Government of South Australia

CENTRAL ADELAIDE LOCAL HEALTH NETWORK

2021-22 Annual Report

CENTRAL ADELAIDE LOCAL HEALTH NETWORK

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Acknowledgement of country

We acknowledge that this land we work on is the traditional lands for the First Nations Kaurna people, and we support their sovereign connection to this country which we are privileged to call our home.

We pay our respects to their leaders, past, present and emerging and acknowledge that their language, culture and transitional beliefs held for over 60,000 years are still as important and relevant to the living Kaurna and all Aboriginal people today.

To:

Hon Chris Picton MP

Minister for Health and Wellbeing

This annual report will be presented to Parliament to meet the statutory reporting requirements of *(insert relevant acts and regulations)* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the Central Adelaide Local Health Network (CALHN) by:

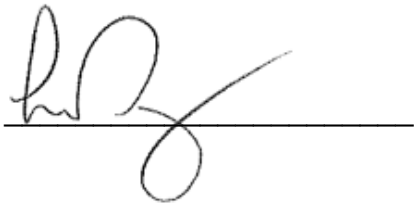
Mr Raymond Spencer

Chair, Central Adelaide Local Health Network Governing Board

Date: 29 September 2022 Signature 

Professor Lesley Dwyer

Chief Executive Officer

Date : 29 September 2022 Signature 

From the Governing Board Chair & Chief Executive Officer

Throughout 2021-22 Central Adelaide Local Health Network continued to showcase determination and resilience as the lead receiving hospital during the ongoing COVID-19 pandemic across the year.

Our workforce and the leadership team have been unwavering in their dedication to ensure patients continue to receive world-class healthcare while at the frontline of the most significant public health challenge of our lifetime. The Network is also proud to have been integral to the safeguarding of our state, with CALHN delivering COVID-19 vaccinations to 30 per cent of the South Australian community.

We established two key clinics, the COVID-19 Care Centre and the Long COVID Assessment Clinic, to provide multi-disciplinary support to referred patients from the community and bolster our ability to help consumers avoid unnecessary hospital presentations. We also assisted regional areas through the deployment of nursing and medical staff to support the broader response.

Our pandemic response comes at the same time as we experience an increase in demand on our services more broadly.

Both these challenges have required flexibility and the adjustment to new ways of working and new models of care to support system preparedness and service delivery. This has included expanding services to help avoid hospital presentations such as the establishment of the Network Operations Centre, the Inter-Hospital Transit Unit and the co-responder program for mental health, in conjunction with SAAS and SAPOL.

We have continued to make further gains in our National Efficient Price (NEP), which means we are providing better value care to the community. The reduction in our NEP to 1.10 (interim result) in December 2021 shows we are becoming more efficient and are actively looking for opportunities to improve the way we work. This progress allows us to further invest in our vision in becoming a world-class network to achieve our vision of being among the top 5 performing health services in Australia and top 50 performing health services globally.

A wonderful third-party endorsement of the positive direction of our recovery journey and our clinical improvements was evidenced in CALHN's success in achieving accreditation against the National Safety and Quality Health Service Standards accreditation for a further three years last September. The surveyors took particular note of a number of CALHN's services, including the work of the Aboriginal and Torres Strait Island Wellbeing Hub, the Mental Health service, safety and quality huddles and out-of-hospital services, and acknowledged CALHN's 'Board to ward' consumer engagement protocols .

Research is ingrained in our culture at Central Adelaide and this financial year we again made large inroads towards our aspiration of becoming a world-class research organisation. Having researchers based within our hospital network is vital to making new discoveries and translating treatments straight from the lab to our patient's bedside.

Transforming cancer research, care, support and preventative measures is critically important to South Australia and in May, we welcomed the $77M funding from the Australian Government for the Bragg Comprehensive Cancer Centre (BCCC). The

BCCC will bring together South Australia's leading cancer researchers, clinicians, patients, carers and technology as well as combining the best education, prevention programs, treatment, and long-term care in one centralised service.

Prioritising staff wellbeing and investing in our leaders remains key to our future success. CALHN has become one of the first health networks in Australia to implement a world-leading professional behaviours and accountability program, in partnership with Vanderbilt University Medical Centre in the USA. It aims to instil a strong, professional culture to make our network a safer, more reliable and kinder workplace for our consumers and clinical workforce.

As the largest health network in SA, CALHN has a powerful role to support improved Aboriginal health and wellbeing outcomes. Critical to this ambition is increasing representation of Aboriginal people in our workforce and our leadership positions. The launch of the Aboriginal Employment and Retention Strategy in April this year provided the foundation to translate our good intentions into positive outcomes and we look forward to reporting on its successes in years to come.

Within CALHN we are excited to continue our work towards achieving our strategic ambitions and pursue every opportunity to improve how we deliver services to the many South Australians who seek care from us.

As we look to the future, we are confident the organisation is undertaking the necessary work to address the challenges before us. Our commitment to excellence and professionalism and our demonstrated ability to deliver responsive, accessible and high-quality patient services remain central to our future success.

Mr Raymond Spencer

Board Chair

Central Adelaide Local Health Network

Professor Lesley Dwyer

Chief Executive Officer

Central Adelaide Local Health Network

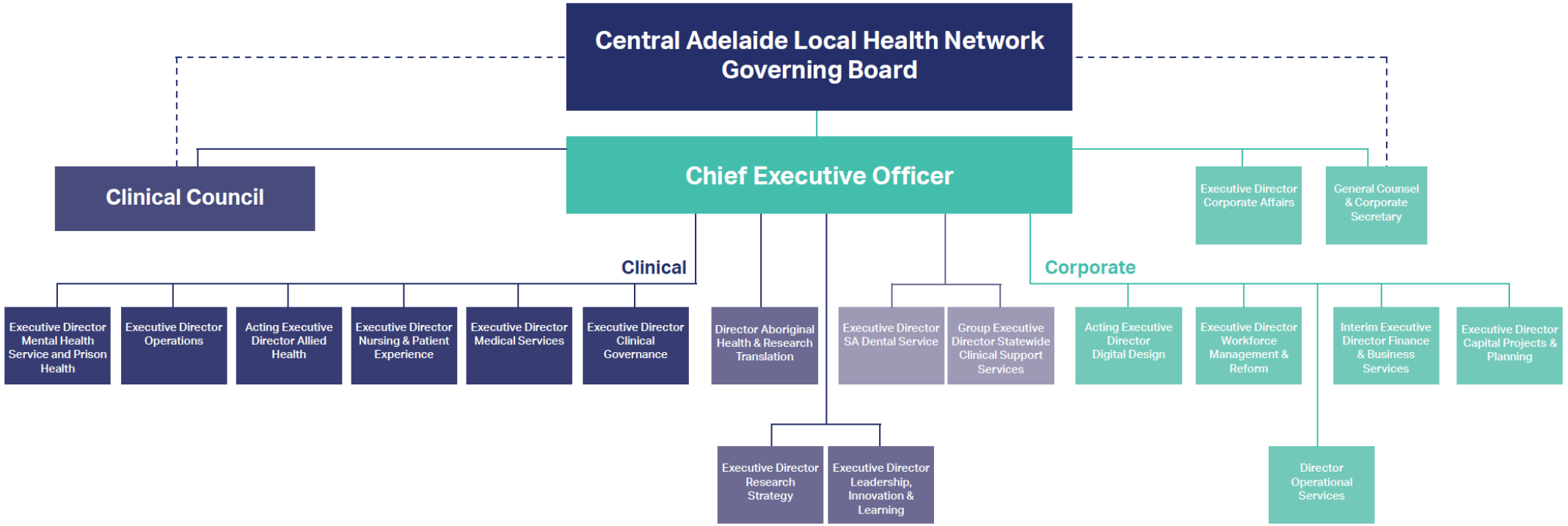
Contents

Overview: about the agency

Our strategic focus

Our Purpose	CALHN is responsible for promoting and improving the health of the central metropolitan Adelaide community and provides specialised care for South Australians through integrated health care and hospital services. CALHN brings together the following primary sites: • Royal Adelaide Hospital (RAH) • The Queen Elizabeth Hospital (TQEH) • Glenside Health Services • Hampstead Rehabilitation Centre (HRC) CALHN also governs a number of state-wide services including SA Dental Service (SADS), SA Prison Health Service (SAPHS), SA Cancer Service (SACS), DonateLife SA (DLSA), and Statewide Clinical Support Services incorporating SA Pathology, SA Medical Imaging (SAMI), BreastScreen SA (BSSA) and SA Pharmacy. While the primary catchment for CALHN is the central Adelaide metropolitan region, a substantial number of people who access services in CALHN come from outside these geographic boundaries. These include people from rural, remote, interstate and overseas locations. This is due to the need to access highly specialised, state-wide services.
Our Vision	We are shaping the future of health with world-class care and world-class research. We aim to be one of the top five performing health services in Australia and one of the top 50 performing health services in the world by 2025.
Our Values	Our values outline who we are, what we stand for and what people can expect from us. We are: • People first • Future focused • Ideas driven • Community minded.
Our functions, objectives and deliverables	CALHN has an important role in improving the health and wellbeing of South Australians by delivering world-class integrated healthcare and hospital services. Our strategic ambitions recognise our commitment to care, community, investment, research, technology and importantly, recognise the influence of our world-class workforce on our ability to achieve our vision.

Our executive structure



Changes to the agency

During 2021-22 there were no changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes.

Our Minister

Hon Chris Picton MP is the Minister for Health and Wellbeing in South Australia.

The Minister oversees health, wellbeing, mental health, ageing well, substance abuse and suicide prevention.

Our Governing Board

Mr Raymond Spencer (Chair)

(1 July 2019 - 30 June 2023)

Mr Raymond Spencer returned to Australia in 2009, following more than 35 years of living and working in the USA, India and Europe. Raymond is currently Chair of several boards, including the Global Centre for Modern Ageing and the South Australian Venture Capital Fund, and recently completed his term as Chair of the South Australian Health and Medical Research Institute (SAHMRI). He is a Founding Partner of RSVP Ventures and holds the position of Chair or Director in several of its portfolio companies. He brings more than 40 years of leadership experience in international business, management planning, technology, finance, organisational culture, and mergers and acquisitions.

Adjunct Professor Michael Reid AM (Deputy Chair)

(1 July 2019 - 30 June 2024)

Adj. Professor Mick Reid is currently the Principal of Michael Reid and Associates, a consultancy firm responsible for the delivery of many health and science projects throughout Australasia, for governments in Asia and the Pacific, and with United Nations organisations. He is currently the Chair of the AusHealth Board, a subsidiary of CALHN. Mick has been Director General in both New South Wales and Queensland, Director Policy and Practice at the George Institute for International Health, Director General for the Ministry of Science and Medical Research in NSW. Mick is considered to be an expert in the delivery of public health services in Australia.

Dr Alexandra Cockram MD (Member)
(1 July 2019 - 30 September 2022)

Dr Alexandra (Alex) Cockram has deep experience of working in both the public and not for profit health sector. She completed a two-year appointment as a Commissioner to the Royal Commission into Victoria's Mental Health System and is a Director of several health and related sector Boards. Alex is a former CEO in the health and emergency services sectors and is experienced in leading large and complex organisations. As a psychiatrist by training, a clinician, and leader in mental health and acute health care, she is committed to providing an inclusive workplace that is highly participatory. She continues to provide strategic advice to government and industry.

Professor Judith Dwyer AM (Member)
(1 July 2019 - 30 June 2023)

Professor Judith Dwyer brings significant knowledge of the governance and management of health care delivery, health services research, health policy and the health care needs of communities. Judith has had a distinguished career in health management, including Chief Executive roles of Southern Health Care Network (Melbourne) and Flinders Medical Centre, and Deputy Chief Executive of the Women's and Children's Hospital. Between 2006 to 2018, Judith was Professor of Health Care Management in the Flinders University College of Medicine and Public Health, where she has a continuing adjunct role. Judith was awarded the Sidney Sax medal by the Australian Healthcare and Hospitals Association (AHHA), honouring her lifelong commitment to delivering high quality health services in Australia, particularly in the area of Indigenous health.

Professor Justin Beilby MD (Member)
(1 July 2019 - 30 June 2023)

Professor Justin Beilby is a practising General Practitioner, board member and leader in primary care/general practice reform in Australia. In 2015, Justin was appointed Vice-Chancellor of Torrens University and concluded this role at the end of 2020. He moved to a part-time Deputy Vice Chancellor Research role and, in March 2022, was appointed Emeritus Professor. Justin has demonstrated experience and skills in research, both clinical and policy related, workforce planning, financial and people management, philanthropic funding, leading major capital programs, leading change programs and governance. He has broad international experience, establishing educational and research partnerships in several countries. He is currently Deputy Chair of the South Australian Health and Medical Institute Board.

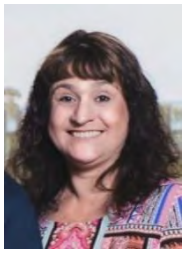
Ms Jane Yuile (Member)
(29 May 2020 - 30 June 2024)

Ms Jane Yuile has almost 40 years' experience as a finance executive. For the last 20 years she has been a non-executive director on numerous boards in a range of industries and a consultant in governance, business strategy and risk. Prior to that, she was the finance director of a listed technology company and worked for one of the global Chartered Accounting firms in San Francisco, London and Melbourne. Jane is currently State Chair (SA) for ANZ Bank and a director of Adelaide Airport and the Art Gallery of South Australia. Jane has a Master of Business Administration, Bachelor of Science, and is a fellow of Chartered Accountants ANZ and the Australian Institute of Company Directors.

Mr Gavin Wanganeen (Member)
(14 February 2022 - 30 June 2023)

Mr Gavin Wanganeen is celebrated former Australian Football League (AFL) player, acclaimed contemporary Aboriginal artist and advocate for Indigenous empowerment. A proud descendent of the Kokatha Mula people of the Western Desert in South Australia, Gavin is a two-time AFL Premiership winner, a member of the AFL Hall of Fame and was the first Indigenous player to receive a Brownlow medal and reach 300 games. Gavin also sits on the board of the State Theatre Company South Australia and is an ambassador for Wellbeing SA. Gavin also serves on the Reconciliation Action Plan Committee of the United Nations Association of Australia, where he is also an advisor.

Ms Kim Morey (Member)
(1 July 2019 - 30 September 2021)



Ms Kim Morey has over 25 years of experience in Aboriginal health and community services. Kim's family connections are to Central Australia, she is of Anmatyerre / Eastern Arrernte descent. She has extensive knowledges of public sector systems, policy development, strategic advice, and monitoring. She also has strong working relationships across Government and non-Government sectors, with Aboriginal community leaders, health leaders and health services.

Legislation administered by the agency

Central Adelaide Local Health Network plays a role in administering all legislation committed to the Minister for Health and Wellbeing with some legislation administered in conjunction with other public sector agencies:

- *Advance Care Directives Act 2013*
- *Aged Citizens Clubs (Subsidies) Act 1963*
- *Ageing and Adult Safeguarding Act 1995*
- *Assisted Reproductive Treatment Act 1988*
- *Blood Contaminants Act 1985*
- *Consent to Medical Treatment and Palliative Care Act 1995*
- *Controlled Substances Act 1984*
- *Food Act 2001*
- *Gene Technology Act 2001*
- *Health and Community Services Complaints Act 2004*
- *Health Care Act 2008*
- *Health Practitioner Regulation National Law (South Australia) Act 2010*
- *Health Professionals (Special Events Exemption) Act 2000*
- *Health Services Charitable Gifts Act 2011*
- *Mental Health Act 2009*
- *National Health Funding Pool Administration (South Australia) Act 2012*
- *Prohibition of Human Cloning for Reproduction Act 2003*
- *Public Intoxication Act 1984*
- *Research Involving Human Embryos Act 2003*
- *Safe Drinking Water Act 2011*
- *South Australian Public Health Act 2011*
- *Transplantation and Anatomy Act 1983.*

Other related agencies (within the Minister's area/s of responsibility)

The public sector agencies listed below are responsible for reporting information about their activities and operations in their own annual report submitted to the Minister for Health and Wellbeing:

- Barossa Hills Fleurieu Local Health Network
- Central Adelaide Local Health Network
- Commission on Excellence and Innovation in Health
- Controlled Substances Advisory Council
- Country Health Gift Fund Health Advisory Council Inc.
- Regional Health Advisory Councils (39 across South Australia)
- Eyre and Far North Local Health Network
- Flinders and Upper North Local Health Network
- Health and Community Services Complaints Commissioner
- Health Performance Council
- Health Services Charitable Gifts Board
- Limestone Coast Local Health Network
- Northern Adelaide Local Health Network
- Office for Ageing Well
- Pharmacy Regulation Authority of South Australia
- Riverland Mallee Coorong Local Health Network
- SA Ambulance Service
- SA Ambulance Service Volunteers' Health Advisory Council
- SA Medical Education and Training Health Advisory Council
- South Australian Public Health Council
- Southern Adelaide Local Health Network
- Wellbeing SA
- Women's and Children's Health Network
- Veterans' Health Advisory Council
- Yorke and Northern Local Health Network.

