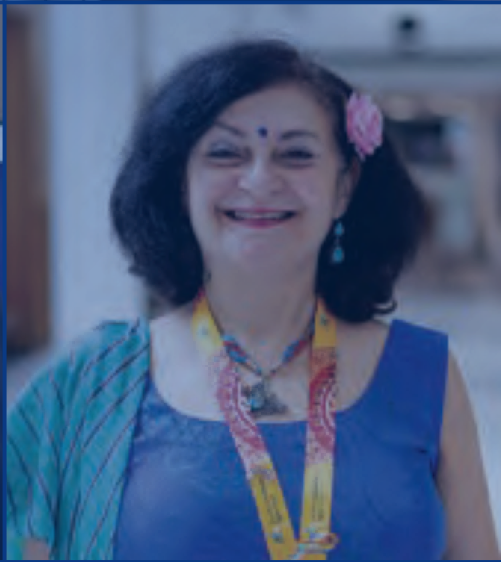




Eastern Health 



ANNUAL REPORT

2023-24



**Healthier
together**



Our Promise

Healthier together

Values in Action

- Respect for all
- Safe always
- Partnering in care
- Learning and improving every day

Our Strategic Goals

- Enabled and empowered people
- Excellent care and experiences
- Safe and welcoming
- Optimising resources

Eastern Health Catchments



Eastern Health acknowledges the traditional custodians of the land upon which our health service is built, and we pay our respects to their elders past and present. Eastern Health is an inclusive healthcare service.

Aboriginal and Torres Strait Islander people are advised that this publication may contain images of deceased persons.



Geographically, Eastern Health covers the municipalities of Boroondara, Knox, Manningham, Maroondah, Whitehorse and Yarra Ranges. Since its establishment in July 2000, Eastern Health has played a pivotal role in the provision of public health services in Melbourne's east and partners with community healthcare providers, such as general practitioners, community health services and affiliated healthcare agencies.

INTRODUCTION

The *Annual Report 2023-24* provides information about Eastern Health's campuses, services, staff and operational achievements and challenges during the financial year.

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

Eastern Health publications are available online: www.easternhealth.org.au

The *Annual Report 2023-24* will be presented to the public at Eastern Health's annual meeting which will be advertised on the Eastern Health website.

RESPONSIBLE BODIES DECLARATION

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



MR TASS MOUSAFERIADIS

Eastern Health Board Chair

2 September 2024

CHILD SAFETY COMMITMENT STATEMENT

Eastern Health is a child safe organisation, committed to promoting the wellbeing and cultural safety of Aboriginal children, children with disabilities and all children in their diversity.

MODERN SLAVERY STATEMENT

Eastern Health is committed to safe workplaces, to limiting the risk of modern slavery within its operations and supply chains, and to the eradication of modern slavery.

MANNER OF ESTABLISHMENT

As a public health service established under section 181 of the *Health Services Act 1988* (Vic), Eastern Health reported to the Victorian Minister for Health, the Hon Mary-Anne Thomas from 1 July 2023 to 30 June 2024.

We also reported to the Victorian Minister for Mental Health, the Hon Gabrielle Williams from 1 July 2023 to 2 October 2023 and the Hon Ingrid Stitt from 2 October 2023 to 30 June 2024.

In addition, we reported to the Victorian Minister for Disability, Ageing and Carers, the Hon Lizzie Blandthorn from 1 July 2023 to 30 June 2024.

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



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Our Board Chair and Chief Executive



Board Chair
Mr Tass Mousaferiadis

YEAR IN REVIEW

In 2023-24 Eastern Health delivered projects and services that advanced the fulfilment of our promise of being Healthier together.

As COVID-19 proved to be less of a challenge than in the past few years, we focused our efforts on enhancing our mental health services, increasing our capacity to serve our communities, and contributing to research and education.

The Mental Health and Wellbeing Program has implemented strategies to deliver on the recommendations from the Royal Commission into Victoria's Mental Health System and the priority areas identified by the Department of Health.

Eastern Health recognises good mental health is not just being free from mental illness. We have undertaken considerable work to deliver an expanded Lived Experience Workforce structure, which has enabled consumers and carers to inform and shape the Program's response to the recommendations.

Additionally, we have supported the implementation of the new *Mental Health and Wellbeing Act 2022 (Vic)*. This has resulted in important changes for people receiving mental health treatment, with many of the changes focused on the creation of a more responsive and compassionate mental health and wellbeing system for all Victorians.

The introduction of the Act is a key recommendation arising from the Royal Commission, and our teams have been keenly focused on supporting and implementing the requirements of the new Act, including working towards the elimination of restrictive interventions.

We are proud to report a range of highlights that were achieved during 2023-24.



25 YEARS OF CLINICAL EXCELLENCE

Congratulations to Spectrum which celebrated its 25th year of delivering specialist services for people experiencing personality disorder and complex trauma.

In March, Spectrum organised a scientific conference which highlighted an innovative model of care that can be applied across mental health systems throughout the state and the country at large.

Spectrum also launched a new website for people newly diagnosed with borderline personality disorder, their partners, families, carers, and health professionals.

Its contemporary design enables easy navigation to treatment and support information and showcases the workforce development opportunities and research Spectrum is involved in.

Spectrum continued to provide leadership in treatment, consultation, support, training and research for personality disorder and complex trauma throughout 2023-24.

DELIVERING OUTSTANDING ADDICTION TREATMENT SERVICES

As Australia's leader in national addiction treatment, training and research, Turning Point continued to deliver outstanding and innovative research, education and treatment services.





"Eastern Health recognises good mental health is not just being free from mental illness, and has delivered an expanded Lived Experience Workforce structure, which enables consumers and carers to inform and shape the Mental Health and Wellbeing Program's response to the Royal Commission."

Chief Executive
Adjunct Professor David Plunkett

In January, Turning Point submitted a report to the federal 'Inquiry into the challenges and opportunities for law enforcement in addressing Australia's illicit drug problem', proposing evidence-informed reforms to Australia's budget to better focus on managing issues with illicit drugs.

February saw the relaunch of the four-part documentary series Addicted Australia, produced by SBS. Watched by over 1.3 million people since its release, the series follows 10 Australians as they take part in a unique addiction treatment program developed by Turning Point clinicians.

Several new datasets were released throughout 2023-24 providing information on harm related to alcohol, and illicit and pharmaceutical drug use in Victoria.

Our Turning Point research team has had a very successful year, securing over \$5.5 million in grants for wide ranging and impactful research projects.

After being re-purposed during the COVID-19 global pandemic when hospitals were experiencing an increased demand, Ward 1 East, the 8-bed addiction medicine unit, was reopened early in 2024.

This will significantly contribute to the expansion of acute detoxification beds and signify an important step forward in contemporary, consumer-centred care.

The reopening is strengthened by a collaborative partnership between the Eastern Health Mental Health and Wellbeing Program and Turning Point, providing a holistic approach to treatment.

CELEBRATING HAMILTON CENTRE'S FIRST YEAR

The Hamilton Centre marked its first anniversary in April 2024, having made significant progress towards its mission of breaking down barriers to mental health and addiction treatment.

The Centre was established by the Victorian Department of Health as part of the response to the Royal Commission into Victoria's Mental Health System.

The Centre has received over 900 referrals since its launch, including information, service navigation, and primary and secondary consultation requests.

The Centre demonstrated its commitment to supporting workforce development by announcing 20 scholarships for Victorian Mental Health and Wellbeing workers to complete Monash University's online Graduate Certificate of Addictive Behaviours in 2024.

Under the leadership of Associate Professor Shalini Arunogiri, Clinical Director, it also expanded its team and services, including launching an Advice and Mentorship Line for Victorian healthcare workers.





ENHANCING OUR MENTAL HEALTH SERVICES

The Mental Health and Wellbeing Program has been focused during the past 12 months on implementing strategies to deliver on the recommendations from the Royal Commission into Victoria's Mental Health System and the priority areas identified by the Department of Health.

To support our community teams and to increase the services we offer, we have established two new community sites for consumers to receive care in Forest Hill, for adults over 26 years of age, and Ringwood for people under 26 years old.

We are also partnering with our service users, families, supporters and our lived experience and clinical workforces to co-design new community spaces in Box Hill and Ringwood.

Importantly, the Mental Health and Wellbeing Program has been working in partnership with Wellways as the lead agency, Inspiro, and Oonah to deliver The Local at Yarra Ranges. Establishment of The Local is a key recommendation from the Royal Commission and the first to be delivered in the eastern region.

The Local is designed to deliver integrated mental health and wellbeing treatment, care and support for people aged 26 years and over who need more support than they can get from their general practitioner or other private practitioner. Services are provided free of charge and include a range of peer-led, clinical and psychosocial support for the community.

Eastern Health is proud of the Program's achievements across our mental health sites at Mont Albert, Forest Hill, Box Hill (Wellington House) and Ringwood over the past year. We are committed to ensuring that the voice of those with lived and living experience is central to the design and development of our services now and into the future.

DRIVING RESEARCH THROUGH THE EASTERN HEALTH INSTITUTE

The establishment of the Eastern Health Institute in 2023 has facilitated the ongoing expansion of educational and research activities across Eastern Health.

Our learning management system now coordinates 726 staff educational and training courses. For those courses, there have been 174,019 online course completions, and 56,751 participants who attended face to face sessions. The Institute authored 543 research papers during the 2023-24 financial year. As of 30 June 2024, we have 1,150 ongoing research projects.

Our research activities align strongly with our strategic goals to provide excellent care and experiences while enabling and empowering people.

This is exemplified by projects such as our Inreach initiative to provide onsite care to residents of aged care facilities after experiencing a fall, our National Health and Medical Research Centre (NHMRC) funded implementation of HIRAID®, a world leading emergency nursing framework, across our emergency departments, and the award of a prestigious NHMRC Investigator Grant to Dr Amy Dennett for her ongoing cancer rehabilitation work.

Through the Institute, Eastern Health maintains strong, productive, and mutually beneficial research and educational links with its three main partners: Monash, Deakin, and La Trobe Universities.



"Our research activities align strongly with our strategic goals to provide excellent care and experiences while enabling and empowering people."





ABORIGINAL AND TORRES STRAIT ISLANDER HEALTH AND CULTURAL SAFETY

Providing culturally safe care

In May 2024 Eastern Health launched nangnak warr bagora, a clinic providing cancer care coordination and support for Aboriginal and Torres Strait Islander people. Based at Eastern Health Healesville, the clinic uses culturally appropriate practices and a holistic approach to create a safe and healing environment.

A significant proportion of Victoria's Aboriginal and Torres Strait Islander population reside in the Yarra Ranges area, including Healesville. The nangnak warr bagora clinic is an innovative multi-disciplinary and patient-centred service providing oncology care for Community in the area.

Our Reconciliation journey

As we develop our next *Reconciliation Action Plan (RAP)*, we are grateful for the lessons learned from our first Innovate RAP. Our emphasis has been to focus on internal discussion and education opportunities that promote reconciliation and cultural safety, and challenge racism in health care.

A key appointment that will provide guidance as we continue our reconciliation journey is the Reconciliation Action Plan Manager, Mena Love.

In her role as a mental health clinician at Eastern Health over several years, Ms Love has built strong and lasting Community connections. This new role is crucial in ensuring that Eastern Health becomes more aware of the needs and priorities of the Community in our region.

Eastern Health hosted the inaugural First Nations Health Forum in March 2024 with the aim of providing an opportunity for the Aboriginal and Torres Strait Islander Community to learn about the health services available in the eastern region.

It was also a valuable opportunity for Eastern Health to increase our understanding of the ways in which we can continually improve the services we offer to meet the needs of Community.

Through an important action arising from our *Aboriginal Health Cultural Safety Plan – Healthier Together Towards 2024*, we were honoured to have Aboriginal Community Controlled Health Organisations (ACCHOs) and Aboriginal Community Controlled Organisations (ACCOs) involved in the forum.

The Aboriginal Health Advisory Committee meets quarterly to provide advice and raise issues that are important to the Aboriginal and Torres Strait Islander Community in the region. The Committee comprises representatives from ACCHOs in the eastern region. In 2023 the Committee developed and agreed on a definition of self-determination at Eastern Health.



Aboriginal Workforce Plan

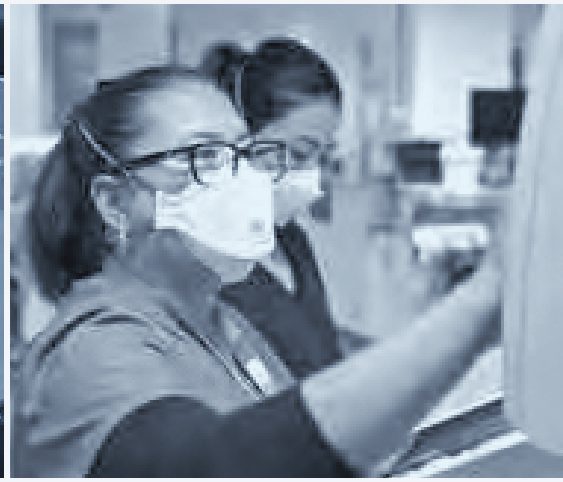
The organisation-wide Aboriginal Workforce Plan supports Eastern Health's vision to build true parity and become an employer of choice for Aboriginal peoples over the next 10 years where:

- The rich and thriving culture, knowledge and lived experience of our Aboriginal staff, patients, their families and the Aboriginal Community are valued and celebrated.
- Each person has culturally safe and positive employee experiences which foster belonging and access to diverse experiences and career pathways.
- We strengthen and build our Aboriginal workforce by focusing on impactful attraction, recruitment, on-boarding, development and retention strategies.
- We address the systemic issues that hinder opportunities for Aboriginal employees, while also building a culturally safe and supportive workplace culture for all.

Toolkits and guidance continue to be a major focus to support leaders to drive achievement of the Aboriginal Workforce Plan.

In 2023-24, 34 staff chose to identify as being of Aboriginal and Torres Strait Islander origin, an increase from 11 the previous year.





DELIVERING THE BEST HEALTH CARE EXPERIENCES AND OUTCOMES

International recognition for Stroke Unit

We are very proud of the Eastern Health Box Hill Stroke Unit, which was internationally recognised for meeting the highest standards in stroke treatment and care. In April 2024 the World Stroke Organization (WSO) Angels awarded Eastern Health Box Hill WSO Gold Status, an honour for the team.

To achieve WSO Gold status, a hospital must demonstrate a range of outcomes, including optimum time to treatment, coordinated care, appropriate scans and screening, and ensuring patients are discharged from hospital on medications to minimise the risk of further stroke.

The Stroke Unit at Box Hill has the nation's fastest door-to-needle time, which starts from the time a patient is diagnosed with a stroke, until they receive thrombolysis treatment.

The Box Hill Stroke Unit also received Stroke Unit Certification as a Primary Stroke Centre on behalf of the Australian Stroke Coalition in August 2023.

Significant and sustained improvement

In March 2024 Eastern Health received an award for significant and sustained improvement as part of a Timely Emergency Care Collaborative (TECC) award ceremony.

The TECC is run by the Victorian Department of Health and comprises 14 health services. Eastern Health was recognised for demonstrating improved emergency department flow because of improvement work across Eastern Health Box Hill.

We are proud of the following initiatives receiving recognition:

- Short Stay Unit
- Home for Brunch
- Fast Track
- Transit Lounge

These initiatives have been successful in enabling more patients to be seen in the Emergency Department by increasing cubicle and ward bed availability.

EXPECTATIONS FOR THE FUTURE

Investing in our people

Our people are our greatest strength. As we continue to invest in and prioritise our people, we are focused on developing an enabled and empowered workforce.

As part of this commitment, we have specific programs of work to support our people, including a cultural realignment program to ensure we have the right culture at Eastern Health to enable and support the strategic goals set out in the Strategic Plan 2023-2025, *Working Together Towards 2025*.

This program supports our strategic endeavours, ensuring that our people are engaged, and driven by a shared sense of purpose, with the values in action serving as a unifying and inspiring force.

In 2024, we commenced work to assess the maturity of Diversity, Equity and Inclusion at Eastern Health for our consumers and workforce. This work will inform a new framework to prioritise and plan initiatives for the future, with a specific focus on intersectionality.

Building a secure and sustainable health service

In 2024-25 we aim to continue work towards achieving our vision of establishing the foundations for a secure and sustainable health service that is resilient and aimed towards achieving the promise of Healthier together for our people and our community.

Eastern Health will deliver enhanced wireless network coverage at each site by implementing a resilient and secure medical grade network built on best practices and cyber security hardening to safeguard clinical applications across multiple sites.

An Enterprise Contact Centre (NICE CXOne) will be implemented to modernise and streamline our Contact Centre operations.

NICE CXOne offers improved data management for analysis, enabling continuous improvement in our telephony communications, enhancing staff, patient and consumer experience.



Enhanced cyber security initiatives have also been implemented to safeguard Eastern Health systems and applications.

In 2023-24 we deployed Microsoft 365 tools to support internal and external collaboration, enabling Eastern Health to store, communicate and share information easily with its staff, patients, visitors, and community.

Enhancing our infrastructure

Following a closure to enhance and expand services, Eastern Health Blackburn reopened in early June 2024 with the commencement of general surgery, gynaecology and dietetic clinics.

Currently in service with two operating theatres, the final stage of works will see the completion of two additional operating theatres, which will allow us to include a range of other surgeries.

The new configuration of space and redesign of Eastern Health Blackburn will support us as we continue delivering safe and welcoming care to the community by optimising our resources.

Eastern Health was pleased to have the Hon Mary-Anne Thomas MP attend the groundbreaking ceremony for the expansion of Eastern Health Angliss in June 2024.

Delivering a new 32-bed inpatient unit and four operating theatres, the expansion will increase the hospital's ability to deliver overnight and same-day surgical and outpatient care.

Plans for a new emergency department at Eastern Health



"Plans for a new emergency department at Eastern Health Maroondah will enable 22,400 additional patients to receive emergency care each year."

Maroondah will enable 22,400 additional patients to receive emergency care each year.

The hospital will also feature a dedicated paediatric emergency department providing children and families seeking treatment with a private, calm and child-friendly environment.

As we look forward to 2024-25, we will undertake the following projects to ensure all Eastern Health services deliver the care our communities need:

- Refurbish Mental Health Intensive Care Areas at Eastern Health Box Hill and Maroondah.
- Install a new positron emission tomography (PET) scanner at Eastern Health Box Hill.
- Develop two new multi-storey Community Mental Health facilities at Eastern Health Box Hill and Ringwood.
- Design and construct a new behavioural assessment room at Eastern Health Box Hill Emergency Department.

As we look to the year ahead, we would like to thank the Board and Executive Leadership Team for their leadership this past year. Thank you also to all Eastern Health staff for your passion and commitment to the work we do. Finally, thank you to our stakeholders and the communities we serve for providing us with the opportunity to build a healthier future together.

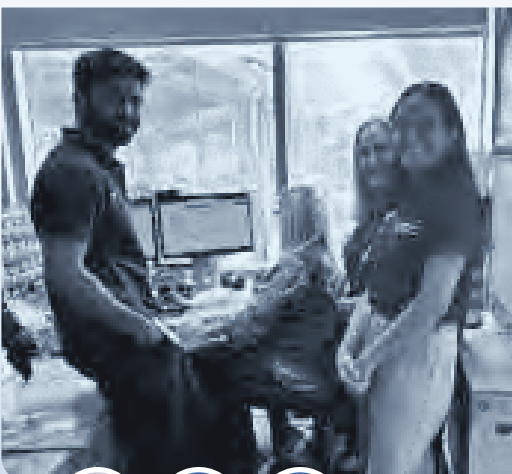
MR TASS MOUSAFERIADIS

Board Chair

ADJUNCT PROFESSOR

DAVID PLUNKETT

Chief Executive



Finance Committee Chair and Chief Finance Officer



Finance Committee Chair
and Board Director
Mr Lance Wallace

THE NET OPERATING RESULT

The Net Operating Result is the key financial measurement which Eastern Health is monitored against in its Annual Statement of Priorities signed by the Board Chair and the Minister for Health for the financial year.

The deficit result of \$72 million is consistent with the Statement of Priorities target. For total revenue of \$1.56 billion, this is a 4.6% margin.

The Net Result from Transactions for the year excluding the revaluation surplus and other economic flows shows a deficit of \$103.9 million.

The deficit is due to is capital purpose income of \$61.1 million being less than the depreciation expense of \$89.3 million, and the capital expenses of \$3.7 million including software as a service (SaaS).

A reconciliation of the Net Results from Transactions to the Net Operating Result is included on the next page.

Eastern Health's net result is a \$100.04 million deficit, which takes into account other economic flows (such as Long Service Leave liability revalued by \$5.6m for changed bond rates), capital purpose income, land and building revaluations and depreciation.

The requirement for a Valuer-General revaluation of land and buildings (a 5-year cycle) was conducted resulting in revaluation increase of \$134.7 million. While buildings increased in value by 42%, land decreased in value by 15% due to market performance in the areas where Eastern Health properties are situated.

Our cash position at the end of the financial year was \$134.7 million, which is a reduction on last year by \$46.3 million. This cash position includes funds related to programs for equipment, multi-year capital projects for building works, and residential aged care deposits held in trust.

The reduction is reflective of the Net Result deficit adjusted non-cash expenditure such as depreciation.

COST OF PROVIDING SERVICES

Operating activity revenues excluding capital revenue grew by 3% and enabled the continued delivery of much-needed services to our community through the year.

However, operating expenditure, increased by 8.2% to meet this demand. Key factors included a higher focus on planned surgery, increase in Salaries and wages of 10.6% including back-pays as part of Enterprise Agreements registered through the year, and a small increase in non-salary costs of 1.4%.

MANAGING STAFFING AND CONSUMABLE COSTS

Eastern Health's management team, as in prior years, prepared a comprehensive operating budget program for revenue and expenditure, accompanied by detailed activity schedules for monitoring patient activity including inpatient and non-inpatient services across all programs.

Likewise, the Board and management proactively communicated and contributed to the Department of Health reviews of funding models which were considered as part of the 2024/25 State Budget.

LANCE WALLACE
Finance Committee Chair and
Board Director

GEOFF CUTTER
Chief Finance Officer





“Eastern Health’s net result is a \$100.04 million deficit, which takes into account other economic flows (such as Long Service Leave liability revalued by \$5.6m for changed bond rates), capital purpose income, land and building revaluations and depreciation.”

Chief Finance Officer
Mr Geoff Cutter

SUMMARY OF FINANCIAL RESULTS

	2024 \$000	2023 \$000	2022 \$000	2021 \$000	2020 \$000	2019 \$000
Operating Result*	(72,003)	(75)	497	0	(429)	2,670
Total revenue	1,562,699	1,510,559	1,447,856	1,288,446	1,179,120	1,100,184
Total expenses	1,666,618	1,553,213	1,435,616	1,317,212	1,230,942	1,144,460
Net result from transactions	(103,919)	(42,654)	12,240	(28,766)	(51,822)	(44,276)
Total other economic flows	3,876	(16,546)	13,015	18,302	(4,125)	(17,156)
Net Result	(100,043)	(59,200)	25,255	(10,464)	(55,947)	(61,432)
Total assets	1,992,599	1,702,764	1,627,650	1,502,247	1,479,194	1,435,015
Total liabilities	595,684	587,519	559,548	478,760	466,271	366,218
Net assets	1,396,915	1,115,245	1,068,102	1,023,487	1,012,923	1,068,797
Total Equity	1,396,915	1,115,245	1,068,102	1,023,487	1,012,923	1,068,797

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

Reconciliation between the Net Result from Transactions reported in the Financial Statements to the Operating Result as agreed in the Statement of Priorities

	2024 \$000	2023 \$000	2022 \$000
Net Operating Result	(72,003)	(75)	497
Capital purpose income	61,076	56,983	83,118
Capital expenses (including SaaS)	(3,672)	(22,964)	0
Depreciation and amortisation	(89,320)	(76,598)	(71,375)
Net Result from Transactions	(103,919)	(42,654)	12,240



2023-24 at a glance

OUR PERFORMANCE



1,549,332

episodes of patient care

↑ of 8.1%



41,231

surgeries

↑ 15.6%



146,855

emergency department presentations

↑ 1.1% - approximately one person every 3.4 minutes



4,100

babies born

↓ 3% - approximately one baby born every 2.1 hours



43,025

ambulance arrivals to our three emergency departments

↓ 2.3% - approximately one ambulance every 12.2 minutes every day



325,762

specialist clinic appointments

↑ 12.2%



4,271

patients on the elective surgery waiting list

↓ 39.6%



18,302

patients admitted for elective surgery

↑ 18.4%



320,557

occasions of service provided by mental health community services

↑ 4.3%



3,709

patients admitted to our mental health inpatient units

↑ 8.5%



150,957

patients admitted for acute care

↑ 10.5%

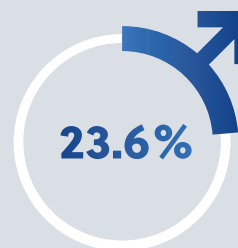
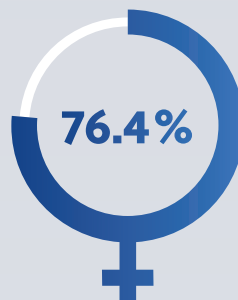


8,259

patients admitted for acute care aged under 18

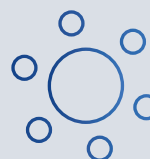
↑ 6.7%

OUR PEOPLE



104

nationalities make up the Eastern Health workforce



34

staff who identify as Aboriginal and Torres Strait Islander





ABOUT US

Our Strategy

At the heart of Eastern Health's strategic plan is a promise to ourselves, each other and to the community.

That promise is 'Healthier together', for it is only in working together that each one of us can lead our best and healthiest lives.

It is with this promise that we call ourselves and our community to action for a healthier future.

The intent of this promise is woven through each of the four strategic goals and associated strategies in the plan.

STRATEGIC GOALS

Enabled and empowered people

- Partner with our staff to build an engaged and sustainable workforce.
- Extend our capability as a learning organisation.
- Develop workforces of the future through strong partnerships with universities and training partners.
- Build our use of clinical and data informatics and analytics to support high-quality decisions.

Excellent care and experiences

- Continuously strengthen our partnerships with patients, consumers and the community to enable shared decision making and co-designed care.
- Connect clinical practice, research and teaching to advance care and outcomes through dedicated Centres of Excellence.
- Deliver care closer to home through new care models and leveraging technology.
- Enhance impacts on care through increased research collaboration with universities.

Safe and welcoming

- Ensure employee wellbeing and engagement.
- Enhance our capacity to be an equitable and inclusive health service.
- Strengthen our safety culture to prevent harm.
- Create environments that welcome our diverse communities.

Optimising resources

- Partner to create better outcomes for our community.
- Pursue opportunities to deliver modern, fit for purpose technology, equipment and infrastructure.
- Enhance value and reduce waste in our systems and services through innovation.
- Drive financial sustainability.



VALUES IN ACTION

Our plan also calls out four values in action, the behaviours that we believe matter the most in how we carry out our work and interact with each other. They drive how we care for our patients and support the community.

These values in action represent and convey so much more than their short statements. They embody who we are as a workforce, as a team and as an organisation.

- Respect for all
- Safe always
- Partnering in care
- Learning and improving every day



To view Eastern Health's Strategic Plan, visit www.easternhealth.org.au

Our Promise

Healthier Together

Values in action

Respect for all

Safe always

Partnering in care

Learning and improving every day

Enabled and empowered people

Excellent care and experiences

Safe and welcoming

Optimising resources



Who we are

Eastern Health is one of Melbourne's largest metropolitan public health services. We provide a range of emergency, surgical, medical and general healthcare services, including maternity, palliative care, mental health, drug and alcohol, residential care, community health and statewide specialist services to people and communities that are diverse in culture, age, socio-economic status and healthcare needs.



Services located across
2,816
square kilometres
the largest geographical area of any metropolitan health service in Victoria



11,920
staff
(60% of whom live within the community we serve)



174,019
course completions in iLearn



56,751
face to face fully attended training sessions



We have
176
dedicated volunteers

STUDENT PLACEMENTS

DISCIPLINE	NUMBER OF STUDENTS	NUMBER OF PLACEMENT DAYS
Allied Health Assistant	12	170
Art Therapy	1	67
Dietetics	70	2,181
Health Services Assistance	6	60
Medicine	855	36,500
Midwifery	218	2,815
Nursing	2,092	32,737
Occupational Therapy	100	2,325
Podiatry	4	72
Physiotherapy	456	5,313
Psychology	7	343
Social Work	22	1,423
Speech Pathology	66	1,138
TOTAL	3,909	85,144

EASTERN HEALTH ORGANISATIONAL PROFILE

Larger campuses

- Eastern Health Angliss
- Eastern Health Blackburn
- Eastern Health Box Hill
- Eastern Health Forest Hill
- Eastern Health Healesville
- Eastern Health Lilydale
- Eastern Health Maroondah
- Eastern Health Peter James
- Eastern Health Richmond
- Eastern Health Wantirna

Corporate functions

- Clinical Governance
- Digital Health
- Finance and Procurement
- Fundraising, Legal Services and Corporate Governance
- Infrastructure and Support Services
- People and Culture
- Eastern Health Institute
- Strategy and Improvement
- Professional Governance: Medical, Nursing and Allied Health



Clinical programs and services

Eastern Health provides 64 distinct clinical services which are delivered under two Directorates, **Clinical Operations** and **Mental Health and Clinical Support**. These are supported by a range of services including medical imaging, pathology and pharmacy services, while the patient access team ensures efficient use of our resources through the allocation and management of patient flow through our hospital beds.

