



Department of Health

Annual Report

2021–22

About this publication

This Annual Report provides an overview of the Department of Health's operations for the financial year ended 30 June 2022. This information is for all stakeholders with an interest in hospitals, ambulances, community health, and related areas such as primary healthcare.

It includes the highlights of the year, an overview of our operations, major initiatives and performance during 2021–22.

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Annual Report 2021–22

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The artwork has been adapted from local Tasmanian Aboriginal artist Takira Simon-Brown's 2022, 'Health nayri'. The items from Takira's paintings signify different cultural healing elements, including edible wreaths, healing fire, medical plants and healing circles. The underlying layer contains waterways and a bark canoe, representing mob returning to participate in communal healings. Takira is a proud descendant of Chief Mannalargenna of the Plangermaireener nation of lutruwita Tasmania.

Acknowledgement of Country

The Department of Health Tasmania respectfully acknowledges Tasmanian Aboriginal people as the traditional custodians of the land on which we live, work and play and pays respect to Aboriginal Elders past and present.

Recognition Statement

Tasmanian Aboriginal peoples' traditional lifestyle promoted physical and emotional health and wellbeing, centred around Country, Kin, Community and Spirituality. Aboriginal people continue to value the importance of culture, community connection and being on Country as vital components of health and wellness. Through colonisation, Aboriginal people experienced displacement and disconnection, which has significantly affected their health and wellbeing. We recognise that Aboriginal people are the knowledge holders and provide best practice in promoting health and wellbeing for Aboriginal people. We acknowledge and learn from the ongoing work of Aboriginal organisations in ensuring continued health and wellness. We commit to working in partnership with Tasmanian Aboriginal communities and health leaders now and into the future to improve health and wellbeing.

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Submission to the Minister

Hon Jeremy Rockliff MP
Premier
Minister for Health
Minister for Mental Health and Wellbeing
Minister for Tourism
Minister for Trade

Dear Minister

Department of Health Annual Report 2021–22

In accordance with the requirements of section 30 of the *Tasmanian Health Service Act 2018*, section 36 of the *State Service Act 2000* and section 42 of the *Financial Management Act 2016*, I have pleasure in presenting the Department of Health Annual Report for the financial year ending 30 June 2022.

Please note that this report also includes the Annual Reports of the Council of Obstetric and Paediatric Mortality and Morbidity and the Tasmanian Pharmacy Authority.



Kathrine Morgan-Wicks PSM
Secretary
Department of Health
14 October 2022

Message from the Secretary

As Secretary for the Department of Health and State Health Commander, I am very pleased to present the 2021–22 Annual Report.

This Report provides an extraordinary picture of achievement by our dedicated and hardworking staff, delivering a broad spectrum of health services in urban, rural and regional locations while making progress on our newly released Strategic Priorities 2021–23. This is all within the context of continuing to manage our third year of impacts from COVID-19 across our community. I want to acknowledge and sincerely thank our staff, who have worked tirelessly to care for the people of Tasmania.



In 2021–22 we committed to building a health system that meets our needs now and into the future, using new and innovative solutions to improve the way we deliver healthcare in Tasmania. This has included delivering on the immediate actions identified in *Our Healthcare Future* to co-design a new long-term plan for healthcare in Tasmania.

Over the course of this year, we found new ways to deliver services. In this report you will find more information about one of these, our Police, Ambulance and Clinician Early Response (PACER) team, which commenced in January this year and has been working to improve outcomes for patients facing mental health challenges.

The Statewide Access and Patient Flow Program is a key component of our long-term plan to transform our health system and make it more responsive and accessible to all Tasmanians. The Program prioritises and supports projects based on their ability to ‘free up’ capacity that will improve hospital workflow.

Digital technologies are a key part of a modern health system and we have recently completed the Digital Health Strategy. The *Digital Health Transformation – Improving Patient Outcomes 2022–2032 Strategy* outlines a 10-year, \$475 million digital investment to deliver better health outcomes for patients. Digital health will contribute towards an increase in capacity and capability across the health system, so more Tasmanians can get access to the healthcare they need.

We have also continued our work to build the infrastructure we need for our health future. During the past year we progressed substantial projects at our larger hospitals, including on the Royal Hobart Hospital redevelopment and the masterplan for the Launceston General Hospital. We have also delivered a variety of upgrades in regional areas, including at the New Norfolk Hospital, Central Highlands Community Health Centre, dental clinics in Hobart and Launceston, refurbished nurses’ accommodation at Campbell Town and a significant investment in new equipment for our hospitals.

Ensuring Tasmanians can access mental health support in a timely, consistent and meaningful way is more important than ever, and we are continuing to progress our mental health policy and reform initiatives such as *Rethink 2020: A State Plan for Mental Health in Tasmania 2020-2025* (Rethink 2020) and the *Reform Agenda for the Alcohol and Other Drugs Sector in Tasmania*.

All of this work is supported by our efforts to build a sustainable and positive workforce to ensure we can retain and recruit the staff we need to deliver our valuable services. There is no doubt that working in the health sector can be very rewarding, but it can also be challenging. Last year we experienced the event at Hillcrest Primary School that tragically claimed the lives of six children.

I am certain that all Tasmanians share with me a deep sadness and heartache following this tragedy, and I offer my sincere condolences to the families involved. I know this event deeply impacted students, staff, the broader community and our emergency services and first responders. I want to pay tribute to the staff involved in responding to this event.

Importantly, I would like to acknowledge the work of the Commission of Inquiry into the Tasmanian Government's Responses to Child Sexual Abuse in Institutional Settings, which commenced earlier this year. The Commission hearings that focused on the Department of Health were difficult, challenging and highlighted the need for immediate change within our health system to protect the most vulnerable in our community. While the Commission will provide recommendations by next year, as a department we have begun implementing key improvements as action is needed now.

Through the Child Safe Organisation Project, we are implementing key improvements across the Department to build a child-safe culture that ensures the rights, safety and wellbeing of every child and young person accessing our services. The Child Safe Governance Review, announced by the State Government on 3 July 2022, has also commenced. This Review will focus on resetting the governance of the Launceston General Hospital and Human Resources, with a priority focus on the handling of serious misconduct such as institutional child sexual abuse.

Earlier this year, the Government announced functions currently performed by Communities Tasmania would transition to existing Departments and to new entities. We have commenced preparations for the transition of the Family Violence Counselling and Support Service to the Department of Health and have been working with the transition team to ensure any services we currently provide to Communities Tasmania are transferred appropriately.

In closing, it has been a pleasure to work with every person in the Department of Health, our working partners, stakeholders and volunteers. I am confident we will continue to work positively together to make our health service the best it can be for all Tasmanians.

I thank you in advance for your continuing service for the year ahead and trust the Annual Report will provide a good understanding of the services we have delivered for Tasmania during 2021–22.



Kathrine Morgan-Wicks PSM
Secretary
State Health Commander

14 October 2022

Our Key Achievements 2021–22

Performed a total of

11 136
unplanned
emergency
procedures



**400+ Ambulance
Tasmania** volunteers
contributed more than
236 000 hours of service

Attended to

173 276
emergency
department
presentations



117 524 ambulances

dispatched including:

59 120 emergency responses

52 507 urgent responses

5 897 non-urgent responses.



**Outpatient
attendances: 576 923**



Continued the roll out of

225 additional beds since 2018

2 000+ triple-0

calls diverted to more appropriate care
through the secondary triage program.

Recruited an additional

893 positions (FTE)

Provided

**107 069 dental
treatments**



and reduced waiting lists. Completed upgrades to the
Digital Dentures Clinics in Launceston and Hobart.

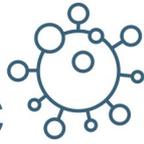
Performed more than

**20 300 elective
surgeries**

and the elective surgery waiting list fell
by **16** per cent.

Continued to respond to the

COVID-19 pandemic

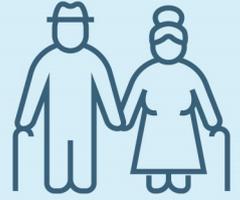


delivered more than **1 000 000** vaccine doses,
conducted **466 520** PCR tests,
provided more than **4 000 000** rapid antigen tests,
and cared for **15 000** members of our
community through the COVID@home program.

4 693

Aged Care
Assessment
Team (ACAT)

assessments conducted.



4 774 babies



were born in Tasmanian Public
Hospitals and the North West Maternity Service.

This includes more than:

2 100 at Royal Hobart Hospital

1 600 at Launceston General Hospital

1 000 in the North West.

Provided

29 365 flu
vaccinations

through state-run clinics.



Performed more than

11 260
endoscopies



and the endoscopy wait list
fell by **16** per cent.



Supported Tasmanian families with children
0-5 years of age on

51 968 occasions

through our Child Health and Parenting Service.



34 020 women

screened for breast cancer.

Infrastructure

- Released the masterplan for the Launceston General Hospital. Priority projects include a mental health precinct on the Anne O'Byrne site, nine negative pressure rooms for COVID and future pandemic preparedness, and fit-out of the new women and children's outpatient precincts in the new Charles Street Tower.
- Progressed work on Stage 2 of the Royal Hobart Hospital Redevelopment, including the new Trauma and Acute Surgical Unit and ED expansion.
- Delivered upgrades in regional areas including at the New Norfolk Hospital, Central Highlands Community Health Centre, dental clinics in Hobart and Launceston and refurbished nurses accommodation at Campbell Town.
- Upgraded maternity services at the North West Regional Hospital.

Appointed the **Voluntary Assisted Dying Commission (VAD)**

and established VAD Navigation Services to provide individualised support and assistance, including helping people, practitioners, and facilities to navigate the process.



Our Department

Governance

The Department provides services to public patients and is committed to ensuring our health system is operating with the most effective governance structure possible. Our structure provides clarity and support for our staff; delivers a greater focus on community-based care and health system reform; and provides new opportunities for clinicians and consumers to inform and shape important decisions about how healthcare is delivered in Tasmania. It ensures accountability, transparency and responsiveness to change to provide a clear and consistent strategic direction across the Department and to support coordination and clinical/business consistency.

The corporate governance committee structure has been developed to streamline the business of the Department. It is designed to support the governance framework and strengthen decision-making authority and accountability while continuing to build a stronger sense of collaboration, cooperation and shared purpose within the Department.

Health Executive

The Secretary, as the accountable officer of the Department is supported by the Health Executive. The purpose of Health Executive is to lead the strategic direction and provide oversight of the Department's key responsibilities.

Some members of Health Executive also comprise the Tasmanian Health Service (THS) Executive. The THS is the service delivery arm of the Department which provides public hospital, medical, paramedical, community health services, and a range of other services relating to the maintenance, improvement, and restoration of health.

THS Executive is responsible to the Secretary for:

- the administration and management of the THS;
- the performance and exercise by the THS of the functions and powers of the THS; and
- compliance with any directions given to the THS under the Act.

The Health Executive is supported by the following governance subcommittees:

- **Audit and Risk** – provides independent oversight of governance, risk and internal controls for the Department.
- **Budget and Finance** – provides strategic oversight of all elements of the Department's budget and financial management responsibilities.
- **Business Improvement and Reform** – oversees the Department's business improvement and reform program to align with the Department's overarching strategic direction.
- **Clinical Executive** – provides system-wide clinical governance oversight, ensuring risks and issues associated with clinical quality and safety are effectively managed.
- **Infrastructure** – ensures that investment in, and management of, the Department's infrastructure assets supports the effective and efficient delivery of health services in Tasmania.
- **People** – oversees strategic human resources, industrial relations and workforce matters across the Department.
- **Strategic Information Management and Technology** – directs, guides and oversees the governance of Information Communication Technology (ICT) and information management across the Department.
- **System Performance and Forecasting** – provides strategic oversight and direction to the Department's performance management responsibilities and health service activity modelling and forecasting.
- **Work Health and Safety** – provides strategic advice and supports the implementation of major work health and safety operations to improve the safety, health and wellbeing of all employees.

Health Executive members are:



Kathrine Morgan-Wicks PSM, Secretary



Shane Gregory*, Deputy Secretary Infrastructure



Professor Anthony Lawler, Chief Medical Officer and Deputy Secretary Clinical Quality, Regulation and Accreditation



Dale Webster*, Deputy Secretary Community, Mental Health and Wellbeing



Sonj Hall, Deputy Secretary Planning, Purchasing, Performance and Reform



Craig Jeffery*, Chief Financial Officer



Warren Prentice*, Chief Information Officer



Michelle Searle*, Chief People Officer



Susan Gannon*, Chief Executive Hospitals South



Eric Daniels*, Chief Executive Hospitals North/ North West



Sophie Muller, Chief Executive Public Health Services



Joe Acker*, Chief Executive, Ambulance Tasmania



Professor, Francine Douce*, Associate Chief Nurse and Midwife



Lisa Howes, Director, Office of the Secretary



Craig Watson, Executive Director Business Improvement and Reform

*Denotes member of the Tasmanian Health Service (THS) Executive

DEPARTMENT OF HEALTH – GOVERNANCE

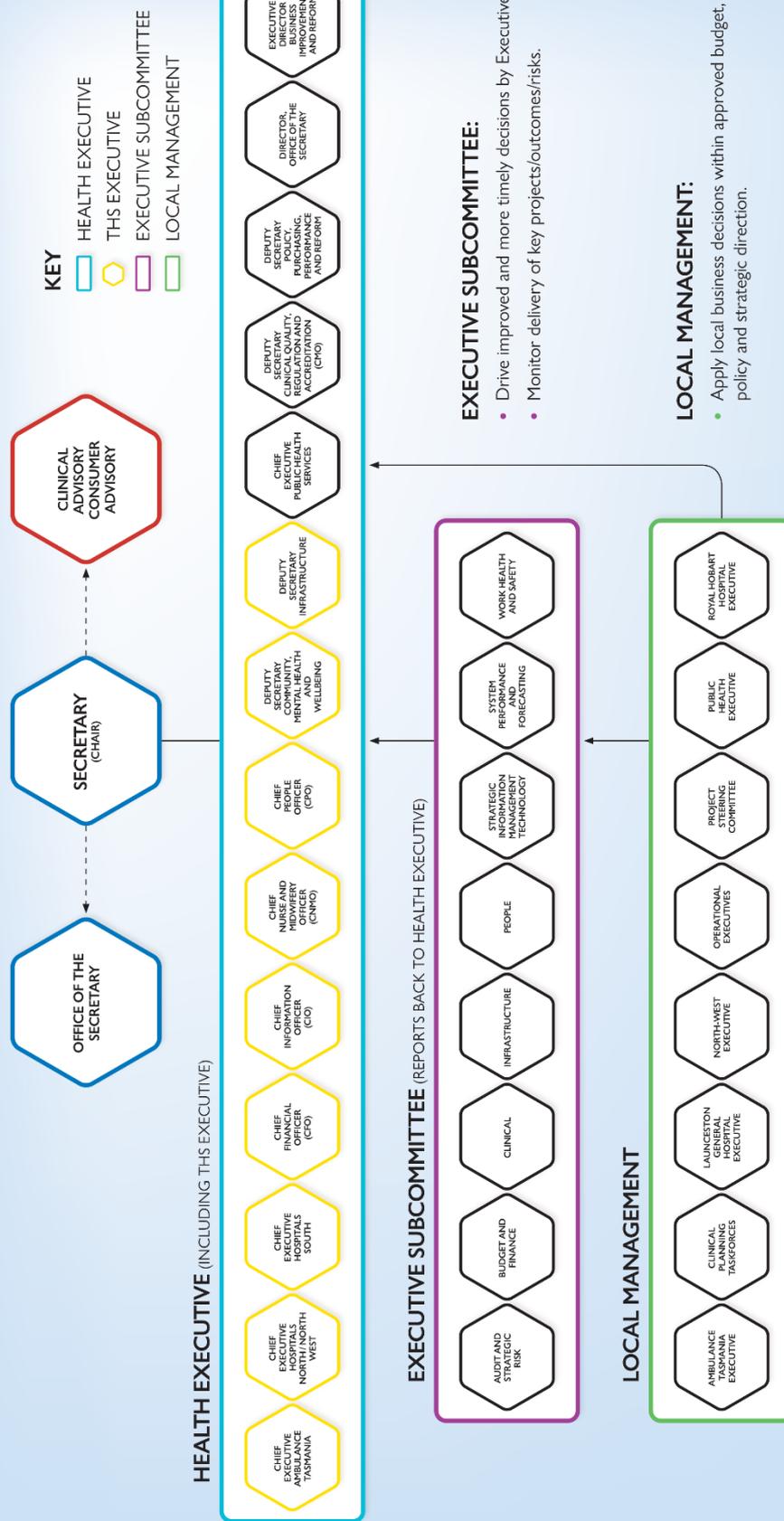


Figure 1 Department of Health governance committee

Clinical Governance and Quality and Patient Safety Services

The **Quality Governance Framework for Tasmania's Publicly Funded Health Services** (Quality Governance Framework) continues to reflect the role of the Department as 'System Manager', including a requirement to ensure governance systems, structures and processes are robust and maintained across the Tasmanian publicly funded health service systems. The commissioning of key project initiatives and review of policy documents continue to support governance systems, ensuring that the delivery of health services is safe, effective, integrated, high quality and continuously improving.

The Tasmanian Health Service's **Clinical Governance Framework** is aligned to the Australian Commission on Safety and Quality in Health Care's National Model Clinical Governance Framework. It is also aligned with the Department's Quality Governance Framework to support THS leaders, clinicians, employees and consumers to develop a shared understanding of roles and responsibilities to 'speak up for safety' and enact sound governance.

The **Root Cause, Quality Improvement Project** continued to progress during the year, with solutions to address identified improvement areas determined in consultation with key stakeholders across the State. The primary solution identified through this process was a refreshed Root Cause Analyses and Actions (RCA²) methodology. This methodology focuses on firstly identifying any system-level issues that may have contributed to a safety event and, secondly, implementing the necessary improvement actions to avoid the recurrence of similar situations and prevent future harm.

The **THS Audit Framework** aligns with the Department's Quality Governance Framework, and the THS Clinical Governance Framework, and is designed to ensure a focus on quality improvement. The Audit Framework outlines an annual schedule of audits that use a suite of seven statewide clinical audit tools developed to meet the Department's monitoring and regulatory reporting requirements. The online-auditing Measurement, Analysis and Reporting System (MARS) is used across the THS to develop audit tools, complete audits and actively respond to audit findings that are flagged within the resulting reports.

The **Safety Reporting Learning System** has been upgraded to increase functionality. One example is additional Mortality Module components – this results in all incoming Coroner's reports and inquest findings being loaded into this Module for dissemination to a core group of clinicians responsible for circulating reports and recommendations to essential staff. There has also been significant work in the test system to create a reporting form for Child Safeguarding Concerns to help Agency staff report potential child safety issues and to capture data for further management of potential issues.

Strengthening Compliance, Policy and Risk Management

Strengthening Compliance Policy and Risk work continues to promote a consistent and standardised approach to establishing, maintaining and improving the effectiveness of our compliance, policy and risk management systems. In October 2021, the Compliance, Policy and Risk Framework Project (CPR Project) began a review of existing frameworks to establish an effective and responsive Agency-wide compliance management system. Previous audits have highlighted gaps and instances of suboptimal performance, which introduces risks for the attainment of strategic priorities and the delivery of high-quality care to Tasmanians. The CPR Project seeks to mitigate these risks, support performance optimisation and remediate legacy Departmental and THS compliance, policy, and risk systems and processes.

The Health Consumer Forum, held in September 2021, provided an opportunity for health consumer partners and representatives of the Health Executive to discuss and collaborate on key matters related to the Department's strategic and operational design, delivery, measurement and evaluation activities. Highlights included the keynote address by Dr Lynne Maher (Innovation and Improvement Clinical Director and Principal of Co-design at Ko Awatea, New Zealand), who provided an overview of enablers for creating service improvements to maximise the benefits of co-design.

In addition, the Premier and Minister for Health, the Hon Jeremy Rockliff MP, presented an update on the *Ministerial Charter: Tasmanian Health Service Act 2018*. He also detailed progress to date on current election commitments to partner with consumers to bring about improvements in the coordination of patient care, outcomes and experiences.

The next Health Consumer Forum will be co-designed by consumer partners in 2023–24.

Health and Medical Research Governance

The Department is committed to embedding research and clinical trials in our health services and increasing opportunities for the Tasmanian community to access novel treatments and care. This year the Department released *Tasmania's Research Strategy: A Three-Year Plan*, the inaugural overarching research strategy for the Tasmanian publicly funded health service. This Strategy serves as a vision for the THS and the Tasmanian community, by harnessing the international and national reform agenda for research and clinical trials in Tasmania, building on the foundations of the Department's Strategic Priority areas for 2021–23.

Leadership and governance at all levels of the THS are central to the success of *Tasmania's Research Strategy*, characterised by:

- improving accountability and transparency by knowing what we do and how we can practise sustainable research and clinical trials better
- ensuring the safety and wellbeing of our participants in research and clinical trials, and ensure our workforce is skilled in the conduct of research
- developing partnerships and collaborations for research and building a strong connectedness with consumers and the Tasmanian community
- promoting the researchers and outcomes of research to our community, within our health services and to potential investors.

“Through innovative research, we will improve the quality and safety of healthcare and the health and wellbeing of all Tasmanians”

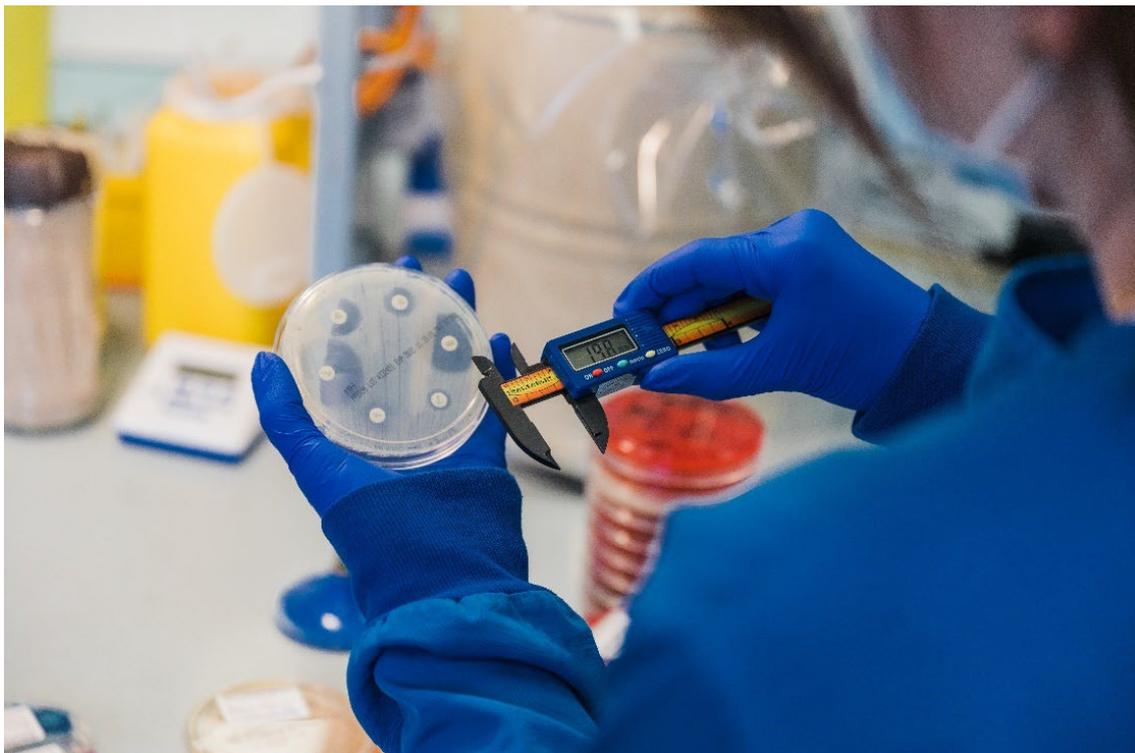


Figure 2 Hospital laboratory

Our Priority Research Areas

Research priorities are a synthesis of government priorities and a response to health trends across the State. These priorities create focus areas for researchers, sponsors and the THS by:

- improving transfer of care for multi-service users
- improving care for specific groups with complex support needs
- reducing low-value care and unwarranted clinical care variation
- reducing the burden of chronic disease and complexity of multi-morbidity
- evaluating policy decisions and assessing impact on clinical service delivery.

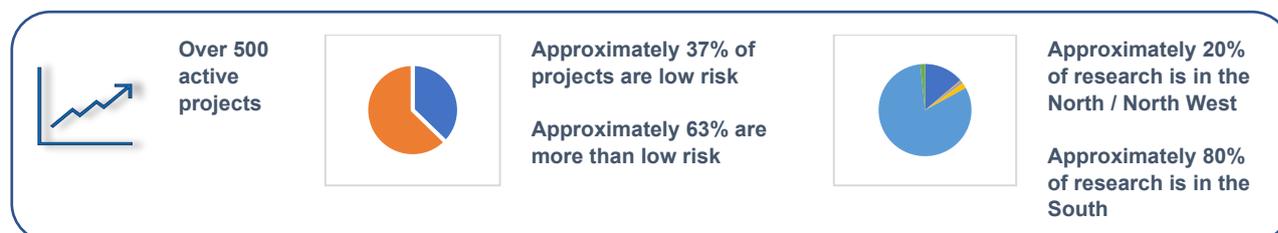


Figure 3 Performance snapshot of the Department's research

COVID-19 Response

Since the start of the pandemic, the THS has strengthened partnerships with other jurisdictions. It has participated in seven multi-centre collaborative research projects that have assessed the impact on adults and children in emergency departments and those with cancer, or who have undergone a surgical procedure and have been affected by COVID-19.

Tasmania – Regional Clinical Trial Coordinating Centre (RCCC) Project

The RCCC Project will be implemented as part of the Australian Teletrial Program, which is funded through Medical Research Future Fund – Rural, Regional and Remote Clinical Trial Enabling Infrastructure Grant. The RCCC Project is a major reform and collaboration of jurisdictions that will benefit patients by allowing treatment to be received closer to home, leading to:

- greater participation in clinical trials with increased family, community and local healthcare support
- reductions in travel and accommodation costs
- improved equity of access to clinical trials and potential new therapies for all Australians.

DEPARTMENT OF HEALTH

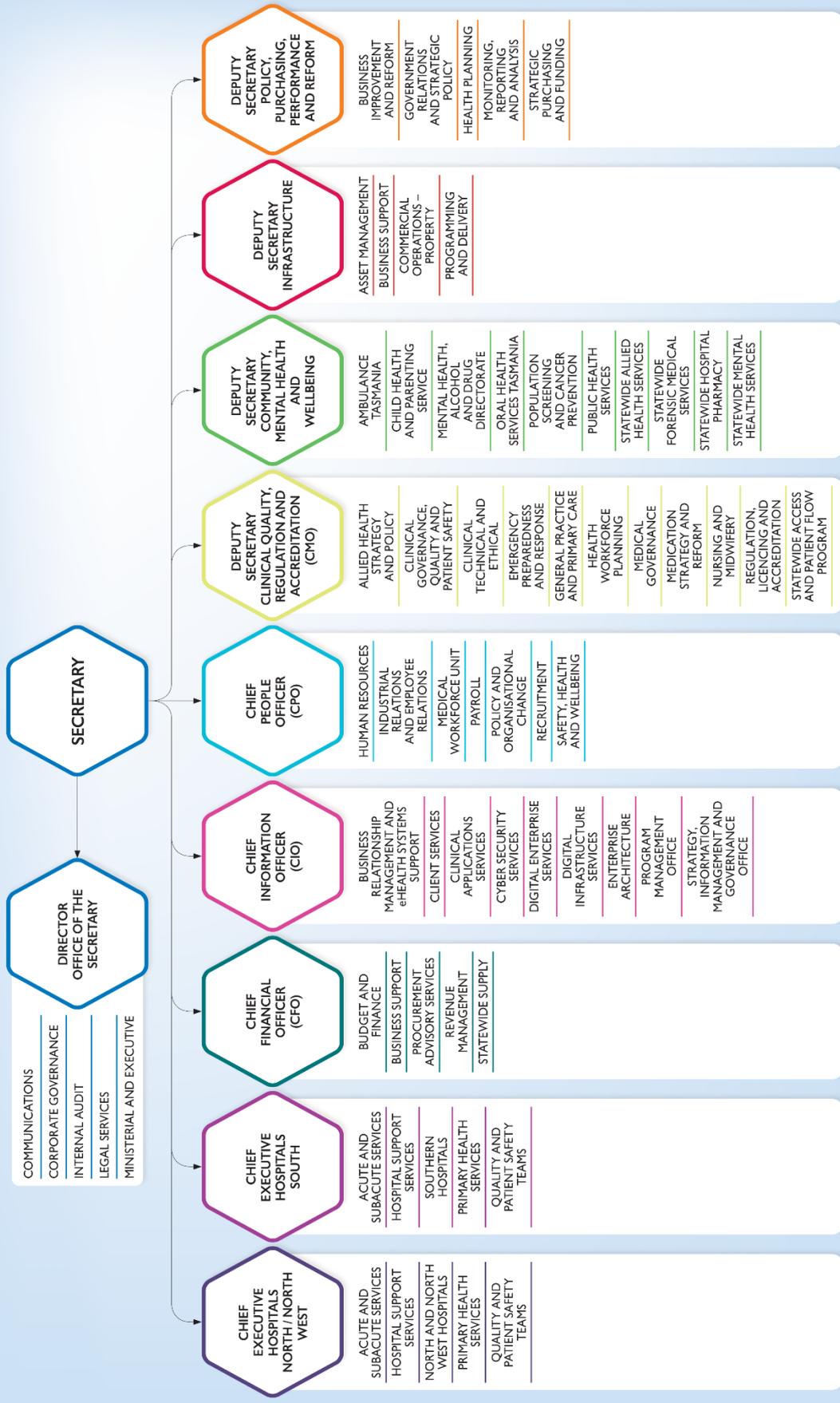


Figure 4 Department of Health organisation chart

DEPARTMENT OF HEALTH SERVICE LOCATIONS

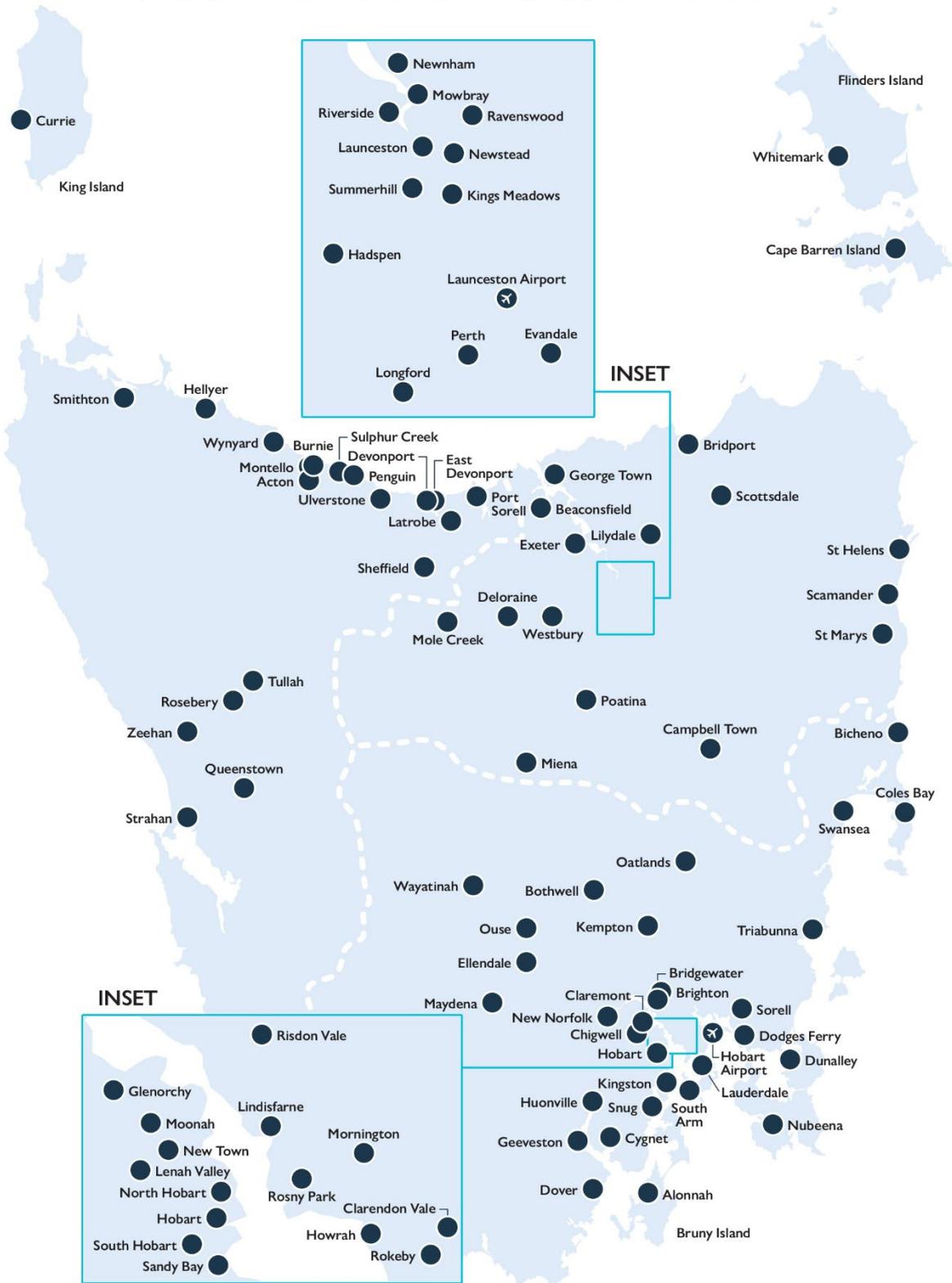
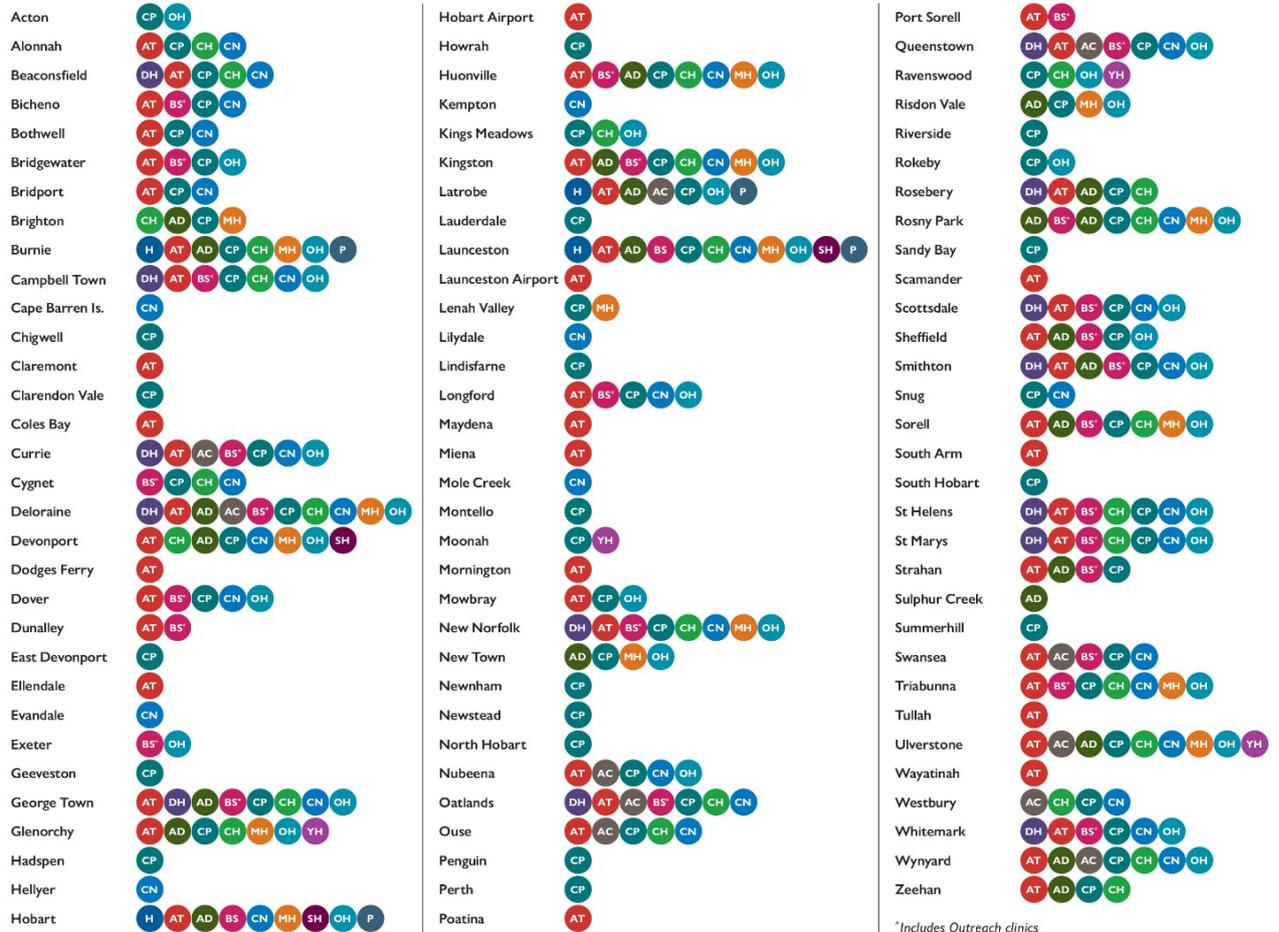


Figure 5 Department of Health service locations map

KEY

- H Hospital
- DH District Hospital
- AT Ambulance Tasmania
- AD Alcohol and Drug Service*
- AC Aged Care Service
- BS Breast Screen Tasmania
- CP Child Health and Parenting Service
- CH Community Health Centre
- CN Community Health Nursing Service
- MH Mental Health Service
- OH Oral Health Service
- P Pharmacy
- SH Sexual Health Service
- YH Youth Health Service



*Includes Outreach clinics
*Mobile units visit this location
August 2022 v1

Figure 6 Department of Health service locations key

Our Groups

The information below explains the key roles and functions of each area.

Clinical Quality, Regulation and Accreditation

Clinical Quality, Regulation and Accreditation (CQRA), led by Deputy Secretary and Chief Medical Officer Professor Anthony Lawler, consolidates specialist clinical and professional advice on clinical quality, regulation, accreditation, professional and workforce issues impacting the Tasmanian health system and in response to national and international agendas.

The Group ensures there are policy, regulatory, quality, strategic workforce and clinical governance frameworks across public and private health services in Tasmania. These frameworks aim to shape a health workforce that meets the needs of the community and the workforce and support all elements of the health system to safeguard patient, client and employee safety. This includes through structured credentialing and scope-of-practice processes for relevant health professionals; high-quality, safe, equitable and cost-effective use of medicines; engaging and collaborating with stakeholders to identify workforce barriers and opportunities; and high-quality research in the health system aimed at improving outcomes for Tasmanian patients and facilitating equity of access to national and international research trials.

The Group includes the following units:

- Allied Health Strategy and Policy
- Clinical Governance, Quality and Patient Safety
- Clinical, Technical and Ethical Advice
- Emergency Preparedness and Response
- General Practice and Primary Care
- Health Workforce Planning
- Medical Governance
- Medication Strategy and Reform
- Nursing and Midwifery
- Regulation, Licensing and Accreditation
- Statewide Access and Patient Flow Program.

CQRA provides health professional policy and leadership oversight for the Tasmanian public health system. Lead roles include the Chief Medical Officer, Chief Nurse and Midwifery Officer, and Chief Allied Health Advisor, and key functions include contributing to national discussions on registration and accreditation, the credentialing of health practitioners, and collaborating on local and national clinical, technical and ethical health policy. The delivery of *Health Workforce 2040*, a key output of the *Our Healthcare Future* reform agenda, also sits with CQRA.

The Group also supports the development of emergency preparedness and response capability across the Agency and has been key to the operation of the Tasmanian Health Service Emergency Operations Centre during the COVID-19 pandemic.

The Group is responsible for working with key stakeholders in general practice and primary care to inform policy and service reform, foster collaboration, promote the benefits of an effective general practice and primary care service, and reduce workforce maldistribution in rural general practice and primary care.

The Group also oversees medication safety policy and delivery, including medications purchasing, Quality Use of Medicines policy, and the Tasmanian Medicines Formulary. CQRA provides 'system management' oversight of the adherence of care to the principles of the *Quality Governance Framework for Tasmania's Publicly Funded Health Services*. The Group also undertakes regulatory functions on behalf of the Minister under the Australian Health Service Safety and Quality Accreditation Scheme, for both public and private health service accreditation. This includes the licensing of private Health Service Establishments on behalf of the Secretary under the *Health Service Establishments Act 2006* and *Health Service Establishments Regulations 2021* and for non-emergency patient transport under section 35D of the *Ambulance Service Act 1982*.

Sitting within CQRA, the Statewide Access and Patient Flow Program is responsible for developing a system-wide framework for integrating, delivering, and monitoring programs of work aimed at improving patient access and flow. This work takes a holistic systems perspective of patient journeys, with a focus on improving the efficient movement of patients throughout our health system, so that they are able to access high-quality, timely care.

Community, Mental Health and Wellbeing

Community, Mental Health and Wellbeing, led by Deputy Secretary Dale Webster, manages the delivery of a broad range of community-facing health services, with a strong focus on preventative health, health promotion and improvement services. The Community, Mental Health and Wellbeing Group includes:

- Ambulance Tasmania
- Child Health and Parenting Service
- Mental Health, Alcohol and Drug Directorate
- Office of the Chief Psychiatrist
- Oral Health Services Tasmania
- Population Screening and Cancer Prevention
- Public Health Services
- Statewide Allied Health Services
- Statewide Hospital Pharmacy Services
- Statewide Mental Health Services
- Statewide Forensic Medical Services.