The agency's performance

Performance at a glance

Agency response to COVID-19

During 2021-22, CALHN continued to provide care for both acute and sub-acute South Australian adults requiring hospitalisation for COVID-19. In 2021-22 all CALHN sites safely implemented new ways of working in order to care for and receive COVID-positive patients.

In preparation for the state's border reopening to interstate and international travellers, CALHN's world-class Incident Management Team (IMT) reinvigorated their cadence and ensured a visible, engaged leadership model – providing key planning and operational assistance to both the network and the system-led response efforts.

CALHN continued to actively contribute to key state-wide intelligence and modelling on hospital occupancy trends. Operationally, the network planned for two distinct surges. Daily hospital occupancy numbers of active COVID-19 cases peaked at 216 in January 2022 and 95 in April 2022.

CALHN provided adaptive and proportionate levels of care to in-patients, as well as establishing two key COVID-19 clinics:

- The COVID-19 Care Centre (CCC) was established as a referral-based, hospital-avoidance service, to provide anti-viral treatment and face-to-face specialist support for COVID-19 positive patients. The service provided access to CALHN care and clinical resources due to its RAH-based footprint. As at 30 June 2022, the CCC saw over 2,900 attendees.
- The Long COVID Assessment Clinic was established to provide multi-disciplinary support to referred patients from the community, who otherwise may not have access to adequate clinical support when dealing with prolonged, disruptive symptoms post-COVID-19 diagnosis.

As at 30 June 2022, CALHN administered over 7,600 doses of COVID-19 anti-viral treatment to patients across the network.

The network continues to respond under incident management arrangements, including preparing for an anticipated third surge.

Throughout the pandemic, CALHN aided in the state's broad regional response to COVID-19 surges across South Australia, including to the Aṉangu Pitjantjatjara Yankunytjatjara (APY) lands, through the deployment of nursing and medical staff.

Testing

SA Pathology maintained a scalable and flexible response to community outbreaks, including establishing new pop-up collection sites and provided testing capability in the state's ports and border sites to support cross-border travellers.

SA Pathology were integral in providing the state with an adaptive, scalable and responsive testing service. During 2021-22, SA Pathology tested 2,671,913 polymerase chain reaction (PCR) samples for COVID-19 (an increase of 135% on the previous fiscal year).

Vaccinations

Along with establishing the Adelaide Myer Centre vaccination clinic and supporting on-site staff vaccination hubs at all CALHN sites, the Wayville Vaccination Clinic continued to operate as a partnership between CALHN, South Australian Ambulance Service and the Department of Health and Wellbeing. This clinic was Australia's first 'dual vaccine' clinic and continued as one of Australia's highest volume centres and South Australia's flagship mass vaccination site.

In early April, vaccinations for the seasonal flu were offered at each of the CALHN-led vaccination hubs.

As at 30 June 2022, CALHN administered 564,669 vaccinations against COVID-19. CALHN continues to operate the state-wide High-Risk Vaccination Clinic (at the RAH), Prison Health Vaccination Program and Refugee Health as standard services.

Agency contribution to Whole of Government objectives

Key objective	Agency's contribution
More jobs	CALHN has continued to focus on enabling more effective utilisation of permanent staff and has embedded strategies to reduce reliance on temporary service staff. In 2021-22 CALHN recruited 1469 Nurses/Midwives and 591 Medical Professionals, with a total of 4,583 new staff across CALHN recruited to continue to provide world-class care to our consumers. In particular, in early 2022 CALHN undertook a large-scale recruitment campaign for nursing staff across the organisation. A total of 324 nurses were recruited through this campaign. A centralised recruitment team utilised innovation and technology to deliver a more efficient and cost-effective recruitment process with an improved candidate experience through the selection and onboarding process.
Lower costs	CALHN continued to deliver operational and financial efficiencies which enabled it to deliver more services to the people of South Australia at a lower cost in support of the government's objective of reducing costs while improving access to services. Some of the key initiatives for 2021-22 included stronger bed management, improved use of diagnostics, reducing our National Efficient Price, workforce utilisation strategies, procurement savings and revenue uplift.
Better services	CALHN continues to improve access to services for our consumers, delivering better healthcare outcomes to the South Australian community. Over the past financial year, CALHN has: • Continued to take a lead role in the State's COVID-19 pandemic response and in particular support more out of hospital covid services such as the state's first and largest Covid Care Centre providing assessment and treatment for patients with covid using an ambulatory model. • Expanded its service to help avoid hospital presentations including adding a Computerised Tomography (CT) scanner to the Hospital Avoidance and Discharge

	Support Service at Sefton Park that is reducing presentations to ED and assisting with 7-day ambulatory models to support our most vulnerable in the community. • Continued the Co-Responder program for mental health in conjunction with SAAS and SAPOL. • Opened the Acute Assessment Centre at the RAH providing specialist assessment and treatment to patients who would have otherwise presented to an ED or be admitted for this specialist care.

Agency specific objectives and performance

CALHN has a clear vision – to shape the future of health with world-class care and world-class research and to become one of the top five performing health services in Australia and one of the top 50 performing health services in the world within five years.

CALHN is committed to the following values:

- People first.
- Future focused.
- Ideas driven.
- Community minded.

These values, together with CALHN's vision and ambitions, provide direction for everything that happens across the network. They outline who CALHN is, what it stands for, what the community can expect and what staff can expect from each other.

Our strategic ambitions provide the means to achieve CALHN's goals to deliver world-class care and world-class research that will shape the future of health in South Australia.

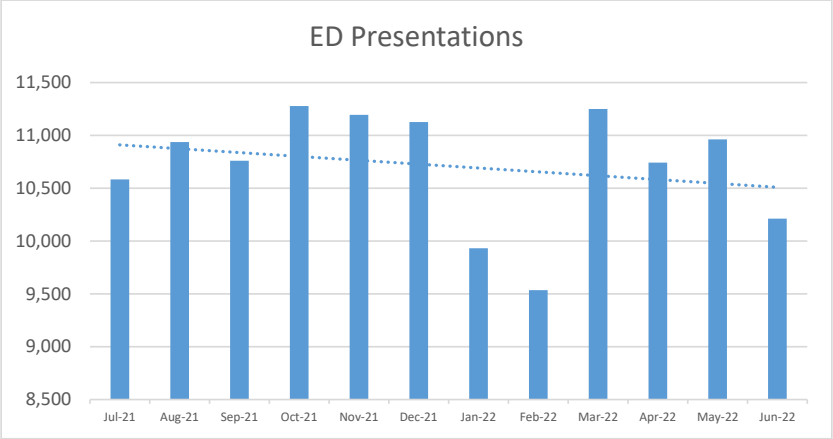
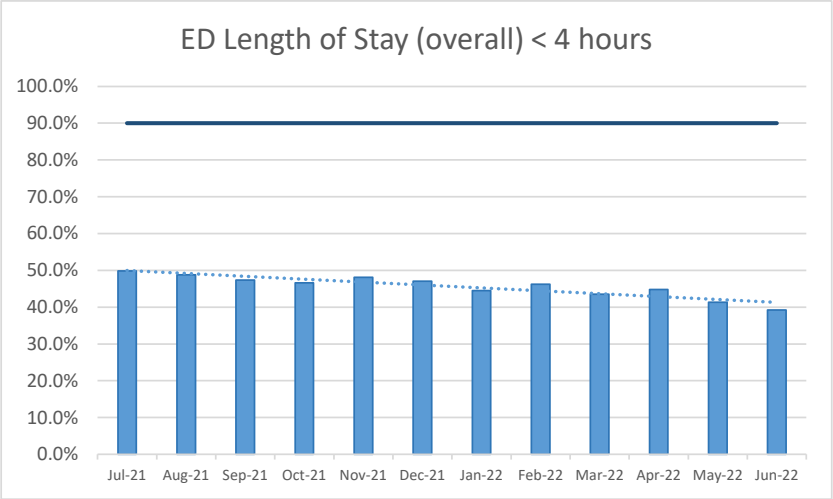
Our ambitions express CALHN's commitment to care, community, investment, research, technology and importantly recognise the influence of our world-class workforce on our ability to achieve our vision.

1. Our care is connected and revolves around the patient in their (and our) community.
2. Our curiosity compels us to always do better - research and innovation drives everything.
3. We are able to invest in what matters.
4. Our technology enables excellence.
5. We are a place that attracts and grows world-class talent.

Agency objective 1.	**Connected care** *Our Care is connected and revolves around the patient in their (our our) community.* *CALHN is determined to create a shift within the community so that people know where and how they get the care they need.*
Indicators	**Performance**
Accreditation	In September 2021, CALHN was assessed against the eight National Safety and Quality Health Service Standards (NSQHS) and successfully achieved accreditation against the standards for a further three years. This is a remarkable turnaround from the previous accreditation survey in 2018, when CALHN received 14 ‘not mets’ against the Standards. This achievement reflects the work undertaken to ensure that CALHN has in place a clear safety and quality system based on evidence. It indicates that CALHN is a very different organisation to that of just a few years ago, with an engaged Board and very good leadership. The surveyors took particular note of a number of CALHN’s services, including the work of the Aboriginal and Torres Strait Island Wellbeing Hub, the Mental Health service, safety and quality huddles and out-of-hospital services, and acknowledged CALHN’s ‘Board to ward’ consumer engagement protocols. The accreditation team noted that CALHN had journeyed far from a culture of inconsistency and non-compliance. As part of this process, CALHN acknowledged the work ahead to become an organisation with a culture of consistency, repeatability and compliance that are hallmarks of world- class organisations.

Access to Care	CALHN has been subject to significant pressures related to hospital demand and available capacity over the last 12 months which have been impacted by COVID-19. Over the past 12 months, adaptive models of care have been implemented to assist with patient flow. These models have included the Acute Assessment Unit (which opened in July 2022) and the Inter-Hospital Transit Unit (IHTU). The IHTU, which opened in June 2022, has assisted timely transfer of patients to increase ED and ward availability. The IHTU has been used to assist with patients requiring direct admission to hospital or awaiting transfer to other care facilities. In addition, over the last 12 months, CALHN has invested in digital solutions to improve safe and timely access to care. SystemsView is currently being implemented across CALHN which supports decision-making using real time data, to better manage planned and unplanned care. The Hospital Ambulance Liaison Officer (HALO) role at the RAH, which was trialled in 2021, has proven to be successful, with funding extended for the 2022-23 financial year. This role has improved flow and escalation of planned and unplanned transport. The Geriatric Evaluation Management Unit (GEMU) opened at Hampstead Rehabilitation Centre in November 2021, offering frail and elderly patients an opportunity to work closely with allied health practitioners in a less-clinical setting, to enhance their wellbeing and reduce the potential for readmission to hospital. The unit also allows RAH and TQEH EDs to provide more timely care for new patients, ensure ambulances are available for the community and support COVID-related activity.

Network Operations Centre (NOC)	In November 2021, the NOC went live, bringing together patient flow, after hour nurse managers, central staffing hub (nursing), rural liaison, data analytics and project support across all hospitals. In April 2022, the inter-hospital transfer process was centralised via the NOC which has ensured that 100% of patients referred via this process have been directly admitted to a hospital bed rather than attending the ED. The NOC established a Transit/Discharge Unit in April 2022, to improve early morning flows within TQEH and RAH. In June 2022, the NOC established a Demand and Capacity Escalation Framework which outlines the staged responses, roles and responsibilities and triggers to activate targeted and coordinated escalations and actions. Through a centralised process, the NOC has improved private hospital utilisations. The centralisation of reporting and escalation of ambulance delays across CALHN has improved communication across the organisation and with SAAS.
Hospital Avoidance Program (Sefton Park)	The Hospital Avoidance and Discharge Support Service (HASDS) has continued to pioneer new models of care, pathways and partnerships to support patients to avoid unnecessary presentation to an ED. The service was a finalist in the 2021 SA Health Awards for 'Out of Hospital Strategies and Care' and is proud to operate as a dual accredited service (Australian General Practice Accreditation Limited [AGPAL] and NSQHS standards). During 2021-22, the service enabled 2,679 patients to avoid presentation to a CALHN ED (45% increase from 2020-21), with up to 20 patients per day receiving care.

Presentations to the ED	CALHN ED presentations have reduced over the past 12 months, with significant reductions through COVID-19 surges. While CALHN absorbs 36% of metro ED presentations, there has been an overall 3.9% reduction in presentations compared to the previous financial year. Despite numerous strategies for hospital avoidance, mental health presentations continue to impact EDs.  Use of hospital avoidance services, such as the Virtual Care Service and community support programs, have improved through enhanced clinical collaboration and care coordination.
Average length of stay (ED) – less than four hours	The Emergency Access performance across CALHN has seen a steady decline in both admitted and non-admitted categories over the past 12 months.  Increased hospital length of stay has directly impacted access to emergency treatment spaces. ED length of stay greater than 24 hours has increased by 27% compared to 2020-21.

Aboriginal Health Practitioners	CALHN continues to embed the nationally recognised and registered role of Aboriginal and Torres Strait Islander Health Practitioners (AHPs) in the acute services sector. AHPs are located within the Aboriginal and Torres Strait Islander Health and Wellbeing Hub, Renal, Podiatry and Cancer programs and RAH ED services. The Aboriginal and Torres Strait Islander Heath Practitioner Credentialing/Re-credentialing and Scope of Practice Procedure supporting documentation was introduced in May 2022, to provide guidance for CALHN staff, management and decision makers to effectively deploy and support an AHP workforce in our hospitals and acute services settings.
Consumer partnering and community engagement	Consumers with recent lived experiences of CALHN services have been actively recruited from Clinical Programs with more than 100 active consumer advocates and representatives, participating in a range of activities and on a number on committees. The Consumer Community of Practice meetings bring consumer representatives and advocates together to share ideas and connect. The Community of Practice have also provided a platform for CALHN staff to engage with large numbers of consumers around important services and quality improvements. Workforce training sessions with a focus on partnering with consumers took place in August and September 2021 and each month, the CALHN Quality Board meetings have a dedicated consumer focus. This has led to inspirational information sharing between programs in relation to consumer partnering. This new focus assists in standardisation of consumer partnering across CALHN. During 2021-22, CALHN's Patient Story Toolkit was released to guide the collection of patient stories, providing an opportunity to remain connected to purpose, continuously improve and enable patients and families to collaborate in staff education. Community Connector Forums commenced in November 2021 with membership comprising of community organisations that represent the diverse communities CALHN serves. Partnership projects resulting from the Community Connectors Forum have occurred with the following organisations: • Deaf Connect • Adelaide Rotary club • Befriends- LGBTQI+ organisation • Adelaide Zero Homelessness project.

Aboriginal community engagement	CALHN's Consumer Partnering and Community Engagement Framework includes the commitment to 'Valuing Cultural Safety' and is one of the six guiding principles on which the framework is based. The NSQHS standards identifies four actions to meet the specific needs of effective partnering with Aboriginal and Torres Strait Islander consumers: • 1.21 - The health service organisation has strategies to improve the cultural awareness and cultural competency of the workforce to meet the needs of its Aboriginal and Torres Strait Islander patients. • 1.33 - The health service organisation demonstrates a welcoming environment that recognises the importance of cultural beliefs and practices of Aboriginal and Torres Strait Islander people. • 1.4 - The health service organisation implements and monitors strategies to meet the organisation's safety and quality priorities for Aboriginal and Torres Strait Islander people. • 5.8 - The health service organisation has processes to routinely ask patients if they identify as being of Aboriginal and/or Torres Strait Islander origin, and to record this information in administrative and clinical information systems. The Aboriginal consumers and community at CALHN are a broad group who are engaged, supported, listened to and involved through multiple systems including committees, patient work, programs and services. During 2021-22, CALHN's Aboriginal Consumer Reference Group met four times. The group continued to ensure consumers who have expressed specific interest in Aboriginal health topics, and who identify as Aboriginal and/or Torres Strait Islander origin, have a direct pathway to voice ideas, concerns and contribute to improving the experience and outcomes for Aboriginal and Torres Strait Islander peoples and communities.