Each program is led by a Director of Operations and a Clinical Program Director who are responsible for the clinical operations of the services under their respective clinical program.

DIRECTORATE	PROGRAM	CLINICAL SERVICE GROUP			
Clinical Operations	Care@Home and Acute Specialist Clinics	1 Aboriginal Health	7 Community Rehabilitation Program	13 Hospital Admission Risk Program	14 Hospital in the Home
		2 Acute Specialist Clinics	8 District Nursing	15 Hospital in the Home - Oncology	16 Rehab in the Home
		3 Aged Care Assessment Service	9 Early Supported Discharge for Stroke	17 Residential Inreach	18 Subacute Ambulatory Care Services
		4 Ambulatory Subacute Early Response Team	10 ECASA (Now under the Women and Children Program)	19 Talk to You Tomorrow	20 Transition Care Program
		5 Chronic Rehabilitation	11 GEM@Home		
		6 Community Health	12 General Practice Clinic		
	Critical Care and Access	21 Cardiology			
		22 Emergency Services			
		23 Intensive Care			
	Medicine	24 Acute Care of the Elderly	29 Geriatric Evaluation and Management	34 Oncology	35 Palliative Care
		25 Dermatology	30 Haematology	36 Rehabilitation	37 Renal Medicine
		26 Endocrinology	31 Infectious Diseases	38 Respiratory Medicine	39 Rheumatology
		27 Gastroenterology	32 Neurology		
		28 General Medicine	33 Neurosurgery		
	Surgery and Anaesthetics	40 Anaesthetics	44 General Surgery	49 Paediatric	50 Plastic
		41 Breast and Endocrine	45 Gynaecology	51 Upper GI, Bariatric and Thoracic	52 Urology
		42 Colorectal	46 Obstetric	53 Vascular	
		43 Ear, Nose and Throat	47 Ophthalmology		
			48 Orthopaedic		
	Women and Children	54 Eastern Centre Against Sexual Assault			
		55 Gynaecology			
		56 Neonates			
		57 Obstetrics			
		58 Paediatrics			
		59 Victorian Paediatric Rehabilitation Service			
Mental Health and Clinical Support	Mental Health and Wellbeing	60 Child and Youth			
		61 Adult and Older Adult			
	Statewide Services	62 Spectrum			
		63 Turning Point			
	Medical Imaging				
Pathology					
Pharmacy					





OUR GOVERNANCE

Eastern Health would like to acknowledge the members of the Board and Executive team whose terms at Eastern Health ended during 2023-24. We thank them for their considerable contribution to the success of Eastern Health during their tenure.

Our Board of Directors

Eastern Health is a public health service as defined by the *Health Services Act 1988 (Vic)* and is governed by a Board of Directors consisting of up to nine members appointed by the Governor in Council on the recommendation of the Victorian Minister for Health.

The Board must perform its functions and exercise its powers subject to any direction given by the Minister for Health and subject to the principles contained in the *Health Services Act 1988 (Vic)*, and *Public Administration Act 2004 (Vic)*.

The Board is responsible for the governance of Eastern Health and is responsible for its financial performance, strategic direction and quality of healthcare services, and for strengthening community involvement through effective partnerships.

The Board is responsible for ensuring Eastern Health performs its functions under Section 65 of the *Health Services Act 1988 (Vic)*, including the requirement to develop statements

of priorities and strategic plans, and to monitor compliance with these statements and plans.

The Board also has responsibility for the appointment of the Chief Executive.

The Eastern Health by-laws enable the Board to delegate certain authority. The by-laws are supported by the Delegations of Authority, enabling designated Executives and staff to perform their duties through exercising specified authority.

The Directors contribute to the governance of Eastern Health collectively as a Board. The Board normally meets monthly and 12 meetings are scheduled each financial year.

During 2023-24, Eastern Health's Board Directors were:

MR TASS MOUSAFERIADIS – CHAIR

BEd Grad Dip HealthEd Grad Cert BusMgt, GAICD

Appointed Chair of Eastern Health Board 1 July 2019

Current professional positions

- Chair, Southeast Mental Health and Wellbeing Interim Regional Body (until December 2023)
- Board Chair, Victorian Responsible Gambling Foundation
- Board Director, FoodBank Victoria
- Acting Chair, Victorian Equal Opportunity and Human Rights Commission

MS ANNA LEE CRIBB

BA MDisRes

Appointed 1 July 2019

Current professional positions

- Consultant in workplace relations
- Mediation and Conciliation Panel, Commission for Gender Equality in the Public Sector
- Secretary Resolution Institute Mediation PDG

Continued on page 16



MS SALLY FREEMAN

Chartered Accountant, GAICD
BCom CEW

Appointed 1 July 2020

Current professional positions

- Board Director, Netwealth
- Board Director, Regis Aged Care
- Board Director, Melbourne Football Club
- Board Director, SRLA
- Board Director, Regional Investment Corporation
- Board Director, ADICA
- Audit Committee, Independent Member – HealthShare, Caulfield Grammar and Commonwealth Games, Australia

MRS PENNY HUTCHINSON

BA(Hons) MA AMusA FCA

Appointed 1 July 2021

Current professional positions

- Board Member, Victorian Registration and Qualifications Authority
- Chair, Audit and Risk Committee, Department of Climate Change, Energy, the Environment and Water (NSW)
- Chair, Audit and Risk Committee, Department of Planning, Housing and Infrastructure (NSW)
- Board Member, Gippsland Water
- Chair, Public Sector Panel, CAANZ (Vic)

DR BOB MITCHELL AM

LLB MPhil GradDipTax MThSt PhD FAICD

Appointed 1 July 2019

Current professional positions

- Board Director, Mission Australia
- Board Director, The Different Collective Ltd
- Trustee, The Frank and Flora Leith Charitable Trust
- University Council, University of Divinity
- Legal Practitioner

MR ANDREW SAUNDERS

BSc GradDipEd MBA MAICD

Appointed 1 July 2018

Current professional positions

- Board Director, Victoria Legal Aid
- Non-Executive Board Director, Care Connect
- Country Manager, Health Information and Management Systems Society (HiMSS) Australia & NZ
- Independent Board Committee member, Eastern Melbourne Primary Healthcare Network
- Independent Board Committee member, HealthShare Vic
- Principal and Director, Red Mosaic Pty Ltd

MR TERRY SYMONDS

BA MHSt GCMH GAICD

Appointed 1 July 2022

Current professional positions

- Chief Executive Officer Yooralla
- Board Director, Eastern Melbourne Primary Health Network (until February 2024)

MR LANCE WALLACE

Dip Business CPA PSM

Appointed 1 July 2020

Current professional position

- Chair, HealthShare (Health Purchasing Victoria)

DR ANGELA WILLIAMS

MBBS MForensMed MBA GAICD
MPH/MHM FFFLM(UK) FFCFM(RCPA)
AFRACMA PRI NMAS LLB GDLP

Appointed 1 July 2020

Current professional positions

- Senior Forensic Physician, Victorian Institute of Forensic Medicine
- Board Director, Forensicare
- Board Member, Football Victoria
- Tribunal Member, VCAT
- Tribunal Member, Football Victoria 2023
- Adjunct Senior Lecturer, Department of Forensic Medicine, Monash University
- Board Director Forensicare
- Chair, Faculty of Clinical Forensic Medicine, Royal College of Pathologists Australasia
- Board Member, Royal Australasian College of Medical Administrators

BOARD ATTENDANCE 2023-24

DISCIPLINE	FIRST APPOINTMENT	TERM NUMBER	EXPIRY OF TERM	ATTENDANCE 2022-23	MEETINGS BY CIRCULATION
Mr Tass Mousaferiadis	8 Dec 2015	4	30 June 2025	12/13	8/8
Ms Anna Lee Cribb	1 July 2019	2	30 June 2025	13/13	6/8
Ms Sally Freeman	1 July 2020	2	30 June 2026	12/13	8/8
Mrs Penny Hutchinson	1 July 2021	1	30 June 2024	13/13	8/8
Dr Bob Mitchell	1 July 2019	2	30 June 2025	13/13	8/8
Mr Andrew Saunders	1 July 2018	2	30 June 2024	13/13	8/8
Mr Terry Symonds	1 July 2022	1	30 June 2024	12/13	6/8
Mr Lance Wallace*	1 July 2020	2	30 June 2026	13/13	8/8
Dr Angela Williams	1 July 2020	2	30 June 2024	11/13	7/8

* Resigned 30 June 2024.



COMMITTEE MEETINGS	AUDIT AND RISK COMMITTEE	COMMUNITY ADVISORY COMMITTEE	FINANCE COMMITTEE	QUALITY AND SAFETY COMMITTEE	PRIMARY CARE AND POPULATION HEALTH ADVISORY COMMITTEE	REMUNERATION COMMITTEE***	PEOPLE AND CULTURE COMMITTEE
Mr Tass Mousaferiadis	6/6		9/10	4/5	0/1	1/1	1/1
Ms Anna Lee Cribb				4/5	3/3	1/1	0/1
Ms Sally Freeman	6/6	3/4*	9/10				
Mrs Penny Hutchinson	6/6		2/4**	4/5			
Dr Bob Mitchell	6/6		9/10		3/3		
Mr Andrew Saunders	6/6	4/5	10/10			1/1	
Mr Terry Symonds				5/5			1/1
Mr Lance Wallace	5/6		10/10				
Dr Angela Williams				4/5	3/3		1/1

* Resigned June 2024.

** Appointed February 2024.

*** Disestablished February 2024, replaced by People and Culture Committee.

PURPOSE, FUNCTIONS, POWERS AND DUTIES

Eastern Health's core objective 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 other objectives of Eastern Health, as a public health service, are to:

- Provide high-quality health services to the community which aim to meet community needs effectively and efficiently.
- Integrate care as needed across service boundaries, in order to achieve continuity of care and promote the most appropriate level of care to meet the needs of individuals.
- 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.
- Ensure that the health service strives to continuously improve quality and foster innovation.
- Support a broad range of high-quality health research to contribute to new knowledge and take advantage of knowledge gained elsewhere.
- Operate in a business-like manner which maximises efficiency, effectiveness and cost-effectiveness, and ensures the financial viability of the health service.
- Ensure that mechanisms are available to inform consumers and protect their rights, and to facilitate consultation with the community.
- Operate a public health service, as authorised by or under the Act.
- Carry out any other activities that may be conveniently undertaken in connection with the operation of a public health service or calculated to make more efficient any of the health service's assets or activities.



Board Committees

In accordance with the *Health Services Act 1988 (Vic)*, the Board of Directors is supported by several committees and advisory committees. The responsibilities of each committee are set out in its terms of reference.

Each committee is required to report to the Board through its minutes and may make recommendations. At its meetings the Board discusses the minutes of each committee meeting that are introduced by the relevant Committee Chair.

AUDIT AND RISK COMMITTEE

Chair:

- Dr Bob Mitchell AM (until August 2023)
- Mrs Penny Hutchinson (from August 2023)

Members:

- Ms Sally Freeman
- Mrs Penny Hutchinson
- Mr Tass Mousaferiadis
- Mr Andrew Saunders
- Mr Lance Wallace

The purpose of the Audit and Risk Committee is to assist the Board to discharge its responsibilities by having oversight of the integrity of the financial statements and financial reporting systems of Eastern Health; liaison with the Victorian Auditor-General or the Auditor-General's nominee; the internal auditor's qualifications, performance, independence and fees; and the financial reporting and statutory compliance obligations of Eastern Health.

The committee also assists the Board in relation to oversight and review of risk management, occupational health and safety, and legislative compliance.

In accordance with the Standing Directions under the *Financial Management Act 1994*, the committee is comprised of three or more Board Directors.

All members are independent. The committee has assisted the Board to exercise its financial and risk management responsibility throughout the year.

COMMUNITY ADVISORY COMMITTEE

Chair:

- Mr Andrew Saunders

Community Co-Chair:

- Ms Raj Liskaser (until December 2023)
- Ms Naveena Nekkalapudi (from December 2023)

Members:

- Ms Anna Lee Cribb (until August 2023)
- Ms Sally Freeman (from August 2023 until June 2024)
- Adj Prof David Plunkett

The role of the Community Advisory Committee is to provide direction and leadership in relation to the integration of consumer, carer and community views at all levels of health service operations, planning and policy development, and to advocate to the Board on behalf of the community, consumers and carers.

Members of the committee representing the community in which Eastern Health operates were Mr Stephen Bendle (until November 2023), Mr Bill Bennett, Ms Dilnaz Billimoria, Ms Kate Corrigan (from November 2023), Ms Jean de Waard, Ms Sue Emery (until November 2023), Ms Raj Liskaser (until November 2023), Ms Joanne Marchione, Ms Naveena Nekkalapudi, Mr Paul Roche (from November 2023), Ms Zoe Simmons, Ms Roberta Styles-Wood (from November 2023), Ms Irene Toh and Mr Dan Wong.

Some of the activities that members participated in included ongoing involvement in planning workshops, consumer forums, Clinical Risk Governance Committees, governance committees and quality improvement projects.

For more information about the Community Advisory Committee, visit www.easternhealth.org.au

FINANCE COMMITTEE

Chair:

- Mr Lance Wallace

Members:

- Ms Sally Freeman
- Mrs Penny Hutchinson (from February 2024)
- Dr Bob Mitchell
- Mr Tass Mousaferiadis
- Mr Andrew Saunders

The primary function of the Finance Committee is to assist the Board in fulfilling its responsibilities to oversee Eastern Health's assets and resources. It reviews and monitors the financial performance of Eastern Health in accordance with approved strategies, initiatives and goals.

The committee makes recommendations to the Board regarding Eastern Health's financial performance, financial commitments and financial policy.

The committee normally meets monthly and 11 meetings are scheduled each financial year.

The committee has assisted the Board to exercise its financial stewardship responsibility throughout the year.



PRIMARY CARE AND POPULATION HEALTH ADVISORY COMMITTEE

Chair:

- Ms Anna Lee Cribb
Board Director

Members:

- Ms Judith Drake
Consumer Nominee, EACH
- Dr Andrew Gosbell
EACH Board Chair
- Ms Kim Griffiths
Inspiro Board Director
- Dr Caroline Johnson
Eastern Melbourne Primary Health Network Board Director
- Ms Deanne McKenzie
Consumer Nominee, Inspiro
- Mr Bob Mitchell
Board Director (from August 2023)
- Mr Tass Mousaferiadis
Board Chair (until August 2023)
- Adj Prof David Plunkett
Chief Executive
- A/Prof John Rasa
healthAbility Board Chair
- Ms Anna Robinson
Access Health & Community
Chief Executive
- Dr Angela Williams
Board Director
- Ms Janine Wilson
Eastern Melbourne Primary Health Network Chief Executive
- Ms Shannon Wight
Executive Director Clinical Operations
(until July 2023)
- Ms Toni Gutschlag
Executive Director Mental Health and Clinical Support
(from July 2023)

The role of the Primary Care and Population Health Advisory Committee is to monitor and report to the Board on the effective implementation of the Primary Care and Population Health Plan and any barriers to its successful implementation.

In accordance with the requirements of section 65ZC of the *Health Service Act 1988* (Vic), the committee consists of members who between them have:

- Expertise in or knowledge of the provision of primary health services in the areas served by Eastern Health.
- Expertise in identifying health issues affecting the population served by Eastern Health and designing strategies to improve the health of the population.
- Knowledge of the health services provided by local government in the areas served by Eastern Health.

QUALITY AND SAFETY COMMITTEE

Chair:

- Dr Angela Williams

Members:

- Ms Anna Lee Cribb
- Mrs Penny Hutchinson
- Ms Raj Liskaser
Consumer
- Ms Tarnya McKenzie
Consumer
- Mr Tass Mousaferiadis
- Mr Terry Symonds
(from August 2023)

The Quality and Safety Committee is responsible to the Board for ensuring that safe, effective and accountable systems are in place to monitor and improve the quality and safety of health services provided by Eastern Health and that any systemic problems identified with the quality and safety of health services are addressed in a timely manner.

It also ensures Eastern Health strives to continuously improve quality and safety and foster innovation; and that clinical risk and patient safety are managed effectively. The committee has assisted the Board to exercise its clinical governance responsibility throughout the year.

REMUNERATION COMMITTEE

(to February 2024)

Chair:

- Mr Tass Mousaferiadis

Members:

- Ms Anna Lee Cribb
- Mr Andrew Saunders

The primary purpose of the Remuneration Committee is to assist the Board to discharge its responsibilities under government policy in relation to the remuneration of the Chief Executive and members of the Executive.

The committee assisted the Board to fulfil its obligations with respect to Executive remuneration.

PEOPLE AND CULTURE COMMITTEE

(from February 2024)

Chair:

- Mr Tass Mousaferiadis

Members:

- Ms Anna Lee Cribb
- Mr Terry Symonds
- Dr Angela Williams

The primary purpose of the People and Culture Committee is to oversee the Eastern Health People and Culture and Workplace Health and Safety strategies, and compliance with government policy in relation to the remuneration of the Chief Executive, to ensure realisation of the Eastern Health Strategic Plan and espoused culture.



Organisational structure

The structure of Eastern Health comprises nine directorates with responsibility for the management of organisational operating systems and organisational performance.



* Resigned July 2024.



Executive



ADJUNCT PROFESSOR DAVID PLUNKETT

RN GradDipBusMgt MBA GAICD

Chief Executive

Adjunct Professor Plunkett has many years of executive and senior management experience in both the public and private health sectors. He commenced his health career as a Registered Nurse.

Adjunct Professor Plunkett joined Eastern Health in 2002 and held various roles, including Chief Nursing and Midwifery Officer and Executive Director Acute Health, all leading to his current role of Eastern Health Chief Executive, held since September 2016.

He is a member of the Eastern Metropolitan Partnership, appointed by the Minister for Suburban Development, and is a Fellow and current Board Director of the Australian College of Nursing.



MR PAUL ADCOCK

DipAppSc BN GradCertCritCare MBA

Executive Director

Digital Health

Mr Adcock commenced at Eastern Health in September 2019 in the Program Director eHealth and Chief Clinical Information Officer role.

Since commencing at Eastern Health, he has also been seconded to the Victorian Aged Care Response Centre as the Workforce Team Lead during the acute phase of the Emergency Management Australia-led response to the COVID-19 epidemic in Residential Aged Care Facilities.

Previously, Mr Adcock was the Director of Technology and Transformation at Alfred Health and has held senior roles in acute health, including clinical, operations and Information Technology.



ADJUNCT PROFESSOR PHILIPPA BLENOWE

PostGradCert Health Administration,
Master of Nursing

MACN, AAICD

Chief Nursing and Midwifery Officer

Adjunct Professor Blencowe has been at Eastern Health for 20 years and has held many clinical nursing and administrative roles in health care with a clinical background in critical care. She has a passion for ensuring high quality care delivery, staff and patient experience.

She holds a Master of Nursing Practice, Postgraduate Certificate in Health Administration. She is an Adjunct Professor at Deakin University.

Adjunct Professor Blencowe is responsible for professional practice of the nursing and midwifery workforce and supporting clinical operations to deliver care across Eastern Health.



PROFESSOR LEANNE BOYD

DipAppSc BN GradCertCritCare MN
GradCertHigherEd PhD MTerEdMgt
GAICD FACN

Executive Director

Eastern Health Institute

Chief Nursing and Midwifery Officer

(until February 2024)

Professor Boyd commenced at Eastern Health in November 2019. Her previous role was Group Director of Nursing, Education and Research at Cabrini Health and she has more than 20 years of experience in health professional education. Prof Boyd has a clinical background in critical care.

She holds a Master of Tertiary Education Management from the University of Melbourne, and a Doctor of Philosophy in Health Program Evaluation, Master of Nursing, Graduate Certificate in Critical Care and Bachelor of Nursing from Monash University. She is an Adjunct Professor at Deakin University, Australian Catholic University and Monash University.

Prof Boyd was responsible for professional leadership of the nursing and midwifery workforce across Eastern Health.

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ADJUNCT CLINICAL ASSOCIATE PROFESSOR PAUL BUNTINE

MBBS (Hons), DipMgt, MCLinRes, FACEM

Acting Executive Director Eastern Health Institute

Adjunct Associate Professor Buntine joined Eastern Health in 2001 and has worked as an Emergency Medicine specialist at Box Hill Hospital since 2007. He has a long history of driving local level quality improvement and has led the Eastern Health Emergency Medicine research program since 2019, with interests in clinical decision making and evidence-based practice.

Adjunct Associate Professor Buntine provides oversight of education and research activities across Eastern Health, connecting these activities to clinical practice to improve patient care.



MR GEOFF CUTTER

BEc MBA FCPA GAICD

Executive Director Finance and Procurement Chief Finance Officer and Chief Procurement Officer

Mr Cutter commenced at Eastern Health in May 2019. He is responsible for financial services and management accounting services, as well as procurement services.

Previously, Mr Cutter was Chief Financial Officer in the health, emergency services, water, local government and ICT sectors.

He is a Fellow of CPA Australia, graduate member of the Australian Institute of Company Directors and has a Bachelor of Economics and Master of Business Administration from Monash University.



ADJUNCT CLINICAL ASSOCIATE PROFESSOR ALISON DWYER

MBBS MBA MHSM FRACMA FCHSM GAICD

Executive Director Clinical Governance Chief Medical Officer

Adjunct Associate Professor Dwyer commenced at Eastern Health in February 2019. Her previous roles have included Chief Medical Officer at Northern Health, Medical Director Quality, Safety and Risk Management at Austin Health and Director Medical Services at Royal Melbourne Hospital.

Adjunct Associate Professor Dwyer is a Fellow of the Royal Australasian College of Medical Administrators (RACMA) and has a strong involvement in the training of medical administration registrars as a current Supervisor, Preceptor, Examination Censor and Chair of the Medical Administration Workforce Planning Committee.

She is also a current ACHS Surveyor and her research interests have focused on junior medical staff wellbeing, engaging medical staff in quality and the role of the Medical Administrator in Health Services.



MS TONI GUTSCHLAG

EMPA BSW

Executive Director Mental Health and Clinical Support

Ms Gutschlag is an experienced health executive including in the areas of operational management, delivery, and strategic leadership in mental health and addiction. She joined Eastern Health from New Zealand where she had 28 years of health system experience.

Her most recent role was Southern Executive Director Mental Health, Addictions, and Intellectual Disability for Te Whatu Ora, Health New Zealand.

Ms Gutschlag is responsible for Mental Health and Wellbeing, Statewide Services, Medical Imaging, Pathology and Pharmacy.



MR ROHAN LOVELL

BArch

Executive Director Infrastructure and Support Services

Mr Lovell commenced at Eastern Health in February 2023. He is responsible for Major Capital Improvements, Engineering Infrastructure, Support Services and Security, the Business Services Centre, and Fleet, Property and Retail Services.



With over 20 years of strategic Infrastructure, Building and Corporate Support Services experience, Mr Lovell was previously the Director of Property and Asset Services at Fire Rescue Victoria and Director of Infrastructure and Support Services at Barwon Health.

He holds a degree in Architecture with additional tertiary qualifications in Risk and Project Management.



MS RACHEL MEEHAN

MHealth Psych, GAICD

Executive Director Strategy and Improvement

Ms Meehan commenced at Eastern Health in December 2019 as the Executive Officer. Her previous role was Director of Strategy and Integrated Programs at Austin Health and she has more than 20 years of experience in health strategy and improvement.

She holds a Master of Psychology and is a graduate of the Australian Institute of Company Directors.

Ms Meehan is responsible for providing a strategic and collaborative approach to the ongoing transformation and sustainable growth of Eastern Health.



MS GED MILLARD

BAppSci (Physio), MCLinEd

Chief Allied Health Officer

Ms Millard has over 30 years experience in the health sector, predominantly in public health. She has worked overseas in Canada and New Zealand in acute settings to community-based service.

Ms Millard also has operational management experience across Allied Health-specific teams and broader clinical service teams, including her role as Associate Program Director Specialty Medicine and Ambulatory Care at Eastern Health. Her breadth of experience also extends to work in quality systems, improvement and clinical governance roles.

Ms Millard's education roles are inclusive of clinical and university-based instruction, along with course development.



MS SHANNON WIGHT

RN GradDipCritCare(ICU) MBA, MAICD

Executive Director Clinical Operations

Ms Wight commenced at Eastern Health in February 2019. The Executive Director Clinical Operations accountability is to ensure patients are transferred into the right clinical stream in the right location at the right time to receive their care.

Ms Wight has responsibility for acute medicine (emergency and general medicine), aged medicine (subacute, transition care, residential aged care and chronic disease), specialty medicine and ambulatory care, pathology, pharmacy, patient access and allied health.



MR ADAM WILLIAMS

BCom

Executive Director People and Culture

Mr Williams has a 20-year career as a HR executive in Australia and abroad with significant experience in workplace relations, transformation initiatives and strategic workforce planning. Mr Williams joined from CSL where he had been for over 10 years in senior HR roles covering Australia, Asia Pac and Global Operations.

Previously Mr Williams spent time in Visy, Jetstar and Mondelez. Mr Williams is responsible for People and Culture, Occupational Health, Safety and Wellbeing, and Communications.





OUR PEOPLE

Working at Eastern Health

Eastern Health is committed to strengthening our greatest and most important asset: our people. Our focus is to be a high-performing, safe and values-based organisation with a passionate and diverse workforce. Supporting, developing and learning from them is critical to our continued success. We invest in developing our leaders so they can attract, develop and retain the best people in health care. In support of this, Eastern Health has been focused on strategic workforce planning, leadership development, diversity, equity and inclusion, employee experiences, and employee wellbeing.

EMPLOYMENT AND CONDUCT PRINCIPLES

Eastern Health is an Equal Opportunity Employer and treats all staff and potential employees on their merit and without consideration of race, gender, age, marital status, religion or any other factor that is unlawfully discriminatory.

We are committed to providing a workplace that is free of discrimination and bullying. Any form of unlawful discrimination or bullying is unacceptable and appropriate action will be taken where behaviours do not align with Eastern Health's values.

We are committed to the employment principles in the *Public Administration Act 2024* (Vic), enshrining the core and enduring public sector values of responsiveness, integrity, impartiality, accountability, respect, support for human rights and leadership.

Our people policies and procedures support:

- Employment decisions based on merit
- People being treated fairly and reasonably
- Provision of equal opportunity
- Human rights, as set out in the *Victorian Charter of Human Rights and Responsibilities Act 2006*
- People being provided with reasonable redress against unfair or unreasonable treatment

- A safe and healthy work environment
- Fostering career pathways in the public healthcare sector.

INDUSTRIAL RELATIONS

During 2023-24, Eastern Health had a number of enterprise agreements that underwent renegotiation:

- Nurses and Midwives (Victorian Public Sector) (Single Interest Employers) Enterprise Agreement 2020-2024 approved certified by the Fair Work Commission.
- Victorian Public Mental Health Services Enterprise Agreement 2020-2024 approved and certified by the Fair Work Commission.
- Biomedical Engineers (Victorian Public Sector) (Single Interest Employers) Enterprise Agreement 2022-2023 approved and certified by the Fair Work Commission.



- Health and Allied Services, Managers and Administrative Workers (Victorian Public Sector) (Single Interest Employers) Enterprise Agreement 2021-2025 approved and certified by the Fair Work Commission.
- Medical Scientists, Pharmacists and Psychologists (Victorian Public Sector) (Single Interest Employers) Enterprise Agreement 2021-2025 approved and certified by the Fair Work Commission.
- Allied Health Professionals (Victorian Public Sector) (Single Interest Employers) Enterprise Agreement 2021-2026 approved and certified by the Fair Work Commission.
- Doctors in Training (Victorian Public Sector) (Single Interest Employers) Enterprise Agreement 2022-2026 approved and certified by the Fair Work Commission.
- Medical Specialists (Victorian Public Sector) (Single Interest Employers) Enterprise Agreement 2022-2026 approved and certified by the Fair Work Commission.

- Maintenance (Victorian Public Sector) (Single Interest Employers) Enterprise Agreement 2023-2027 approved and certified by the Fair Work Commission.

CLOSING LOOPHOLES REFORMS

Eastern Health abides by the *Closing Loopholes Act 2023 (Cth)* and *Closing Loopholes (No. 2) Act 2024 (Cth)* – Closing Loopholes Reforms.

In partnership with the Victorian Hospitals' Industrial Association, Eastern Health implemented reforms relevant to health:

- Workplace delegates rights for employees
- New family and domestic violence protections
- Changes to compulsory conciliation conferences in protected action ballot matters
- Right of entry changes
- Intractable bargaining workplace determinations.

The following reforms will be implemented during 2024-25:

- Delegates' rights term must be included in an enterprise agreement approved by vote on or after 1 July 2024
- Exemption certificates for suspected underpayment
- Criminal offence of industrial manslaughter added to the Work Health and Safety Act and increases to other penalties
- Casual employment changes
- Right to disconnect provisions
- Change to the definition of employment (employee or independent contractor)
- Regulated labour hire arrangement orders can commence operation
- Criminalising intentional wage underpayments
- Changes to maximum civil penalties for underpayments.