Ambulance Tasmania

Ambulance Tasmania is led by Chief Executive Joe Acker. Emergency ambulance services operate from 57 locations across the State that are staffed by a combination of paramedics, doctors and volunteers. This includes 16 Metropolitan/Urban stations where paramedic crews are rostered 24 hours per day; nine Double Branch stations where a paramedic is rostered 24 hours a day, with volunteer support; 17 single branch stations where a paramedic is rostered on day shift and available on call after hours, with volunteer support; 11 Volunteer Only stations; and four Community Emergency Response Teams. Through this network, Ambulance Tasmania dispatches and coordinates its fleet of road ambulances, fixed-wing, rotary-wing and non-emergency patient transport services via the Communications Centre.

"In 2021–22, three single branch stations were upgraded to double branch stations, Dodges Ferry, Sheffield and St Helens."

A team of highly qualified paramedics based in urban and rural areas, and approximately 400 Volunteer Ambulance Officers, collectively provides emergency medical response services across the State. Ambulance Tasmania's Secondary Triage service, commenced in 2021, provides lower acuity patients, who are assessed as not requiring an emergency ambulance response, with a referral to alternative medical care pathways. In addition, Extended Care Paramedics provide patient assessment and medical services that allow patients to be treated at home rather than attend hospital. These alternative care pathways ensure triple-0 callers receive the right care, in the right place, at the right time. Recognising the importance of accessing life-saving equipment as quickly as possible, there are currently 1 480 community defibrillators registered with Ambulance Tasmania under the Early Access to Defibrillation Program.

"We now have almost 1500 community defibrillators across the State with 90 provided in 2021–22."

Child Health and Parenting Service

The Child Health and Parenting Service (CHaPS), led by Acting Nursing Director Nicole Kinghorn (and Dominica Kelly from July to December 2021), provides a statewide THS community-based service to families with children aged 0–5 years. The work of CHaPS clinicians supports and enhances optimal health and developmental outcomes for Tasmanian children and families.

CHaPS provides nationally recommended growth and developmental surveillance and screening, enhancing parental confidence and capability through provision of health-focused services tailored for clients. Additional support is provided for those experiencing perinatal mental health challenges, breastfeeding concerns, family violence and identified risk factors that may impact the development and safety of an infant, child, and their caregiver/s.

Services are delivered through provision of appointments in clients' homes, clinic settings, and parenting centres and via telehealth. The service operates from over 70 community-based locations across Tasmania, including standalone CHaPS centres, co-location with other services (eg non-government organisations) and Department of Education Child and Family Learning Centres.

Mental Health, Alcohol and Drug Directorate

The Mental Health, Alcohol and Drug Directorate, led by General Manager George Clarke, supports the delivery of mental health, alcohol and drug services across Tasmania. The Directorate focuses on the needs of consumers and carers through sustainable, accessible and safe services.

The Directorate undertakes projects, reform, research, policy development, monitoring, evaluation and grants management. It also works on promotion, prevention, early intervention measures and stigma-reduction initiatives. This assists in promoting and raising awareness of mental health, alcohol and other drug issues within the community. The Directorate works closely with the Office of the Chief Psychiatrist on local and national mental health, suicide prevention, strategy and policy development activities.

Office of the Chief Psychiatrist

The Office of the Chief Psychiatrist, together with the Tasmanian Civil and Administrative Tribunal and Official Visitors, provides review and oversight of the assessment, treatment and care for people with mental illness. This involves assisting patients and staff to understand their rights and responsibilities, while ensuring assessment, treatment and care in the least restrictive setting. Treatment and care must be consistent with clinical needs and follow legal and judicial constraints. Public safety, in addition to patient health, safety and welfare, are key to decision-making.

The Chief Psychiatrist includes the statutory roles of the Chief Civil Psychiatrist and Chief Forensic Psychiatrist established under the *Mental Health Act 2013*. Dr Aaron Groves has undertaken both roles and functions.

Oral Health Services Tasmania

Oral Health Services Tasmania, led by Group Manager Rick Monty, provides dental services to eligible Tasmanians, including adults who are holders of a current health care card or pensioner concession card. The children's dental service is a universal service for all Tasmanians aged 0–17 years.

The service operates from over 30 sites across Tasmania, including:

- major centres in Burnie, Devonport, Launceston, Clarence, Glenorchy and Hobart
- clinics in health centres, district hospitals and some public schools
- three special care dental units in the major hospitals
- two mobile dental units in rural areas
- three school-based dental vans.

Population Screening and Cancer Prevention

Population Screening and Cancer Prevention, led by Director Dylan Sutton, oversees the delivery of the three national cancer screening programs to the Tasmanian population:

The **Tasmanian Bowel Cancer Prevention Program** (National Bowel Cancer Screening Program) sends a bowel screening kit every two years to all Australians aged 50–74. Tasmanian bowel screening nurses support Program participants who receive a positive screening test to access colonoscopy for a definitive diagnosis.

The **Tasmanian Cervical Cancer Prevention Program** (National Cervical Screening Program) recommends women aged 25–74 have a Cervical Screening Test every five years.

BreastScreen Tasmania provides free screening mammography every two years to women aged 40 and over (women aged 50–74 as a priority) in 34 locations in Tasmania. It operates through its two fixed locations in Hobart and Launceston and its two mobile screening units that visit outer regional and remote areas.



Figure 7 BreastScreen Tasmania bus at Huonville

The area's health promotion unit, Screening Recruitment and Cancer Prevention, is responsible for encouraging Tasmanians to participate in the screening programs. It provides community education and support, in collaboration with other agencies, to encourage cancer-preventing health behaviours by Tasmanians.

Public Health Services

Public Health Services, led by Chief Executive Sophie Muller (since December 2021), protects and improves the health of all Tasmanians by helping them to make healthy choices and to live in safe environments.

The service also includes the statutory role of the Director of Public Health, Dr Mark Veitch, who leads public health responses, such as to COVID-19. This also includes preparing for and responding to new and emerging public health threats.

Public Health Services works with a range of partners to develop and deliver public health policy, plans, research, grants, programs and information. It administers public health legislation, including the *Public Health Act 1997*, *Radiation Protection Act 2005* and *Food Act 2003*.

The Chief Pharmacist, Peter Boyles, is located within Public Health Services and oversees the administration of legislation that provides for the possession, supply and use of medicines and poisons.

Statewide Allied Health Services

Statewide Allied Health Services, led by Executive Director Paula Hyland, oversees the implementation of the National Disability Insurance Scheme (NDIS) and International Dysphagia Diet Standardisation Initiative into the University of Tasmania Allied Health Expansion Project, and the THS Allied Health Research Strategy and Pain Management Strategy for Tasmania. New service developments in 2021–22 include the Voluntary Assisted Dying Navigation Service, Post COVID-19 Syndrome Service, and allied health workforce recruitment and development.

“We are establishing the Voluntary Assisted Dying Navigation Service to help Tasmanians understand and access voluntary assisted dying.”

The service also provides strategic support for the three regional Directors of Allied Health and the other allied health professionals in Community,

Mental Health and Wellbeing. It has direct reporting responsibility for the statewide TasEquip program to provide essential equipment to palliative care clients, those discharging from hospital and eligible clients in the community.

Statewide Hospital Pharmacy

Statewide Hospital Pharmacy, led by Executive Director Tom Simpson, provides hospital pharmacy services to patients of Tasmania’s acute public hospitals through onsite pharmacy departments and a remote service to the district hospitals.

Services include clinical and specialist pharmacy services, dispensing medications, onsite doses of chemotherapy, involvement in local, national and international clinical trials, and specialist support services including the telehealth-based Remote Clinical Pharmacy service.

Statewide Mental Health Services

Statewide Mental Health Services (SMHS) is led by the Deputy Secretary with operational and clinical leadership from the Executive Director of Nursing/Director of Services Catherine Schofield and the Executive Director Medical Services Ben Elijah (since September 2021). SMHS supports a wide range of clients, including people experiencing complex mental health, alcohol and drug issues, and supports corrections primary health. Services include the provision of inpatient, hospital-based and community-based services, with many provided in partnership with community sector organisations.

Access Mental Health is a mental health support, triage, and referral phone line delivered by the Department in partnership with Lifeline Tasmania. It operates from 9am to 10pm every day to support the Tasmanian community and make it easier to access the Tasmanian mental health system.

SMHS consists of the following services:

Adult Mental Health Service offers a free, confidential service for adults aged 18 to 65 years who have severe and complex mental health conditions. This statewide service includes assessment, treatment, support and education, which are provided via a range of community-based and inpatient services. Professional clinical teams provide assessment and treatment to adults across a variety of services, including:

- advice and information about services to assist with mental health problems
- assessment, treatment and rehabilitation for people with serious mental illness
- extended treatment, support and care for people with persistent or recurring mental illness.

The Adult Mental Health Service also works with other service providers, doctors (GPs), private health care providers and emergency services.

Alcohol and Drug Service provides treatment to individuals and their families affected by alcohol, tobacco and other drug use. Within the Alcohol and Drug Service, support is provided by specialist medical and nursing professionals across four service delivery areas: Withdrawal Management, Opioid Pharmacotherapy Program, Consultation Liaison and Psychosocial Interventions. Other specialist programs operate as required. The range of current programs, interventions and treatment services include the:

- Consultation Liaison Service based at the Launceston General Hospital (LGH) and Royal Hobart Hospital (RHH), which supports clinical staff by providing expert assessment, information, brief intervention, advice and often shared care in the clinical management of admitted patients
- Smoking Cessation Program, which provides education and support to health professionals in conducting brief smoking cessation intervention with their patients to help them quit smoking
- Opioid Pharmacotherapy Program, which manages the prescribing of regular doses of opioid substitution drugs to assist patients to stabilise their lives and improve their physical and mental health, social functioning and relationships.

Child and Adolescent Mental Health assists infants, children and young people up to 18 years of age who are experiencing severe and complex mental health difficulties, and their families or caregivers.

Forensic Mental Health Services undertakes highly specialised interventions and clinical activities by providing community and inpatient mental health care for people who are in contact with the justice system and experiencing mental illness. There are community teams in the North and South, and inpatient care is provided at the Wilfred Lopes Centre in the South. Forensic Mental Health Services also operates the Correctional Primary Health Service, providing primary health care, treatment and specialist referral for people in the Tasmanian Prison Service and across a range of correctional facilities.

Older Persons Mental Health delivers care to those 65 years or older who have a serious mental illness, or behavioural and psychological symptoms of dementia. Care in the community is delivered in partnership with consumers, family and carers. Statewide inpatient services are provided at the Roy Fagan Centre in the South.

Perinatal Mental Health Services provides assessment and treatment for mothers during pregnancy and early parenthood.

Statewide Forensic Medical Services provides forensic pathology and non-clinical forensic medical services to other branches of the Department/THS, Tasmania Police, the Justice Department and other agencies at a state, national and international level. These services include impartial advice, support and opinion, expert training and comprehensive death and other ancillary forensic investigations, including forensic toxicology interpretation, anthropology and forensic odontology. The Director of Statewide Forensic Medical Services is also appointed by the Minister for Justice to be the State Forensic Pathologist under section 17 of the *Coroners Act 1995* with functions and powers under section 18 of the Act.

Finance and Business Support

Finance and Business Support, led by Chief Financial Officer Craig Jeffery, undertakes finance, revenue, procurement, supply and business support activities for the Department, including the THS. The area develops and manages the Department's budget in liaison with operational areas and the Department of Treasury and Finance.

Finance and Business Support reviews, analyses and reports on financial outcomes across the Department through cost accounting, business analysis, taxation compliance (superannuation, GST, FBT and payroll tax), financial risk management and fraud prevention.

The area also develops and manages procurement and supply systems and strategies in compliance with the Treasurer's Instructions when purchasing goods and services.

Human Resources

Human Resources, led by Chief People Officer Michelle Searle (since March 2022), provides expert support and advice on all workforce-related matters across the Department. The area provides leadership in recruitment, workplace health, safety and wellbeing, and HR policy. Human Resources also provides specialist HR advice and supports and leads the management and negotiation of statewide awards, agreements and industrial disputes. The area is also responsible for managing the payroll and benefits for all staff.

Hospitals North/North West

Hospitals North/North West is led by the Chief Executive, Eric Daniels, supported by members of the Hospitals North Executive and Hospitals North West Executive.

Hospitals North

The Hospitals North Executive is responsible for a broad range of health care services. Launceston General Hospital (LGH) is the principal referral hospital for the North and North West of Tasmania, being at Level 5 in the Tasmanian Role Delineation Framework (TRDF). Many specialist medical services are provided at LGH and include:

- general medicine, rehabilitation, neurology and acute stroke management, gastroenterology, diagnostic and interventional cardiology, nephrology, respiratory medicine, critical care and emergency medicine, and endocrinology
- surgery and perioperative services, including general surgery, gastric and colorectal surgery, orthopaedics, plastics and urology
- women's and children's services, including obstetrics and gynaecology, maternal and neonatal, and paediatrics.

LGH also delivers extensive outpatient and ambulatory services for the local community, these being patient-centred and provided by multidisciplinary practitioners, including doctors, nurses, allied health practitioners as well as clinical support staff.

Hospitals North also provides healthcare services within Primary Health North (PHN). These include:

- district hospitals across the North geographical area, including Flinders and Cape Barren Islands (the district hospitals provide inpatient and ambulatory health care services supported by general practitioners and other healthcare professionals; a number of our district hospitals also provide residential aged care under state or federal funding arrangements)
- community health care centres that incorporate clinics and ambulatory services supported by a diverse range of healthcare practitioners
- community nursing services
- community palliative care services
- a number of special programs that support care in the home, including the Community Rapid Response Service (ComRRS) in the North.

Hospitals North West

The Hospitals North West Executive is likewise responsible for a broad range of healthcare services across the North West of Tasmania, similar to those provided at LGH but generally at a lower level of complexity. There are two major hospitals in the North West of Tasmania.

North West Regional Hospital (NWRH) at Burnie provides an extensive range of healthcare services to the North West population, including medical and surgical services within its designated level in the TRDF. NWRH is also the main referral hospital for the North West. More complex patients requiring higher level specialist care are referred to either LGH or the Royal Hobart Hospital if required.

Mersey Community Hospital (MCH) in Latrobe maintains a 24-hour emergency department and inpatient care in medicine and rehabilitation. MCH also provides access for day surgery and endoscopy services consistent with its role in the TRDF. It is undergoing major infrastructure works to enhance its capacity in this area as well as an expanded outpatient and ambulatory care unit.

As with Hospitals North, Primary Health North West (PHNW) has three district hospitals at Smithton, King Island and the West Coast at Queenstown. West Coast and King Island include residential aged care capacity. PHNW also provides a broad range of district hospital and community-based services across a diverse geographical and demographic area.

Hospitals South

Hospitals South is led by Chief Executive Susan Gannon. Services delivered include acute, subacute, emergency, non-admitted, tertiary maternity and paediatric, primary health care, palliative care, and community services such as allied health, community nursing, home care and health promotion. Hospitals South also provides several statewide tertiary services.

Hospitals South runs a number of health facilities. The RHH is the tertiary referral hospital for the State. Other facilities include two rural hospitals, residential aged care services at the Midlands Multi-purpose Centre, and 12 health centres.

Statewide Hospital Services

Services delivered by statewide hospital services are run from Hospitals South as the triaging centre for the State and include the following:

The **Tasmanian Burns Service** is coordinated through the Tasmanian Burns Unit, which is based at the RHH. The Unit is the statewide provider of specialised care in the management of burn injuries for paediatric and adult patients. Due to the complexity of burn injuries, the Burns Unit provides patients with access to a collaborative statewide service, coordinating the specialist, multidisciplinary care needed to effectively manage these injuries. This includes providing expertise in wound management and supporting patients with scar management treatment options to aid their long-term recovery. The Tasmanian Burns Unit also facilitates specialist training for staff, provides education and training to rural and regional clinicians, and collaborates with the community and industry groups on burns prevention and first aid.

Cardiology/Cardiothoracic Services involves prevention, investigation, diagnosis, treatment and management of a range of adult cardiac diseases, eg coronary artery disease, valvular heart disease, arrhythmias, heart failure, pulmonary hypertension and adult congenital heart disease. Services include emergency care, acute care, angiography, interventional care, diagnostic services, cardiac surgery, cardiac rehabilitation, and ongoing care for patients with chronic cardiac conditions.

Based at the RHH, the Department of **Diving and Hyperbaric Medicine** is the State referral centre for all diving-related injuries and illnesses (eg decompression sickness, gas embolism), and non-diving-related medical conditions that may benefit from hyperbaric oxygen treatment (eg necrotising fasciitis, gas gangrene, chronic hypoxic diabetic ulcers, osteoradionecrosis, soft-tissue radiation injury). Enhanced capabilities, installed as part of the RHH Redevelopment, have enabled the department to expand its activities into aerospace medicine and other extreme environments. It works closely with the Australian Antarctic Division, the University of Tasmania's Centre for Antarctic, Remote and Maritime Medicine and a wide range of other national and international institutions.

DonateLife coordinates a locally focused organ and tissue donation service for all Tasmanians, to provide quality care of the donor family at end of life using the best practice model for organ and tissue donation.

Gynaecology Oncology Services provides coordination and care of women with gynaecological malignancy, providing expertise in radical pelvic and abdominal surgery through the RHH, with outreach clinics at LGH and NWRH.

The RHH is the State referral centre for the **Jack Jumper Allergy Program**. Jack jumper ant venom immunotherapy (desensitisation) is available at the RHH at a specialised Jack Jumper Allergy Unit. While treatment is also available at the NWRH, patients must be stable on treatment before care is transferred from RHH to the low-risk clinic at the NWRH. The Program also manufactures jack jumper ant venom products for treatment of patients with anaphylaxis to the jack jumper sting in Tasmania, Victoria and South Australia.

Maternity Services are delivered in the North and South of the State. In the North West, maternity services are provided in an integrated model (North West Private Hospital and the THS) supported by key clinical staff from the THS. The RHH provides tertiary referral services for complex pregnancies and births. This is supported by the Maternal Foetal Medicine Service and Neonatal Services.

The **Neurosurgery Unit** is a statewide tertiary centre based at the RHH receiving elective and emergency neurosurgery and neurology patients from across the State. The Unit has a total of 24 beds, including four to six neurosurgical high-dependency beds and four neurology specialty beds. The Unit provides services in relation to, but not limited to:

- acute and degenerative neurological conditions
- any disorder requiring spinal or cerebral surgical intervention
- central nervous system infections
- cerebrovascular abnormalities
- congenital disorders such as Chiari malformations or syrinx
- neuro-oncology
- epilepsy
- hydrocephalus
- neuro-trauma of head, spine and peripheral nerves
- degenerative tumours and complex spinal conditions
- paediatric neurosurgery
- tracheostomy support.

Neonatal and Paediatric Emergency Transport Service provides safe, emergency and non-emergency transportation for neonates and critically ill children between hospitals intrastate and interstate, by road, fixed-wing aircraft or helicopter.

Paediatric Neurology Service is a multidisciplinary service to improve the health outcomes of infants, children and adolescents with disorders of the brain, nerves and muscles. Areas of expertise include epilepsy, demyelination, neuromuscular diseases, paediatric stroke and suspected degenerative neurological disorders.

Paediatric Oncology and Hematology Services provides care and treatment for children and their families with the diagnosis and management of childhood cancer. A multidisciplinary approach to care is taken and, where possible, care is delivered close to home or in collaboration with the Royal Children's Hospital and Peter MacCallum Cancer Centre in Victoria.

Paediatric Rehabilitation Service provides support with care planning and resources associated with St Giles therapy services. These are services provided by specialists in early childhood intervention and NDIS disability support services.

Paediatric Surgery Service is a consultant-delivered specialist service for babies and children up to 14 years of age, providing general and neonatal surgery, paediatric urology and outreach clinics at the LGH.

Paediatric Cystic Fibrosis Service provides care across three multidisciplinary teams caring for children and their families affected by cystic fibrosis, based at the RHH, LGH and NWRH and, in some cases, in collaboration with the Royal Children's Hospital, Melbourne.

Sexual Assault Forensic and Medical Services provides child and adult medical forensic support.

Sexual Health Service operates clinics in Hobart and Launceston, and an outreach clinic in Devonport. The service delivers a range of clinical and counselling services that relate to gender identity, HIV care, sexual activities, sexual health checks, sexual response and desire, and sexually transmitted infection diagnosis and treatment.

Spectacles Assistance Scheme provides a subsidy towards the cost of prescription spectacles, intra-ocular lenses, low vision aids, frames and eye prostheses for financially disadvantaged Tasmanians.

Statewide Audiology Service is a multidisciplinary service that provides the Tasmanian Infant Hearing Screening Program, diagnostic audiology for infants, children and adults, and the Tasmanian Cochlear Implant Program (paediatric and adult service). The Service works closely with specialists who have an interest in childhood hearing loss from the THS Ear Nose and Throat, Paediatrics and Genetics departments.

Tasmanian Adult Cystic Fibrosis Unit (TACFU) provides quality healthcare to individuals with cystic fibrosis throughout the State. The TACFU consists of a multidisciplinary team implementing the Australian Standards of Care for the management of cystic fibrosis within each discipline. The TACFU consistently implements standards of care to all patients within the State to achieve positive patient outcomes, including but not limited to improved quality of life, decreased hospitalisation, maintaining functional capacity and improved vocational participation, including education, employment and social engagement.

Tasmanian Clinical Genetics Service provides assessment, diagnosis, genetic testing, management advice, counselling and support for individuals and families who have, or are at risk of having, a genetic condition.

Tasmanian Gender Service provides assistance to children and young people up to 16 years, and their families, who are experiencing gender-related issues. The service provides multidisciplinary, person-centred care that is consistent with the Australian Standards of Care and Treatment Guidelines for Trans and Gender Diverse Children and Adolescents. The service has a network of support throughout the State and works closely with the Gender Service of the Royal Children's Hospital in Melbourne.

The statewide **Trauma Service** is a multidisciplinary service based at the RHH, which is designated as a Level six trauma facility in the Tasmanian Role Delineation Framework. This means that RHH is resourced to provide the full spectrum of care for injured patients, spanning multiple specialties across all phases of care, including pre-hospital, emergency, intensive care, surgery, medicine, and rehabilitation. The role of a trauma service is to establish an environment that promotes a coordinated model of care for injured patients through robust clinical governance, collection of high-quality data, implementation of the Trauma Quality Improvement Program, trauma case management, interdisciplinary trauma education, trauma-related research and injury prevention.

The **Department of Vascular and Endovascular Surgery (DOVES)** provides a comprehensive vascular service to the population of Tasmania, including, but not limited to:

- open and endovascular repair of abdominal aortic aneurysms
- endovascular repair of thoraco-abdominal aortic aneurysms
- open and endovascular intervention for carotid artery disease
- open and endovascular intervention for occlusive peripheral arterial disease
- shared management of the diabetic foot with Endocrinology and Infectious Disease departments
- varicose vein surgery
- endovascular intervention for acute and chronic venous conditions
- renal access surgery.

A range of **Youth Health** services for people aged 12 to 24 are offered throughout the State, providing young people with free and confidential health and wellbeing services. This includes support and information on any issue affecting health and wellbeing, health promotion, group programs and referral to other services.

Health Information and Communications Technology

Health Information and Communications Technology (Health ICT) is led by the Chief Information Officer, Warren Prentice. The Group provides strategic leadership for planning, development, procurement and management of information systems and information and communication technologies. Providing frontline support to clinical services enables the delivery of safe, effective and high-quality integrated patient and client care.

The Group is also responsible for program and project management, information security advice and ICT vendor and contract management. It provides high-level advice on digital health strategy, investment and delivery, as well as the implementation of systems and technologies for effective information management and governance.

Infrastructure

Infrastructure, led by Deputy Secretary Shane Gregory, is responsible for the delivery of health facilities and non-IT assets, as one of the Department's strategic priorities: Building the Infrastructure for our Health Future.

Delivery of this strategic priority, which recognises infrastructure as a key enabler for delivery of health services, includes the implementation of a strategic asset management approach to the planning, delivery and management of the Department's health infrastructure and medical asset portfolio.

The key functions of the Infrastructure Group include strategic asset management; infrastructure master planning; capital works delivery; critical infrastructure risk management; management of property leases and office accommodation; and managing the motor vehicle fleet.

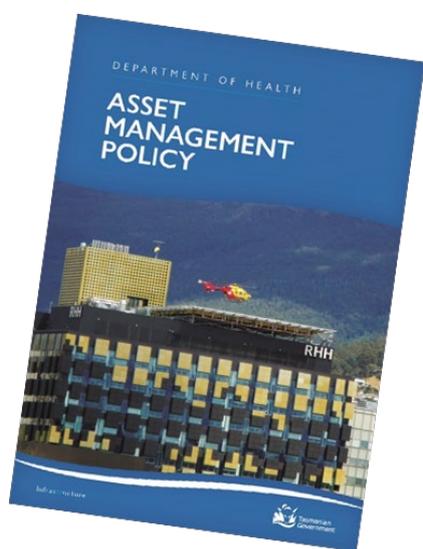


Figure 8 Asset Management Policy document

Policy, Purchasing, Performance and Reform

Policy, Purchasing, Performance and Reform, led by Deputy Secretary Dr Sonj Hall (since March 2022), delivers the core system functions of strategic planning, purchasing, performance analytics and management, and reporting. This ensures that our health services are planned, purchased and monitored in an evidence-based, effective, and efficient manner that optimises the health and wellbeing of Tasmanians.

The Portfolio encompasses intergovernmental relations, representing Tasmania at the national and local level, translating policy, funding, and pricing directions into practice. Responsibility is held for managing the Department's government relations agenda such as negotiating intergovernmental agreements and providing advice to the Health Executive in relation to Ministerial Councils and their subcommittees.

Office of the Secretary

The Office of the Secretary led by Director, Lisa Howes, provides high-level public administration, parliamentary and corporate governance, audit, communications and legal support and advice to the Secretary, portfolio minister and, more broadly, the Department.

The Unit includes:

- Commission of Inquiry – Response and Reform
- Strategic Communications and Media
- Governance, Ministerial and Executive Services
- Internal Audit
- Legal Services.



Our Strategic Priorities

Introduction

While the delivery of health services remains our core business, we are also focused on delivering a number of key priorities to help improve the health and wellbeing of Tasmanians. Launched in August 2021, the Department's [Strategic Priorities 2021–23](#) are assisting us to progress the immediate actions identified in the *Our Healthcare Future* consultation paper, which include digital transformation, long-term infrastructure development and workforce planning, improved access to services, and new models of care.

The Strategic Priorities, endorsed and championed by the Health Executive, set out our priorities, actions and enablers to ensure all Tasmanians receive the best possible health services. The six priority areas detail our planned improvements and incorporate other key factors, such as Government election commitments and the Department's priority projects and activities:

1. Continuing to respond to the COVID-19 Pandemic
2. Improving Access and Patient Flow across our Health System
3. Delivering care in clinically recommended times
4. Reforming the delivery of care in our Community
5. Prioritising Mental Health and Wellbeing
6. Building the Infrastructure for our Health Future.

We are supporting the achievement of these priorities through three key areas of focus to help us build and maintain strong internal foundations within the Department:

1. Build and develop a sustainable and positive workforce we need now and for the future
2. Strengthen our governance, risk and financial management, performance and accountability
3. Strengthen clinical safety, quality, and regulatory oversight.

Alongside our efforts to respond to the COVID-19 pandemic, work has also progressed within each strategic priority and key focus area, with implementation of a significant number of actions either in progress or already complete.



Figure 9 Department of Health Strategic Priorities 2021–23



Continuing to respond to the COVID-19 Pandemic

Our COVID-19 preparedness is constantly reviewed, tested and refined to ensure the health system maintains the capacity to respond quickly to the emergence of positive cases and potential outbreaks of COVID-19 in Tasmania. Since the beginning of the pandemic, and particularly in financial year 2021–22, we have delivered a range of programs and initiatives to help respond to COVID-19 and keep Tasmanians safe.

Public Health and Social Measures

Under the *Public Health Act 1997*, public health directions supported effective responses to keep Tasmanians safe. A total of 45 directions have been made. Most of these were to implement Public Health and Social Measures that aim to reduce contact between people and slow the spread of the virus.

At the beginning of 2021–22, after a relatively stable period and the easing of some restrictions, the risk environment changed significantly when Delta, a more contagious and severe variant of COVID-19, became dominant in Australia. Strong Public Health and Social Measures were implemented in response to the high-risk environment at this time, including mask-wearing and vaccination requirements, density limits to prevent overcrowding, restrictions on high-risk activities such as dancing and alcohol consumption, and a three-day lockdown in southern Tasmania.

By the end of 2021–22, Tasmania had moved from an initial highly cautious approach to accepting a moderate level of risk and a transition to managing waves of the highly transmissible but less severe Omicron variant of COVID-19. On the basis of public health advice on the risk level, this led to the removal of remaining Public Health and Social Measures and the emergency declaration on 30 June 2022.

Testing and Case Management

Early detection of COVID-19 cases through PCR and rapid antigen tests (RATs) remained a critical strategy for preventing and controlling community transmission, with the ability to scale testing services up and down as needed. Rapid detection of COVID-19 cases enables individuals to be informed of their requirements to isolate and identify their close contacts. This has reduced the time people spend while infectious in the community and limited ongoing community transmission. Early engagement with Public Health also supported access to appropriate clinical care through the COVID@home program.

Rapid Antigen Testing

Following the opening of Tasmania's borders on 15 December 2021, and as the number of cases in the community increased, Tasmania introduced the use of RATs to enable easy access to testing and rapid turnaround times for results. In addition to distribution via collection sites, Australia Post was engaged to provide contactless home delivery of RATs for people living in specified local government areas, and for eligible people who were unable to obtain a RAT from a collection site. As at 30 June 2022, Tasmania had completed more than 466 520 PCR tests through state-operated testing clinics and distributed more than 4.21 million RATs.

Check-in TAS App

The Check-in TAS app was one method for collecting required contact tracing information. Users downloaded the Check-in TAS app to their phone and scanned QR codes to record the places they attended such as shops, events, or their workplace. Check-in TAS recorded this data securely in a format that was compatible with Public Health systems, which could then be quickly accessed when needed for contact tracing, but also secure and not accessible in other ways. The Check-in TAS app was used over 140 million times in the 2021–22 financial year. The seven-day average of daily usage reached its high point on Christmas Eve with an average daily check-in rate of 1 003 701. While Check-in TAS ceased to be used in all settings on 2 May 2022, visitor screening is still undertaken at certain high-risk settings such as residential aged-care facilities and hospitals.

Outbreak Preparedness and Response

Public Health has worked closely with a number of agencies and stakeholders to ensure that high-risk and priority settings were well prepared for and able to respond rapidly to COVID-19 cases and outbreaks within their settings. This includes ensuring workplaces are prepared to maintain business continuity while COVID-19 continues to circulate in the community.

COVID-19 Vaccination Program

Our COVID-19 vaccination program commenced in early 2021 and delivered vaccination clinics in 284 locations across the State, including Strahan and Zeehan, Smithton, St Helens, Triabunna, Dodges Ferry, Geeveston and Bruny Island.

Tasmania led the way nationally with our high vaccination rates as at 30 June 2022, with more than 99 per cent of eligible Tasmanians aged 16+ having had their first and second doses, and almost 73 per cent of Tasmanians aged 16+ having received their third dose ('booster' shot). For children aged 5 to 11 years, vaccination coverage was 63.14 per cent and 51.43 per cent for dose one and two respectively. For children aged 12 to 15 years it was 86.88 per cent and 82.63 per cent for dose one and two respectively. Our vaccination program achievements are primarily due to the dedication and commitment of our staff, including more than 600 nurses.

"We administered over a million COVID-19 vaccines in 15 months, achieving 99% vaccination rates in the 16+ age group."

In addition, we were supported by security guards at each clinic, volunteers from Rotary at our super clinics, and staff from Department of Premier and Cabinet who have been instrumental in providing ongoing phone services and administrative support, particularly in response to outbreaks or changes to COVID-19 safety requirements.

North West COVID-19 Outbreak

In response to the Independent Review of the Response to the North West Tasmania COVID-19 Outbreak, the Department released an internal Implementation Plan outlining completed and ongoing actions, work in progress, and long-term actions. Arrangements to strengthen the State's pandemic preparedness included infection prevention and control measures, sustained supply of personal protective equipment (PPE), fit testing of masks, outbreak scenario testing, and revised communication strategies.

Other actions taken in response to COVID-19 in Tasmania include the implementation of a Long-COVID Monitoring Subcommittee, establishment of a Tasmanian Consumers Health Planning Committee to strengthen the consumer voice in health service planning, and development of draft Pandemic Preparedness Guidelines.

Of the Review's 37 recommendations, 24 have been completed, nine are completed with ongoing actions, and the remaining four recommendations are in progress and on track for completion (as at 30 June 2022).

COVID@home

People diagnosed with COVID-19 were provided with access to 24 hours a day, seven days a week support through the COVID@home virtual service, allowing them to be safely cared for in their own homes. Since its establishment in late 2021, more than 15 000 patients have been managed through this program (as at May 2022).

Staffed by a multidisciplinary team of nurses, doctors, allied health professionals and administrative staff, COVID@home enabled patients to opt in at any stage of their isolation period. Depending on a person's assessed risk category, they may also have received a kit to enable remote monitoring by clinical staff until their release from isolation. If a person's symptoms worsened and our clinicians determined they needed additional care, an escalation process was in place to allow for direct admission to a COVID-19 ward.

The COVID@home service has also helped us manage demand on our hospital system. In many cases, by providing the appropriate support through COVID@home, the need for a person to go to hospital was avoided, and hospital beds could then be reserved for those in greater need. As outlined in our [Winter Strategy](#), COVID@home has now expanded to COVID@home+, to reflect the program's support to people with influenza or influenza-like illness.

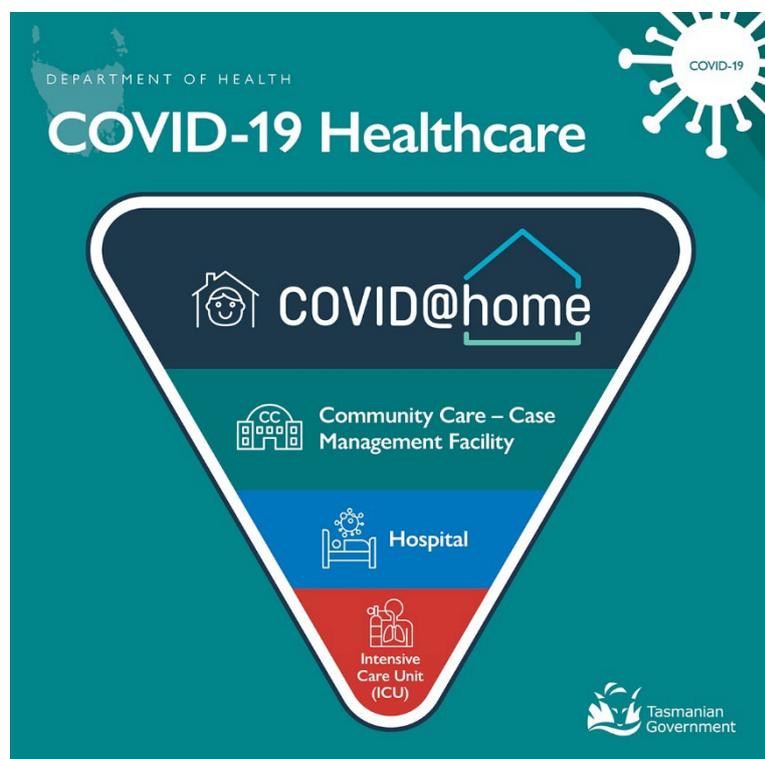


Figure 10 COVID-19 Healthcare diagram

2022 Winter Strategy

Prevention, Detection and Treatment of Severe Winter Illness

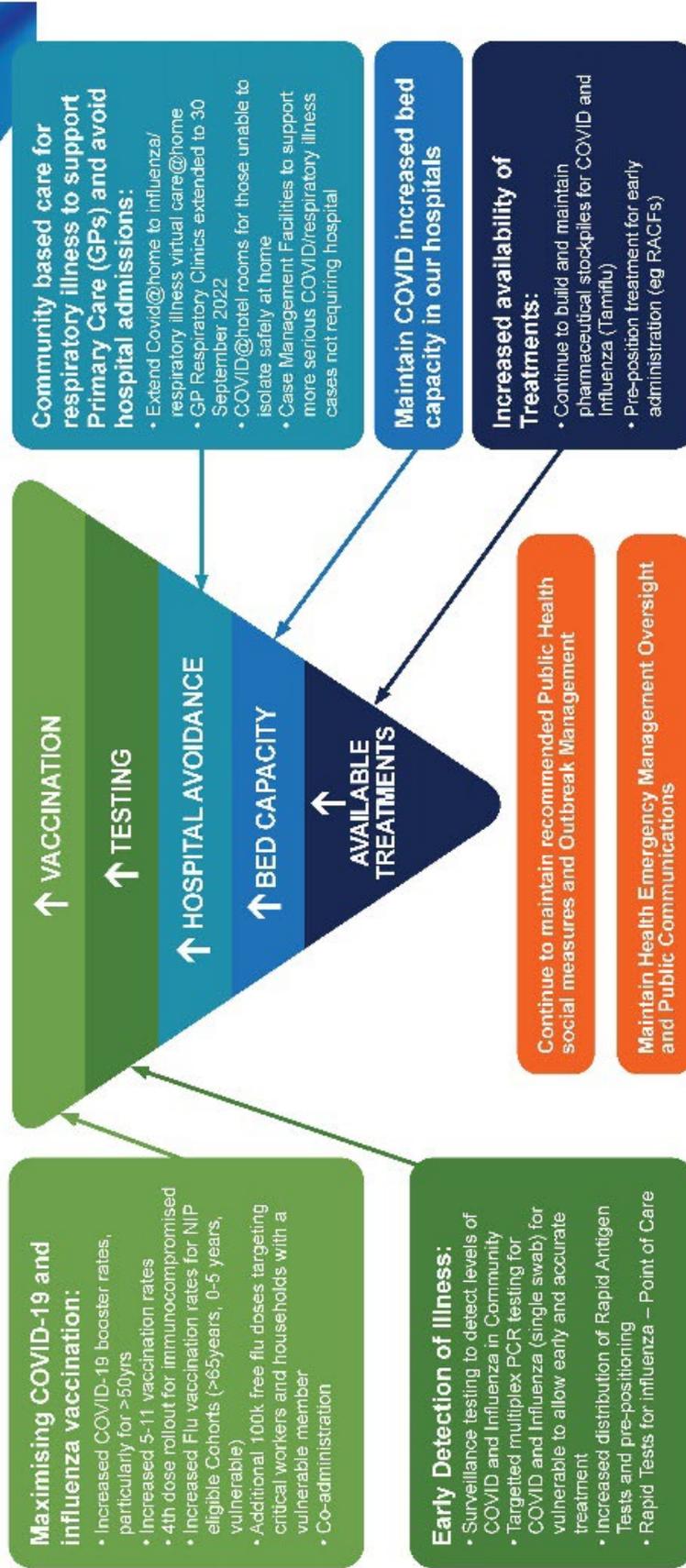


Figure 11 Winter Strategy

Hospital Winter Preparedness

March 2022

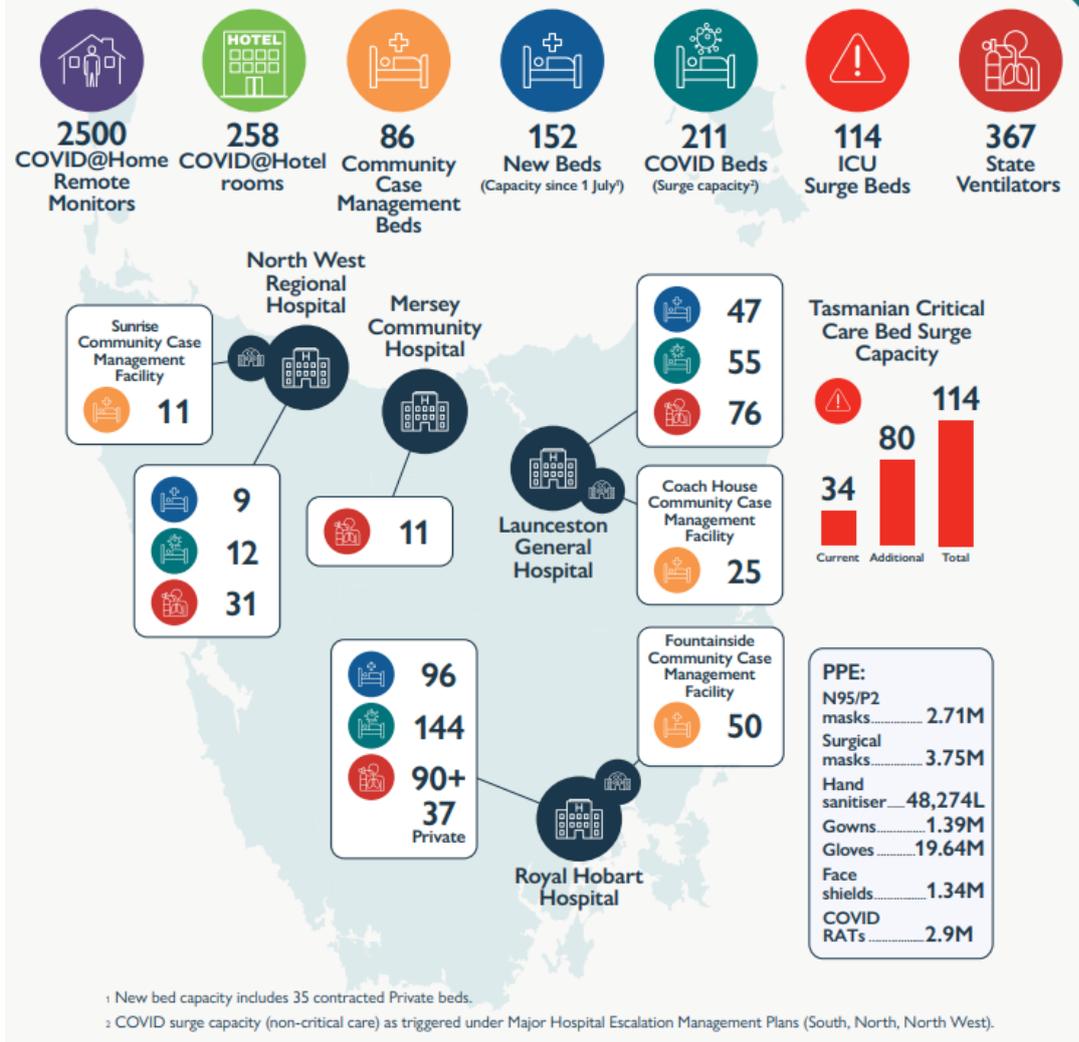


Figure 12 Hospital Winter Preparedness diagram

Our Continued Preparedness

We are working closely with other Government agencies responsible for Tasmania’s continued pandemic response and continue to be informed through Tasmanian and Australian government discussions and emerging modelling and reports. Intensive planning to support our preparedness for surge response and case management across the health system has also been undertaken by the following centres:

- Health COVID-19 Emergency Coordination Centre (ECC)
- Aged Care Emergency Operations Centre (ACEOC)
- Ambulance Tasmania Emergency Operations Centre (ATEOC)
- Public Health Emergency Operations Centre (PHEOC)
- Tasmanian Health Services Emergency Operations Centre (THSEOC)
- Tasmanian Vaccination Emergency Operations Centre (TVEOC).