Aboriginal Priority Care Committee (APCC)	In November 2020, the Aboriginal Priority Care Committee (APCC) was established as the mechanism to monitor the six actions in the NSQHS standards that focus on meeting the needs of Aboriginal and Torres Strait Islander people. The APCC has a strong multidisciplinary membership and representation from external stakeholders including the Aboriginal Health Council of SA and remote Aboriginal Health Service. The committee supports CALHN's Aboriginal Consumer Reference Group and has championed the development and implementation of CALHN's Aboriginal Health Framework and Action Plan. The Aboriginal Health Impact Statement procedure was released in September 2021, to support CALHN staff to comply with SA Health's Aboriginal Health Impact Statement Policy Directive, which is underpinned by the following principles: • Early and respectful engagement leads to better outcomes. • Tailoring proposals to meet the needs of disadvantaged groups will ensure they better meet the needs of all people. • Aboriginal people are the most knowledgeable about Aboriginal Health. • Equity of outcomes and opportunities. The procedure delivers a structured way to cast an 'Aboriginal health lens' over all proposals submitted to the CALHN Executive or Board. This will help ensure that: • The safety and quality of care needs of the Aboriginal community are addressed in CALHN priorities. • Aboriginal stakeholders are engaged in determining decisions that affect their health and wellbeing. • Strategies are implemented to provide Aboriginal stakeholders with equity and continuity in access to our services and high-quality care.

Contemporary and connected mental health services	CALHN continues to plan and deliver an improved systematic response for mental health consumers; one that is client-centred, connected and effective. In 2021-22, the Mental Health Clinical Program (MHCP) achieved the following: • Strengthened the Mental Health improvement support model, transitioning from the Mental Health Taskforce to a MHCP Project Board to oversee large scale improvements and reform projects. • Developed and implemented the Managing Mental Health Presentations in the Emergency Department Model of Care, inclusive of an expedited clinical pathway. • Established the Mental Health and Emergency Department Collaborative Governance Group to support the identification and resolution of issues and barriers to a positive episode of care. • Refinement and operational stratification of the MHCP Complex Case and Long Length of Stay Framework, including the progression of various strategies and enablers which help to support it. • Developed a MHCP Performance Strategy to drive local improvements and increased accountability, aligned to CALHN strategic priorities. • Facilitated and implemented local non-emergency patient transport strategies to mitigate barriers and delays in consumer transfers during their episode of care. In 2021-22, MHCP received the following feedback from consumers who completed the 'Your Experience Survey' based on their recent MHCP care experience: • 82.5% of mental health consumers felt that staff worked as a team in their care and treatment. • 84.1% of mental health consumers felt that they had opportunities for their family and carers to be involved in the treatment of their care, at the discretion of the consumer. *Note: a target of >80% for responses of 'usually' and 'always' is considered a comparable national benchmark/target.*

SA Pharmacy Medication Access Scheme – Closing the Gap	SA Pharmacy introduced the Closing the Gap (CTG) Medicines Access Program to improve access to medicines for Aboriginal and Torres Strait Islander people (Winner of the 2021 SA Health Award in the category of Excellence and Innovation in Aboriginal Health). This initiative provides eligible Aboriginal and Torres Strait Islander people with free or cheaper medicines from SA public hospital pharmacies. It helps Aboriginal and Torres Strait Islander people better manage their health and ensures continuity of medication management. To support SA Pharmacy's commitment to Closing the Gap, SA Pharmacy has recruited and appointed a lead pharmacist in Aboriginal Health. The pharmacist will be focused on supporting the Aboriginal and Torres Strait Islander consumers presenting to South Australia's public health system and contributing to the continuity of care of patients transition to primary care in the community.
SA Pharmacy Strategic Plan	The SA Pharmacy Strategic Plan was released in 2021 and supports a vision of safe, effective and innovative pharmaceutical care to all members of the South Australian community.

SA Medical Imagining (SAMI) Improved Services	In 2021-22, SAMI's dedicated clinicians introduced several initiatives to provide the best care possible: • Fast Access and Advice for IV routes with Imaging (FAAIRI), in partnership with the Women's and Children's Hospital (WCH), aims to avoid multiple IV access attempts, in line with the new national standard. • Fast Feed and Wrap Program at WCH (winner of a 2021 SA Health Award in the Enhancing Hospital care category), aims to reduce reliance of general anaesthetics for babies requiring peripherally inserted central catheters in interventional radiology. • Upskilling additional nursing staff at each metro site to undertake peripherally Inserted Central Catheter (PICC) insertions to avoid service disruption. • Development and rollout of Patient Centred Care training module. In addition, SAMI introduced expanded services to support improved ED patient flow: • Expanded MRI services at TQEH and Ultrasound at WCH. • Supported Sefton Park Primary Care Centre as part of CALHN's Hospital Avoidance Initiative, with the inclusion of a CT service. The Care Centre located at the Repat Health Precinct supports older people requiring more comprehensive assessment and treatment to receive care in an alternative environment to the ED. The centre commenced in late 2021, with a focus on complex and restorative care for older people. This is inclusive of patients with complex support and psychosocial needs, including patients who have geriatric syndromes. A dedicated Mobile Imaging Service was implemented to reduce demand for ambulance transfer to hospital from residential aged care facilities. This service includes a specialised fitted out vehicle, radiographer and nursing specialist resources.
BreastScreen SA	During 2021-22, BreastScreen SA (BSSA) performed 92,631 mammograms. A total of 80,726 mammograms were for clients aged between 50-74 years. BSSA adapted its service by providing additional after-hours screening and supplementing normal clinics through additional mobile sites.

Agency objective 2.	**Curiosity compels** *Our curiosity drives us to always do better – research and innovation drives everything.* *As a research-informed leading health care provider, CALHN is committed to fostering partnerships and scholarships and the spirit of discovery and interrogation.*
Indicators	**Performance**
Clinical Research at CALHN - Overview	• Throughout 2021-22 CALHN has had 1680 active research projects of which 50% are clinical trials. • Over 155 new clinical trials began in 2021-22 of which 30% relates to Cancer and 20% to Surgery. • Over 2260 patients visited the Clinical Trial Centre which opened in 2017. Over 500 active researchers have been working in CALHN throughout 2021-22 to help achieve our vision to be a world-class research organisation.
Incorporation of Adelaide Health Innovation Partnership (AHIP)	AHIP, a strategic health research alliance between CALHN, the South Australian Health and Medical Research Institute and the University of Adelaide, was incorporated as a company limited by guarantee on 25 March 2022. Post incorporation, AHIP has successfully stood up its governance structure and has its own independent Board which meets bi-monthly, with an Executive Team established to ensure the organisation's objectives, milestones and decisions are achieved. AHIP was endorsed as a charity by the Australian Charities Not-for-profits Commission (ACNC) on 10 May 2022.
Bragg Comprehensive Cancer Centre (BCCC)	The Bragg Comprehensive Cancer Centre (BCCC) successfully secured $77m in Federal Government funding in May 2022. The BCCC will bring together South Australia's leading cancer researchers, clinicians, patients, carers and technology as well as combining the best education, prevention programs, treatment, and long-term care in one centralised service. The BCCC Steering Committee was established in May 2022 and meets fortnightly to keep the project on track and meeting deadlines. • Since May 2022, the focus and priority of the BCCC has been on determining the space and layout requirements in the Australian Bragg Centre and defining the operating framework for the BCCC.

Clinical Rapid Implementation Project Scheme (CRIPS)	CRIPS is an initiative to promote health service research within CALHN, in keeping with the CALHN Vision of world-class care and world-class research. These competitively awarded grants are assessed by an External Assessment Panel. • In its third year, three ground-breaking collaborations led by CALHN researchers were awarded significant grant funding with the aim of improving outcomes for people experiencing acute heart attacks, remote and regional patients with diabetes-related foot disease and those recovering from major bowel surgery.
World Class Care Day	The second CALHN World Class Care Quality and Improvement Showcase was held on 6 May 2022. The four winning improvements were: • Lung Volume Reduction with Endobronchial Valves for Severe Emphysema - The introduction of endobronchial valve insertion via a bronchoscope in emphysema patients resulted in 80% of patients responding favourably to the treatment (10% higher than the best international centres achieve) improving lung mechanics and the patient's ability to breathe. • Move Through Cancer – Development and implementation of a physiotherapy led outpatient exercise therapy, for people living with cancer. A flexible physiotherapy-led outpatient exercise program for cancer patients was commenced including a combination of aerobic and resistance exercise aimed at improving muscle strength and maintaining muscle mass to help reduce fatigue in cancer patients. • Embedding Consumers into Heart and Lung. One of the strategies implemented was the introduction of Consumer Advocates and Consumer Representatives into the Heart and Lung clinical program. Each role has different tasks and activities expected to be undertaken. Feedback received from patients asking for changes resulted in the catch phrase of "you said, we did!" which was used to communicate the changes made. ED Bypass Strategy – The Ambulatory Pathway for Plastics and Reconstructive Surgery. An ED bypass strategy was implemented as part of the COVID response planning by Outpatients with Plastics and Reconstructive Services to reduce minor trauma or hand cases waiting in the ED. The strategy resulted in 101 patients redirected from the ED, improved patient experience and streamlined pathways for patients.

First in Human Clinical Trial – The Intracutaneous Ectopic Pancreas Trial	In 2021-22 the CALHN Renal Unit undertook a world first in human study to develop an alternative site for islet cell transplantation outside of the liver. This world first procedure has been a success with safety and function in the alternative islet cell site being demonstrated, with researchers showing an improvement in blood sugar control and a reduction in insulin requirement by the first patient. A further 2 patients are planned for the trial, which is only being conducted at the RAH. With future success this new technology has the potential to open doors for the first in human studies of genetically modified islet cells.
CAR-T Cell Therapies for solid tumours	The CARPETS clinical trial has been running at the RAH throughout 2021-22 with recruitment with the enrolment of 12 cancer patients. In the CALHN laboratory at the Centre for Cancer Biology, progress has been made in the fight against glioblastoma using 'patient avatar' models of glioblastoma and CAR-T cells boosted with the cytokine, interleukin-15.

Agency objective 3.	**Investing in what matters** *In order for CALHN to deliver clinical quality and modern health care we will need to be in a position to invest in what matters.*
Indicators	**Performance**
Brain and Spinal Injury Relocation to Repat Health Precinct	New facilities were completed at Repat Health Precinct in 2022 as part of Phase 2 of Reactivating the Repat Project. This included a state-of-the-art stadium with court facilities and a large exercise physiology gym, brand new 24 bed brain injury unit and therapy areas, refurbished 24 bed spinal cord injury unit with therapy areas and ambulatory services. Brain Injury and Spinal Cord Injury Rehabilitation Services relocated successfully from Hampstead Rehabilitation Centre to Repat Health Precinct on 15 February 2022. These services remain under the governance of CALHN and the precinct continues to evolve with ongoing infrastructure works for a dementia village and surgical facility and completion of a new pharmacy.
TQEH Redevelopment	Early works and site enabling works were completed in late 2021 to support TQEH Stage 3 Redevelopment. This included infrastructure works and upgrades to the main drop-off loop and refurbished facilities for spiritual care, medical lounge, Aboriginal health hub, employee assistance program, SAAS transfer area and the Woodville Road entrance. A detailed design was completed in 2021 with over 250 stakeholders engaged throughout the design process. Construction commenced on the new clinical services building in January 2022 and is on program for completion in March 2024. The anticipated occupancy date for clinical services is June 2024.
Relocation to Parkwynd East	Through Department of Health and Wellbeing, CALHN entered into a Lease with Healthscope for Parkwynd Hospital in January 2022. On 28 April 2022, the Adelaide Sexual Health Clinic moved into the site and occupy approximately one third to half of the site. The clinics currently located onsite include: • Neurology. • Diabetes multi-disciplinary service. • Multi-disciplinary Ambulatory Consulting Service. • Orthopaedic physiotherapy. • Adelaide Sexual Health Clinic.

Agency objective 4.	**Technology enables us** *CALHN maximises our use of technology to drive better health outcomes for our community, and release time for our staff.*
Indicators	**Performance**
Digital Patient Pathways (Personify Care)	The roll out of Personify Care, a digital platform for communicating with patients, is providing CALHN consumers with convenient access to their care while also reducing the administrative burden on our frontline healthcare workers. COVID-19 has instigated the move toward virtual healthcare delivery and Personify Care has provided an innovative solution to ensure patients receive comprehensive information that is timed specifically for each individual patient. The platform enables the delivery of personalised and accurate patient appointments, digital clinical patient information, an individualised electronic consent process, as well as the ability to measure patient experiences for continuous quality improvement resulting in an enhanced patient experience. The following improvements have been made as a result of the introduction of Personify Care in 2021-22: • Improved quality of life of patients waiting for a surgery. • Early access to patient's health history from nursing staff. • Early access to patient history for pre-operative screening. • Digital reminders for medication prep prior to booking. • Digital consent form for treatment. • Important consumer documents provided at timely moments for better informed and prepared patients for treatment.

SystemView	SystemView is a real-time hospital analytics system that supports clinical engagement and sustainable performance improvement including in the areas of: • Emergency Department – provision of in-depth analysis of transfer of care, emergency access targets, retrospective demand and activity, admission and sub-speciality review trends. • Theatres – provision of advance notification of patients who are at risk of exceeding elective surgery clinical time frames. A week-by-week visualisation of patients who must be treated over the next 52-weeks enables end users to view periods of future high demand to inform scheduling and align theatre capacity planning. • Outpatients – supports the identification of patients to schedule based on clinical priority and provides clinic effectiveness data, including new and review appointments, failure to attend trends, cancellations and discharges. • Bed Management – provision of in-depth analysis of ward admission and discharge trends to suggest the recommended length of stay to sustain successful patient flow.
CARE.IQ	An electronic audit platform, CARE.IQ collects data to assess what is happening across wards, clinical programs and services, supports the implementation of improvement strategies and monitors how they are working. The CARE IQ platform also provides the capability to undertake more widespread consumer experience monitoring and auditing.

Agency objective 5.	**Growing world class talent** *CALHN is a place that attracts and grows world-class talent.* *It is CALHN's objective to be globally recognised for the exceptional care our workforce provides and for our strong culture where people want to perform at their best, not only because it's expected of them but because its what they want to do.*
Indicators	**Performance**
People First	The People First Strategy was launched in March 2022. The Strategy was developed to support CALHN in achieving our strategic ambition to become a place that attracts and grows world-class talent and become one of the top five performing health services in Australia and one of the top 50 in the world by 2025. The voices of CALHN's workforce have helped shaped the direction of the strategy, along with input from our external partners and research nationally and internationally. The strategy centres on three strategic priorities: • Setting our people up for success. • Creating the right environment. • Building for the future. Over the life of the Strategy, 2022-25 and beyond, there are sixty defined projects to be completed which align to CALHN's three strategic priorities.
Leadership Programs	The CALHN Leadership Framework was established in 2021-22. The framework outlines the desirable competencies CALHN leaders might develop or enhance at the team and individual level. Key leadership development activities were identified in the Leadership Framework for frontline, middle management and emerging leaders. This included the creation of a Manager Fundamentals program aimed at new managers, the enhancement and re-design of Leaders Within which provides networking and development for high potential leaders, and the continuation of Program Leadership Forums which provides development for our clinical leadership team. CALHN partnered with the University of Adelaide for the design and facilitation of an inaugural Leadership4Growth program for emerging leaders. The first cohort graduated in July 2022.