HIGHLIGHTS



76.4%

of our workforce is female



34

staff who identify as Aboriginal or Torres Strait Islander



104

nationalities that make up the Eastern Health workforce



18

age of youngest employee



84

age of oldest employee



60%

staff who live in the community we serve



WORKFORCE DATA

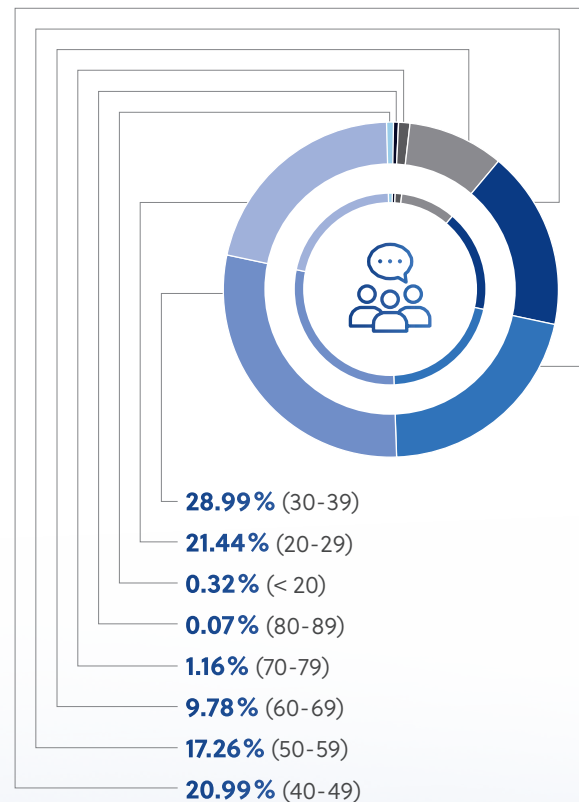
LABOUR CATEGORY	JUNE CURRENT MONTH FTE		JUNE YEAR TO DATE FTE	
	2022-23	2023-24	2022-23	2023-24
1 Nursing Services	3,199	3,455	3,101	3,287
2 Administration and Clerical	1,090	1,163	1,057	1,123
3 Medical Support Services	705	748	679	717
4 Hotel and Allied Services	393	356	386	386
5 Medical Officers	149	144	146	146
6 Hospital Medical Officers	750	810	739	780
7 Sessional Medical Officers	272	301	263	287
8 Ancillary Support Officers	713	811	691	761
TOTAL	7,271	7,788	7,061	7,487

The FTE figures required in the table are those excluding overtime. These do not include contracted staff (e.g. Agency nurses, Fee-for-Service Visiting Medical Officers) who are not regarded as employees for this purpose. Employees have been correctly classified in workforce data collection.

WORKFORCE AGE BREAKDOWN

AGE GROUP	NUMBER OF STAFF	PERCENTAGE
< 20	37	0.32%
20-29	2,517	21.44%
30-39	3,404	28.99%
40-49	2,465	20.99%
50-59	2,207	17.26%
60-69	1,148	9.78%
70-79	136	1.16%
80-89	8	0.07%
TOTAL	11,742	100

Employees have been correctly classified in workforce data collection.



A2i AWARDS 2023

The Aspire to Inspire (A2i) Awards recognise people who go above and beyond in their roles, and truly demonstrate Eastern Health's values in action, as well as key areas of achievement in workplace safety and wellbeing, sustainability, consumer participation, closing the health gap and volunteer engagement.

The award categories were updated to align with our values and strategic plan. This included new awards for Diversity and Inclusion Champion,

Rising Leader, and the Eastern Health Foundation Award. Over 400 nominations were received across 12 award categories.

Members of the Eastern Health Executive judged the final shortlist and selected the worthy recipients, with a member of the Community Advisory Committee invited to judge the Consumer Participation Award.

The A2i Awards Ceremony was held in person on 17 November, and was livestreamed, enabling all staff to watch the event. The livestream was viewed over 2,000 times across the organisation.



Over
400
nominations
were received across
12
award categories

A2i AWARDS RECIPIENTS



Closing the Health Gap

Tanya Ellard

Aboriginal Health
Liaison Officer
Team Leader



Rising Leader

Edmore Chisango

Nurse Unit Manager



Resource Optimisation

Glenda Harrington

Clinical Coordinator
Adult Access



Learning and Improving Every Day

Richard More

Associate Nurse Unit
Manager



Eastern Health Foundation

Shades of Pink



Consumer Participation

Rahma Health Team



Safe Always

Maroondah Security Team



Respect for All

Maureen MacMahon
Senior Physiotherapist



Partnering in Care

Mandy Ly

Associate Director
Finance



Excellent Care and Experiences

Stroke Team



Diversity and Inclusion Champion

Alison Spiers
Executive Assistant



Volunteer and Consumer Representative
Edward Thomson



Occupational health and safety

At Eastern Health, people are central to securing a healthy future for the community we serve. We continue to focus on ensuring staff are safe, healthy and supported by creating a values-based, safe workplace.

OCCUPATIONAL HEALTH AND SAFETY

OCCUPATIONAL HEALTH AND SAFETY STATISTICS	2021-2022	2022-2023	2023-2024
The number of reported hazards/incidents for the year per 100 FTE	27.8	30.0	29.6
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	1.8	2.0	1.9
The average cost per WorkCover claim for the year	\$113,964	\$64,940	\$91,354

OCCUPATIONAL VIOLENCE

OCCUPATIONAL HEALTH AND SAFETY STATISTICS	2021-2022	2022-2023	2023-2024
WorkCover accepted claims with an occupational violence cause per 100 FTE Number of accepted	0.43	0.25	0.39
WorkCover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked	2.3	1.6	2.2
Number of occupational violence incidents reported	758	923	1,034
Number of occupational violence incidents reported per 100 FTE	10.8	12.45	13.11
Percentage of occupational violence incidents resulting in a staff injury, illness, or condition	46%	52%	47%

Definitions

Occupational violence:

Any incident where an employee is abused, threatened or assaulted in circumstances arising out of, or in the course of their employment.

Incident:

An event or circumstance that could have resulted in, or did result in, harm to an employee. Incidents of all severity rating must be included. Code Grey reporting is not included, however, if an incident occurs during the course of a planned or unplanned Code Grey, the incident must be included.

Accepted WorkCover claims:

Accepted WorkCover claims that were lodged in 2023-24.

Lost time:

Time lost that is greater than one day.

Injury, illness or condition:

Includes all reported harm as a result of the incident, regardless of whether the employee required time off work or submitted a claim.





OUR PERFORMANCE

Measuring our performance

Eastern Health is committed to its promise of 'Healthier together'. This commitment is supported by a robust clinical governance framework and an organisation-wide focus on a strong and positive safety culture of improving performance together with each other, organisational partners, consumers and the community.

This includes being aware of and responsive to the needs and emerging risks of our community, patients, staff and other stakeholders.

Eastern Health takes a risk-based approach to monitoring and improving how we provide care to achieve the best outcomes for our patients, their families and loved ones, and the community as a whole.

Reporting of performance occurs at all levels of the organisation to ensure priorities and achievements are aligned with Eastern Health's strategy. A broad range of clinical and performance indicators are benchmarked against our peers at a state and national level.

Eastern Health's performance against key priorities of the state government are publicly available on the Victorian Agency for Health Information website: vahi.vic.gov.au.

Eastern Health is accredited against all mandatory industry standards as well as a range of voluntary standards that apply across a variety of services and campuses. For example:

- Eastern Health successfully completed an external assessment against the National Safety and Quality in Health Service Standards (Version 2) in 2023 and is awaiting its first assessment under the new short notice assessment requirements of the Australian Commission on Safety and Quality in Health Care;
- A range of Eastern Health's services are accredited by the Australian Aged Care Quality Agency, including murrenda, a residential aged care facility at Eastern Health Wantirna;
- Eastern Health's pathology laboratories, medical imaging and cardiology services are accredited under their respective industry standards.

Credentialing of trainee positions across a range of medical streams is completed by relevant professional colleges on various cycles, usually of between three and five years.

Compliance with these industry standards and credentialing processes ensures we can be confident in the systems, processes and quality of care we provide to all our patients and the community, regardless of location or service type.

Recommendations and suggestions we receive as a result of activities such as accreditation, audits and other service reviews allow Eastern Health to focus improvement efforts on those things that will have the greatest impact on the quality and safety of its services.





Performance against Statement of Priorities: Part A



Achieved






In progress

PRIORITY	OUTCOME
Excellence in clinical governance	
<p>Drive improvement in timely access to emergency care through the use of improvement methodology and collaboration.</p>	 <p>Significant progress has been achieved through both Eastern Health's Quality Care Together program and being one of 14 health services participating in the Department of Health-sponsored Timely Emergency Care Collaboration in 2023-24.</p> <p>The collaboration sought to improve timeliness of emergency care through improving system-wide patient flow and create safe and calm environments that enable patients to receive the right care at the right time.</p> <p>Eastern Health Box Hill was the nominated site to focus this work and through significant workforce efforts across emergency and inpatient access, Eastern Health sustained improvements including:</p> <ul style="list-style-type: none"> • Decreased admitted and non-admitted length of stay (reducing time spent in our EDs); • Decreased ambulance handover times (meaning more ambulances back in the community sooner); and • Increased number of patients discharged home by 12pm (getting patients home sooner). <p>As part of this collaboration, Eastern Health received an award for Outstanding Overall Improvement through exceptional progress across the project and with significant improvement across multiple work streams.</p>
<p>Develop innovative models of care to improve whole of hospital patient flow, and a safe calm working environment for staff by implementing the principles of Eastern Health's Quality Care Together program focused on timely access to care, quality, safety and culture.</p>	 <p>Eastern Health's Quality Care Together (QCT) program is delivering on organisational transformation through a targeted culture uplift and timely access and quality of care improvement work. Building on our QCT program from 2022-23, there have been a number of key reform pieces of work to address care progression and enable a safe and calm workplace for our staff. These include:</p> <ul style="list-style-type: none"> • Short stay unit optimisation, reducing access block in EDs; • ED fast track optimisation, treating lower acuity patients faster to get them home sooner; • Home for brunch, getting patients home earlier in the day; • Transit lounge use, freeing up inpatient beds sooner so more patients can receive the care they need in the right location; • Increase in clinically appropriate estimated dates of departure, achieving timely discharge planning for patients;

Continued on page 31



PRIORITY	OUTCOME
Excellence in clinical governance	
	<ul style="list-style-type: none"> • Focus on maternity services, supporting the delivery of healthy babies through high quality care throughout pregnancy. This is seen in appropriate birth weights and foetal responses at birth, ensuring the safety of both mother and child; • Every Day Matters driving length of stay improvements for complex and continuing care; • Piloting an Out of Hours Hospital model with a key focus on the management of the risk of clinical deterioration overnight with a supportive senior medical and nursing workforce model for junior medical staff on night shift.
<p>Implement and scale same day surgery models of care in line with Safer Care Victoria's Expanding Day Surgery recommendations.</p>	 <p>Eastern Health has reviewed a range of high volume, lower risk surgical procedures that are traditionally delivered via an overnight stay model of care and that could potentially be undertaken on a same-day basis with better outcomes for patients. Procedures now delivered using a same-day model of care that traditionally require overnight admission include basic nasal procedures and laparoscopic cholecystectomies.</p> <p>These new pathways have enabled 100% of basic nasal procedures and 28% of laparoscopic cholecystectomies to be delivered as same-day surgeries, from 12% and 0% respectively. These changes have enabled patients to return home more quickly and safely.</p> <p>Following this success, consideration will now be given to other procedures that could potentially be delivered on a same-day basis, in line with Safer Care Victoria's Expanding Day Surgery recommendations.</p>
<p>Work towards the implementation of priorities outlined in the Planned Surgery Reform Blueprint.</p>	 <p>Eastern Health has implemented a range of initiatives aligned with the priorities of the Planned Surgery Reform Blueprint including:</p> <ul style="list-style-type: none"> • Non-surgical care and preparation list diversion: Establishing and expanding several clinics to target non-surgical care, providing improved patient experience and diverting patients from needing surgery. These new models of care have contributed to a 39% drop in the number of people on the Eastern Health planned surgery preparation list from 7,713 to 4,719 (April 2023 - March 2024), improving the health and wellbeing of 1,164 patients. • High risk surgical clinic: A multi-disciplinary preoperative clinic has been established to identify high-risk surgical patients, facilitating shared decision making, streamlining the preoperative assessment process and improve outcomes through reduction in unplanned ICU admissions and the total time spent in hospital. • Enhanced recovery after surgery (ERAS) model of care: This is a new care pathway designed to optimise recovery for patients undergoing major surgery. Enhanced recovery models have been shown to shorten both recovery time and complication rates after surgery by 30%. <p>Eastern Health's experience with ERAS models has demonstrated reduced average length of stay in hospital across several surgical procedures with 211 bed days saved between April 2023-March 2024.</p> <ul style="list-style-type: none"> • Improving patient communication: The establishment of a new Client Relationship Manager (CRM) system was a collaborative effort across our Health Service Partnership and enables automated communication with patients on the preparation list to ascertain their ongoing need for surgery. This has resulted in 921 patients being removed from the preparation list since commencement in October 2023.

PRIORITY	OUTCOME
Excellence in clinical governance	
<p>Partner with Safer Care Victoria (SCV) and relevant multidisciplinary groups to establish protocols and auditing processes to manage effective monitoring and escalation of deterioration in paediatric patients via ViCTOR charts.</p>	 <p>Eastern Health uses the appropriate age-based ViCTOR track and trigger observations charts for all paediatric patients treated within Eastern Health. These charts are embedded in our electronic medical record (EMR) used in all three Eastern Health Emergency Departments' Short stay units, as well as inpatient and day wards at Eastern Health Box Hill and Angliss.</p>
<p>Improve paediatric patient outcomes through implementation of the 'ViCTOR track and trigger' observation chart and escalation system, whenever children have observations taken.</p>	
<p>Implement staff training on the 'ViCTOR track and trigger' tool to enhance identification and prompt response to deteriorating paediatric patient conditions.</p>	
Working to achieve long term financial sustainability	
<p>Eastern Health will work closely with HealthShare Victoria (HSV) from a data gathering, data sharing and any other relevant perspective to ensure timely preparedness for eventual consolidation of the purchasing and supply chain (logistics) functions to HSV.</p>	 <p>A series of meetings and information sharing has been occurring with HSV through 2023/24 toward implementation planned by HSV for 2025/26.</p>
<p>Financial forecasting and risk management: Develop robust financial forecasting models to project future revenue and expenditure, identify financial risks, and implement risk mitigation strategies to ensure long-term sustainability.</p>	 <p>Eastern Health developed a Financial Sustainability Plan with a three-year forward view. This was approved by the Board in July 2023. That plan contains financial modelled forecast, as well as active mitigation strategies.</p>



Improving equitable access to healthcare and wellbeing

Provide a culturally safe and welcoming environment demonstrating, recognising, celebrating and respecting Aboriginal communities and culture.



Eastern Health recognises the Traditional owners of the land on which all our services operate, the Wurundjeri peoples of the Kulin nation through:

- Acknowledgement plaques at all our major campuses;
- Acknowledgement posters; and
- Aboriginal and Torres Strait Islander flags are displayed in reception areas of all Eastern Health services.

All services at Eastern Health are committed to providing a welcoming environment and culturally sensitive care in partnership with the Aboriginal Hospital Liaison Officers and Aboriginal Health Team.

Eastern Health uses the Making Two Worlds Work Audit Tool, in partnership with First Nations staff, to ensure all our areas provide a welcoming environment.



All staff at Eastern Health undertake Cultural Awareness training to ensure they are aware of the history, cultural practices and diversity of the community that live in the eastern region. Our partnership with the Aboriginal Community has continued to deepen in 2023-2024. For example:

- First Nations staff, community members and Elders guide Eastern Health in how significant days and events are celebrated, including National Reconciliation Week, National Sorry Day and NAIDOC Week.
- Eastern Health supported the celebration of Aboriginal and Torres Strait Islander Children's Day in partnership with the Victorian Aboriginal Childcare Agency at Arrabri Community House.
- Respectful communication, dialogue and feedback is sought regularly through the Aboriginal Health Advisory Committee and Reconciliation Action Plan Committee.
- Elders from the Wurundjeri Woi-wurrung Cultural Heritage Aboriginal Corporation provide guidance on Woi-wurrung names for Eastern Health services, including the launch of our new Comprehensive Cancer Clinic for Aboriginal patients – nangak warr bagora "Caring for you centre" in March 2024.

Ongoing opportunities for cultural learning are a priority. Senior leaders at Eastern Health attended a Cultural immersion training day at Coranderrk, facilitated by Uncle Dave Wandin and Jacqui Wandin in December. This training enabled deep reflection and understanding of the struggle for self-determination and the ongoing impacts of colonisation for the Aboriginal Community in our region.

The Eastern Health Board and Executive committed to an intensive three-part cultural competency assessment and orientation with Professor Kerry Arabena and Karen Milward in 2024. The Board and Executive were able to experience, through practical exercises, Aboriginal ways of being, knowing and doing. Eastern Health is committed to continuing to create a Culturally safe and welcoming environment for all Community members and First Nations Staff, acknowledging the past and supporting self-determination.



PRIORITY	OUTCOME
A stronger workforce	
<p>Deliver programs to improve employee experience across four initial focus areas:</p> <ul style="list-style-type: none"> • leadership, • safety and wellbeing, • flexibility, and • career development and agility. 	 <p>Eastern Health's overall response rate for the 2023 People Matter Survey was 31%. Results from this survey of staff have been communicated across Eastern Health. Planning and implementation of appropriate responses to priority results has commenced.</p> <p>We are supporting 22 applicants from across Eastern Health to participate in a range of Women in Leadership programs [Advanced Leadership (x 4), Executive Ready (x 16), Leading Edge (x 4) and Impact (x 3)] delivered through Women & Leadership Australia supporting our succession planning and Gender equity initiatives.</p>
<p>Implement and/or evaluate a new/expanded wellbeing and safety program and its improvement on workforce wellbeing.</p>	 <p>The recruitment process for a Work Health and Safety, and Recovery at Work Business Partnering Team has been completed. Eastern Health's Occupational Violence Risk Management Plan has been reviewed and updated in consultation with key stakeholders. A review of the personal duress alarm system for community-based staff has been completed and implementation of a new system has commenced.</p> <p>Eastern Health has also commenced a research project in collaboration with Deakin University to develop a joint patient and staff safety culture framework.</p> <p>A psychosocial risk assessment framework has been developed in consultation with frontline staff and is currently being trialled.</p> <p>The development of a Recovery at Work framework based on best practice principles has also commenced and will be tested and implemented in 2024-25.</p>



Managing our risks

Eastern Health takes a balanced and systematic approach to risk management to ensure timely identification of threats and opportunities and proactive assessment and management of risks to support the achievement of our strategic initiatives.

Eastern Health's defined Risk Management Strategy outlines a path forward to progress the organisation's risk maturity and culture. This approach further strengthens the integration of risk management into key Eastern Health systems and processes and guides day-to-day decision making and strategy deployment across the organisation.

The Audit and Risk Committee has oversight of the enterprise risk management system, with a focus on the most significant risks facing the organisation, including use of key metrics to monitor the system's performance. Eastern Health's Risk Management Framework aligns with the requirements of the Victorian Government Risk Management Framework (VGRMF) and promotes organisational resilience in the context of a volatile, uncertain, complex, ambiguous and digital world.



PRIORITY	OUTCOME
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Moving from competition to collaboration	
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Actively participate in Health Service Partnership governance and lead the delivery of key initiatives being delivered by the HSP.



Eastern Health has been an active and leading participant within our Health Service Partnership. This has included:

- Collaborating on specific actions to address recommendations from the Planning Surgery Reform Blueprint, in particular on the development and implementation of a Client Relationship Manager (CRM) system which supports direct communication with patients waiting for surgery.
- Actively contributed clinical expertise and through the associated governance functions to support the development of the North East Metropolitan Health Service Partnership Strategic Service Plan 2023-2036 which has a particular focus on paediatrics, maternity, haemodialysis, and cancer therapies.
- Further develop and integrate shared systems and processes across HSP partners associated with the Better at Home initiative to deliver more acute, rehabilitation, geriatric evaluation and management, health independence program and specialist clinic services in the home.

Care close to home	
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Implement new models of care that improve coordination across health services and with primary and community care so that patients can more easily receive care closer to, or in their homes.



2023-24 has seen significant growth in the number of Eastern Health patients who are provided care at home. This includes a 13% increase in multiday admissions to Hospital in the Home compared to 2022-23, a 48% increase in admissions to home-based Geriatric Evaluation and Management (GEM@Home) and a 74% increase in admissions to Rehabilitation in the Home. This growth has been enabled through innovation and partnership across the health services, with innovations to support care at home following surgery and partnership with residential aged care facilities to support admitted care to be provided outside of the hospital.

2023-24 has also seen partnership across primary and community services in Eastern Health's catchment to support high quality care. Eastern Health has partnered with community health services such as EACH in the 'Health@Home' program to support chronic disease management pathways. This partnership has improved access to care for the community and ensured that consumers receive the care they require, at the time they require it to minimise the chances of an avoidable admission to hospital.






Accreditation

Eastern Health demonstrates its commitment to excellence through external accreditations against a wide range of industry standards, including the National Safety and Quality in Health Service (NSQHS) Standards, Aged Care Quality and Safety Standards, GP Clinic and Diagnostic Imaging Standards and Pathology Standards.

The NSQHS Standards are the overarching standards. Eastern Health underwent an organisation-wide NSQHSS assessment and was fully reaccredited by the Australian Council on Healthcare Standards (ACHS) against these NSQHS Standards in 2023. On 1 July 2023, these accreditation standards changed Australia-wide to short notice (24 hour) assessments, and now include a National Clinical Trials Governance Framework maturity assessment.



PRIORITY	OUTCOME
Care close to home	
<p>Develop a Nurse Practitioner Strategy for mental health and Residential Aged Care Services. This strategy will provide the direction to enable people to be seen in or close to their home rather than in a hospital setting.</p>	 <p>A Residential Aged Care Nurse Practitioner Strategy has been approved and implementation has commenced. This is occurring in conjunction with enhanced medical governance with an additional senior consultant being appointed to support the medical care of residents.</p>
<p>Implement new home-based and virtual remote models of care for patients managing chronic diseases to keep them well in the community.</p>	 <p>In 2023-24, Eastern Health expanded remote patient monitoring models across a number of groups to support wellbeing and independence at home. Chronic disease management, wound care and post-operative management services all implemented models of care that were enabled by digital tools to support high quality patient care while at home.</p> <p>Eastern Health has also continued to expand its capacity to deliver high-quality, home-based care through 2024-25. The 'Talk to You Tomorrow' program, ensuring follow up communication with patients after leaving hospital, has expanded and continues to prevent a significant number of avoidable readmissions to hospital. The Residential Inreach team has also expanded in 2023-24 continuing to deliver high quality care to residents of residential care services in the Eastern Health catchment, both in terms of innovative models of care (for example, providing care following a fall so that an admission to hospital is avoided) and through developing capability across the sector (for example, education sessions for staff of residential care facilities to ensure they have the skills they need to care for residents without the need for an admission to hospital).</p>
Local Priorities	
<p>Connect clinical practice, research and teaching to advance care and outcomes through dedicated Centres of Excellence.</p>	 <p>Eastern Health has continued to explore how centres of excellence can best connect clinical practice, research and teaching to advance care and outcomes. Planning for an initial Eastern Health centre of excellence is ongoing.</p>
<p>Commence the establishment of three Centres of Excellence.</p>	

PARTNERING WITH CONSUMERS

Eastern Health recognises the importance of partnering with consumers to improve its services and systems and is committed to fostering meaningful consumer partnerships at all levels.

Eastern Health has 71 consumer representatives on its consumer representative register and they reflect the diversity of the people who use its services.

Eastern Health's peak body for community participation is the Community Advisory Committee (CAC), an advisory committee to the Board of Directors which has eleven consumer representative members from diverse communities and backgrounds.

The Committee is co-chaired by a consumer representative and provides direction and leadership in relation to the integration of consumer, carer and community views into all levels of operations, planning and policy development and advocates to the Board on behalf of the community, consumers and carers.

Consumer representatives are provided opportunities to contribute to working groups, steering committees, sub-committees, projects and all activities seeking consumer input. Consumer representatives are provided with further opportunities to contribute their views and experiences in training and education for the workforce.

OUR APPROACH TO COVID-19

In 2023, Eastern Health continued to respond to the COVID-19 pandemic, with the care of patients and consumers with COVID-19 a routine component of service delivery. Additional measures that were in place the previous year (e.g. visitor screening and rapid antigen testing) were scaled back as we welcomed visiting families and community members back to our campuses.

The return of care from online services to face-to-face appointments has been a welcome change for both staff and patients, noting many services continue telehealth appointments as necessary.



Eastern Health recognises the importance of partnering with consumers to improve its services and systems and is committed to fostering meaningful consumer partnerships at all levels.

Outbreaks of COVID-19 infection in hospital areas continued to present seasonal challenges, as did high rates of staff illness. Additional infection prevention and control measures were and continue to be implemented in response to ward outbreaks, led by expert advice from the Infection Prevention and Control team.

Though masks were not as common in 2023-24, staff continued to wear masks throughout the year in clinical areas to reduce risk of virus transmission amongst staff, patients and visitors.

ABORIGINAL CULTURAL SAFETY

Eastern Health recognises and celebrates the deep and continuing culture of Aboriginal and Torres Strait Islander peoples in the eastern region. In 2023-2024 Eastern Health continued an ambitious plan of work to improve cultural safety and deliver on the commitments in our *Aboriginal Cultural Safety Plan 2022 – 2024*, *Innovate Reconciliation Action Plan 2022 – 2024* and *Aboriginal Workforce Plan 2023 – 2026*.

The health service is committed to providing culturally sensitive care as we continue to learn, grow and reflect. Our partnership with the Aboriginal and Torres Strait Islander Community in the region continues to inform our development and all patient feedback across our clinical services is welcomed.

In 2023-2024 several new positions commenced at Eastern Health to support cultural learning and improvements in Cultural Safety in key programs. Eastern Health has signed a Memorandum of Understanding with Wandoon Estate Aboriginal Corporation to support cultural learning and understanding of self-determination at Coranderrk.

Key achievements have also included the opening of the new comprehensive cancer clinic for Aboriginal and Torres Strait Islander patients – nangnak warr bagora in May 2024. This cancer clinic supports Aboriginal patients to access sensitive and wrap around care closer to home, in partnership with our Aboriginal Health Team. Eastern Health continues to see an increase in the number of patients identifying at our Emergency Departments.

Our Aboriginal Hospital Liaison Officer program has continued to grow as a significant proportion of all Aboriginal inpatients request cultural support through their healthcare journey.

Through our governance structures, Eastern Health is continuing to listen to the voices, priorities and concerns of Aboriginal and Torres Strait Islander peoples from our staff, community and region. Eastern Health is thankful to the Wurundjeri Elders and Wurundjeri Woi-wurrung Cultural Heritage Aboriginal Corporation for their ongoing consultation, advice and support to provide a Welcome to Country and Smoking Ceremony at significant events.

We are grateful for the direction and wisdom provided by Aboriginal and Torres Strait Islander staff and Community Elders who have led the design of the celebration of significant events during the year, including NAIDOC week, National Reconciliation Week and Aboriginal and Torres Strait Islander Children's Day.

In 2024, Eastern Health welcomed the appointment of our new Reconciliation Action Plan Manager, Mena Love, to continue to guide our efforts and further develop our partnership with the Aboriginal Community.



Performance against Statement of Priorities: Part B

High quality and safe care

Eastern Health continues to prioritise its commitment to delivering safe, high-quality care and a great consumer experience to our community.

Our Clinical Governance Framework enables the organisation to monitor safety and quality at all levels, with oversight and governance extending from clinical service delivery point, through to Program and Directorate Quality and Safety Committees, which in turn inform the Eastern Health Quality and Safety Committee.

A number of quality and safety measures are monitored through cascaded score cards and variance reports which measure and report progress on specific indicators and serve to identify areas for further analysis and improvement.

Our performance data is derived from a range of sources including clinical incidents, patient and consumer feedback, internal auditing and external benchmarked reports which measure key performance indicators.

In addition, the Quality, Patient Safety and Experience report which informs progress on key quality and safety measures has been revised in response to improved digital reporting platforms within our

organisation and will continue to be revised as reporting measures evolve and mature.

Continuous improvement is supported and guided by our Clinical Risk Governance Committees (CRGCs) alongside three Professional Councils, which are responsible for ensuring the clinical care delivered meets National Quality and Safety Health Care Standards and scope of practice within the clinical profession.

Comprehensive analysis of performance including details related to improvement initiatives are contained in annual 'Appropriate and Effective Care' reports to the Quality and Safety Committee.

Annually each Clinical Program is required to review the delivery of care and produce this report, which provides a comprehensive analysis of the Program's previous 12 months' performance with inclusion of improvement initiatives.

The reports are presented on a rotational basis to the Quality and Safety Committee and provide insight and assurance to the Board of the care and clinical outcomes for patients.

An example of performance monitoring and analysis that has demonstrated improvement over a 12-month period is the monitoring of Hospital Acquired Complications,

defined as an unexpected outcome of hospitalisation, such as a fall with a fracture or development of a chest infection such as pneumonia.

Comparing the first 6 months of 2023 with the first 6 months of 2024 the number of Hospital Acquired Complications reduced by a total of 176 events or 12% which is a significant achievement.

Auditing remains a key process for Eastern Health to monitor compliance and identify risks across the organisation. Auditing supports identification of improvement work at the local level, across programs or across the whole organisation.

At Eastern Health, the Point of Care audits (POC audits) are one of our key measures for assessing our performance across the National Standards.

