and style conventions

Note 8.1 – Reconciliation of net result for the year to net cash inflow/ (outflow) from operating activities

	Note	Consolidated 2023 $'000	Consolidated 2022 $'000
Net result for the year		**(8,488)**	**(41,495)**
Non-cash movements			
Depreciation	4.6	93,580	89,876
Amortisation of intangible assets	4.5	2,963	4,043
Provision for doubtful debts		8,500	6,667
Non-cash investment income		(1,815)	(2,631)
Net assets and inventory received free of charge		461	(2,476)
Net (gain)/loss on revaluation of financial instruments		(6,022)	4,984
Net gain/(loss) arising from revaluation of long service liability	3.2	9,660	8,356
Net (gain)/loss from disposal of non-financial physical assets	3.2	31	(210)
Capital donations received		(11,443)	(18,545)
Other non-cash movements		(1,320)	(1,051)
Movements in assets & liabilities			
Increase in employee benefits		21,801	22,417
Increase/(decrease) in payables		(48,302)	89,520
Increase/(decrease) in other liabilities		-	-
(Increase)/decrease in receivables		5,889	(21,923)
(Increase)/decrease in prepayments		(203)	6,666
(Increase)/decrease in inventories		(3,528)	(112)
Net cash inflows/(outflows) from operating activities		**61,674**	**144,086**

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.

A caretaker period was enacted during the year ended 30 June 2023 which spanned the time the Legislative Assembly expired, until the Victorian election results were clear or a new government was commissioned. The caretaker period for the 2022 Victorian election commenced at 6pm on Tuesday the 1st of November and new ministers were sworn in on the 5th of December.

	Period
The Honourable Mary-Anne Thomas MP	
Minister for Health	1 Jul 2022 - 30 Jun 2023
Minister for Health Infrastructure	5 Dec 2022 - 30 Jun 2023
Minister for Medical Research	5 Dec 2022 - 30 Jun 2023
Former Minister for Ambulance Services	1 Jul 2022 - 5 Dec 2022
The Honourable Gabrielle Williams MP	
Minister for Mental Health	1 Jul 2022 - 30 Jun 2023
Minister for Ambulance Services	5 Dec 2022 - 30 Jun 2023
The Honourable Lizzy Blandthorn MP	
Minister for Disability, Ageing and Carers	5 Dec 2022 - 30 Jun 2023
The Honourable Colin Brooks MP	
Former Minister for Disability, Ageing and Carers	1 Jul 2022 - 5 Dec 2022
Governing Board	
Mr Michael Gorton (Chair of the Board) BCom LLB	01 Jul 2022 - 30 Jun 2023
Ms Kaye McNaught BA (PSYCH, CRIM), LLB (MELB)	01 Jul 2022 - 30 Jun 2023
Ms Anna Leibel GAICD, GCertITMgt	01 Jul 2022 - 30 Jun 2023
Ms Melanie Eagle BA BSW LLB, GAICD, GradDip (International Development)	01 Jul 2022 - 30 Jun 2023
Ms Sally Campbell LLB/BA, GAICD	01 Jul 2022 - 30 Jun 2023
Ms Anne Howells BCom, CA, MB (Corporate Governance), GAICD, FGIA	01 Jul 2022 - 30 Jun 2023
Mr Lynton Norris FCPA, GAICD, BBus (Acc), BBus (Int Trade)	01 Jul 2022 - 30 Jun 2023
Ms Chloe Shorten BCom	01 Jul 2022 - 30 Jun 2023
Prof Christina Mitchell AO, MB BS, FRACP, PhD, FAHMS	01 Jul 2022 - 30 Jun 2023
Accountable Officer	
Prof Andrew Way AM (Chief Executive) RN BSc (Hons) MBA FAICD, FACHSM	01 Jul 2022 - 30 Jun 2023

Note 8.2 – Responsible persons' disclosures

Remuneration of responsible persons'

The number of responsible persons' are shown in their relevant income bands:

	Consolidated	
Income band	**2023**	**2022**
$50,000 - $59,999	8	8
$100,000 - $109,999	0	1
$110,000 - $199,999	1	0
$600,000 - $609,999	1	0
$610,000 - $619,999	0	1
Total number	**10**	10

	2023 $'000	**2022 $'000**
Total remuneration received or due and receivable by responsible persons' from the reporting entity amounted to:	1,181	1,184

Amounts relating to responsible ministers are reported within the States Annual Financial Report as disclosed in Note 8.4 - Related parties, and are not included in the above table.