This has included scenario-testing of the suite of outbreak management and rapid response plans across a range of priority and high-risk settings.

Premier's Economic and Social Recovery Advisory Council

The Premier's Economic and Social Recovery Advisory Council (PESRAC) was established to provide advice on the State's recovery from COVID-19. It brought together experts and prominent Tasmanians. PESRAC consulted extensively and formulated a series of recommendations that were contained in an Interim Report (published 20 July 2020) and a Final Report (published 16 March 2021). The Tasmanian Government accepted all 116 recommendations and immediately commenced implementation. The implementation of the recommendations that the Department is responsible for is outlined below:

<p>PESRAC Final Report recommendation 26 (Interim Report recommendation 4) Status: Complete</p>
<p><i>Final Report 26</i> <i>The State Government should provide regular updates to the community on the initiatives to prepare the State health system's response to future COVID-19 outbreaks.</i></p>
<p><i>Interim Report 4</i> <i>The State Government should pay special attention to building public confidence in the capacity of Tasmania's health system to deal with future COVID-19 outbreaks.</i></p>
<p>Relevant plans, frameworks and information on hospital preparedness, including COVID@home+, are made publicly available. The Department of Health (DoH) works closely with other agencies, including WorkSafe and Tasmania Police, to provide public information about COVID-19 risk management and health system preparedness. Public awareness and confidence in the health system have been supported by public information campaigns and regular updates from the Premier, Minister for Health, State Health Commander and Director of Public Health on outbreak preparedness and response strategies.</p>
<p>PESRAC Final Report recommendation 27 (Interim Report recommendation 2) Status: Complete</p>
<p><i>The State Government should explain to the community its future COVID-19 management strategy, including how any future outbreaks will be handled.</i></p>
<p>Public Health services has published the COVID-19 <i>Case and Outbreak Management Framework for Tasmanian Settings</i> and information on preparing for and responding to COVID-19 outbreaks. All resources are available from the coronavirus website and are supported by public communications. The strategy may be updated in response to new COVID-19 variants.</p>
<p>PESRAC Final Report recommendation 30 Status: Underway</p>
<p><i>The State Government should:</i></p> <ul style="list-style-type: none"> • <i>rapidly finalise, and commit appropriate funds to implement Rethink 2020 as a matter of priority;</i> • <i>accelerate the implementation of, and fully fund the reforms to, the Child and Adolescent Mental Health Service as a matter of priority;</i> • <i>expand the MHCT Peer Workforce Development Strategy to include youth and fund a mental health Youth Peer Worker model to provide additional, early intervention, awareness raising and support to young people experiencing situational distress;</i> • <i>commit funding for a telephone-based mental health triage service for the duration of the recovery;</i> • <i>support the MHCT proposal to expand the 'check-in' website to provide more mental health education and awareness material; and</i> • <i>commit funding for community-level resources to provide face-to-face contact and engagement with community organisations and service providers, with the aim of:</i> <ul style="list-style-type: none"> ○ <i>raising awareness about mental health literacy;</i> ○ <i>developing networks between organisations and service providers; and</i> ○ <i>building capacity within the community for sub-acute support services.</i>

The Tasmanian Government is investing a further \$7.83 million over three years to continue and expand innovative new services put in place during the pandemic. This investment includes:

- \$4.8 million to increase the capacity of Tasmanian Lifeline (1800 98 44 34) over three years (2021–22, 2022–23 and 2023–24). This hotline is a call in/reach out service for any Tasmanian who may feel stressed or anxious about the future, is finding social isolation a challenge, or simply needs a friendly and understanding voice to talk things over with advice, information, comfort and reassurance. The hotline is staffed from 8am to 8pm, 7 days a week.
- \$250 000 to expand the Mental Health Council of Tasmania's (MHCT) Check-In website to provide one-stop advice, information, education and resources.
- \$1.28 million over three years (2021–22, 2022–23 and 2023–24) to train and support Regional Coordinators and Community Engagers to build the capacity of communities to look after their mental wellbeing, through targeted initiatives in collaboration with local government and community groups.
- \$1.5 million over three years (2021–22, 2022–23 and 2023–24) for Rural Alive and Well to provide more outreach mental health services in rural and remote areas of the State.

The Department is continuing to work in partnership with Primary Health Tasmania (PHT) and the MHCT to implement Rethink 2020. The first annual report of the *Rethink 2020 Implementation Plan* (2021–22) will be released in October 2022, and release of the next annual Rethink 2020 Implementation Plan (2022–23) will occur at the same time.

The Tasmanian Government has accepted all the recommendations of the review of Child and Adolescent Mental Health Services (CAMHS) and has committed \$41.2 million to support the implementation of the recommendations. From August to December 2021, the CAMHS Leadership and Project Team was established to commence reform activities. Through the Rethink 2020 Implementation Plan (2022–23), DoH will continue to action the review recommendations and Government response.

Through the Rethink 2020 Implementation Plan (2022–23), the Department, PHT and MHCT are co-designing a youth peer work model and regional youth mental health service network to improve integration and navigation across the continuum of care within youth mental health services.

DoH is continuing to work with PHT to develop and implement the central intake and referral system (CIRS) for mental health service access in Tasmania and to integrate the national Head to Health assessment and referral phone service into the CIRS. Key functions and core elements of the CIRS include: initial assessment and referral, supported referrals, information management, monitoring, reporting and evaluation, and maintenance of a service directory.

Through the *Rethink 2020 Implementation Plan* (2021–22), the Department, PHT and MHCT worked in partnership to promote mental health and wellbeing and prevent mental illness in the community. Initiatives included:

- supporting community-led wellbeing programs through updates to the Tasmanian *Check-in on your mental health* campaign and distributing 2 300 *Check-in on your mental health* small business toolkits across the State
- implementing Mental Health Week activities across the State to build mental health literacy, support help-seeking, and reduce stigma and discrimination
- implementing the Way Back Support Service for aftercare in all three regions of the State
- supporting the ongoing delivery of community-based suicide prevention activities and services, eg Tasmanian Suicide Prevention LiFE Awards, annual suicide prevention forum, the Tasmanian Suicide Prevention Community Network, and development of tailored Suicide Prevention Community Action Plans
- launching A Tasmanian Lifeline, providing information, advice and referral to appropriate supports and services for Tasmanians to address the rising mental health impacts associated with the pandemic

- establishing a subscriber list to promote mental health and wellbeing, including raising awareness of local events and activities
- distributing \$250 000 worth of mental health and wellbeing Community Wellbeing Grants to 35 organisations.

PESRAC Final Report recommendation 28 (Interim Report recommendation 3)

Status: Complete

The State Government should explain the risk management basis of COVID-19 restrictions as those decisions are being made – including any reimposed or new restrictions.

Information regarding COVID-19 risks and associated restrictions is provided to the community via the Tasmanian Government coronavirus website and through public information campaigns.

Supported by high rates of vaccination, availability of testing and health system preparedness, including COVID@home, there was a gradual easing of public health and social restrictions relating to COVID-19, and the Public Health Emergency (and all associated Public Health Directions) ended on 30 June 2022.

Some measures required to manage the risk of COVID-19 in the community – the management of cases, close contacts and large events – continue to be required under Public Health Orders and Guidelines. Public Health Services has published best practice guidance to support businesses, organisations and individuals to manage the risk of COVID-19. Public briefings by the Premier, Minister for Health, State Health Commander and Director of Public Health communicate changes to the community and explain the risk rationale behind those decisions. The Government responds directly to queries and concerns regarding the management of COVID-19-related risks and associated restrictions. Engagement continues to occur with individual members of the public, unions, peak bodies, community organisations and advocacy groups.

PESRAC Interim Report recommendation 5

Status: Complete

The State Government should give confidence to Tasmanians that control mechanisms to manage COVID-19 risks are being rigorously applied, particularly in the context of relaxing interstate border restrictions.

The Tasmanian Government takes a supportive and educative approach to compliance. Through extensive communication campaigns and direct outreach, agencies are ensuring that organisations understand their obligations, and are well equipped with the resources and tools they need to keep their employees and visitors safe.

WorkSafe Tasmania inspectors are on the front line educating businesses to ensure that workplaces are actively applying COVID-19 controls, protecting the safety of all Tasmanian workers and the broader community.

Joint compliance operations have been undertaken by Public Health, Tasmania Police, WorkSafe Tasmania, and Liquor and Gaming to ensure compliance with event conditions. Public Health attends most events to check on compliance and liaise with event organisers on site to ensure COVID-19 safety requirements are followed.

Prior to the end of the Public Health Emergency, 'Days of Action' were held in each region to ensure compliance with Check-in TAS requirements.

Information regarding COVID-19 monitoring and compliance activities, and specific operations, is publicly reported.



Improving Access and Patient Flow across our Health System

The Statewide Access and Patient Flow Program supports our vision of innovative patient-centric care that is seamlessly linked across the entire Tasmanian health system to achieve improved flow of patients, better health outcomes and improved experiences for patients and staff. The success of the Program depends on all parts of the health system working better together no matter where they are located.

Statewide Access and Patient Flow Program

Patient access and flow challenges are a system-wide issue involving all areas of healthcare, not simply emergency departments (EDs). The Statewide Access and Patient Flow Program is a key component of our long-term plan to transform our health system and make it more responsive and accessible to all Tasmanians. The Program will ensure that projects are prioritised based on their ability to 'free up' capacity, which will improve hospital workflow.



Figure 13 Access and patient flow diagram

We recognise that addressing these challenges requires a systemic and multi-pronged approach, with a united vision, strong leadership and sustained engagement with those who receive and provide care. The Statewide Access and Patient Flow Program is based on the following principles:



Figure 14 Statewide access and patient flow principles

Several statewide access and patient flow projects were completed throughout the year, including statewide implementation of the Making Care Appropriate for Patients and Medtasker tools.

Making Care Appropriate for Patients (MCAP)

MCAP is a digital health tool used by clinicians to perform quick, evidence-based reviews to identify if patients are in the best care setting to meet their needs. MCAP supports daily patient flow decisions as well as medium and long-term service development and healthcare planning. During 2021–22, the MCAP electronic tool was rolled out to over 60 Tasmanian Health Service (THS) inpatient units across the State and now forms part of the normal business of our health services.



Figure 15 Statewide access and patient flow principles

Medtasker

Medtasker is a clinical task management tool designed to remove communication barriers among hospital staff. It provides users with the opportunity to clearly send, manage or delegate tasks while allowing quick and easy two-way communication. Following its successful implementation at the Royal Hobart Hospital (RHH), Medtasker was rolled out across the State in 2021–22 to the LGH, NWRH and MCH.

Emergency Department Access and Patient Flow Reviews

A review of access and flow in all four emergency departments (EDs) was completed this year, delivering a set of recommendations for each ED and identifying opportunities to introduce statewide patient flow consistency where practicable.

Significant progress was also made on the following related projects:

Mental Health Patient Access and Flow in Emergency Departments – Complementing the broader ED review, this project will result in recommendations specifically aimed at improving practices to support the flow of patients with mental health issues in emergency departments. The Statewide Access and Patient Flow Program is working with Statewide Mental Health Services and major hospitals statewide to explore access and flow concerns for patients experiencing mental health issues.

Ambulance Offload Delay Protocols – In March 2022, Ambulance Tasmania created a Patient Transport and Interfacility Coordination Portfolio, with work underway to create and implement new interfacility transport protocols and procedures for non-emergency, low-acuity and medium-acuity patient transport across the State. The effectiveness and efficacy of existing protocols covering the clinical care of patients experiencing ambulance offload delays are also being reviewed.

Direct Admissions and Interhospital Transfer Policy

A new Inter-Hospital Transfer (IHT) Policy has been introduced to improve patient experience and reduce waiting times for patients requiring a transfer between hospitals. Previously, when a patient was transferred, they were often required to be readmitted through the ED, which can cause delays and contribute to ramping. Under the new IHT Policy, patients transferred between health facilities will be authorised by a practitioner for direct transfer to a destination ward, bypassing the ED when it is clinically appropriate to do so. This will not only ease the pressure on our EDs but will also help address broader access and flow challenges in our hospitals and support an efficient patient handover process between ambulance and hospital staff. Importantly, it will allow our ambulances and non-emergency patient transport resources to get back out on the road more quickly, to be ready to respond to other cases.



Delivering care in clinically recommended times

We have set ambitious targets to increase the number of admissions and reduce the number of patients waiting longer than clinically recommended to receive treatment. While we have already progressed a number of priorities under *Delivering care in clinically recommended times*, we will continue to strive to achieve our goals.

Four Year Elective Surgery Plan

In August 2021, the [Statewide Elective Surgery Four-Year Plan 2021–25](#) (the Plan) was released. The Plan takes a structured and considered approach to reducing the size of the waiting list and ensuring that Tasmanians receive their surgery within clinically recommended times. Part of the structured approach to reducing the waiting list is to increase capacity over the four years for specialties with a high number of patients waiting longer than clinically recommended, and to ensure patients experiencing long waiting times are provided treatment. At the same time, hospitals are planning to match their capacity in the long term with demand for specialties, so that the waiting list stabilises and is maintained at a sustainable level into the future.

More than 20 300 elective surgeries were performed in 2021–22. This is more than at any other point on record, representing a rise of 10 per cent on that delivered in 2020–21, and 33 per cent more than that achieved in 2019–20. Over the past year, the elective surgery waiting list reduced and, most importantly, there are now fewer people on the waiting list waiting longer than is clinically recommended. During 2021–22, the elective surgery waiting list fell by more than 1 900 people, or 16.6 per cent, and those waiting more than clinically recommended has reduced by more than 1 050 or 18.7 per cent. These results were achieved while meeting the challenges of a COVID environment.

To ensure sustainability of services into the future, we are implementing strategies to:

1. **Use the capacity we have** more effectively and efficiently
2. Enhance our **private sector partnerships** to assist in the delivery of more elective surgery
3. **Invest in public sector capital infrastructure and equipment** to increase elective surgical capacity
4. **Invest in our workforce** to ensure higher levels of elective surgery throughput can be safely delivered and sustained
5. Implement **innovative improvement** and service development programs to improve the way we deliver elective surgery and ensure patients receive contemporary, best practice models of care

By June 2025, the Plan aims to reduce the wait list to a level (approximately 5 400, as previously achieved in 2016–17) that can be sustained into the future, where patients are seen within clinically recommended times.

Private-Public Hospitals Partnership

The outsourcing of activity to private hospitals is an important element of our *Statewide Elective Surgery Four-Year Plan 2021–2025* and our continued management of COVID-19. To date, 41 beds have been made available across the State through private-public partnership arrangements. Each of these partnership beds frees up a bed in our public hospitals and helps people to access timelier care. Discussions are ongoing between the Department and private hospitals statewide to understand private capacity and provide greater clarity on the role private facilities can play in assisting the THS to deliver the best outcomes for Tasmanian patients.

Outpatient Transformation Program

The Outpatient Transformation Program brings together a range of projects and initiatives to improve health outcomes by transforming the way we deliver outpatient services in Tasmania. This includes improving the quality of referrals, enhancing how we coordinate and manage the outpatient process, and exploring ways to support patients outside traditional settings. These projects and initiatives will harness digital technologies and best practice clinical and business service models to enable and enhance contemporary, evidence-based models of outpatient care. As at June 2022, the outpatient waiting list was 56 280 compared to 59 452 in December 2021, highlighting the progress already made by this program.

Action has also been taken on shorter-term improvements to systems and programs, including the establishment of a Statewide Audit Team and development of a digital platform to reduce the administrative burden of current audit processes. We are continuing to connect with patients, to update their details and ensure the waiting list is representative of true demand.

Partnerships with consumers, outpatient clinic staff, clinicians, general practice, Primary Health Tasmania and other organisations are key to this approach. We expect to transition to a central statewide outpatient administration hub, with online booking management and self-service tools. This will help us to deliver quality, timely outpatient services across Tasmania.

The key objective for this program is to:

- *improve systems and processes to support service delivery*
- *improve patient access and health outcomes*
- *improve efficiencies for financial sustainability*
- *better capacity plan.*



Reforming the delivery of care in our Community

Improved Data and Analytics

The [Health System Dashboard](#) provides an overview of important aspects of the public health system, with statistics available for each of the major hospitals where appropriate. To improve the transparency and currency of health information, key updates are released monthly, including information on elective surgery and outpatient waiting lists. In addition, the Dashboard was expanded in March 2022 to include 13 months of data, allowing for comparison with the same month in the previous year.

We have progressed a number of activities in the [Our Healthcare Future – Immediate Actions and Consultations Paper](#) (released in November 2020), which highlights the key issues impacting healthcare in Tasmania now and in the future, and details the actions that we will take.

Our Healthcare Future

Our Healthcare Future is building a sustainable health system by connecting and rebalancing care across acute, subacute, rehabilitation, mental health, and primary health to care in the community. The *Our Healthcare Future Immediate Actions and Consultations Paper* outlined the challenges facing our healthcare system and identified immediate actions across the areas of better community care, modernising Tasmania's health system, and planning for the future. Significant progress has been made on a number of initiatives, including:

- Finalising the Southern Hospital in the Home (HiTH) Trial. Operating since May 2020, the Southern HiTH Trial has been providing hospital-level care in the community. Work is underway to implement the recommendations resulting from a recent evaluation of the Trial, with the aim of implementing a statewide HiTH model of care that leverages and improves on existing services.
- Implementing a single eReferral system between primary care and the THS. The eReferral project is a key component of the Outpatient Transformation Program and is well underway. System integration design and a pilot have progressed to ensure the eReferral system will send and receive patient information seamlessly between core hospital systems.

Ambulance Services

Secondary Triage

Launched in February 2021, the Secondary Triage service involves specially trained paramedics and registered nurses speaking directly with patients when a triple-0 call comes in and immediately connecting them to appropriate health services. This ensures callers get the right care, in the right place, at the right time. Importantly, if a call is assessed as an emergency requiring an ambulance response, one will be dispatched, just as always. In 2021–22, 2 270 triple-zero calls were diverted from an emergency ambulance response through the Secondary Triage service to more appropriate, safe care. Secondary Triage ensures appropriate care, while reserving our ambulances and paramedics for genuine emergency situations, where they are most needed. Ambulance Tasmania is completing a tender for the ongoing provision of the Secondary Triage telehealth service.

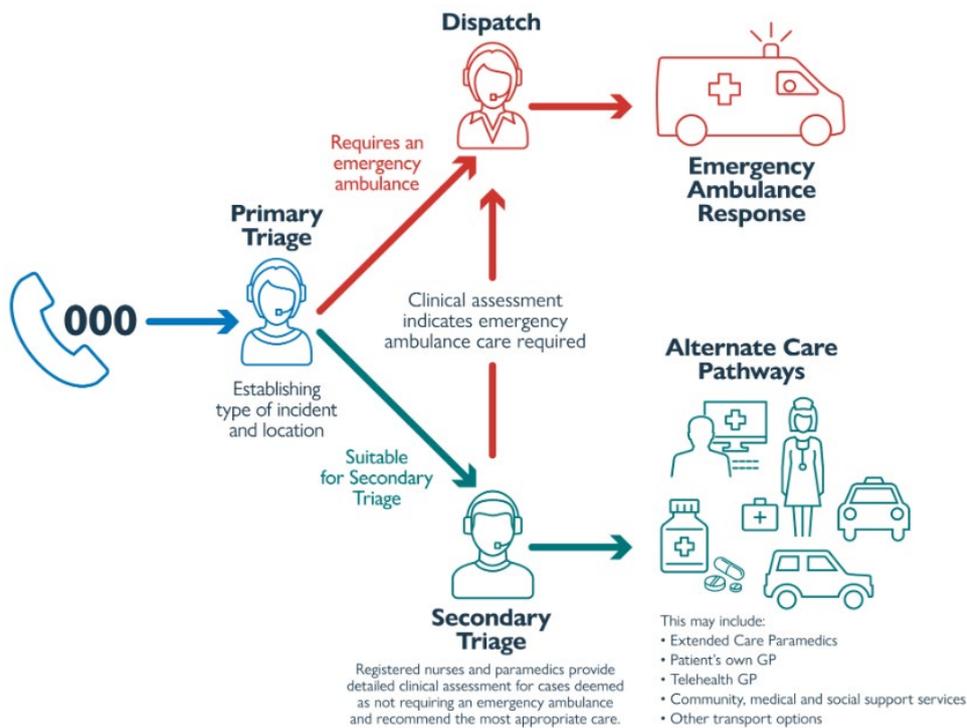


Figure 16 Triage process diagram

Police, Ambulance and Clinician Early Response (PACER)

Commencing in January 2022, a mental health co-response service referred to as the Police, Ambulance and Clinician Early Response (PACER) team, has been working to improve outcomes for mental health patients by enabling access to the right care, in the right place, at the right time. Comprising mental health clinicians, police officers and paramedics, this interagency team provides a rapid response to mental health-specific triple-zero calls. PACER allows people with mental health challenges to be treated at home or in an appropriate local setting, reduces the demand on our Police and Ambulance services, and avoids the need for the person to attend an emergency department. As at June 2022, a total of 675 cases have been assessed by the team, with 76 per cent of people remaining in the community, equating to 512 people avoiding an ED presentation.

Voluntary Assisted Dying

Work on the implementation of voluntary assisted dying (VAD) in Tasmania is well underway and is set to commence by 23 October 2022. To access VAD, specific requirements will have to be met in relation to a person's medical condition, their decision-making capacity, whether they are acting voluntarily, and their age and residency. Implementation activities to date have included the appointment of VAD Commission members and establishment of VAD Navigation Services that will provide individualised support and assistance, including helping people, practitioners, and facility staff to navigate the process.

Additional Dental Services

The commitment to provide an additional 20 000 dental appointments by the end of 2022 is on track, with Oral Health Services Tasmania (OHST) delivering 12 463 additional dental appointments as at 30 June 2022. Under this program, 7 325 appointments were provided by the private sector and 4 920 appointments were delivered through the employment of nine additional dental graduates and therapists. OHST is also aiming to deliver additional services through two new digital denture laboratories being implemented in the Hobart and Launceston clinics.



Prioritising Mental Health and Wellbeing

Ensuring Tasmanians can access mental health support in a timely, consistent and meaningful way is more important than ever. We are continuing to progress our mental health policy and reform initiatives, with a range of projects implemented and many more underway.

Rethink 2020: A State Plan for Mental Health in Tasmania 2020–2025

Resulting from a collaboration between the Department, Primary Health Tasmania (PHT) and the Mental Health Council of Tasmania (MHCT), [Rethink 2020](#) is Tasmania's strategic mental health plan. Building on this and released in August 2021, the [Rethink 2020 Implementation Plan](#) outlines the actions the Department, PHT and MHCT will take to achieve the Rethink 2020 vision, which is for Tasmania to be 'a community where all people have the best possible mental health and wellbeing'.

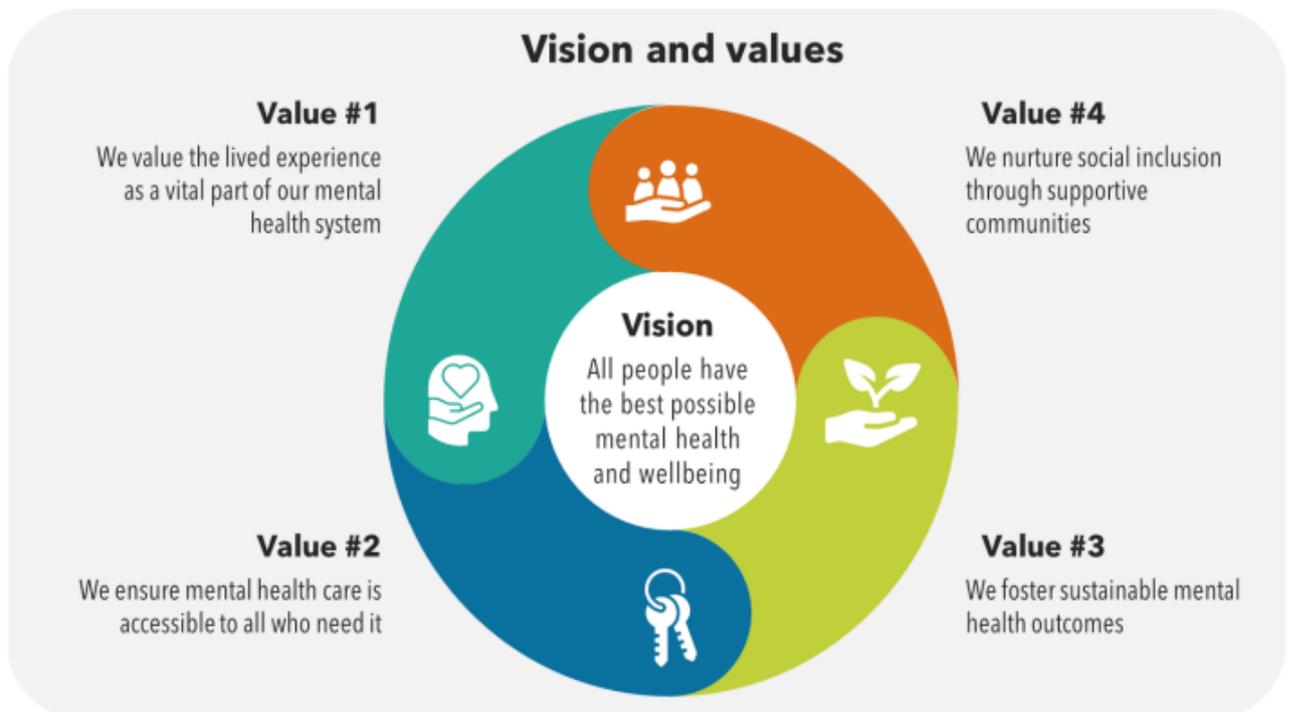


Figure 17 Rethink 2020 vision and values

The annual report for the 2021–22 Implementation Plan will be released in September 2022 alongside the 2022–23 Implementation Plan. The Implementation Plan maps out current and future mental health reform activities (such as encouraging ethical reporting of mental illness, supporting better integration of key parts of the mental health system, and providing services across a continuum of care) and identifies responsibilities and anticipated timeframes for the delivery of each action. Work on these actions is progressing, including completion of an annual review of the Plan to enable activity updates, reporting on annual performance, inclusion of additional actions, and incorporation of new policy directions.

Child and Adolescent Mental Health Services Reform

We are continuing to implement the recommendations resulting from the review of Child and Adolescent Mental Health Services (CAMHS), with significant progress made on the three key action areas, which are to:

- establish a statewide leadership structure
- enhance existing CAMHS functions (models of care)
- develop a suite of new specialist services to fill known service gaps.

Following appointment of a Statewide Speciality Clinical Director and Statewide Group Director, the new CAMHS leadership structure will facilitate a statewide service model, ensure a consistent service response, and support changes to how CAMHS responds to children and young people with the most complex and challenging mental health presentations. This includes development of enhanced models of care that will enable CAMHS to realign services and build stronger partnerships with other services and government agencies. Consultation is also underway to inform the development of new specialist mental health services, aimed at supporting some of our most vulnerable children and young people. This includes employing project officers to commence implementation of a Youth Early Intervention Support Service and Out of Home Care Service.

Implement the Reform Agenda for the Alcohol and Other Drugs Sector

The [*Reform Agenda for the Alcohol and Other Drugs Sector in Tasmania*](#) is a 10-year plan to ensure Tasmanians affected by alcohol, tobacco and other drugs can access appropriate, timely and effective alcohol, tobacco and other drugs services, supports and treatments. Considerable work has been identified for action in the initial five years, with the 10-year timeframe allowing for the staged sequencing of actions and to provide for a period of monitoring post-implementation.

Through the Reform Agenda we have developed the framework to build a more integrated and coordinated service system, and we are continuing to progress the phased approach to implementation. This includes development of the Detox@home trial, which will provide supervised withdrawal management support services for people in their home and will operate as a 'virtual unit' of the Inpatient Withdrawal Management Unit.

Healthy Tasmania: Five Year Strategic Plan 2022–2026

Released in March 2022, *Healthy Tasmania* is the Tasmanian Government’s plan for preventative health in Tasmania with a vision for ‘all Tasmanians to have the opportunity to live healthy, active lives in communities that support connections to people, place, and culture’. To achieve this vision, we will continue to support Tasmanians to be more connected in their communities, have positive mental health and wellbeing, limit harmful alcohol use, be smoke free, eat well, and live more active lives.



Figure 18 Healthy Tasmania summary diagram

Our actions include a focus on children and young people as we aim for intergenerational change to secure the health and wellbeing of Tasmanians into the future. A Research and Evaluation Framework has also been developed to measure Healthy Tasmania’s progress and help us identify areas where additional attention and action may be needed.



Building the Infrastructure for our Health Future

Our capital investment program provides for upgrades to buildings and facilities at all of our major public hospitals, with significant progress made on a number of infrastructure projects throughout the year. We also continue to modernise and strengthen our ICT, including the completion and funding of our digital health strategy *Digital Health Transformation – Improving Patient Outcomes 2022–2032*. Digital health will provide new ways of caring for the health and wellbeing of all Tasmanians, enabled by digital health technologies.

Asset Management Policy and Strategic Asset Management Plan

“The Strategic Asset Management Plan describes the asset management system and helps identify asset management investment priorities.”

The Asset Management Policy, launched in September 2021, sets out the strategic direction for managing our asset portfolio more effectively and ensures we are building the infrastructure for our health future. The Policy is aligned with international best practice and is based on the principles of enabling good governance and delivery of health services, proactive risk management, future planning, continuous improvement, and financial sustainability. The Asset Management Policy is complemented by a Strategic Asset Management Plan (SAMP), released in April 2022, which describes how the Asset Management Policy is put into practice.

Launceston General Hospital Masterplan and Implementation Program

The [Launceston General Hospital \(LGH\) Precinct Masterplan](#) presents a roadmap for the progressive redevelopment of the LGH precinct over the next 20 years, and is underpinned by a set of core planning principles:



Figure 19 Launceston General Hospital core planning principles

Released in March 2022, the supporting [LGH Implementation Program](#) guides how each element of the Masterplan will be delivered and outlines the timeframes and priority of major projects, including:

- a purpose-built mental health precinct on the Anne O’Byrne site to enable provision of safe and therapeutic, recovery-oriented care
- a tower on the current Northside site to expand and modernise inpatient and outpatient services and enable expansion of other critical clinical and support service facilities.



Figure 20 Launceston General Hospital Masterplan precinct aerial image

Vehicle Fleet Management

Fleet management was consolidated this year, to deliver a consistent statewide approach to management of the Department’s motor vehicle fleet services, including leased light vehicles and ambulances. One major project delivered during the year was the replacement and fit-out of new ambulances, with the commissioning of thirty Type 1 ambulances that are now in service. A future replacement program for the ambulance fleet is in development.



Figure 21 Type 1 ambulance

Royal Hobart Hospital Redevelopment Stage 2

Significant work on Stage 2 of the Royal Hobart Hospital (RHH) Redevelopment continued throughout the year, including the new Trauma and Acute Surgical Unit, which received its first patients in August 2021, J-Block refurbishment and the Intensive Care Unit expansion. While planning for the full A-Block refurbishment continues, a range of smaller projects have already commenced, including refurbishment of the Endoscopy Unit.

With the RHH Emergency Department (ED) significantly outgrowing its current capacity and facilities, works on the ED expansion commenced in March 2022. This is the first stage of work to expand and modernise the ED, ensuring that we have the number of beds and treatment points needed to meet future emergency service demand through to 2035.

Digital Health Transformation

The Department has developed the [Digital Health Transformation – Improving Patient Outcomes 2022–2032](#) as its strategic plan that outlines the role of digital technologies in helping to solve the health challenges facing Tasmania. It lays out a set of digital initiatives to be delivered over a 10-year period. Implementing these initiatives will result in Tasmanians experiencing a fully integrated healthcare system that will increase capacity and allow clinicians and healthcare consumers to make better informed decisions.

The Digital Health Transformation initiatives are underpinned by eight guiding principles:

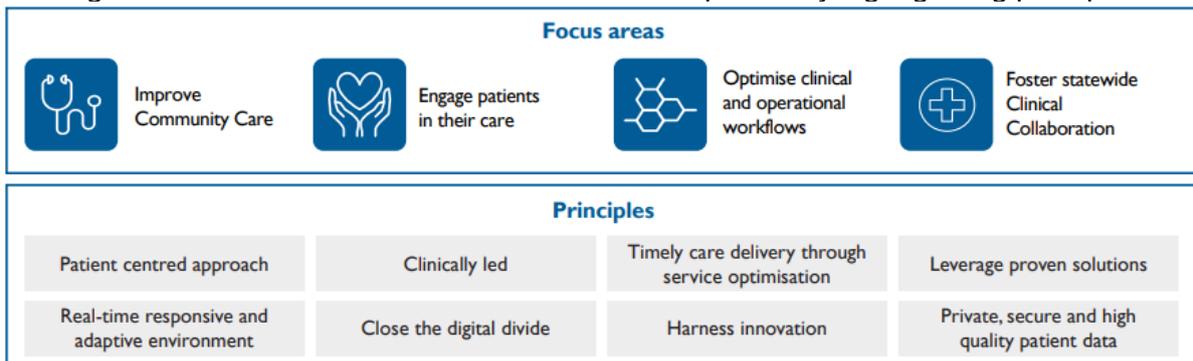


Figure 22 Digital Health Transformation focus areas and principles

Completing the Digital Health Transformation – Improving Patient Outcomes strategy is the first formal step in a system-wide approach to digital transformation. Tasmania will have the unique opportunity to systematically address the technology siloes that have evolved over years, and in the process become a leader in digital health.



Build and develop a sustainable and positive workforce we need now and for the future

We have progressed a number of initiatives to help us build and develop our workforce to provide effective and efficient healthcare services for all Tasmanians. Improving staff satisfaction and engagement will allow us to retain and attract staff and, through investment in our existing and upcoming leaders, we can improve diversity, drive positive cultural change, and deliver our strategic priorities. Released in November 2021, [Health Workforce 2040](#) is our long-term strategy to shape a health workforce that meets the needs of Tasmanians now and into the future.

One Health Cultural Improvement Program

Our One Health Cultural Strategy sets out a five-year implementation plan through which we will measure cultural improvements across the organisation. The soon-to-be-released Strategy identifies key actions to enhance and improve our culture. Developed in consultation with key representatives across the Department, the cultural baseline survey helps us understand our current culture and identify related activities already underway. The Department's Cultural Improvement Program will provide an overarching framework that supports areas that have already begun their journeys, and those areas where cultural activities have not yet begun.

Health Recruitment Taskforce

The Health Recruitment Taskforce was established to help us improve how we recruit, retain and develop a diverse and skilled workforce to meet the challenges of an evolving health landscape. The Taskforce focused on strategies and initiatives to support the recruitment of a more stable and permanent workforce, with a particular interest in elective surgery, opening additional beds and taking pressure off EDs.

Engaging with internal and external stakeholders, including the University of Tasmania and relevant unions, the Taskforce developed a series of recommendations for action. The Report of Outcomes was tabled at the Taskforce's final meeting in November 2021 and included agreement to undertake a review of base salaries, streamline recruitment processes, shorten approval chains, and progress strategies to address labour market supply shortages in occupational therapy.

Workforce Training and Development

Establishing the Training, Education and Workforce Subcommittee (TEW) of the Clinical Executive was an action of *Health Workforce 2040*, with the University of Tasmania (UTAS) and TasTAFE represented in the membership. Under its Terms of Reference, the TEW promotes and develops innovative health workforce models to support the emerging healthcare needs of the community, provides a forum to progress partnership arrangements between the Department and other higher education institutions, and monitors trends that may impact Tasmania's workforce.

We continue to work closely with UTAS to support the Allied Health Expansion Program, with the new Master of Physiotherapy and Speech Pathology commencing in 2022, and the Master of Occupational Therapy expected to commence in July 2023.

The Aspire Leadership Development Program will be piloted from August to December 2022 and will address the requirement for leadership development identified in *Health Workforce 2040*. The Program will complement other leadership development activities already occurring, including the nursing and midwifery leadership course developed by the Office of the Chief Nurse and Midwife in collaboration with UTAS.

Human Resource Information System

Work is progressing on the development of a contemporary and fully integrated Human Resource Information System (HRIS). Once fully operational, HRIS will include a rostering interface with payroll, recruitment and onboarding management; dashboards; and a module for performance management and conduct. With procurement now complete, the project has entered the design phase, and a prototype of the new system is due by December 2022. HRIS functionality is expected to be delivered in stages, commencing with payroll and rostering in 2023.

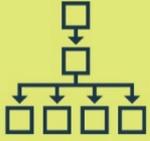
Commission of Inquiry into the Tasmanian Government's Responses to Child Sexual Abuse in Institutional Settings

Hearings commenced in May 2022, and we continue to support and respond to the Commission of Inquiry in relation to the Department's management of historical allegations of child sexual abuse. While awaiting the Commission's recommendations, we are reviewing the Department's governance frameworks, policies and procedures, and implementing reform where deficiencies are identified. The Department has also formed a dedicated Child Safe Organisation Project Team, with work including the implementation of a Child Safety and Wellbeing Framework and the development of staff training resources. Guidelines on recognising the signs of harm to children and young people and disclosures of harm to children and young people were developed.

The Child Safety and Wellbeing Framework was released for consultation in June 2022 and sets out the Department's commitment to child safety and wellbeing and the rights of children and young people accessing our services. It also outlines the planned governance arrangements, including the establishment of a Child Safety and Wellbeing Service and independent review panel by December 2022.



Figure 23 Signing of Statement of Commitment for Child Safety and Wellbeing



Strengthen our governance, risk and financial management, performance and accountability

Work continues to ensure our governance arrangements, the way we manage strategic and operational risks, and how we plan for the future support the attainment of our strategic priorities and the delivery of high-quality care to Tasmanians.

Governance Arrangements

The Department takes the following steps to increase transparency and accountability across Health Executive and Executive subcommittees:

- sharing Executive subcommittee minutes with staff via the intranet
- conducting annual reviews of each subcommittee's terms of reference to ensure their continued effectiveness.

The Health Executive, supported by the Office of the Secretary, continues to explore opportunities to enhance and refine our governance arrangements, promote transparency, and to clarify the accountability and authority of senior executives.

Process Improvements

Strategic Budget Framework

We have developed a strategic budget framework to improve our approach to annual budget cycles, business case development, asset management, and project demand. Our internal budget process sets out clear rules for budget submissions and ensures each submission is clearly linked to Government and health priorities, is supported by a robust business case, and has been endorsed by the relevant Deputy Secretary.

Procurement and Single Digital Stock Management

In December 2021, a gap analysis was conducted on our current stock management process, making 21 key recommendations for improvement. The recommendations included finalising the Supply Chain Management Project, improving medical consumable and equipment recall tracking, implementing a single statewide inventory catalogue, and improving emergency ordering procedures. Initially, the Single Stock Management System Project will focus on the THS, with the potential for other areas such as Ambulance Tasmania and Oral Health Services Tasmania to be integrated following a review of existing stock management systems.

Electronic Claim Lodgement and Information Processing Service Environment

The Electronic Claim Lodgement and Information Processing Service Environment (Eclipse) Project involves implementing the Eclipse Billing System, enabling the Department to lodge claims electronically with Medicare. A pilot of Eclipse has been undertaken at the RHH Paediatric Outpatient Clinic with electronic claims being processed and rejections identified and resolved as they arise. Next steps for this Project include finalising supporting documentation for clinical staff and commencing an investigation on the requirements for inpatient billing.

Risk Management

In October 2021, the Health Executive endorsed commencement of the Compliance, Policy and Risk Framework Project, which includes a review of the Department's risk management strategy. After extensive consultation across the organisation, a renewed and refreshed Risk Management Framework, Risk Appetite Statement and Risk Consequence Table are close to finalisation.

Recognising that risk management forms an integral part of everyday activities, updates to the Risk Management Framework and supporting documents will provide a contemporary structure for the management of risk throughout the Department. Alongside this work, the Health Executive Strategic Risk Register has also been refreshed, including strengthening the associated monitoring and reporting processes.

With an aim to positively influence risk culture, the Department's risk profile (including the Strategic Risk Register) is available through Risk Policy, Alerts and Compliance dashboards that provide staff with transparent reporting on risk events, reinforcing a consistent approach to risk management across the organisation. The dashboards are designed to draw on relevant frameworks, regulatory and best practice standards to achieve continuous improvement.