The auditing process has been optimised in the past 12 months to ensure data is relevant and timely for analysis by managers; improvement of the auditing tool has also provided managers the ability to produce visual graphs to demonstrate auditing results that are part of local 'Improving Performance Together' boards that are in use across all clinical and non-clinical areas of the organisation.

Performance results across the organisation demonstrate consistent themes across Standards and service types and performance gaps are aligned to Eastern Health's clinical risk profile and incident data, such as the management of behaviours of concern and delirium screening and management. Performance continues to be addressed via local level improvement as well as targeted work led by the Clinical Risk Governance Committees.



The number of Hospital Acquired Complications from January - June 2024 decreased by

176

events,
or 12%, when compared with January - June 2023



KEY PERFORMANCE INDICATOR	TARGET	2023-24 RESULT	
Infection prevention and control			
Compliance with the Hand Hygiene Australia program	85%	87.2%	
Percentage of healthcare workers immunised for influenza	94%	97.5%	
Mental Health Patient Experience			
Percentage of consumers who rated their overall experience of care with a service in the last 3 months as positive	80%	73.2%	
Percentage of mental health consumers reporting they 'usually' or 'always' felt safe using this service	90%	89.6%	
Percentage of families/carers reporting a 'very good' or 'excellent' overall experience of the service	80%	45.5%	
Percentage of families/carers who report they 'always' or 'usually' felt their opinions as a carer were respected	90%	74.4%	
Patient Experience			
Percentage of patients who reported positive experiences of their hospital stay	95%	92%	
Healthcare associated infections (HAIs)			
Rate of patients with ICU central-line-associated bloodstream infection (CLABSI)	Angliss	0	Achieved
	Box Hill	0	Achieved
	Maroondah	0	Achieved
Rate of patients with SAB per 10,000 occupied bed days	≤7/1,000	0.6	
Unplanned readmissions			
Unplanned readmissions to any hospital following a hip replacement	Box Hill	≤6%	7.5%
Mental Health			
Rate of seclusion events relating to a child and adolescent acute mental health admission per 1,000 occupied bed days		≤5	11
Rate of seclusion events relating to an adult acute mental health admission per 1,000 occupied bed days	Box Hill	≤8	6
	Maroondah	≤8	8
Rate of seclusion events relating to an aged acute mental health admission per 1,000 occupied bed days		≤5	0
Percentage of child and adolescent acute mental health inpatients who have a post-discharge follow-up within seven days		88%	96%
Percentage of adult acute mental health inpatients who have a post-discharge follow-up within seven days	Box Hill	88%	92%
	Maroondah	88%	92%
Percentage of aged acute mental health inpatients who have a post-discharge follow-up within seven days		88%	97%
Percentage of adult acute mental health inpatients who are readmitted within 28 days of discharge	Box Hill	14%	15%
	Maroondah	14%	15%
Percentage of child and adolescent acute mental health inpatients who are readmitted within 28 days of discharge		<14%	15%
Percentage of aged acute mental health inpatients who are readmitted within 28 days of discharge		<7%	10%
Maternity and Newborn			
Rate of singleton term infants without birth anomalies with APGAR score <7 to 5 minutes	Angliss	≤1.4%	1.5%
	Box Hill	≤1.4%	1.5%
Rate of severe fetal growth restriction (FGR) in singleton pregnancy undelivered by 40 weeks	Angliss	≤28.6%	33.3%
	Box Hill	≤28.6%	21.4%
Aboriginal Health			
Percentage of Aboriginal emergency department presentations who did not wait to be seen	Angliss	3.1%	4.9%
	Box Hill	4.9%	6.9%
	Maroondah	4.4%	5.2%
Percentage of Aboriginal admitted patients who left against medical advice		1.8%	1.8%

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KEY PERFORMANCE INDICATOR	TARGET	2023-24 RESULT
Continuing Care		
Functional independence gain from an episode of rehabilitation admission to discharge relative to length of stay	>0.645	0.911

Clinical incidents

Eastern Health staff and consumers are encouraged to report incidents. The number and rate of clinical incidents continues to rise year on year with the most notable increase in incident type being related to behaviours of concern.

The Incident Severity Rating (ISR) is defined in the Sentinel Event Program annual report 2006-2007 as:

- **ISR 1:** Severe (including death)
- **ISR 2:** Moderate
- **ISR 3:** Mild
- **ISR 4:** No harm (near miss)

The rate of ISR 1 and 2 incidents has continued to show a reduction in 2023-24 and the number of Sentinel Events reported to Safer Care Victoria for the same period reduced. The reduction of serious harm incidents is reflected in the measurement of harm using 1,000 bed days.

In 2022-23 the rate of serious harm measured was calculated to be 0.70/1000 bed days, whereas in 2023-24 the calculated rate of harm has reduced considerably to 0.04/1000 bed days.



In 2022-23 the rate of serious harm measured was calculated to be 0.70/1000 bed days, whereas in 2023-24 the calculated rate of harm has reduced considerably to 0.04/1000 bed days.

HIGH-FREQUENCY INCIDENTS

The highest frequency incident classifications remain unchanged when compared to past years and each continued to trend upward in pure numbers. These are:

1. Behaviours of Concern
2. Slip/trip/fall
3. Medicines
4. Harm/injury/skin

IMPLEMENTATION AND REPORTING OF THE STATUTORY DUTY OF CANDOUR

Eastern Health has implemented the processes of the Statutory Duty of Candour (SDC) requirements from 30 November 2022 when the *Health Services 1988 Act (Vic)* was amended. SDC is commenced once a Serious Adverse Event (SAPSE) is identified, building on the Open Disclosure Framework already implemented.

Under this legislation consumers are provided information about any serious adverse patient safety event that occurs during their care provision within prescribed timeframes and prescribed processes are followed.

The intent of this legislation is to enable open transparent and timely communication with patients and their families following a SAPSE.

Mandatory reporting of the SDC data commenced in January 2024. Between 30 November 2022 and 30 June 2024, Eastern Health commenced 117 SDC discussions and provided 77 final SAPSE reports. Some patients and/or families have opted out of the initial SDC meeting.

However, they have opted into receiving the final 50-day SAPSE report. Forty consumers opted out completely from the SDC process. There were no breaches reported during this period.

A consumer feedback process has been developed for the SDC process and results are analysed and provided to the Executive Committee quarterly. Clinicians are supported by the Lead Patient Safety Officer and a psychological framework for both patients and staff is followed.

COMMUNITY, CONSUMER AND PATIENT FEEDBACK

Eastern Health proactively promotes feedback as an opportunity for patients, families, carers and community members to provide the organisation with information about their experience and to assist in the review and improvement of services.

Feedback can take the form of a complaint, comment/suggestion, compliment or response to a survey. Eastern Health received 20,006 items of feedback in 2023.

This is an increase from 13,820 items of feedback in 2022 and 7,027 in 2021. The increase in items of feedback from 2023 to 2024 was driven by increases in responses to the Eastern Health Patient Experience Survey (5,579 responses in 2023) and the Victorian Healthcare Experience Surveys (10,599 responses in 2023).



The Eastern Health Patient Experience Survey is made available to patients on discharge through several methods including via email to a sample of discharged patients, staff providing brochures to discharged patients or providing an iPad at the point of discharge for survey completion.

In 2023, 94% of patients who completed the Patient Experience Survey rated their overall care as 'very good' or 'good'.

COMPLAINTS AND COMPLIMENTS

There was a slight reduction in number of complaints received by Eastern Health in 2023 compared with 2022, while the number of compliments received in 2023 increased compared with 2022.

Eastern Health continues to theme feedback received using the Health Complaints Analysis Tool (HCAT). Complaints are themed to one or more of three domains – Clinical, Management and Relationship. Each domain has categories and subcategories.

Of the three domains, the Relationship domain featured most in complaints received in 2023. Locations receiving the most feedback continue to be the Emergency Departments and

outpatient departments which are also areas with some of the highest volumes of patient episodes of care across Eastern Health.

CLINICAL INDICATORS AND BENCHMARKING

In 2023-24, Eastern Health participated in the following benchmarking for Quality and Safety:

- The Health Roundtable (HRT): Patient Safety Indicators which include Mortality, Readmission and Hospital-acquired complications.
- ACHS Clinical Indicator Program: Participation is voluntary and programs identify clinical indicator suites based on potential benefits from participation.
- VICNISS: Healthcare Associated Infection Surveillance.
- Specialty-specific benchmarking through consultative councils including CCOPMM (Consultative Council on Obstetric and Paediatric Mortality and Morbidity), VASM (Victorian Audit of Surgical Mortality), VPSP (Victorian Perinatal Services Performance Indicators) and disease-specific Registries (e.g. National Hip Fracture Registry, Victorian Cardiac Outcomes Registry (VCOR)) and other industry benchmarking (there is inconsistent participation and use of registry data).
- Public Sector Residential Aged Care Services (PSRACS) indicators: Since July 2006 Public Sector Residential Aged Care Services (PSRACS) in Victoria have participated in the collection, reporting and benchmarking of data for a set of quality-of-care performance indicators. There are 18 indicators currently reported to assist in monitoring and improving care provided to PSRACS residents across 5 areas of clinical risk.
- Australasian Rehabilitation Outcome Centre (AROC) Indicators.
- Palliative Care Outcome Collaborative (PCOC) and additional Department of Health (DoH) Palliative Care Indicator Trials.
- Pathology: Royal College of Pathologists Australia Quality Assurance Programs (RCPA QAP) for all analytical testing.
- Victorian Healthcare Experience Survey (VHES).

In addition to reports produced by these various bodies, Eastern Health also receives benchmarked reports from the Victorian Agency for Health Information (VAHI). Access to an interactive Portal has enabled timely benchmarking to be undertaken.

Strong governance, leadership and culture

Eastern Health participated in the People Matter Survey in October 2023. The survey is our primary method of measuring employee engagement and staff perceptions of leadership effectiveness.

Over 3,500 staff participated in the survey, representing 31 per cent of our workforce. Engagement remained stable and across most factors, results improved since the last survey was undertaken in 2021.

The focus for this survey was to empower leaders to drive local action planning within their teams with the

aim of improving the day-to-day experiences of employees in their workspaces.

In addition, at an organisational level the areas identified for continued focus were communication and collaboration across Eastern Health, psychological safety and empowering our staff for continuous improvement.

KEY PERFORMANCE INDICATOR	TARGET	2023-24 RESULT
People Matter Survey – Percentage of staff with an overall positive response to safety culture survey questions	62%	70.25%



Timely access to care

KEY PERFORMANCE INDICATOR	TARGET	2023-24 RESULT	
Emergency care			
Percentage of patients transferred from ambulance to emergency department within 40 minutes	Angliss	90%	79.1%
	Box Hill	90%	43.1%
	Maroondah	90%	41.1%
Percentage of Triage Category 1 emergency patients seen immediately	Angliss	100%	100%
	Box Hill	100%	100%
	Maroondah	100%	100%
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended time	Angliss	80%	88%
	Box Hill	80%	76.6%
	Maroondah	80%	83.2%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours	Angliss	81%	49.9%
	Box Hill	81%	41.4%
	Maroondah	81%	43.1%
Number of patients with a length of stay in the emergency department greater than 24 hours	Angliss	0	6
	Box Hill	0	113
	Maroondah	0	92
Mental health			
Percentage of mental health-related emergency department presentations with a length of stay of less than 4 hours	Angliss	81%	20%
	Box Hill	81%	24.9%
	Maroondah	81%	19%
Percentage of 'urgent' (category 'C') mental health triage episodes with a face-to-face contact received within 8 hours	Box Hill	80%	10%
	Maroondah	80%	7%
	Child and Youth Mental Health Service	80%	0
	Peter James Centre	80%	10%
Planned surgery			
Number of patients on the planned surgery waiting list as at 30 June 2024	5,375	4,271	
Number of patients admitted from the planned surgery waiting list	19,487	18,203	
Number of patients (in addition to base) admitted from the planned surgery waiting list	1,687	0	
Percentage of urgency category 1 planned surgery patients admitted within 30 days	100%	100%	
Percentage of all planned surgery patients admitted within the clinically recommended time	94%	76%	
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	29.7%	
Number of hospital-initiated postponements per 100 scheduled planned surgery admissions	≤7/100	7.5%	
Specialist clinics			
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	100%	79.7%	
Percentage of routine patients referred by GP or external specialist who attended a first appointment within 365 days	90%	94.2%	
Home Based Care			
Percentage of admitted bed days delivered at home	Equal to or better than prior year result	6.4%*	
Percentage of admitted episodes delivered at least partly at home	Equal to or better than prior year result	3.8%*	

* New KPI for 2023-24 – previous year comparison not available.



Effective financial management

The Minister sets out key targets as part of an annual Statement of Priorities. The key indicators are:

KEY PERFORMANCE INDICATOR	TARGET	2023-24 RESULT
Operating Result	(\$72.84m)	(\$70.7m)
Average number of days to paying trade creditors	60 days	59.34
Average number of days to receiving patient fee debtors	60 days	56.24
Adjusted current asset ratio (Variance between actual ACAR and target, including performance improvement over time or maintaining actual performance)	0.7 or 3% improvement	0.34
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June.	Variance ≤\$250,000	Not achieved
Actual number of days available cash, measured on the last day of each month	14 days	4.81

Health care in any language

Eastern Health employs an in-house team of interpreters certified by the National Accreditation Authority for Translators and Interpreters (NAATI).

In 2023-24 the demand for language services has remained high. The on-site interpreter service continues to be supported by telephone interpreting and the Health Direct video platform to access interpreters, including Auslan interpreters.

This provides opportunities for increasing the number of languages offered and the number of interpreters to which the service has access.

In 2023-24, a total of 13,730 occasions of service were delivered via video and telephone calls, representing 38% of the total occasions of interpreter service.

Eastern Health routinely provides interpretation services in 18 languages with its in-house and casual team of interpreters, and with advances in video technology now has further opportunities to connect with NAATI-certified interpreters, including those in other states and potentially overseas, as these remote connections are not limited to providers who live and work in Melbourne.

The top three languages of demand continue to be Mandarin, Cantonese and Greek, followed by Italian, Arabic, Vietnamese, Persian, Chin Hakha, Hindi, and Auslan completing the top 10.

In 2023-24, Eastern Health provided language services in 90 languages, supported by its external agency providers.



22,310

patients with a primary language other than English



90

languages in which services were provided



Activity and funding

FUNDING TYPE	ACTIVITY
Consolidated Activity Funding	
Acute admitted, subacute admitted, emergency services, non-admitted NWAU	167,975
Acute Admitted	
National Bowel Cancer Screening Program NWAU	160
Acute admitted DVA	419
Acute admitted TAC	178
Acute Non-Admitted	
Home Enteral Nutrition NWAU	61
Home Renal Dialysis NWAU	340
Subacute/Non-Acute, Admitted and Non-admitted	
Subacute admitted - DVA	128
Transition Care - Bed days	22,586
Transition Care - Home days	10,333
Aged Care	
Residential Aged Care	22,189
HACC	3,458
Mental Health and Drug Services	
Mental Health Ambulatory	200,655
Mental Health Inpatient - Available bed days	35,122
Mental Health Residential	19,198
Mental Health Subacute	18,726
Drug Services	11,278
Primary Health	
Community Health/Primary Care Programs	23,753



Environmental performance

	2023-24	2022-23
ELECTRICITY USE		
EL1 Total electricity consumption segmented by source (MWh)		
Purchased	38,277.71	37,820.56
Self-generated	318.01	249.17
EL1 Total electricity consumption (MWh)	38,595.72	38,069.72
EL2 On site-electricity generated (MWh) segmented by:		
Consumption behind-the-meter		
Solar Electricity	318.01	249.17
Total Consumption behind-the-meter (MWh)	318.01	249.17
Exports		
EL2 Total On site-electricity generated (MWh)	318.01	249.17
EL3 On-site installed generation capacity (kW converted to MW) segmented by:		
Cogeneration Plant	1.15	1.15
Diesel Generator	17.14	17.14
Solar System	0.73	0.38
EL3 Total On-site installed generation capacity (MW)	19.02	18.67
EL4 Total electricity offsets segmented by offset type (MWh)		
RPP (Renewable Power Percentage in the grid)	7,196.21	7,091.44
EL4 Total electricity offsets (MWh)	7,196.21	7,091.44
STATIONARY ENERGY		
F1 Total fuels used in buildings and machinery segmented by fuel type (MJ)		
Natural gas	108,821,880.50	130,925,859.50
Diesel	1,039,718.10	2,057,032.30
F1 Total fuels used in buildings (MJ)	109,861,598.60	132,982,891.80
F2 Greenhouse gas emissions from stationary fuel consumption segmented by fuel type (Tonnes CO²-e)		
Natural gas	5,607.59	6,746.61
Diesel	72.99	144.40
F2 Greenhouse gas emissions from stationary fuel consumption (Tonnes CO²-e)	5,680.58	6,891.01
TRANSPORTATION ENERGY		
T1 Total energy used in transportation (vehicle fleet) within the Entity, segmented by fuel type (MJ)		
Non-emergency transport (Health service operated) - Gasoline	4,700,448.00	3,580,740.00
Non-executive fleet - Gasoline		1,118,918.10
Petrol	4,700,448.00	4,699,658.10
Non-emergency transport (Health service operated) - E10	4,305.60	13,049.30
Non-executive fleet - E10		5,222.90
Petrol (E10)	4,305.60	18,272.20
Non-emergency transport (Health service operated) - Diesel	1,024,058.00	898,222.00
Non-executive fleet - Diesel		305,326.00

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	2023-24	2022-23
Diesel	1,024,058.00	1,203,548.00
Electricity for Road Vehicles from Victorian Government Facilities	124,641.60	
Electricity (Transport Energy)	124,641.60	
Total energy used in transportation (vehicle fleet) (MJ)	5,853,453.20	5,921,478.30
T3 Greenhouse gas emissions from transportation (vehicle fleet) segmented by fuel type (tonnes CO²-e)		
Non-emergency transport (Health service operated) - Gasoline	317.84	242.13
Non-executive fleet - Gasoline		75.66
Petrol	317.84	317.79
Non-emergency transport (Health service operated) - E10	0.26	0.79
Non-executive fleet - E10		0.32
Petrol (E10)	0.26	1.11
Non-emergency transport (Contracted) - Diesel	72.10	63.24
Non-executive fleet - Diesel		21.50
Diesel	72.10	84.74
Electricity for Road Vehicles from Victorian Government Facilities	22.84	
Electricity (Transport Energy)	22.84	
Total Greenhouse gas emissions from transportation (vehicle fleet) (tonnes CO²-e)	413.05	403.65
T(opt1) Total vehicle travel associated with entity operations (1,000 km)		
Total vehicle travel associated with entity operations (1,000 km)	1,770.12	1,798.59
T(opt2) Greenhouse gas emissions from vehicle fleet (tonnes CO²-e per 1,000 km)		
tonnes CO ² -e per 1,000 km	0.23	0.22
TOTAL ENERGY USE		
E1 Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) (MJ)		
Total energy usage from stationary fuels (F1) (MJ)	109,861,598.60	132,982,891.80
Total energy usage from transport (T1) (MJ)	5,853,453.20	5,921,478.30
Total energy usage from fuels, including stationary fuels (F1) and transport fuels (T1) (MJ)	115,715,051.80	138,904,370.10
E2 Total energy usage from electricity (MJ)		
Total energy usage from electricity (MJ)	138,944,579.12	137,051,003.52
E3 Total energy usage segmented by renewable and non-renewable sources (MJ)		
Renewable	27,051,621.81	26,428,021.30
Non-renewable (E1 + E2 - E3 Renewable)	228,628,207.81	250,424,350.02
E4 Units of Stationary Energy used normalised: (F1+E2)/normaliser		
Energy per unit of Aged Care OBD (MJ/Aged Care OBD)	7,021.68	9,461.93
Energy per unit of LOS (MJ/LOS)	520.91	599.39
Energy per unit of bed-day (LOS+Aged Care OBD) (MJ/OBD)	484.94	563.68
Energy per unit of Separations (MJ/Separations)	1,571.79	1,890.68
Energy per unit of floor space (MJ/m ²)	1,209.48	1,308.29

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WATER USE**W1 Total units of metered water consumed by water source (kl)**

Potable water (kL)	188,933.25	196,800.81
Reused water (kL)	123,673.88	44,237.87
Total units of water consumed (kl)	312,607.13	241,038.68

W2 Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity

Water per unit of Aged Care OBD (kL/Aged Care OBD)	8.82	8.45
Water per unit of LOS (kL/LOS)	0.65	0.54
Water per unit of bed-day (LOS+Aged Care OBD) (kL/OBD)	0.61	0.50
Water per unit of Separations (kL/Separations)	1.97	1.69
Water per unit of floor space (kL/m ²)	1.52	1.17

WASTE AND RECYCLING**WR1 Total units of waste disposed of by waste stream and disposal method (kg)****Landfill (total)**

General waste - bins	154,173.00	233,553.04
General waste - compactors	1,096,950.00	1,070,540.00
General waste - skips	207,415.00	199,730.00

Offsite treatment

Clinical waste - incinerated	27,203.35	24,877.37
Clinical waste - sharps	35,235.01	35,653.14
Clinical waste - treated	380,057.46	448,699.81

Recycling/recovery (disposal)

Cardboard	168,023.71	216,026.17
Commingled	132,004.08	201,974.08
Paper (confidential)	116,727.30	120,854.62
Paper (recycling)	-	5,253.12
PVC	3,744.00	3,040.00

Total units of waste disposed (kg)**2,321,532.91 2,560,201.35****WR1 Total units of waste disposed of by waste stream and disposal method (%)****Landfill (total)**

General waste	62.83%	58.74%
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Offsite treatment

Clinical waste - incinerated	1.17%	0.97%
Clinical waste - sharps	1.52%	1.39%
Clinical waste - treated	16.37%	17.53%

Recycling/recovery (disposal)

Cardboard	7.24%	8.44%
Commingled	5.69%	7.89%
Paper (confidential)	5.03%	4.72%
Paper (recycling)	-	0.21%
PVC	0.16%	0.12%



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	2023-24	2022-23
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 PPT ((kg general waste)/PPT)	1.77	1.94
Total waste to offsite treatment per PPT ((kg offsite treatment)/PPT)	0.54	0.66
Total waste recycled and reused per PPT ((kg recycled and reused)/PPT)	0.51	0.70
WR4 Recycling rate (%)		
Weight of recyclable and organic materials (kg)	420,499.09	547,147.99
Weight of total waste (kg)	2,321,532.91	2,560,201.35
Recycling rate (%)	18.11%	21.37%
WR5 Greenhouse gas emissions associated with waste disposal (tonnes CO²-e)		
tonnes CO ² -e	2,459.90	2,606.51
GREENHOUSE GAS EMISSIONS		
G1 Total scope one (direct) greenhouse gas emissions (tonnes CO²e)		
Carbon Dioxide	6,054.77	7,275.37
Methane	11.09	13.40
Nitrous Oxide	4.93	5.88
Total	6,070.79	7,294.66
Scope 1 GHG emissions from stationary fuel (F2 Scope 1) (tonnes CO²-e)	5,680.58	6,891.01
Scope 1 GHG emissions from vehicle fleet (T3 Scope 1) (tonnes CO²-e)	390.21	403.65
Total scope one (direct) greenhouse gas emissions (tonnes CO²e)	6,070.79	7,294.66
G2 Total scope two (indirect electricity) greenhouse gas emissions (tonnes CO²e)		
Electricity	25,441.44	26,368.95
Total scope two (indirect electricity) greenhouse gas emissions (tonnes CO²e)	25,441.44	26,368.95
G3 Total scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal (tonnes CO²e)		
Waste emissions (WR5)	2,459.90	2,606.51
Indirect emissions from Stationary Energy	3,627.78	3,826.56
Indirect emissions from Transport Energy	101.44	82.35
Paper emissions	119.56	98.11
Any other Scope 3 emissions	317.77	342.83
Total scope three greenhouse gas emissions (tonnes CO²e)	6,626.45	6,956.35
G(Opt) Net greenhouse gas emissions (tonnes CO²e)		
Gross greenhouse gas emissions (G1 + G2 + G3) (tonnes CO²e)	38,138.68	40,619.95
Any Reduction Measures Offsets purchased (EL4-related)		
Any Offsets purchased		
Net greenhouse gas emissions (tonnes CO²e)	38,138.68	40,619.95
NORMALISATION FACTORS		
1000km (Corporate)	1,770.12	1,798.59
Aged Care OBD	35,434.00	28,539.00
ED Departures	152,998.00	155,210.00
LOS	477,636.00	450,518.00
OBD	513,070.00	479,057.00
PPT	824,363.00	777,091.00
Separations	158,295.00	142,824.00
TotalAreaM ²	205,714.00	206,401.50

* All figures reflect data available up until the time this report was compiled and may change due to validation procedures or billing errors.



DETAILS OF CONSULTANCIES

Detail of consultancies (under \$10,000)

In 2023-24 there were six consultancies where the total fees payable to the consultants were less than \$10,000, with a total expenditure of \$39,031 (excluding GST).

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

In 2023-24 there were 15 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2023-24 in relation to these consultancies was \$725,221.45 (excluding GST).

Details of the individual consultancies are published on the Eastern Health website.

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) EXPENDITURE

Total Information and Communication Technology (ICT) expenditure incurred during 2023-24 is \$62.2 million (excluding GST), as per below:

BAU	NON-BAU		
Expenditure	Total expenditure	Operational expenditure	Capital expenditure
\$36.9m	\$25.3m	\$10.1m	\$15.2m

BAU – Business as usual

Disclosures required under legislation

FREEDOM OF INFORMATION ACT 1982

Eastern Health complies with the *Victorian Freedom of Information Act 1982* which allows individuals to apply for access to government documents that are not available for public inspection.

Applications must be in writing and submitted by email, in a letter or on the application form available on the Eastern Health website.

Applicants can ask for a copy of the record, or to view the record. Requests must clearly identify which documents the applicant wants to access.

Applications must be sent with the current application fee (see link to website for current charges) and proof of the applicant's identity (e.g. copy of driver's licence).

Applications can be forwarded to:

Eastern Health Freedom of Information Service
Health Information Services
Maroondah Hospital
PO Box 135
Ringwood East VIC 3135

P: (03) 9871 3170
F: (03) 9871 1653
E: foi@easternhealth.org.au

Eastern Health must provide access to records requested unless they fall within one of the "exemption" categories in the FOI Act.

If Eastern Health denies access the reasons will be explained and advice will be provided on how to request a review on that decision.

Freedom of Information statistics/timeliness

During 2023-24, Eastern Health received 1,667 requests under the *Freedom of Information Act 1982*.

This total comprised of 1,224 personal requests, mostly from patients or their representatives seeking access to their medical records and 443 non-personal requests which included requests for patient medical records from insurance companies, WorkCover and TAC.

There were 1,252 decisions made within the statutory time periods. Of the decisions made outside time, 45 were made within a further 45 days and 221 decisions were made in greater than 45 days.

Of requests finalised, the average number of days over/under the statutory time (including extended timeframes) to decide the request was 34 days.

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Full access to documents was provided in 443 requests. Partial access was granted for 898 requests, while 12 requests were denied in full.

The most common reason for Eastern Health seeking to fully or partially exempt requested documents was the protection of personal privacy in relation to requests for information about persons other than the applicant.

There were 139 requests withdrawn by the applicant, processed outside the Act or no documents could be located or were in existence and 175 requests were not yet finalised at 30 June 2024.

Most applications were received from patients, their legal or other representative, or surviving next of kin and most were for access to medical records.

During 2023-2024, 11 requests were subject to a complaint/review by the Office of the Victorian Information Commissioner.

For information about how to make an FOI request and any costs associated with the request, visit www.easternhealth.org.au

FREEDOM OF INFORMATION REQUESTS	2019-20	2020-21	2021-22	2022-23	2023-24
Number of requests	1,385	1,504	1,551	1753	1667
Access provided in full	621	628	584	623	443
Access provided in part	590	654	747	825	898
No documents	67	53	57	70	77
Access denied	12	10	9	9	12
Request withdrawn by applicant	9	16	15	23	15
Transferred to another agency	1	1	0	0	1
Requests not completed	79	135	137	170	175
Requests processed outside the Act	7	8	2	33	47
Complaints lodged with OVIC	1	Nil	3	10	1
Referred to OVIC for review	12	5	4	8	10
Decisions referred to VCAT	0	2	0	0	0

OVIC – Office of the Victorian Information Commissioner

VCAT – Victorian Civil and Administrative Tribunal

BUILDING ACT 1993

Eastern Health complies with the building and maintenance provisions of the *Building Act 1993* and Department of Health Fire Risk Management Guidelines, with all works completed in 2023-24 in accordance with the relevant provisions of the National Construction Code.

Eastern Health ensures works are inspected by independent registered building surveyors. All building practitioners are required to show evidence of current registration and must maintain their registration status throughout the course of their work with us.

PUBLIC INTEREST DISCLOSURES ACT 2012

Eastern Health complies with the *Public Interest Disclosures Act 2012* (Vic), which forms part of Victoria’s anti-corruption laws. Neither “improper conduct” nor “reprisal against a person for a public interest disclosure” is acceptable to us.

Eastern Health supports the making of disclosures about such conduct to the Independent Broad-based Anti-Corruption Commission (IBAC).

Any requests for information about our procedures for the protection of persons from unlawful reprisal for public interest disclosures should

be directed to the Executive Director People and Culture at Eastern Health.