Professional Accountability Program	Promoting a strong professional accountability culture is an important part in delivering on CALHN's vision of shaping the future of health with world-class care and world-class research. The Promoting Professionalism model developed by Vanderbilt University's Center for Patient and Professional Advocacy (CPPA) encourages positive behaviour by providing feedback about poor behaviour and utilises peer accountability, peer messaging and peer comparison. CALHN collaborated with the CPPA to implement a tailored Professional Accountability Program for our medical workforce. In May 2022, CALHN launched the CALHN Professional Accountability Program, with the establishment of a new reporting system and triage function, along with 60 trained peer messengers to deliver feedback under a 'cup of coffee' approach. As we continue to rollout the program, CALHN is on a three-to-five-year journey to develop a culture of psychological safety, shared values and a system in which medicine is safer and kinder.
Aboriginal Employment and Retention Strategy	CALHN recognises the employment of skilled Aboriginal staff makes a difference to CALHN's Aboriginal patients and their families, and that cultural safety and clinical safety are essential for the delivery of high-quality care. The Aboriginal Employment and Retention Strategy was established in April 2022. The strategy outlines CALHN's four priority areas and initiatives that drive CALHN's approach to fostering an inclusive environment where people can thrive and do their best.

Nursing Recruitment ('O' Week)	CALHN initiated the first ever innovative mass onboarding of nurses and patient assistant officers, through a digital platform, to fill established vacancies. The orientation occurred over five days and was delivered via a virtual classroom for at home online learning and interactive hands-on training. This was followed by supernumerary ward shifts with their nursing teams and ready for commencement in the roster on day seven. Key internal and external partners were in attendance, including representatives from three universities, the Australian College of Nursing and CALHN's Aboriginal and Torres Strait Islander Health and Wellbeing Hub. CALHN onboarded 200 nurses and patient assistant officers during the week-long orientation. A promotional video was released and distributed via social media platforms to promote the successful recruitment campaign. This initiative attracted interest from the National Health Service (NHS), other Local Health Networks (LHNs) and the wider government sector.
iCARE Program	Professor Brian Dolan, Professor of Nursing at Oxford University and CALHN Critical Friend, was engaged to facilitate Nurse Unit Managers in undertaking ICARE process improvement projects. Improvements ranged from patient flow, education clinic times, staff empowerment, streamlined allocation of patients, efficient use of data and patient outcomes.
Staff Wellbeing	In 2021-22, the Staff Wellbeing Committee assisted in the progression of the CALHN Wellbeing Pathway and provided support and feedback about key wellbeing initiatives. A baseline literature review took place in early 2021. However, work during 2021-22 progressed to examine and build on the understanding of these results within key groups of the organisation, including workshops with the Clinical Program Leadership Teams. CALHN's COVID wellbeing response progressed during 2021-22 to support staff through peak periods of the COVID pandemic. In this response, initiatives aligned to Maslow's hierarchy of needs beginning at physiological and safety needs. These included hydration and snack stations on COVID pathway wards and on-site EAP counsellors available to support staff when and where they needed it. The development of the Wellbeing Pathway for CALHN staff took place in 2022. The pathway outlines the approach taken to date and sets out the planned initiatives for 2022-23.

Corporate performance summary

CALHN's National Efficient Price has reduced from 113.9% in 2020/21 to 110.1% in December 2021 (interim result).

Over the 2021-22 financial year, CALHN's activity continued to be impacted by COVID-19, with CALHN not meeting elective surgery targets this year. An Elective Surgery Recovery Plan commenced in 2022, with multiple strategies in place to improve CALHN's performance in the area.

The increase in COVID 19 activity resulted in SA Pathology testing 2,671,913 COVID-19 samples in 2021-22. In 2021-22, CALHN has seen 4937 COVID-19 positive inpatients with 63 requiring admission to the Intensive Care Unit.

Access performance:

- CALHN has continued to experience difficulty meeting the NEAT performance target of >90% with CALHN reaching up to 49.9% but unable to improve this metric further.
- The number of CALHN Emergency Department presentations decreased by 3.8% this financial year. The unplanned re-attendances at CALHN Emergency Departments within 48 hours continued to remain below the target of 4.5% for the majority of this year.
- The Hospital Avoidance Program, a program to help patients with complex needs avoid unnecessary visits to the ED, treated 2698 patients this year.
- Mental Health continues to have an acute average length of stay below the target of 14 days.

Safety and Quality performance:

- Reported incidents with harm (Safety Assessments Codes 1 and 2) remained below target for the majority of the year. Sadly, three sentinel events occurred within CALHN during 2021-22.
- There has been a slight downward trend in Hospital Acquired Complication (HAC) rates, however the rate remains above the target of 2%.
- CALHN has sustained the hospital diagnosis standardised mortality ratio in line with our health roundtable peer benchmarks, at both TQEH and the RAH.
- Staphylococcus aureus bacteraemia (SAB) rates have remained at or below the target of 1 for the majority of this financial year.
- The hand hygiene rates have been above the target of 80% this financial year.
- Mental Health restraint events per 1,000 bed days have remained above the target of 2 for the majority of this year, with restraints also not meeting the target of <3 this financial year.

CALHN scored above the target of 85% in consumer experience surveys when asked if they felt cared about by staff.

Employment opportunity programs

Program name	Performance
People First	As described above, the People First Strategy was launched in March 2022 to support CALHN in achieving our strategic ambition to become a place that attracts and grows world-class talent and become one of the top five performing health services in Australia and one of the top 50 in the world by 2025. Highlights during 2021/22 included the launch of the Professional Accountability Program, CALHN's Aboriginal Employment and Retention Strategy, process improvements to recruitment and onboarding process, and the launch of CALHN's Manager Fundamentals Program.
South Australian Public Sector Aboriginal Employment Initiatives	CALHN launched its Aboriginal Employment and Retention Strategy (2022-26 and beyond) in April 2022. The strategy sets out how CALHN will grow our Aboriginal Workforce to support delivery of better health outcomes for Aboriginal people. The four priorities of the strategy are: • Working Together. • Bringing Our People In. • Growing our Workforce. • Cultural Knowledge Translation. The strategy will include the launch of two flagship initiatives: • CALHN SEED, a cadetship and graduate program. • Tapa Purruna Tirkatirkanya Karrpa Cultural Learning Program. CALHN seeks to increase its Aboriginal Workforce to 4% of the total workforce during the life of the strategy and beyond. In 2021, CALHN launched its Diversity and Inclusion Action Plan (2021-24). Key areas of focus from the plan in this financial year include equity within recruitment practices and inclusivity and safety in the workplace.
Nursing and Midwifery Graduate Recruitment –	CALHN provides employment opportunities for graduate nurses through a supported transition to practice.

Transition to Professional Practice (TPPP)	In 2021-22, a total of 252 graduate nurses were employed in this program.
Skilling SA	Skilling SA was established by the Office of the Commissioner for Public Sector Employment to increase the uptake of apprenticeship and traineeships by providing subsidies to government agencies. The project was launched in 2019 and incorporated three pathways of training to support upskilling opportunities in SA, while ensuring these opportunities met the state's skill needs now and in the future. The qualifications available for subsidy range from Certificate III to Advanced Diploma level. The three-year Skilling SA project concluded on 30 June 2022.

Agency performance management and development systems

Performance management and development system	Performance
Action 1.22 of the National Safety & Quality Health Service Standards (NSQHSS) is a core action, which is considered fundamental to safe practice, and requires that the clinical workforce participates in regular performance reviews that support individual development and improvement.	Compliance as at 30 June 2022 was 47%. This was a decrease from 54.3% in 2020-21.

Work health, safety and return to work programs

Program name	Performance
Manual Tasks	Over 350 Manual Tasks Local Facilitators were in place throughout CALHN to provide practical training, induction, support and problem solving for manual tasks issues. Ergonomic consultancy was provided for infrastructure redevelopment (including TQEH) and the Repat Health

	Precinct) which comprised of the purchase of new equipment, redesign of work areas and tasks, and to mitigate manual tasks risks. Patient lifter and sling audits were undertaken, with new slings ordered for gaps identified. Job analysis information provided for a variety of roles to inform recruitment and safe return to work processes.
Psychological Health and Wellbeing	CALHN delivered the following initiatives during 2021-22: • CALHN provided 14 two-day Mental Health First Aid training programs for staff during 2021-22. Since 2019, 525 employees have completed the Mental Health First Aid course. • The Peer Support Program was successfully trialled in Critical Care and Perioperative Services, with further plans for broader rollout across CALHN. • The Resilience at Work Program was established to support SA Pharmacy staff. • On-site psychological support was provided to high-risk areas during the COVID-19 pandemic. • Employee Assistance Program was utilised for proactive contact of high-risk employees. • Food and hydration stations were provided in COVID pathway areas. • Suite of wellbeing resources were made available, with 'Wellbeing Wednesday' bulletins used to update staff and promote specific resources. • IWorkForSA Action Plan was developed to address priority psychological opportunities for improvement identified in the IWorkForSA survey. • The CALHN Wellbeing Committee met monthly to review and address the needs of CALHN's workforce. • The Staff Wellbeing Pathway was developed to ensure initiatives are tailored and evidence based.
Slips, Trips and Falls	Analysis of slips, trips and falls (STF) data identified key trends including incidents from wet flooring, wrong office chairs on wrong surfaces (e.g. standard castors on linoleum flooring), stairs and tripping over equipment. Targeted strategies in place have seen STF claims reduced significantly in the last six months.

Injury Management	The 1800 injury notification number received 983 phone calls during the 2021-22 financial year, with 778 (79%) of calls made within two business days of injury. Daily lost time reporting is actioned by return to work staff to enable safe and timely return to work following injury.

Workplace injury claims	2021-22	2020-21	% Change (+ / -)
Total new workplace injury claims	285	334	-14.7%
Fatalities	0	0	0.0%
Seriously injured workers*	0	2	-100%
Significant injuries – CALHN (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	13.92	18.08	-23.0%
Significant injuries – SCSS (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	6.14	7.90	-22.3%

**number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)*

Work health and safety regulations	2021-22	2020-21	% Change (+ / -)
Number of notifiable incidents (*Work Health and Safety Act 2012, Part 3)*	6	5	+20.0%
Number of provisional improvements, improvement and prohibition notices (*Work Health and Safety Act 2012 Sections 90, 191 and 195*)	0	10	-100.0%

Return to work costs**	2021-22	2020-21	% Change (+ / -)
Total gross workers compensation expenditure ($)	$10,729,815	$10,326,809	+3.9%
Income support payments – gross ($)	$4,299,041	$4,909,118	-12.4%

***before third party recovery*

Data for previous years is available at: Data SA.

Aboriginal employment in the agency

Classification	Number of employees
Medical Professionals	4
Nurses/Midwives	42
Allied Health Professionals	12
Administrative (Executive)	27
Scientific (Technical)	1
Weekly Paid	3
Dental and Visiting Dental Officers	1
Operational Services (including Aboriginal Health Practitioners)	34 (9)
Total	124

Salary Band	Female	Male	Total
$127,875 or more	2	0	2
$101,307 to $127,875	10	2	12
$79,166 to $101,306	13	4	17
$62,210 to $79,165	17	4	21
Up to $62,209	58	14	72

Executive employment in the agency

Executive classification	Number of executives
SAES1	29
SAES2	3
Chief Executive Officer	1

Data for previous years is available at: Data SA.

The Office of the Commissioner for Public Sector Employment has a workforce information page that provides further information on the breakdown of executive gender, salary and tenure by agency.

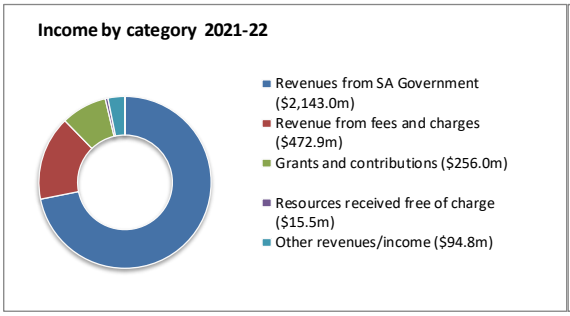
Financial performance

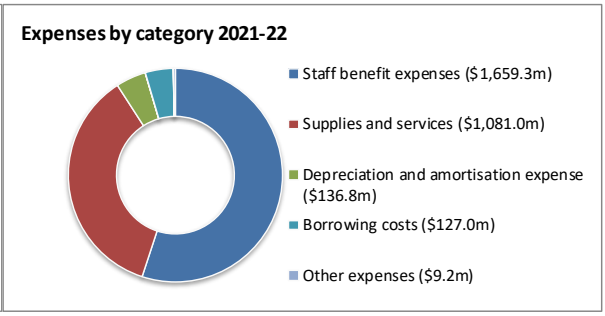
Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2021-2022 are attached to this report.

Statement of Comprehensive Income	2021-22 Budget $000s	2021-22 Actual $000s	Variation $000s	2020-21 Actual $000s
Total Income	*0*	*2,982,195*	*0*	*2,771,912*
Total Expenses	*0*	*3,014,823*	*0*	*2,783,875*
Net Result	***0***	***(32,628)***	***0***	*(11,963)*
Total Comprehensive Result	***0***	***(32,628)***	***0***	***(11,963)***

Statement of Financial Position	2021-22 Budget $000s	2021-22 Actual $000s	Variation $000s	2020-21 Actual $000s
Current assets	*0*	*302,827*	*0*	*329,185*
Non-current assets	*0*	*3,184,811*	*0*	*3,263,224*
Total assets	***0***	***3,487,638***	***0***	***3,592,409***
Current liabilities	*0*	*424,924*	*0*	*407,913*
Non-current liabilities	*0*	*2,824,724*	*0*	*2,913,878*
Total liabilities	***0***	***3,249,648***	***0***	***3,321,791***
Net assets	***0***	***237,990***	***0***	***270,618***
Equity	***0***	***237,990***	***0***	***270,618***





Consultants' disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

Consultancies with a contract value below $10,000 each

Consultancies	Purpose	$ Actual payment
All consultancies below $10,000 each - combined	Various	$35,443

Consultancies with a contract value above $10,000 each

Consultancies	Purpose	$ Actual
TEK-V	Design the Digital and Strategy Directorate and Operational Model	$331,444
Health E Workforce Solutions	Workforce diagnostic and future modelling	$288,750
KPMG	Develop a principle based internal charging framework that is acceptable to all stakeholders and reflects transparency between costs and revenue	$246,293
KPMG	Review of COVID -19 Systems and approach	$129,292
Pharmconsult Pty Ltd	Develop a sustainable model for cancer pharmacy services	$112,160
Destravis Australia Pty Ltd	Develop a clinical service strategy and implementation roadmap	$112,528
Zed Management Consulting	Providing consultancy services to the Mental Health Task Force	$83,398
TEK-V	Review of surgical scheduling and efficiency	$75,986
Destravis Australia Pty Ltd	Provide a strategic advisory service for the digital health plan & Infrastructure.	$64,750
CD Program Development Pty Ltd	Develop a patient management strategy, and education program focused on identification of patients at risk of hospitalisation due to chronic illness	$64,667
TEK-V	Efficiencies review	$62,579
Zed Management Consulting	Acute and Urgent Care remediation program	$30,000
Paul W Long Consulting	Development of clinical engagement strategy	$25,000
The PSC ANZ	Review of the Clinical Council	$21,794

Consultancies	Purpose	$ Actual
Swanbury Penglase	Development of concept designs	$20,610
Oz-Train Pty Ltd	Assessment of the cultural challenges for Cardio thoracic team	$20,000
Pricewaterhousecoopers Legal	For professional services rendered in connection with various taxation and accounting implications	$18,004
Resolve Health Advisory Pty Ltd	Providing Consulting Services to CALHN Surgical Program	$15,000
Destravis Australia Pty Ltd	Support in developing the Digital Health Plan 2021-2025	$10,151
	Total	$1,732,406
	Grand Total	$1,767,849

Data for previous years is available at: Data SA.

See also the Consolidated Financial Report of the Department of Treasury and Finance for total value of consultancy contracts across the South Australian Public Sector.