Clinical Service Plans

Clinical service planning broadly defines how health services should be developed in response to future challenges, as well as identifying the infrastructure and resources that should support them as part of a 'clinical services profile'. The Department is co-designing a long-term plan for healthcare in Tasmania that builds on the solid foundation provided by the *One State, One Health System, Better Outcomes* reforms. We are taking an evidence-based approach that includes detailed modelling of Tasmania's current and future health needs, clinical and consumer consultation, and a review of current research literature and clinical service planning. The long-term plan will be delivered in mid 2022-23.



Strengthen Clinical Safety, Quality and Regulatory oversight

Clinical Governance

Establishing an effective clinical governance structure is critical to improving healthcare across the public health system by ensuring accountability, transparency and responsiveness to change. This is underpinned by the Quality Governance Framework for Tasmania's Publicly Funded Health Services (the Quality Governance Framework). The Clinical Executive provides reporting, policy and strategic advice to the Health Executive and operates with a system-wide safety and quality focus. In this, it is supported by its Safety, Quality and Accreditation Subcommittee (SQA).

The SQA Subcommittee takes a whole-of-agency approach by linking key stakeholders from the publicly funded health services with the Department, to advise the Clinical Executive on the effectiveness of clinical governance structures, systems and processes. Members collectively set the SQA Subcommittee's work agenda based on the Quality Governance Framework, aligned with the [National Safety and Quality in Healthcare Clinical Care Standards](#).

Clinical Oversight and Input

Regular reports are produced for the SQA Subcommittee on topics related to root cause analysis, consumer feedback, open disclosure, and coronial recommendations, with a 'deep dive' report tabled on these issues at each meeting. A working group is designing a consumer complaint model to ensure all complaints are registered and responded to appropriately and that themes and trends can be detected and addressed.

The Research and Innovation Subcommittee of the Clinical Executive includes key stakeholders both from the public health sector, and from other services where there is crossover in conducting or funding research. The Subcommittee has representation from the [Clifford Craig Research Foundation](#) and the [Royal Hobart Hospital Research Foundation](#), enabling these foundations to contribute to the conversation on how governance improvements can help them achieve their research goals. The pilot program of the new [National Clinical Trial Governance Framework](#) at the RHH also helped to inform some of the research program's required service delivery improvements.

Regulation and Accreditation

The standards to be met by private health service establishments and private non-emergency patient transport licence holders are specified to ensure services comply with clinical practice guidelines and best practice standards and meet the needs of Tasmanians. Regulatory compliance is monitored by the Regulation, Licensing and Accreditation Unit through a regular audit program that covers Health Service Establishments under the *Health Service Establishments Act 2006* and the *Health Services Establishments Regulations 2021* and private non-emergency patient transport services under Section 35D of *Ambulance Service Act 1982* and the *Ambulance Service (Non-emergency Patient Transport) Regulations 2019*. In addition, periodic environmental scans of unlicensed private Health Service Establishments in Tasmania are conducted by the Department to assess whether licensing is required.



Our Performance Measures

System Manager and THS Service Plan

System Management

Performance Measure	Unit of Measure	2018–19 Actual	2019–20 Actual	2020–21 Actual	2021–22 Actual
System Manager – Health					
Implementation of Government reform agenda goals achieved within published timeframe ¹	%	89	72	100	100
Service Plan developed and administered in accordance with the THS Act, and policy settings endorsed by the Minister for Health ²	Number	1	1	1	1
System Manager – Mental Health and Wellbeing					
Implementation of Government reform agenda goals achieved within published timeframe ¹	%	91	100	100	100

Notes:

1. The reform agenda goals for 2020–21 and 2021–22 are those specified in the Government's First 100 Days Plan.
2. The Tasmanian Health Service Act 2018 requires a Service Plan to be prepared by the Secretary of the Department.

The *Tasmanian Health Service Act 2018* (the Act) requires an annual Service Plan between the Minister for Health and the Tasmanian Health Service (THS) to be in place by 30 June for the upcoming financial year. It is the key agreement between the Minister for Health and the THS and sets out the agreed expectations of the THS, including key deliverables and performance targets to be achieved by the THS within the allocated annual budget for that year.

In 2021–22, there was one amendment to the Service Plan (issued in September 2021), which included:

- updated activity and funding schedules, and funding source information
- updated information to reflect changes to the National Safety and Quality Health Service Standards 2021 (NSQHS), and to reflect updated information regarding health services provided under contractual arrangements
- relevant information in response to the release of the *Statewide Elective Surgery Four-Year Plan 2021–2025* and, therefore, the following four key performance indicators (KPIs):
 - Per cent seen on time – all triage categories
 - Average overdue wait time for those waiting beyond recommended time
 - Number of patients waiting over boundary
 - Number of patients waiting prior to 2019.

Tasmanian Health Service 2021–22 Service Plan – Performance

In accordance with the Act, the THS and Secretary carry out their functions consistent with the Ministerial Charter issued under the Act.

As system manager, it is the responsibility of the Department of Health to ensure that THS performance against Service Plan requirements is effectively monitored and managed.

In 2021–22, the Department implemented a revised THS Performance Framework (the Framework). The Framework highlights the shared approach of the Department and THS towards performance management and outlines the processes by which THS Service Plan performance is monitored and managed. Performance reporting occurs monthly to identify and respond to emerging performance issues consistent with the processes outlined in the Framework.

Strategic oversight of THS Service Plan performance and application of the Framework are the responsibility of the Systems Performance and Forecasting Committee, which reports directly to the Health Executive.

Performance Information – THS Service Plan

Performance Domain	KPI No.	KPI Name	KPI Target	2021–22 End of Year Result
Effectiveness	1.1	Eligible women screened for breast cancer	35 860 (Statewide)	34 020
	1.2	Clients assessed within 28 days of a screen-detected abnormality	Not less than 90% (Statewide)	82.4%
Safety	2.1	Hand hygiene compliance	RHH (≥80%)	77.9%
			LGH (≥80%)	76.5%
			NWRH (≥80%)	80.6%
			MCH (≥80%)	81.6%
	2.2	Healthcare associated infections – staphylococcus aureus bacteraemia (rate per 10 000 patient days) ¹	RHH (≤1.0 per 10 000)	1.1
			LGH (≤1.0 per 10 000)	1.1
			NWRH (≤1.0 per 10 000)	1.0
			MCH (≤1.0 per 10 000)	1.1
	3.1	Mental health inpatient seclusion (events per 1 000 patient days)	Less than 8 per 1 000 (Statewide)	8.0
	4.1	Initial reportable event briefs provided within two business days ²	Not less than 80% (Statewide)	92.9%
4.2	Root cause analyses provided within 70 calendar days ²	Not less than 80% (Statewide)	41.7%	
Appropriateness	5.1	Consumer experience survey response rate ³	RHH (≥30%)	15.4%
			LGH (≥30%)	35.0%
			NWRH (≥30%)	23.6%
	5.2	Consumer satisfaction with the quality of treatment and care ³	MCH (≥30%)	26.8%
			RHH (≥80%)	80.0%
			LGH (≥80%)	80.8%
6.2	Post discharge community care follow up within seven days – Mental Health	NWRH (≥80%)	77.8%	
		MCH (≥80%)	86.7%	
		RHH (≥80%)	80.0%	
Accessibility	6.1	Readmissions within 28 days – Mental Health	Not more than 14% (Statewide)	16.0%
	6.2	Post discharge community care follow up within seven days – Mental Health	Not less than 85% (Statewide)	66.0%

Performance Domain	KPI No.	KPI Name	KPI Target	2021–22 End of Year Result
Accessibility	7.1	Discharge summaries transmitted within 48 hours of separation	100% (Statewide)	53.5%
			RHH (≥85%)	57.4%
	8.1	Ambulance offload delay – within 15 minutes	LGH (≥85%)	58.8%
			NWRH (≥85%)	78.5%
			MCH (≥85%)	85.8%
	8.2	Ambulance offload delay – within 30 minutes	RHH (100%)	65.7%
			LGH (100%)	64.6%
			NWRH (100%)	86.8%
			MCH (100%)	91.1%
	9.1	Seen on time – all triage categories – Elective Surgery	Not less than 74%	57.2%
	10.1	Average overdue wait time for those waiting beyond recommended time – Elective Surgery	Not more than 60 days	253
	10.2	Number of patients waiting over boundary – Elective Surgery	1 941	4 515
	10.3	Number of patients waiting prior to 2019 – Elective Surgery	Zero	116
	11.1	Patients admitted through the ED with ED length of stay of less than eight hours	RHH (≥90%)	60.5%
			LGH (≥90%)	49.9%
			NWRH (≥90%)	55.1%
			MCH (≥90%)	63.7%
	11.2	Patients (non-admitted) through the ED with an ED length of stay of less than 12 hours	RHH (100%)	97.2%
			LGH (100%)	94.1%
			NWRH (100%)	97.6%
			MCH (100%)	98.7%
	12.1	ED presentations seen within recommended time – triage 1	RHH (100%)	100.0%
			LGH (100%)	100.0%
NWRH (100%)			100.0%	
		MCH (100%)	100.0%	
12.2	ED presentations seen within recommended time – all triage categories	RHH (≥80%)	38.3%	
		LGH (≥80%)	54.1%	
		NWRH (≥80%)	67.3%	
		MCH (≥80%)	77.5%	
12.3		RHH (≤5%)	4.5%	

Performance Domain	KPI No.	KPI Name	KPI Target	2021–22 End of Year Result
			LGH (≤5%)	2.8%
		ED presentations who do not wait to be seen	NWRH (≤5%)	3.2%
			MCH (≤5%)	1.5%
	13.1	National Weighted Activity Units ⁵	190 722	187 251
	13.2	Elective surgery admissions	22 800	20 314
	13.3	Dental Weighted Activity Units	39 853	32 530
	13.4	Dental - Additional Dental Funding	12 261	12 463
Efficiency and Sustainability	14.1	Variation from funding – full year projected	Expenditure within funding allocation	The THS achieved a balanced budget
	15.1	Clinical coding of admitted patient episodes completed on time within 42 days of separation	100% (Statewide)	50.9%
	15.2	Clinical coding errors corrected within 30 days ⁶	100% (Statewide)	94.1%

Notes:

- The 2021–22 figure for healthcare associated infections – staphylococcus aureus bacteraemia – is preliminary.
- The 2021–22 figure is for the nine months to March 2022 only.
- Processes involved in the procurement of a survey tool have delayed the progress of reporting of this KPI. Results are from September 2019.
- Any instances where data provided by the THS indicated a patient may have not been seen on time during 2021–22 were reviewed and advice was received from the relevant hospital that this due to a data error. Some national reporting, such as from the Australian Institute of Health and Welfare, reflects uncorrected data and may show a different result.
- The 2021–22 figure is preliminary and subject to change following final reconciliation by the National Health Funding Body. The figure reflects the most recent internal DoH estimate prepared in August 2022.
- Preliminary result only for the eight months to February 2022.

Performance Information

Performance Measure	Unit of Measure	2018–19 Actual	2019–20 Actual	2020–21 Actual	2021–22 Actual
Admitted Services					
Admitted patients – National Weighted Activity Unit ¹	Number	118 223	117 745	123 310	133 664
Elective surgery patients seen on time					
Category 1	%	71.8	68.2 ²	64.0	63.9
Category 2	%	43.1	36.7	36.2	42.2
Category 3	%	66.4	59.3 ²	35.2	65.8

Performance Measure	Unit of Measure	2018–19 Actual	2019–20 Actual	2020–21 Actual	2021–22 Actual
Elective surgery patients – average overdue wait time for those waiting beyond the recommended time					
Category 1	Days	58	102 ²	106	91
Category 2	Days	125 ²	187 ²	231	270
Category 3	Days	95	179 ²	273	283
Elective surgery admissions	Number	17 858	15 195 ²	18 313	20 314
Hand hygiene compliance	%	79.4	82.8	80.1	77.9
Healthcare-associated staphylococcus aureus (including MRSA) bacteraemia (rate per 10 000 patient days) ³	Rate	1.0	0.9	0.8	1.1
Cost per weighted separation ⁴	\$	5 662	6 432	6 602	na
Non-admitted Services					
Outpatient attendances ⁵	Number	576 650	532 802	590 395	576 923
Emergency Department Services					
Emergency Department presentations ⁶	Number	165 994	153 738	170 287	173 276
ED patients who are admitted, referred for treatment or discharged within four hours	%	62.0	60.0	57.7 ⁶	55.2
Percentage of all ED patients seen within the recommended triage time	%	64.0	64.6 ⁶	58.4 ⁶	53.4
Community Health Services					
District hospitals – separations	Number	4 020	3 921	3 934	3 549
District hospitals – occupancy rate	%	56.1	53.5	49.2	45.8
Community nursing – occasions of service	Number	173 810	171 913	177 928	164 696
Residential aged care – occupancy rate	%	87.6	89.6	88.3	85.4
Aged Care Assessment Program – completed assessments ⁷	Number	4 648	4 644	4 634	4 693
Mothers attending the eight-week Child Health Assessment	%	91.8	91.2	89.5	94.0
Oral Health					
Adults – occasions of service – general	Number	13 912	7 054	3 283	5 946
Adults – occasions of service – episodic	Number	32 072	28 588	32 211	31 129
Adults – occasions of service – dentures	Number	18 498	13 960	14 760	13 958
Children – occasions of service	Number	64 883	49 909	50 555	50 617

Performance Measure	Unit of Measure	2018–19 Actual	2019–20 Actual	2020–21 Actual	2021–22 Actual
General (adults) waiting list	Number	12 113	15 381	17 518	15 377
Dentures waiting list	Number	246	647	759	609
Statewide and Mental Health Services					
Inpatient separations	Number	1 670	1 917	2 292	2 307
28-day readmission rate	%	12.5	13.4	15.9	16.0
Average length of acute inpatient stay	Days	15.0	13.1	12.2	13.7
Community and Residential – active clients	Number	8 032	8 202	8 531	8 177
Proportion of persons with a mental illness whose needs are met by the Tasmanian Mental Health Service	%	68.2	71.5	74.9	73.2
Alcohol and Drug Services – closed episodes of treatment ⁸	Number	3 591	3 431	3 406	na
Pharmacotherapy Program – total active participants	Number	886	866	844	857
Withdrawal Unit – bed occupancy	%	58.2	55.7	46.5	79.5
Withdrawal Unit – average length of stay	Days	5.8	5.4	5.5	6.0
Ambulance Services					
Total Ambulance Responses ⁹	Number	89 606	93 165	105 327	117 524
Emergency Ambulance Responses	Number	45 763	46 302	50 579	61 024
Satisfaction with Ambulance Services ¹⁰	%	98.0	98.0	97.0	na
Median Emergency Response Times (Statewide) ¹¹	Mins	12.9	13.8	14.0	14.1
Median Emergency Response Times (Hobart)	Mins	11.7	13.1	13.8	13.9
Median Emergency Response Times (Launceston)	Mins	11.1	12.3	12.4	12.3
Median Emergency Response Times (Devonport)	Mins	10.1	11.0	10.8	10.5
Median Emergency Response Times (Burnie)	Mins	10.6	11.0	11.1	10.6
Ambulance Services expenditure per person	\$	184.13	215.29	251.55	264.22
Public Health Services					
Eligible women screened for breast cancer	Number	32 431	29 487	35 995	34 020
BreastScreen – percentage of clients assessed within 28 days of screening	%	93.9	94.3	89.8	82.4

Performance Measure	Unit of Measure	2018–19 Actual	2019–20 Actual	2020–21 Actual	2021–22 Actual
Radiation Protection					
Radiation Management Plan – Notifying of a review	%	87.0	78.0	80.0	90.0
Radiation Source Certification – Recertified prior to expiry ¹²	%	94.0	95.0	94.0	98.0
Immunisation					
Vaccine coverage in children aged 5 years ¹³	%	95.5	95.0	95.0	94.6
Move Well Eat Well					
Primary School Program Membership ¹⁴	%	82.0	82.0	83.3	84.0
Primary School Program Awarded ¹⁵	%	28.7	26.0	27.1	27.4
Early Childhood Program Membership	%	80.5	80.6	78.6	77.1
Early Childhood Program Awarded	%	30.1	34.7	35.7	35.4

Notes:

1. The 2021–22 admitted patient National Weighted Activity Unit figure is preliminary and subject to change following final reconciliation by the National Health Funding Body. The figure reflects the most recent internal DoH estimate prepared in August 2022.
2. Elective surgery patient seen on time and average overdue wait time for those waiting beyond the recommended time data has been updated to match national reporting rules.
3. The 2021–22 figure for healthcare-associated staphylococcus aureus (including MRSA) bacteraemia is preliminary.
4. The 2020–21 figure for cost per weighted separation is a preliminary result and will be revised after the completion of the Round 25 National Hospital Cost Data Collection, scheduled for November 2022. Preliminary results for 2021–22 will not be available until March 2023.
5. The 2021–22 figure for outpatient attendances is preliminary to 30 June 2022. Full year data isn't available until one quarter in arrears, as it is compiled from multiple information systems and goes through a consolidation and validation process to meet national counting rules. 'Outpatient attendances' includes attendances at specialist clinics, as well other activity such as radiation and medical oncology services that are managed separately. This table reflects counting rules for national reporting, with some related occasions of service reported as a single attendance.
6. Emergency Department data has been updated to match national reporting rules.
7. The 2021–22 figure for Aged Care Assessment Program completed assessments is preliminary and may change. Data is sourced from Australian Government – My Aged Care Health Data Portal, and measures performance against contract.

8. The 2021–22 end of year figure was not available when this report was finalised as it is extracted from the Alcohol and Other Drug Treatment Services National Minimum Data Set which is not compiled until October this year.
9. An ambulance response is a resource being mobilised to an incident. There can be multiple ambulance responses to an incident, and it is a measure of demand rather than performance.
10. A Patient Satisfaction Survey for the Ambulance Service is undertaken in May/June each year. The results for 2021–22 will be available in October 2022.
11. The ambulance emergency response time is the difference in time between an emergency 000 call being received at the Ambulance Tasmania Communications Centre and the first vehicle arriving at the location to treat the sick or injured patient. The Median Emergency Response Time (MERT) is the middle time value when all the response times are ordered from the shortest to the longest. The MERT can be broadly interpreted as the time within which approximately 50 per cent of the first responding ambulance resources arrive at the scene of an emergency.
12. In 2021–22 the actual number of received and processed certificates of compliance is much higher as they are registered against licence numbers and not individual sources.
13. Vaccine coverage indicates the proportion of five-year-old children (aged 60–63 months) who have been immunised against diphtheria, tetanus, pertussis (whooping cough) and polio due at four years of age. This data for 2021–2022 provides coverage from the Australian Immunisation Register (AIR), for children turning five years between 1 January 2021 and 31 March 2021, as measured in the reporting period from 1 June 2021 and 31 March 2022. Source: <https://www.health.gov.au/node/38782/childhood-immunisation-coverage/current-coverage-data-tables-for-all-children#five-year-olds>. Last updated 3 August 2022.
14. As of 30 June 2022, there were 184 primary schools that were members, 60 of which hold a Move Well Eat Well (MWEW) Award. This represents stability in membership. The change in percentage is due to closure of school sites.
15. The early childhood membership as at 30 June 2022 was 111 with 51 achieving/maintaining MWEW Award status. This represents stability in membership and Award status. The change in percentage is due to the increase in the number of eligible services due to new sites opening across the State.

Accreditation

Accreditation is a crucial element of ensuring the safety and quality of our health system, as it gives the community and government assurance that systems are present in health services to protect the public from harm and improve the quality of health service provision.

All Tasmanian hospitals, day procedure centres and public dental practices are accredited under the Australian Health Service Safety and Quality Accreditation Scheme (the Scheme). The objective of the Scheme is to protect the public from harm by providing a quality assurance mechanism for health service organisations; to test those systems are in place that ensure minimum standards of safety and quality are met; and ensure that mechanisms are in place to allow continuous improvements in the quality of health service provision.

The Australian Health Service Safety and Quality Accreditation Commission (Commission) requires health service organisations to submit an annual Attestation Statement to their accrediting agency. Attestation is a formal process that involves authorised officers of a health service organisation confirming compliance with the Scheme. This occurred in September 2021, with the Secretary attesting that a robust system of clinical governance was present across the organisation. Each annual attestation statement covers the previous 12-month period. Tasmanians can access information on health facilities compliance with the Standards via the [Australian Commission on Safety and Quality in Health Care](#) website.

Area	Last Review / Review Due	Certification (as at 30 June 2022)
Launceston General Hospital	04/04/2022	Pending Assessment
Mersey Community Hospital	27/06/2022	08/05/2024
North District Hospitals (St Helens, Deloraine, Scottsdale, George Town, St Marys)	07/02/2022	25/06/2025
North West District Hospitals (Smithton, King Island and West Coast)	28/07/2021	23/08/2024
North Multipurpose (Beaconsfield, Campbell Town, Flinders Island)	07/02/2022	25/06/2025
North West Regional Hospital	27/06/2022	08/05/2024
Royal Hobart Hospital (including Midlands and New Norfolk)	03/05/2022	16/03/2024
Statewide Mental Health Services (Alcohol and Drug Services, Forensic Health Services)	08/08/2022	Pending Assessment
Statewide Oral Health Service	11/03/2022	20/09/2024



Our People and Policies

Workforce Overview

In 2021–22 the Department has focused on building its workforce culture, through:

- Developing the **Our Watch Action Plan**, which focuses on gender equality and gendered violence. The Action Plan was informed by a self-assessment supported by Our Watch and workforce participation through workshops. It was approved by the Health Executive in June 2022 and work has begun to communicate with the workforce and implement the actions. The actions focus on the Our Watch Workplace Equality and Respect Standards of Commitment, Conditions, Culture, Support and Core Business.
- Developing the **One Health Culture Program** to support our people to positively work together, learn, collaborate and problem-solve, share risk, empower and respect each other. The program will focus on addressing five key focus areas: Leadership accountability, Leadership and management capability, Workplace values and behaviours, Health, safety and wellbeing, and Systems and processes. The Program supports the Department's *Strategic Priorities 2021–23* and will be released in the second half of 2022.
- Continuing to implement **cultural awareness training**, primarily through two e-learning modules focused on Aboriginal Cultural Respect in Health Services and Multicultural Awareness in the Health and Community Sector. The Department has also continued to plan, develop and/or implement a range of other workforce activities including:
 - Sex and Gender Reform Program
 - LGBTIQ+ awareness in healthcare training
 - *Racism. It Stops With Me* campaign
 - National Safety and Quality Health Service Standards
 - Speaking Up for Safety
 - days of significance/celebration.

Current Workforce Profile

Total Number of Full Time Equivalent (FTE) Paid Employees by Award

	2020–21	2021–22
Allied Health Professional	1 122.28	1 202.20
Ambulance	542.51	574.27
Dental	31.22	36.44
Health and Human Services	4 064.62	4 473.23
Salaried Medical Practitioner	1 133.13	1 191.63
No Award	3.24	3.74
Nursing and Midwifery	4 460.47	4 759.66
Radiation Therapist	59.43	59.93
Senior Executive Service ¹	26.00	32.00
Visiting Medical Practitioner ²	35.40	38.59
Total	11 478.28	12 371.69

1. Senior Executive Service figures include Head of Agency.

2. Includes Rural Medical Practitioners.

Total Number Paid by Employment Category

	2020–21	2021–22
Permanent full-time	4 117	4 395
Permanent part-time	6 578	7 028
Fixed-term full-time	1 074	1 288
Fixed-term part-time	1 166	1 355
Part 6 ¹	34	39
Casual	1 687	1 625
Total	14 656	15 730

1. Head of Agency, holders of Prescribed Offices, and Senior Executives and equivalents.

Total Number of Paid Employees by Award

	2020–21	2021–22
Allied Health Professional	1 380	1487
Ambulance	592	637
Dental	46	51
Health and Human Services	5 120	5 566
Salaried Medical Practitioner	1 264	1 329
No Award	11	11
Nursing and Midwifery	5 986	6 391
Radiation Therapist	66	65
Senior Executive Service ¹	26	32
Visiting Medical Officer ²	165	161
Total	14 656	15 730

1. Senior Executive Service figures include Head of Agency.

2. Includes Rural Medical Practitioners.

Total Number of Paid Employees by Age Profile

	2020–21	2021–22
15–19 years	54	56
20–24 years	970	1 142
25–29 years	1 706	2 003
30–34 years	1 816	2 149
35–39 years	1 629	1 806
40–44 years	1 436	1 581
45–49 years	1 524	1 479
50–54 years	1 815	1 780
55–59 years	1 793	1 791
60+ years	1 913	1 943
Total	14 656	15 730

Gender Diversity

Gender Profile

The Department's gender profile remains relatively stable. As at 30 June 2022, the overall gender profile was at 25.2 per cent male, 74.7 per cent female and 0.1 per cent indeterminate/intersex/unspecified.

	2020–21	2021–22
Male	3 639	3967
Female	11 013	11 745
Indeterminate/Intersex/Unspecified	4	18
Total	14 656	15 730

Senior Executive Service by Gender^{1,2}

Under the *Tasmanian Women's Strategy 2018–2021* and *Gender Diversity in the State Service Policy*, the Department is committed to developing women's leadership and participation as a key priority to support gender equality for the benefit of the whole community. The Senior Executive Service profile (including Head of Agency) in the reporting period was 37.5 per cent male and 62.5 per cent female.

	2020–21	2021–22
Male	13	12
Female	13	20
Total	26	32

1. Gender breakdown does not include employees who do not identify their gender as either male or female.
2. Table excludes Acting SES arrangements.

Senior Executive Service Level by Gender^{1,2}

	2020–21	2020–21	2021–22	2021–22
	Male	Female	Male	Female
SES 1	3	6	2	9
SES 2	2	5	3	6
SES 3	6	1	5	3
SES 4	2	0	2	1
Head of Agency	0	1	0	1
Total	13	13	12	20

1. Gender breakdown does not include employees who do not identify their gender as either male or female.
2. Table excludes Acting SES arrangements.

Classifications by Gender

The following information identifies the gender profile of employee classification groups in 2021–22. Data is by headcount and data has been removed that might identify the individuals who have self-selected indeterminate/intersex/unspecified. Therefore, gender breakdown in the following tables does not include employees who do not identify their gender as either male or female.

Allied Health Professionals¹

	2020–21	2020–21	2021–22	2021–22
Classification	Male	Female	Male	Female
AHP 1–2	94	408	114	417
AHP 3	111	504	118	558
AHP 4	54	136	58	147
AHP 5	26	43	27	44
AHP 6	2	1	2	2

1. This does not include allied health professionals employed as an SES Equivalent Specialist under Part 6 of the *State Service Act 2000*.

Ambulance

	2020–21	2020–21	2021–22	2021–22
Classification	Male	Female	Male	Female
Paramedic Intern	21	13	22	30
Paramedic	160	155	156	165
Clinical Support Officer	11	7	6	5
Paramedic Educator	7	3	9	1
Communications Officer	4	7	2	5
Emergency Medical Dispatch Officer	20	29	21	32
Branch Station Officer	63	20	78	31
Ambulance Manager	47	24	50	24

Dental Officers

	2020–21	2020–21	2021–22	2021–22
Classification	Male	Female	Male	Female
DO 1–3	21	21	22	25
DO 4	3	0	1	2
DO 6	1	0	1	0

General Stream

	2020–21	2020–21	2021–22	2021–22
Classification	Male	Female	Male	Female
Bands 1–5	455	1 871	522	2071
Bands 6–8	165	251	204	287
Bands 9–10	4	3	5	3
Graduate	4	3	2	4
Health Services Officer	722	1 555	822	1552
Information and Communication Technology	77	10	82	12

Medical Practitioners

	2020–21	2020–21	2021–22	2021–22
Classification	Male	Female	Male	Female
Rural Medical Practitioner	25	13	26	7
Visiting Medical Practitioner	87	40	86	42
Intern	36	55	42	60
Resident	69	103	71	116
Senior Resident	3	6	6	6
Registrar	218	198	239	190
Senior Registrar – Fellow	4	5	4	4
Senior Registrar – Dual Fellow	0	6	2	4
Career Medical Officer	20	7	23	8
Specialist	229	183	224	205
Senior Specialist	95	25	95	29

Nursing and Midwifery

	2020–21	2020–21	2021–22	2021–22
Classification	Male	Female	Male	Female
Grade 1	22	122	28	167
Grade 2	72	557	82	582
Grade 3–4	473	3 450	492	3610
Grade 5	82	495	86	560
Grade 6	45	388	61	417
Grade 7	26	150	26	159
Grade 8	13	75	14	88
Grade 9	4	11	5	14
Chief Nurse and Midwifery Officer ¹	0	1	0	1

1. The Chief Nurse is employed as an SES Equivalent Specialist under Part 6 of the *State Service Act 2000*.

Radiation Therapists

	2020–21	2020–21	2021–22	2021–22
Classification	Male	Female	Male	Female
RT 1–2	9	30	7	30
RT 3	5	10	5	10
RT 4	6	3	6	4
RT 5	1	2	1	2

Workplace Health and Safety

The Department recognises the importance of Work Health and Safety (WHS). We strive for continual improvement in WHS and support a range of activities and strategies to achieve this.

In 2021–22, the focus has continued to be on providing safe workplaces, training workers, managers and officers, and providing wellbeing programs. WHS and wellbeing activities have included:

- updating and consolidating WHS and wellbeing policies, procedures and training materials, including the WHS training framework providing information and applicable training to all workers, managers/supervisors and officers
- ongoing review and updating of the Department-wide WHS risk register
- reviewing, auditing, and updating the COVID-19 safety plans across all sites and facilities
- continuing to undertake workplace inspections, WHS risk assessments, investigations, implementation of recommended actions, and associated training
- a continued focus on assessing the risk of new equipment and potential high-risk activities within the Department prior to implementation
- continuing to develop and build upon peer support programs and other initiatives to better support the health of staff, within the Department
- continuing Mental Health First Aid Training and the Connecting with People Program
- progressing from a single Employee Assistance Program (EAP) provider to a panel of four EAP providers, providing greater choice and better access for employees and their families
- developing online training resources for Manual Handling and Occupational Violence, which have provided a flexible approach in the delivery of training
- ongoing meetings of WHS committees and forums across the Department.

Workplace Health and Safety Key Measurable Objectives^{1,2}

Objective	Measures/Targets	Outcomes	
		2020–21	2021–22
Reduce the total number of workers compensation claims	Number of injuries resulting in new workers compensation claims	642	645
Reduce cost of workers compensation ²	Total cost of workers compensation (including carry over claims)	\$26.91 million	\$26.22 million
Reduce the lost time injury frequency rate (LTIFR)	Percentage of injuries resulting in >1 day off work per 1 000 000 hours worked	21.9	20.2
Reduce the lost time injury severity rate (LTISR)	Number of days lost per 1 000 000 hours worked	1 949	1 599

Notes:

1. Forty-six workers compensation claims were attributed to COVID-19 at the North West Regional Hospital in 2020.
2. The reportable figure reflects the value of workers compensation claims in that year.

Awards and Agreements

The following is a list of current industrial instruments covering wages and conditions for the various employee cohorts in the Department.

Administrative and Operational

- Health and Human Services (Tasmanian State Service) Award
- Public Sector Unions Wages Agreement 2019

Allied Health Professionals

- Health and Human Services (Tasmanian State Service) Award
- Allied Health Professionals Public Sector Unions Wages Agreement 2019
- Radiation Therapists Agreement 2019

Ambulance Tasmania

- Ambulance Tasmania Award
- Ambulance Tasmania Industrial Agreement 2019
- Ambulance Tasmania – Paramedic Immuniser Agreement 2021

Dental Officers

- Health and Human Services (Tasmanian State Service) Award
- Dental Officers Industrial Agreement 2019

Medical Practitioners

- Medical Practitioners (Tasmanian State Service) Award
- Rural Medical Practitioners (Tasmanian State Service) Agreement 2021
- Salaried Medical Practitioners (Tasmanian State Service) Agreement 2019
- Salaried Medical Practitioners (AMA Tasmania/DHHS) Agreement 2009
- Tasmanian Visiting Medical Practitioners Agreement 2019
- Department of Health and Human Services Tasmanian Visiting Medical Practitioners Agreement 2009

Nurses and Midwives

- Nurses and Midwives (Tasmanian State Service) Award
- Nurses and Midwives (Tasmanian State Service) Agreement 2019
- Nurses and Midwives (Tasmanian State Service) Interim Agreement 2013
- Nurses and Midwives Work Value Agreement 2015
- Caseload Midwifery Industrial Agreement 2019

Various

- Department of Health – Roy Fagan Centre Shift Work Arrangements Agreement 2020
- Department of Health and Human Services – Wilfred Lopes Centre Care Assistant Shift Arrangements 2006
- Department of Health and Human Services Northside Clinic Attendant Shift Arrangements Agreement 2010
- Department of Health and Human Services Mental Health Services NW Crisis Assessment Team Shift Arrangements Agreement 2012
- Tasmanian Health Service – Southern Region Microbiology Laboratory Agreement 2016
- Department of Health and Human Services Public and Environmental Health Services Staff Availability and Recall Agreement 2015
- Covid-19 Response Victorian Deployment (Health) Aged Care Services Agreement 2020



Our Consumer and Community Engagement

Consumer and Community Engagement

We recognise the support of the many stakeholders, volunteers, auxiliaries and community groups who help us to continue providing healthcare to our community.

The Department is committed to providing the Tasmanian community with opportunities to engage in planning and decision-making to ensure that the Department's policies, programs and services are effective and appropriate. The Department is guided by the relevant NSQHS Standards – Standard 1 (Clinical Governance) and Standard 2 (Partnering with Consumers). Engagement with the community enables the development of more resilient relationships with stakeholders and clients and can improve the quality of policies and services by making them more practical and relevant.

Consumer and Community Engagement Councils

The Department, including the Tasmanian Health Service, engages and works in partnership with three Consumer and Community Engagement Councils (CCECs) across Tasmania. Engagement and participation are guided by our 'The Patient Will See You Now' framework underpinned by the Consumer and Community Engagement Principles.

Collectively, the framework and principles support the CCECs to participate in planning, design, delivery, measurement, and evaluation of services to improve systems, direct resources and ensure patients are partners in their own care.

Significant achievements during 2021–22 include:

- continued development and reinforcement of the CCEC as the primary resource for consumer engagement in supporting the activities of THS
- contribution towards the successful SNAP accreditation of the 'Partnering with Consumers' standard, an essential requirement for the effective implementation of the other seven NSQHS standards and recognising the value of having consumers as partners in systems and services and importantly in their own care
- continued representation on high-level committees across THS
- embedding of the Consumer Advisory Panel as legitimate and valued partners within the administrative and operational structures of the Department and THS through quarterly meetings with the Secretary and Executive staff
- increasing participation in root cause analysis, a strong indication of the intent of THS to take consumer engagement seriously in the investigation of serious adverse events
- participation in the statewide consumer forum celebrating consumer partnerships and engagement across the THS
- development of a statewide policy on Gender Accommodation.

CCEC members partner and actively participate in shaping the direction of health services by contributing their unique consumer perspective. Members dedicate their time freely to support consumer engagement for the benefit of consumers.

Lesbian, Gay, Bisexual, Transgender and gender diverse, Intersex, Queer+

The Department's Lesbian, Gay, Bisexual, Transgender and gender diverse, Intersex and Queer+ (LGBTIQ+) Reference Group meets three times a year to work collaboratively to improve health outcomes and access to services for LGBTIQ+ Tasmanians. Membership includes representatives from the Department, community organisations and LGBTIQ+ key groups.

The group aligns itself to the principles and action areas of the LGBTIQ+ Whole-of-Government Framework. This framework is due for redevelopment in 2022 and will draw on the findings from the *LGBTIQ+ Tasmanians: [Telling Us the Story](#)* report (December 2021).

Consultation with the LGBTIQ+ community has also been undertaken as part of developing the *Rethink 2020 Implementation Plan*.

In December 2021, the new Department of Health LGBTIQ+ Inclusive Healthcare learning resources were launched. These include an online module, videos with the voices of members of the Tasmanian LGBTIQ+ community, discussion guide, and webpage. The resources are being implemented across the Department. As of June 2022, around 829 staff had completed the module. Ongoing system updates are improving our ability to represent diverse sexuality and gender identities in our employee, patient and client data. The Department provides funding for several community-based organisations that work with LGBTIQ+ Tasmanians, including Working it Out and TasCAHRD.

Multicultural Communities

The Department funds the Australian Red Cross to deliver the statewide Bi-cultural Community Health Program. This program works within a community development framework, assisting newly arrived individuals, groups and communities of culturally and linguistically diverse backgrounds. This enables communities, including refugees, to better understand and independently access the health system. Tasmania's migrant communities have skilled, respected, informed and connected community leaders who have long played an important role in the health and wellbeing of communities. Working with communities and their leaders continues to be a key strategy.

Healthy Tasmania funding has also been provided to the Australian Red Cross to deliver the Connected Women Project. The goal is to promote improved mental health and wellbeing by building and strengthening social connections. The Project engages participants to co-design solutions to address barriers, using a strengths-based approach.

A review of the online learning module 'Multicultural Awareness in the Health and Community Sector' has begun. An updated and extended set of learning resources supporting culturally connected healthcare is planned.

The Migrant Support Network was established in 2020 to support the exchange of information related to COVID-19. The Network continues to meet regularly and enables sharing between representatives from government and community-based services who work with, and for, migrant and culturally diverse communities.

Building a Culturally Respectful Health System for Aboriginal people

The [*Improving Aboriginal Cultural Respect Across Tasmania's Health System Action Plan 2020–2026*](#) was endorsed in 2020 and demonstrates the Department's commitment to a range of actions to create culturally safe health services, environments, and workplaces for Aboriginal people. The focus areas and actions align with the priority reform areas of the 2020 *National Agreement on Closing the Gap*.

The Action Plan was informed by the Aboriginal Cultural Respect in Tasmania's Health Services – *Community Consultation Report* (2018), the *National Safety and Quality Health Service Standards* (second edition), and *Cultural Respect Framework for Aboriginal and Torres Strait Islander Health 2016–2026*.

A high-level steering committee, established to oversee the implementation of the Action Plan, will be co-chaired by an Aboriginal health leader from the Tasmanian Aboriginal Centre and the Deputy Secretary – Community, Mental Health and Wellbeing.

The inaugural annual report for the Action Plan covering progress and actions undertaken across the Department during 2020–21 was published in July 2021.

A total of 3 500 Departmental staff completed the updated Aboriginal Cultural Respect in Health Services eLearning module in 2021 and feedback has been overwhelmingly positive. A large cohort has reported feeling more confident to deliver care and services that are culturally more respectful for Aboriginal people in Tasmania.

A suite of resources has been developed to help health services and staff become more culturally competent, including the four short 'Ask Away!' video series and discussion guide, and the 'Asking the Question', 'Are You Aboriginal or Torres Strait Islander?' resources.

In support of growing the number of Aboriginal people in the health workforce, a commitment has been made to offer 10 Ida West Aboriginal Health Scholarships each year for the next four years (2022 to 2025) and funding for up to 10 Aboriginal health worker traineeships per year for the next three years.

Consultation with the Aboriginal community has also been undertaken as part of developing the *Rethink 2020 Implementation Plan*.

The Department provides grant funding to Aboriginal Community Controlled Organisations to support projects to improve health and wellbeing outcomes for Tasmanian Aboriginals.

Closing the Gap

Under the *National Agreement on Closing the Gap*, four targets aim to improve health outcomes for Aboriginal and Torres Strait Islander peoples within a generation to:

1. Close the gap on Aboriginal life expectancy
2. Increase the number of Aboriginal children born with a healthy birthweight
3. Ensure Aboriginal children thrive in their early years
4. Reduce suicide rates of Aboriginal people towards zero.

Tasmania's *Closing the Gap Implementation Plan*, coordinated by the Office of Aboriginal Affairs, includes 11 actions led by the Department to specifically address the four targets above. These actions are focused on building an understanding of mental health, preventive health and early childhood health needs for Tasmanian Aboriginal people and establishing ways of working.

The Department has participated in the development of several national plans and strategies that are intended to complement local Closing the Gap activities, including:

- *The Health Sector Strengthening Plan*
- *The National Aboriginal and Torres Strait Islander Health Plan 2021–2031*
- *The National Aboriginal and Torres Strait Island Health Workforce Strategic Framework and Implementation Plan 2021–2031*.

Information for the Public

Health System Dashboard

The Health System Dashboard 'HealthStats' is released monthly to provide transparent and timely information on our health system ensuring accountability and openness. It can be found at www.healthstats.dhhs.tas.gov.au.

Publications

We develop plans and strategies to ensure we are providing effective and efficient care and support to all Tasmanians. Staff also prepare a range of journal articles, books and chapters. This information can be found at www.health.tas.gov.au/publications. A list of high-level publications released in 2021–22 follows:

Key Publications 2021–22	Year
Advancing Tasmania's Health (Exposure Draft)	2022
Digital Health Transformation – Improving Patient Outcomes 2022–2032	2022
Draft Tasmanian Drug Strategy 2022–2027	2022
Healthy Tasmania Five-Year Strategic Plan 2022–2026	2022
Our Healthcare Futures – Progress Summary Report – April 2022	2022
Tasmanian Health Senate Terms of Reference and Operational Framework	2022
Tasmanian Suicide Prevention Strategy – Online Community Survey Consultation Paper	2022
Department of Health Annual Report 2020–2021	2021
No one left behind: an action plan to achieve a smoke free Tasmania	2021
Rethink 2020 Implementation Plan	2021
Tasmanian Health Service – Service Plan 2021–22	2021

Information for Staff

Numerous, regular internal publications are produced across the Department to keep our staff up to date on important work-related issues, including regular communications from the Secretary to all staff.

LiveTiles Reach, an online channel allowing interactive internal communications, was introduced as the main staff communication tool in August 2021.