Public interest disclosures are distinguished from complaints or grievances that would be dealt with under Eastern Health’s usual complaint or grievance processes, such as a patient’s healthcare complaint or an employee’s industrial grievance.

There were no public interest disclosures related to Eastern Health made to IBAC in 2023-24.

For more information, visit www.ibac.vic.gov.au



STATEMENT ON NATIONAL COMPETITION POLICY

Eastern Health is committed to ensuring that services demonstrate both quality and efficiency.

Competitive neutrality, which supports the Commonwealth Government's National Competition Policy, helps to ensure net competitive advantages that accrue to a government business are offset.

Eastern Health understands the requirements of competitive neutrality and acts accordingly.

It complies with the Competitive Neutrality Policy Victoria and any subsequent reforms that relate to responsible expenditure and infrastructure projects, and the creation of effective partnerships between private enterprise and the public sector.

CARERS RECOGNITION ACT 2012

Eastern Health has taken all practicable measures to comply with its obligations under the Act. These include:

- Promoting the principles of the Act to people in care relationships who receive our services and to the wider community through providing links to the Victorian charter supporting people in care relationships (Carers Charter) and the Statement for Australia's Carers on the Eastern Health website
- Ensuring staff have an awareness and understanding of the care relationship principles set out in the Act through articulating how the role of the carer is recognised, promoted and valued in the Eastern Health Partnering with our Patients, Families and Carers Standard and training resources
- Celebrating and promoting National Carers Week to raise community awareness among the Eastern Health Community about the diversity of carers and their caring roles

- Considering the care relationships principles set out in the Act when setting policies and providing services (e.g. reviewing our employment policies such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the Act).

SOCIAL PROCUREMENT FRAMEWORK

Eastern Health has Social Procurement objectives to:

- Provide opportunities for Victorian Aboriginal people by purchasing from Victorian Aboriginal businesses and generate employment for Victorian Aboriginal people through suppliers to Eastern Health.
- Support women's equality and safety through the adoption of family violence leave and gender equality by Eastern Health's suppliers.
- Require suppliers to attest that they comply with Modern Slavery reporting obligations on sources of supply.
- Promote sustainable business practices through the adoption of sustainable business practices by Eastern Health's suppliers.

Eastern Health spent approximately \$320,055 over 2023-24 with social benefit suppliers. In the third year of tracking social procurement performance, Eastern Health is beginning to gain momentum with a 184% increase in expenditure with Victorian Aboriginal businesses.

Eastern Health continues to incorporate Social Procurement objectives in its high value procurement programs, in line with the Victorian Government's Social Procurement Framework, that encourage the employment of Indigenous staff and the use of Indigenous businesses as suppliers.

In addition to assigning social procurement weightings as part of the evaluation process, Eastern Health has required high value suppliers to develop Reconciliation Action Plans and undertake Cultural Awareness training for staff, to bring suppliers in line with Eastern Health's own practices.

LOCAL JOBS FIRST ACT 2003

Eastern Health complies with the *Local Jobs First Act 2003* (the Act, formerly the *Victorian Industry Participation Policy Act 2003*) is Australia's longest-standing industry participation legislation and is focused on promoting employment growth by expanding market opportunities for local industry and providing for industry development.

Administered by the Department of Jobs, Precincts and Regions (DJPR), this supports Victorian businesses and workers by ensuring that small and medium size enterprises (SMEs) are given a full and fair opportunity to compete for both large and small government contracts, helping to create job opportunities, including for apprentices, trainees and cadets.

The following information for contracts commenced and/or completed in the financial year must be disclosed under the *Local Jobs First Act 2003* (Refer to FRD 25 5.3 *Local Jobs First - Disclosures in the Report of Operations (April 2019)*, which now includes all disclosures under the *Victorian Industry Participation Policy (VIPPP)*):

The number of projects that the Major Projects Skills Guarantee has been applied to (from 16 August 2018), the total number of hours completed or to be completed by apprentices, trainees or cadets on these projects, and the total number of opportunities created for apprentices, trainees and cadets on these projects.

Nil to report



Continued on page 52

The number of projects and percentage of 'local content' committed under projects that commenced and/or completed in the reporting period to which LIDP was required:

Three projects commenced in 2023-24 for Metropolitan Melbourne:

1. Chemical Pathology Analysers & Associated Automation EH23-0103T awarded to Roche Diagnostics Australia, 100.00% local content commitment, commenced 5/3/2024.
2. Transition Care Program; Residential Services EH23-0204T awarded to Martin Luther Homes, "local by nature" 97% minimum local content commitment, commenced 17/9/2023.
3. Provision of Medical Services (Radiology) to Eastern Health EH22-0721T awarded to Imaging. Independently, 97% local content commitment, commenced 1/7/2023.

For projects commenced, a statement of total LIDP commitments (local content, employment and engagement of apprentices, trainees and cadets) committed as a result of these projects:

Three projects commenced in 2023-24:

1. Total Employment Commitment for project: 0.243 Annualised Employee Equivalent (AEE). Consisting of 0.22 Retained AEE and 0.025 Created.
2. Total Employment Commitment for project: 5.253 Annualised Employee Equivalent (AEE). Consisting of 5.253 Retained AEE.
3. Total Employment Commitment for project: 13.94 Annualised Employee Equivalent (AEE). Consisting of 13.94 Retained AEE.

Total committed as a result of these projects: 19.43 AAE

For projects completed, a statement of total VIPP Plan or LIDP outcomes (local content, employment and engagement of apprentices/trainees) achieved as a result of these contracts.

Nil completed for this financial year

The total number, across all projects commenced or completed by Eastern Health, of small and medium sized businesses engaged as either the principal contractor or as part of the supply chain.

3

1. Chemical Pathology Analysers & Associated Automation awarded to Roche Diagnostics Australia, 0 SME principal contractor. (1)
2. Transition Care Program Residential Services awarded to Martin Luther Homes, Local by Nature, principal contractor. (1)
3. Provision of Medical Services (Radiology) to Eastern Health awarded to Imaging Independently, Local by Nature, principal contractor. (1)

GENDER EQUALITY ACT 2020

In accordance with the *Gender Equality Act 2020* (Vic) (the Act), Eastern Health submitted a progress report in February 2024 against our Gender Equality Action Plan.

The Act was created with the intention to improve workplace gender equality in the Victorian public sector, universities and local councils.

Of note, Eastern Health sponsored 30 women to attend targeted leadership programs across four leadership levels: Impact, Leading Edge, Advanced Leadership and Executive Ready.

Our Gender Equity Action Plan identified that access to reliable and meaningful data remains a priority.

This informed the creation of a demographic survey form, and all new employees have been invited to complete this form at onboarding.

An all-employee rollout to capture further demographic data for existing data will be undertaken following the implementation of SuccessFactors in June 2024.

The collection of this data will allow Eastern Health to better understand our diversity profile, and plan initiatives and programs accordingly.

MENTAL HEALTH AND WELLBEING ACT 2022

Eastern Health's Mental Health and Wellbeing Program acknowledges the Mental Health and Wellbeing Principles as stated in the *Mental Health and Wellbeing Act 2022* (Vic).

Eastern Health aims to promote conditions in which people can experience good mental health and wellbeing, aiming to provide treatment and care in the community that is compassionate, safe and of a high quality, as close to home as possible.

The Mental Health and Wellbeing Program, in responding specifically to the Principles, acknowledges the principle of Dignity and Autonomy and respects the rights of people living with mental illness or psychological distress, recognising that the person is to be supported to exercise their rights.

The Program maintains close working relationships with peak advocacy bodies in ensuring consumers can express their rights. The Program has recently commenced a quality project across both bed-based and community services to increase the number of consumers who have a documented Advance Statement of Preferences available in their clinical record.

Training has been developed to assist clinicians and medical personnel to improve their understanding of and capacity to support consumers to complete an Advance Statement of Preferences.



ASSET MANAGEMENT ACCOUNTABILITY FRAMEWORK

Eastern Health manages an expanding and diverse portfolio of assets, encompassing land and buildings, plant and utility infrastructure, medical and patient treatment equipment, kitchens, pathology laboratories, IT assets, and motor vehicles.

In support of the *Financial Management Act 1994*, the Assistant Treasurer releases Standing Directions aimed at ensuring high standards of public financial management.

The Asset Management Accountability Framework (AMAF) forms part of these Directions and is based on the ISO 55000 international standard. Eastern Health has been compliant with the AMAF.

Eastern Health has placed a higher focus on maturing its Asset Management Systems (AMS) to meet the requirements of the AMAF and ensure maturity to the competence level for all areas. The AMAF includes several key elements of asset management, with measures against which an attestation of maturity is made.

The following diagram and table summarises Eastern Health's assessment of its degree of development against the AMAF measures:

Awareness:

Systems and processes are being developed.

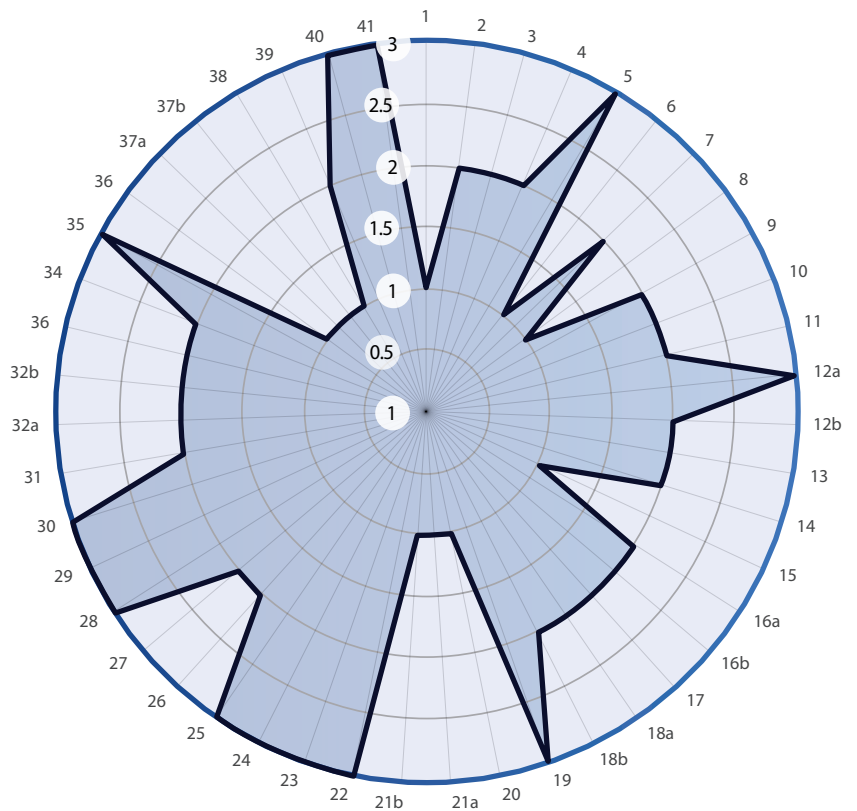
Developing:

Systems and processes are being embedded with links to AMAF.

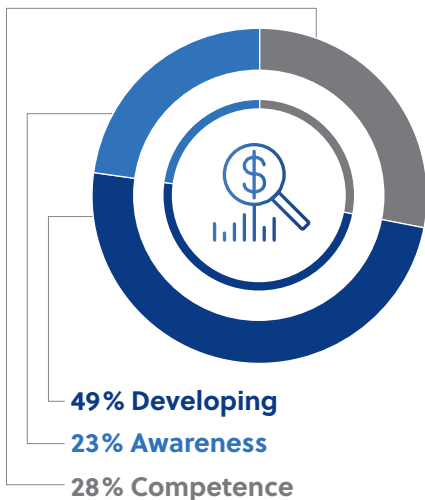
Competence:

Systems and processes are fully in place and consistently applied.

Eastern Health Compliance and Maturity Rating



STATUS	SCALE	ASSESSMENT 2023-24	PERCENTAGE 2023-24	PERCENTAGE 2020-21
Not Applicable	N/A	0	0	0
Innocence	0	0	0	0
Awareness	1	11	23	26
Developing	2	23	49	36
Competence	3	13	28	38
Optimising	4	0	0	0



Maturity assessment reporting is undertaken in addition to the attestations, including the disclosure of material compliance deficiencies. The maturity assessment does not replace other requirements as part of the Standing Directions 2018 under the *Financial Management Act 1994*.

Since the new Asset Management Policy was commissioned in October 2022, several processes and procedures have been realigned. The intent is to meet the changing needs within the public healthcare industry.

This includes an alignment to the Department of Health's Asset Information Management Framework, and asset accountabilities within Eastern Health following a restructure. At the time of the attestation, several processes were being developed to ensure the currency of information and their relevance.

This has impacted the level of maturity for "Competence" (down by 10%) and "Developing" (up by 13%), as compared to the last reported AMAF Attestation in 2020-21.



Attestations and Declarations

FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION

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



MR TASS MOUSAFERIADIS
Eastern Health Board
2 September 2024

DATA INTEGRITY DECLARATION

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



ADJUNCT PROFESSOR DAVID PLUNKETT
Eastern Health Chief Executive
2 September 2024

CONFLICT OF INTEREST DECLARATION

I, David Plunkett, certify that Eastern Health has put in place appropriate internal controls and processes to ensure that it has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC.

Declaration of private interest forms have been completed by all executive staff within Eastern 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.



ADJUNCT PROFESSOR DAVID PLUNKETT
Eastern Health Chief Executive
2 September 2024

INTEGRITY, FRAUD AND CORRUPTION DECLARATION

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



ADJUNCT PROFESSOR DAVID PLUNKETT
Eastern Health Chief Executive
2 September 2024

COMPLIANCE WITH HEALTHSHARE VICTORIA (HSV) PURCHASING POLICIES

I, David Plunkett, certify that Eastern 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 as required by the *Health Services Act 1988* (Vic) and has critically reviewed these controls and processes during the year.



ADJUNCT PROFESSOR DAVID PLUNKETT
Eastern Health Chief Executive
2 September 2024

CAR PARKING FEES

Eastern Health complies with the Department of Health *Hospital Circular* on car parking fees and details of car parking fees and concession benefits can be viewed at www.easternhealth.org.au

SAFE PATIENT CARE ACT 2015

Eastern Health has no matters to report in relation to its obligations under section 40 of the *Safe Patient Care Act 2015*.

ADDITIONAL INFORMATION AVAILABLE ON REQUEST

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

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





EASTERN HEALTH FOUNDATION

The Eastern Health Foundation plays a crucial role in advancing health care within our community. Through the unwavering support of our compassionate donors, we have been able to acquire vital medical equipment, drive groundbreaking clinical research, and provide training and development opportunities for our dedicated healthcare professionals across all Eastern Health locations.

These invaluable resources have significantly enhanced patient care and outcomes throughout Melbourne's eastern region. We are profoundly grateful for the generosity and support of our community members, who share our commitment to making a difference.

These examples explain how through the generosity of our community we can enhance patient care in Melbourne's east for all.

IRIS ALLINGHAM SOCIETY: A LEGACY OF GRATITUDE

The Eastern Health Foundation is privileged to have many supporters who have included a gift in their will. One such supporter is Peter Fagg, who has left a gift in his will as a proud member of the Iris Allingham Society.

Established in May 2023, the Society honours donors who remember Eastern Health in their wills. Inspired by Iris Allingham's generous legacy,

the Society celebrates those who support the hospital in this meaningful way.


Born in 1910, Iris Allingham lived her entire life in Box Hill, dedicating herself to her community. After her husband Alfred's death in 1971, she bequeathed her entire estate to Eastern Health Box Hill in a perpetual trust, managed by Equity Trustees upon her passing in 1990. This act of generosity has continually supported research breakthroughs, medical advancements, and compassionate patient care at Eastern Health.

Peter Fagg's story exemplifies the profound impact of the care provided at Eastern Health.

"My late wife Judy was cared for through a battle with cancer for four years at both Eastern Health Box Hill and Wantirna. More recently, the excellent doctors and nursing staff have supported me through my own cancer journey and to remission. Three of my grandchildren were born at Eastern Health Box Hill.

"Any gift helps to fund medical advances and new ways of caring for patients. It's a good legacy to leave."

This year, the Iris Allingham Society gathered for a morning tea at Mary Eats Cake in Montrose and a lunch introducing the first Iris Allingham Trust Staff Development Scholarships. By joining the Iris Allingham Society, donors ensure their legacy supports their local hospital, contributing to cutting-edge research and medical care for future generations.



"Any gift helps to fund medical advances and new ways of caring for patients. It's a good legacy to leave."



LOCAL FUNDRAISER EXCEEDS GOAL FOR PAEDIATRICS UNITS

Emma-Rose Parsons, an ultramarathoner and psychologist, set out with a modest goal to raise \$5,000 for the paediatrics units at Eastern Health Angliss, Maroondah, and Box Hill. Her determination and spirit quickly soared, leading her to promise to don a pink tutu if she reached \$30,000.

In an extraordinary display of endurance and community support, Emma-Rose not only met but surpassed her goal, raising over \$45,000 by running 180km from the top of Lake Mountain to Melbourne in a gruelling 26-hour overnight challenge.

The event was marked by overwhelming community generosity. Hundreds of hospital staff, local organisations, and residents united to cheer Emma-Rose on, with the hospital even calling a special event code to announce her arrival. This unprecedented support allowed staff to express their gratitude and be part of this inspiring fundraiser.

The funds raised will purchase vital resources for Eastern Health paediatric units, including virtual reality headsets, contributions to an ultrasound machine, and sensory items, all aimed at enhancing the care provided to children.

Fuelled by the community's incredible support, Emma-Rose is already planning the 2025 event, aiming to involve even more participants and teams.

"I'm beyond proud to be part of a community like ours," said Emma-Rose.

"We are so proud to see how our long-term partnership with Eastern Health provides real outcomes for real people, when they need it the most."

"Our local children deserve the best care we can give them. While this effort certainly isn't a magic wand, it has started something with potential.

"It has raised awareness for the needs of our local kids in our local hospitals to be better supported. It has opened my eyes to the extraordinary dedication the staff at Eastern Health have for their patients. There is no chance that this idea would have ever taken shape without an incredible team who wholeheartedly believed in it."

SUPPORTING THE NEXT GENERATION OF MEDICAL LEADERS

The Eastern Health Foundation is proud to support the dedicated nurses and other clinicians committed to becoming leaders in their fields.

Through the generous contributions of individuals, businesses, and community groups, the Eastern Health Staff Development Scholarships Program empowers both clinical and non-clinical staff to pursue advanced training and specialisation.

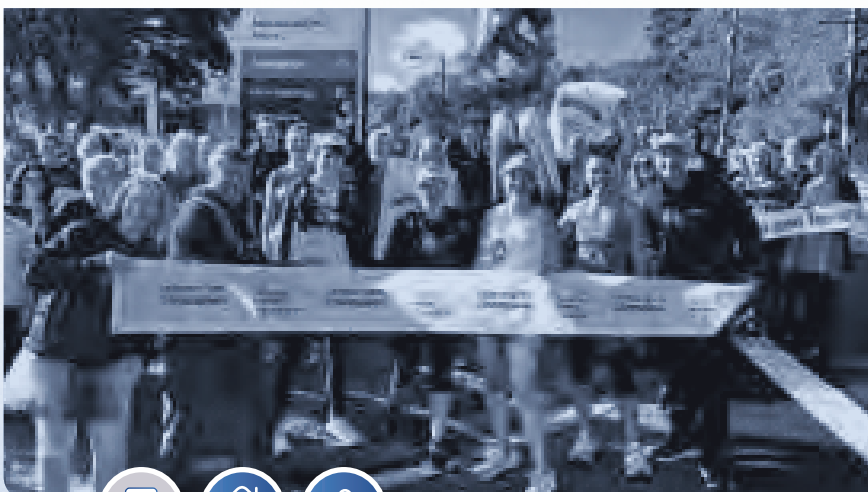
In 2024, 43 exceptional staff members were awarded scholarships, enabling

them to develop critical skills and continue their education to deliver the highest quality patient care. The achievements of these recipients were celebrated at a prestigious awards ceremony held at Box Hill RSL, with heartfelt support from our corporate partner, BankVic.

During the ceremony, Anthony De Fazio, Chief Executive Officer, BankVic, shared: "We are so proud to see how our long-term partnership with Eastern Health provides real outcomes for real people, when they need it the most."

We also extend our deepest gratitude to our corporate partners, including HESTA, Androgogic, Glyde Metal, and Vicinity Centres Box Hill Central. Their unwavering support is instrumental in fostering the growth and expertise of our healthcare professionals, ensuring every patient receives the exceptional care they deserve.

Congratulations to all our staff scholarship recipients for their dedication and hard work.



ELEVATING PATIENT CARE: THE DOWD FAMILY TRUST'S LASTING IMPACT ON EASTERN HEALTH HEALESVILLE

Carl Dowd's family ties to Eastern Health Healesville date back to the 1940s when his uncle Bernard owned the campus. Today, Carl and his wife Wendy honour this rich legacy with their unwavering dedication to advancing and enriching Eastern Health Healesville.

In a recent gesture of support, they funded the acquisition of a new portable ultrasound, developed in collaboration with Louisa Ford, Director Operations, Surgery and Anaesthetics and Michelle Fleming, Deputy Director of Operations, Community and Integrated Care.

This state-of-the-art equipment is the first of its kind for Eastern Health Healesville and promises to revolutionise patient care.

Enabling bedside procedures reduces the need for patient transfers to other medical facilities, ensuring faster, more efficient healthcare delivery.

The portable ultrasound is crucial for the safety and success of key procedures, providing essential diagnostic capabilities for cardiac imaging and detecting abdominal issues like aortic bleeding.

In May, Carl toured the hospital to witness the new ultrasound in action, experiencing firsthand the transformative impact of their donation. The support from The Dowd Family Trust significantly enhances patient care, improving the well-being of the community served by Healesville Hospital and Yarra Valley Health.



"Supporting Eastern Health Healesville has always been important to our family. We are proud to see our contribution making a real difference in patient care and community health," said Carl Dowd.

The Dowd Family Trust's generosity continues to set a high standard for philanthropic support, ensuring Eastern Health remains at the forefront of medical care.



Thank you to our philanthropic supporters

We extend our deepest gratitude to the individuals, community groups, clubs, corporations, and charitable trusts and foundations whose care and compassion have significantly advanced patient care and lifesaving research.

Your generous contributions make a profound difference to the healthcare needs of our community. We would especially like to thank:

Individual donors

- Margaret Mary Bland and John Ware Bland
- Keith Boniface
- Ron Lim Chang Hing
- Anna Christophersen
- Mavourneen Cowen
- Philip Crohn
- John Curran
- Alvi D'Souza
- Henk De Jong
- The Dicker Family
- Yvonne Gray
- The Hayward Family
- Jack Nguyen
- Brian Naismith
- The Sammons Family
- John, Chris and Peter Williams

Trusts and Foundations

- Robert C Bulley OAM Charitable Fund
- Coopersmith Family Foundation

- The Dowd Family Trust
- VMWare Foundation
- William Angliss (Vic) Charitable Fund

Corporates and community groups

- Accountancy One Family Trust
- Androgogic
- Asian Business Association of Whitehorse
- Australian Asian Business Women's Association
- BankVic
- Box Hill RSL
- Box Hill Senior Citizens' Club
- Eastland Shopping Centre
- Emma-Rose Parsons
- Glyde Metal Industries Pty Ltd
- HESTA
- Hologic
- Noel Jones Ringwood
- Purebaby Pty Ltd
- RMW Cho Group

- Rotary Club of Balwyn
- Rotary Club of Box Hill Burwood
- Rotary Club of Maroondah
- Shades of Pink
- She Won't be Right Mate
- Street Food Pty Ltd
- Teo Chew Chinese Association of Victoria

Gifts in Wills

- The Allan Elkington Memorial Trust Fund
- The Erica Wareham Cromwell Trust
- The Estate of Geoffrey John Bidwell
- The Estate of Marion Boyce Foster
- The Estate of Marilyn Maloney
- The Estate of Oliver Maurice Blumberg
- The Estate of Ronald Leslie Elliott
- The Iris Allingham Trust
- The Pam and Alfred Lavey Trust
- State Trustees Australia Foundation



Disclosure Index

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

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Board Member's, Accountable Officer's and Chief Finance and Accounting Officer's Declaration

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

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2024 and the financial position of Eastern Health at 30 June 2024.

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

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

Board Member



MR TASS MOUSAFERIADIS
Chair (On behalf of the Board)
Box Hill
2 September 2024

Accountable Officer



**ADJUNCT PROFESSOR
DAVID PLUNKETT**
Chief Executive
Box Hill
2 September 2024

Chief Finance and Accounting Officer



MR GEOFF CUTTER
Chief Finance Officer
Box Hill
2 September 2024

Independent Auditor's Report

To the Board of Eastern Health

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



Auditor's responsibilities for the audit of the financial report

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

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

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

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



Dominika Ryan
as delegate for the Auditor-General of Victoria

MELBOURNE
20 September 2024



Eastern Health Comprehensive Operating Statement

For the Financial Year Ended 30 June 2024

	NOTE	2024 \$'000	2023 \$'000
Revenue and income from Transactions			
Operating Activities	2.1	1,553,368	1,502,588
Non-Operating Activities	2.1	9,331	7,971
Total Revenue and income from Transactions		1,562,699	1,510,559
Expenses from Transactions			
Employee Expenses	3.1	(1,185,716)	(1,071,594)
Supplies and Consumables	3.1	(229,444)	(226,317)
Finance Costs	3.1	(1,855)	(893)
Other Administrative Expenses	3.1	(89,320)	(76,598)
Depreciation and Amortisation	4.5	(53,532)	(81,490)
Other Operating Expenses	3.1	(106,751)	(96,321)
Total Expenses from Transactions		(1,666,618)	(1,553,213)
NET RESULT FROM TRANSACTIONS - NET OPERATING BALANCE		(103,919)	(42,654)
Other Economic Flows included in Net Result			
Net Gain/(Loss) on Sale of Non-Financial Assets	3.2	122	(240)
Net Gain/(Loss) on Financial Instruments at Fair Value	3.2	(1,870)	(1,643)
Other Gain/(Loss) from Other Economic Flows	3.2	5,624	(14,663)
Total Other Economic Flows included in Net Result		3,876	(16,546)
NET RESULT FOR THE YEAR		(100,043)	(59,200)
Other Economic Flows - Other Comprehensive Income			
Items That Will Not Be Reclassified To Net Result			
Changes in Property, Plant and Equipment Revaluation Reserve		380,112	106,343
Total Other Comprehensive Income		380,112	106,343
COMPREHENSIVE RESULT FOR THE YEAR		280,069	47,143

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



Eastern Health Balance Sheet

As at 30 June 2024

	NOTE	2024 \$'000	2023 \$'000
ASSETS			
Current Assets			
Cash and Cash Equivalents	6.2	134,697	180,983
Receivables	5.1	19,736	49,104
Contract Assets	5.2	5,479	5,001
Inventories	4.6	8,842	10,172
Prepaid Expenses		7,102	2,655
Total Current Assets		175,856	247,915
Non-Current Assets			
Receivables	5.1	86,871	77,895
Property, Plant and Equipment	4.1(a)	1,658,671	1,311,072
Right of Use Assets	4.2(a)	53,134	46,037
Intangible Assets	4.3(a)	18,067	19,845
Total Non-Current Assets		1,816,743	1,454,849
TOTAL ASSETS		1,992,599	1,702,764
Current Liabilities			
Payables	5.3	180,814	214,534
Contract Liabilities	5.4	13,457	8,375
Borrowings	6.1	12,384	9,802
Employee Benefits	3.3	296,136	261,179
Other Liabilities	5.5	26,196	22,917
Total Current Liabilities		528,987	516,807
Non-Current Liabilities			
Borrowings	6.1	38,172	35,070
Employee Benefits	3.3	28,525	35,642
Total Non-Current Liabilities		66,697	70,712
TOTAL LIABILITIES		595,684	587,519
NET ASSETS		1,396,915	1,115,245
Equity			
Property, Plant and Equipment Revaluation Reserve	SCE	1,232,931	852,819
Restricted Specific Purpose Reserve	SCE	39,541	37,937
Contributed Capital	SCE	251,491	249,890
Accumulated Surplus/(Deficit)	SCE	(127,048)	(25,401)
TOTAL EQUITY		1,396,915	1,115,245

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



Eastern Health

Statement of Changes in Equity

For the Financial Year Ended 30 June 2024

	PROPERTY, PLANT AND EQUIPMENT REVALUATION RESERVE \$'000	RESTRICTED SPECIFIC PURPOSE RESERVE \$'000	CONTRIBUTED CAPITAL \$'000	ACCUMULATED SURPLUS/ (DEFICIT) \$'000	TOTAL \$'000
Balance at 1 July 2022	746,476	35,625	249,890	36,111	1,068,102
Net Result for the Year	-	-	-	(59,200)	(59,200)
Other Comprehensive Income for the Year	106,343	-	-	-	106,343
Transfer from/(to) Accumulated Surpluses/ (Deficit)	-	2,312	-	(2,312)	-
Balance at 30 June 2023	852,819	37,937	249,890	(25,401)	1,115,245
Net Result for the Year	-	-	-	(100,043)	(100,043)
Other Comprehensive Income for the Year	380,112	-	-	-	380,112
Transfer from/(to) Accumulated Surpluses/ (Deficit)	-	1,604	-	(1,604)	-
Receipt/(Return) of Capital Contribution	-	-	1,601	-	1,601
Balance at 30 June 2024	1,232,931	39,541	251,491	(127,048)	1,396,915

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



Eastern Health Cash Flow Statement

For the Financial Year Ended 30 June 2024

	NOTE	2024 \$'000	2023 \$'000
Cash Flows from Operating Activities			
Operating Grants from Government		1,295,224	1,240,116
Operating Grants From Commonwealth Government		57,922	58,417
Capital Grants From State Government		44,614	62,417
Patient and Resident Fees Received		58,569	47,631
Private Practice Fees Received		30,741	27,737
Donations and Bequests Received		-	2,729
GST Received From ATO		37,461	33,080
Interest Received		8,881	7,971
Car Park Income Received		6,201	6,854
Other Receipts		47,998	46,031
Total Receipts		1,587,611	1,532,983
Payments to Employees		(1,137,621)	(1,076,514)
Payments to Contractors and Consultants		(7,872)	(6,671)
Payments For Supplies and Consumables		(267,712)	(256,315)
Finance Costs		(2,003)	(1,343)
Payments for Insurance		(37,922)	(21,310)
Payments for Repairs and Maintenance		(41,235)	(36,618)
Payments for Fuel, Light and Power		(8,949)	(9,369)
Other Payments		(83,399)	(79,156)
Total Payments		(1,586,713)	(1,487,296)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	8.1	898	45,687
Cash Flows from Investing Activities			
Purchase of Non-Financial Assets		(33,667)	(52,600)
Purchase of Intangible Assets		-	(3,185)
Proceeds from Sale of Non-Financial Assets		384	93
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		(33,283)	(55,692)
Cash Flows from Financing Activities			
(Repayments) of Borrowings from Treasury Corporation of Victoria		(1,245)	(1,192)
(Repayments) of Borrowings from Department of Health		(1,057)	(1,557)
Repayment of Aged Care Accommodation Deposits		660	(2,957)
Receipt of Aged Care Accommodation Deposits		-	6,315
Repayment of Principal Portion of Lease Liabilities		(12,259)	(6,052)
NET CASH FLOWS/(USED IN) FINANCING ACTIVITIES		(13,901)	(5,443)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD		(46,286)	(15,448)
Cash and Cash Equivalents at Beginning of Year		180,983	196,431
CASH AND CASH EQUIVALENTS AT END OF YEAR	6.2	134,697	180,983

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



Note 1:

Basis of preparation

Structure

- 1.1: Basis of preparation of the financial statements
- 1.2: Abbreviations and terminology used in the financial statements
- 1.3: Key accounting estimates and judgements
- 1.4: Accounting standards issued but not yet effective
- 1.5: Goods and Services Tax (GST)
- 1.6: Reporting entity

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

This section explains the basis of preparing the financial statements.