Note 8.3 – Executive officer disclosures

Remuneration of executives.

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

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

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

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

Other long-term benefits include long service leave, other long service benefits or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

Note 8.3 – Executive officer disclosures (continued)

Remuneration of executive officers (included in key management personnel disclosed in Note 8.4)	Consolidated 2023 $'000	Consolidated 2022 $'000
Short-term employee benefits	2,366	2,495
Post-employment benefits	215	180
Other long-term benefits	61	56
Total remuneration [(i) (ii)]	**2,642**	**2,731**
Total number of executives	**8**	**7**
Total annualised employee equivalent (AEE) [(iii)]	**7.5**	**7**

(i) The total number of executive officers includes persons' who meet the definition of key management personnel (KMP) of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties (refer to Note 8.4 – Related parties).
(ii) The remuneration of executive officers disclosed includes pro-rata remuneration of employees whilst acting in the executive's roles.
(iii) Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

Note 8.4 – Related parties

The hospital 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;
- Cabinet Ministers (where applicable) and their close family members;
- All hospitals and public sector entities that are controlled and consolidated into the State of Victoria consolidated financial statements; and
- Controlled entities - Alfred Hospital Whole Time Medical Specialists' Private Practice Trust, John F Marriott for HIV Trust and Marriott for HIV Ltd.

KMPs are those people with the authority and responsibility for planning, directing and controlling the activities of Alfred Health and its controlled entities, directly or indirectly. Key management personnel (KMP) of the hospital include the portfolio Ministers and cabinet Ministers and KMP as determined by the hospital.

Note 8.4 – Related parties

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

Entity	KMPs	Position Title
Alfred Health	Mr Michael Gorton	Board Member (term ended 30 June 2023)
Alfred Health	Ms Sally Campbell	Board Member
Alfred Health	Ms Melanie Eagle	Board Member
Alfred Health	Ms Anne Howells	Board Member
Alfred Health	Ms Kaye McNaught	Board Member (term ended 30 June 2023)
Alfred Health	Mr Lynton Norris	Board Member
Alfred Health	Ms Chloe Shorten	Board Member
Alfred Health	Ms Anna Leibel	Board Member
Alfred Health	Prof Christina Mitchell	Board Member
Alfred Health	Prof Andrew Way	Chief Executive Officer
Alfred Health	Ms Simone Alexander	Chief Operating Officer
Alfred Health	Mr Peter Joyce	Executive Director Finance
Alfred Health	Dr Lee Hamley	Executive Director Medical Services
Alfred Health	Ms Kethly Fallon	Executive Director Nursing Services (resigned 18 November)
Alfred Health	Ms Sandra Keppich-Arnold	Executive Director Nursing Services – Acting (18 November to 20 March 2023)
Alfred Health	Mr Gerald Williams	Executive Director Nursing Services (appointed 20 March 2023)
Alfred Health	Mr Jarrard O'Brien	Chief Experience Officer
Alfred Health	Ms Jenny Walsh	Executive Director Strategy and Planning
Alfred Health	Ms Amy McKimm	Chief Digital Health Officer
Alfred Health	Ms Caroline Langston	Chief Executive, Shared Pathology Venture (appointed 24 October 2022)

Entity	KMPs	Position Title
Alfred Hospital Whole Time Medical Specialists' Private Practice Trust	Mr John Brown	Trustee
Alfred Hospital Whole Time Medical Specialists' Private Practice Trust	Mr Michael Gorton	Trustee
Alfred Hospital Whole Time Medical Specialists' Private Practice Trust	Dr David Daly	Trustee
Marriott for HIV LTD as Trustee for John F Marriott Trust	Mr William O'Shea	Director
Marriott for HIV LTD as Trustee for John F Marriott Trust	Prof Jennifer Hoy	Director
Marriott for HIV LTD as Trustee for John F Marriott Trust	Ms Ann Larkins	Director
Marriott for HIV LTD as Trustee for John F Marriott Trust	Ms Natalie McDonald	Director

Note 8.4 – Related parties (continued)

The compensation detailed below excludes the salaries and benefits the portfolio Ministers receive. The Ministers' remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968*, and is reported within the States Annual Financial Report.