Library Services

Library services provides staff with timely knowledge and evidence enabling high-quality decision-making, learning, research and innovation. It comprises the Ramsay Library in the North, Buttfield Library in the North West, and the Wingfield Library and the RHH Library Kiosk in the South. Library services administers and curates the Electronic Portal for Online Clinical Help (EPOCH) enabling users to access quality health information simply and quickly anywhere in the State.

Research

The Department's website hosts important information for the broader Tasmanian community on health and medical research in Tasmania. The website includes *Tasmania's Research Strategy – A Three Year Plan*. A key principle in Tasmania's Research Strategy is to “promote the outcomes of research and clinical trials by our researchers to our community, within our health services and to potential investors”. To achieve this, a consumer engagement strategy for research and clinical trials is being developed with the guidance of the Research and Innovation Subcommittee of the Clinical Executive. This is being done in collaboration with Tasmanian health consumers to promote genuine and active partnership at all levels of the Tasmanian publicly funded health service.

Some benefits of genuine partnership with community are:

- research conducted that is relevant to community needs
- public awareness of, and support for, science and research
- more effective translation of research to deliver improved health outcomes.

The benefits to researchers and research institutions include:

- increased community relevance through improved research priorities and projects informed by consumer and community perspectives and lived experiences
- public confidence in research through improved openness and transparency
- public confidence in research through improved accountability in the use of public money for research.

The Department of Health partnered with the University of Tasmania (UTAS) and the Menzies Institute for Medical Research (Menzies) on funding grant applications for two consumer-designed research projects for the 2022–23 funding year. The grant submissions were led by consumers with lived experience and designed to maximise consumers' understanding and control over their cardiovascular healthcare.

The Department of Health (including the THS), UTAS, Menzies, Primary Health Tasmania and the National Heart Foundation partnered with the Australian Cardiovascular Association to create a Tasmanian Health Leadership Research Forum and a Tasmanian Research Node based on data showing poorer health outcomes for rural and remote Tasmanians with cardiovascular disease. The purpose of this initiative is to identify unmet consumer needs and to link researchers and consumers into a national, collaborative, whole-of-pipeline research community to make a difference to issues of Tasmanian community concern.



Our Compliance

Asset Management

The Asset Management Unit manages the Department's portfolio of infrastructure assets, including facilities, plant and equipment. The unit is committed to improving our planning and management practices to ensure our assets enable the delivery of safe, high-quality healthcare services to the Tasmanian community.

During the year, Asset Management continued to progress a range of initiatives to improve management of health facilities across Tasmania, and to streamline and consolidate building management activities.

Asset Management Policy and Strategic Asset Management Plan

The Asset Management Policy, launched in September 2021, sets out the strategic direction the Department will take to manage its asset portfolio more effectively and ensure that we are building the infrastructure for our health future.

The Department's new policy has been developed in alignment with international best practice and based on the principles of enabling good governance, delivery of health services, proactive risk management, future planning, continuous improvement and financial sustainability.

The Asset Management Policy is complemented by a Strategic Asset Management Plan, which was released in April 2022.

Strategic Asset Management Plan (SAMP)

The SAMP describes how the Asset Management Policy is put into practice by:

- describing the role of the asset management system in supporting achievement of our strategic objectives
- demonstrating our commitment to a continuous improvement approach to asset management
- assisting the Department to identify asset management investment priorities.

Our new asset management information system will provide a single asset register containing condition, performance, and financial information for compliance and evidence-based decision-making.

The Building Condition Assessment Manual and Framework (BCAM) provides the comparison of risk and asset condition with performance information and data to drive programs of work. The BCAM will be used as part of a statewide program to assess the condition of our property portfolio.

Hospital Equipment Management

The Tasmanian Government has committed \$20 million over three years to replace and upgrade critical hospital equipment, including diagnostic imaging equipment.

During the year, an external consultant was engaged to undertake an audit of medical equipment. The audit analysed and classified equipment according to priority for replacement, based on factors including nominated working life and current condition.

Audits have now been completed for medical equipment in Surgical Services, Medical Services, Women's and Children's Services, Intensive Care Units, Emergency Departments and Diagnostic Imaging. The audits provide a fully costed, risk-rated, statewide equipment list, which is used to support evidence-based decision-making.

\$10.7 million has been allocated to replacing critical surgical equipment, with the remaining funds allocated to medical equipment that is at end of life, prioritised by hospital sites, for example magnetic resonance imaging (MRI) at the RHH.

Our new asset management system will include medical equipment and allow us to define future investment and replacement programs to better manage the equipment life cycle.

Property Portfolio Management

The Accommodation Services team is responsible for managing 216 lease and licence agreements (both inwards and outwards). During 2021–22, the team processed 35 new and renewing leases/licences in and 120 new and renewing leases/licences out. Nine properties were acquired and seven disposed of during the year.

The Hobart CBD Accommodation Plan, endorsed during the year, will consolidate office accommodation to gain operational efficiency and meet demand for office space. Under the plan, we will improve utilisation of building stock and provide contemporary office accommodation fit-out that is technology-enabled for flexible working. We will also exit inefficient and unsuitable buildings and enable the Department to meet short-term demands for space. The final stacking plan – identifying where business units will be accommodated – will be determined in 2022–23.

The implementation of the plan is expected to take a number of years as tenancies become available, refurbishment works are completed, and staff are relocated. Heads of Agreement and/or leases were negotiated to enable the Department to meet increased demand. In each of these buildings, the Department successfully negotiated the inclusion of landlord-funded refurbishment fit-outs. This includes 5 300 m² in the Vodafone building to deliver additional outpatient clinics to support the Royal Hobart Hospital, 1 700 m² in the Trafalgar Building to deliver an extra 156 office work points, and 4 500 m² at the former Entura offices in Cambridge to deliver additional office and workshop spaces.

Vehicle Fleet Management

The Department currently operates 988 leased light vehicles, comprising 784 operational vehicles and 204 executive vehicles. There are also 104 Type 1 ambulances managed for Ambulance Tasmania.

Historically, vehicle fleet management was undertaken in the regions, with Ambulance Tasmania taking responsibility for its own vehicles. This year fleet management was consolidated to deliver an efficient, effective and consistent approach to managing motor vehicle fleet services across the State. The Fleet Services unit also took responsibility for managing the consolidated ambulance fleet with a view to better supporting ambulance delivery, maintenance and management. A number of KPIs have been developed to monitor the effectiveness of the Department's vehicle fleet, identify trends and determine areas for improvement.

One major project delivered during the year has been the replacement and fit-out of new ambulances. Thirty Type 1 ambulances have been commissioned during the year and are now in service. Fleet Services will now work to develop a future replacement program for the ambulance fleet.

Capital Works

A number of new projects commenced during 2021–22, including development of concept plans for upgrades to the Midlands Multipurpose Centre to improve aged care patient amenity; development of designs for helipads at Dover and St Helens to provide increased aeromedical support for these regions; and commencement of planning and design for the Mental Health Precinct at the Launceston General Hospital (LGH) and a new Angiography Suite at the RHH.

The impact of COVID-19 continues to be a significant issue affecting the delivery of the Capital Program due to a lack of availability of contractors and subcontractors to price work. This is the result of a building and construction market that is 'saturated' with new and future projects in both the public and private sectors.

Completed Major Capital Works 2021–22

Completed Major Capital Works 2021–22	Total Cost \$'000
RHH Ward 6A (July 2021)	1,445
RHH Ward 3A (December 2021)	1,300
New Norfolk Hospital Nurse Call and Body Protection (July 2021)	900
New Norfolk Hospital and Central Highlands Community Health Centre Hydraulic Upgrades (Dec 2021)	300
Campbell Town Nurses Accommodation Refurbishment (September 2021)	630
Ward 3D in the LGH (September 2021)	1,300
Digital Dentures Clinics upgrades in Launceston and Hobart (April 2022)	291
Mersey Community Hospital Early Works package (February 2022)	4,600
North West Regional Hospital Ante-natal unit	5,500

Ongoing Major Capital Works 2021–22

	2021–22	Estimated	Estimated	Estimated
	Expenditure	Total Cost	Cost to Complete	Completion Year
Ongoing Major Capital Works 2021–22	\$'000	\$'000	\$'000	
Air Conditioning Upgrades – Statewide	560	5 900	2 731	2022–23
Burnie and Glenorchy Ambulance Stations	640	20 532	9 882	2023–24
Community Health and Hospitals Program – Acute Care Facility NWRH	53	10 000	9 786	2024–25
Community Health and Hospitals Program – Kings Meadows Community Centre	69	10 000	10 015	2024–25
Community Health and Hospitals Program – Queenstown Allied Health and Aged Care Facility	54	1 000	667	2024–25
Launceston General Hospital – Redevelopment	21 797	87 331	13 984	2024–25
Maternity Services at the North West Regional Hospital	3 445	5 800	0	2021–22
Mersey Community Hospital Upgrades	5 279	37 386	47 185	2024–25
Regional Health and Ambulance Facilities Fund	46	10 000	7 545	2024–25
Royal Hobart Hospital Pharmacy Redevelopment	429	5 861	4 950	2024–25
Royal Hobart Hospital Stage 2 Redevelopment	14 268	201 080	116 427	2026–27
Statewide Hospital Critical Facilities Upgrades	1 640	6 990	672	2022–23
Statewide Hospital Health Facility Infrastructure Upgrades	473	4 700	358	2022–23
Statewide Rural Hospital and Ambulance Station Upgrade Fund	2 894	15 435	5 719	2022–23
THS Infrastructure Upgrades	514	1 130	800	2022–23
27 New Mental Health Beds in Southern Tasmania	5 815	20 740	12 806	2022–23
CHHP St Johns Park Eating Disorders Treatment Centre	9	10 000	9 300	2023–24

Consultancies, Contracts and Tenders

The Department ensures procurement is undertaken in accordance with the mandatory requirements of the Treasurer's Instructions relating to procurement, including that Tasmanian businesses are given every opportunity to compete for business. There were no contract extensions approved pursuant to Treasurer's Instruction PP-6.

Summary of Participation by Local Businesses

The table below provides a summary of the level of participation by local businesses for contracts, tenders and/or quotations with a value of \$50 000 or over.

Total number of contracts awarded	156
Total number of contracts awarded to Tasmanian businesses	105
Value of contracts awarded ^{1,2}	\$258 250 014
Value of contracts awarded to Tasmanian businesses ^{1,2}	\$201 081 028
Total number of tenders called and/or quotation processes run	51
Total number of bids and/or written quotations received	325
Total number of bids and/or written quotations received from Tasmanian businesses	156

Notes:

1. In accordance with the requirements of the Treasurer's Instructions, the values in this table do not include the value of any options to extend.
2. All values exclude GST.

Consultancies Awarded¹

The following table provides a summary of consultancies awarded during 2021–22 with a value of \$50 000 or over.

Consultant Name	Location	Consultancy Description	Period of Consultancy	Total Value \$ ²
Artas Pty Ltd	Tas	Kings Meadows Community Health Centre – Building and Site Investigations	22/04/2022 – 15/07/2022	131 473
Artas Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Artas Pty Ltd	Tas	LGH Emergency Department Airlock and Ambulance Ramp Enclosure – Principal Consultant	07/09/2021 – 07/10/2021	87 682
BlackCap Construction Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
BPSM Pty Ltd	Tas	Royal Hobart Hospital Stage Two – J Block Redevelopment – Principal Consultant	30/08/2021 – 09/09/2027	367 091
BPSM Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵

Consultant Name	Location	Consultancy Description	Period of Consultancy	Total Value \$ ²
Burbury Consulting Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Capital Insight Pty Ltd	NSW ³	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Debra Thoms Consulting	NSW	North West Maternity Services Transition Project – Consultant	01/11/2021 – 31/05/2022 Option to extend ⁴ 01/07/2022 – 01/08/2022	164 066 26 500
Emerson Health Pty Ltd	Tas	Review of Health Information Management Services for the Tasmanian Health Service	10/09/2021 – 31/03/2022	99 525
Exsto Management Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Faction Consulting Pty Ltd	QLD ³	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Garrigan Construction Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
GHD Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Engineering Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Johnstaff Projects Pty Ltd	Vic ³	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Johnstone McGee & Gandy Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Jones Lang LaSalle Pty Ltd	Vic	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Matrix Management Group Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
North Projects Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵

Consultant Name	Location	Consultancy Description	Period of Consultancy	Total Value \$ ²
Rare Innovation Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Resonance Consulting Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Robert Carroll & Associates Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Sensum Group Pty Ltd	Vic	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Skyscape Management Group Pty Ltd	Tas	NW Hospitals Masterplan – Building and Infrastructure Site Investigations	21/02/2022–03/06/2022	115 650
Skyscape Management Group Pty Ltd	Tas	NW Hospitals Masterplan – Health Masterplanning Professional Services	11/05/2022 – 30/11/2022	279 420
Sustainable Engineering Tasmania Pty Ltd	Tas	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Touch Projects Limited	Vic	Project Management Professional Services Panel for Health Infrastructure Projects	16/07/2021 – 15/07/2024 Option to extend ⁴ 16/07/2024 – 15/07/2026	0 ⁵
Xsquared Architects Pty Ltd	Tas	Project scoping for Dover and St Helens Helipads	18/02/2022 – 02/06/2022	246 349

Notes:

1. Where an overarching procurement process exists (for example Common Use Contracts and Agency Panel arrangements), individual engagements are not reported.
2. All values exclude GST.
3. An organisation whose principal place of business is not in Tasmania but has a permanent office or presence in Tasmania and employs Tasmanian workers.
4. The period of a contract for reporting purposes includes the value, or estimated value, of any possible options to extend. Where applicable, the principal period of the contract is identified as well as any options to extend; this does not signify that the options have been or will be exercised.
5. A '0' contract value signifies a contract for which a value for each supplier cannot be estimated, being dependent on future purchasing patterns.

Contracts Awarded¹

Below is a summary of contracts awarded during 2021–22 with a value of \$50 000 or over, excluding consultancy contracts.

Contractor Name	Location	Contract Description	Period of Contract	Total Value \$ ^{1,2}
3M Australia Pty Ltd	NSW ³	Pharmaceutical Products	01/04/2021 – 31/03/2023 Option to extend ⁴	9 906 ⁶
			01/04/2023 – 31/03/2025	9 906 ⁶
20th Century Plumbing Pty Ltd	Tas	New Norfolk District Hospital and Ouse Community Health Centre Hydraulics Upgrade	01/09/2021 – 01/11/2021	239 815
Adaptable HR	Tas	Transition Project – HR Advice and Support	06/06/2022 – 30/09/2022	89 250
Advanced Lifecare Pty Ltd	Tas	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
Aidacare Pty Ltd	Tas	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
Airlock Digital Pty Ltd	SA	To Implement an Application-whitelisting Technology	10/06/2022 – 09/06/2025	577 473
Alpha Lifecare Pty Ltd	NSW	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
Anstie Constructions Pty Ltd	Tas	LGH – Holman Clinic Entry	13/01/2022 – 01/06/2022	134 285
Applied Medical Australia Pty Limited	QLD ³	Supply of Medical Sutures and Associated Stapling Devices	01/03/2022 – 28/02/2027 Option to extend ⁴ 01/03/2027 – 28/02/2031	0 ⁵
Arjo Australia Pty Ltd	WA	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
Astellas Pharma Australia Pty Ltd	NSW	Pharmaceutical Products	01/04/2021 – 31/03/2023 Option to extend ⁴	520 502
			01/04/2023 – 31/03/2025	520 502
Australian Linen Supply Pty Ltd t/a Confident Care Products	NSW	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
AUSUSA Medical Innovations Pty Ltd	Vic	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
B Braun Australia Pty Ltd	NSW ³	Hand Hygiene Products	01/03/2022 – 28/02/2025 Option to extend ⁴ 01/03/2025 – 28/02/2027	0 ⁵

Contractor Name	Location	Contract Description	Period of Contract	Total Value \$ ^{1,2}
Biomerieux Australia Pty Limited	NSW	LGH – Integrated Microbiological System including Mass Spectrometer and Identification and Susceptibility Testing Analyser	01/11/2021 – 31/10/2026 Option to extend ⁴	491 998
			01/11/2026 – 31/10/2028	133 199
Calvary Health Care Tasmania Limited	NSW ³	Provision of Elective Surgery Services	01/07/2021 – 30/06/2024 Option to extend ⁴ 01/07/2024 – 30/06/2026	0 ⁵
Cantel Australia Pty Ltd	Vic	Endoscopic Reprocessing Machines	04/08/2021 – 09/09/2027	397 000
Carl Zeiss Pty Ltd	NSW	LGH – Supply of Surgical Microscope	01/07/2022 – 30/06/2024 Option to extend ⁴	357 964
			01/07/2024 – 30/06/2030	77 040
Chiesi Australia Pty Ltd	Vic	Pharmaceutical Products	01/04/2021 – 31/03/2023 Option to extend ⁴	3 266 425
			01/04/2023 – 31/03/2025	3 266 425
Cleanaway Daniels Services Pty Ltd	Vic ³	Provision of Clinical and Related Waste Treatment and Disposal Services	29/09/2022 – 28/09/2032 Option to extend ⁴	6 675 000
			29/09/2032 – 28/09/2042	6 675 000
Clifford Hallam Healthcare Pty Ltd	NSW ³	Pharmaceutical Products	01/04/2021 – 31/03/2023 Option to extend ⁴	5 777 434
			01/04/2023 – 31/03/2025	5 777 434
Cobalt Health Pty Ltd	NSW	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
Complete Office Supplies Pty Ltd	NSW ³	Hand Hygiene Products	01/03/2022 – 28/02/2025 Option to extend ⁴ 01/03/2025 – 28/02/2027	0 ⁵
Contact Electrical Pty Ltd	Tas	North East Soldiers Memorial Hospital Scottsdale – Day Centre Services Relocation	01/09/2021 – 27/10/2021	67 787
Contact Electrical Pty Ltd	Tas	LGH – Level 6 Switchboard Replacement	06/07/2021 – 30/09/2021	278 927
Contact Electrical Pty Ltd	Tas	RHH – D Block Level 6 Heating, Ventilating and Airconditioning Upgrade	05/04/2022 – 20/03/2023	2 579 800
Corumbene Nursing Home for the Aged Inc.	Tas	Provision of Sub Acute and Non Acute Beds (South)	01/07/2022 – 30/06/2026 Option to extend ⁴ 01/07/2026 – 30/06/2027	0 ⁵
Cura Day Hospitals (Operations) Pty Ltd	QLD ³	Provision of Elective Surgery Services	01/07/2021 – 30/06/2024 Option to extend ⁴ 01/07/2024 – 30/06/2026	0 ⁵
Designed to Stick Pty Ltd	QLD	Supply of Patient Identification Bands, Baby Cuff Accessories and Label Sheets	01/07/2022 – 30/06/2025 Option to extend ⁴	1 041 240
			01/07/2025 – 30/06/2028	1 041 240

Contractor Name	Location	Contract Description	Period of Contract	Total Value \$ ^{1,2}
Diagnostica Stago Pty Ltd	Vic	Provision of Coagulation Analysers, Consumables and Maintenance	01/06/2022 – 31/05/2027 Option to extend ⁴	872 500
			01/06/2027 – 31/05/2029	379 600
DXC Oxygen	Vic	Human Resources Information System	08/02/2022 – 01/02/2027	19 350 068
Eagle Security Services Pty Ltd	Tas	COVID Medi-Hotel (Coach House) – Security	15/11/2021 – 26/10/2022 Option to extend ⁴	1 822 072
			27/10/2022 – 26/10/2023	1 822 072
EBOS Group Australia Pty Ltd t/a Tasmanian Medical Supplies	Tas	Hand Hygiene Products	01/03/2022 – 28/02/2025 Option to extend ⁴ 01/03/2025 – 28/02/2027	0 ⁵
EBSCO International Inc	Vic ³	Electronic Portal for Online Clinical Help and Associated Online Reference Resources	01/01/2022 – 31/12/2024 Option to extend ⁴	4 096 007
			01/01/2025 – 31/12/2030	9 824 065
Ecolab Pty Ltd	NSW ³	Hand Hygiene Products	01/03/2022 – 28/02/2025 Option to extend ⁴	0 ⁵
			01/03/2025 – 28/02/2027	
Enable Lifecare Pty Ltd	SA ³	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
Fairbrother Pty Ltd	Tas	LGH Central Reprocessing Unit – Stage 2	10/09/2021 – 20/12/2021	303 094
Fairbrother Pty Ltd	Tas	LGH Level 3 Fit-out (Paediatric and Paediatric Allied Health Outpatient Service)	26/10/2021 – 24/06/2022	4 626 013
Fairbrother Pty Ltd	Tas	LGH Ward 5A Negative Pressure Room – Construction Services	12/05/2022 – 01/12/2022	228 385
Fairbrother Pty Ltd	Tas	LGH Level 5 Fit-out (Women's Health Outpatient Service)	08/12/2021 – 30/08/2022	4 067 238
Fairbrother Pty Ltd	Tas	Mersey Community Hospital – Theatres, Day Procedures and Outpatients Clinics Project	09/05/2022 – 07/10/2024	34 934 513
Ferno Australia Pty Ltd	QLD	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴	0 ⁵
			01/08/2026 – 31/07/2031	
FIP Electrical Pty Ltd	Tas	RHH Mental Health Inpatient Unit (MHIU) Door Modifications	08/03/2022 – 30/06/2022	258 592
Fresenius Kabi Australia Pty Ltd	NSW	Pharmaceutical Products	01/04/2021 – 31/03/2023 Option to extend ⁴	1 016 207
			01/04/2023 – 31/03/2025	1 016 207
GE Healthcare Australia Pty Ltd	Vic ³	RHH – 3T MRI Unit – Upgrade and Maintenance Service Agreement	01/12/2021 – 30/11/2031	3 697 000

Contractor Name	Location	Contract Description	Period of Contract	Total Value \$ ^{1,2}
GE Healthcare Australia Pty Ltd	Vic ³	Full Field Digital Mammography Units for BreastScreen Tasmania	01/12/2021 – 30/11/2028 Option to extend ⁴ 01/12/2028 – 30/11/2031	876 113 182 756
GE Healthcare Australia Pty Ltd	Vic ³	Full Field Digital Mammography Units for BreastScreen Tasmania	01/12/2021 – 30/11/2028 Option to extend ⁴ 01/12/2028 – 30/11/2031	182 756 87 611
Glenview Homes	Tas	Provision of Sub Acute and Non Acute Beds (South)	01/07/2022 – 30/06/2026 Option to extend ⁴ 01/07/2026 – 30/06/2027	0 ⁵
Halmed Pty Ltd	Vic	Pharmaceutical Products	01/04/2021 – 31/03/2023 Option to extend ⁴ 01/04/2023 – 31/03/2025	164 969 164 969
Hansen Yuncken Pty Ltd	Tas	RHH – A-Block Level 4 Endoscopy Refurbishment and Level 5 Minor Works	10/11/2021 – 31/10/2022	8 781 327
Hansen Yuncken Pty Ltd	Tas	Royal Hobart Hospital Stage 2 Redevelopment – Paediatric Outpatients Temporary Works	04/01/2022 – 11/02/2022	317 000
Hansen Yuncken Pty Ltd	Tas	Royal Hobart Hospital J Block Redevelopment – Level 2 Cardiology Unit and Level 3 Decant Ward	17/03/2022 – 17/10/2022	6 589 265
Hansen Yuncken Pty Ltd	Tas	Royal Hobart Hospital Stage 2 Redevelopment – Intensive Care Unit	09/12/2021 – 14/11/2022	11 655 500
Hansen Yuncken Pty Ltd	Tas	Royal Hobart Hospital Emergency Department Expansion Phase 1 – Short Stay Unit Build	01/06/2022 – 22/12/2022	7 400 000
Hays Specialist Recruitment (Aust) Pty Ltd	Tas	Provision of Short Term Labour Hire Services	01/07/2022 – 30/06/2025 Option to extend ⁴ 01/07/2025 – 30/06/2031	0 ⁵
HealthCare Software Pty Ltd	Tas	HCS Clinical Suite – Support and Maintenance	01/08/2021 – 31/07/2024 Option to extend ⁴ 01/08/2024 – 31/07/2026	2 182 800 1 944 924
Healthe Care Burnie Pty Ltd	Tas	Provision of Elective Surgery Services	01/07/2021 – 30/06/2024 Option to extend ⁴ 01/07/2024 – 30/06/2026	0 ⁵
Healthscope Operations Pty Ltd	Vic ³	Provision of Elective Surgery Services	01/07/2021 – 30/06/2024 Option to extend ⁴ 01/07/2024 – 30/06/2026	0 ⁵
Hill-Rom Pty Ltd	NSW ³	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
Hobart Day Surgery Pty Ltd	Tas	Provision of Elective Surgery Services	01/07/2021 – 30/06/2024 Option to extend ⁴ 01/07/2024 – 30/06/2026	0 ⁵
HospEquip Pty Ltd	WA	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵

Contractor Name	Location	Contract Description	Period of Contract	Total Value \$ ^{1,2}
Howard Wright Ltd	QLD	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
Hunters Products (Tas) Pty Ltd	Tas	Hand Hygiene Products	01/03/2022 – 28/02/2025 Option to extend ⁴ 01/03/2025 – 28/02/2027	0 ⁵
Icaria Australia Pty Ltd	Vic	Provision of Nitric Oxide Delivery Systems	01/02/2022 – 31/01/2027 Option to extend ⁴ 01/02/2027 – 31/01/2029	369 000 492 000
Independent Living Specialists Pty Ltd	NSW	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
InterSystems Australia Pty Ltd	NSW	LGH – LabTrak – Upgrade	01/07/2021	154 530
Intuit Technologies Pty Ltd	Tas	Supply of Information Technology Products	01/03/2021 – 30/06/2022	2 500 000
Ivoclar Vivadent Pty Ltd	Vic	Supply and Installation of Four 3D Intraoral Scanners for Oral Health Services Tasmania	01/02/2022 – 31/01/2027	137 000
Janssen–Cilag Pty Ltd	NSW	Pharmaceutical Products	01/04/2021 – 31/03/2023 Option to extend ⁴ 01/04/2023 – 31/03/2025	3 397 287 3 397 287
Johnson & Johnson Medical Pty Ltd	NSW ³	Supply of Medical Sutures and Associated Stapling Devices	01/03/2022 – 28/02/2027 Option to extend ⁴ 01/03/2027 – 28/02/2031	0 ⁵
Juno Pharmaceuticals Pty Ltd	Vic	Pharmaceutical Products	01/04/2021 – 31/03/2023 Option to extend ⁴ 01/04/2023 – 31/03/2025	3 728 611 3 728 611
K Care Healthcare Solutions Pty Ltd	Vic	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
KPMG	NSW ³	Digital Strategy for the Tasmanian Health System	05/07/2021	865 000
Lamson Group	Vic ³	Pneumatic Transport System – Maintenance Service	01/03/2022 – 28/02/2025	141 490
Life Without Barriers	Tas	Multisystemic Therapy – Licensed forensic model of care for children and young people with severe antisocial and/or offending behaviour	30/05/2022 – 29/05/2023 Option to extend ⁴ 30/06/2023 – 29/05/2026	180 443 346 929
Lumenis (Australia) Pty Ltd	NSW	LGH – Holmium Laser	01/09/2021 – 31/08/2031	420 835
M2 Logistics Pty Ltd	Tas	Hand Hygiene Products	01/03/2022 – 28/02/2025 Option to extend ⁴ 01/03/2025 – 28/02/2027	0 ⁵
Mader International Pty Ltd	Tas	Fit-out of new ambulance vehicles	02/03/2022 – 22/02/2023	1 110 000

Contractor Name	Location	Contract Description	Period of Contract	Total Value \$ ^{1,2}
Manpower Services (Australia) Pty Ltd	Tas	Provision of Short-term Labour Hire Services	01/07/2022 – 30/06/2025 Option to extend ⁴ 01/07/2025 – 30/06/2031	0 ⁵
Medtronic Australasia Pty Ltd	Vic ³	Supply of Medical Sutures and Associated Stapling Devices	01/03/2022 – 28/02/2027 Option to extend ⁴ 01/03/2027 – 28/02/2031	0 ⁵
Melbourne Health	Vic	Support and Maintenance for Guidance MS Software	19/11/2020 – 18/11/2021 Option to extend ⁴ 19/11/2021 – 18/11/2023	74 210 156 303
Midmed Pty Ltd	QLD	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
Modsel Pty Ltd	QLD	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
North Tas Urology Day Surgery Pty Ltd	Tas	Provision of Elective Surgery Services	01/07/2021 – 30/06/2024 Option to extend ⁴ 01/07/2024 – 30/06/2026	0 ⁵
Novis Healthcare Pty Ltd	NSW	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
Novo Nordisk Pharmaceuticals Pty Ltd	NSW	Pharmaceutical Products	01/04/2021 – 31/03/2023 Option to extend ⁴ 01/04/2023 – 31/03/2025	1 422 819 1 422 819
Nucletron Pty Ltd	Vic	LGH – High Dose Rate Brachytherapy System	01/08/2021 – 31/07/2031 Option to extend ⁴ 01/08/2031 – 31/07/2033	1 773 239 256 840
Olympus Australia Pty Ltd	Vic	Endoscopy Equipment and Accessories	01/07/2022 – 30/06/2027 Option to extend ⁴ 01/07/2027 – 30/06/2037	2 450 000 4 900 000
OneCare Ltd	Tas	Flexible Residential Transition Care Packages – North West	01/08/2021 – 31/01/2023 Option to extend ⁴ 01/02/2023 – 31/01/2031	704 271 3 756 112
Parker Healthcare Pty Ltd	Vic	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
Pfizer Australia Pty Ltd	NSW ³	Pharmaceutical Products	01/04/2021 – 31/03/2023 Option to extend ⁴ 01/04/2023 – 31/03/2025	2 495 580 2 132 730
Programmed Skilled Workforce Limited	Tas	Provision of Short-term Labour Hire Services	01/07/2022 – 30/06/2025 Option to extend ⁴ 01/07/2025 – 30/06/2031	0 ⁵
Proslab Dental Laboratory Pty Ltd	Vic	Supply of Removeable and Fixed Dental Prosthetic Appliances and Related Construction Components	01/10/2021 – 30/09/2024 Option to extend ⁴ 01/10/2024 – 30/09/2030	0 ⁵
Race Dental Pty Ltd	NSW	Supply of Removable and Fixed Dental Prosthetic Appliances and Related Construction Components	01/10/2021 – 30/09/2024 Option to extend ⁴ 01/10/2024 – 30/09/2030	0 ⁵

Contractor Name	Location	Contract Description	Period of Contract	Total Value \$ ^{1,2}
Randstad Pty Limited	NSW ³	Provision of Short-term Labour Hire Services	01/07/2022 – 30/06/2025 Option to extend ⁴ 01/07/2025 – 30/06/2031	0 ⁵
Regis Aged Care Pty Ltd	Vic ³	Flexible Residential Transition Care Packages – North	01/07/2021 – 31/01/2023 Option to extend ⁴ 01/02/2023 – 31/01/2031	3 095 930 11 145 348
RMB Constructions	Tas	North East Soldiers Memorial Hospital Scottsdale – Roof Replacement	02/05/2022 – 31/10/2022	769 773
Roche Diagnostics Australia Pty Ltd	NSW	RHH and LGH – Pathology – Immunohistochemistry Staining Machines	01/12/2021 – 30/11/2026	2 000 000
Rod Jager Consulting	Tas	Qlik Support and Maintenance	01/08/2021 – 31/07/2022	138 405
Rotor–Lift Pty Ltd	Tas	Supply of Helicopter Rescue Services	25/04/2022 – 14/01/2024	20 532 266
Sanofi–Aventis Australia Pty Ltd	NSW	Pharmaceutical Products	01/04/2021 – 31/03/2023 Option to extend ⁴ 01/04/2023 – 31/03/2025	2 082 109 4 164 218
SAP Australia	NSW	Human Resources Information System	01/02/2022 – 31/01/2027	6 824 237
Schulke Australia Pty Limited	NSW	Hand Hygiene Products	01/03/2022 – 28/02/2025 Option to extend ⁴ 01/03/2025 – 28/02/2027	0 ⁵
Searson Buck Group Pty Ltd	Tas	Provision of Short-term Labour Hire Services	01/07/2022 – 30/06/2025 Option to extend ⁴ 01/07/2025 – 30/06/2031	0 ⁵
Sexton Trading Company Pty Ltd	QLD	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
Siemens Healthcare Pty Ltd	Vic ³	North Eastern Soldiers Memorial Hospital X-Ray Machine	01/12/2021 – 30/06/2032 Option to extend ⁴ 01/07/2032 – 30/06/2037	434 400 87 500
Southland Filtration Pty Ltd	Tas	Extension of Reverse Osmosis Loop System	22/06/2021 – 31/08/2021	150 000
Stryker Australia Pty Ltd	NSW	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
Stubbs Constructions Pty Ltd	Tas	North West Regional Hospital – Spencer Clinic Anti-ligature Works	04/01/2022 – 31/05/2022	191 873
Stubbs Constructions Pty Ltd	Tas	NWRH Office Accommodation Project	10/03/2022 – 09/05/2022	186 366
Symbion Pty Ltd	Vic ³	Pharmaceutical Products	01/04/2021 – 31/03/2023 Option to extend ⁴ 01/04/2023 – 31/03/2025	9 811 143 9 811 143
T & V Mead Pty Ltd t/a Mead Con	Tas	Beaconsfield Rural Ambulance Stations	20/06/2022 – 20/06/2023	1 917 269

Contractor Name	Location	Contract Description	Period of Contract	Total Value \$ ^{1,2}
Takeda Pharmaceuticals Australia Pty Ltd	NSW	Pharmaceutical Products	01/04/2021 – 31/03/2023 Option to extend ⁴ 01/04/2023 – 31/03/2025	129 240 129 240
Taleb Enterprises Pty Ltd t/a Taleb Medical	Vic ³	Supply of Hospital Beds, Support Surfaces, Stretchers and Associated Equipment	01/08/2021 – 31/07/2026 Option to extend ⁴ 01/08/2026 – 31/07/2031	0 ⁵
Tas Gas Networks Pty Ltd	Tas	LGH and NWRH – Provision of Natural Gas Distribution Services	01/07/2022 – 30/06/2032	9 300 000
Tascon Constructions Pty Ltd	Tas	L4, 22 Elizabeth Street, CAMHS offices	21/04/2022 – 30/05/2022	58 600
Telstra Health Pty Ltd	Vic	Health Central Data Warehouse – Support and Maintenance	01/07/2022 – 30/06/2024	227 190
Tim l'Anson t/a Bayview Dental Laboratory	Tas	Supply of Removable and Fixed Dental Prosthetic Appliances and Related Construction Components	01/10/2021 – 30/09/2024 Option to extend ⁴ 01/10/2024 – 30/09/2030	0 ⁵
Toosey	Tas	Rural Community Beds – Longford	21/07/2021 – 20/07/2024 Option to extend ⁴ 21/07/2024 – 20/07/2027	465 618 505 245
Turner Stillhouse	Tas	Hand Hygiene Products	01/03/2022 – 28/02/2025 Option to extend ⁴ 01/03/2025 – 28/02/2027	0 ⁵
Ultra Health Medical Pty Ltd	Vic	Hand Hygiene Products	01/03/2022 – 28/02/2025 Option to extend ⁴ 01/03/2025 – 28/02/2027	0 ⁵
Varian Medical Systems Australasia Pty Ltd	NSW	ARIA Oncology Information System – Statewide Maintenance Agreement	01/03/2022 – 28/02/2026 Option to extend ⁴ 01/03/2026 – 28/02/2030	1 404 292 1 580 536
Veolia Environmental Services (Australia) Pty Ltd	Tas	Waste Removal and Disposal Services	01/04/2022 – 31/03/2027 Option to extend ⁴ 01/04/2027 – 31/03/2042	8 465 795 25 397 385
Virtue Plus	Tas	Hand Hygiene Products	01/03/2022 – 28/02/2025 Option to extend ⁴ 01/03/2025 – 28/02/2027	0 ⁵
Vision42	Tas	Target Operating Model	07/02/2022 – 30/06/2022	234 000
Vos Construction and Joinery Pty Ltd	Tas	LGH Emergency Department Airlock and Ramp Enclosure	17/12/2021 – 31/07/2022	1 378 438
Vos Construction and Joinery Pty Ltd	Tas	LGH Acute Medical Unit Negative Pressure Rooms	23/07/2021 – 28/09/2022	6 488 902

Notes:

1. Where an overarching procurement process exists (for example Common Use Contracts and Agency Panel arrangements), individual engagements are not reported.
2. All values exclude GST.

3. An organisation whose principal place of business is not in Tasmania but has a permanent office or presence in Tasmania and employs Tasmanian workers.
4. The period of a contract for reporting purposes includes the value, or estimated value, of any possible options to extend. Where applicable, the principal period of the contract is identified as well as any options to extend; this does not signify that the options have been or will be exercised.
5. A '0' contract value signifies a contract for which a value for each supplier cannot be estimated, being dependent on future purchasing patterns.
6. Contracts with a value of less than \$50 000 reported above are those that form part of a combined procurement valued at \$50 000 or over.
7. Where a commencement date is prior to 1 July 2021 or from 1 July 2022 onwards, the contractual arrangements for the procurement were finalised in 2021–22.
8. One-off purchase.

Direct/Limited Submission Sourcing

Treasurer's Instruction PP-2 provides the Head of Agency with the discretion, where specified circumstances exist, to approve the direct sourcing or seeking of limited submissions from a supplier or suppliers without the need to seek quotations or call for tenders.

Treasurer's Instruction PF-7 *COVID-19 Emergency Procurement Measures* was issued on 19 March 2020 in recognition of the potential impediment of the Treasurer's Instructions to procurement requiring urgent delivery and response due to COVID-19. Treasurer's Instruction PF-7 provides an Accountable Authority with the flexibility to vary procurement and contracting methods or individual process requirements and relaxes the period of reporting to a reasonable time period.

The following table provides a summary of contracts awarded by the Department in 2021–22 as a result of a direct/limited submission sourcing process approved in accordance with Treasurer's Instruction PP-2 or PF-7.

Contractor Name	Contract Description	Reasons for Approval	Total Value \$ ^{1,2}
Adaptable HR	Transition Project – HR Advice and Support	COVID-19	89 250
Airlock Digital Pty Ltd	To Implement an Application-whitelisting Technology	Single supplier	577 473
Cantel Australia Pty Ltd	Endoscopic Reprocessing Machines	Extreme urgency	397 000
Debra Thoms Consulting	North West Maternity Services Transition Project – Consultant	Exceptional circumstances	190 566
Fairbrother Pty Ltd	LGH Central Reprocessing Unit – Stage 2	COVID-19	303 094
Fairbrother Pty Ltd	LGH Level 3 Fit-out (Paediatric and Paediatric Allied Health Outpatient Service)	COVID-19	4 626 013
Fairbrother Pty Ltd	LGH Ward 5A Negative Pressure Room – Construction Services	COVID-19	228 385
GE Healthcare Australia Pty Ltd	RHH – 3T MRI Unit – Upgrade and Maintenance Service Agreement	Single supplier	3 697 000
Hansen Yuncken Pty Ltd	Royal Hobart Hospital Emergency Department Expansion Phase 1 – Short Stay Unit Build	COVID-19	7 400 000
HealthCare Software Pty Ltd	HCS Clinical Suite – Support and Maintenance	Single supplier	4 127 724

Contractor Name	Contract Description	Reasons for Approval	Total Value \$ ^{1,2}
InterSystems Australia Pty Ltd	LGH – LabTrak – Upgrade	Single supplier	154 530
Life Without Barriers	Multisystemic Therapy – Licensed forensic model of care for children and young people with severe antisocial and/or offending behaviour	Single supplier	527 372
Mader International Pty Ltd	Fit-out of new ambulance vehicles	Additional goods/services	1 110 000
Melbourne Health	Support and Maintenance for Guidance MS Software	Single supplier	230 513
OneCare Ltd	Flexible Residential Transition Care Packages – North West	No responses to tender process	4 460 383
Regis Aged Care Pty Ltd	Flexible Residential Transition Care Packages – North	No responses to tender process	14 241 278
Roche Diagnostics Australia Pty Ltd	RHH and LGH – Pathology – Immunohistochemistry Staining Machines	Single supplier	2 000 000
Royal Flying Doctor Service of Australia (Southern Eastern Section)	Supply of Fixed-Wing Emergency Air Ambulance Services	Exceptional circumstances	4 293 285
Southland Filtration Pty Ltd	Extension of Reverse Osmosis Loop System	Additional goods/services	150 000
Stubbs Constructions Pty Ltd	North West Regional Hospital – Spencer Clinic Anti-ligature Works	Extreme urgency	191 873
Tas Gas Networks Pty Ltd	LGH and NWRH – Provision of Natural Gas Distribution Services	Single supplier	9 300 000
Tascon Constructions Pty Ltd	L4, 22 Elizabeth Street, CAMHS offices	COVID-19	58 600
Telstra Health Pty Ltd	Health Central Data Warehouse – Support and Maintenance	Single supplier	227 190
Toosey	Rural Community Beds – Longford	Exceptional circumstances	970 862
Varian Medical Systems Australasia Pty Ltd	ARIA Oncology Information System – Statewide Maintenance Agreement	Single supplier	2 984 828
Vos Construction and Joinery Pty Ltd	LGH Acute Medical Unit Negative Pressure Rooms	COVID-19	6 488 902

Notes:

1. The values in this table include the value, or estimated value, of any possible options to extend.
2. All values exclude GST.

Disaggregation Exemptions

Treasurer's Instruction PF-2 provides the Head of Agency with discretion to approve an exemption from the requirement to disaggregate substantial contracts where the benefits of aggregation clearly outweigh the potential negative impact on local small and medium-sized enterprises or the local economy.

The following table provides a summary of contracts awarded by the Department in 2021–22 where approval to aggregate the procurement was obtained in accordance with Treasurer's Instruction PF-2.