NOTE 1.1: BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

They are presented in a manner consistent with the requirements of AASB 101 *Presentation of Financial Statements*.

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

Eastern 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 set out accounting policies that the AASB has concluded would result in financial statements containing

relevant and reliable information about transactions, events and conditions.

Apart from the changes in accounting policies, standards and interpretations as noted below, material accounting policies adopted in the preparation of these financial statements are the same as those adopted in the previous period.

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

The financial statements have been prepared on a going concern basis (*refer to Note 8.8 Economic Dependency*).

The financial statements are in Australian dollars.

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

The annual financial statements were authorised for issue by the Board of Eastern Health on 2 September 2024.



NOTE 1.2: ABBREVIATIONS AND TERMINOLOGY USED IN THE FINANCIAL STATEMENTS

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

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

NOTE 1.3: MATERIAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Management makes estimates and judgements when preparing the financial statements.

These estimates and judgements are based on historical knowledge and best available current information and assume any reasonable expectation of future events. Actual results may differ.

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

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

- **Note 2.1:**
Revenue and income from transactions
- **Note 3.3:**
Employee benefits and related on-costs
- **Note 4.1:**
Property, plant and equipment
- **Note 4.2:**
Right-of-use assets
- **Note 4.4:**
Intangible assets
- **Note 4.5:**
Depreciation and amortisation
- **Note 4.7:**
Impairment of assets
- **Note 5.1:**
Receivables
- **Note 5.2:**
Contract assets
- **Note 5.3:**
Payables
- **Note 5.4:**
Contract liabilities
- **Note 6.1(a):**
Lease liabilities
- **Note 7.4:**
Fair value determination



NOTE 1.4: ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to Eastern Health and their potential impact when adopted in future periods is outlined below:

STANDARD	ADOPTION DATE	IMPACT
<p>AASB 2022-10: <i>Amendments to Australian Accounting standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities</i></p> <p>AASB 2022-10 amends AASB 13 Fair Value Measurement by adding authoritative implementation guidance and illustrative examples for fair value measurements of non financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.</p> <p>The Standard:</p> <ul style="list-style-type: none"> • specifies that an entity needs to consider whether an asset's highest and best use differs from its current use only when it is held for sale or held for distributions to owners under AASB 5 Non-current Assets Held for Sale and Discontinued Operations or if it is highly probable that it will be used for an alternative purpose; • clarifies that an asset's use is 'financially feasible' if market participants would be willing to invest in the asset's service capacity, considering both the capacity to provide needed goods or services and the resulting costs of those goods and services; • specifies that if both market selling price and some market participant data required to fair value the asset • are not observable, an entity needs to start with its own assumptions and adjust them to the extent that reasonably available information indicates that other market participants would use different data; and • provides guidance on the application of the cost approach to fair value, including the nature of costs to be included in a reference asset and 	<p>Reporting periods beginning on or after 1 January 2024.</p>	<p>An assessment of the Adoption of this standard has not been completed.</p>

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

NOTE 1.5: GOODS AND SERVICES TAX (GST)

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

Receivables and payables in the Balance Sheet are stated inclusive of the amount of GST.

The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Balance Sheet.

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

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

NOTE 1.6: REPORTING ENTITY

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

Eastern Health's principal address is:

5 Arnold Street
Box Hill
Victoria 3128

A description of the nature of Eastern 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

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

Structure

2.1: Revenue and income from transactions

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

MATERIAL JUDGEMENTS AND ESTIMATES

This section contains the following material judgements and estimates:

MATERIAL JUDGEMENTS AND ESTIMATES	DESCRIPTION
Identifying performance obligations	<p>Eastern Health applies material judgment when reviewing the terms and conditions of funding agreements and contracts to determine whether they contain sufficiently specific and enforceable performance obligations.</p> <p>If this criterion is met, the contract/funding agreement is treated as a contract with a customer, requiring Eastern Health to recognise revenue as or when the health service transfers promised goods or services to the beneficiaries.</p> <p>If this criterion is not met, funding is recognised immediately in the net result from operations.</p>
Determining timing of revenue recognition	<p>Eastern Health applies material judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.</p>
Determining time of capital grant income recognition	<p>Eastern Health applies material judgement to determine when its obligation to construct an asset is satisfied. Cost incurred is used to measure the health service's progress as this is deemed to be the most accurate reflection of the stage of completion.</p>
Assets and services received free of charge or for nominal consideration	<p>Eastern Health applies material judgement to determine the fair value of assets and services provided free of charge ("FOC") or for nominal value. Assets received free of charge from the State's inventory are valued at the cost to the supplier of these FOC assets.</p>



NOTE 2.1: REVENUE AND INCOME FROM TRANSACTIONS

	NOTE	2024 \$'000	2023 \$'000
OPERATING ACTIVITIES			
Revenue from contracts with customers			
Government Grants (State) – Operating		743,870	638,942
Government Grants (Commonwealth) – Operating		8,030	6,997
Patient and Resident Fees		53,872	49,127
Private Practice Fees		29,701	27,610
Commercial Activities ⁽ⁱ⁾		24,800	28,105
Total revenue from contracts with customers	2.1(a)	860,273	750,781
Other sources of income			
Government Grants (State) - Operating		558,767	604,917
Government Grants (Commonwealth) - Operating		54,599	50,298
Government Grants (State) - Capital		51,564	57,168
Assets Received Free of Charge or for Nominal Consideration	2.1(b)	1,942	9,412
Salary and Other Recoveries		6,006	10,441
Research and Sundry Income		2,177	2,419
Other Income from Operating Activities		18,040	17,152
Total other sources of income		693,095	751,807
TOTAL REVENUE AND INCOME FROM OPERATING ACTIVITIES		1,553,368	1,502,588
Non-operating activities			
Income from other sources			
Other Interest		9,331	7,971
Total other sources of income		9,331	7,971
TOTAL INCOME FROM NON-OPERATING ACTIVITIES		9,331	7,971
TOTAL REVENUE AND INCOME FROM TRANSACTIONS		1,562,699	1,510,559

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



Note 2.1 (a): Timing of Revenue from Contracts with Customers

	2024 \$'000	2023 \$'000
Eastern Health disaggregates revenue by the timing of revenue recognition		
Goods and Services Transferred to Customers		
At a Point in Time	857,648	738,498
Over Time	2,625	12,283
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS	860,273	750,781

HOW WE RECOGNISE REVENUE AND INCOME FROM TRANSACTIONS

Government operating grants

To recognise revenue, Eastern Health assesses 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.

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

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example, AASB 9, AASB 16, AASB 116 and AASB 138);

- recognises related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount in accordance with AASB 1058.

In contracts with customers, the 'customer' is typically a funding body, which is the party that promises funding in exchange for Eastern Health's goods or services.

Eastern Health's funding bodies often direct that goods or services are to be provided to third party beneficiaries, including individuals or the community at large.

In such instances, the customer remains the funding body that has funded the program or activity, however the delivery of goods or services to third party beneficiaries is a characteristic of the promised good or service being transferred to the funding body.

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

GOVERNMENT GRANT	PERFORMANCE OBLIGATION
Activity Based Funding (ABF) paid as National Weighted Activity Unit (NWAU)	<p>NWAU is a measure of health service activity expressed as a common unit against which the national efficient price (NEP) is paid.</p> <p>The performance obligations for NWAU are the number and mix of admissions, emergency department presentations and outpatient episodes, and it is weighted for clinical complexity.</p> <p>Revenue is recognised at a point in time, which is when a patient is discharged.</p>



Note 2.1: Revenue and income from transactions (continued)

Note 2.1 (a): Timing of Revenue from Contracts with Customers (continued)

Capital grants

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

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

Patient and resident fees

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

Accommodation charges are calculated daily and are recognised over time, to reflect the period accommodation is provided.

Private practice fees

The performance obligations related to private practice fees are the provision of specified medical and clinical services by senior medical staff who have signed a Right to Private Practice Agreement with the health service.

These performance obligations have been selected as they align with the terms and conditions of providing the services.

Revenue is recognised, in accordance with the Right to Private Practice Agreement, when the medical and clinical services have been provided, the patient discharged, and an invoice raised. Private practice fees include recoupments from the private practice for the use of hospital facilities.

Commercial activities

Revenue from commercial activities includes items such as car park income, clinical trial income, ethics review fees, training and seminar fees and property rental income.

Commercial activity revenue is recognised at a point in time, upon provision of the goods or service to the customer.

HOW WE RECOGNISE REVENUE AND INCOME FROM NON-OPERATING ACTIVITIES

Interest Income

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

NOTE 2.2: FAIR VALUE OF ASSETS AND SERVICES RECEIVED FREE OF CHARGE OR FOR NOMINAL CONSIDERATION

	2024 \$'000	2023 \$'000
Plant and Equipment	54	1,003
Personal Protective Equipment and Other Consumables	1,888	8,409
TOTAL FAIR VALUE OF ASSETS AND SERVICES RECEIVED FREE OF CHARGE OR FOR NOMINAL CONSIDERATION	1,942	9,412



HOW WE RECOGNISE THE FAIR VALUE OF ASSETS AND SERVICES RECEIVED FREE OF CHARGE OR FOR NOMINAL CONSIDERATION

Personal protective equipment

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

Contributions of resources

Eastern Health may receive resources for nil or nominal consideration to further its objectives. The resources are recognised at their fair value when Eastern 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 Eastern Health as a capital contribution transfer.

Volunteer Services

Eastern Health recognises contributions by volunteers in its financial statements, if the fair value can be reliably measured and the services would have been purchased if they had not been donated.

Eastern Health greatly values the services contributed by volunteers but does not depend on volunteers to deliver its services, as such Eastern Health volunteer services have not been recognised in the financial statements.

Non-cash contributions from the Department of Health

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

SUPPLIER	DESCRIPTION
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for Eastern Health which is paid directly to the Victorian Managed Insurance Authority. To record this contribution, such payments are recognised as income with a matching expense in the net result from transactions.
Department of Health	Long Service Leave (LSL) revenue is recognised upon finalisation of movements in LSL liability in line with the long service leave funding arrangements with the Department of Health.

Note 3:

The cost of delivering our services

This section provides an account of the expenses incurred by Eastern Health in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services is recorded.

Structure

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

MATERIAL JUDGEMENTS AND ESTIMATES

This section contains the following material judgements and estimates:

MATERIAL JUDGEMENTS AND ESTIMATES	DESCRIPTION
Classifying employee benefit liabilities	<p>Eastern Health applies material judgement when classifying its employee benefit liabilities.</p> <p>Employee benefit liabilities are classified as a current liability if Eastern Health does not have an unconditional right to defer payment beyond 12 months. Annual leave, accrued days off and long service leave entitlements (for staff who have exceeded the minimum vesting period) fall into this category.</p> <p>Employee benefit liabilities are classified as a non-current liability if Eastern Health has a conditional right to defer payment beyond 12 months. Long service leave entitlements (for staff who have not yet exceeded the minimum vesting period) fall into this category.</p>
Measuring employee benefit liabilities	<p>Eastern Health applies material judgement when measuring its employee benefit liabilities.</p> <p>The health service applies judgement to determine when it expects its employee entitlements to be paid.</p> <p>With reference to historical data, if the health service does not expect entitlements to be paid within 12 months, the entitlement is measured at its present value, being the expected future payments to employees.</p> <p>Expected future payments incorporate:</p> <ul style="list-style-type: none"> • an inflation rate of 4.45%, reflecting the future wage and salary levels • durations of service and employee departures, which are used to determine the estimated value of long service leave that will be taken in the future, for employees who have not yet reached the vesting period. The estimated rates are between 35.8% and 89.2%. • discounting at the rate of 4.348%, as determined with reference to market yields on government bonds at the end of the reporting period. <p>All other entitlements are measured at their nominal value.</p>



NOTE 3.1: EXPENSES FROM TRANSACTIONS

	NOTE	2024 \$'000	2023 \$'000
Salaries and Wages		1,010,089	938,075
On-costs		135,365	109,435
Agency Expenses		11,694	6,894
Fee for Service Medical Officer Expenses		9,627	6,765
Workcover Premium		18,941	10,425
Total Employee Expenses		1,185,716	1,071,594
Drug Supplies		61,981	58,179
Medical and Surgical Supplies (including Prostheses)		95,576	108,927
Diagnostic and Radiology Supplies		34,002	31,751
Other Supplies and Consumables		37,885	27,460
Total Supplies and Consumables		229,444	226,317
Finance Costs		1,855	893
Total Finance Costs		1,855	893
Other Administrative Expenses		53,532	81,490
Total Other Administrative Expenses		53,532	81,490
Domestic Expenses		24,979	29,024
Fuel, Light and Power		9,776	9,369
Insurance (incl. Medical Indemnity)		22,775	21,310
Repairs and Maintenance		25,572	17,378
Maintenance Contracts		23,649	19,240
Total Other Operating Expenses		106,751	96,321
TOTAL OPERATING EXPENSES		1,577,298	1,476,615
Depreciation and Amortisation	4.4	89,320	76,598
Total Depreciation and Amortisation		89,320	76,598
TOTAL NON-OPERATING EXPENSES		89,320	76,598
TOTAL EXPENSES FROM TRANSACTIONS		1,666,618	1,553,213

Note 3.1: Expenses from transactions (continued)

HOW WE RECOGNISE EXPENSES FROM TRANSACTIONS

Expense recognition

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

Employee expenses

Employee expenses include:

- salaries and wages (including fringe benefits tax, leave entitlements, termination payments);
- on-costs;
- agency expenses;
- fee for service medical officer expenses; and
- WorkCover premium.

Supplies and consumables

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

Finance costs

Finance costs include:

- interest on bank overdrafts and 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 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 such things 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 \$1,000).

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

Non-operating expenses

Other non-operating expenses generally represent expenditure for outside the normal operations such as depreciation and amortisation, and assets and services provided free of charge or for nominal consideration.

NOTE 3.2: OTHER ECONOMIC FLOWS

	2024 \$'000	2023 \$'000
Net Gain/(Loss) on Disposal of Property, Plant and Equipment	122	(240)
Net Gain/(Loss) on Non-Financial Assets	122	(240)
Net Gain/(Loss) on Disposal of Financial Instruments	(350)	(776)
Allowance for Impairment Losses of Contractual Receivables	(1,520)	(867)
Total Net Gain/(Loss) on Financial Instruments	(1,870)	(1,643)
Net Gain/(Loss) arising from the Revaluation of Long Service Leave Liability	5,624	(14,663)
Total Other Gain/(Losses) From Other Economic Flows	5,624	(14,663)
TOTAL GAINS/(LOSSES) FROM OTHER ECONOMIC FLOWS	3,876	(16,546)



Note 3.2: Other economic flows (continued)

HOW WE RECOGNISE OTHER ECONOMIC FLOWS

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions.

Other gains/(losses) from other economic flows include the gains or losses from:

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates; and
- reclassified amounts relating to equity instruments from the reserves to retained surplus/(deficit) due to a disposal or derecognition of the financial instrument. This does not include reclassification between equity accounts due to machinery of government changes or 'other transfers' of assets.

NOTE 3.3: EMPLOYEE BENEFITS AND RELATED ON-COSTS

	2024 \$'000	2023 \$'000
CURRENT EMPLOYEE BENEFITS AND RELATED ON-COSTS		
Accrued Days Off		
Unconditional and Expected to be settled within 12 months ⁽ⁱ⁾	2,471	2,149
	2,471	2,149
Annual Leave		
Unconditional and Expected to be settled within 12 months ⁽ⁱ⁾	87,813	73,391
Unconditional and Expected to be settled after 12 months ⁽ⁱⁱ⁾	13,952	11,605
	101,765	84,996
Long Service Leave		
Unconditional and Expected to be settled within 12 months ⁽ⁱ⁾	18,899	16,480
Unconditional and Expected to be settled after 12 months ⁽ⁱⁱ⁾	137,810	127,087
	156,709	143,567
Provisions Related to Employee Benefit On-Costs		
Unconditional and Expected to be settled within 12 months ⁽ⁱ⁾	14,236	11,503
Unconditional and Expected to be settled after 12 months ⁽ⁱⁱ⁾	20,955	18,964
	35,191	30,467
	296,136	261,179
Non-Current Employee Benefits and Related On-Costs		
Conditional Long Service Leave	25,054	31,322
Provisions related to employee benefit on-costs	3,471	4,320
	28,525	35,642
	324,661	296,821

(i) The amounts disclosed are nominal amounts.

(ii) The amounts disclosed are discounted to present values.



3.3: Employee benefits and related on-costs (continued)

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

	2024 \$'000	2023 \$'000
Current Employee Benefits and Related On-Costs		
Unconditional Long Service Leave Entitlements	178,325	163,155
Unconditional Annual Leave Entitlements	115,340	95,875
Unconditional Accrued Days Off	2,471	2,149
Total Current Employee Benefits and Related On-Costs	296,136	261,179
Non-Current Employee Benefits and Related On-Costs		
Conditional Long Service Leave Entitlements	28,525	35,642
Total Non-Current Employee Benefits and Related On-Costs	28,525	35,642
TOTAL EMPLOYEE BENEFITS AND RELATED ON-COSTS	324,661	296,821
Attributable to:		
Employee Benefits	285,999	262,033
Provision for Related On-Costs	38,662	34,788
CARRYING AMOUNT AT THE END OF THE YEAR	324,661	296,821

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

	2024 \$'000	2023 \$'000
Carrying Amount at Start of Year	34,788	29,496
Additional Provisions Recognised	17,841	16,827
Net Gain/(Loss) Arising from Revaluation of Long Service Liability	(682)	170
Amounts Incurred During the Year	(13,285)	(11,705)
CARRYING AMOUNT AT END OF YEAR	38,662	34,788



3.3: Employee benefits and related on-costs (continued)

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

HOW WE RECOGNISE EMPLOYEE BENEFITS

Employee benefit recognition

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

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

Annual leave and accrued days off

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

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

- **nominal value:**
if Eastern Health expects to wholly settle within 12 months; or
- **present value:**
if Eastern 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 notes to the financial statements as a current liability even where Eastern Health does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

An unconditional right arises after a qualifying period.

The components of this current LSL liability are measured at:

- **nominal value:**
if Eastern Health expects to wholly settle within 12 months; or
- **present value:**
if Eastern Health does not expect to wholly settle within 12 months.

Conditional LSL is measured at present value and 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 expense

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



NOTE 3.4: SUPERANNUATION

	PAID CONTRIBUTION FOR THE YEAR	
	2024 \$'000	2023 \$'000
Defined Benefit Plans⁽ⁱ⁾		
First State Superannuation Fund	209	346
State Superannuation Fund	202	238
Defined Contribution Plans		
First State Superannuation Fund	40,464	42,011
HESTA Superannuation Fund	39,257	38,511
Other	21,681	19,300
Total	101,813	100,406

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

(ii) There were no contributions outstanding at year end.

HOW WE RECOGNISE SUPERANNUATION

Employees of Eastern Health are entitled to receive superannuation benefits and Eastern Health contributes to both the defined benefit and defined contribution plans.

Defined benefit superannuation plans

A defined benefit plan provides benefits based on years of service and final average salary.

The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by Eastern Health to the superannuation plans in respect of the services of current Eastern Health staff during the reporting period.

Superannuation contributions are made to the plans based on the relevant rules of each plan and are based upon actuarial advice.

Eastern Health does not recognise any unfunded defined benefit liability in respect of the plans because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due.

The DTF discloses the State's defined benefits liabilities in its disclosure for administered items. However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Comprehensive Operating Statement of Eastern Health.

The name, details and amounts of the expense in relation to the major employee superannuation funds and contributions made by Eastern Health are disclosed above.

Defined contribution superannuation plans

Defined contribution (i.e., accumulation) superannuation plan expenditure is simply the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period.

Contributions to defined contribution superannuation plans are expensed when incurred.

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



Note 4:

Key assets to support service

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

Structure

4.1: Property, plant and equipment

4.2: Right-of-use assets

4.3: Intangible assets

4.4: Depreciation and amortisation

4.5: Inventories

4.6: Impairment of assets

MATERIAL JUDGEMENTS AND ESTIMATES

This section contains the following material judgements and estimates:

MATERIAL JUDGEMENTS AND ESTIMATES	DESCRIPTION
Estimating useful life of property, plant and equipment	Eastern Health assigns an estimated useful life to each item of property, plant and equipment. This is used to calculate depreciation of the asset. Eastern Health reviews the useful life and depreciation rates of all assets at the end of each financial year and, where necessary, records a change in accounting estimate.
Estimating useful life of right-of-use assets	The useful life of each right-of-use asset is typically the respective lease term, except where 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. Eastern Health applies material judgement to determine whether or not it is reasonably certain to exercise such purchase options.
Estimating the useful life of intangible assets	Eastern Health assigns an estimated useful life to each intangible asset with a finite useful life, which is used to calculate amortisation of the asset.
Identifying indicators of impairment	<p>At the end of each year, Eastern 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.</p> <p>Eastern Health considers a range of information when performing its assessment, including considering:</p> <ul style="list-style-type: none"> • If an asset's value has declined more than expected based on normal use • If a significant change in technological, market, economic or legal environment occurs which adversely impacts the way the health service uses an asset • If an asset is obsolete or damaged • If the asset has become idle or if there are plans to discontinue or dispose of the asset before the end of its useful life • If the performance of the asset is or will be worse than initially expected. <p>Where an impairment trigger exists, the health service applies material judgement and estimate to determine the recoverable amount of the asset.</p>



NOTE 4.1: PROPERTY, PLANT AND EQUIPMENT

Note 4.1 (a): Gross carrying amount and accumulated depreciation

	2024 \$'000	2023 \$'000
Land		
Land at Fair Value - Crown	104,041	115,750
Land at Fair Value - Freehold	104,968	116,017
Total Land at Fair Value	209,009	231,767
Land at Cost	193	13,450
Total Land at Cost	193	13,450
Buildings		
Buildings at Cost	1,756	69,145
Less Accumulated Depreciation	(32)	(1,949)
Total Buildings at Cost	1,724	67,196
Buildings at Fair Value	1,360,679	929,724
Less Accumulated Depreciation	-	-
Total Buildings at Fair Value	1,360,679	929,724
Leasehold Improvements		
Leasehold Improvements at Fair Value	7,795	7,795
Less Accumulated Depreciation	(7,794)	(7,785)
Total Leasehold Improvements at Fair Value	1	10
Buildings Under Construction at Cost	42,006	24,195
TOTAL LAND AND BUILDINGS	1,613,612	1,266,342
Plant and Equipment		
Medical Equipment Fair Value	120,561	121,180
Less Accumulated Depreciation	(90,412)	(89,105)
Total Medical Equipment at Fair Value	30,149	32,075
Computers and Communication Equipment at Fair Value	69,041	61,479
Less Accumulated Depreciation	(60,097)	(55,533)
Total Computers and Communications Equipment at Fair Value	8,944	5,946
Motor Vehicles		
Motor Vehicles at Fair Value	2,176	2,176
Less Accumulated Depreciation	(2,176)	(2,176)
Total Motor Vehicles at Fair Value	-	-
Furniture and Fittings		
Furniture and Fittings at Fair Value	20,074	19,560
Less Accumulated Depreciation	(14,624)	(13,355)
Total Furniture and Fittings at Fair Value	5,450	6,205
Assets Under Construction at Cost	516	504
TOTAL PLANT, EQUIPMENT, FURNITURE, FITTINGS AND VEHICLES AT FAIR VALUE	45,059	44,730
TOTAL PROPERTY, PLANT AND EQUIPMENT	1,658,671	1,311,072



Note 4.1: Property, plant and equipment (continued)

Note 4.1 (b): Reconciliations of the carrying amounts of each class of asset

	LAND \$'000	BUILDINGS AND LEASEHOLD IMPROVEMENTS \$'000	BUILDING CAPITAL WORK IN PROGRESS \$'000	MEDICAL EQUIPMENT \$'000	COMPUTER AND COMMUNICATIONS EQUIPMENT \$'000	MOTOR VEHICLES \$'000	FURNITURE AND FITTINGS \$'000	EQUIPMENT WORK IN PROGRESS \$'000	TOTAL \$'000
Balance as at 1 July 2022	231,767	871,426	77,496	27,615	3,887	0	5,030	1,073	1,218,294
Additions	-	572	49,900	2,561	681	-	600	-	54,314
Net Transfers Between Classes	13,450	69,706	(100,003)	9,721	5,122	-	1,924	(569)	(649)
Disposals	-	(8)	(3,198)	(197)	(35)	-	(65)	-	(3,503)
Depreciation (Note 4.4)	-	(51,109)	-	(7,625)	(3,709)	-	(1,284)	-	(63,727)
Revaluation Increments/ (Decrements)	-	106,343	-	-	-	-	-	-	106,343
Balance as at 30 June 2023	245,217	996,930	24,195	32,075	5,946	0	6,205	504	1,311,072
Additions	1,535	188	38,985	1,751	1,857	-	242	12	44,570
Net Transfers Between Classes	193	3,198	(13,284)	3,567	6,533	-	353	-	560
Disposals	-	-	(7,890)	(213)	(24)	-	(20)	-	(8,147)
Depreciation (Note 4.4)	-	(55,757)	-	(7,031)	(5,368)	-	(1,330)	-	(69,486)
Revaluation Increments/ (Decrements)	(37,743)	417,845	-	-	-	-	-	-	380,102
Balance as at 30 June 2024	209,202	1,362,404	42,006	30,149	8,944	0	5,450	516	1,658,671

**LAND AND BUILDINGS
MEASURED AT FAIR
VALUE**

The Valuer-General Victoria undertook to re-value all of Eastern Health's land and buildings to determine their fair value.

The valuation, which conforms to Australian Valuation Standards, was determined with reference to

the amount at which an orderly transaction to sell the asset would take place between market participants at the measurement date, under current conditions.

The valuation was based on independent assessments. The effective date of the valuation was 30 June 2024.



Note 4.1: Property, plant and equipment (continued)

Note 4.1 (b): Reconciliation of the carrying amount by class of asset (continued)

HOW WE RECOGNISE PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible items that are used by Eastern Health in the supply of goods or services, for rental to others, or for administration purposes, and are expected to be used during more than one financial year.

Initial recognition

Items of property, plant and equipment are initially measured at cost. Where an asset is acquired for no or nominal cost, being far below the fair value of the asset, the deemed cost is its fair value at the date of acquisition.

Assets transferred as part of an amalgamation/machinery of government change are transferred at their carrying amounts.

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

Subsequent measurement

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

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

Revaluation

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

Where an independent valuation has not been undertaken at balance date, Eastern Health performs a managerial assessment to estimate possible changes in 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%, Eastern Health obtains an interim independent valuation prior to the next scheduled independent valuation.

An independent valuation of Eastern Health's property, plant and equipment was performed by the VGV on 30 June 2024.

The valuation, which complies with Australian Valuation Standards, was determined with reference to

the amount for which an orderly transaction to sell the asset or transfer the liability would take place between market participants at the measurement date, under current market conditions.