Compensation - KMPs	Consolidated 2023 $'000	Consolidated 2022 $'000
Short term employee benefits	3,438	3,586
Post-employment benefits	298	259
Other long-term benefits	88	70
Total	**3,824**	**3,915**

Where appropriate KMPs are also reported in Note 8.2 - Responsible person's disclosures or Note 8.3 - Executive officer's disclosures.

Significant transactions with government-related entities

Alfred Health received funding from the Department of Health of $1.39b (FY2021-22: $1.28b) and indirect contributions of $11.3m (FY2021-22: $6.5m).

Alfred Health has a receivable to partially fund long service leave obligations with the Department of Health at 30 June 2023 of $35.6m (FY2021-22: $30.4m).

Alfred Health received no funding from the Department of Justice (FY2021-22: $57.8m) for overseeing the health and welfare needs of all travelers in the COVID-19 Health and Complex Care Hotels.

Alfred Health also provided services to other government related entities that were not individually significant totaling $22.1m (FY2021-22: $17.8m), and received services that were not individually significant totaling $14.0m (FY2021-22: $11.8m).

Expenses incurred by Alfred Health in delivering services and outputs are in accordance with HealthShare Victoria requirements. Goods and services including procurement, diagnostics, patient meals and multi-site operational support are provided by other Victorian health service providers on commercial terms.

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

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

Transactions with key management personnel and other related parties

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

Outside of normal citizen type transactions with Alfred Health, all other related party transactions that involved key management personnel and their close family members have been entered into on an arm's length basis. Transactions are disclosed when they are considered material to the users of the financial report in making and evaluating decisions about the allocation of scare resources.

There were no related party transactions with Cabinet Ministers required to be disclosed in FY2022-23 (FY2021-22: nil).

There were no related party transactions required to be disclosed for Alfred Health's Board of Directors and Executive Directors in FY2022-23.The Board of Directors hold positions where Alfred Health has transacted with the entity as noted below:

- Ms Chloe Shorten (Board member of Alfred Health) is also a Strategic Advisor of Burnet Institute Healthy Mothers, Healthy Babies Program; and
- Mr Lynton Norris (Board member of Alfred Health) is also a member of the Australian Health Practitioner Regulation Agency (AHPRA) Board

All transactions between the above entities and Alfred Health relate to reimbursements made by Alfred Health to the entities for the provision of goods and services and the transfer of funds by way of distributions made to Alfred Health and are in the normal course of business and are on normal commercial terms and conditions. These transactions are therefore not required to be disclosed

Alfred Health has an agreement to provide management services to WTMS Trust and in FY2022–23 charged an amount of $0.1m (FY2021–22: $0.1m). WTMS provides donation funding for the benefit of Alfred Health and its employees, in FY2022–23 this was $0.1m (FY2021–22 $0.1m). Alfred Health has an agreement to provide management services to John F Marriott Trust and in FY2022–23 charged an amount of $0.03m (FY2021–22: $0.02m).

Note 8.5 – Remuneration of auditors

Compensation - KMPs	Consolidated 2023 $'000	Consolidated 2022 $'000
Victorian Auditor–General's Office		
Audit of financial statements	219	268
Total remuneration of auditors	**219**	**268**

Note 8.6 – Australian Accounting Standards issued that are not yet effective

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

Asset class	Likely valuation approach	Significant inputs (level 3 only)
AASB 17: Insurance Contracts	Reporting periods beginning on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current	Reporting periods beginning on or after 1 January 2023.	Adoption of this standard is not expected to have a material 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 2022-6: Amendments to Australian Accounting Standards – Non-Current Liabilities with Covenants	Reporting periods beginning on or after 1 January 2023.	Adoption of this standard is not expected to have a material impact.
AASB 2022-8: Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments	Reporting periods beginning on or after January 2023.	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 Alfred Health.

Note 8.7 – Events occurring after the balance sheet date

There are no events occurring after the Balance Sheet date.

Note 8.8 – Economic dependency

Alfred Health is dependent on the Department of Health for the majority of its revenue used to operate the health service. At the date of this report, the Board of Directors believes the Department of Health will continue to support Alfred Health.