Contractors disclosure

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

Contractors with a contract value below $10,000

Contractors	Purpose	$ Actual payment
All contractors below $10,000 each - combined	Various	$77,627

Contractors with a contract value above $10,000 each

Contractors	Purpose	$ Actual payment
Workzone Traffic Control	Traffic control at COVID-19 drive through testing sites	$11,697,974
Agile Group (Global) Pty Ltd	Traffic control at COVID-19 drive through testing sites	$1,414,768
RGH Pharmacy Consulting Services Pty Ltd	Provision of pharmacy services at Port Augusta Hospital	$1,053,920

Contractors	Purpose	$ Actual payment
Epic Pharmacy	Provision of pharmacy services at Whyalla Hospital	$905,269
Caliba Group Pty Ltd	Savings delivery and procurement support	$549,650
Smooth Flow Traffic Management	Traffic control at COVID-19 drive through testing sites	$452,470
Dialog Information Technology	Project management services	$370,720
Matthews Health Coding Solutions Pty Ltd	Remote coding Services	$307,545
Ernst & Young	FY22 Internal audit support	$296,075
Max Crane & Equipment Hire (SA) Pty Ltd	Traffic control at COVID-19 drive through testing sites	$233,695
Escient Pty Ltd	Implementation of outpatient feeder SystemView analytics platform	$217,485
Department of Human Services (SA)	Hospital support staff	$189,177
Altus Traffic Pty Ltd	Traffic control at COVID-19 drive through testing sites	$175,401
The University of Adelaide	Assoc Professor in Orthopaedics & Trauma	$139,642
Medcart	Online sales commission	$139,626
Zed Management Consulting	Strategic priority project support	$130,485
Escient Pty Ltd	SystemView Project Management Extension	$100,013
MSS Security Pty Ltd	Casual security guard services	$96,571
Jemtal Pty Ltd	Traffic Control for COVID Testing station	$92,168
ESS Prehab	ESS Prehab Agreement	$90,000
Kordamentha	Professional support in reviewing the CALHN Executive structure and operating capacity	$90,000
Duck Pond Solutions	Provision of strategic advisory services for the review of the SA Path ICT Team	$79,299
Ernst & Young	Ernst & Young Elective Surgery	$69,025
Occo Services Pty Ltd	Recruitment advice services	$68,375
Health Service 360	Nurse Leadership Program 2020/21	$62,988
The University of Adelaide	David Lloyd - Interim Director	$62,500
Workplace Solutions	Provision of industrial relations support and advice	$62,075
Aurion	Payroll processing	$60,824
Fujitsu Australia Ltd	Net development services	$55,266
Ernst & Young	Cyber responsibilities engagement	$54,626

Contractors	Purpose	$ Actual payment
Powerhealth Solutions	Provision of patient costing and casemix reporting to RAH and QEH	$53,321
Canceraid Pty Ltd	Cancer patient services	$50,000
Simple Integrated Marketing Pty Ltd	Online booking system development	$45,240
ISS Health Services Pty Limited	Cleaning Services	$43,558
The University Of Adelaide	Funding for senior lecturer and joint research activities	$40,600
Darley Earthworks	Road repair	$38,450
Bentleys (SA) Pty Ltd	Assurance mapping services	$35,275
Penelope Gale	Compliance and risk advisory services	$34,200
Sage Automation Pty Ltd	COVID testing traffic management and site installation	$32,104
Practical Risk Advisory Pty Ltd	Internal audit, risk and compliance review	$25,600
Jones Lang Lasalle Australia Pty Limited	Provision of professional valuation services	$25,450
The University Of Adelaide	Ethics consulting	$23,948
Blue Crystal Solutions	Database and operating system services	$22,270
Joy Woodhouse	Work on performance management projects	$22,033
People Innovation Consulting	Support for the HR/Workforce team	$21,971
Kordamentha	Ad hoc support in supporting CALHN and SA Department of Health and Wellbeing	$21,025
Square Holes Pty Ltd	Project management and focus group	$20,500
Stanley Penglis	Provide cover for maternity leave	$19,800
Ernst & Young	Provision of support for the development of Financial Dashboard	$19,750
Health Q Consulting	Support the AAPI model	$18,690
Marianne Hercus	Radiation Oncology project management	$18,000
Nijan Consulting	Recruitment advice services	$15,790
Nayda Associate Consulting	Design on SA Pharmacy strategic plan	$15,420
Servicefm Pty Ltd	Workplace electrical testing and tagging	$14,389
FBE Pty Ltd	Biomedical maintenance work	$14,187
Ccentric International Pty Ltd	Recruitment advice services	$11,667

Contractors	Purpose	$ Actual payment
Zendesk Inc	Software advice services	$11,267
	Total	$20,032,137
	Grand Total	**$20,109,764**

Data for previous years is available at: Data SA.

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. View the agency list of contracts.

The website also provides details of across government contracts.

Risk management

Risk and audit at a glance

The CALHN Audit and Risk Committee (ARC) assists the Governing Board to fulfil its responsibilities in matters relating to:

- integrity of the financial statements
- compliance with legal and regulatory requirements
- independent auditor's qualification and independence
- performance of the internal audit function
- efficient and effective management of all aspects of risk.

The ARC is chaired by a member of the Governing Board and met five times during 2021-22.

The Risk and Compliance Leadership Committee (RCLC) was established, in line with the CALHN Integrated Compliance Management Framework, to provide executive management oversight and advice to the ARC, Clinical Governance Committee (CGC) and CALHN Executive Leadership team (ELT) on risks and compliance. The RCLC supports the ARC, CGC and CALHN ELT to identify, respond and manage risks and to identify and meet compliance requirements. The RCLC met four times during 2021-22.

CALHN's risk profile continued to evolve in light of the dynamic operating environment associated with COVID-19. CALHN was able to maintain provision of high-quality clinical services to our consumers in accordance with relevant safety guidelines and SA Health directives.

The Enterprise Risk Management Framework continued to be refined and deployed across CALHN, with monitoring and reporting on risks arising, including strategic risks, organisational risks, program risks and project risks.

An Integrated Compliance Management Framework was established in accordance with the system-wide Integrated Compliance Policy issued by DHW. The 'Comply Online' legislative compliance management system was acquired to provide CALHN with a centralised system to monitor compliance with its legal and legislative obligations. 'Comply Online' incorporates a compliance register to ensure all updates are captured and monitored in a timely manner to assist CALHN to respond to relevant regulatory changes and compliance issues.

The CALHN Risk Appetite Statement was endorsed by the Governing Board and Executive Directors assigned to the 22 associated aspirational statements. Risks arising outside of Risk Appetite continued to be reported regularly to the ARC.

Internal Audit has completed six audits which spanned across clinical and corporate areas. All audit recommendations and management follow-up action plans have been agreed upon and recorded in the Risk Recommendation Register to track implementation progress. Implementation progress continued to be reported to the ARC each meeting.

The FY22 Annual Audit Plan has been in collaboration with the ARC and approved by the Governing Board.

Fraud detected in the agency

Category/nature of fraud	Number of instances
Falsification of records	5
Procurement of computing equipment	1
Billing irregularities	1

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

Strategies implemented to control and prevent fraud

CALHN regularly assesses its exposure to fraud and corruption risk, as part of its Risk Management Framework. This is supplemented by an audit program which routinely tests key controls.

The Governing Board established two committees, the ARC and the People and Culture Committee (PCC), to provide oversight of matters pertaining to the identification, management and responding to risks of fraud.

CALHN's corporate governance framework, internal audit plan and risk enterprise framework collectively contribute to the organisational governance and control environments for managing risks, including fraud risk.

The process for identifying fraud is informed by our strategic and operational risk register, policies and procedures, our internal audit programme, the financial management compliance program, and external audit and other work undertaken via the AGD.

CALHN continues to take significant steps to improve culture and accountability, implementing initiatives that contribute to strengthened control environments and the mitigation of fraud and other risks. Recent such initiatives include (but not limited to):

- Implementing an internal 'whistle-blower' reporting hotline (Stopline) to receive and assess complaints, including matters involving potential fraud.
- The appointment of a Principal Integrity Officer to provide strategic oversight of the investigation and management of instances where alleged fraud is identified, including reporting to the Office of Public Integrity (OPI), the Independent Commissioner Against Corruption (ICAC) and departmental Responsible Officers as may be appropriate in the circumstances.
- The appointment of a General Manager of Procurement to oversee procurement frameworks and processes, ensuring appropriate controls to manage fraud and other risks in the procurement process.
- Implementing a system for declaration of 'Statements of Interest' to support identifying and managing any real, apparent or potential conflicts of interest.
- The development of a governance framework with the University of Adelaide for the employment of Clinical Academics, which is intended to address the

relationship between the parties with respect to the dual engagement of Clinical Academics.
- Progressing implementation of rostering and job planning tools to strengthen confidence and the management of potential integrity issues.
- Establishing regular reporting to assist in realising significant improvement in the rate and timeliness of certification of bona fide reports to strengthen payroll controls.

In April 2022, the ICAC commenced an evaluation of aspects of the practices, policies and procedures of CALHN including:

- The degree to which CALHN's systems and culture encourages reporting of wrongdoing.
- The means by which we provide opportunities to report.
- The manner in which we receive and assess reports of wrongdoing, including our compliance with the *Public Interest Disclosure Act 2018*.

CALHN looks forward to the ICAC's findings in due course, and any recommendations to further improve our internal controls, reporting and management systems as they pertain to fraud risks and other matters subject of the evaluation.

Data for previous years is available at: Data SA.

Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018:*

One

Data for previous years is available at: Data SA.

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

Reporting required under any other act or regulation

Reporting required under the *Carers' Recognition Act* 2005

Act or Regulation	Requirement
Carers' Recognition Act 2005	Section 7: Compliance or non-compliance with section 6 of the Carers Recognition Act 2005 and (b) if a person or body provides relevant services under a contract with the organisation (other than a contract of employment), that person's or body's compliance or non-compliance with section 6.

CALHN actively encourages consumer and carer engagement. Central to our culture is our commitment to collaborate with our consumers, carers, and community.

We believe people have a right to participate in health care, contribute to the design of services, and be part of the evaluation of services because it leads to better experiences and outcomes for the community.

Carers play a significant role in the lives of our consumers. CALHN has a team of dedicated consumer partners embedded at all levels of the organisation who help shape our services by contributing to the design, delivery, and evaluation process. Of our consumer representatives many of them identify as carers and actively participate in decision making committees across our sites and services.

Feedback is actively sought in relation to the services we provide. Carers provided detailed feedback in relation to our CALHN Visitor Guidelines and assisted nursing education with the development of the Complex Behaviour Training for staff.

CALHN also has an Aboriginal Reference Group and a Mental Health Consumer Advisory Committee. These committee are made up of a mix of consumers and carers with lived experience of our services.

Carers SA are active members of the CALHN Community Connectors Forums, and CALHN and Carers SA are working in partnership to ensure carers for consumers are connected to supports within the community.

Public complaints

Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2021-22
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	225
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	18
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	78
Communication	Communication quality	Inadequate, delayed or absent communication with customer	383
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	13
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	N/A
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	91
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	N/A
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	N/A
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	N/A

Complaint categories	Sub-categories	Example	Number of Complaints 2021-22
Service quality	Information	Incorrect, incomplete, outdated or inadequate information; not fit for purpose	78
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	9
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	149
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	N/A
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	N/A
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	N/A
		Total	1,044

Additional Metrics	Total
Number of positive feedback comments	927
Number of negative feedback comments	1,899
Total number of feedback comments	3,081
% complaints resolved within policy timeframes	85%

Data for previous years is available at: Data SA.

Service Improvements

CALHN encourages patients, consumers, families, carers and the community to provide feedback. We want to hear what is good, and what we can do to improve the delivery of health care services. Feedback drives safety and quality improvement in our health care services.

As part of the annual Service Level Agreement with the DHW, Safety and Quality Account reports are submitted to the department. We provide an overview of CALHN's complaints management system, including:

- Performance in relation to feedback from patients, carers, families and the community about their experience and outcome of care.
- Aggregate and trend analysis of all complaints.
- Timeliness of acknowledgement and resolution of consumer feedback.
- How information from analysis of consumer feedback informs improvements in safety and quality systems.
- Effectiveness and accessibility of patients, carers, families and member of the community to provide feedback.
- Demonstrating consistency with best practice principles.

CALHN has implemented a number of service improvements across the network from consumer feedback and complaints within 2021-22, including:

- A quality improvement project to address significant wait times and a high number of consumer complaints in relation to the Royal Adelaide Hospital Outpatients centralised phone hub. This project aimed to optimise the phone system by decentralising calls to the clinical programs by implementing menu options and a call back service. The success in improving timely access to care and the overall consumer experience is demonstrated by a sizable decrease in consumer complaints as well as a reduction in wait times and abandonment rates of the phone line.
- Following a complaint received from a patient relating to noise in the Queen Elizabeth Hospital (TQEH) recovery and the impact it had post-operatively, a quality improvement project "Hush" was undertaken. This was designed to reduce noise pollution within the recovery area at TQEH. As a result, there has been an improvement in patient experience and no further complaints received about noise in the recovery area.

Consumer Experience Partners being embedded in programs was an initiative introduced in May 2021. It has led to a significant reduction in complaint handing times, with 100% of complaints acknowledged within two working days since January 2022, and 91% of complaints resolved in less than 35 working days. The number of outstanding complaints has also reduced by over 75% during the financial year.

Compliance Statement

Central Adelaide Local Health Network is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y
Central Adelaide Local Health Network has communicated the content of PC 039 and the agency's related complaints policies and procedures to employees.	Y

Appendix: Audited financial statements 2021-22

Government of South Australia
Auditor-General's Department

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State Administration Centre
200 Victoria Square
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Our ref: A22/472

Mr R Spencer
Chair, Governing Board
Central Adelaide Local Health Network Incorporated
Office of the Chief Executive Officer
Level 3
Royal Adelaide Hospital
Port Road
ADELAIDE SA 5000
email: HealthCALHNOCEOCorrespondence@sa.gov.au

Dear Mr Spencer

Audit of Central Adelaide Local Health Network Incorporated for the year to 30 June 2022

We have completed the audit of your accounts for the year ended 30 June 2022. Two key outcomes from the audit are the:

1 Independent Auditor's Report on your agency's financial report
2 audit management letters recommending you address identified weaknesses.

1 Independent Auditor's Report

We are returning the financial report for Central Adelaide Local Health Network Incorporated, with the Independent Auditor's Report. This report is unmodified.

My annual report to Parliament indicates that we have issued an unmodified Independent Auditor's Report on your financial report.

2 Audit management letters

During the year, we sent you audit management letters detailing the weaknesses we noted and improvements we considered you need to make including matters we considered in forming our collective opinion on financial controls required by the *Public Finance and Audit Act 1987*.

Significant matters related to:

- payroll planning, monitoring and approval process could be improved
- asset management process under the across government facilities management arrangements could be improved.

We have received responses to our letters and will follow these up in the 2022-23 audit.

I have also included summary comments about these matters in my annual report. These identify areas we assessed as not meeting a sufficient standard of financial management, accounting and control.

What the audit covered

Our audits meet statutory audit responsibilities under the *Public Finance and Audit Act 1987* and the Australian Auditing Standards.

Our audit covered the principal areas of the agency's financial operations and included test reviews of systems, processes, internal controls and financial transactions. Some notable areas were:

- property, plant and equipment
- payroll and workforce management
- cash and online banking
- general ledger and financial accounting
- patient billing and debtor management
- goods and services expenditure and accounts payable
- borrowings
- SA Pharmacy revenue, expenditure and inventory management
- SA Pathology revenue
- governance
- accounts receivable and debtor management.

Particular attention was given to borrowings, AGFMA, employee benefits, expenditure and bank accounts. We concluded that the financial report was prepared in accordance with the financial reporting framework in this respect

I would like to thank the staff and management of your agency for their assistance during this year's audit.

Yours sincerely

Andrew Richardson
Auditor-General
23 September 2022
enc

INDEPENDENT AUDITOR'S REPORT

Government of South Australia
Auditor-General's Department

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200 Victoria Square
Adelaide SA 5000

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To the Chair, Governing Board
Central Adelaide Local Health Network Incorporated

Opinion

I have audited the financial report of the Central Adelaide Local Health Network Incorporated and the consolidated entity comprising the Central Adelaide Local Health Network Incorporated and its controlled entities for the financial year ended 30 June 2022.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Central Adelaide Local Health Network Incorporated and its controlled entities as at 30 June 2022, their financial performance and their cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2022
- a Statement of Financial Position as at 30 June 2022
- a Statement of Changes in Equity for the year ended 30 June 2022
- a Statement of Cash Flows for the year ended 30 June 2022
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Chair, Governing Board, the Chief Executive Officer and the Interim Executive Director, Finance and Business Services

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Central Adelaide Local Health Network Incorporated and its controlled entities. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Chief Executive Officer and the Board for the financial report

The Chief Executive Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issues under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive Officer is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Board is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 36(2) of the *Health Care Act 2008*, I have audited the financial report of the Central Adelaide Local Health Network Incorporated for the financial year ended 30 June 2022.