Contract Description	Total Value \$^{1,2}
Rural Community Beds – Longford	970 863
LGH – High Dose Rate Brachytherapy System	2 030 079
Provision of Elective Surgery Services	4 500 000
LGH – Level 6 Switchboard Replacement	278 927
Digital Strategy for the Tasmanian Health System	865 000
North Eastern Soldiers Memorial Hospital X-Ray Machine	521 900
Project Management Professional Services Panel for Health Infrastructure Projects	5 000 000
RHH – A-Block Level 4 Endoscopy Refurbishment and Level 5 Minor Works	8 781 327
Full Field Digital Mammography Units for BreastScreen Tasmania	1 058 869
Supply of Removable and Fixed Dental Prosthetic Appliances and Related Construction Components	427 846
RHH – 3T MRI Unit – Upgrade and Maintenance Service Agreement	3 697 000
Human Resource Information System – SAP Australia	6 824 237
Human Resource Information System – DXC Oxygen	19 350 068
Supply of Patient Identification Bands, Baby Cuff Accessories and Label Sheets	2 082 480
North East Soldiers Memorial Hospital Scottsdale – Roof Replacement	796 773
RHH – D Block Level 6 Heating, Ventilating and Airconditioning (HVAC) Upgrade	2 579 800
Mersey Community Hospital – Theatres, Day Procedures and Outpatients Clinics Project	34 934 513
Royal Hobart Hospital J-Block Redevelopment – Level 2 Cardiology Unit and Level 3 Decant Ward	6 589 265
Multisystemic Therapy – Licensed forensic model of care for children and young people with severe antisocial and/or offending behaviour.	527 372
Supply and Installation of Four 3D Intraoral Scanners for Oral Health Services Tasmania	137 000
NW Hospitals Masterplan – Building and Infrastructure Site Investigations	115 650
NW Hospitals Masterplan – Health Masterplanning Professional Services	279 420
Provision of Short Term Labour Hire Services	5 100 000
Endoscopy Equipment and Accessories	7 350 000
LGH – Supply of Surgical Microscope	435 004
Beaconsfield Rural Ambulance Stations	1 917 269

Notes:

1. The values in this table include the value, or estimated value, of any possible options to extend.
2. All values exclude GST.

Funded Community Sector Organisations

Non-government organisations in the community sector fulfil a vital role in delivering community-based health services to Tasmanians.

During 2021–22, the Department provided a total of \$74 351 687 under its Central Grants Program to 101 organisations to assist them to deliver services across the State. This highlights the value the Department places on services provided by the community sector. The funding included indexation applied at a rate of 2.25 per cent, which assisted organisations to meet the increasing cost of delivering services.

The following table lists grant funding that the Department administered under its Central Grants Program. It should be noted that other funds distributed to the sector by other parts of the Department may be listed elsewhere in this report.

Program and Organisation	Funding
Alcohol Tobacco and Other Drugs (ATOD) – this funding is now delivered by the Mental Health, Alcohol and Drug Directorate, and provides organisations with support for services to assist the community to address alcohol, tobacco and other drug use. This also provides funding to services to support the implementation of the reform agenda for the alcohol and other drugs sector in Tasmania.	Total Funding \$8 478 033
Advocacy Tasmania Inc	344 353
Alcohol and Drug Foundation Inc	612 715
Anglicare Tasmania Inc	953 728
Circular Head Aboriginal Corporation	47 074
Drug Education Network Inc	1 146 071
Eastern Health	72 403
Holyoake Tasmania Inc	614 243
Launceston City Mission Inc	826 733
Pathways Tasmania Inc	350 000
The Alcohol, Tobacco and other Drugs Council (Tas) Inc	636 659
The Link Youth Health Service Inc	731 981
The Salvation Army Property Trust Tasmania	1 315 684
Youth, Family and Community Connections Inc	826 389
Alcohol Tobacco and Other Drugs Total	\$8 478 033
Clinical Quality, Regulation and Accreditation Group (CQRA) consolidates specialist advice on health professional, policy and clinical issues impacting the Tasmanian health system and provides it to the Secretary of the Department of Health	Total Funding \$381 532
General Practice Workforce Inc	180 000
Ochre Health Pty Ltd	201 532
Clinical Quality, Regulation and Accreditation Group Total	\$381 532

Home and Community Care – community nursing, home help and maintenance, respite, personal care, transport, packages of care and delivered meals across the State	Total Funding \$13 594 618
Advocacy Tasmania Inc	208 006
Anglicare Tasmania Inc	2 132 952
Australian Red Cross Society	245 738
Baptcare Ltd	133 487
Bucaan Community House Inc	35 509
Care Assessment Consultants Pty Ltd	1 184 258
Carer to Serve Ltd	230 284
Circular Head Aboriginal Corporation	22 308
Clarence City Council	26 974
Community Based Support Inc	2 401 612
Community Care NESB Inc	105 937
Community Transport Services Tasmania Inc	1 027 806
Dementia and Alzheimer's Association (Tas) Inc	319 240
Elders Council of Tasmania Aboriginal Corporation	18 584
Family Based Care Association North West Inc	1 625 186
Greek Orthodox Archdiocese of Australia Consolidated Trust	41 959
Hobart District Nursing Service Inc	644 545
Independent Living Centre Tas Inc	82 605
integratedliving Australia Ltd	778 486
Italian-Australian Pensioners Welfare Association of Tasmania Inc	35 472
Karadi Aboriginal Corporation	1 879
Launceston VFC Services Inc	75 580
Lifeline Tasmania Inc	152 310
Meals on Wheels Association of Tasmania Inc	186 622
Meercroft Care Inc	1 317
Mersey Community Care Association	286 401
Migrant Resource Centre (Southern Tasmania) Inc	111 168
Polish Association in Hobart Inc	7 781
RSL Care RDNS Limited	478 429
South East Tasmanian Aboriginal Corporation	29 478
South Eastern Nursing & Home Care Assn Inc	406 900
St Johns Ambulance Australia Tasmania Inc	30 287
Uniting (Victoria and Tasmania) Limited	2 927
Volunteering Tasmania Inc	240 259
Wyndarra Centre Inc for Wyndarra Board of Management	282 332
Home and Community Care Total	\$13 594 618

Mental Health, Alcohol and Drug Directorate – funding delivers resources and tools to organisations to provide treatment, care and support to maximise quality of life for those experiencing mental health concerns within the Tasmanian community. This includes information and support services for family and friends and community-based accommodation, along with funding to services to support the implementation of the reform agendas for mental health and the alcohol and other drug sectors in Tasmania.	Total Funding \$30 472 948
Advocacy Tasmania Inc	591 114
Anglicare Tasmania Inc	6 393 702
Australian Huntington's Disease Association Tasmania Inc	96 065
Australian Red Cross Society	277 356
Baptcare Ltd	3 021 902
Beyond Blue Ltd	88 102
Butterfly Foundation	210 000
Colony 47 Inc	756 393
Family Based Care Association North West Inc	111 259
Flourish Mental Health Action in Our Hands Inc	486 533
Grow (Tas)	157 473
Launceston City Mission Inc	2 163 779
Life Without Barriers	1 348 334
Lifeline Australia Ltd	35 000
Lifeline Tasmania Inc	1 397 638
Mental Health Council of Tasmania Inc	1 394 679
Mental Health Families and Friends Tasmania Inc	398 127
Migrant Resource Centre (Southern Tasmania) Inc	184 568
Pathway to Life Inc	50 000
Relationships Australia Tasmania Inc	464 876
Rural Alive and Well Inc	1 637 339
The Alcohol, Tobacco and Other Drug Council (TAS) Inc	274 000
The Richmond Fellowship of Tasmania Inc	3 539 328
The Salvation Army Property Trust Tasmania	2 264 577
Wellways Australia Ltd	3 130 804
Mental Health, Alcohol and Drug Directorate Total	\$30 472 948

Policy, Purchasing, Performance and Reform – payments to organisations to assist in activities including the recruitment of general practitioners in Tasmania	Total Funding \$9 534 389
CanTeen – The Australian Organisation for Young People Living with Cancer	28 389
Care Beyond Cure Inc	60 000
Epilepsy Assoc of Tasmania Inc	440 000
Family Planning Tasmanian Incorporated	145 000
Health Consumers Tasmania Ltd	2 465 000
Hobart District Nursing Service Inc	500 000
National Heart Foundation of Australia	600 000
Palliative Care Tasmania Limited	2 055 000
Primary Health Tasmania Limited	2 420 000
The Trustee for MPMS Telephone Triage Unit Trust	390 000
Women’s Health Tasmania Inc	431 000
Policy, Purchasing, Performance and Reform Total	\$9 534 389
Public Health Services – services to prevent illness, protect the Tasmanian community and promote health gain	Total Funding \$11 090 282
Anglicare Tasmania Inc	518 343
Arthritis Foundation of Tasmania Inc	140 684
Asthma Australia Ltd	111 200
Australian Red Cross Society	287 284
Bicycle Network Incorporated	44 700
Bucaan Community House Inc	61 330
Cancer Council of Tasmania Inc	1 370 268
Circular Head Aboriginal Corporation	100 000
Council on the Ageing	88 687
Deakin University	27 725
Delta Society Australia Ltd	16 896
Diabetes Australia – Tasmania	995 268
Eat Well Tasmania Incorporated	287 283
Families Tasmania Inc	164 295
Family Planning Tasmania	1 722 759
Glenorchy City Council	22 835
Grace Christian Church Inc	99 200
Huon Valley Council	96 250
Jordan River Service Inc	53 482
Kidsafe Tasmania Inc	67 732
Launceston City Mission	100 000
Life Without Barriers	100 000
Local Government Association of Tasmania	150 000
National Disability Services Limited	89 884
National Heart Foundation of Australia	133 333
National Stroke Foundation	318 914
Rotary Club of Devonport South East	20 220

Scarlet Alliance, Australian Sex Workers Association Incorporated	120 000
South East Tasmanian Aboriginal Corporation	43 725
Tasmanian Aboriginal Corporation	130 000
Tasmanian Council of Social Service Inc	165 000
Tasmanian School Canteen Association Inc	140 484
The Link Youth Health Service Inc	537 766
The Pharmacy Guild of Australia	25 655
The Salvation Army Property Trust Tasmania	103 605
The Tasmanian Council on AIDS and Related Diseases Inc	587 737
University of Tasmania (Menzies Research Institute of Tasmania)	738 230
Volunteering Tasmania Inc	94 311
Women's Health Tasmania Inc	616 811
Women Sport and Recreation Tasmania Inc	94 748
Working It Out Inc	459 079
Youth, Family and Community Connections Inc	44 568
Public Health Services Total	\$11 090 282

Tasmanian Health Service – governing and delivering high-quality, efficient and integrated healthcare services through the public hospital system and primary and community health services	Total Funding \$799 885
Cancer Council of Tasmania Inc	632 806
Hospice Care Association of North West Tasmania Inc	167 079
Tasmanian Health Service Total	\$799 885
Grand Total	\$74 351 687

Insurable Risk

The Department has coverage for various classes of insurable risk through the Tasmanian Risk Management Fund, administered by the Department of Treasury and Finance.

Risk by Class	Excess Period/\$	Contribution \$ (GST Exclusive)	GST \$	Number of claims	Claims incurred \$ (GST Exclusive)
Personal Injury					
Workers Compensation	26 weeks	\$33 987 462	\$3 398 746	643	\$19 869 587
Personal Accident	50 weeks				
Asbestos Levy ¹	-	\$849 687	\$0	N/A	N/A
Aero Medical Retrieval	-	\$97 313	\$9 731	N/A	N/A
Property					
General Property	\$14 000	\$2 471 290	\$247 129	20	\$4 364 133
Catastrophe Insurance – DoH	\$6 250 000	\$1 009 794	\$100 979	....	....
Motor Vehicles – Fleet Vehicles	\$500/\$1 000	\$357 918	\$35 792	144	\$389 742
Motor Vehicles – Miscellaneous	\$500	\$85 783	\$8 578	117	\$369 526
Liability					
General Liability	\$40 000	\$0	\$0	2	\$339 000
Medical Liability	\$50 000	\$9 462 176	\$946 218	17	\$3 322 820
Miscellaneous					
Government Contingency		\$10 200	\$1 020	....	....
Travel	Various	\$1 506	\$119	....	....
Total	-	\$48 333 128	\$4 748 313	\$943	\$28 654 808

Note:

(a) The Asbestos Levy is based on three per cent of the contribution for personal injury.

Legislation

As detailed in Administrative Arrangements Orders made under the *Administrative Arrangements Act 1990*, the Department administers a wide range of legislation.

Administrative Arrangements Orders assign administrative responsibility for enactments to ministers. Orders also assign a department or departments responsible for the administration of the enactments for which those ministers have administrative responsibility.

As at 30 June 2022, the Minister for Health is responsible for 24 Acts and associated subordinate legislation and the Minister for Mental Health and Wellbeing is responsible for two Acts. The Department of Health is responsible to each Minister in relation to the administration of those Acts and subordinate legislation.

Minister for Health

Ambulance Service Act 1982

Anatomical Examinations Act 2006

Blood Transfusion (Limitation of Liability) Act 1986

End-of-Life Choices (Voluntary Assisted Dying) Act 2021

Fluoridation Act 1968

Food Act 2003

Health Act 1997

Health Practitioner Regulation National Law (Tasmania) Act 2010

Health Professionals (Special Events Exemption) Act 1998

Health Service Establishments Act 2006

Human Cloning for Reproduction and Other Prohibited Practices Act 2003

Human Embryonic Research Regulation Act 2003

Human Tissue Act 1985

National Health Funding Administration Act 2012

Obstetric and Paediatric Mortality and Morbidity Act 1994

Optometry Offences Act 2010

Pharmacy Control Act 2001

Poisons Act 1971 – except in so far as it relates to the Poppy Advisory and Control Board, in respect of which the Minister for Primary Industries and Water has responsibility

Public Health Act 1997

Radiation Protection Act 2005

Reproductive Health (Access to Terminations) Act 2013

Royal Derwent Hospital (Sale of Land) Act 1995

Tasmanian Health Service Act 2018

Therapeutic Goods Act 2001

Minister for Mental Health and Wellbeing

Mental Health Act 2013 – except Parts 2 and 3 of Chapter 3, and Schedules 3, 4 and 5, which are administered by the Attorney-General/Minister for Justice

Mental Health (Transitional and Consequential Provisions) Act 2013

Bills Tabled and Changes to Legislation

The *Food Amendment Act 2021* was introduced to the House of Assembly of the Tasmanian Parliament in June 2021, passed the Legislative Council without amendment in September 2021, and commenced on the day of receiving Royal Assent, 5 October 2021.

The Act amended the *Food Act 2003* to clarify and enhance its data exchange provisions and correct references to out-of-date Australian Government legislation. The amendments also allow regulators to exchange food safety information more effectively, enhancing compliance and preventing food safety incidents from occurring.

The *Poisons Amendment Act 2021* was introduced to the House of Assembly in July 2021, passed the Legislative Council without amendment in October 2021, and commenced on 17 December 2021.

The Act amended the *Poisons Act 1971* to facilitate Tasmania's implementation of a nationally consistent system of Real Time Prescription Monitoring for certain high-risk prescription medicines. Further amendments inserted provisions for making emergency orders, clarified information-sharing provisions, and enabled regulations permitting discretionary decisions, approvals of matters, and the issuing of declarations or notices.

The *Alcohol and Drug Dependency Repeal Act 2021* was introduced to the House of Assembly in September 2021, passed the Legislative Council in November 2021, and commenced on 1 March 2022.

The *Alcohol and Drug Dependency Act 1968* and associated subordinate regulations and orders were repealed because the legislation was out of step with human rights and current, evidence-based approaches to alcohol and drug service delivery. The provisions of the Act, allowing patients to be detained for up to six months, had not been used in the treatment of patients for more than a decade. Instead, patients voluntarily receive treatment and services for alcohol or drug dependency, as with any other consumer of health services.

The repeal legislation also made minor consequential amendments to the *Community Protection (Offender Reporting) Act 2005*, the *Poisons Act 1971*, and the *Road Safety (Alcohol and Drugs) Act 1970*.

The Health (Miscellaneous Amendments) Bill 2022 was introduced to the Tasmanian Parliament on 4 May 2022. The purpose of the Bill is to make minor amendments to the *Acts Interpretation Act 1931*, the *Agricultural and Veterinary Chemicals (Control of Use) Act 1995*, the *Ambulance Service Act 1982*, the *Asbestos-Related Diseases (Occupational Exposure) Compensation Act 2011*, the *End-of-Life Choices (Voluntary Assisted Dying) Act 2021*, the *Health Act 1997*, the *Poisons Act 1971*, the *Public Health Act 1997*, the *Public Trustee Act 1930* and the *Workers Rehabilitation and Compensation Act 1988*, and other health-related legislation.

The amendments are intended to improve the operation of legislation for which the Minister for Health has portfolio responsibility. Changes will clarify the meaning of the terms 'paramedic', 'pharmacist' and 'hospital services' and correct other out of date references.

Further amendments to the Poisons Act within the amendment Bill intend to streamline prescribing or dispensing a monitored medicine in certain circumstances; clarify defences to offences by medical practitioners relating to making a drug of dependence available in certain circumstances; and provide for authorisation of medical practitioners making certain drugs available to patients.

Further amendments to the Public Health Act within the amendment Bill intend to clarify and streamline provisions for the appointment of environmental health officers and medical officers of health, and clarify provisions relating to the removal or destruction of goods or substances that may cause a threat to public health.

Subordinate Legislation

Ambulance Service (Fees) Regulations 2021
Health (Fees) Amendment Regulations 2021
Health Service Establishments Regulations 2021
Pharmacy Control (Fees) Regulations 2021
Poisons (Application of Uniform Standard) Order 2021
Poisons Amendment Regulations (No. 2) 2021
Poisons Amendment Regulations (No. 3) 2021
Poisons Amendment Regulations (No. 4) 2021
Public Health (Infringement Notices) Regulations 2022

Performance Audit

Performance audits by the Tasmanian Audit Office (TAO) examine whether a State entity is carrying out its activities effectively, economically and efficiently. Audits may cover all or part of a State entity's operations or consider particular issues across a number of State entities.

During 2021–22, there was one performance audit conducted by the TAO involving the Department.

The audit examined the Tasmanian Government's response to the social impacts of COVID-19 in 2020, focusing on how effectively resources were allocated to address mental health (with a focus on situational distress) and digital inclusion.

The conclusion of the audit was that the Government's allocation and monitoring of resources to address these high priority social impacts, as measured against the audit criteria, was, in all material respects, effective. The Department supports the audit report's recommendations in principle and will seek to engage with other agencies to consider their implementation.

The TAO's complete reports including recommendations are available from the TAO website www.audit.tas.gov.au/publication-category/performance-audit/.

Public Interest Disclosure

We are committed to performing our functions appropriately and recognise the value of transparency and accountability in our administrative and management practices. The Department does not tolerate improper conduct by its officers or employees and supports the making of public interest disclosures.

The Department will take all reasonable steps to protect people who make such a disclosure from any detrimental action in reprisal for making the disclosure. It also affords natural justice to all parties involved in the investigation of a disclosure. Officers and employees are encouraged to make public interest disclosures and do not have to understand the policy or procedure in order to be confident their disclosure will be considered properly under the Act. Employees are also encouraged to raise appropriate matters at any time with their management and use existing grievance procedures within the Agency where appropriate.

In 2021–22, the Department received three matters reported under public interest disclosure. Of these, the Department accepted two matters as public interest disclosures and allocated them for investigation.

Public Interest Disclosures 2021–22	Number	Type
Total number of disclosures made to the public body during the year that relate to improper conduct	3	
Number of disclosures made to the public body during the year that relate to detrimental action	0	
Number of disclosures determined to be a public interest disclosure	2	
Number of disclosures determined by the public body to be public interest disclosures that were investigated during the year	2	
Number and types of disclosed matters referred to the public body by the Ombudsman for investigation	0	
Number and types of disclosures referred by the public body to the Ombudsman for investigation	0	
Number and types of investigations taken over from the public body by the Ombudsman	0	
Number and types of disclosed matters that the public body has declined to investigate	1	Improper conduct ¹
Number and types of disclosed matters that were substantiated upon investigation and action taken on completion of the investigation	1 ²	Improper conduct
Any recommendations made by the Ombudsman that relate to the public body	0	

Notes:

1. This matter had already been investigated.
2. One matter is currently being finalised.

Pricing Policy

The Department has activities for which the pricing of goods and services is required. The charging of fees for goods and services is conducted with reference to Government policies and guidelines on fees and charges.

The guidelines clarify the cost-recovery assessment process when the social implications of applying fees or charges should be considered in determining whether a subsidy or concession is provided.

Any amendment to fees charged under regulations are assessed by the Department of Treasury and Finance to determine the impact of the fees on members of the community.

Fees and charges are levied in accordance with the provisions of the following Acts and their regulations:

- *Ambulance Service Act 1982*
- *Anatomical Examinations Act 2006*
- *Food Act 2003*
- *Health Act 1997*
- *Health Service Establishments Act 2006*
- *Pharmacy Control Act 2001*
- *Poisons Act 1971*
- *Public Health Act 1997*
- *Radiation Protection Act 2005*
- *Tasmanian Health Service Act 2018*

Right to Information

We are committed to increasing the Government's accountability to the public by giving people access to information that we hold in accordance with the *Right to Information Act 2009* (the Act). Under the Act, a person can make an Application for Assessed Disclosure to obtain information contained in the records of the Government and public authorities, unless it is exempt from disclosure under the Act.

The Department offers statewide right to information (RTI) training for staff and central coordination of the RTI function, and it is committed to improving its RTI processes to support applicants participating in this process.

In 2021–22, the Department listed nine decisions on the public disclosure log. The total number of pages considered for assessment was 14 011 pages. The number of requests for information compared to the previous year was an increase of 287 per cent.

The numbers in the table below reflect RTI applications for disclosure to the Department of Health.

Applications Received

Number of applications received during 2021–22	263
Number of applications accepted for decision	234
Number of applications not accepted for decision	29

Applications Decided

Number of applications for assessed disclosure determined	93
Number of applications accepted during 2021–22 and decided during 2021–22	82
Number of applications accepted during 2020–21 and decided during 2021–22	11

Outcome of Applications

Number of determinations where information applied for was provided in full	30
Number of determinations where information applied for was provided in part with the balance refused or claimed as exempt	24
Number of determinations where all the information applied for was refused or claimed as exempt	1
Number of applications where information applied for was not in possession of the public authority	21

Reasons for Refusal¹

s.5 s.11 s.17	Refusal where information requested was not within the scope of the Act (s.5 – Not official business; s.11 – Available at Archives Office; and s.17 – Deferred)	0
s.9 s.12	Refusal where information is otherwise available or will become otherwise available in the next 12 months	1
s.10 s.19	Refusal where resources of public authority unreasonably diverted	2
s.20	Refusal where application repeated; or vexatious; or lacking in definition after negotiation	3

Note:

1. Applications can be refused for one or more of the above reasons.

Exemptions

s.25	Executive Council information	0
s.26	Cabinet information	0
s.27	Internal briefing information of a Minister	2
s.28	Information not relating to official business	0
s.29	Information affecting national or state security, defence or international relations	0
s.30	Information relating to the enforcement of the law	1
s.31	Legal professional privilege	0
s.32	Information relating to closed meetings of council	0
s.34	Information communicated by other jurisdictions	1
s.35	Internal deliberative information	4
s.36	Personal information of a person other than the applicant	29
s.37	Information relating to the business affairs of a third party	2
s.38	Information relating to the business affairs of a public authority	1
s.39	Information obtained in confidence	2
s.40	Information on procedures and criteria used in certain negotiations of public authority	0
s.41	Information likely to affect the State economy	0
s.42	Information likely to affect cultural, heritage and natural resources of the State	0

Applications Withdrawn or Transferred

Number of applications withdrawn by the applicant	11
Number of applications transferred, or part transferred to another public authority	8

Time Taken to Make Decisions

1–20 working days of the application being accepted	20
More than 20 working days of the application being accepted	73
Number of requests which took more than 20 working days to decide that involved an extension negotiated under s.15(4)(a)	69
Number of requests which took more than 20 working days to decide that involved an extension gained through an application to the Ombudsman under s.15(4)(b)	0
Number of requests which took more than 20 working days to decide that involved consultation with a third party under s.15(5)	0

Reviews

Internal Reviews

Number of internal reviews requested in 2021–22	1
Number of internal reviews determined in 2021–22	1
Number where the original decision was upheld in full	1
Number where the original decision was upheld in part	0
Number where the original decision was reversed in full	0

External Reviews (Reviews by the Ombudsman)

Number of external reviews requested in 2021–22	1
Number of external reviews determined in 2021–22	1
Number where the original decision was upheld in full	0
Number where the original decision was upheld in part	1
Number where the original decision was reversed in full	0

Superannuation Declaration

I, Kathrine Morgan-Wicks, Secretary, Department of Health, hereby certify that, to the best of my knowledge, the Department has met its obligations under the *Commonwealth's Superannuation Guarantee (Administration) Act 1992* in respect of any employee who is a member of a complying superannuation scheme to which the Department contributes.



Kathrine Morgan-Wicks
Secretary
14 October 2022



Our Other Annual Reports

Council of Obstetric and Paediatric Mortality and Morbidity Annual Report for year ended 30 June 2022

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Role and Function of Council
Council Membership
Council Meetings
Council Administration
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Role and Function of Council

The Council of Obstetric and Paediatric Mortality and Morbidity (the Council) was established under the *Obstetric and Paediatric Mortality and Morbidity Act 1994* (the Act). This legislation requires Council to perform a number of functions as outlined below.

- a) To investigate the circumstances surrounding and the conditions that have, or may have, caused:
 - (i) maternal, late maternal and perinatal deaths in Tasmania;
 - (ii) mortality and morbidity of children in Tasmania in the age group from 29 days to 17 years (inclusive);
 - (iii) congenital abnormalities in children born in Tasmania; and
 - (iv) injuries, illness or defects suffered by pregnant women or viable foetuses in Tasmania at any time before or during childbirth.
- b) To maintain a perinatal data collection.
- c) To provide information for the education and instruction in medical theory and practice in obstetrics and paediatrics for medical practitioners, registered nurses, enrolled nurses and midwives.
- d) To investigate and report on any other matters relating to obstetric and paediatric mortality and morbidity referred to the Council by the Minister or the Secretary:
 - (da) to investigate and report to the Minister, a relevant Minister or the Secretary of its own motion on any matter relating to obstetric and paediatric mortality and morbidity that it considers necessary and
 - (db) to communicate to the Minister, or a relevant Minister, the Secretary or a prescribed body, information relating to
 - (i) a child death, maternal death or late maternal death or
 - (ii) the morbidity of a child or a woman who is or had been pregnant.
- e) To perform any other function imposed by this Act or any other Act or the regulations.

The Act contains very strict confidentiality provisions such that the Council and its members are precluded from providing information to other persons except in very limited circumstances.

Council Membership

The current term expired on 27 May 2022. However, due to unforeseen circumstances and subsequent delays, all current term members have continued to exercise and perform all the powers, authorities, functions and duties of a COPMM member in accordance with *Section 21* of the *Acts Interpretation Act 1931*. This arrangement will be in place for no longer than 6 months while all formal appointments are completed, and the office is filled in time for the scheduled November 2022 meeting of Council.

Much work has been achieved to secure college and organisation nominations for the new term where a number of members have been renominated and a couple of newcomers will be filling positions as specified in the *Obstetric and Paediatric Mortality and Morbidity Act 1994*. Outgoing representatives (Ms Sue McBeath (ACMTas) and Dr Tania Hingston (RANZCOG)) have been applauded for their significant and valuable contributions to the activities of Council and its committees in previous terms.

Of note, Dr Michelle Williams has indicated that she would step down as COPMM 's Chair while Associate Professor Amanda Dennis has been fully supported to undertake Council's chairing role in the new term. Council members have extended their sincere gratitude to Dr Williams for her outstanding commitment and service as Chairperson of COPMM during this and previous terms.

Extended term membership has included the following:

- Dr Michelle Williams (COPMM Chair), nominee of the Paediatrics and Child Health Division of the Royal Australasian College of Physicians nominated by the Tasmanian State Committee of that College;
- Professor Peter Dargaville, person nominated by the Secretary employed in the delivery of Neonatal Services;
- Associate Professor Amanda Dennis, nominee of the University of Tasmania;
- Dr Anagha Jayakar, nominee of the University of Tasmania;
- Dr Tania Hingston, nominee of the Tasmanian Regional Committee of the Royal Australian and New Zealand College of Obstetricians and Gynaecologists;
- Ms Kate Cuthbertson, additional member nominated by Council to represent community interests;
- Dr Jill Camier, nominee of the Tasmanian Branch of the Royal Australian College of General Practitioners;
- Ms Sue McBeath, nominee of the Tasmanian Branch of the Australian College of Midwives Incorporated;
- Dr Scott McKeown, person nominated by the Secretary employed in the Department of Health.
- Ms Leanne McLean, Commissioner for Children and Young People.

Council Meetings

Council's quarterly meetings were held in August and December 2021 and February and May 2022. Since the emergence of COVID-19, all meetings have been held remotely using Microsoft Teams and this arrangement will continue to be adopted for future meetings in the new term.

Council Administration

Contact details are detailed below.

Dr Jo Jordan – Manager, COPMM

Clinical Governance

Clinical Quality, Regulation and Accreditation

Department of Health

Address: c/- Level 7, 22 Elizabeth Street
HOBART TAS 7000

Email jo.jordan@health.tas.gov.au

Telephone: (03) 6166 1052

Website: <http://www.dhhs.tas.gov.au/copmm>

Representation on National Bodies

The Council continues to be represented on the *Australian and New Zealand Child Death Review and Prevention Group (ANZCDR&PG)* and provides representation to the *National Perinatal Data Development Committee* and advice to the National Maternity Council's *Maternal and Perinatal Committee*. In addition, Council is represented on the *National Perinatal Mortality Report Advisory Group*. The Council also continues to provide its unidentified data to Queensland to include in Queensland's Annual Report on Child Deaths. The ANZCDR&PG held its virtual 2-Day 2022 meeting in May 2022 and Tasmania was represented by the COPMM Manager.

Registration

Not applicable.

Review of Activities

COPMM's Operations Report (2020–21FY) and its comprehensive 2019 Annual Report were both tabled in Parliament on 28th October 2021. A key aim of Council's Annual Report was to provide epidemiological information on the women who gave birth to liveborn or stillborn babies in 2019, and on their children. The Annual Report included all four COPMM committee reports detailing relevant key trends arising during 2019 and recommendations based upon committee investigations and findings. National comparisons were made where possible in relation to these trends.

Throughout the 2021–22 financial year, efforts have continued to progress Council's 2020 Annual Report as well as finalise the preliminary *2021 Paediatric Mortality and Morbidity Committee Report*. Work will proceed to ensure that the latest COPMM Annual Report is tabled together with its Operations Report (2021–22FY) during the parliamentary sitting days scheduled in late-October 2022.

Recommendations that are highlighted in recent Annual Reports continue to be archived on the updated *Council of Obstetric and Paediatric Mortality and Morbidity* website at <https://www.health.tas.gov.au/about/corporate-and-industry-information/council-obstetric-and-paediatric-mortality-and-morbidity-copmm>.

Furthermore, key issues and recommendations arising from finalised preliminary reports based on latest data will be highlighted in COPMM's newsletters prior to the end of next financial year where possible. Council newsletters are archived on Council's website and serve to highlight pertinent clinical issues to promote improved healthcare.

The ongoing activities of Council's four committees have continued to be progressed throughout the 2021–22 financial year to fulfil its legislative requirements. The sustained efforts, commitment and contributions to Council's functions especially by its busy clinical members despite another very challenging year including a period of appointment renewal for a new term are fully acknowledged and commended. The positive efforts of the various Departmental organisations to address COPMM's recommendations where possible continue to be valued by COPMM.

Financial Statements as of 30 June 2022

Not applicable.

Tasmanian Pharmacy Authority Annual Report for year ended 30 June 2022

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Establishment of the Authority

The Tasmanian Pharmacy Authority (Authority) is a body corporate, established under section 6(1) of the *Pharmacy Control Act 2001* (Act).

Authority Roles and Functions

Functions of the Authority

Section 8 of the Act prescribes the following functions for the Authority:

- (a) to administer the scheme of registration of pharmacy business premises;
- (b) to approve the ownership of and interests in pharmacy businesses;
- (c) to ensure that the services that pharmacy businesses provide to the public from pharmacy business premises are of the highest possible standard;
- (d) to prosecute offences against the Act;
- (e) to advise the Minister on matters relating to the Act;
- (f) such other functions as are imposed on the Authority by this or any other Act or as may be prescribed.

Role of the Authority

Section 9 of the Act empowers the Authority to do all things necessary or convenient to be done in connection with the performance of its functions.

Membership of the Authority

Membership of the Authority is prescribed under section 7 of the Act.

The Authority consists of:

- (a) two (2) registered pharmacists nominated by the Minister from a list of names submitted by such bodies representing the professional interests of pharmacists as the Minister determined; and
- (b) one person to be a non-pharmacist, nominated by the Minister to represent the interests of the consumers of the services that pharmacists provide.

Membership Movements During This Period

Ms Kimbra Fitzmaurice was re-appointed for a second three-year term as a Pharmacist Member until 4 March 2025 and also the Chair until 4 March 2025.

Consumer Representative Ms Christine Arnott's term expired on 30 September 2021. Ms Arnott did not apply for reappointment.

Ms Allyson Warrington was appointed as Consumer Representative on 25 February 2025 and will be a member until 25 January 2025.

The current members of the Authority as at the 30 June 2022 were:

Chair Ms Kimbra Fitzmaurice - B.Pharm.

Members Ms Christine Timms – B.Pharm.
Ms Allyson Warrington – BBus. FAMI CPM FAICD.

Meetings of the Authority

There were sixteen meetings (16) held during the reporting period; twelve (12) regular monthly meetings and four (4) out of session meetings.

Due to COVID-19, the Authority conducted 10 (10) of the meetings via the Teams Meeting platform, four meetings (4) were held in Hobart and two meetings (2) were held in Launceston.

Authority Members	Meetings held whilst an Authority Member	Meetings Attended
Ms K Fitzmaurice	16	16
Ms C Arnott	4	4
Ms C Timms	16	16
Ms A Warrington	6	5

The Chair attended the Pharmacy Premises Registering Authorities of Australia (PPRAA) by video link in November 2021, December 2021 and June 2022.

The Chair and Registrar attended external meetings in addition to the Authority meetings, as follows:

August 2021 – Communicable Diseases Prevention Unit, Department of Health
September 2021 - Pharmaceutical Services Branch; and
September 2021 – Department of Health, Pharmacist advisor to the Health Minister.

The Chair, Members and Registrar met with the Pharmacy Board of Australia in May 2022.

Administration

Contact and Registrar Details

Ms Sharon Armstrong was Registrar until August 2021, with Ms Lynn Ayers taking over this role in September 2021.

The postal address of the Authority is PO Box 1082, Sandy Bay, TAS 7006.

The Authority's ABN is 34 562 572 269.

Sitting Fees of the Authority

Sitting Fees determined by the Minister for Health, since 1 December 2020, were:

Chair:	\$490.00
Members:	\$371.00

Representation on National Bodies

The Chair represented the Authority at the Pharmacy Premises Registering Authorities of Australia (PPRAA) meetings that were held in November 2021, December 2021 and June 2022.

The PPRAA is a forum for State and Territory pharmacy premises registering bodies whose responsibility it is to protect the public in registering/approving pharmacy premises. PPRAA activities are intended to allow for the consideration and potential development of a nationally consistent framework by which pharmacists and pharmacy services providers may undertake the provision of pharmacy services within registered premises consistent with nominated scopes of practice.

The present members of PPRAA are representatives of the premises registering bodies in Australian Capital Territory, New South Wales, Northern Territory, Queensland, South Australia, Tasmania, Victoria, and Western Australia. Whilst there are differences in each jurisdiction's legislation, it is generally acknowledged that these bodies should be responsible for the standards within pharmacy premises.

Registration

Register of Pharmacy Premises

The number of pharmacy business premises registered with the Authority as at 30 June 2022 was 163, an increase of one (1) new pharmacy from the previous year.

At 30 June 2022, 100 (97 in 2020/21) body corporates and 97 (87 in 2020/21) individuals (in their own right or as trustees of a trust) held an Eligibility Certificate for their interests in a pharmacy business.

During the year, the Authority approved the following applications:

New or relocating pharmacies	3 (3 in 2020/21)
Applications for a new Body Corporate owner	13 (9 in 2020/21)
Applications for a new individual owner	2 (2 in 2020/21)
Exempt Premises	0 (0 in 2020/21)

Fifteen (15) applications for alterations of Pharmacy Business Premises or Vaccination Areas were considered by the Authority in contrast to twenty-eight (28) for the previous financial year.

Registration Policy

Pharmacy premises registrations and the issuing of Eligibility Certificates continued to be managed in accordance with the requirements of the Act. Pharmacists intending to buy or sell an existing pharmacy, change its ownership structure, or to move or re-name it, must apply to the Authority for approval by submitting the appropriate forms and paying the prescribed fees.

Fees

The prescribed fees were increased in accordance with the value of a Statutory Fee Unit at \$1.65. The fees for 2021-22, gazetted on 14 December 2021, effective 29 December 2021 were:

TYPE OF FEE	Section of Act	Fee Units	FEES 2021/2022 @\$1.65 \$
ELIGIBILITY CERTIFICATE APPLICATION			
Each individual involving no Trust	61B	70	115.50
Each individual involving one Trust	61B	620	1023.00
Each individual with more than one Trust	61B	900	1485.00
Each body corporate with no Trust	61B	350	577.50
Each body corporate with one Trust	61B	620	1023.00
Each body corporate with more than one Trust	61B	900	1485.00
ELIGIBILITY CERTIFICATE RENEWAL			
Individual eligibility certificate	61E	35	57.75
Body Corporate eligibility certificate	61E	140	231.00
PREMISES REGISTRATION			
Initial registration of pharmacy business premises	71D	310	511.50
PREMISES RENEWAL			
Certificate of Premises Registration	71K	250	412.50
LATE FEES FOR RENEWAL			
Individual Eligibility Certificate	61E	15	24.75
Body Corporate Eligibility Certificate	61E	50	82.50
Premises Registration	71K	100	165.00
OTHER FEES			
Application to exempt premises from registration	71J	35	57.75
Fee for inspection of register	71M	15	24.75
Fee for a copy or extract from register - per page	71M	5	8.25
Fee for a copy of notice - per page	71M	5	8.25
Application for a Pharmacy Depot			TBA
Application for approvals for alterations to pharmacy business premises	71KC	150	247.50

*The Authority plans to review the schedule of fees in the first quarter of 2022/23 financial year to ensure a genuine cost recover model.

Review of Activities and Operations 2021-2022

Achievements

Section 8 of the Act prescribes the following functions for the Authority:

- (a) “to administer the scheme of registration of pharmacy business premises;
- (b) to approve the ownership of and interests in pharmacy businesses;
- (c)
- (d)” “

The Authority identified that the existing registration database was no longer fit for purpose and approved a complete redesign project in March 2022. The new database has been created to store all relevant data and enables interrogation of the data to ensure compliance with all aspects of the Act.

The Annual renewal period conducted throughout June 2022 was utilised to verify the data held by the Authority. Each application for renewal was required to provide associated supporting documentation. This supporting documentation varied depending on the type of eligibility certificate held, an example:

- each individual eligibility certificate holder provided a copy of their certificate of General Registration issued by Ahpra;
- each Body Corporate provided an Asic company extract (not older than three months) showing details of all company officeholders and shareholders; and
- each Trust provided a copy of the executed trust deed together with any deeds of variation/s.

The new data base also established the foundation for a contemporary annual renewal process.

Operations

Pharmacy Inspections

- Inspections of pharmacy business premises are triggered by:
- New premises
- Change of Ownership
- Alterations to premises
- Addition of a vaccination space
- A report or complaint
- Cyclical inspection

The Authority has set the expectation that each pharmacy premises in Tasmania is to be inspected at least once every three (3) years. The recent increases to the inspection rate is reducing the number of pharmacies that have not been inspected for more than three (3) years.

In 2021-22, the Authority conducted a total of fifty-three (53) inspections; an increase of six (6) inspections from 2020-21 and an increase of twenty one (21) from the 2019-20 year.

Projects that commenced in 2021-22 financial year.

Guideline Review

The Authority publishes Guidelines for the purpose of providing practical guidance and direction to pharmacist regarding their pharmacy business premises. The current version of the guidelines was published 2017. Work has commenced on a full review of the Guidelines with an anticipated publication in the final quarter of 2022.

Forms

The Authority decided that the thirteen (13) business forms located on the Authority's website should also be reviewed and moved to a digital paperless workflow platform. The anticipated conclusion to this project will be by the end of the 2022-23 financial year.

Legislation

Amendments to the regulations to make provision for a new fee; 'Applications for approval of alterations to pharmacy business premises' was gazetted on 14 December 2021 and effective from 29 December 2021.

It is anticipated that a review of the *Pharmacy Control Act 2001 (Act)* will commence in the last quarter of 2022 to identify any legislative changes that may require consideration. It has become apparent that in certain areas that technology has overtaken legislation which is one of the 'triggers' for this review.

Progress on the pharmacy depot legislation has been stalled since 2018. The Authority has requested Department support to recommence work on this important project.

Right to Information Act 2009

There were no requests for information under the Right to Information Act 2009 in the twelve months ended 30 June 2022.

Complaints and Disciplinary Issues

The Authority received no advice of a formal complaint about its operations from the Health Complaints Commissioner and had no disciplinary issues during the year.

The Authority received no advice of a formal complaint about its operations from the Health Complaints Commissioner and had no disciplinary issues during the year.

Financial Statements for the Tasmanian Pharmacy Authority

The Authority's financial statements have been audited by the Tasmanian Audit Office, as required by Section 18 of the *Audit Act 2008 (Act)*.

Attached are the Audited Financial Statements.