The Department of Health has provided confirmation that it will continue to provide Alfred Health adequate cash flow support to meet its current and future obligations as and when they fall due for a period up to 31 October 2024. On that basis, the financial statements have been prepared on a going concern basis.

Note 8.9 – Controlled entities

Name of entity	Country of residence	Ownership Interest %
Alfred Hospital Whole Time Medical Specialists' Private Practice Trust	Australia	100%
John F Marriott for HIV Trust	Australia	100%
Marriott for HIV Ltd	Australia	100%

Controlled entities contribution to the consolidated results

Net result/(loss) for the year	2023 $'000	2022 $'000
Alfred Hospital Whole Time Medical Specialists' Private Practice Trust	1,272	(874)
John F Marriott for HIV Trust	836	(497)
Marriott for HIV Ltd	-	-

AASB 10 *Consolidated Financial Statements* is applied in the preparation of consolidated financial statements for a group of entities under the control of the parent. AASB 10 requires the satisfaction of all of the following three criteria for control to exist over an entity for financial reporting purposes:

- the investor has power over the investee;
- the investor has exposure, or rights to variable returns from its involvement with the investee; and
- the investor has the ability to use its power over the investee to affect the amount of investor's returns.

Alfred Hospital Whole Time Medical Specialists' Private Practice Trust (the Trust) is a charitable trust set up principally for the benefit of Alfred Health. Alfred Health has the powers noted above due to its ability to appoint and remove the majority of the trustees.

Control was deemed to have occurred on 31 May 2009, when Alfred Health appointed the trustees. At that time, the Trust had net assets of $13.197m and under AASB 3 *Business Combinations*, this amount was recognised in Alfred Health's revenue.

The John F Marriott for HIV Trust is a charitable trust set up principally for the benefit of Alfred Health. Marriott for HIV Ltd is the corporate trustee of the Trust and Alfred Health has the powers noted above due to its ability to appoint and remove the majority of the directors of the trustee company.

Control was deemed to have occurred on 29 May 2020, when Alfred Health was appointed the trustee. At that time, the Trust had net assets of $6.4m.

Marriott for HIV Ltd, a wholly owned entity, was established on 29 May 2020 to act as the Trustee of John F Marriott for HIV Trust.

Note 8.10 – Equity

Property, plant and equipment revaluation surplus

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

General purpose reserve

The general purpose reserve is established where Alfred Health has generated funds internally for a specific purpose.

Restricted specific purpose reserve

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

Contributed capital

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

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Other transfers that are in the nature of contributions or distributions or that have been designated as contributed capital are also treated as contributed capital.

Note 8.11 – Glossary of terms and style conventions

Actuarial gains or losses on superannuation defined benefit plans

Actuarial gains or losses are changes in the present value of the superannuation defined benefit liability resulting from:

(a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and

(b) the effects of changes in actuarial assumptions.

Amortisation

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset.

Comprehensive result

The comprehensive result is the net result of all items of income and expense recognised for the period. It is the aggregate of operating result and other comprehensive income.

Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Current grants

Current grants are amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

Depreciation

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense reduces the 'net result for the year'.

Effective interest method

The effective interest method is used to calculate the amortised cost of a financial asset or liability and for allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial instrument, or, where appropriate, a shorter period.

Employee benefit expenses

Employee benefit expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Financial asset

A financial asset is any asset that is:

(a) cash;

(b) an equity instrument of another entity;

(c) a contractual or statutory right:

- to receive cash or another financial asset from another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or

(d) a contract that will or may be settled in the entity's own equity instruments and is:

- a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

Financial liability

A financial liability is any liability that is:

(a) a contractual obligation:

- to deliver cash or another financial asset to another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or

(b) a contract that will or may be settled in the entity's own equity instruments and is:

- a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements

A complete set of financial statements comprises:

(a) Balance sheet as at the end of the period;

(b) Comprehensive operating statement for the period;

(c) A statement of changes in equity for the period;

(d) Cash flow statement for the period;

(e) Notes, comprising a summary of significant accounting policies and other explanatory information;

(f) Comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 *Presentation of Financial Statements*; and

(g) A statement of financial position at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

Grants and other transfers

Grants and other transfers are transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes. Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Note 8.11 – Glossary of terms and style conventions (continued)

General government sector

The general government sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those which are mainly non-market in nature, those which are largely for collective consumption by the community and those which involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

Interest expense

Interest expense relates to costs incurred in connection with the borrowing of funds. They include interest on short-term and long-term liabilities, amortisation of discounts or premiums relating to liabilities, interest component of finance lease repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

Interest income

Interest income includes the unwinding, over time, of discounts on financial assets and interest received on bank term deposits and other investments.