Revaluation increases (increments) arise when an asset's fair value exceeds its carrying amount. In comparison, revaluation decreases (decrements) arise when an asset's fair value is less than its carrying amount.

Revaluation increments and revaluation decrements relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation increments are recognised in 'Other Comprehensive Income' and are credited directly to the property, plant and equipment revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that same class of asset previously recognised as an expense in net result, the increment is recognised as income in the net result.

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

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



NOTE 4.2: RIGHT-OF-USE ASSETS

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

	2024 \$'000	2023 \$'000
Right-of-Use Land at Fair Value	29,209	29,293
Less Accumulated Depreciation	(6,704)	(5,555)
Total Right-of-Use Land at Fair Value	22,505	23,738
Right-of-Use Buildings at Fair Value	25,950	20,297
Less Accumulated Depreciation	(17,861)	(9,982)
Total Right-of-Use Buildings at Fair Value	8,089	10,315
TOTAL RIGHT-OF-USE LAND AND BUILDINGS	30,594	34,053
Right-of-Use Plant, Equipment and Vehicles at Fair Value	35,017	22,566
Less Accumulated Depreciation	(12,477)	(10,582)
Total Right-of-Use Plant, Equipment and Vehicles at Fair Value	22,540	11,984
TOTAL RIGHT-OF-USE PLANT, EQUIPMENT AND VEHICLES AT FAIR VALUE	22,540	11,984
TOTAL RIGHT-OF-USE ASSETS	53,134	46,037

Note 4.2 (b): Reconciliation of the carrying amount by class of asset

	RIGHT OF USE ASSETS			
	LAND AT FAIR VALUE \$'000	BUILDINGS AT FAIR VALUE \$'000	PLANT, EQUIPMENT AND VEHICLES AT FAIR VALUE \$'000	TOTAL \$'000
Balance at 1 July 2022	25,156	10,202	6,720	42,078
Additions	-	3,523	8,198	11,721
Disposals	-	-	(29)	(29)
Depreciation (Note 4.4)	(1,418)	(3,410)	(2,905)	(7,733)
Balance at 30 June 2023	23,738	10,315	11,984	46,037
Additions	-	6,104	16,089	22,193
Net Transfers Between Classes	-	(107)	107	-
Disposals	-	-	(7)	(7)
Depreciation (Note 4.4)	(1,243)	(8,223)	(5,633)	(15,099)
Revaluation Increments/(Decrements)	10	-	-	10
Balance at 30 June 2024	22,505	8,089	22,540	53,134



Note 4.2: Right-of-use assets (continued)

Note 4.2 (b): Reconciliation of the carrying amount by class of asset (continued)

HOW WE RECOGNISE RIGHT-OF-USE ASSETS

Initial recognition

When Eastern Health enters a contract, it assesses if the contract contains or is a lease.

Unless the lease is considered a short-term lease or a lease of a low-value asset (refer to Note 6.1 for further information), the contract gives rise to a right-of-use asset and corresponding lease liability.

The right-of-use asset is initially measured at cost and comprises

the initial measurement of the corresponding lease liability, adjusted for:

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

Eastern Health presents its right-of-use assets as part of property, plant and equipment as if the asset was owned by the health service.

Subsequent measurement

Right-of-use assets are subsequently measured at fair value, with the exception of right-of-use assets arising from leases with significantly below-market terms and conditions, which are subsequently measured at cost, less accumulated depreciation and accumulated impairment losses where applicable.

Right-of-use assets are also adjusted for certain remeasurements of the lease liability (for example, when a variable lease payment based on an index or rate becomes effective).

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

NOTE 4.3: INTANGIBLE ASSETS

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

	2024 \$'000	2023 \$'000
Software	84,721	84,215
Less Accumulated Amortisation	(70,870)	(66,134)
	13,851	18,081
Intangible Assets - Work in Progress	4,216	1,764
TOTAL INTANGIBLE ASSETS	18,067	19,845



Note 4.3: Intangible assets (continued)

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

	SOFTWARE \$'000	INTANGIBLE WIP \$'000	TOTAL \$'000
Balance as at 1 July 2022	10,916	36,713	47,629
Additions	765	2,419	3,184
Net Transfers Between Classes	11,538	(11,541)	(3)
Disposals	-	-	-
Write off to Profit and Loss ⁽ⁱ⁾	-	(25,827)	(25,827)
Amortisation (Note 4.4)	(5,138)	-	(5,138)
Balance at 30 June 2023	18,081	1,764	19,845
Additions	505	2,452	2,957
Net Transfers Between Classes	-	-	-
Disposals	-	-	-
Write off to Profit and Loss	-	-	-
Amortisation (Note 4.4)	(4,735)	-	(4,735)
Balance at 30 June 2024	13,851	4,216	18,067

(i) The write off to the Profit and Loss Statement relates to Software as A Service (SaaS) costs that had previously been included in the Intangible Work in Progress for relevant ICT Projects.

HOW WE RECOGNISE INTANGIBLE ASSETS

Intangible assets represent identifiable non-monetary assets without physical substance such as computer software.

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.



NOTE 4.4: DEPRECIATION AND AMORTISATION

	2024 \$'000	2023 \$'000
DEPRECIATION		
Property, Plant and Equipment		
Buildings	55,748	50,840
Leasehold Improvements	9	269
Medical Equipment	7,031	7,625
Computers and Communications	5,368	3,709
Furniture and Fittings	1,330	1,284
Motor Vehicles	-	-
Total Depreciation - Property, Plant and Equipment	69,486	63,727
Right-of-Use Assets		
Right-of-Use Assets - Land	1,243	1,418
Right-of-Use Buildings	8,223	3,410
Right-of-Use Plant and Equipment	5,633	2,905
Total Depreciation - Right-of-Use Assets	15,099	7,733
TOTAL DEPRECIATION	84,585	71,460
Amortisation		
Software	4,735	5,138
Total Amortisation	4,735	5,138
TOTAL DEPRECIATION AND AMORTISATION	89,320	76,598

HOW WE RECOGNISE DEPRECIATION

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets (excluding items under assets held for sale, land and investment properties) that have finite useful lives are depreciated.

Depreciation is generally calculated on a straight-line basis at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that Eastern Health anticipates to exercise a purchase option, the specific right-of-use asset is depreciated over the useful life of the underlying asset.



Note 4.4: Depreciation and amortisation (continued)

HOW WE RECOGNISE AMORTISATION

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

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

	2024 \$'000	2023 \$'000
Buildings		
Structure Shell Building Fabric	11 - 50 years	11 - 50 years
Site Engineering Services and Central Plant	11 - 46 years	11 - 46 years
Central Plant		
Fit Out	3 - 21 years	3 - 21 years
Trunk Reticulated Building Systems	3 - 21 years	3 - 21 years
Plant and Equipment	10 - 20 years	10 - 20 years
Medical Equipment	8 - 15 years	8 - 15 years
Computers and Communications	3 - 10 years	3 - 10 years
Furniture and Fittings	10 years	10 years
Motor Vehicles	5 years	5 years
Intangible Assets	1-10 years	1-10 years
Leasehold Improvements	5 years	5 years

As part of the building valuation, building values are separated into components and each component is assessed for its useful life which is represented above. The revaluation of building and revised useful life has changed the future cost of depreciation by \$16.3m per annum.

NOTE 4.5: INVENTORIES

	2024 \$'000	2023 \$'000
Pharmaceuticals - At Cost	3,061	2,907
Medical and Surgical Lines - At Cost	5,083	5,919
Allied Health and Diagnostics - At Cost	698	1,346
TOTAL INVENTORIES	8,842	10,172

HOW WE RECOGNISE INVENTORIES

Inventories include goods and other property held either for sale, consumption or for distribution at no or nominal cost in the ordinary course of business operations. They exclude depreciable assets.

Inventories are measured at the lower of cost and net realisable value.



NOTE 4.6: IMPAIRMENT OF ASSETS

HOW WE RECOGNISE IMPAIRMENT

At the end of each reporting period, Eastern Health reviews the carrying amount of its tangible and intangible assets that have a finite useful life, to determine whether there is any indication that an asset may be impaired.

The assessment will include consideration of external sources of information and internal sources of information.

If such an indication exists, an impairment test is carried out.

Assets with indefinite useful lives (and assets not yet available for use) are tested annually for impairment, in addition to where there is an indication that the asset may be impaired.

When performing an impairment test, Eastern 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, Eastern Health estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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



Note 5:

Other assets and liabilities

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

Structure

- 5.1: Receivables
- 5.2: Contract assets
- 5.3: Payables
- 5.4: Contract liabilities
- 5.5: Other liabilities

MATERIAL JUDGEMENTS AND ESTIMATES

This section contains the following material judgements and estimates:

MATERIAL JUDGEMENTS AND ESTIMATES	DESCRIPTION
Estimating the provision for expected credit losses	Eastern 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 Eastern 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. Eastern Health applies material judgement when measuring the deferred capital grant income balance, which references the estimated the stage of completion at the end of each financial year.
Measuring contract liabilities	Eastern Health applies material judgement to measure its progress towards satisfying a performance obligation as detailed in Note 2. Where a performance obligation is yet to be satisfied, the health service assigns funds to the outstanding obligation and records this as a contract liability until the promised good or service is transferred to the customer.
Recognition of other provisions	Other provisions include Eastern Health's obligation to restore leased assets to their original condition at the end of a lease term. The health service applies material judgement and estimate to determine the present value of such restoration costs.

NOTE 5.1: RECEIVABLES

	2024 \$'000	2023 \$'000
CURRENT RECEIVABLES		
Contractual		
Inter-Hospital Debtors	970	719
Trade Receivables	8,822	10,080
Patient Fees	8,382	9,360
Amounts Receivable from Governments and Agencies	129	28,697
Allowance for Impairment Losses	(3,134)	(2,783)
Total Contractual Receivables	15,169	46,073
Statutory		
GST Receivable	4,567	3,031
Total Statutory Receivables	4,567	3,031
TOTAL CURRENT RECEIVABLES	19,736	49,104
NON-CURRENT RECEIVABLES		
Contractual		
Long Service Leave – Department of Health	86,871	77,895
Total Contractual Receivables	86,871	77,895
TOTAL NON-CURRENT RECEIVABLES	86,871	77,895
TOTAL RECEIVABLES	106,607	126,999
(i) Financial assets classified as receivables (Note 7.1(a))		
Total Receivables	106,607	126,999
GST Receivable	(4,567)	(3,031)
TOTAL FINANCIAL ASSETS	102,040	123,968

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

	2024 \$'000	2023 \$'000
Balance at the beginning of the year	(2,783)	(2,007)
Amounts written off during the year	1,519	867
Increase/decrease in allowance	(1,870)	(1,643)
BALANCE AT THE END OF THE YEAR	(3,134)	(2,783)



Note 5.1: Receivables (continued)

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

HOW WE RECOGNISE RECEIVABLES

Receivables consist of:

- **Contractual receivables**, including debtors that relate to goods and services. These receivables are classified as financial instruments and are categorised as 'financial assets at amortised cost'. They are initially recognised at fair value plus any directly attributable transaction costs. Eastern Health holds the contractual receivables with the objective to collect the contractual cash flows and therefore are subsequently measured at amortised cost using the effective interest method, less any impairment.

- **Statutory receivables**, including Goods and Services Tax (GST) input tax credits that are recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. Eastern Health applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

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

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

IMPAIRMENT LOSSES OF CONTRACTUAL RECEIVABLES

Refer to Note 7.2 (a) for Eastern Health's contractual impairment losses.

NOTE 5.2: CONTRACT ASSETS

	NOTE	2024 \$'000	2023 \$'000
Current			
Contract Assets		5,479	5,001
Total Current Contract Assets		5,479	5,001
Non-Current			
Contract assets		-	-
Total Non-Current Contract Assets		-	-
TOTAL CONTRACT ASSETS	5.2(a)	5,479	5,001

Note 5.2 (a): Movement in contract assets

	2024 \$'000	2023 \$'000
Balance at the beginning of the year	5,001	6,044
Add: Additional costs incurred that are recoverable from the customer	53,873	49,127
Less: Transfer to revenue recognition	(53,395)	(50,170)
Less: Impairment allowance	-	-
TOTAL CONTRACT ASSETS	5,479	5,001



Note 5.2: Contract assets (continued)

Note 5.2 (a): Movement in contract assets (continued)

HOW WE RECOGNISE CONTRACT ASSETS

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

NOTE 5.3: PAYABLES

	NOTE	2024 \$'000	2023 \$'000
CURRENT PAYABLES			
Contractual			
Trade Creditors		41,436	31,235
Accrued Salaries and Wages		27,192	20,881
Deferred Capital Grant Income	5.3(a)	52,561	58,920
Accrued Expenses		46,115	63,994
Inter-Hospital Creditors		190	1,735
Salary Packaging		278	350
Superannuation		1,736	1,626
Department of Health		-	25,631
Amounts Payable to Governments and Agencies		210	515
Total Contractual Payables		169,718	204,887
Statutory			
PAYG Payable		11,096	9,647
GST Payable		-	-
Total Statutory Payables		11,096	9,647
TOTAL CURRENT PAYABLES		180,814	214,534

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

	NOTE	2024 \$'000	2023 \$'000
Total Payables		180,814	214,534
Deferred Capital Grant Income		(52,561)	(58,920)
PAYG Payable		(11,096)	(9,647)
GST Payable		-	-
TOTAL FINANCIAL LIABILITIES CLASSIFIED AS PAYABLES	7.1(a)	117,157	145,967



Note 5.3: Payables (continued)

HOW WE RECOGNISE PAYABLES

Payables consist of:

- **Contractual payables**, including payables that relate to the purchase of goods and services. These payables are classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to Eastern Health prior to the end of the financial year that are unpaid; and

- **Statutory payables**, including Goods and Services Tax (GST). Statutory payables are recognised and measured similarly to contractual payables but are not classified as financial instruments and are not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

The normal credit terms for accounts payable are usually Net 45 days.

Note 5.3 (a): Movement in deferred capital grant income

	2024 \$'000	2023 \$'000
Opening Balance of Deferred Capital Grant Income	58,920	21,325
Grant Consideration for Capital Works received during the Year	28,974	77,433
Deferred Capital Grant income recognised as income due to completion of Capital Works	(35,333)	(39,838)
CLOSING BALANCE OF DEFERRED CAPITAL GRANT INCOME	52,561	58,920

HOW WE RECOGNISE DEFERRED CAPITAL GRANT REVENUE

Grant consideration was received from the DH to support the construction of infrastructure assets.

Capital grant income is recognised progressively as the asset is constructed, since this is the time when Eastern Health satisfies its obligations.

Income for each project is recognised as expenditure on the project is incurred because this most closely reflects the progress to completion (see note 2.1).

As a result, Eastern Health has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Eastern Health expects to recognise all of the remaining deferred capital grant income for capital works by 30 June 2025.



NOTE 5.4: CONTRACT LIABILITIES

	NOTE	2024 \$'000	2023 \$'000
Current			
Contract Liabilities		13,457	8,375
Total Current Other Liabilities		13,457	8,375
Non-Current			
Contract Liabilities		-	-
Total Non-Current Contract Liabilities		-	-
TOTAL CONTRACT LIABILITIES	5.4(a)	13,457	8,375

Note 5.4 (a): Movement in contract liabilities

	2024 \$'000	2023 \$'000
Opening Balance of Contract Liabilities	8,375	44,609
Grant Consideration for Sufficiently Specific Performance Obligations Received during the Year	864,662	762,833
Revenue Recognised for Completion of a Performance Obligation	(859,580)	(799,067)
TOTAL CONTRACT LIABILITIES	13,457	8,375

HOW WE RECOGNISE CONTRACT LIABILITIES

Contract liabilities include consideration received in advance from customers in respect of the provision of acute and subacute health services. The balance of contract liabilities was higher than the previous reporting period due to DH requiring more unutilised grants to be used in 2024/25.

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

Maturity analysis of payables

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



NOTE 5.5: OTHER LIABILITIES

	NOTE	2024 \$'000	2023 \$'000
Other Liabilities			
Other Liabilities		13,455	10,837
		13,455	10,837
Current Monies Held in Trust		-	-
Refundable Accommodation Deposits		12,741	12,080
Total Current Monies Held in Trust		12,741	12,080
TOTAL OTHER LIABILITIES		26,196	22,917
Monies held in Trust represented by:			
Cash Assets	6.2	12,741	12,080
TOTAL MONIES HELD IN TRUST		12,741	12,080

HOW WE RECOGNISE OTHER LIABILITIES

Refundable Accommodation Deposits ("RAD")

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

As there is no unconditional right to defer payment for 12 months, these liabilities are recorded as current liabilities.

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



Note 6:

How we finance our operations

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

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances).

Note: 7.1 provides additional, specific financial instrument disclosures.

Structure

- 6.1:** Borrowings
- 6.2:** Cash and cash equivalents
- 6.3:** Commitments for expenditure
- 6.4:** Non-cash financing and investing activities

MATERIAL JUDGEMENTS AND ESTIMATES

This section contains the following material judgements and estimates:

MATERIAL JUDGEMENTS AND ESTIMATES	DESCRIPTION
Determining if a contract is or contains a lease	<p>Eastern Health applies material judgement to determine if a contract is or contains a lease by considering if the health service:</p> <ul style="list-style-type: none"> • has the right-to-use an identified asset • has the right to obtain substantially all economic benefits from the use of the leased asset and • can decide how and for what purpose the asset is used throughout the lease.
Determining if a lease meets the short-term or low value asset lease exemption	<p>Eastern Health applies material judgement when determining if a lease meets the short-term or low value lease exemption criteria.</p> <p>Eastern Health estimates the fair value of leased assets when new. Where the estimated fair value is less than \$10,000, the health service applies the low-value lease exemption.</p> <p>Eastern Health 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.</p>

Continued on page 103



MATERIAL JUDGEMENTS AND ESTIMATES	DESCRIPTION
Discount rate applied to future lease payments	<p>Eastern 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, Eastern Health uses its incremental borrowing rate, which is the amount that Eastern Health would have to pay to borrow funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.</p> <p>For leased land and buildings, Eastern Health estimates the incremental borrowing rate to be between 1.2% and 5.6%.</p> <p>For leased plant, equipment, furniture, fittings and vehicles, the implicit interest rate is between 2.9% and 6.6%.</p>
Assessing the lease term	<p>The lease term represents the non-cancellable period of a lease, combined with periods covered by an option to extend or terminate the lease if Eastern Health is reasonably certain to exercise such options.</p> <p>Eastern Health determines the likelihood of exercising such options on a lease-by-lease basis through consideration of various factors including:</p> <ul style="list-style-type: none"> • If there are significant penalties to terminate (or not extend), the health service is typically reasonably certain to extend (or not terminate) the lease. • If any leasehold improvements are expected to have a significant remaining value, the health service is typically reasonably certain to extend (or not terminate) the lease. <p>The health service considers historical lease durations and the costs and business disruption to replace such leased assets.</p>

NOTE 6.1: BORROWINGS

	NOTE	2024 \$'000	2023 \$'000
Current Borrowings			
TCV Loans ⁽ⁱ⁾		1,300	1,245
DH Loans ⁽ⁱⁱ⁾		1,057	1,058
Lease Liability ⁽ⁱⁱⁱ⁾	6.1(a)	10,027	7,499
Total Current Borrowings		12,384	9,802
Non-Current Borrowings			
TCV Loans ⁽ⁱ⁾		15,420	16,720
DH Loans ⁽ⁱⁱ⁾		1,025	1,954
Lease Liability ⁽ⁱⁱⁱ⁾	6.1(a)	21,727	16,396
Total Non-Current Borrowings		38,172	35,070
TOTAL BORROWINGS		50,556	44,872

(i) These are unsecured loans with a weighted average interest rate of 3.83% (2023: 3.86%).

(ii) These are unsecured loans which bear no interest.

(iii) Secured by the assets leased.



Note 6.1: Borrowings (continued)

HOW WE RECOGNISE BORROWINGS

Borrowings refer to interest bearing liabilities raised from advances from the Treasury Corporation of Victoria (TCV) and the Department of Health (DH) and other funds raised through lease liabilities.

Initial recognition

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

Subsequent measurement

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

Non-interest bearing borrowings are measured at fair value through profit or loss.

Maturity analysis

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

Defaults and breaches

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

Note 6.1 (a): Lease liabilities

Eastern Health's lease liabilities are summarised below:

	2024 \$'000	2023 \$'000
Total Undiscounted Lease Liabilities	34,328	25,550
Less Unexpired Finance Expenses	(2,574)	(1,655)
Net Lease Liabilities	31,754	23,895

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

	2024 \$'000	2023 \$'000
Not longer than one year	11,196	8,247
Longer than one year but not longer than five years	23,132	17,227
Longer than five years	-	76
Minimum Future Lease Liability	34,328	25,550
Less unexpired finance expenses	(2,574)	(1,655)
PRESENT VALUE OF LEASE LIABILITY	31,754	23,895
Represented by:		
Current liabilities	10,027	7,499
Non-current liabilities	21,727	16,396
TOTAL LEASE LIABILITY	31,754	23,895



Note 6.1: Borrowings (continued)

Note 6.1 (a): Lease liabilities (continued)

HOW WE RECOGNISE LEASE LIABILITIES

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

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

Eastern Health's lease arrangements consist of the following:

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

TYPE OF ASSET LEASED	LEASE TERM
Leased land	10 to 40 years
Leased buildings	2 to 10 years
Leased plant, equipment, furniture, fittings and vehicles	2 to 7 years

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

TYPE OF PAYMENT	DESCRIPTION OF PAYMENT	TYPE OF LEASES CAPTURED
Short-term lease payments	Leases with a term less than 12 months	Short-term property lease

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 Eastern Health's incremental borrowing rate.

Our lease liability has been discounted by rates of between 1.21% to 6.58%.

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.

The following types of lease arrangements, contain extension and termination options:

- building leases:** options to extend can vary from no extensions, month-to-month extensions and up to two fixed-term extensions.

- equipment leases:** options to extend can vary from no extension and month-to-month extensions.

The equipment leases contain termination options, available to the lessor and lessee, for a range of events.

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).

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was an increase in recognised lease liabilities and right-of-use assets of \$558,548.



Note 6.1: Borrowings (continued)

Note 6.1 (a): Lease liabilities (continued)

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

Eastern Health holds lease arrangements which contain significantly below-market terms

and conditions, which are principally to enable the health service to further its objectives. These are commonly referred to as concessionary lease arrangements.

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

DESCRIPTION OF LEASED ASSET	OUR DEPENDENCE ON THE LEASE	NATURE AND TERMS OF THE LEASE
The leased assets relate to various parcels of land.	<p>The various leased parcels of land contains buildings which have the facilities to provide our services to the community.</p> <p>Eastern Health's dependence on these lease are considered high.</p> <p>These assets are of a special nature and there are limited readily available substitutes.</p>	<p>Lease payments on the different parcels of land vary between \$12 and \$104 per annum.</p> <p>The leases have various terms from 10 years to 40 years with only one having an extension option of 10 years.</p> <p>The assets can only be used to meet Eastern Health's business needs.</p>

NOTE 6.2: CASH AND CASH EQUIVALENTS

	NOTE	2024 \$'000	2023 \$'000
Cash on Hand (excluding monies held in trust)		36	37
Cash at Bank - CBS (excluding monies held in trust)		121,920	168,866
Total Cash Held for Operations		121,956	168,903
Cash at Bank - CBS (monies held in trust)		12,741	12,080
Total Cash Held as Monies in Trust		12,741	12,080
TOTAL CASH AND CASH EQUIVALENTS	7.1(a)	134,697	180,983

HOW WE RECOGNISE CASH AND CASH EQUIVALENTS

Cash and cash equivalents recognised on the balance sheet comprise cash on hand and in banks.

Cash and cash equivalents are held for the purpose of meeting short term cash commitments rather than for investment purposes and are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents include monies held in trust.



NOTE 6.3: COMMITMENTS FOR EXPENDITURE

	2024 \$'000	2023 \$'000
Capital Expenditure Commitments		
Less than 1 year	42,870	18,540
Longer than 1 year but not longer than 5 years	-	-
5 years or more	-	-
Total Capital Expenditure Commitments	42,870	18,540
Operating Expenditure Commitments		
Less than 1 year	162,816	139,138
Longer than 1 year but not longer than 5 years	172,588	257,532
5 years or more	57	125
Total Operating Expenditure Commitments	335,461	396,795
TOTAL COMMITMENTS FOR EXPENDITURE (inclusive of GST)	378,332	415,335
Less GST recoverable from the Australian Tax Office	(34,394)	(37,758)
TOTAL COMMITMENTS FOR EXPENDITURE (exclusive of GST)	343,938	377,577

Future finance lease payments are recognised on the balance sheet, refer to Note 6.1 Borrowings.

HOW WE DISCLOSE OUR COMMITMENTS

Our commitments relate to capital and operating expenditure.

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.

NOTE 6.4: NON-CASH FINANCING AND INVESTING ACTIVITIES

	2024 \$'000	2023 \$'000
Acquisition of Plant and Equipment by means of Leases	22,193	11,721
Acquisition of Assets by means of Indirect Contribution by DH	7,004	9,470
Plant and Equipment Received Free of Charge via the State Supply Arrangement	54	1,003
TOTAL NON-CASH FINANCING AND INVESTING ACTIVITIES	29,251	22,194



Note 7: Risks, contingencies and valuation

Structure

Eastern Health is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements.

This section sets out financial instrument specific information (including exposures to financial risks), as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for Eastern Health is related mainly to fair value determination.

Introduction

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



MATERIAL JUDGEMENTS AND ESTIMATES

This section contains the following material judgements and estimates:

MATERIAL JUDGEMENTS AND ESTIMATES	DESCRIPTION
<p>Measuring fair value of non-financial assets</p>	<p>Fair value is measured with reference to highest and best use, that is, the use of the asset by a market participant that is physically possible, legally permissible, financially feasible, and which results in the highest value, or to sell it to another market participant that would use the same asset in its highest and best use.</p> <p>In determining the highest and best use, Eastern Health has assumed the current use is its highest and best use. Accordingly, characteristics of the health service's assets are considered, including condition, location and any restrictions on the use and disposal of such assets.</p> <p>Eastern Health uses a range of valuation techniques to estimate fair value, which include the following:</p> <ul style="list-style-type: none"> • Market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets and liabilities. The fair value of Eastern Health's 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 Eastern Health's specialised buildings, furniture, fittings, plant, equipment and vehicles are measured using this approach. • Income approach, which converts future cash flows or income and expenses to a single undiscounted amount. Eastern Health does not this use approach to measure fair value. <p>Eastern Health selects a valuation technique which is considered most appropriate, and for which there is sufficient data available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.</p> <p>Subsequently, Eastern Health applies material judgement to categorise and disclose such assets within a fair value hierarchy, which includes:</p> <ul style="list-style-type: none"> • Level 1, using quoted prices (unadjusted) in active markets for identical assets that the health service can access at measurement date. Eastern Health does not categorise any fair values in this level. • Level 2, inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. Eastern Health categorises non-specialised land and non-specialised buildings in this level. • Level 3, where inputs are unobservable. Eastern Health categorises specialised land, specialised buildings, plant, equipment, furniture, fittings and vehicles 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 Eastern Health's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example, taxes, fines and penalties).

Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.



Note 7.1: Financial instruments (continued)

Note 7.1 (a): Categorisation of financial instruments

30 JUNE 2024	NOTE	FINANCIAL ASSETS AT AMORTISED COST \$'000	FINANCIAL LIABILITIES AT AMORTISED COST \$'000	TOTAL \$'000
Contractual Financial Assets				
Cash and Cash Equivalents	6.2	134,697	-	134,697
Receivables	5.1	102,040	-	102,040
Total Financial Assets ⁽ⁱ⁾		236,737	-	236,737
Financial Liabilities				
Payables	5.3	-	117,157	117,157
Borrowings	6.1	-	50,556	50,556
Other Financial Liabilities – Refundable Accommodation Deposits	5.5	-	12,741	12,741
Other Financial Liabilities – Other	5.5	-	13,455	13,455
Total Financial Liabilities ⁽ⁱ⁾		-	193,909	193,909

30 JUNE 2023	NOTE	FINANCIAL ASSETS AT AMORTISED COST \$'000	FINANCIAL LIABILITIES AT AMORTISED COST \$'000	TOTAL \$'000
Contractual Financial Assets				
Cash and Cash Equivalents	6.2	180,983	-	180,983
Receivables	5.1	123,968	-	123,968
Total Financial Assets		304,951	-	304,951
Financial Liabilities ⁽ⁱ⁾				
Payables	5.3	-	145,967	145,967
Borrowings	6.1	-	44,872	44,872
Other Financial Liabilities – Refundable Accommodation Deposits	5.5	-	12,080	12,080
Other Financial Liabilities – Other	5.5	-	10,837	10,837
Total Financial Liabilities ⁽ⁱ⁾		-	213,756	213,756

(i) The carrying amounts exclude statutory receivables (i.e. GST receivable) and statutory payables (i.e. GST payable, PAYG and revenue in advance).



Note 7.1: Financial instruments (continued)

Note 7.1 (a): Categorisation of financial instruments (continued)

HOW WE CATEGORISE FINANCIAL INSTRUMENTS

Categories of financial assets

Financial assets are recognised when Eastern Health becomes party to the contractual provisions to the instrument.

For financial assets, this is at the date Eastern Health commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

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

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

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

Financial Assets at Amortised Cost

Financial assets are measured at amortised costs 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 Eastern 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 subsequently measured at amortised cost using the effective interest method less any impairment.