Tasmanian Pharmacy Authority

Statement of profit or loss and other comprehensive income for the year ended 30 June 2022

	Note	2022 \$	2021 \$
INCOME			
Annual renewal – body corp eligibility certificate		23,108	18,598
Annual renewal – individual eligibility certificate		10,106	9,751
Annual renewal – premises eligibility certificate		66,412	61,155
Application – for new premises		1,782	1,507
Application fee – individual eligibility certificate		116	57
Application fee – individual with trust eligibility certificate		578	891
Application fee – new body eligibility certificate		10,758	9,099
Application fee - alterations		743	-
Interest		7	444
Late fees collected		495	-
Other sundry income		8,193	-
TOTAL INCOME		122,298	101,502
EXPENSES			
Accounting fees		8,515	2,667
Administration expenses		3,139	3,550
Website design		638	3,770
Depreciation		2,880	1,166
Inspection expenses		30,887	24,225
IT upgrade		22,100	-
Member reimbursement for expenses		550	2,195
Meeting expenses		3,207	1,854
Consultant registrar		2,711	893
Registrar fees		69,649	39,405
Sitting fees		18,447	21,242
Sundry expenses		308	96
Superannuation		12,729	6,494
Telephone and fax		1,034	447
Travel		1,774	2,674
TOTAL EXPENSES		178,568	110,678
NET PROFIT/(LOSS) FOR THE YEAR		(56,270)	(9,176)

Tasmanian Pharmacy Authority

Statement of financial position as at 30 June 2022

	Note	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	2	89,026	170,943
Trade and other receivables	3	22,869	3,224
TOTAL CURRENT ASSETS		<u>111,895</u>	<u>174,167</u>
NON-CURRENT ASSETS			
Plant and equipment	4	6,116	7,452
TOTAL NON-CURRENT ASSETS		<u>6,116</u>	<u>7,452</u>
TOTAL ASSETS		<u>118,011</u>	<u>181,619</u>
CURRENT LIABILITIES			
Trade and other payables	5	18,079	19,593
Deferred income	6	93,596	99,420
TOTAL CURRENT LIABILITIES		<u>111,675</u>	<u>119,013</u>
TOTAL LIABILITIES		<u>111,675</u>	<u>119,013</u>
NET ASSETS		<u>6,336</u>	<u>62,606</u>
EQUITY			
Retained earnings		6,336	62,606
TOTAL EQUITY		<u>6,336</u>	<u>62,606</u>

Tasmanian Pharmacy Authority
Statement of cash flow as at 30 June 2022

	Note	2022 \$	2021 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Statutory fees from entities		94,453	113,572
Interest received		7	473
Payments to sitting members		(18,447)	(21,242)
Payments to suppliers		(156,386)	(82,014)
Net cash provided by/(used in) operating activities	7	<u>(80,373)</u>	<u>10,757</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		<u>(1,544)</u>	<u>(2,475)</u>
Net cash used in investing activities		<u>(1,544)</u>	<u>(2,475)</u>
Net increase/(decrease) in cash and cash equivalents held		(81,917)	8,282
Cash and cash equivalent at beginning of the year		<u>170,943</u>	<u>162,661</u>
Cash and cash equivalents at the end of financial year	2	<u>89,026</u>	<u>170,943</u>

Tasmanian Pharmacy Authority

Statement of changes in equity for the year ended 30 June 2022

	Note	Retained Earnings \$	Total \$
Balance at 1 July 2021		62,606	62,606
Net surplus/(deficit) for the year		(56,270)	(56,270)
Balance at 30 June 2022		6,336	6,336
Balance at 1 July 2020		71,782	71,782
Net surplus/(deficit) for the year		(9,176)	(9,176)
Balance at 30 June 2021		62,606	62,606

1. Summary of accounting policies

The financial report covers Tasmanian Pharmacy Authority as an individual entity. Tasmanian Pharmacy Authority is incorporated in Tasmania under the *Pharmacy Control Act 2001*.

The Authority is responsible for the administration of the *Pharmacy Control Act 2001* which provides for the regulation of ownership and registration of pharmacy premises. The Authority assesses ownership applications for pharmacies and manages changes of ownership. The Authority also considers applications for new and relocated pharmacy premises, alterations to pharmacy premises, and vaccination areas. The Authority conducts inspections of pharmacy premises on a cyclical basis as well as after changes of ownership, new or relocated premises, and after the completion of alterations.

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the *Pharmacy Control Act 2001*. The Board of Tasmanian Pharmacy Authority has determined that the not-for-profit Authority is not a reporting entity.

The financial statements, except for the cash flow information, has been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets. Financial information, where presented has been rounded to the nearest dollar.

Basis of preparation

These special purpose financial statements comply with the financial reporting requirements of the *Pharmacy Control Act 2001* and the following Australian Accounting Standard:

- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 15 Revenue from Contracts with Customers
- AASB116 Property, Plant and Equipment
- AASB101 Presentation of Financial Statements
- AASB 107 Cash Flow Statements
- AASB110 Events after the Reporting Period
- AASB7 Provisions, Contingent Liabilities and Contingent Assets
- AASB1048 Interpretation of Standards
- AASB1057 Application of Australian Accounting Standards

No other Accounting standards have been intentionally applied in the compilation of this financial report.

The functional currency is Australian dollars. Balances have been rounded to the nearest dollar.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these financial statements.

Going concern

The Committee has prepared the financial statements on the basis that the Authority is a going concern.

(a) Income tax

No provision for income tax has been raised as the Authority is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Plant and equipment

Plant and equipment are brought to account at cost less any accumulated depreciation. The carrying amount of fixed assets is reviewed annually to ensure it is not in excess of the recoverable amount of these assets.

(c) Impairment of assets

At the end of each reporting period, the Committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired.

If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the statement of profit or loss and other comprehensive income.

(d) Cash and cash equivalents

Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(e) Trade and other receivables

Trade and other receivables are expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(f) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any discounts or volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Grant or donation income is recognised when the entity obtains control over the funds. If conditions are attached to the grant that must be satisfied before the Authority is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

All revenue is stated net of the amount of goods and services tax.

(g) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

(h) Trade and other payables

Trade creditors and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Authority during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(i) Comparative figures

Where necessary, comparative figures have been re-classified and re-positioned for consistency with current period disclosures.

(j) Critical accounting estimates and judgements

The Board make estimates and judgements during the preparation of these financial statements regarding the assumption about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however, as additional information is known then the actual results may differ from the estimates.

Notes to and forming part of the accounts for the year ended 30 June 2022

	2022 \$	2021 \$
2. Cash and cash equivalents		
Cash at bank	89,026	170,943
Total cash and cash equivalents	<u>89,026</u>	<u>170,943</u>
3. Trade and other receivables		
Trade receivables	21,120	1,173
GST receivable	1,749	2,051
	<u>22,869</u>	<u>3,224</u>
4. Plant and equipment		
Computer equipment – at cost	14,698	13,571
Accumulated depreciation	(8,582)	(6,119)
	<u>6116</u>	<u>7,452</u>
5. Trade and other payables		
Trade payables	14,164	13,436
PAYG withholding	1,123	3,515
Superannuation payables	<u>2,792</u>	<u>2,642</u>
	<u>18,079</u>	<u>19,593</u>
6. Deferred income		
Premises renewal in advance	65,175	66,413
Application fee – new body eligibility certificate	4,793	10,106
Annual renewal – body corp eligibility certificate	<u>23,628</u>	<u>22,901</u>
	<u>93,596</u>	<u>99,420</u>
7. Cash flow information		
(a) Reconciliation of results for the year to cashflows from operating activities		
Net Surplus/(deficit) for the year	(56,270)	(9,176)
Cash flows excluded from profit attributable to operating activities		
Non-cash flow in profit:		
Depreciation	2,880	1,166
Changes in assets and liabilities		
(increase)/decrease in trade and other receivables	(19,645)	(1,929)
Increase/(decrease) in trade and other payables	(1,514)	10,781
Increase/(decrease) in deferred income	(5,824)	9,915
Cash flow from operations	<u>(80,373)</u>	<u>10,757</u>

8. Events subsequent

There are no matters or circumstances that have arisen since 30 June 2022 which have significantly affected the Authority's operations.

9. Authority Details

The postal address of the Authority is:

Tasmanian Pharmacy Authority

PO Box 1082

Sandy Bay TAS 7005

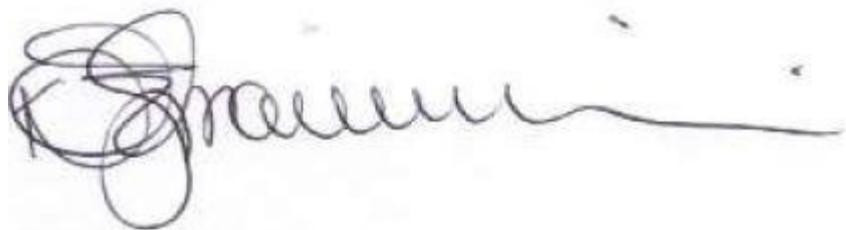
Tasmanian Pharmacy Authority

Statement by members of the committee for the year ended 30 June 2022

In the opinion of the Board of Tasmanian Pharmacy Authority:

- a) The accompanying Statement of Profit or Loss and Other Comprehensive Income presents fairly, in all material respects, of the results of the Authority for the financial year ended 30 June 2022.
- b) The accompanying Statement of Financial Position presents fairly, in all material respects, of the state of affairs of the Authority as at the end of the financial year; and
- c) At the date of this statement there are reasonable grounds to believe that the Authority will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:



Kimbra Fitzmaurice
Chairperson
Date
31 Aug 2022.



Independent Auditor's Report

To the Members of Parliament
Tasmanian Pharmacy Authority
Report on the Audit of the Special Purpose Financial Report

Opinion

I have audited the financial report, being a special purpose financial report of Tasmanian Pharmacy Authority (the Authority), which comprises the statement of financial position as at 30 June 2022, the statements of profit or loss and other and other comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements including a summary of significant accounting policies and the statement of certification by the Members.

In my opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Section 19 of the *Pharmacy Control Act 2001*.

Basis for Opinion

I conducted the audit in accordance with 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 Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

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

Emphasis of Matter - Basis of Accounting

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Authority to meet the financial reporting requirements of the Pharmacy Control Act 2001. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Responsibilities of Members for the Financial Report

The Members are responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Pharmacy Control Act 2001 and for such internal control as determined necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Members are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Authority is to be dissolved by an Act of Parliament, or the Members intend to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statement.

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

- Identify and assess the risks of material misstatement of the financial statement, 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 Authority's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Members.

- Conclude on the appropriateness of the Members' 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 Authority'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 statement or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

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



David Bond
Assistant Auditor-General
Delegate of the Auditor-General
Tasmanian Audit Office

31 August 2022
Hobart



Our Finances



**Department of Health Financial Statements
for the year ended 30 June 2022**

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Statement of Certification

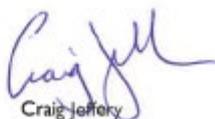
The accompanying Financial Statements of the Department of Health (the Department) are in agreement with the relevant accounts and records and have been prepared in compliance with the Treasurer's Instructions issued under the provisions of the *Financial Management Act 2016* to present fairly the financial transactions for the year ended 30 June 2022 and the financial position as at the end of the year.

At the date of signing, we are not aware of any circumstances which would render the particulars included in the Financial Statements misleading or inaccurate.



Kathrine Morgan-Wicks
Secretary

Dated 2 September 2022



Craig Jeffrey
Chief Financial Officer

Dated 2 September 2022

Statement of Comprehensive Income for the year ended 30 June 2022

	Notes	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Income from continuing operations				
Revenue from Government				
Appropriation revenue - operating	6.1	1 612 569	1 740 530	1 457 690
Appropriation revenue - capital	6.1	101 907	66 166	25 760
Other revenue from Government	6.1	9 595	9 595	55 209
Grants	6.2	617 899	755 183	620 537
Sales of goods and services	6.3	236 524	226 125	236 133
Interest	6.4	94	85	24
Contributions received	6.5	....	15 148	12 554
Other revenue	6.6	47 845	74 129	57 077
Total revenue from continuing operations		2 626 433	2 886 961	2 464 984
Net gain/(loss) on non-financial assets	7.1	183	(3 554)	237
Net gain/(loss) on financial instruments and statutory receivables/payables	7.2	....	(1 165)	(1 448)
Total income from continuing operations		2 626 616	2 882 242	2 463 773
Expenses from continuing operations				
Employee benefits	8.1	1 625 988	1 733 329	1 548 150
Depreciation and amortisation	8.2	92 585	78 235	74 314
Supplies and consumables	8.3	699 887	807 698	662 170
Grants and subsidies	8.4	119 788	96 751	83 753
Finance costs	8.5	385	984	527
Contributions provided	8.6	....	30 755	....
Other expenses	8.7	45 723	60 669	54 481
Total expenses from continuing operations		2 584 356	2 808 421	2 423 395
Net result from continuing operations		42 260	73 821	40 378
Other comprehensive income				
Items that will not be reclassified to net result in subsequent periods				
Net actuarial gains/(losses) on superannuation defined benefit plans	10.4	....	4 306	10 902
Changes in property plant and equipment revaluation surplus	12.1	48 878	121 279	26 843
Total other comprehensive income		48 878	125 585	37 745
Comprehensive result		91 138	199 406	78 123

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

Budget information refers to original estimates as disclosed in the 2021-22 Budget Papers and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 4 of the accompanying notes.

Statement of Financial Position as at 30 June 2022

	Notes	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Assets				
<i>Financial assets</i>				
Cash and cash equivalents	13.1	151 476	241 006	180 388
Receivables	9.1	37 557	54 746	43 270
Contract assets	9.2	....	5 249	1 747
Other financial assets	9.3	32 181	32 446	38 373
<i>Non-financial assets</i>				
Inventories	9.4	35 469	78 582	76 704
Assets held for sale	9.5	....	3 944	68
Property, plant and equipment	9.6	1 818 412	1 814 745	1 690 450
Right-of-use assets	9.7	....	44 850	18 818
Intangible assets	9.8	5 158	4 502	6 602
Superannuation assets	10.4	(6 155)	7 718	4 081
Other assets	9.9	45 133	18 230	10 853
Total assets		2 119 231	2 306 018	2 071 354
Liabilities				
Payables	10.1	103 569	69 839	85 304
Lease liabilities	10.2	14 319	45 882	19 361
Employee benefit liabilities	10.3	341 788	378 329	359 795
Other liabilities	10.5	36 650	48 066	42 398
Total liabilities		496 326	542 116	506 858
Net assets		1 622 905	1 763 902	1 564 496
Equity				
Reserves	12.1	434 657	486 522	365 282
Accumulated funds		1 188 248	1 277 380	1 199 214
Total equity		1 622 905	1 763 902	1 564 496

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

Budget information refers to original estimates as disclosed in the 2021-22 Budget Papers and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 4 of the accompanying notes.

Statement of Cash Flows for the year ended 30 June 2022

	Notes	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Cash flows from operating activities				
<i>Cash inflows</i>				
Appropriation receipts - operating		1 612 569	1 740 530	1 457 690
Appropriation receipts - capital		101 907	20 560	8 109
Appropriation receipts - other		9 595	9 595	55 209
Grants - continuing operations		617 899	734 068	623 747
Sales of goods and services		235 076	220 142	211 798
GST receipts		108 605	97 430	84 196
Interest received		94	85	24
Other cash receipts		36 610	74 129	57 077
Total cash inflows		2 722 355	2 896 539	2 497 850
<i>Cash outflows</i>				
Employee benefits		(1 616 265)	(1 709 348)	(1 511 996)
Finance costs		(385)	(984)	(527)
GST payments		(109 664)	(98 406)	(87 086)
Grants paid		(119 788)	(96 751)	(83 753)
Supplies and consumables		(700 217)	(862 914)	(694 152)
Other cash payments		(34 474)	(48 676)	(39 672)
Total cash outflows		(2 580 793)	(2 817 079)	(2 417 186)
Net cash from/(used by) operating activities	13.2	141 562	79 460	80 664
Cash flows from investing activities				
<i>Cash inflows</i>				
Proceeds from the disposal of non-financial assets		183	5 278	1 064
Receipts from non-operational capital funding - appropriation		....	45 606	17 651
Receipts from non-operational capital funding - grants		....	17 613	543
Total cash inflows		183	68 497	19 258
<i>Cash outflows</i>				
Payments for acquisition of non-financial assets		(138 026)	(80 229)	(97 502)
Total cash outflows		(138 026)	(80 229)	(97 502)
Net cash from/(used by) investing activities		(137 843)	(11 732)	(78 244)
Cash flows from financing activities				
<i>Cash outflows</i>				
Repayment of lease liabilities (excluding interest)		(7 601)	(7 110)	(7 336)
Total cash outflows		(7 601)	(7 110)	(7 336)
Net cash from/(used by) financing activities		(7 601)	(7 110)	(7 336)
Net increase/(decrease) in cash and cash equivalents held		(3 882)	60 618	(4 916)
Cash and cash equivalents at the beginning of the reporting period		155 358	180 388	185 304
Cash and cash equivalents at the end of the reporting period	13.1	151 476	241 006	180 388

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

Budget information refers to original estimates as disclosed in the 2021-22 Budget Papers and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 4 of the accompanying notes.

Statement of Changes in Equity for the year ended 30 June 2022

	Notes	Reserves \$'000	Accumulated funds \$'000	Total equity \$'000
Balance as at 1 July 2021		365 282	1 199 214	1 564 496
Net result		....	73 821	73 821
Other comprehensive income		121 279	4 306	125 585
Total comprehensive result		121 279	78 127	199 406
Transfers to asset revaluation reserve from accumulated funds	12.1	(39)	39	....
Balance as at 30 June 2022		486 522	1 277 380	1 763 902

		Reserves \$'000	Accumulated funds \$'000	Total equity \$'000
Balance as at 1 July 2020		338 439	1 147 934	1 486 373
Net result		....	40 378	40 378
Other comprehensive income		26 843	10 902	37 745
Total comprehensive result		26 843	51 280	78 123
Balance as at 30 June 2021		365 282	1 199 214	1 564 496

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

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Note 1 Administered Financial Statements

In 2020-21, the Department administered, but did not control, certain resources on behalf of the Government as a whole. It was accountable for the transactions involving such administered resources but did not have the discretion to deploy resources for the achievement of the Department's objectives.

The 2021-22 Budget Papers did not include any administered activities for the Department and, as there were no administered assets or liabilities as at 30 June 2021 and no administered transactions in 2021-22, there are no administered assets or liabilities as at 30 June 2022.

1.1 Schedule of Administered Income and Expenses

	Notes	2022 Actual \$'000	2021 Actual \$'000
Administered revenue			
Grants	16.1	....	355
Other revenue	16.2	....	7 313
Total administered revenue		....	7 668
Administered expenses			
Supplies and consumables	16.3	....	7 306
Grants and subsidies	16.4	....	362
Total administered expenses		....	7 668
Administered net result		....	....
Administered comprehensive result		....	....

This Schedule of Administered Income and Expenses should be read in conjunction with the accompanying notes.

Note 2 Departmental Output Schedules

2.1 Output Group information

Comparative information has not been restated for administrative restructures.

Budget information refers to original estimates as disclosed in the 2021-22 Budget Papers and has not been subject to audit.

Applying the principles of AASB 10 *Consolidated Financial Statements*, all internal transactions are eliminated, however, an allocation of revenue and expenditure is still required between Outputs to provide accurate Output reporting.

This treatment results in some items of income and expenses being reported as having negative values in the Output Group disclosures yet ensures that the summation of the Output Groups agrees to the Statement of Comprehensive Income and the other detailed disclosures throughout the Financial Statements.

Significant allocations include:

- Transfer of funding between Output Groups is disclosed as Revenue from Grants.
- Capital contributions are included in Contributions received. These mainly represent the transfer of completed capital works from the Capital Investment Program to the Health Services Output Group.
- Corporate services fees and information management and technology services fees, which are included in Supplies and consumables. These represent a share of centralised services and are allocated from the System Management Output Group to the Health Services Output Group.

The following tables provides details of the impact of these internal transactions on the Department's Output Groups:

2022		Output Group 1 - System Management \$'000	Output Group 2 - Health Services \$'000	Capital Investment Program \$'000	Total \$'000	
Revenue						
Grants		(201 291)	206 722	(5 431)	....
Sales of goods and services		(2 746)	2 746	....	....
Contributions received		1 307	4 230	(5 537)	....
Expenses						
Employee benefits		(1 500)	2	1 498	....
Supplies and consumables		(47 542)	47 490	52	....
Grants and subsidies		(748)	748	....	....
2021		Output Group 1 - System Management \$'000	Output Group 2 - Health Services \$'000	Output Group 9 0 - COVID-19 Response and Recovery \$'000	Capital Investment Program \$'000	Total \$'000
Revenue						
Grants		(20 562)	75 716	(54 758)	(396)
Contributions received		(6 372)	30 721	(24 349)
Expenses						
Employee benefits		(242)	(9)	251
Supplies and consumables		(38 958)	38 658	220	80
Grants and subsidies		(1 755)	1 870	(115)

Output Group 1 – System Management

This Output Group provides support for corporate services, policy, planning, regulation, funding, monitoring and service improvement across health services. This Output Group also provides support to the Secretary in establishing Output priorities, including service improvement and supporting the Tasmanian Health Service to develop consistent, collaborative models of care particularly for chronic and complex conditions.

	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Income from continuing operations			
Revenue from appropriation	206 580	326 375	130 163
Other revenue from Government	1 370	....	3 968
Grants	17 576	(140 903)	5 166
Sales of goods and services	775	(965)	3 282
Contributions received	....	5 182	(6 372)
Other revenue	6 825	19 493	10 158
Total revenue from continuing operations	233 126	209 182	146 365
Net gain/(loss) on non-financial assets	(32)	(90)	29
Net gain/(loss) on financial instruments and statutory receivables/payables	....	(89)	(26)
Total income from continuing operations	233 094	209 003	146 368
Expenses from continuing operations			
Employee benefits	79 183	76 952	63 448
Depreciation and amortisation	3 828	3 752	2 597
Supplies and consumables	48 090	30 117	11 410
Grants and subsidies	99 229	74 310	58 413
Finance costs	57	56	66
Other expenses	1 771	2 376	1 904
Total expenses from continuing operations	232 158	187 563	137 838
Net result from continuing operations	936	21 440	8 530
Other comprehensive income			
Items that will not be reclassified to net result in subsequent periods			
Changes in property, plant and equipment revaluation surplus	1 297	2 997	91
Total other comprehensive income	1 297	2 997	91
Comprehensive result	2 233	24 437	8 621
Expense by Output			
1.1 System Management - Health	186 778	139 668	106 786
1.2 System Management - Mental Health and Wellbeing	45 380	47 895	31 052
Total	232 158	187 563	137 838
Net assets			
Total assets deployed for System Management		202 263	182 297
Total liabilities incurred for System Management		(40 050)	(37 693)
Net assets deployed for System Management		162 213	144 604

Output Group 2 – Health Services

This Output Group includes the activities of THS, Ambulance Tasmania and Public Health Services. The THS provides admitted acute, non-admitted acute, emergency department, forensic medicine, community and aged care, oral health and mental health services to patients through Tasmania's major public and rural hospitals, residential aged care and community health based services. Ambulance Tasmania provides integrated emergency and medical services, health transport and aero-medical retrieval services to the Tasmanian community. Public Health Services includes Public and Environmental Health Services, which monitors the health of the Tasmanian population and implements programs to protect and promote health; and Population and Health Priorities, which implements programs to prevent or reduce risk factors that lead to chronic conditions.

	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Income from continuing operations			
Revenue from appropriation	1 383 689	1 412 240	1 233 023
Other revenue from Government	7 172	8 542	6 432
Grants	586 081	894 347	616 166
Sales of goods and services	235 749	227 090	231 077
Interest	94	85	24
Contributions received	....	15 503	43 275
Other revenue	41 020	49 627	45 940
Total revenue from continuing operations	2 253 805	2 607 434	2 175 937
Net gain/(loss) on non-financial assets	215	1 536	209
Net gain/(loss) on financial instruments and statutory receivables/payables	....	(1 076)	(1 422)
Total income from continuing operations	2 254 020	2 607 894	2 174 724
Expenses from continuing operations			
Employee benefits	1 530 405	1 648 041	1 463 903
Depreciation and amortisation	88 757	74 483	71 717
Supplies and consumables	641 797	763 539	588 752
Grants and subsidies	18 659	20 381	18 713
Finance costs	328	928	461
Contributions provided	....	30 755	....
Other expenses	43 952	57 992	52 444
Total expenses from continuing operations	2 323 898	2 596 119	2 195 990
Net result from continuing operations	(69 878)	11 775	(21 266)
Other comprehensive income			
Items that will not be reclassified to net result in subsequent periods			
Net actuarial gains/(losses) on superannuation defined benefit plans	....	4 306	10 902
Changes in property, plant and equipment revaluation surplus	47 581	118 282	26 752
Total other comprehensive income	47 581	122 588	37 654
Comprehensive result	(22 297)	134 363	16 388

Expense by Output

2.1 Admitted Services	1 259 700	1 189 211	1 143 389
2.2 Non-admitted Services	262 282	351 196	268 760
2.3 Emergency Department Services	187 592	206 268	196 182
2.4 Community Health Services	269 295	266 103	255 551
2.5 Statewide and Mental Health Services	171 294	191 489	150 358
2.6 Ambulance Services	135 810	156 491	143 019
2.7 Public Health Services	37 925	235 361	38 731
Total	2 323 898	2 596 119	2 195 990

Net assets

Total assets deployed for Health Services		1 944 976	1 729 033
Total liabilities incurred for Health Services		(492 851)	(463 822)
Net assets deployed for Health Services		1 452 125	1 265 211

Output Group 89 – Public Building Maintenance Program

This Output Group provides financial information on the Government's COVID-19 economic stimulus initiative to accelerate the maintenance of public buildings.

	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Income from continuing operations			
Grants	6 000	6 024	9 756
Total revenue from continuing operations	6 000	6 024	9 756
Total income from continuing operations	6 000	6 024	9 756
Expenses from continuing operations			
Employee benefits	....	(15)	198
Supplies and consumables	6 000	5 281	9 313
Grants and subsidies	....	....	128
Other expenses	....	....	1
Total expenses from continuing operations	6 000	5 266	9 640
Net result from continuing operations	....	758	116
Comprehensive result	....	758	116
Expense by Output			
89.1 Public Building Maintenance Program	6 000	5 266	9 640
Total	6 000	5 266	9 640
Net assets/(liabilities)			
Total assets deployed for Public Building Maintenance Program		924	691
Total liabilities incurred for Public Building Maintenance Program		(235)	(700)
Net assets/(liabilities) deployed for Public Building Maintenance Program		689	(9)

Output Group 90 – COVID-19 Response and Recovery

This Output Group provides financial information on the Government's COVID-19 support initiatives for Primary Health Care Workers and programs to support individuals experiencing mental health difficulties as a result of issues associated with the pandemic.

	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Income from continuing operations			
Revenue from appropriation	22 300	1 915	94 504
Grants	....	1	(26 871)
Sales of goods and services	....	....	1 774
Total revenue from continuing operations	22 300	1 916	69 407
Total income from continuing operations	22 300	1 916	69 407
Expenses from continuing operations			
Employee benefits	16 400	....	17 598
Supplies and consumables	4 000	....	36 488
Grants and subsidies	1 900	1 915	6 044
Other expenses	....	....	132
Total expenses from continuing operations	22 300	1 915	60 262
Net result from continuing operations	....	1	9 145
Comprehensive result	....	1	9 145
Expense by Output			
90.1 Primary Health Support	....	....	1 259
90.2 Health Care and Front Line Workers Accommodation	....	....	13
90.3 Health COVID-19 General Allocation	....	....	54 197
90.4 Mental Health Program	....	....	1 944
90.5 Cancer Council Tasmania	....	....	500
90.6 Community Healthcare	2 300	1 915	1 200
90.7 Elective Surgery	20 000	....	....
90.8 Community Mental Health Support	....	....	1 149
Total	22 300	1 915	60 262
Net assets			
Total assets deployed for COVID-19 Response and Recovery		....	54 554
Total liabilities incurred for COVID-19 Response and Recovery		....	(1 956)
Net assets deployed for COVID-19 Response and Recovery		....	52 598

Capital Investment Program

This table provides financial information on the Department's Capital Investment Program.

	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Income from continuing operations			
Revenue from appropriation	101 907	66 166	25 760
Other revenue from Government	1 053	1 053	44 809
Grants	8 242	(4 286)	16 320
Contributions received	....	(5 537)	(24 349)
Other revenue	....	5 009	979
Total revenue from continuing operations	111 202	62 405	63 519
Net gain/(loss) on non-financial assets	....	(5 000)	(1)
Total income from continuing operations	111 202	57 405	63 518
Expenses from continuing operations			
Employee benefits	....	8 351	3 003
Supplies and consumables	....	8 760	16 207
Grants and subsidies	....	145	455
Other expenses	....	302	....
Total expenses from continuing operations	....	17 558	19 665
Net result from continuing operations	111 202	39 847	43 853
Comprehensive result	111 202	39 847	43 853
Expense by Output			
Capital Investment Program	....	17 558	19 665
Total	....	17 558	19 665
Net assets			
Total assets deployed for Capital Investment Program		157 855	104 779
Total liabilities incurred for Capital Investment Program		(8 980)	(2 687)
Net assets deployed for Capital Investment Program		148 875	102 092

2.2 Reconciliation of total Output Groups comprehensive result to Statement of Comprehensive Income

	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Total comprehensive result of Output Groups			
Reconciliation to comprehensive result			
System Management	2 233	24 437	8 621
Health Services	(22 297)	134 363	16 388
Public Building Maintenance Program	....	758	116
COVID-19 Response and Recovery	....	1	9 145
Capital Investment Program	111 202	39 847	43 853
Comprehensive result	91 138	199 406	78 123

2.3 Reconciliation of total Output Groups net assets to Statement of Financial Position

	2022 Actual \$'000	2021 Actual \$'000
Total net assets deployed for Output Groups		
Reconciliation to net assets		
System Management	162 213	144 604
Health Services	1 452 125	1 265 211
Public Building Maintenance Program	689	(9)
COVID-19 Response and Recovery	....	52 598
Capital Investment Program	148 875	102 092
Net assets	1 763 902	1 564 496

2.4 Administered Output Schedule

There were no administered transactions in 2021-22 and there are no administered assets or liabilities as at 30 June 2021 or 30 June 2022.

National Partnership on COVID-19

	2022 Actual \$'000	2021 Actual \$'000
Administered income		
Grants	355
Other revenue	7 313
Total administered income	7 668
Administered expenses from continuing operations		
Supplies and consumables	7 306
Grants and subsidies	362
Total administered expenses	7 668
Administered net result
Administered comprehensive result
Administered expense by Output		
National Partnership on COVID-19	7 668
Total	7 668
Administered net assets		
Total administered assets deployed for National Partnership on COVID-19
Total administered liabilities incurred for National Partnership on COVID-19
Administered net assets deployed for National Partnership on COVID-19

2.5 Reconciliation of total administered Output Groups comprehensive result to Schedule of Administered Income and Expenses

	2022 Actual \$'000	2021 Actual \$'000
Total administered net result of Output Groups		
Reconciliation to administered comprehensive result		
National Partnership on COVID-19
Administered comprehensive result

2.6 Reconciliation of total administered Output Groups net assets to Schedule of Administered Assets and Liabilities

	2022 Actual \$'000	2021 Actual \$'000
Total administered net assets deployed for Output Groups		
Reconciliation to administered net assets		
National Partnership on COVID-19
Administered net assets

Note 3 Expenditure under Australian Government Funding Arrangements

	State Funding		Australian Government Funding	
	2022 Actual \$'000	2021 Actual \$'000	2022 Actual \$'000	2021 Actual \$'000
Specific Purpose Payments				
Activity Based Funding	651 736	519 902	419 670	378 384
Block Funding	600 412	580 432	91 016	80 207
Public Health Services	16 356	14 985	9 716	9 348
National Partnership Program				
Community Services	....	....	9	109
COVID-19 Response	196 666	84 137	170 827	58 835
Health Services	5 551	31 076	10 218	36 820
Commonwealth Own Purpose Expenditure				
Other	24 550	18 227	42 617	50 831
Total	1 495 271	1 248 759	744 073	614 534

Specific Purpose Payments are payments from the Australian Government to the Tasmanian Government arising from national agreements that set out the Australian Government's agreed objectives and outcomes, outputs, roles and responsibilities and performance indicators for each sector. Specific Purpose Payments are distributed to the states based on their population shares.

National Partnership Payments are similar to Specific Purpose Payments but are provided for the purpose of the delivery of specified projects, facilitate reforms or reward jurisdictions that deliver nationally significant reforms.

Commonwealth Own Purpose Expenditure (COPEs) is funding paid directly from the Australian Government to the states and territories for the provision of services identified by the Australian Government.

COPEs funding includes a State contribution to supplement COPEs funded projects where Australian Government funding is exceeded, primarily in relation to the Home and Community Care program.

Note 4 Explanations of Material Variances between Budget and Actual Outcomes

Budget information refers to original estimates as disclosed in the 2021-22 Budget Papers and has not been subject to audit.

Favourable/(unfavourable) variances are considered material where the variance exceeds the greater of 10 per cent of Budget estimate and \$5 million.

4.1 Statement of Comprehensive Income

	Notes	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Appropriation revenue - capital	(a)	101 907	66 166	(35 741)	(35.1%)
Grants	(b)	617 899	755 183	137 284	22.2%
Contributions received	(c)	....	15 148	15 148	n/a
Other revenue	(d)	47 845	74 129	26 284	54.9%
Depreciation and amortisation	(e)	92 585	78 235	14 350	15.5%
Supplies and consumables	(f)	699 887	807 698	(107 811)	(15.4%)
Grants and subsidies	(g)	119 788	96 751	23 037	19.2%
Contributions provided	(h)	....	30 755	(30 755)	n/a
Other expenses	(i)	45 723	60 669	(14 946)	(32.7%)
Changes in property, plant and equipment revaluation surplus	(j)	48 878	121 279	72 401	148.1%

Notes to Statement of Comprehensive Income variances

- (a) The variance in Appropriation revenue - capital reflects approved changes to the funding of specific capital projects due to disruptions caused by COVID-19 during the year.
- (b) The variance in Grants primarily relates to Australian Government funding of the Department's response to COVID-19.
- (c) The variance in Contributions received primarily represents the estimated service value of volunteers to Ambulance Tasmania and the Tasmanian Health Service. In the 2021-22 Budget, the estimated service value of volunteers of \$11 million was incorrectly included in Other revenue. The remaining variance in Contributions received relates to the transfer of a property from the Department of Communities Tasmania for nil consideration.
- (d) The variance in Other revenue primarily reflects an underestimation of the recovery of salaries, wages and workers compensation payments when preparing the 2021-22 Budget. This variance is offset by additional employee benefits in the Statement of Comprehensive Income.
- (e) The variance in Depreciation and amortisation is a consequence of delays in capital projects during 2020-21.
- (f) The variance in Supplies and consumables largely relates to an increase in Medical, surgical and pharmacy supplies due to COVID-19.
- (g) The decrease of Grants and subsidies expense was largely due to an expenditure reallocation of \$26 million from Grants and subsidies to Employee benefits.
- (h) The variance in Contributions provided represents the transfer of Rapid Antigen Tests to other Government agencies at no cost.
- (i) The increase in Other expenses primarily relates to a revised estimate for the workers compensation premium.
- (j) The variance in Changes in property, plant and equipment revaluation surplus reflects a higher revaluation increment than was originally estimated when preparing the 2021-22 Budget.

4.2 Statement of Financial Position

Budget estimates for the 2021-22 Statement of Financial Position were compiled prior to the completion of the actual outcomes for 2020-21. As a result, the actual variance from the Original Budget estimate will be impacted by the difference between estimated and actual opening balances for 2021-22. The following variance analysis therefore includes major movements between the 30 June 2021 and 30 June 2022 actual balances.

	Notes	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000	Budget variance \$'000	Actual variance \$'000
Cash and cash equivalents	(a)	151 476	241 006	180 388	89 530	60 618
Receivables	(b)	37 557	54 746	43 270	17 189	11 476
Contract assets	(c)	....	5 249	1 747	5 249	3 502
Other financial assets	(d)	32 181	32 446	38 373	265	(5 927)
Inventories	(e)	35 469	78 582	76 704	43 113	1 878
Right-of-use assets	(f)	....	44 850	18 818	44 850	26 032
Superannuation assets	(g)	(6 155)	7 718	4 081	13 873	3 637
Other assets	(h)	45 133	18 230	10 853	(26 903)	7 377
Payables	(i)	103 569	69 839	85 304	33 730	15 465
Lease liabilities	(j)	14 319	45 882	19 361	(31 563)	(26 521)
Employee benefit liabilities	(k)	341 788	378 329	359 795	(36 541)	(18 534)
Other liabilities	(l)	36 650	48 066	42 398	(11 416)	(5 668)

Notes to Statement of Financial Position variances

- (a) The Budget variance in Cash and cash equivalents includes a \$25 million higher than anticipated opening balance. The Department's Cash and cash equivalent balances includes \$81.1 million associated with grants, provisions, Private Patient Account, donations and industry funds, where the funds are required to be used for specific purposes. The remaining \$159.9 million represents the Department's working capital used to fund day-to-day operations, including funding capital works and goods and services tax in advance of receiving reimbursements. A portion of these funds is also allocated to specific departmental projects where appropriation revenue is not available.
- (b) The Budget and Actual variances in Receivables primarily reflects an overall increase in receivables.
- (c) Contract assets primarily represents Australian Government funding which was not received during the year. For budgeting purposes, it was assumed that all payments would be received during the relevant financial year.
- (d) Other financial assets primarily represent patient fees, insurance claims and other recoverable expenditure which will be invoiced in the following financial year. The Actual variance in Other financial assets reflects an overall decrease in accrued revenue.
- (e) The Budget variance in Inventories predominantly reflects a \$41.3 million higher than anticipated opening inventory balance.
- (f) In the 2020-21 Budget, Right-of-use assets totalling \$13.7 million were incorrectly included in Other assets. The resulting Budget and Actual variances reflect a significant property lease being surrendered in order to enter into a new long-term lease.

(g) Superannuation assets represent the balance of the superannuation defined benefit plan's investment portfolio less the plan's projected liabilities. The Budget variance in Superannuation assets predominantly reflects an actual opening surplus of \$4 million rather than a \$6.2 million deficit.

(h) In the 2021-22 Budget, Right-of-use assets totalling \$13.7 million were incorrectly included in Other assets - refer to (f) above.

The Budget variance in Other assets predominantly reflects a \$20.6 million lower than anticipated opening balance. The resultant Budget variance and Actual variance represents a general increase in prepaid expenses.

(i) The Budget variance in Payables is primarily related to the opening balance being \$17 million lower than the 2021-22 Budget and an unbudgeted reduction in the estimated cross border liability of \$10.8 million. This reduction reflects the impact of COVID-19 on interstate travel.

(j) The movement in the balance of the Lease liabilities is closely aligned with the movement in Right-of-use assets.

(k) The Budget variance in Employee benefit liabilities is partly attributable to the actual opening balance of employee leave entitlements being \$27.8 million higher than the 2021-22 Budget. The remaining variance is the result of the original budget estimating an increase in employee leave entitlements of \$9.8 million, which increased \$18.5 million during the year. This increase is primarily due to the impact of COVID-19 on interstate and international travel.

(l) The Budget variance in Other liabilities is partly due to the opening balance being \$4.5 million higher than the 2021-22 Budget and the closing balance increasing due to the timing of payroll and Private Patient Scheme disbursements.

4.3 Statement of Cash Flows

	Notes	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Appropriation receipts - capital	(a)	101 907	20 560	(81 347)	(79.8%)
Grants - continuing operations	(b)	617 899	734 068	116 169	18.8%
GST receipts	(c)	108 605	97 430	(11 175)	(10.3%)
Other cash receipts	(d)	36 610	74 129	37 519	102.5%
GST payments	(e)	(109 664)	(98 406)	11 258	10.3%
Grants paid	(f)	(119 788)	(96 751)	23 037	19.2%
Supplies and consumables	(g)	(700 217)	(862 914)	(162 697)	(23.2%)
Other cash payments	(h)	(34 474)	(48 676)	(14 202)	(41.2%)
Receipts from non-operational capital funding - appropriation	(i)	....	45 606	45 606	n/a
Receipts from non-operational capital funding - grants	(j)	....	17 613	17 613	n/a
Payment for acquisition of non-financial assets	(k)	(138 026)	(80 229)	57 797	41.9%

Notes to Statement of Cash Flows variances

- (a) The variance in Appropriation receipts – capital is due to a reallocation from operating activities to investing activities within the Statement of Cash Flows.
- (b) The variance in Grants – continuing operations is due to a reallocation of capital grants from operating activities to investing activities within the Statement of Cash Flows. Also, as per Notes to Statement of Comprehensive Income Variances (b).
- (c) The variance in GST receipts and GST payments primarily reflects an overstatement of \$20.4 million in the 2021-22 Budget.
- (d) As per Notes to Statement of Comprehensive Income Variances (d).
- (e) As per (c) above.
- (f) As per Notes to Statement of Comprehensive Income Variances (g).
- (g) As per Notes to Statement of Comprehensive Income Variances (f).
- (h) As per Notes to Statement of Comprehensive Income Variances (i).
- (i) As per (a) above and Notes to Statement of Comprehensive Income Variances (a).
- (j) As per (b) above.
- (k) As per Notes to Statement of Comprehensive Income Variances (a).

Note 5 Underlying Net Result

Non-operational capital funding is the income from continuing operations relating to funding for capital projects. This funding is classified as revenue from continuing operations and included in the net result. However, the corresponding capital expenditure is not included in the calculation of the net result. Accordingly, the net result will portray a position that is better than the true underlying financial result.