Liabilities

Liabilities refers to interest-bearing liabilities mainly raised from public liabilities raised through the Treasury Corporation of Victoria, finance leases and other interest-bearing arrangements. Liabilities also include non-interest-bearing advances from government that are acquired for policy purposes.

Net acquisition of non-financial assets (from transactions)

Net acquisition of non-financial assets includes purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets, less depreciation, plus changes in inventories and other movements in non-financial assets. It includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write-offs, impairment write-downs and revaluations.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other comprehensive income'.

Net result from transactions/net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets.

Net worth

Net worth is assets less liabilities, which is an economic measure of wealth.

Non-financial assets

Non-financial assets are all assets that are not 'financial assets'. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, investment properties, cultural and heritage assets, intangible and biological assets.

Non-profit institution

A legal or social entity that is created for the purpose of producing or distributing goods and services but is not permitted to be a source of income, profit or other financial gain for the units that establish, control or finance it.

Payables

Payables include short and long-term trade debt and accounts payable, grants, taxes and interest payable.

Produced assets

Produced assets include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software, motion picture films, and research and development costs (which does not include the startup costs associated with capital projects).

Public financial corporation sector

Public financial corporations (PFCs) are bodies primarily engaged in the provision of financial intermediation services or auxiliary financial services. They are able to incur financial liabilities on their own account (e.g. taking deposits, issuing securities or providing insurance services). Estimates are not published for the public financial corporation sector.

Public non-financial corporation sector

The public non-financial corporation (PNFC) sector comprises bodies mainly engaged in the production of goods and services (of a non-financial nature) for sale in the market place at prices that aim to recover most of the costs involved (e.g. water and port authorities). In general, PNFCs are legally distinguishable from the governments that own them.

Receivables

Receivables include amounts owing from government through appropriation receivable, short and long-term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

Sales of goods and services

Sales of goods and services refer to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land. User charges includes sale of goods and services income.

Standing Directions

Standing Directions are issued by the Assistant Treasurer under section 8 of the *Financial Management Act 1994*. They specify public sector agency responsibilities to achieve a high standard of public financial management and accountability.

Supplies and services

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the Department.

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

Transactions

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows in an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset.

Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash.

Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

"-" represents zero, or rounded to zero

(000) negative numbers

FY2022-23 – current year period to 30 June 2023.

FY2021-22 - prior year period to 30 June 2022.

Glossary

Consumer

Refers to clients, families and other support people. Also describes previous, current or future patients who participate in formal service improvement activities.

DH
Department of Health

ED
Emergency Department

ICU
Intensive Care Unit

eTQC
electronic Timely Quality Care

GP
general practitioner

OHS
Occupational Health and Safety

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

Common terms used here:

incident
An event or circumstance that could have resulted in, or did result in, harm to an employee

accepted WorkCover claims
Accepted claims that were lodged in 2022-23

lost time
Is defined as greater than one day

injury, illness or condition
All reported harm as a result of the incident, regardless of whether the employee required time off work or submitted a claim

Seclusion
Sole confinement of a person to a room or other enclosed space, used as a safety intervention when patient is at imminent risk to self or others.

RAP
Reconciliation Action Plan

Separation
When an admitted patient's episode of care (their total hospital stay from admission to discharge, transfer or death) ends. A separation is also counted when there is a change in the type of care a patient is receiving.

Vulnerable patient
Someone who may be susceptible to experiencing marginalisation or barriers when receiving their healthcare, due to multiple or complex needs and/ or someone who is lacking advocacy.

Pictured left: **Charlotte** is one of Alfred Health's dedicated volunteers, providing support in Day Procedures at The Alfred.

Back cover: Head of Truma Anaesthesia **Dr Simon Hendel** received a competitive Churchill Fellowship to investigate police tactical emergency medical systems in the UK, USA and Europe.

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