My objectives 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 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.

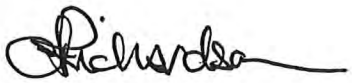
As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- 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 Central Adelaide Local Health Network Incorporated's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer
- conclude on the appropriateness of the Chief Executive Officer'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 entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive Officer and the Board about, 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 the audit.



Andrew Richardson
Auditor-General

23 September 2022

Certification of the financial statements

We certify that the:

- financial statements of the Central Adelaide Local Health Network Inc.:
  - are in accordance with the accounts and records of the authority; and
  - comply with relevant Treasurer's instructions; and
  - comply with relevant accounting standards; and
  - present a true and fair view of the financial position of the authority at the end of the financial year and the result of its operations and cash flows for the financial year.

- Internal controls employed by the Central Adelaide Local Health Network Inc. over its financial reporting and its preparation of the financial statements have been effective throughout the financial year.

.....	.....	.....
Raymond Spencer	Lesley Dwyer	Andrew Collins
Chair, Governing Board	Chief Executive Officer	Interim Executive Director, Finance and Business Services

Date 14 September 2022

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2022

	Note	Consolidated 2022 $'000	Consolidated 2021 $'000	Parent 2022 $'000	Parent 2021 $'000
Income					
Revenues from SA Government	2	2,142,968	1,970,430	2,142,968	1,970,430
Fees and charges	3	472,850	448,634	453,309	438,317
Grants and contributions	4	256,044	252,513	256,257	252,655
Interest	5	3	76	-	50
Resources received free of charge	6	15,453	14,662	15,453	14,662
Net gain from disposal of non-current and other assets	7	66	-	66	-
Other revenues/income	8	94,811	85,597	94,071	84,691
Total income		**2,982,195**	**2,771,912**	**2,962,124**	**2,760,805**
Expenses					
Staff benefits expenses	9	1,659,258	1,565,606	1,648,226	1,557,194
Supplies and services	10	1,080,991	951,364	1,075,659	950,494
Depreciation and amortisation	19,20	136,781	137,290	136,192	136,500
Grants and subsidies	11	949	900	700	754
Borrowing costs	23	126,997	118,060	126,983	118,045
Net loss from disposal of non-current and other assets	7	-	240	-	240
Impairment loss on receivables	14.1	650	(5)	650	(14)
Other expenses	12	9,197	10,420	7,945	10,775
Total expenses		**3,014,823**	**2,783,875**	**2,996,355**	**2,773,988**
Net result		**(32,628)**	**(11,963)**	**(34,231)**	**(13,183)**
Other Comprehensive Income					
Total other comprehensive income		-	-	-	-
Total comprehensive result		**(32,628)**	**(11,963)**	**(34,231)**	**(13,183)**

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

CENTRAL ADELAIDE LOCAL HEALTH NETWORK
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2022

CONSOLIDATED

	Asset revaluation surplus $ '000	Retained earnings $ '000	Total equity $ '000
Balance at 30 June 2020	42,862	239,719	282,581
Net result for 2020-21	-	(11,963)	(11,963)
Total comprehensive result for 2020-21	-	(11,963)	(11,963)
Transfer between equity components	(127)	127	-
Balance at 30 June 2021	42,735	227,883	270,618
Net result for 2021-22	-	(32,628)	(32,628)
Total comprehensive result for 2021-22	-	(32,628)	(32,628)
Transfer between equity components	8	(8)	-
Balance at 30 June 2022	42,743	195,247	237,990

PARENT

	Asset revaluation surplus $ '000	Retained earnings $ '000	Total equity $ '000
Balance at 30 June 2020	42,862	224,960	267,822
Net result for 2020-21	-	(13,183)	(13,183)
Total comprehensive result for 2020-21	-	(13,183)	(13,183)
Transfer between equity components	(127)	127	-
Balance at 30 June 2021	42,735	211,904	254,639
Net result for 2021-22	-	(34,231)	(34,231)
Total comprehensive result for 2021-22	-	(34,231)	(34,231)
Transfer between equity components	8	(8)	-
Balance at 30 June 2022	42,743	177,665	220,408

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

1. About Central Adelaide Local Health Network

The Central Adelaide Local Health Network Incorporated (the Hospital) is a not-for-profit incorporated hospital under the *Health Care Act 2008*. The financial statements and accompanying notes include all controlled activities of the Hospital, this includes the Hospital and AusHealth Corporate Pty Ltd (AusHealth).

The consolidated financial statements have been prepared in accordance with AASB 10 *Consolidated Financial Statements*. Consistent accounting policies have been applied and all inter-entity balances and transactions arising within the consolidated entity have been eliminated in full. Information on the consolidated entity's interest in other entities is at note 35.

Administered Items
The Hospital has administered activities and resources. Transactions and balances relating to administered resources are presented separately and are disclosed in the Schedules of Administered Items – refer note 37. Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for the Hospital's transactions.

1.1 Objectives and activities
The Hospital is committed to protecting and improving the health of all South Australians by delivering a system that balances the provision of safe, high-quality and accessible services that are sustainable and reflective of local values, needs and priorities with strategic system leadership, regulatory responsibilities and an increased focus on wellbeing, illness prevention, early intervention and quality care.

The Hospital is part of the SA Health portfolio providing health services for Central Adelaide, including those managed on a State-wide basis.

The Hospital is structured to contribute to the outcomes for which the portfolio is responsible by providing hospital-based tertiary and quaternary care including medical, surgical and other acute services, rehabilitation, mental health and palliative care, dental, breast screening and other community health services to veterans and other persons living within the central Adelaide metropolitan area and Statewide as appropriate.

The Hospital is governed by a Board, which is responsible for providing strategic oversight and monitoring the Hospital's financial and operational performance. The Board must comply with any direction of the Minister for Health and Wellbeing (Minister) or Chief Executive of the Department for Health and Wellbeing (Department).

The Chief Executive Officer is responsible for managing the operations and affairs of the Hospital and is accountable to, and subject to the direction of, the Board in undertaking that function.

The Hospital is comprised of:
- Royal Adelaide Hospital (RAH)
- Hampstead Rehabilitation Centre
- The Queen Elizabeth Hospital
- St Margaret's Hospital
- Pregnancy Advisory Centre
- Statewide Clinical Support Services including SA Pathology, SA Medical Imaging, SA Pharmacy and Breast Screen SA
- Donate Life
- SA Dental Service
- Glenside and community health
- Primary Health Care Services
- Prison Health SA

1.2 Basis of preparation
These financial statements are general purpose financial statements prepared in accordance with:
- section 23 of the *Public Finance and Audit Act 1987;*
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards.

The financial statements have been prepared based on a 12 month period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars ($'000). Any transactions in foreign currency are translated into Australian dollars at the exchange rates at the date the transaction occurs. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Significant accounting policies are set out below or throughout the notes.

The Department provides recurrent and capital funding under a service agreement to the Hospital for the provision of general health services. Contributions from the Department are recognised when the Hospital obtains control over the funding. Control over the funding is normally obtained upon receipt.

3. Fees and charges

	Consolidated		Parent	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Ambulance transport	60	79	60	79
Car parking revenue	4,279	4,544	4,279	4,544
Commissions revenue	37	43	37	43
Fines, fees and penalties	89	99	89	99
Patient and client fees	403,605	382,223	384,064	371,906
Private practice fees	34,778	33,684	34,778	33,684
Fees for health services	11,741	9,600	11,741	9,600
Royalty income	679	1,219	679	1,219
Sale of goods - medical supplies	989	1,124	989	1,124
Training revenue	83	41	83	41
Other user charges and fees	16,510	15,978	16,510	15,978
Total fees and charges	**472,850**	**448,634**	**453,309**	**438,317**

The Hospital measures revenue based on the consideration specified in a major contract with a customer and excludes amounts collected on behalf of third parties. Revenue is recognised either at a point in time or over time, when (or as) the Hospital satisfies performance obligations by transferring the promised goods or services to its customers.

All revenue from fees and charges is revenue recognised from contracts with customers except for fines, fees and penalties.

Consolidated **Contracts with Customers disaggregated by pattern of revenue recognition and type of customer**	**2022 Goods/Services transferred at a point in time**	**2022 Goods/Services transferred over a period of time**	**2021 Goods/Services transferred at a point in time**	**2021 Goods/Services transferred over a period of time**
Ambulance transport	20	-	40	-
Car parking revenue	4,277	2	4,541	3
Commissions revenue	37	-	43	-
Patient and client fees	218,681	-	207,400	-
Private practice fees	34,778	-	33,684	-
Fees for health services	9,289	-	8,549	-
Royalty income	679	-	1,219	-
Sale of goods - medical supplies	51	-	53	-
Training revenue	74	-	41	-
Other user charges and fees	14,035	-	10,926	-
Total contracts with external customers	**281,921**	**2**	**266,496**	**3**
Ambulance transport	40	-	39	-
Patient and client fees	184,924	-	174,823	-
Fees for health services	2,452	-	1,051	-
Sale of goods - medical supplies	938	-	1,071	-
Training revenue	9	-	-	-
Other user charges and fees	2,475	-	5,052	-
Total contracts with SA Government customers	**190,838**	**-**	**182,036**	**-**
Total contracts with customers	**472,759**	**2**	**448,532**	**3**

The Hospital recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities (refer to note 26). Similarly, if the Hospital satisfies a performance obligation before it receives the consideration, the Hospital recognises either a contract asset or a receivable, depending on whether something other than the passage of time is required before the consideration is due (refer to note 14 and 17).

The Hospital recognises revenue (contract from customers) from the following major sources:

Patient and Client Fees
Public health care is free for medicare eligible customers with the exception of co-payments for Pharmaceutical Benefits Scheme drugs. Non-medicare eligible customers pay in arears to stay overnight in a public hospital and to receive medical assessment,

7. Net gain/(loss) from disposal of non-current and other assets

	Consolidated		Parent	
	2022	2021	2022	2021
Plant and equipment:	$'000	$'000	$'000	$'000
Proceeds from disposal	109	184	109	184
Less carrying amount of assets disposed	(42)	(423)	(42)	(423)
Less other costs of disposal	(1)	(1)	(1)	(1)
Net gain/(loss) from disposal of plant and equipment	**66**	**(240)**	**66**	**(240)**
Total assets:				
Total proceeds from disposal	109	184	109	184
Less total carrying amount of assets disposed	(42)	(423)	(42)	(423)
Less other costs of disposal	(1)	(1)	(1)	(1)
Total net gain/(loss) from disposal of assets	**66**	**(240)**	**66**	**(240)**

Gains or losses on disposal are recognised at the date control of the asset is passed from the Hospital and are determined after deducting the carrying amount of the asset from the proceeds at that time. When revalued assets are disposed, the revaluation surplus is transferred to retained earnings.

8. Other revenues/income

	Consolidated		Parent	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Dividend revenue	291	197	-	-
Donations	6,419	6,216	6,419	6,216
Health recoveries	78,413	71,956	78,413	71,956
Insurance recoveries	1,237	350	1,237	350
Other	8,451	6,878	8,002	6,169
Total other revenues/income	**94,811**	**85,597**	**94,071**	**84,691**

9. Staff benefits expenses

	Consolidated		Parent	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Salaries and wages	1,357,153	1,271,303	1,348,052	1,264,425
Targeted voluntary separation packages	4,386	2,283	4,386	2,283
Long service leave	(15,827)	10,936	(15,894)	10,857
Annual leave	130,931	118,946	130,547	118,632
Skills and experience retention leave	6,416	5,968	6,416	5,968
Staff on-costs - superannuation*	142,615	128,565	141,753	127,919
Staff on-costs - other	459	345	3	4
Workers compensation	29,731	24,264	29,668	24,217
Board and committee fees	415	459	353	378
Other staff related expenses	2,979	2,537	2,942	2,511
Total staff benefits expenses	**1,659,258**	**1,565,606**	**1,648,226**	**1,557,194**

* The superannuation employment on-cost expense represents the Hospital's contribution to superannuation plans in respect of current services of employees. The Department of Treasury and Finance (DTF) centrally recognises the superannuation liability in the whole-of-government financial statements.

Refer note 24 for further discussion on long service leave movement.

9.1 Key Management Personnel

Key management personnel (KMP) of the Hospital includes the Minister, the seven members of the governing board, the Chief Executive of the Department, Chief Executive Officer of the Hospital and the 16 (16) members of the Executive Management Group.

The compensation detailed below excludes salaries and other benefits received by:

- The Minister. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via DTF) under section 6 of the *Parliamentary Remuneration Act 1990*; and
- The Chief Executive of the Department. The Chief Executive is compensated by the Department and there is no requirement for the Hospital to reimburse those expenses.

9.3 Remuneration of staff

	Consolidated		Parent	
Remuneration of employees	**2022**	**2021**	**2022**	**2021**
The number of staff whose remuneration received or receivable falls within the following bands:	**Total Number**	**Total Number**	**Total Number**	**Total Number**
$154,001 - $157,000*	n/a	44	n/a	44
$157,001 - $177,000	317	274	315	273
$177,001 - $197,000	199	194	198	194
$197,001 - $217,000	151	102	150	102
$217,001 - $237,000	80	72	80	71
$237,001 - $257,000	69	59	69	59
$257,001 - $277,000	58	56	58	56
$277,001 - $297,000	58	48	58	48
$297,001 - $317,000	43	46	43	46
$317,001 - $337,000	31	31	31	31
$337,001 - $357,000	31	36	31	36
$357,001 - $377,000	42	42	41	41
$377,001 - $397,000	37	31	37	31
$397,001 - $417,000	29	26	29	26
$417,001 - $437,000	17	38	17	38
$437,001 - $457,000	28	24	28	24
$457,001 - $477,000	31	29	31	29
$477,001 - $497,000	30	21	30	21
$497,001 - $517,000	22	16	22	16
$517,001 - $537,000	21	20	21	20
$537,001 - $557,000	13	14	13	14
$557,001 - $577,000	23	18	23	18
$577,001 - $597,000	14	17	14	17
$597,001 - $617,000	19	17	19	17
$617,001 - $637,000	16	6	16	6
$637,001 - $657,000	9	19	9	19
$657,001 - $677,000	13	9	13	9
$677,001 - $697,000	13	5	13	5
$697,001 - $717,000	7	7	7	7
$717,001 - $737,000	7	2	7	2
$737,001 - $757,000	4	2	4	2
$757,001 - $777,000	9	-	9	-
$777,001 - $797,000	1	4	1	4
$797,001 - $817,000	-	2	-	2
$817,001 - $837,000	-	1	-	1
$857,001 - $877,000	4	1	4	1
$917,001 - $937,000	1	-	1	-
$957,001 - $977,000	1	-	1	-
$1,137,001 - $1,157,000	-	1	-	1
$1,277,001 - $1,297,000	1	-	1	-
$1,397,001 - $1,417,000	-	1	-	1
$1,477,001 - $1,497,000	1	-	1	-
Total number of staff	**1,450**	**1,335**	**1,445**	**1,332**

* This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2021.

The table includes all staff who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of staff reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any related fringe benefits tax.

9.4 Remuneration of staff by classification

The total remuneration received by staff, included in note 9.3:

	Consolidated				Parent			
	2022		**2021**		**2022**		**2021**	
	No.	**$'000**	**No.**	**$'000**	**No.**	**$'000**	**No.**	**$'000**
Executive	36	8,738	36	8,670	31	7,646	33	7,935
Medical (excluding Nursing)	1,212	392,645	1,138	356,828	1,212	392,645	1,138	356,828
Non-medical (i.e. administration)	84	15,419	59	10,885	84	15,419	59	10,885
Nursing	118	20,431	102	17,400	118	20,431	102	17,400
Total	**1,450**	**437,233**	**1,335**	**393,783**	**1,445**	**436,141**	**1,332**	**393,048**

Consultants

The number of consultancies and dollar amount paid/payable (included in supplies and services expense) to consultants that fell within the following bands:

	Consolidated				Parent			
	2022		2021		2022		2021	
	No.	$'000	No.	$'000	No.	$'000	No.	$'000
Below $10,000	8	36	8	52	4	23	4	32
Above $10,000	18	1,732	8	695	19	1,732	8	695
Total	**26**	**1,768**	**16**	**747**	**23**	**1,755**	**12**	**727**

11. Grants and subsidies

	Consolidated		Parent	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Subsidies	249	146	-	-
Funding to non-government organisations	678	754	678	754
Other	22	-	22	-
Total grants and subsidies	**949**	**900**	**700**	**754**

The grants given are usually subject to terms and conditions set out in the contract, correspondence, or by legislation.