Eastern Health recognises the following assets in this category:

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

Categories of financial liabilities

Financial liabilities are recognised when Eastern Health becomes a party to the contractual provisions to the instrument. Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit or loss, in which case transaction costs are expensed to profit or loss immediately.

Financial Liabilities at Amortised Cost

Financial liabilities are measured at amortised cost using the effective interest method, where they are not held at fair value through net result.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in net result over the relevant period.

The effective interest is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Eastern Health recognises the following liabilities in this category:

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

Reclassification of financial instruments

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

A financial liability reclassification is not permitted.



NOTE 7.2: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

As a whole, Eastern 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.

Eastern Health's main financial risks include credit risk, liquidity risk, interest rate risk and equity price risk.

Eastern Health manages these financial risks in accordance with its financial risk management standard.

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

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

In addition, Eastern Health does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, Eastern 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 Eastern Health will not be able to collect a receivable.

Objective evidence includes financial difficulties of the debtor, default payments, debtors that are more than 90 days overdue and changes in debtor credit ratings.

Contractual financial assets are written off against the carrying amount when there is no reasonable expectation of recovery.

Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Eastern Health's maximum exposure to credit risk without taking account of the value of any collateral obtained.

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

Impairment of financial assets under AASB 9

Eastern Health records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's Expected Credit Loss approach.

Subject to AASB 9, the impairment assessment includes the health service's contractual receivables and its investment in debt instruments.

Equity instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through net result are not subject to an impairment assessment under AASB 9.

Credit loss allowance is classified as "other economic flows" in the net result.

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.

Contractual receivables at amortised cost

Eastern 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.

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



Note 7.2: Financial risk management objectives and policies (continued)

Note 7.2 (a): Credit risk (continued)

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

30 JUNE 2024	NOTE	CURRENT	LESS THAN 1 MONTH	1 - 3 MONTHS	3 MONTHS - 1 YEAR	1 - 5 YEARS	TOTAL
Expected loss rate		0%	9%	10%	61%	75%	
Gross carrying amount of contractual receivables (\$'000)	5.1	14,791	2,131	2,919	2,318	1,623	23,782
Loss Allowance		-	200	292	1,425	1,217	3,134

30 JUNE 2023	NOTE	CURRENT	LESS THAN 1 MONTH	1 - 3 MONTHS	3 MONTHS - 1 YEAR	1 - 5 YEARS	TOTAL
Expected loss rate		0%	0%	10%	50%	75%	
Gross carrying amount of contractual receivables (\$'000)	5.1	43,286	3,674	2,386	3,420	1,091	53,857
Loss Allowance		-	-	238	1,724	821	2,783

Statutory receivables at amortised cost

Eastern 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 requirements as if those receivables are financial instruments.

The statutory receivables are considered to have low credit risk, considering the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term.

As a result, no loss allowance has been recognised.

Note 7.2: Financial risk management objectives and policies (continued)

Note 7.2 (b): Liquidity risk

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

Eastern 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:

- 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.

Eastern 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 Eastern Health's financial liabilities.

For interest rates applicable to each class of liability, refer to individual notes to the financial statements.

		MATURITY DATES						
30 JUNE 2024	NOTE	CARRYING AMOUNT \$'000	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 ⁽ⁱ⁾								
Payables	5.3	117,157	117,176	61,861	54,688	627	-	-
Borrowings	6.1	50,556	57,324	1,181	2,361	10,626	30,702	12,454
Refundable Accommodation Deposits	5.5	12,741	12,741	12,741	-	-	-	-
Other Liabilities	5.5	13,455	13,455	470	8,435	4,550	-	-
Total Financial Liabilities		193,909	200,696	76,253	65,484	15,803	30,702	12,454

		MATURITY DATES						
30 JUNE 2023	NOTE	CARRYING AMOUNT \$'000	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 ⁽ⁱ⁾								
Payables	5.3	222,909	222,909	52,089	118,262	52,558	-	-
Borrowings	6.1	44,872	51,517	932	1,861	8,426	26,190	14,108
Refundable Accommodation Deposits	5.5	12,080	12,080	12,080	-	-	-	-
Other Liabilities	5.5	10,837	10,837	338	10,442	57	-	-
Total Financial Liabilities		290,698	297,343	65,439	130,565	61,041	26,190	14,108

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



Note 7.2: Financial risk management objectives and policies (continued)

Note 7.2 (c): Market risk

Eastern 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

Eastern Health's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period.

The following movements are 'reasonably possible' over the next 12 months:

- a change in interest rates of 1.5% 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.

Eastern Health does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Eastern Health has minimal exposure to cash flow interest rate risks through cash and deposits that are at floating rate.

Equity risk

Eastern Health has no exposure to equity price risk as it has no investments in listed and unlisted shares and managed investment schemes.

NOTE 7.3: CONTINGENT ASSETS AND CONTINGENT LIABILITIES

At balance date, the Board is not aware of any contingent assets or liabilities (2022/23: Nil).

HOW WE MEASURE AND DISCLOSE CONTINGENT ASSETS AND CONTINGENT LIABILITIES

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

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

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the health service.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the health service or

- present obligations that arise from past events but are not recognised because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations or
- the amount of the obligations cannot be measured with sufficient reliability.

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



NOTE 7.4: FAIR VALUE DETERMINATION

HOW WE MEASURE FAIR VALUE

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

The following assets and liabilities are carried at fair value:

- Financial assets and liabilities at fair value through net result;
- Financial assets and liabilities at fair value through other comprehensive income;
- Property, plant and equipment; 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.

Eastern 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 transfers between levels during the period as outlined in reconciliation of level 3 fair value measurement.

Eastern 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 Eastern Health's independent valuation agency for property, plant and equipment.

IDENTIFYING UNOBSERVABLE INPUTS (LEVEL 3) FAIR VALUE MEASUREMENTS

Level 3 fair value inputs are unobservable valuation inputs for an asset or liability. These inputs require significant judgement and assumptions in deriving fair value for both financial and non-financial assets.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

However, the fair value measurement objective remains the same, i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability.

Therefore, unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.



Note 7.4: Fair value determination (continued)

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

		FAIR VALUE MEASUREMENT AT END OF REPORTING PERIOD USING:			
		CARRYING AMOUNT AS AT 30 JUNE 2024 \$'000	LEVEL 1 ⁽ⁱ⁾ \$'000	LEVEL 2 ⁽ⁱ⁾ \$'000	LEVEL 3 ⁽ⁱ⁾ \$'000
	NOTE				
Land at Fair Value					
Non-Specialised Land		68,973	-	68,973	-
Specialised Land		140,036	-	-	140,036
Total Land at Fair Value	4.1(a)	209,009	-	68,973	140,036
Buildings at Fair Value					
Non-Specialised Buildings		-	-	-	-
Specialised Buildings		1,360,680	-	-	1,360,680
Total Buildings at Fair Value	4.1(a)	1,360,680	-	-	1,360,680
Plant, Equipment, Furniture, Fittings and Vehicles at Fair Value					
Motor vehicles		-	-	-	-
Medical Equipment		30,149	-	-	30,149
Computers and Communication Equipment		8,944	-	-	8,944
Furniture and Fittings		5,450	-	-	5,450
Total Plant, Equipment, Furniture, Fittings and Vehicles at Fair Value	4.1(a)	44,543	-	-	44,543
Right-of-Use Assets					
Right-of-Use Non-Specialised Land		790	-	790	-
Right-of-Use Specialised Land		21,715	-	-	21,715
Right-of-Use Buildings		8,089	-	-	8,089
Right-of-Use Plant, Equipment and Vehicles		22,540	-	-	22,540
Total Right-of-Use Assets at Fair Value	4.2(a)	53,134	-	790	52,344
TOTAL NON-FINANCIAL PHYSICAL ASSETS AT FAIR VALUE		1,667,366	-	69,763	1,597,603

(i) Classified in accordance with the fair value hierarchy.



Note 7.4: Fair value determination (continued)

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

		FAIR VALUE MEASUREMENT AT END OF REPORTING PERIOD USING:			
		CARRYING AMOUNT AS AT 30 JUNE 2023 \$'000	LEVEL 1 ⁽ⁱ⁾ \$'000	LEVEL 2 ⁽ⁱ⁾ \$'000	LEVEL 3 ⁽ⁱ⁾ \$'000
	NOTE				
Land at Fair Value					
Non-Specialised Land		71,090	-	71,090	-
Specialised Land		160,677	-	-	160,677
Total Land at Fair Value	4.1(a)	231,767	-	71,090	160,677
Buildings at Fair Value					
Non-Specialised Buildings		20,894	-	20,894	-
Specialised Buildings		908,840	-	-	908,840
Total Buildings at Fair Value	4.1(a)	929,734	-	20,894	908,840
Plant, Equipment, Furniture, Fittings and Vehicles at Fair Value					
Motor vehicles		-	-	-	-
Medical Equipment		32,075	-	-	32,075
Computers and Communication Equipment		5,946	-	-	5,946
Furniture and Fittings		6,205	-	-	6,205
Total Plant, Equipment, Furniture, Fittings and Vehicles at Fair Value	4.1(a)	44,226	-	-	44,226
Right-of-Use Assets					
Right-of-Use Non-Specialised Land		808	-	808	-
Right-of-Use Specialised Land		22,930	-	-	22,930
Right-of-Use Buildings		10,315	-	-	10,315
Right-of-Use Plant, Equipment and Vehicles		11,984	-	-	11,984
Total Right-of-Use Assets at Fair Value	4.2(a)	46,037	-	808	45,229
TOTAL NON-FINANCIAL PHYSICAL ASSETS AT FAIR VALUE		1,251,764	-	92,792	1,158,972

(i) Classified in accordance with the fair value hierarchy.



Note 7.4: Fair value determination (continued)

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

HOW WE MEASURE FAIR VALUE OF NON-FINANCIAL PHYSICAL ASSETS

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

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

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

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

Non-specialised land and non-specialised buildings

Non-specialised land and non-specialised buildings are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings, an independent valuation was performed by the Valuer-General Victoria to determine the fair value using the market approach.

Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. An appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2024.

Specialised land and specialised buildings

Specialised land includes Crown Land which is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset.

During the reporting period, Eastern 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 its fair value.

The market approach is also used for specialised land although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued. Specialised assets contain significant, unobservable adjustments; therefore, these assets are classified as Level 3 under the market based direct comparison approach.

The CSO adjustment reflects the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants.

This approach is in light of the highest and best use consideration required for fair value measurement and considers the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For Eastern Health, the current replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation.

As depreciation adjustments are considered as significant and unobservable inputs in nature, specialised buildings are classified as Level 3 for fair value measurements.

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

Vehicles

Eastern 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 Eastern Health which sets 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 current replacement cost is used to estimate the fair value.

Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that 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 2024.



Note 7.4: Fair value determination (continued)

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

Reconciliation of Level 3 fair value measurement

	NOTE	LAND \$'000	BUILDINGS \$'000	PLANT, EQUIPMENT, FURNITURE, FITTINGS AND VEHICLES \$'000	RIGHT- OF-USE LAND \$'000	RIGHT- OF-USE BUILDINGS \$'000	RIGHT- OF-USE PLANT, EQUIPMENT AND VEHICLES \$'000
Balance at 1 July 2022		160,677	825,052	36,532	24,190	10,202	6,720
Additions/(Disposals)			564	3,834	-	3,523	8,198
Net Transfers Between Classes		-	28,171	16,478	21	-	(28)
• Depreciation and Amortisation		-	(48,898)	(12,618)	(1,281)	(3,410)	(2,906)
• Revaluation		-	103,951	-	-	-	-
Balance as at 30 June 2023	7.4(a)	160,677	908,840	44,226	22,930	10,315	11,984
Additions/(Disposals)		-	-	3,592	-	5,997	8,198
Net Transfers between Classes			87,934	10,455	29	-	5,264
• Depreciation and Amortisation			(53,938)	(13,729)	(1,244)	(8,223)	(2,906)
• Revaluation		(20,641)	417,844	-			
Balance as at 30 June 2024	7.4(a)	140,036	1,360,680	44,544	21,715	8,089	22,540

(Classified in accordance with the fair value hierarchy – refer Note 7.4)

Fair value determination of level 3 fair value measurement

ASSET CLASS	LIKELY VALUATION APPROACH	SIGNIFICANT INPUTS (LEVEL 3 ONLY) ⁽ⁱ⁾
Non-specialised land	Market approach	n.a.
Specialised land (Crown / Freehold)	Market approach	Community service obligations adjustments (a)
Non-specialised buildings	Market approach	n.a.
Specialised buildings	Current replacement cost approach	<ul style="list-style-type: none"> • Cost per square metre • Useful life
Plant, equipment, furniture, fittings and vehicles	Current replacement cost approach	<ul style="list-style-type: none"> • Cost per unit • Useful life

(i) A Community Service Obligation (CSO) of 20% was applied to the health service's specialised land classified in accordance with the fair value hierarchy.



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 flows from operating activities
- 8.2:** Responsible persons' disclosures
- 8.3:** Remuneration of executive officers
- 8.4:** Related parties
- 8.5:** Remuneration of auditors
- 8.6:** Events occurring after the balance sheet date
- 8.7:** Equity
- 8.8:** Economic dependency

NOTE 8.1: RECONCILIATION OF NET RESULT FOR THE YEAR TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	NOTE	2024 \$'000	2023 \$'000
Net Result For the Period		(100,043)	(59,200)
Non-Cash Movements			
Depreciation of Non-Current Assets	4.4	84,585	71,460
Amortisation of Non-Current Assets	4.4	4,735	5,138
Capital Grant - Indirect Contribution by Department of Health		(7,004)	(9,470)
Non-cash Grants - Operating		(11,211)	-
Services received Free of Charge		2,236	1,586
Assets Received Free of Charge	2.2	(1,942)	(1,003)
Discount Interest Expense / (Revenue) on Financial Instrument		128	40
(Gain) / Loss on Revaluation of Long Service Leave Liability	3.2	(5,624)	14,663
Bad and Doubtful Debt expense	3.2	1,870	867
(Gain) / Loss on Sale or Disposal of Non-Financial Physical Assets	3.2	(122)	240
Movements in Assets and Liabilities			
(Increase) / Decrease in Receivables and Contract Assets		27,020	(22,038)
(Increase) / Decrease in Prepayments		(4,447)	(535)
(Increase) / Decrease in Inventories		3,272	(1,488)
Increase / (Decrease) in Other Liabilities		4,546	(2,395)
Increase / (Decrease) in Payables and Contract Liabilities		(30,566)	35,985
Increase / (Decrease) in Employee Benefits		33,465	11,837
NET CASH INFLOW FROM OPERATING ACTIVITIES		898	45,687



NOTE 8.2: RESPONSIBLE PERSONS' DISCLOSURES

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

	PERIOD
RESPONSIBLE MINISTERS	
The Honourable Mary-Anne Thomas	
Minister for Health	1/07/2023 - 30/06/2024
Minister for Health Infrastructure	1/07/2023 - 30/06/2024
Minister for Ambulance Services	2/10/2023 - 30/06/2024
The Honourable Gabrielle William	
Minister for Mental Health	1/07/2023 - 2/10/2023
Minister for Ambulance Services	1/07/2023 - 2/10/2023
The Honourable Lizzy Blandthorn	
Minister for Children	2/10/2023 - 30/06/2024
Minister for Disability	2/10/2023 - 30/06/2024
The Honourable Ingrid Stitt	
Minister for Mental Health	2/10/2023 - 30/06/2024
Minister for Ageing	2/10/2023 - 30/06/2024
Minister for Multicultural Affairs	2/10/2023 - 30/06/2024
GOVERNING BOARD	
Mr Tass Mousaferiadis (Chair of the Board)	1/07/2023 - 30/06/2024
Ms Anna Lee Cribb	1/07/2023 - 30/06/2024
Ms Sally Freeman	1/07/2023 - 30/06/2024
Mrs Penny Hutchinson	1/07/2023 - 30/06/2024
Dr Bob Mitchell AM	1/07/2023 - 30/06/2024
Mr Andrew Saunders	1/07/2023 - 30/06/2024
Mr Terry Symonds	1/07/2023 - 30/06/2024
Mr Lance Wallace	1/07/2023 - 30/06/2024
Dr Angela Williams	1/07/2023 - 30/06/2024
ACCOUNTABLE OFFICER	
Adjunct Professor David Plunkett Chief Executive	1/07/2023 - 30/06/2024



Note 8.2: Responsible persons' disclosures (continued)

Remuneration of responsible persons

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

	NO. OF DIRECTORS AND ACCOUNTABLE OFFICER	
	2024	2023
Income Band		
\$30,000 - \$39,999	1	-
\$40,000 - \$49,999	7	8
\$80,000 - \$89,999	1	1
\$540,000 - \$549,999	-	1
\$570,000 - \$579,999	1	-
Total Responsible Persons	10	10
	2024	2023
	\$'000	\$'000
TOTAL REMUNERATION RECEIVED OR DUE AND RECEIVABLE BY RESPONSIBLE PERSONS FROM EASTERN HEALTH:	1,001	996

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

NOTE 8.3: REMUNERATION OF EXECUTIVES

Executive officers' remuneration

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.

NOTE	2024 \$'000	2023 \$'000
Remuneration of Executive Officers <i>(incl. Key Management Personnel disclosed in Note 8.4)</i>		
Short-Term Benefits	\$3,387	\$2,680
Other Long-Term Benefits	\$61	\$49
Post-Employment Benefits	\$288	\$234
TOTAL REMUNERATION	\$3,736	\$2,963
TOTAL NUMBER OF EXECUTIVES ⁽ⁱ⁾:	13	14
TOTAL ANNUALISED EMPLOYEE EQUIVALENT ⁽ⁱⁱ⁾:	11	8

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

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

Total remuneration payable to executives during the year included additional executive officers.

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

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Other factors

The main factors impacting total remuneration included long-term illness requiring a long-term acting arrangement and annual Enterprise Bargaining Agreement increases.



NOTE 8.4: RELATED PARTIES

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

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

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

Key management personnel

The Board of Directors, Chief Executive Officer and the Executive Directors of Eastern Health are deemed to be KMPs. This includes the following:

NAME	POSITION	PERIOD
Mr Tass Mousaferiadis	Chair of the Board	Full Year
Ms Anna Lee Cribb	Board member	Full Year
Ms Sally Freeman	Board member	Full Year
Ms Sally Freeman	Board member	Full Year
Dr Bob Mitchell AM	Board member	Full Year
Mr Andrew Saunders	Board member	Full Year
Mr Terry Symonds	Board member	Full Year
Mr Lance Wallace	Board member	Full Year
Dr Angela Williams	Board member	Full Year
Adjunct Professor David Plunkett	Chief Executive	Full Year
Ms Shannon Wight	Executive Director Clinical Operations	Full Year
Mr Adam Williams	Executive Director People and Culture	Full Year
Ms Rachel Meehan	Executive Director Strategy and Improvement	Full Year
Mr Paul Adcock	Executive Director Digital Health	Full Year
Mr Rohan Lovell	Executive Director Infrastructure and Support Services	Full Year
Associate Professor Alison Dwyer	Executive Director Clinical Governance, Chief Medical Officer	Full Year
Mr Geoff Cutter	Executive Director Finance and Procurement, Chief Finance Officer and Chief Procurement Officer	Full Year
Ms Anita Wilton	Interim Chief Allied Health Officer	1/7/2023 - 13/8/2023
Ms Ged Millard	Chief Allied Health Officer	14/8/2023 - 30/6/2024
Professor Leanne Boyd	Executive Director Eastern Health Institute, Chief Nursing and Midwifery Officer	1/7/2023 - 29/10/2023
Professor Philippa Blencowe	Chief Nursing and Midwifery Officer	30/10/2023 - 30/6/2024
Professor Leanne Boyd	Executive Director Eastern Health Institute	30/10/2023 - 7/1/2024
Associate Professor Paul Buntine	Acting Executive Director Eastern Health Institute	8/1/2024 - 30/6/2024
Professor Philippa Blencowe	Acting Executive Director Mental Health and Clinical Support	1/7/2023 - 9/7/2023
Ms Toni Gutschlag	Executive Director Mental Health and Clinical Support	10/7/2023 - 30/6/2024



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 are reported within the State's Annual Financial Report.

	2024 \$'000	2023 \$'000
Compensation - KMPs		
Short-Term Employee Benefits ⁽ⁱ⁾	4,296	3,589
Other Long-Term Benefits	79	67
Post-employment Benefits	357	302
Termination Benefits	-	-
TOTAL COMPENSATION ⁽ⁱ⁾	4,732	3,958

(i) KMPs are also reported in Note 8.2 Responsible Persons or Note 8.3 Remuneration of Executives.

Significant transactions with government related entities

Eastern Health received funding from the Department of Health of \$1,324 million (2022/23 \$1,277 million) and indirect contributions of \$2.2 million (2022/23 \$1.9 million). The net balance owed by the DH at 30 June 2024 is \$Nil (2023: \$2.778 million).

At year end, the Long Service Leave funding receivable from the DH is \$86.871 million (2023: \$77.895 million).

Expenses incurred by Eastern 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 Eastern Health to hold cash (in excess of working capital) in accordance with the State of Victoria's centralised banking arrangements.

All borrowings are required to be sourced from Treasury Corporation Victoria unless an exemption has been approved by the Minister for Health and the Treasurer.

Transactions with KMPs and Other Related Parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges.

Further employment of processes within the Victorian public sector occurs on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission.

Procurement processes occur on terms and conditions consistent with the HealthShare Victoria and Victorian Government Procurement Board requirements.

Outside of normal citizen-type transactions with Eastern Health, there were no related party transactions that involved key management personnel, their close family members or their personal business interests.

No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with Cabinet Ministers required to be disclosed in 2024 (2023: none).

There were no related party transactions required to be disclosed for the Eastern Health Board of Directors, Chief Executive Officer and Executive Directors in 2024 (2023: none).



NOTE 8.5: REMUNERATION OF AUDITORS

	2024 \$'000	2023 \$'000
Victorian Auditor-General's Office		
Audit of Eastern Health's Financial Statements	160	129
TOTAL REMUNERATION OF AUDITORS	160	129

NOTE 8.6: EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Directors

Professor Ross Coppel AO and Joseph Morrison were appointed to the Eastern Health Board effective 1 July 2024.

NOTE 8.7: EQUITY

Contributed capital

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

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Other transfers that are in the nature of contributions or distributions or that have been designated as contributed capital are also treated as contributed capital.

Property, plant and equipment revaluation reserve

The property, plant and equipment revaluation surplus arises on the revaluation of infrastructure, land and buildings.

The revaluation surplus is not normally transferred to the accumulated surpluses/(deficits) on derecognition of the relevant asset.

Specific restricted purpose reserves

Restricted specific purpose reserves are funds where Eastern Health has possession or title to the funds but has no discretion to amend or vary the restriction and/or condition underlying the funds.

NOTE 8.8: ECONOMIC DEPENDENCY

Eastern Health is a public health service governed and managed in accordance with the *Health Services Act 1988* and its results form part of the Victorian General Government consolidated financial position.

Eastern Health provides essential services and is dependent on the continued financial support of the State Government, particularly the Department of Health, and the Commonwealth funding via the National Health Reform Agreement (NHRA).

At the time of preparing the financial statements for the year ended 30 June 2024, there was uncertainty on the level of funding available to Eastern Health for the 2024/25 financial year because the health service budget allocation had not yet been finalised.

Notwithstanding this uncertainty, on the basis that Eastern Health is considered to be a necessary function of the Victorian Health system, it is considered highly likely that the

Department of Health will continue to provide financial support to the service for at least the 12 month period from the date of signing the 30 June 2024 financial statements.

On that basis, the financial statements have been prepared on a going concern basis.



GLOSSARY AND INDEX

Glossary

ACHS	Australian Council on Healthcare Standards
Acute episode	A rapid onset and/or short course of illness
Acute hospital	Short-term medical and/or surgical treatment and care facility
Agpar score	A measure of the physical condition of a newborn baby
Allied health	Allied health professionals provide clinical healthcare, such as audiology, psychology, nutrition and dietetics, occupational therapy, orthotics and prosthetics, physical therapies including physiotherapy; speech pathology and social work
Ambulatory care	Care given to a person who is not confined to a hospital/requiring hospital admission but rather is ambulatory and literally able to "ambulate" or walk around
BAU	Business as usual
CCTV	Closed circuit television
CSIRO	Commonwealth Scientific and Industrial Research Organisation
Discharge	Discharge is the point at which a patient leaves the health service and either returns home or is transferred to another facility, such as a nursing home
DRG	Diagnosis Related Group
DVA	Department of Veterans' Affairs
Chronic condition	An illness of at least six months' duration that can have a significant impact on a person's life and requires ongoing supervision by a healthcare professional
Eastern@Home	Service that provides care in the comfort of a patient's home or other suitable location. Clients are still regarded as hospital inpatients and remain under the care of a hospital clinician. Care may be provided by nurses, doctors or allied health professionals.
Emergency triage	There are five defined triage categories, determined by the Australasian College of Emergency Medicine, with the desirable time when treatment should commence for patients in each category who present to an emergency department: Category 1: Resuscitation; seen immediately Category 2: Emergency; seen within 10 minutes Category 3: Urgent; seen within 30 minutes Category 4: Semi-urgent; seen within one hour Category 5: Non-urgent; seen within two hours
Emission	Output or discharge, as in the introduction of chemicals or particles into the atmosphere
EMR	Electronic Medical Record
EQulP National Standards	Four-year accreditation program for health services that ensures a continuing focus on quality across the whole organisation
Every Minute Matters	This is the name given to a program of improvement initiatives
FOI	Freedom of information
FTE	Full-time equivalent



Gap analysis	Method of assessing the differences in performance to determine whether requirements are being met and if not, what steps should be taken to ensure they are met
GEM	Geriatric evaluation and management
GJ	Gigajoule
GST	Goods and services tax
ICT	Information and communication technology
ICU	Intensive care unit
Inpatient	A patient whose treatment needs at least one night's admission in an acute or subacute hospital setting
KgCO ₂ e	Equivalent kilograms of carbon dioxide
kL	Kilolitre
LGBTIQ	Lesbian, Gay, Bisexual, Trans and gender diverse, Intersex, Queer and questioning
m ²	Square metres
MRI	Magnetic resonance imaging
MWh	Megawatt hour
NDIS	National Disability Insurance Scheme
NAATI	National Accreditation Authority for Translators and Interpreters
NSQHS Standards	National Safety and Quality Health Service Standards
OBD	Occupied bed day
Occasions of service	Hospital contact for an outpatient, either through an on-site clinic or home visit
OHS	Occupational health and safety
Outlier	A hospital that has a statistically significantly higher infection rate for a particular surgical procedure group compared to the VICNISS five-year aggregate for that procedure (includes all contributing hospitals in Victoria). Testing for statistical significance is performed each quarter but is based on data from the most recent two quarters (six months).
Outpatient	A person who is not hospitalised overnight but who may visit a hospital, clinic or associated facility, or may be visited in the home by a clinician for diagnosis, ongoing care or treatment
OVA	Occupational violence and aggression
Planned surgery	<p>Hospitals use urgency categories to schedule surgery to ensure patients with the greatest clinical need are treated first. Each patient's clinical urgency is determined by their treating specialist. Three urgency categories are used throughout Australia:</p> <p>Urgent: Admission within 30 days or condition(s) has the potential to deteriorate quickly to the point it may become an emergency.</p> <p>Semi-urgent: Admission within 90 days. The person's condition causes some pain, dysfunction or disability. It is unlikely to deteriorate quickly/unlikely to become an emergency.</p> <p>Non-urgent: Admission sometime in the future (within 365 days). The person's condition causes minimal or no pain, dysfunction or disability. It is unlikely to deteriorate quickly/unlikely to become an emergency.</p>
Residential Inreach	Service that provides an alternative to emergency department presentations for clients in residential aged care facilities. It aims to support clients and staff to manage acute health issues when general practitioners or locums are unavailable.
SAB	Staphylococcus aureus bacteraemia
SAFE	Safe, Aggression Free Environment
Seclusion event	This is the sole confinement of a person to a room or other enclosed space from which it is not within the control of the person confined to leave
Separations	Discharge from an outpatient service
Subacute illness	A condition that rates between an acute and chronic illness
Stakeholder	Any person, group or organisation that can lay claim to an organisation's attention, resources or output, or is affected by that output
TAC	Traffic Accident Commission
Terms of reference	Describes the purpose and structure of a committee, or any similar collection of people, who have agreed to work together to accomplish a shared goal
VAGO	Victorian Auditor-General's Office
VICNISS	Victorian Healthcare Associated Infection Surveillance System. The "N" stands for a word derived from Greek "nosocomial" meaning "originating in a hospital".
YTD	Year to date




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Telephone interpreter service

خدمات الترجمة

傳譯服務


Υπηρκοίεσ Αισρημνυόων


Service Interpreter


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Publications

All of Eastern Health's publications are available electronically via our website at www.easternhealth.org.au




Feedback


Eastern Health values feedback and uses it to continuously improve the services we provide.

There are a number of ways to provide your feedback:

 Fill in our online feedback form at www.easternhealth.org.au

 Contact one of our Patient Relations Advisors on 1800 327 837. Patient Relations Advisors are available Monday to Friday from 9am to 3pm

 Send an email to feedback@easternhealth.org.au

 Write to us at:
The Centre for Patient Experience
PO Box 94
Box Hill, VIC 3128

 Share your story anonymously via www.careopinion.org.au