12. Other expenses

	Consolidated		Parent	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Debts written off	1,169	2,331	1,170	2,316
Bank fees and charges	151	103	83	62
Donated assets expense	600	-	600	-
Net loss on revaluation of investments	891	-	-	530
Net loss on sale of investments	98	-	-	-
Royalty payments	-	3,046	-	3,046
Other*	6,288	4,940	6,092	4,821
Total other expenses	**9,197**	**10,420**	**7,945**	**10,775**

Donated assets expense includes transfer of plant and equipment and is recorded as expenditure at their fair value.

* Includes audit fees paid/payable to the Auditor-General's Department relating to work performed under the Public Finance and Audit Act 1987 of $0.382 million ($0.382 million). No other services were provided by the Auditor-General's Department. Also includes fees paid or payable to BDO for audit services for AusHealth of $ 0.036 million ($0.030 million.).

13. Cash and cash equivalents

	Consolidated		Parent	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Cash at bank or on hand	10,642	6,616	3,686	2,698
Deposits with Treasurer: general operating	21,722	60,298	21,722	60,298
Deposits with Treasurer: special purpose funds	134,049	130,379	134,049	130,379
Total cash and cash equivalents	**166,413**	**197,293**	**159,457**	**193,375**

Cash is measured at nominal amounts. The Hospital earns interest on the special purpose deposit account and the operating accounts held by AusHealth.

The Hospital receives specific purpose funds from various sources including government, private sector and individuals. The amounts are controlled by the Hospital, and are used to help achieve the Hospital's objectives, notwithstanding that specific uses can be determined by the grantor or donor. Accordingly, the amounts are treated as revenue at the time they are earned or at the time control passes to the Hospital.

15. Other financial assets

	Consolidated		Parent	
	2022	2021	2022	2021
Current	$'000	$'000	$'000	$'000
Term deposits	1	81	-	-
Other investments FVPL	4,936	7,295	-	-
Total current investments	**4,937**	**7,376**	**-**	**-**
Non-current				
Interest in wholly owned subsidiary	-	-	1,150	1,150
Total non-current investments	**-**	**-**	**1,150**	**1,150**
Total investments	**4,937**	**7,376**	**1,150**	**1,150**

The Hospital measures term deposits at amortised cost, listed equities and other investments are measured as fair value represented by market value. Other investments include shares in other corporations, floating rate notes, listed securities and managed funds.

There is no impairment on other financial assets. Refer to note 33 for further information on risk management.

16. Inventories

	Consolidated		Parent	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Drug supplies	14,846	14,016	14,846	14,016
Inventory imprest stock	7,850	7,881	7,850	7,881
Other	571	441	115	137
Total current inventories - held for distribution	**23,267**	**22,338**	**22,811**	**22,034**

Inventories are held for distribution at no or nominal consideration and are measured at the lower of average weighted cost and replacement cost.

The amount of any inventory write-down to net realisable value/replacement cost or inventory losses are recognised as an expense in the period the write-down or loss occurred. Any write-down reversals are also recognised as an expense reduction.

17. Contract assets

	Consolidated		Parent	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Contract assets	1,527	789	1,527	789
Total contract assets	**1,527**	**789**	**1,527**	**789**

Contract assets primarily relate to the Hospital's rights to consideration for work completed but not yet billable at the reporting date. The Hospital has recognised revenue for pathology services provided but not yet processed through the billing system. Payments for pathology services are not due from the customer until the pathology services are correctly coded and therefore a contract asset is recognised over the period in which pathology services are performed to represent the Hospital's right to consideration for the services transferred to date. Any amounts previously recognised as a contract asset are transferred to receivables when the rights become unconditional (i.e. at the point at which it is invoiced to the customer).

Contract assets have increased due to an accrual raised to reflect refunds receivable from Medicare for private patients.

There were no impairment losses recognised on contract assets in the reporting period.

18. Property, plant and equipment, investment property and intangible assets

18.1 Acquisition and recognition

Property, plant and equipment owned by the Hospital are initially recorded on a cost basis, and are subsequently measured at fair value. Where assets are acquired at no value, or minimal value, they are recorded at their fair value in the Statement of Financial Position. Where assets are acquired at no or nominal value as part of a restructure of administrative arrangements, the assets are recorded at the value held by the transferor public authority prior to the restructure.

Fair value of unrestricted land was determined using the market approach. The valuation was based on recent market transactions for similar land and buildings (non-specialised) in the area and includes adjustment for factors specific to the land and buildings being valued such as size, location and current use. For land classified as restricted in use, fair value was determined by applying an adjustment to reflect the restriction.

Fair value of buildings and other land was determined using depreciated replacement cost, due to there not being an active market. The depreciated replacement cost considered the need for ongoing provision of government services; specialised nature and restricted use of the assets; their size, condition and location. The valuation was based on a combination of internal records, specialised knowledge and the acquisition/transfer costs.

18.7 Plant and equipment

The Hospital's plant and equipment assets with a fair value greater than $1.500 million or had an estimated useful life of greater than three years were revalued using the fair value methodology, as at 1 June 2018, based on independent valuations performed by a Certified Practicing Valuer from Jones Lang Lasalle (SA) Pty Ltd. The value of all other plant and equipment has not been revalued, this is in accordance with APS 116D, the carrying value of these items is deemed to approximate fair value. These assets are classified in Level 3 as there have been no subsequent adjustments to their value, except for management assumptions about the asset condition and remaining useful life.

18.8 Investment property

Subsequent to initial recognition at cost, investment properties are revalued to fair value with changes in the fair value recognised as income or expense in the period that they arise. The properties are not depreciated and are not tested for impairment.

The valuation of the investment property located at Dalgleish Street, Thebarton was performed by a Certified Practicing Valuer as at March 2020. The Valuer arrived at a fair value based on recent market transactions for similar properties in the area taking into account zoning and restricted use.

Where there are recent market transactions for similar properties, the valuations are based on the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in the active market for similar properties. These investment properties have been categorised as Level 2.

Amounts recognised in profit or loss

The Hospital recognised rental income from investment property during the period of $0.448 million ($0.442 million).

18.9 Leased property, plant and equipment

Right-of-use assets (including concessional arrangements) leased by the Hospital as lessee are measured at cost, and there were no indications for impairment. Additions to right of use assets during 2021-22 were $1.050 million ($2.922 million). Short-term leases of 12 months or less and low value leases, where the underlying asset value is less than $15,000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and disclosed in note 10.

The Hospital has a number of lease agreements. Lease terms vary in length from 2 to 26 years. Major lease activities include the use of:

- Properties – SA Pathology collection centres, primary health, dental clinics and non-DIT provided office accommodation are generally leased from the private sector. Generally, property leases are non-cancellable with many having the right of renewal. Rent is payable in arrears, with increases generally linked to CPI increases. Prior to renewal, most lease arrangements undergo a formal rent review linked to market appraisals or independent valuers.
- Health Facilities – lease include the Royal Adelaide Hospital.
  The Royal Adelaide Hospital (RAH) lease commenced in June 2011, achieved commercial acceptance in June 2017, and is for 35 years. The SA Health Partnership Consortium trading as Celsus entered into an arrangement to finance, design, build, operate and maintain the new RAH. Under the arrangement, Celsus will maintain and provide non-medical support services including facilities management by Spotless and information and communication technology (ICT) support and maintenance by DXC Technology for the duration of the contract. The arrangement is referred to as a Public Private Partnership (PPP). At the conclusion of the contract in 2046, the Hospital will take full ownership of the RAH. Celsus have an obligation to deliver the RAH in a condition fit for its intended purpose and fully maintained in accordance with the agreed asset management plan.
- Motor vehicles – leased from the South Australian Government Financing Authority (SAFA) through their agent LeasePlan Australia. The leases are non-cancellable and the vehicles are leased for a specific time period (usually 3 years) or a specific number of kilometres, whichever occurs first.

The Hospital has not committed to any lease arrangements that have not commenced. The Hospital has not entered into any sub-lease arrangements outside of SA Health.

The lease liabilities related to the right-of-use assets (and the maturity analysis) are disclosed at note 23. Expenses related to right-of-use assets including depreciation and interest expense are disclosed at note 19 and 23. Cash outflows related to right-of-use assets are disclosed at note 27.

Consolidated

2020-21	Land and buildings:				Plant and equipment:						
	Land $'000	Buildings $'000	Right-of-use buildings $'000	Capital works in progress land and buildings $'000	Accommo-dation and Leasehold improve-ments $'000	Medical/ surgical/ dental/ biomedical $'000	Other plant and equipment $'000	Right-of-use plant and equipment $'000	Capital works in progress plant and equipment $'000	Investment property $'000	Total $'000
Carrying amount at the beginning of the period	**113,935**	**274,504**	**2,530,370**	**10,763**	**15,622**	**119,925**	**4,507**	**234,133**	**5,517**	**5,550**	**3,314,826**
Additions	-	-	1,758	15,429	-	15,844	-	1,164	6,098	-	**40,293**
Assets received free of charge	-	-	-	690	-	57	-	-	-	-	**747**
Disposals	-	-	-	-	-	(370)	(53)	(41)	-	-	**(464)**
Transfers between asset classes	-	542	-	(7,945)	6,579	4,256	2,000	-	(5,853)	-	**(421)**
Remeasurement	-	-	974	-	-	-	-	-	-	-	**974**
Subtotal:	**113,935**	**275,046**	**2,533,102**	**18,937**	**22,201**	**139,712**	**6,454**	**235,256**	**5,762**	**5,550**	**3,355,955**
Gains/(losses) for the period recognised in net result:											
Depreciation and amortisation	-	(22,611)	(53,824)	-	(1,407)	(37,222)	(2,718)	(9,923)	-	-	**(127,705)**
Subtotal:	-	**(22,611)**	**(53,824)**	-	**(1,407)**	**(37,222)**	**(2,718)**	**(9,923)**	-	-	**(127,705)**
Carrying amount at the end of the period*	**113,935**	**252,435**	**2,479,278**	**18,937**	**20,794**	**102,490**	**3,736**	**225,333**	**5,762**	**5,550**	**3,228,250**
Gross carrying amount											
Gross carrying amount	113,935	320,724	2,670,295	18,937	33,568	299,549	29,479	260,597	5,762	5,550	**3,758,396**
Accumulated depreciation / amortisation	-	(68,289)	(191,017)	-	(12,774)	(197,059)	(25,743)	(35,264)	-	-	**(530,146)**
Carrying amount at the end of the period	**113,935**	**252,435**	**2,479,278**	**18,937**	**20,794**	**102,490**	**3,736**	**225,333**	**5,762**	**5,550**	**3,228,250**

*All property, plant and equipment are classified in the level 3 fair value hierarchy except for investment properties valued at $5.550 million ($5.550 million) (classified as level 2) and capital works in progress (not classified). Refer to note 23 for details about the lease liability for right of use assets.

Parent

2020-21	Land and buildings:					Plant and equipment:					
	Land $'000	Buildings $'000	Right-of-use buildings $'000	Capital works in progress land and buildings $'000	Accommo-dation and Leasehold improve-ments $'000	Medical/ surgical/ dental/ biomedical $'000	Other plant and equipment $'000	Right-of-use plant and equipment $'000	Capital works in progress plant and equipment $'000	Investment property $'000	Total $'000
Carrying amount at the beginning of the period	**113,935**	**274,503**	**2,530,152**	**10,763**	**15,622**	**119,925**	**3,995**	**234,133**	**5,157**	**-**	**3,308,185**
Additions	-	-	1,257	15,429	-	15,844	-	1,164	5,837	-	**39,531**
Assets received free of charge	-	-	-	690	-	57	-	-	-	-	**747**
Disposals	-	-	-	-	-	(370)	(53)	(41)	-	-	**(464)**
Transfers between asset classes	-	542	-	(7,945)	6,579	4,256	1,380	-	(5,233)	-	**(421)**
Remeasurement	-	-	974	-	-	-	-	-	-	-	**974**
Subtotal:	**113,935**	**275,045**	**2,532,383**	**18,937**	**22,201**	**139,712**	**5,322**	**235,256**	**5,761**	**-**	**3,348,552**
Gains/(losses) for the period recognised in net result:											
Depreciation and amortisation	-	(22,611)	(53,595)	-	(1,407)	(37,222)	(2,157)	(9,923)	-	-	**(126,915)**
Subtotal:	**-**	**(22,611)**	**(53,595)**	**-**	**(1,407)**	**(37,222)**	**(2,157)**	**(9,923)**	**-**	**-**	**(126,915)**
Carrying amount at the end of the period*	**113,935**	**252,434**	**2,478,788**	**18,937**	**20,794**	**102,490**	**3,165**	**225,333**	**5,761**	**-**	**3,221,637**
Gross carrying amount											
Gross carrying amount	113,935	320,723	2,669,428	18,937	33,568	299,549	27,248	260,597	5,761	-	**3,749,746**
Accumulated depreciation / amortisation	-	(68,289)	(190,640)	-	(12,774)	(197,059)	(24,083)	(35,264)	-	-	**(528,109)**
Carrying amount at the end of the period	**113,935**	**252,434**	**2,478,788**	**18,937**	**20,794**	**102,490**	**3,165**	**225,333**	**5,761**	**-**	**3,221,637**

*All property, plant and equipment are classified in the level 3 fair value hierarchy except for capital works in progress (not classified). Refer to note 23 for details about the lease liability for right of use assets.

21. Fair value measurement

The Hospital classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation:

- Level 1 – traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 – not traded in an active market and are derived from inputs (inputs other than quoted prices included within Level 1) that are observable for the asset, either directly or indirectly.
- Level 3 – not traded in an active market and are derived from unobservable inputs.

The Hospital's current use is the highest and best use of the asset unless other factors suggest an alternative use. As the Hospital did not identify any factors to suggest an alternative use, fair value measurement was based on current use.

The carrying amount of non-financial assets owned by the Hospital with a fair value at the time of acquisition that was less than $1 million or an estimated useful life that was less than three years are deemed to approximate fair value.

Refer to notes 19 and 21.2 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

21.1 Fair value hierarchy

The fair value of non-financial assets must be estimated for recognition and measurement or for disclosure purposes. The Hospital categorises non-financial assets measured at fair value into hierarchy based on the level of inputs used in measurement as follows:

Fair value measurements at 30 June 2022

	Consolidated			Parent		
	Level 2	Level 3	Total	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Recurring fair value measurements						
Land	-	113,935	113,935	-	113,935	113,935
Buildings and improvements	-	237,633	237,633	-	237,632	237,632
Leasehold improvements	-	19,205	19,205	-	19,205	19,205
Plant and equipment	-	82,597	82,597	-	81,782	81,782
Investment property	5,550	-	5,550	-	-	-
Total recurring fair value measurements	**5,550**	**453,370**	**458,920**	**-**	**452,554**	**452,554**

Fair value measurements at 30 June 2021

	Consolidated			Parent		
	Level 2	Level 3	Total	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Recurring fair value measurements						
Land	-	113,935	113,935	-	113,935	113,935
Buildings and improvements	-	252,435	252,435	-	252,434	252,434
Leasehold improvements	-	20,794	20,794	-	20,794	20,794
Plant and equipment	-	106,226	106,226	-	105,655	105,655
Investment property	5,550	-	5,550	-	-	-
Total recurring fair value measurements	**5,550**	**493,390**	**498,940**	**-**	**492,818**	**492,818**

The Hospital's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

During 2022 and 2021, the Hospital had no valuations categorised into Level 1; there were no transfers of assets between Level 1 and 2 fair value hierarchy levels in 2021-22.

21.2 Valuation techniques and inputs

Land fair values were derived by using the market approach, being recent sales transactions of other similar land holdings within the region, adjusted for differences in key attributes such as property size, zoning and any restrictions on use, and then adjusted with a discount factor. For this reason, they are deemed to have been valued using Level 3 valuation inputs.

Due to the predominantly specialised nature of health service assets, the majority of building and plant and equipment valuations have been undertaken using a cost approach (depreciated replacement cost), an accepted valuation methodology under AASB 13. The extent of unobservable inputs and professional judgement required in valuing these assets is significant, and as such they are deemed to have been valued using Level 3 valuation inputs.

23. Financial liabilities

	Consolidated		Parent	
	2022	2021	2022	2021
Current	$'000	$'000	$'000	$'000
Lease liabilities	69,812	69,904	69,565	69,459
Total current financial liabilities	**69,812**	**69,904**	**69,565**	**69,459**
Non-current				
Lease liabilities	2,517,639	2,579,586	2,517,637	2,579,529
Total non-current financial liabilities	**2,517,639**	**2,579,586**	**2,517,637**	**2,579,529**
Total financial liabilities	**2,587,451**	**2,649,490**	**2,587,202**	**2,648,988**

The Hospital measures financial liabilities at amortised cost. Lease liabilities have been measured via discounting lease payments using either the interest rate implicit in the lease (where it is readily determined) or Treasury's incremental borrowing rate. Borrowing costs of $126.983 million ($118.045 million) relate to interest on lease liabilities. Included in these borrowing costs is a reduction in contingent rental amounts of $105.537 million ($135.240 million). There were no defaults or breaches on any of the above liabilities throughout the year.

Refer to note 33 for information on risk management.

Refer notes 18 and 19 for details about the right-of-use assets (including depreciation).

23.1 Concessional lease arrangements for right-of-use assets

The Hospital has concessional lease arrangements for right-of-use assets, as lessee, within the SA Health economic entity, with SA government entities, with other government entities (e.g. local councils, universities and the Commonwealth government), and with not-for-profit entities.

Right of use asset	Nature of arrangements	Details
Buildings and improvements	Terms are up to 36 years Payments range from $1 to $1,312 pa	Concessional building arrangements include the use of premises for dental services, pathology collection, Breastscreen services, community health services and vacant land.

23.2 Maturity analysis

A maturity analysis of lease liabilities based on undiscounted gross cash flows is reported in the table below:

	Consolidated		Parent	
	2022	2021	2022	2021
Lease Liabilities	$'000	$'000	$'000	$'000
1 to 3 years	902,890	916,790	902,844	916,395
3 to 5 years	592,539	594,009	592,539	594,009
5 to 10 years	1,402,539	1,423,958	1,402,539	1,423,958
More than 10 years	3,352,217	3,609,848	3,352,217	3,609,848
Total lease liabilities (undiscounted)	**6,250,185**	**6,544,605**	**6,250,139**	**6,544,210**

25. Provisions

Provisions represent workers compensation

Reconciliation of workers compensation (statutory and non-statutory)

	Consolidated		Parent	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Carrying amount at the beginning of the period	35,347	20,538	35,347	20,538
Increase in provisions recognised	15,804	16,391	15,804	16,391
Reductions arising from payments/other sacrifices of future economic benefits	(1,990)	(1,582)	(1,990)	(1,582)
Carrying amount at the end of the period	**49,161**	**35,347**	**49,161**	**35,347**

The amount of the provision considered to be current is $10.399 million ($9.667 million). The amount of the provision considered to be non-current is $38.762 million ($25.680 million).

Workers compensation provision (statutory and additional compensation schemes)
The Hospital is an exempt employer under the Return to Work Act 2014. Under a scheme arrangement, the Hospital is responsible for the management of workers rehabilitation and compensation and is directly responsible for meeting the cost of workers' compensation claims and the implementation and funding of preventive programs.

Accordingly, a liability has been reported to reflect unsettled workers compensation claims (statutory and additional compensation schemes). The workers compensation provision is based on an actuarial estimate of the outstanding liability as at 30 June 2022 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment.

The additional compensation provision provides continuing benefits to workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme. Eligible injuries are non-serious injuries sustained in circumstances which involved, or appeared to involve, the commission of a criminal offence, or which arose from a dangerous situation.

There is a significant degree of uncertainty associated with estimating future claim and expense payments, and also around the timing of future payments due to the variety of factors involved. The liability is impacted by agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions. In addition to these uncertainties, the additional compensation scheme is impacted by the limited claims history and the evolving nature of the interpretation of, and evidence required to meeting, eligibility criteria. Given these uncertainties, the actual cost of additional compensations claims may differ materially from the estimate.

Measurement of the workers compensation provision as at 30 June 2022 includes the impacts of the decision of the Full Court of the Supreme Court of South Australia in Return to Work Corporation of South Australia vs Summerfield (Summerfield decision). The Summerfield decision increased the liabilities of the Return to Work Scheme (the Scheme) and the workers compensation provision across government.

Legislation to reform the Return to Work Act 2014 was proclaimed in July 2022, with the reforms expected to reduce the overall liability of the Scheme. The impacts of these reforms on the workers compensation provision will be considered when measuring the provision as at 30 June 2023.

26. Contract liabilities and other liabilities

	Consolidated		Parent	
	2022	2021	2022	2021
Current	$'000	$'000	$'000	$'000
Unclaimed monies	119	52	119	52
Unearned revenue	88	58	75	-
Contract liabilities	518	552	518	552
Other	858	1,578	858	1,578
Total current contract liabilities and other liabilities	**1,583**	**2,240**	**1,570**	**2,182**
Total contract liabilities and other liabilities	**1,583**	**2,240**	**1,570**	**2,182**

28.1.2 Expenditure commitments

	Consolidated		Parent	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Within one year	128,715	131,539	128,715	131,539
Later than one year but not longer than five years	359,797	364,876	359,797	364,876
Later than five years	2,175,659	2,268,950	2,175,659	2,268,950
Total other expenditure commitments	**2,664,171**	**2,765,365**	**2,664,171**	**2,765,365**
Less contingent rentals	(1,131,528)	(1,149,239)	(1,131,528)	(1,149,239)
Total finance lease commitments	**1,532,643**	**1,616,126**	**1,532,643**	**1,616,126**

The Hospital's expenditure commitments are for agreements for goods and services ordered but not received; and administrative arrangements with DIT for accommodation.

Included in other expenditure commitments above is $2,605.205 million ($2,685.075 million), including contingent rentals, which relates directly to the PPP operations and maintenance commitments.

The Hospital also has commitments to provide funding to various non-government organisations in accordance with negotiated service agreements. The value of these commitments as at 30 June 2022 have not been quantified.

28.2 Expected rental income from lessor arrangements

	Consolidated		Parent	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Within one year	82	82	-	-
Total operating lease revenue commitments	**82**	**82**	**-**	**-**

The operating lease revenue commitments relates to property owned by the Hospital and leased to external parties. The table above sets out a maturity analysis of operating lease payments receivable, showing undiscounted lease payments to be received after the reporting date These amounts are not recognised as assets.

29. Trust funds

The Hospital holds money in trust on behalf of consumers that reside in CALHN facilities whilst the consumer is receiving residential mental health services. As the Hospital only performs a custodial role in respect of trust monies, they are excluded from the financial statements as the Hospital cannot use these funds to achieve its objectives.

	Consolidated		Parent	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Carrying amount at the beginning of period	18	31	18	31
Client trust receipts	44	33	44	33
Client trust payments	(27)	(46)	(27)	(46)
Carrying amount at the end of the period	**35**	**18**	**35**	**18**

30. Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed within this note and, if quantifiable are measured at nominal value.

30.1 Contingent Assets

The new RAH project is being delivered under a public-private partnership agreement with Celsus. The new RAH PPP agreement contains a number of indexation elements which relate to adjustments to certain service payments i.e. interest rate and refinancing service payment adjustments. Where the indexation element is closely related to a lease contract, such as the interest rate payment adjustment, it is not required to be separately accounted for as a derivative. The change in interest rate is accounted for as a contingent rental and expensed in the period incurred.

Like the interest rate service payment adjustment, the refinancing element is an embedded derivative. However, the economic characteristics and risks of this embedded derivative are not closely related to the lease contract and are required to be accounted for separately in the financial statements. The refinancing element could be considered akin to a purchase option in that the Hospital benefits from a portion of gains without exposure to any of the losses. The valuation of this derivative would be derived via the

Market risk
The Hospital does not engage in high risk hedging for its financial assets. Exposure to interest rate risk may arise through its interest bearing liabilities, including borrowings. The Hospital's interest bearing liabilities are managed through SAFA and any movement in interest rates are monitored on a daily basis. There is no exposure to foreign currency or other price risks.

There have been no changes in risk exposure since the last reporting period.

33.2 Categorisation of financial instruments
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 are disclosed in the respective financial asset / financial liability note.

The carrying amounts of each of the following categories of financial assets and liabilities: financial assets measured at amortised cost; financial assets measured at fair value through profit or loss and financial liabilities measured at amortised cost are detailed below. All of the resulting fair value estimates are included in Level 2 as all significant inputs required are observable.

A financial asset is measured at amortised cost if:
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest only on the principal amount outstanding.

		Consolidated		Parent	
Category of financial asset and financial liability	Notes	2022 Carrying amount/ Fair value $'000	2021 Carrying amount/ Fair value $'000	2022 Carrying amount/ Fair value $'000	2021 Carrying amount/ Fair value $'000
Financial assets					
Cash and equivalent					
Cash and cash equivalents	13, 27	166,413	197,293	159,457	193,375
Amortised Cost					
Receivables (1)(2)	14	97,182	95,334	95,408	93,960
Fair value through profit and loss					
Other financial assets	15	4,937	7,376	1,150	1,150
Total financial assets		**268,532**	**300,003**	**256,015**	**288,485**
Financial liabilities					
Financial liabilities at amortised cost					
Payables (1)	22	98,165	70,533	97,101	69,655
Lease liabilities	23, 28	2,587,451	2,649,490	2,587,202	2,648,988
Other financial liabilities	26	1,065	2,182	1,052	2,182
Total financial liabilities		**2,686,681**	**2,722,205**	**2,685,355**	**2,720,825**

(1) Receivable and payable amounts disclosed exclude amounts relating to statutory receivables and payables. This includes Commonwealth, State and Local Government taxes and fees and charges. This is in addition to employee related receivables and payables such as payroll tax, fringe benefits tax etc. In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the disclosure requirements of AASB 7 will not apply. Where rights or obligations have their source in legislation such as levies, tax and equivalents etc. they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost.

(2) Receivable amount disclosed excludes prepayments as they are not financial assets.

33.3 Credit risk exposure and impairment of financial assets
Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. Loss allowances for contract assets are measured at an amount equal to an expected credit loss method using a 12 month method. No impairment losses were recognised in relation to contract assets during the year.

The Hospital uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors. The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties. Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

The carrying amount of receivables approximates net fair value due to being receivable on demand. Receivables are written off when there is no reasonable expectation of recovery and not subject to enforcement activity. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the Hospital.

35. Interests in other entities

Controlled Entities

Central Adelaide Local Health Network Incorporated has a 100% interest (1,150,000 shares) in AusHealth. AusHealth is a national provider of on-site health and safety services delivered by qualified and experienced professional staff to businesses throughout Australia. AusHealth also manages patient payment solutions for Australian hospitals and commercialises hospital research into leading edge medical technologies and treatments.

Joint arrangements

The Hospital participates in the following joint operations:

Name of arrangement	Nature of the arrangement	Principal activity	Location	Interest
Adelaide Health Innovation Partnership	Incorporated entity formed from the founders – South Australian Health and Medical Research Institute, Central Adelaide Local Health Network and university of Adelaide.	Advocates for change, innovation and improvements in health service delivery, medical research, education and patient care.	Adelaide SA	33.3%
Centre for Cancer Biology Alliance	Agreement between the University of South Australia and Central Adelaide Local Health Network Incorporated	Undertake health and medical research in South Australia as an integrated clinical, educational and research activity, with a focus on cancer research.	Adelaide SA	50%
South Australian Immunogenomics Cancer Institute	Agreement between The University of Adelaide and Central Adelaide Local Health Network.	Established as an independently – governed Institute that operates as a discrete academic unit within the University of Adelaide's Faculty of Health and Medical Sciences, supported by an alliance with CALHN	Adelaide SA	50%

Interest in Co-operative Research Centres

The Hospital participates with CTM@CRC Ltd - the CRC for Cell Therapy Manufacturing (CTM). CTM is a cooperative research centre designed to implement research to provide new treatments and develop new materials-based manufacturing technologies to increase the accessibility, affordability and efficacy of cell therapies for previously incurable, or difficult to treat diseases.

CTM is funded by cash and in-kind resources from a number of partners in the health and research sectors throughout Australia in addition to a $20.000 million grant from the Australian Government. CTM's headquarters are at the University of South Australia's Mawson Lakes campus.

Board/Committee name:	Government employee members	Other members
Central Adelaide Local Health Network Human Research Ethics Committee	12	Air T, Bonython J, Crabb A, Crockett J, Cullen J, Dale L, Digance A, Fisher A, , Greenberg Z, Hackett J, L Lu, Need A A/Prof, Newsham P, Parry C, Partridge G, Phillips C, Raschella F, Ruediger C and Slater H
Central Adelaide Local Health Network Integrated Care Clinical Governance Committee	-	Beaumont J and Wing M (Appointed 16/08/2021)
Central Adelaide Local Health Network Pelvic Mesh Specialists Group	10	Blieschke, K and Short K
Central and Northern Renal and Transplantation Service – Quality Safety and Governance Committee	11	Baxter A and Christy L (Appointed 11/11/2021)
Critical Care and Periop Safety and Quality Leadership Consumer Representative	-	Yeend K
General Medicine Safety and Quality Committee	28	Cardinali R
Heart and Lung Safety and Quality Committee	19	McWhinnie S
Learning from Dying Committee	21	Anderson R
Priority Care Committee: Communicating for Safety	48	Curry M and Raschella F
Priority Care Committee: Comprehensive Care	57	Anderson R, Bickley B, Coates P (Appointed), Curry M, Klemm G (Resigned), and Messing L
Priority Care Committee: Managing Deterioration	26	Bampton J (Appointed 12/01/2022), Bickley B (Appointed 12/01/2022), Price J (Resigned 10/11/2021) and Raschella F
Priority Care Committee: Patient Blood Management	-	Venhoek J
Priority Care Committee: Standard 2 Consumer Partnering	-	Anderson R (Appointed 21/02/2022), Curry M (Appointed 31/01/2022), Klemm G (21/02/2022) and McMahon J (Appointed 21/02/2022)
Renal Community of Practice Steering Committee	22	Lester R, Regan N (Resigned 17/04/2021) and Weber D
SA Brain Injury Rehabilitation Service Consumer Advisory Group	3	Dunn K (Resigned 09/12/2021), Miller L (Resigned 09/12/2021), Francese L, Morgan T (Chair), Bollella D (Resigned 14/04/2022) and Crawford S (Resigned 14/04/2022)

37. Administered items

The Hospital administers the following:

- Private practice arrangements, representing funds billed on behalf of salaried medical officers and subsequently distributed to the Hospital and salaried medical officers according to Rights of Private Practice Deeds of Agreement; and
- Other, which largely represents Research funds

The Hospital cannot use these administered funds for the achievement of its objectives.

	Private Practice		Other		Total	
	2022	2021	2022	2021	2022	2021
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue from fees and charges	57,195	54,731	67	122	57,262	54,853
Interest revenue	-	-	-	2	-	2
Staff benefit expenses	-	-	(62)	(103)	(62)	(103)
Supplies and services	-	(351)	-	-	-	(351)
Other expenses	(57,310)	(52,681)	-	-	(57,310)	(52,681)
Net result	**(115)**	**1,699**	**5**	**21**	**(110)**	**1,720**
Cash and cash equivalents	7,529	6,954	7	39	7,536	6,993
Receivables	4,794	4,261	70	46	4,864	4,307
Payables	(7,073)	(5,850)	(1)	(16)	(7,074)	(5,866)
Staff benefits	-	-	(27)	(25)	(27)	(25)
Other provisions/liabilities	(1)	(1)	-	-	(1)	(1)
Net assets	**5,249**	**5,364**	**49**	**44**	**5,298**	**5,408**
Cash at 1 July	6,954	5,326	39	113	6,993	5,439
Cash inflows	56,662	53,569	43	142	56,705	53,711
Cash outflows	(56,087)	(51,941)	(75)	(215)	(56,162)	(52,156)
Cash at 30 June	**7,529**	**6,954**	**7**	**40**	**7,536**	**6,994**