For this reason, the net result is adjusted to remove the effects of funding for capital projects.

Budget information refers to original estimates as disclosed in the 2021-22 Budget Papers and has not been subject to audit.

	Notes	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Net result from continuing operations		42 260	73 821	40 378
Less impact of:				
Non-operational capital funding				
Capital Investment Program	2.1			
Appropriation revenue - capital	6.1	101 907	66 166	25 760
Other revenue from Government - Appropriation rollover under section 23 of the <i>Financial Management Act 2016</i>		1 053	1 053	44 809
Other revenue		....	5 009	979
Net gain/(loss) on non-financial assets	7.1	....	(5 000)	....
Total expenses from continuing operations included in Capital Investment Program		....	(17 558)	(19 665)
Grants to acquire/construct a recognisable non-financial asset				
Other Australian Government grants - capital	6.2	8 242	1 146	16 320
Capital contributions included in the Net result from continuing operations				
Contributions received - fair value of assets assumed at no cost or for nominal consideration	6.5	....	4 031	426
Total		111 202	54 847	68 629
Underlying net result from continuing operations		(68 942)	18 974	(28 251)

Note 6 Revenue

Income is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

Income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*, dependent on whether there is a contract with a customer defined by AASB 15.

6.1 Revenue from Government

Appropriations, whether operating or capital, are recognised as revenues in the period in which the Department gains control of the appropriated funds as they do not contain enforceable and sufficiently specific obligations as defined by AASB 15. Except for any amounts identified as carried forward, control arises in the period of appropriation.

Revenue from Government includes revenue from appropriations, unexpended appropriations rolled over under section 23 of the *Financial Management Act 2016* and Items Reserved by Law.

Section 23 of the Financial Management Act allows for an unexpended appropriation at the end of the financial year, as determined by the Treasurer, to be issued and applied from the Public Account in the following financial year. The amount determined by the Treasurer must not exceed five per cent of an Agency's appropriation for the financial year.

Budget information refers to original estimates as disclosed in the 2021-22 Budget Papers and has not been subject to audit.

	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Continuing operations			
Appropriation revenue - operating			
Current year	1 612 569	1 740 530	1 457 690
Appropriation revenue - capital	101 907	66 166	25 760
Other revenue from Government			
Appropriation rollover under section 23 of the <i>Financial Management Act 2016</i>	9 595	9 595	55 209
Total revenue from Government	1 724 071	1 816 291	1 538 659

6.2 Grants

Grants revenue, where there is a sufficiently specific performance obligation attached, are recognised when the Department satisfies the performance obligation and transfers the promised goods or services. The Department typically satisfies its performance obligations when services have been provided in line with the agreed terms as set out in funding contracts. The Department recognises revenue associated with performance obligations upon receipt of the revenues, which is typically using the input method on a straight line basis.

Note 9.2 outlines the transaction price that is allocated to the performance obligations that have not yet been satisfied at the end of the year and when it is expected to be recognised as revenue.

Grants revenue without a sufficiently specific performance obligation are recognised when the Department gains control of the asset (typically Cash).

Grants to acquire/construct a recognisable non-financial asset to be controlled by the Department are recognised when the Department satisfies its obligations under the transfer. The Department satisfies its performance obligations over time as the non-financial assets are being constructed using the input method.

	2022 Actual \$'000	2021 Actual \$'000
Grants with sufficiently specific performance obligations		
Australian Government recurrent grants – Activity Based Funding	418 622	379 059
COPEs receipts	11 084	10 765
Other Australian Government grants	176 947	66 156
Total	606 653	455 980
Grants without sufficiently specific performance obligations		
Australian Government recurrent grants – Block Funding	100 732	89 583
COPEs receipts	33 174	32 107
Other Australian Government grants	7 197	15 158
State grants – other	6 281	10 039
Internal grants	....	1 350
Total	147 384	148 237
Grants to acquire/construct a recognisable non-financial asset		
Other Australian Government grants – capital	1 146	16 320
Total	1 146	16 320
Total revenue from grants	755 183	620 537

Other Australian Government grants include \$174.9 million (2021: \$62 million) in relation to the National Partnership Agreement on COVID-19 Response.

In accordance with AASB 15, the obligations under the *National Health Reform Funding Agreement* have been dissected into two components, being:

- Activity Based Funding, which has sufficiently specific performance obligations attached; and
- Block Funding, without sufficiently specific performance obligations attached.

6.3 Sales of goods and services

Revenue from Sales of goods and services is recognised when the Department satisfies a performance obligation by transferring the promised goods or services to the customer.

Goods	Nature of timing of satisfaction of performance obligation, including significant payment terms	Revenue recognition policies
Pharmaceutical, prosthesis and other medical/health related goods.	The Department typically satisfies the performance obligation when the goods have been delivered to the satisfaction of the customer.	The Department recognises revenue associated with performance obligations upon receipt of the revenues, which is typically using the input method on a straight line basis.
Services	Nature of timing of satisfaction of performance obligation, including significant payment terms	Revenue recognition policies
Licencing, ambulance services, hospital and aged care services.	The Department typically satisfies the performance obligation when the promised services have been delivered to the satisfaction of the customer.	The Department recognises revenue associated with performance obligations upon receipt of the revenues, which is typically using the input method on a straight line basis.

	2022 Actual \$'000	2021 Actual \$'000
Ambulance fees	5 739	9 213
Dental	6 127	6 361
Inpatient, outpatient nursing home fees	68 599	72 611
Other client revenue	1 036	1 033
Other user charges	12 961	18 691
Pharmaceutical Benefits Scheme co-payments	550	542
Pharmaceutical Benefits Scheme revenue from Medicare	92 539	89 205
Pharmacy excluding Pharmaceutical Benefits Scheme	2 640	2 226
Private Patient Scheme	29 548	31 613
Prosthesis	6 386	4 638
Total	226 125	236 133

Other user charges include licence fees, other fees and cost recoveries. Licence fees include radiation control and tobacco licences. Other fees include microbiology fees, fees for the Home and Community Care Program services and critical care and advice service fees. Other user charges also include revenue from franchise fees, equipment hire, car parking fees and cost recoveries for work performed on behalf of other agencies.

6.4 Interest

Interest on funds is recognised as it accrues using the effective interest rate method.

	2022 Actual \$'000	2021 Actual \$'000
Interest	20	24
Interest on superannuation defined benefit plans	65	...
Total	85	24

6.5 Contributions received

Services received free of charge by the Department are recognised as income when a fair value can be reliably determined and when the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised at their fair value when the Department obtains control of the asset, it is probable that future economic benefits comprising the contribution will flow to the Department and the amount can be measured reliably. However, where the contribution received is from another government department as a consequence of restructuring of administrative arrangements, they are recognised as contributions by owners directly within equity. In these circumstances, book values from the transferor department have been used.

The Department has recognised an inflow of resources in the form of volunteer services as income where the fair value of those services can be measured reliably, and the services would have been purchased if they had not been donated.

Key estimate and judgement

Fair value of volunteer services provided for the THS is based upon weekly hours volunteered at comparable recurrent salary rates for equivalent tasks performed.

Fair value of volunteer services provided for Ambulance Tasmania is estimated based upon statewide volunteer hours at a salary rate which reflects that an ambulance volunteer's skill level may range up to advanced first aid and that the emergency care they provide is under approved protocols.

	2022	2021
	Actual	Actual
	\$'000	\$'000
Fair value of assets assumed at no cost or for nominal consideration	4 031	426
Fair value of volunteer services provided	11 117	12 128
Total	15 148	12 554

Fair value of assets assumed at no cost or for nominal consideration includes a property transferred from Communities Tasmania.

Fair value of volunteer services provided represents the estimated service value of volunteers to Ambulance Tasmania of \$9.7 million (2021: \$10.8 million) and the THS of \$1.5 million (2021: \$1.3 million). This contribution is offset by an equal value recorded as Other expenses, refer to Note 8.7.

6.6 Other revenue

Other revenue primarily relates to the recovery of costs incurred and is recognised when an increase in future economic benefits relating to an increase in an asset or a decrease of a liability has arisen that can be reliably measured.

Lease income from operating leases where the Department is a lessor is recognised on a straight line basis. The Department does not have any finance leases as lessor.

	2022 Actual \$'000	2021 Actual \$'000
Corporate services revenue	2 704	1 560
Donations	1 498	1 296
Industry funds	3 522	2 967
Operating lease income - commercial rent	6 672	6 341
Operating lease income - residential rent	871	1 004
Recoveries - cafeterias and catering	4 388	4 399
Recoveries - insurance	8 430	994
Recoveries - multipurpose centre	207	273
Recoveries - operating expenses	12 802	8 474
Recoveries - wages and salaries	24 388	23 107
Recoveries - workers compensation	8 647	6 662
Total	74 129	57 077

Donations and Industry funds are amounts received from organisations and individuals to fund services and projects.

Recoveries - insurance represent claims in relation to fire damage at the Peacock Centre.

Note 7 Net Gains/(Losses)

7.1 Net gain/(loss) on non-financial assets

Gains or losses from the sale of non-financial assets are recognised when control of the assets has passed to the buyer.

Key judgement

Impairment exists when the recoverable amount of an asset is less than its carrying amount. Recoverable amount is the higher of fair value less costs to sell and value in use.

Specialised non-financial assets are not used for the purpose of generating cash flows, therefore their recoverable amount is expected to be materially the same as fair value, as determined under AASB 13 *Fair Value Measurement*.

All other non-financial assets are assessed to determine whether any impairment exists, with impairment losses recognised in the Statement of Comprehensive Income.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

	2022 \$'000	2021 \$'000
Impairment of non-financial assets	(5 000)	....
Net gain/(loss) on disposal of physical assets	1 446	237
Total net gain/(loss) on non-financial assets	(3 554)	237

Impairment of non-financial assets represents the damage sustained to the Peacock Centre due to a fire. The related insurance claims for the Peacock Centre are included in Other revenue Recoveries - insurance, refer to Note 6.6.

7.2 Net gain/(loss) on financial instruments and statutory receivables/payables

Financial assets are impaired under the expected credit loss approach required under AASB 9 *Financial Instruments*. The expected credit loss is recognised for all debt instruments not held at fair value through profit or loss.

Key judgement

An impairment loss using the expected credit loss method for all trade debtors uses a lifetime expected loss allowance. The expected loss rates are based upon historical observed loss rates that are adjusted to reflect forward looking macroeconomic factors.

For other financial instruments that are not trade receivables, contract assets or lease receivables, the Department has measured the expected credit loss using a probability-weighted amount that takes into account the time value of money and forward looking macroeconomic factors.

	2022 \$'000	2021 \$'000
Impairment of receivables	(1 165)	(1 448)
Total net gain/(loss) on financial instruments	(1 165)	(1 448)

Impairment of receivables is recorded in the Reconciliation of movement in expected credit loss for receivables, refer to Note 9.1.

Note 8 Expenses

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

8.1 Employee benefits

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

(a) Employee expenses

	2022 \$'000	2021 \$'000
Wages and salaries	1 387 492	1 228 424
Annual leave	90 064	80 405
Long service leave	3 961	22 335
Sick leave	53 500	45 841
Superannuation - defined contribution scheme	164 495	141 500
Superannuation - defined benefit scheme	13 967	13 986
Other employment expenses – recruitment and staff development	18 083	14 064
Other employee expenses – other staff allowances	1 767	1 595
Total	1 733 329	1 548 150

Superannuation expenses relating to defined benefit schemes relate to payments into the Public Account. The amount of the payment is based on a department contribution rate determined by the Treasurer, on the advice of the State Actuary. The current department contribution is 12.95 per cent (2021: 12.95 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to superannuation funds at a rate of 10 per cent (2021: 9.5 per cent) of salary. In addition, departments are also required to pay into the Public Account a “gap” payment equivalent to 3.45 per cent (2021: 3.45 per cent) of salary in respect of employees who are members of defined contribution schemes.

(b) Remuneration of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Department, directly or indirectly.

Remuneration during 2021-22 for key management personnel is set by the *State Service Act 2000*. Remuneration and other terms of employment are specified in employment contracts. Remuneration includes salary, motor vehicle and other non-monetary benefits. Long-term employee expenses include long service leave and superannuation obligations.

Acting Arrangements

When members of key management personnel are unable to fulfil their duties, consideration is given to appointing other members of senior staff to their position during their period of absence. Individuals are considered members of key management personnel when acting arrangements are for more than a period of one month.

The following were key management personnel of the Department and unless otherwise indicated were key management personnel for the entire year:

2022	Short-term benefits		Long-term benefits			Total
	Salary	Other benefits	Superannuation	Other benefits and long service leave	Termination benefits	
	\$'000	\$'000	\$'000	\$'000	\$'000	
<i>Key management personnel</i>						
Kathrine Morgan-Wicks Secretary	455	43	46	14	....	558
Craig Jeffery Chief Financial Officer	188	38	27	7	....	260
Michelle Searle Chief People Officer (from 07/03/2022) Acting Deputy Secretary Policy, Purchasing, Performance and Reform (from 13/09/2021 to 04/03/2022)	152	29	37	8	....	226
Susan Gannon Chief Executive Hospitals South	215	35	37	4	....	291
Eric Daniels Chief Executive Hospitals North/North West	188	24	36	5	....	253
Shane Gregory Deputy Secretary Infrastructure	239	37	26	10	....	312
Warren Prentice Chief Information Officer	270	22	44	6	....	342
Dale Webster Deputy Secretary Community, Mental Health and Wellbeing	196	46	74	12	....	328
Anthony Lawler Deputy Secretary Clinical Quality, Regulation and Accreditation	428	52	60	7	....	547
Ross Smith Deputy Secretary Policy, Purchasing, Performance and Reform (to 10/09/2021)	63	28	8	17	....	116
Sonj Hall Deputy Secretary Policy, Purchasing, Performance and Reform (from 07/03/2022)	75	6	11	2	....	94

2022 (continued)	Short-term benefits		Long-term benefits			Total
	Salary	Other benefits	Superannuation	Other benefits and long service leave	Termination benefits	
	\$'000	\$'000	\$'000	\$'000	\$'000	
Craig Watson Executive Director Business Improvement and Reform	175	55	40	7	....	277
Francine Douce Chief Nurse and Midwifery Officer	187	32	34	9	....	262
Sophie Muller Chief Executive Public Health Services (from 08/12/2021)	89	9	21	2	....	121
Lisa Howes Director, Office of the Secretary	129	33	18	4	....	184
Joe Acker Chief Executive, Ambulance Tasmania (from 19/07/2021) Acting Chief Executive, Ambulance Tasmania (to 18/07/2021)	207	50	30	6	....	293
Acting key management personnel						
Rebecca Howe Acting Chief People Officer (to 02/09/2021)	29	5	11	1	....	46
Nicole Curtin Acting Chief People Officer (from 03/09/2021 to 04/03/2022)	104	6	11	2	....	123
Paula Hyland Acting Deputy Secretary Community, Mental Health and Wellbeing (from 27/09/2021)	147	18	21	4	....	190
Total	3 536	568	592	127	....	4 823

2021	Short-term benefits		Long-term benefits			Total
	Salary	Other benefits	Superannuation	Other benefits and long service leave	Termination benefits	
	\$'000	\$'000	\$'000	\$'000	\$'000	
Key management personnel						
Kathrine Morgan-Wicks Secretary	414	57	43	12	....	526
Craig Jeffery Chief Financial Officer	208	27	27	7	....	269
Renee Anderson Chief People Officer (to 19/03/2021)	123	9	13	....	....	145
Susan Gannon Chief Executive Hospitals South	201	46	36	7	....	290
Eric Daniels Chief Executive Hospitals North/North West	185	25	36	5	....	251
Shane Gregory Deputy Secretary Infrastructure	227	36	23	7	....	293
Warren Prentice Chief Information Officer	266	22	43	5	....	336
Dale Webster Deputy Secretary Community, Mental Health and Wellbeing (from 17/08/2020)	154	22	67	3	....	246
Anthony Lawler Deputy Secretary Clinical Quality, Regulation and Accreditation	429	43	59	6	....	537
Ross Smith Deputy Secretary Policy, Purchasing, Performance and Reform	216	41	30	7	....	294
Craig Watson Executive Director Business Improvement and Reform Acting Deputy Secretary Community, Mental Health and Wellbeing (to 16/08/2020)	182	57	42	7	....	288
Lisa Howes Director, Office of the Secretary (from 21/09/2021) Acting Director, Office of the Secretary (to 20/09/2021)	126	26	18	4	....	174

2021 (continued)	Short-term benefits		Long-term benefits			Total
	Salary	Other benefits	Superannuation	Other benefits and long service leave	Termination benefits	
	\$'000	\$'000	\$'000	\$'000	\$'000	
Francine Douce Chief Nurse and Midwifery Officer (from 12/04/2021)	39	7	5	1	....	52
Acting key management personnel						
Rebecca Howe Acting Chief People Officer (from 20/03/2021)	37	6	16	3	....	62
Joe Acker Acting Chief Executive, Ambulance Tasmania (from 15/02/2021)	62	6	7	2	....	77
Matthew Eastham Acting Chief Executive, Ambulance Tasmania (to 12/02/2021)	115	37	18	....	....	170
Total	2 984	467	483	76	....	4 010

Notes:

- Salary includes all forms of consideration paid and payable for services rendered and compensated absences during the period.
- Other short-term benefits include all other forms of non-salary benefits such as motor vehicles and parking, fringe benefit tax payable in respect of these benefits, payments in lieu of leave, annual leave movements and any other compensation paid or payable.
- Superannuation means the contribution to the superannuation fund of the individual.
- Other long-term benefits and long service leave includes the movements in the discounted long service leave balances.
- Termination benefits include accrued annual and long service leave entitlements and termination payments.

(c) Related party transactions

There are no significant related party transactions requiring disclosure.

8.2 Depreciation and amortisation

All applicable non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Land and Heritage and cultural assets, being assets with unlimited useful lives, are not depreciated.

The depreciable amount of improvements to or on leaseholds is allocated progressively over the estimated useful lives of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of a lease includes any option period where exercise of the option is reasonably certain.

Key estimate and judgement

Depreciation is provided for on a straight line basis, using rates which are reviewed annually.

All intangible assets having a limited useful life are systematically amortised over their useful lives reflecting the pattern in which the asset's future economic benefits are expected to be consumed by the Department.

(a) Depreciation

	Major depreciation period	2022 \$'000	2021 \$'000
Plant, equipment and vehicles	2-20 years	18 561	16 343
Buildings	40-50 years	48 704	47 431
Leasehold improvements	2-20 years	1 798	1 771
Right-of-use assets	2-22 years	7 599	7 520
Total		76 662	73 065

(b) Amortisation

	Major amortisation rate	2022 \$'000	2021 \$'000
Intangible assets	20 per cent	1 573	1 249
Total		1 573	1 249
Total depreciation and amortisation		78 235	74 314

8.3 Supplies and consumables

	2022 \$'000	2021 \$'000
Audit fees	452	445
Lease expenses	7 652	5 165
Consultants	9 900	9 939
Property services and rental payments	76 846	51 468
Maintenance	34 004	33 573
Communications	19 257	11 408
Information technology	59 265	47 178
Travel, transport and vehicle leasing payments	15 703	13 399
Advertising and promotion	5 001	442
Medical, surgical and pharmacy supplies	451 267	369 455
Patient and client services	46 313	46 501
Other licencing costs	4 588	4 606
Equipment and furniture	14 927	15 397
Administration	15 812	12 333
Food production costs	11 192	10 772
Service fees	20 711	19 023
Other supplies and consumables	14 808	11 066
Total	807 698	662 170

Audit fees paid or payable to the Tasmanian Audit Office for the audit of the Department's Financial Statements were \$321 980 (2021: \$310 480).

Lease expenses includes lease rentals for short term leases and variable lease payments, as detailed in Note 10.2.

Medical, surgical and pharmacy supplies includes a \$9.7 million adjustment for items of personal protective equipment purchased at a price significantly higher than current market values due to high global demand. Also, \$16.9 million (2021: \$5.9 million) of personal protective equipment has been written down following an assessment by the Infection Prevention and Control Unit. This adjustment in value is included in General supplies inventories, refer to Note 9.4.

8.4 Grants and subsidies

Grant and subsidies expenditure is recognised to the extent that:

- the services required to be performed by the grantee have been performed; or
- the grant eligibility criteria have been satisfied.

A liability is recorded when the Department has a binding agreement to make the grants, but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a prepayment is recognised.

	2022 \$'000	2021 \$'000
Grants		
Alcohol, tobacco and other drugs	8 549	4 818
COVID-19	4 640	3 445
Equal remuneration order	....	6 683
Health planning	6 464	1 428
Mental health	21 997	22 844
NDIS Bilateral Agreement budget neutral adjustment	11 769	11 371
NDIS In-Kind	10 079	....
Primary health	4 240	....
Public health	11 309	11 243
Other health services	3 704	9 710
Subsidies		
Home and community care	14 000	12 211
Total	96 751	83 753

COVID-19 grants are provided to assist primary healthcare workers, including general practitioners and programs, to support individuals experiencing mental health difficulties as a result of issues associated with the pandemic.

In accordance with the Bilateral Agreement between the Australian Government and Tasmania for the transition to the National Disability Insurance Scheme, a budget neutral adjustment is made each year to offset the additional cost to the Australian Government of net additional responsibilities taken on as part of the National Health Care Reform (ie the additional cost to the Australian Government of Home and community care for older people, and the cost of specialist disability services for older people, less the costs of responsibilities transferred to Tasmania for younger people in aged care).

8.5 Finance costs

All finance costs are expensed as incurred using the effective interest method.

Finance costs include:

- lease charges; and
- interest on superannuation defined benefit plans.

	2022 \$'000	2021 \$'000
Interest expense		
Interest on lease liabilities	984	485
Interest on superannuation defined benefit scheme	....	42
Total	984	527

8.6 Contributions provided

Contributions provided free of charge by the Department, to another entity, are recognised as an expense when fair value can be reliably determined.

	2022 \$'000	2021 \$'000
Fair value of assets transferred at no cost or for nominal consideration	30 755	....
Total	30 755	....

Fair value of assets transferred at no cost or for nominal consideration represents rapid antigen tests valued at \$21.1 million which were transferred to the Department of Education and \$9.7 million transferred to independent schools and childcare centres.

8.7 Other expenses

Other expenses are recognised when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be reliably measured.

	2022 \$'000	2021 \$'000
Salary on-costs	34 958	28 678
Fair value of volunteer services	11 117	12 128
Tasmanian Risk Management Fund premium	14 248	13 368
Other	346	307
Total	60 669	54 481

Fair value of volunteer services represents the estimated service value of volunteers to Ambulance Tasmania of \$9.7 million (2021: \$10.8 million) and the THS of \$1.5 million (2021: \$1.3 million). This expense item is offset by an equal value recorded as Contributions received, refer to Note 6.5.

Note 9 Assets

Assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to the Department and the asset has a cost or value that can be measured reliably.

9.1 Receivables

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Key judgement

Receivables are held with the objective to collect the contractual cash flows and are subsequently measured at amortised cost using the effective interest method. Any subsequent changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process. An allowance for expected credit losses is recognised for all debt financial assets not held at fair value through profit and loss. The expected credit loss is based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate.

For trade receivables, a simplified approach in calculating expected credit losses is applied, with a loss allowance based on lifetime expected credit losses recognised at each reporting date. The Department has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

	2022 \$'000	2021 \$'000
Receivables	58 076	45 436
Less: Expected credit loss	(3 330)	(2 166)
Total	54 746	43 270
Sales of goods and services (inclusive of GST)	41 422	31 672
Tax assets	13 324	11 598
Total	54 746	43 270
Settled within 12 months	54 746	43 270
Total	54 746	43 270

(a) Reconciliation of movement in expected credit loss for receivables

	2022 \$'000	2021 \$'000
Carrying amount as at 1 July	2 166	1 378
Amounts written off during the year	(1)	(660)
Increase/(decrease) in provision recognised in profit or loss	1 165	1 448
Carrying amount as at 30 June	3 330	2 166

For ageing analysis of the financial assets, refer to Note 14.1.

The Increase/(decrease) in provision recognised in profit or loss is recorded as Net gain/(loss) on financial instruments and statutory receivables/payables, refer to Note 7.2.

9.2 Contract assets and liabilities

A contract asset is the Department's right to consideration in exchange for goods or services that the Department has transferred to the customer, but not billed at the reporting date as all conditions have not been fulfilled due to the timing of the annual acquittal process. Contract assets become receivable when the rights to receive payment become unconditional on satisfactory completion of performance obligations.

A contract liability relates to the Department's obligation to transfer goods or services to a customer for which the Department has received consideration in advance.

2022	Australian Government Funding \$'000	Total \$'000
Contract assets		
Balance as at 1 July	1 747	1 747
Add: Additional costs incurred that are recoverable from customer	5 249	5 249
Less: Transfer to receivables	(1 747)	(1 747)
Balance as at 30 June	5 249	5 249
Contract liabilities		
Balance as at 1 July	....	....
Balance as at 30 June	....	....
2021		
	Australian Government Funding \$'000	Total \$'000
Contract assets		
Balance as at 1 July	11 155	11 155
Add: Additional costs incurred that are recoverable from customer	1 747	1 747
Less: Transfer to receivables	(11 155)	(11 155)
Balance as at 30 June	1 747	1 747
Contract liabilities		
Balance as at 1 July	5 655	5 655
Less: Transfer to payables	(5 655)	(5 655)
Balance as at 30 June	....	....
	2022 \$'000	2021 \$'000
Revenue from performance obligations met during the current period	606 653	455 980
Revenue from performance obligations satisfied (or partially satisfied) in previous periods	....	....

The transaction price allocated to unsatisfied performance obligations as at 30 June is as follows:

	2022 \$'000	2021 \$'000
Australian Government Grants
Total

9.3 Other financial assets

Other financial assets are classified and measured at amortised cost. Impairment losses, where applicable, are recorded in the Statement of Comprehensive Income. Any gain or loss arising on derecognition is recognised directly in net result and presented in other gains/(losses).

	2022 \$'000	2021 \$'000
Accrued revenue	32 078	36 988
Inter-entity balance	368	1 385
Total	32 446	38 373
Settled within 12 months	32 446	38 373
Total	32 446	38 373

Inter-entity balance represents Goods and Services Tax settlement entries arising between the Department and the Department of Communities Tasmania.

9.4 Inventories

Inventories held for distribution are valued at cost adjusted, when applicable, for any loss of service potential. Inventories acquired for no cost or nominal consideration are valued at current replacement cost.

	2022 \$'000	2021 \$'000
Pharmacy	16 938	15 642
Catering	371	363
Linen	870	837
General supplies	60 403	59 862
Total	78 582	76 704
Consumed within 12 months	78 582	76 704
Total	78 582	76 704

The carrying value of General supplies inventories has been adjusted by \$9.7 million for items of personal protective equipment purchased at a price significantly higher than current market values due to high global demand. Also, \$16.9 million (2021: \$5.9 million) of personal protective equipment has been written down following an assessment by the Infection Prevention and Control Unit. This adjustment in value is included in Supplies and consumables – Medical, surgical and pharmacy supplies expense, refer to Note 8.3.

9.5 Assets held for sale

Assets held for sale (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than continuing use are classified as held for sale. Immediately before classification as held for sale, fair value assets (or components of a disposal group) are remeasured in accordance with the Departmental policy. Upon initial classification to assets held for sale, assets are remeasured at the lower of carrying amount and fair value less costs to sell. An impairment loss is recognised in profit or loss for any initial and subsequent write-down from the carrying amount measured immediately before re-measurement to fair value less costs of disposal. Such assets are no longer amortised or depreciated upon being classified as held for sale.

(a) Carrying amount

	2022 \$'000	2021 \$'000
Land (Fair value Level 2)	2 533	17
Buildings (Fair value Level 3)	1 411	51
Total	3 944	68
Settled within 12 months	3 944	68
Total	3 944	68

The land and buildings held for sale have been deemed excess to requirements and will be advertised for sale during 2022-23.

Key estimate and judgement

The recognised fair value of non-financial assets is classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements.

Level 1 the fair value is calculated using quoted prices in active markets;

Level 2 the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

(b) Fair value measurement of assets held for sale (including fair value levels)

2022	Carrying value at 30 June \$'000	Fair value measurement at end of reporting period		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Land	2 533	....	2 533	....
Buildings	1 411	....	....	1 411
Total	3 944	....	2 533	1 411

2021	Carrying value at 30 June \$'000	Fair value measurement at end of reporting period		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Land	17	....	17	....
Buildings	51	....	....	51
Total	68	....	17	51

Key judgement

The property held for sale is carried at fair value less costs of disposal utilising the capital value assessment undertaken by the Office of the Valuer-General.

(c) Level 3 significant valuation inputs and relationship to fair value

	Fair value as at 30 June \$'000	Significant unobservable inputs used in valuation	Possible alternative values for Level 3 inputs	Sensitivity of fair value to changes in Level 3 inputs
Buildings	1 411	A - Construction costs B - Age and condition of asset C - Remaining useful life	When valuing these assets, their existing and alternative uses are taken into account by valuers. As a result, it is unlikely that alternative values will arise unless there are changes in known inputs.	Tasmanian construction indexes have remained stable over the past 12 months. Design and useful lives are reviewed regularly but generally remain unchanged. As a result, it is unlikely that significant variations in values will arise in the short term.

9.6 Property, plant and equipment

Key estimate and judgement

(i) Valuation basis

Land, buildings and heritage and cultural assets are recorded at fair value, less accumulated depreciation for building assets. All other non-current physical assets, including work in progress, are recorded at historic cost less accumulated depreciation and accumulated impairment losses. All assets within a class of assets are measured on the same basis.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Fair value is based on the highest and best use of the asset. Unless there is an explicit Government policy to the contrary, the highest and best use of an asset is the current purpose for which the asset is being used or occupied.

The recognised fair value of non-financial assets is classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements.

Level 1 the fair value is calculated using quoted prices in active markets;

Level 2 the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Department and its costs can be measured reliably.

The carrying amount of the replaced part is derecognised. The costs of day to day servicing of property, plant and equipment are recognised in the Statement of Comprehensive Income as incurred.

(iii) Asset recognition threshold

The asset capitalisation threshold adopted by the Department are:

Plant, equipment and vehicles	\$10 000
Land and buildings	\$10 000
Leasehold improvements	\$10 000
Heritage and cultural assets	\$10 000

Assets valued at less than the threshold amount are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total or where the details of the asset are required for tracing purposes).

(iv) Revaluations

The Department's land, building and heritage and cultural assets were revalued independently by the Valuer-General as at 30 June 2018. These assets were valued in accordance with the Australian Accounting Standards (*AASB 116 Property, Plant and Equipment*).

Each year since the revaluation, land and building assets received an indice valuation performed by the Valuer-General. The indice valuation was based on a review of market movement factors and building construction cost. There has been no adjustment to heritage and cultural assets since the 30 June 2018 revaluation.

Assets are grouped on the basis of having a similar nature or function in the operations of the Department.

Assets are revalued with sufficient regularity to ensure they reflect fair value at balance date. Revaluations are shown on a gross basis where a replacement cost basis of valuations has been used. Asset revaluations based on a market basis are disclosed on a net basis, however, the Department has endeavoured to obtain replacement cost valuations where possible to enable gross values to be disclosed.

(v) Assets in respect of leases where the Department is the lessor

The Department leases building assets (including office accommodation, consulting rooms and residential accommodation) and medical equipment under operating leases, with rental payments payable in instalments as per agreed terms with the tenants. Lease payments may include amounts for outgoing and rent escalation for a fixed percentage, dollar increase per year or future index or rate.

(vi) Service concession assets

The Department adopted AASB 1059 *Service Concession Arrangements: Grantors* from 1 July 2020. However, there is no effect of adopting AASB 1059 for the Department, as these types of arrangements are not entered into.

(a) Carrying amount

	2022 \$'000	2021 \$'000
Land		
At fair value	138 157	114 120
Total	138 157	114 120
Buildings		
At fair value	2 221 406	2 041 382
Less: Accumulated depreciation	(815 430)	(688 873)
	1 405 976	1 352 509
Work in progress (at cost)	146 382	98 405
Total	1 552 358	1 450 914
Leasehold improvements		
At cost	22 646	22 639
Less: Accumulated depreciation	(16 997)	(15 200)
Total	5 649	7 439
Plant, equipment and vehicles		
At cost	205 441	189 617
Less: Accumulated depreciation	(119 446)	(105 370)
	85 995	84 247
Work in progress (at cost)	27 808	29 439
Total	113 803	113 686
Heritage and cultural assets		
At fair value	3 631	3 341
	3 631	3 341
Work in progress (at cost)	1 147	950
Total	4 778	4 291
Total property, plant and equipment	1 814 745	1 690 450

(b) Reconciliation of movements (including fair value levels)

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

2022	Land (vacant land in active markets) Level 2 \$'000	Buildings (specific purpose/ use buildings) Level 3 \$'000	Leasehold improve- ments \$'000	Plant, equipment and vehicles \$'000	Heritage and cultural assets Level 3 \$'000	Total \$'000
Carrying value as at 1 July	114 120	1 450 914	7 439	113 686	4 291	1 690 450
Transfer between classes	526	(526)	....	....	....	....
Additions	2 516	59 524	8	21 474	487	84 009
Disposals	(6)	(251)	....	(2 796)	....	(3 053)
Gains/losses recognised in other comprehensive income						
Revaluation increments/(decrements)	23 517	97 761	....	....	....	121 278
Impairment losses	....	(5 000)	....	....	....	(5 000)
Transfer to Assets held for sale	(2 516)	(1 360)	....	....	....	(3 876)
Depreciation	....	(48 704)	(1 798)	(18 561)	....	(69 063)
Carrying value as at 30 June	138 157	1 552 358	5 649	113 803	4 778	1 814 745
2021	Land (vacant land in active markets) Level 2 \$'000	Buildings (specific purpose/ use buildings) Level 3 \$'000	Leasehold improve- ments \$'000	Plant, equipment and vehicles \$'000	Heritage and cultural assets Level 3 \$'000	Total \$'000
Carrying value as at 1 July	114 150	1 417 104	9 032	91 624	4 231	1 636 141
Transfer between classes	....	(181)	181	....	....	....
Additions	215	54 401	....	39 232	60	93 908
Disposals	....	....	....	(827)	....	(827)
Gains/losses recognised in other comprehensive income						
Revaluation increments/(decrements)	(228)	27 070	....	....	....	26 842
Transfer to Assets held for sale	(17)	(51)	....	....	....	(68)
Depreciation	....	(47 429)	(1 774)	(16 343)	....	(65 546)
Carrying value as at 30 June	114 120	1 450 914	7 439	113 686	4 291	1 690 450

(c) Carrying amount of property, plant and equipment held and used by the Department

	2022 \$'000	2021 \$'000
Land		
At fair value	129 551	107 545
Total	129 551	107 545
Buildings		
At fair value	2 109 675	1 947 206
Less: Accumulated depreciation	(779 637)	(661 423)
	1 330 038	1 285 783
Work in progress (at cost)	146 382	98 405
Total	1 476 420	1 384 188
Leasehold improvements		
At cost	22 646	22 639
Less: Accumulated depreciation	(16 997)	(15 200)
Total	5 649	7 439
Plant, equipment and vehicles		
At cost	205 441	189 617
Less: Accumulated depreciation	(119 446)	(105 370)
	85 995	84 247
Work in progress (at cost)	27 808	29 439
Total	113 803	113 686
Heritage and cultural assets		
At fair value	3 631	3 341
	3 631	3 341
Work in progress (at cost)	1 147	950
Total	4 778	4 291
Total property, plant and equipment	1 730 201	1 617 149

(d) Reconciliation of movements (including fair value levels) of property, plant and equipment held and used by the Department

Reconciliations of the carrying amounts of each class of Property, plant and equipment held and used by the Department at the beginning and end of the current financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

2022	Land (vacant land in active markets) Level 2 \$'000	Buildings (specific purpose/ use buildings) Level 3 \$'000	Leasehold improve- ments \$'000	Plant, equipment and vehicles \$'000	Heritage and cultural assets Level 3 \$'000	Total \$'000
Carrying value as at 1 July	107 545	1 384 188	7 439	113 686	4 291	1 617 149
Transfer between classes	(14)	(7 085)	....	....	....	(7 099)
Additions	2 516	59 524	8	21 474	487	84 009
Disposals	(6)	(251)	....	(2 796)	....	(3 053)
Gains/losses recognised in other comprehensive income						
Revaluation increments/(decrements)	22 026	86 765	....	....	....	108 791
Impairment losses	....	(5 000)	....	....	....	(5 000)

Transfer to Assets held for sale	(2 516)	(1 360)	....	....	....	(3 876)
Depreciation	....	(40 361)	(1 798)	(18 561)	....	(60 720)
Carrying value as at 30 June	129 551	1 476 420	5 649	113 803	4 778	1 730 201
<hr/>						
2021	Land (vacant land in active markets)	Buildings (specific purpose/use buildings)	Leasehold improvements	Plant, equipment and vehicles	Heritage and cultural assets	Total
	Level 2	Level 3			Level 3	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying value as at 1 July	112 494	1 381 166	9 032	91 624	4 231	1 598 547
Transfer between classes	(5 000)	(31 102)	181	....	....	(35 921)
Additions	215	54 398	....	39 232	60	93 905
Disposals	....	....	....	(827)	....	(827)
Gains/losses recognised in other comprehensive income						
Revaluation increments/(decrements)	(147)	25 111	....	....	....	24 964
Transfer to Assets held for sale	(17)	(51)	....	....	....	(68)
Depreciation	....	(45 334)	(1 774)	(16 343)	....	(63 451)
Carrying value as at 30 June	107 545	1 384 188	7 439	113 686	4 291	1 617 149

(e) Carrying amount of property where the Department is the lessor under operating leases

	2022	2021
	\$'000	\$'000
Land		
At fair value	8 606	6 575
Total	8 606	6 575
Buildings		
At fair value	111 731	94 176
Less: Accumulated depreciation	(35 793)	(27 450)
Total	75 938	66 726
Total property, plant and equipment	84 544	73 301

(f) Reconciliation of movements (including fair value levels) of property, plant and equipment where the Department is the lessor under operating leases

Reconciliations of the carrying amounts of each class of Property, plant and equipment held and used by the Department at the beginning and end of the current financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

2022	Land (vacant land in active markets)	Buildings (specific purpose/ use buildings)	Total
	Level 2 \$'000	Level 3 \$'000	\$'000
Carrying value as at 1 July	6 575	66 726	73 301
Transfer between classes	540	6 559	7 099
Gains/losses recognised in other comprehensive income			
Revaluation increments/(decrements)	1 491	10 996	12 487
Depreciation	....	(8 343)	(8 343)
Carrying value as at 30 June	8 606	75 938	84 544

2021	Land (vacant land in active markets)	Buildings (specific purpose/ use buildings)	Total
	Level 2 \$'000	Level 3 \$'000	\$'000
Carrying value as at 1 July	1 656	35 938	37 594
Transfer between classes	5 000	30 921	35 921
Additions	....	3	3
Gains/losses recognised in other comprehensive income			
Revaluation increments/(decrements)	(81)	1 959	1 878
Depreciation	....	(2 095)	(2 095)
Carrying value as at 30 June	6 575	66 726	73 301

(g) Maturity analysis of lease payments receivable in respect of operating leases

	2022 \$'000	2021 \$'000
One year or less	6 663	6 503
From one to two years	6 504	5 697
From two to three years	6 480	5 963
From three to four years	6 393	5 973
From four to five years	6 190	5 928
More than five years	73 168	76 229
Total	105 398	106 293

(h) Level 3 significant valuation inputs and relationship to fair value

	Fair value as at 30 June \$'000	Significant unobservable inputs used in valuation	Possible alternative values for Level 3 inputs	Sensitivity of fair value to changes in Level 3 inputs
Buildings	1 552 358	A - Construction costs B - Age and condition of asset C - Remaining useful life	When valuing these assets, their existing and alternative uses are taken into account by valuers. As a result, it is unlikely that alternative values will arise unless	Tasmanian construction indexes have remained stable over the past 12 months. Design and useful lives are reviewed regularly but generally remain unchanged. As a result, it is unlikely that

	Fair value as at 30 June \$'000	Significant unobservable inputs used in valuation	Possible alternative values for Level 3 inputs	Sensitivity of fair value to changes in Level 3 inputs
Heritage and cultural assets	4 778	A - Acquisition costs B - Condition of the asset C - Market transactions for identical or similar assets	there are changes in known inputs. Valuing these assets is an inexact science and it is not likely that alternative values applying other inputs would result in a materially different value.	significant variations in values will arise in the short term. Given the diversity of the heritage and cultural assets held, it is unlikely that a variation in the market transactions for identical or similar assets would impact a large proportion of the assets held. As a result, it is unlikely that significant variations in values will arise in the short term.

(i) Assets where current use is not the highest and best use

The Department has no assets where the current use is not the highest and best use.

9.7 Right-of-use assets

AASB 16 requires the Department to recognise a right-of-use asset, where it has control of the underlying asset over the lease term. A right-of-use asset is measured at the present value of initial lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

The Department has elected not to recognise right-of-use assets and lease liabilities arising from short term leases, rental arrangements for which Treasury has substantive substitution rights over the assets and leases for which the underlying asset is of low-value. Substantive substitution rights relate primarily to office accommodation. An asset is considered low-value when it is expected to cost less than \$10 000.

Right-of-use assets are depreciated over the shorter of the assets useful life and the term of the lease. Where the Department obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the Department will exercise a purchase option, the Department depreciates the right-of-use asset over its useful life.

2022	Buildings \$'000	Plant and equipment \$'000	Total \$'000
Carrying value as at 1 July	17 458	1 360	18 818
Additions	34 193	5 135	39 328
Disposals/derecognition	(5 697)	....	(5 697)
Depreciation	(6 542)	(1 057)	(7 599)
Carrying value as at 30 June	39 412	5 438	44 850

2021	Buildings \$'000	Plant and equipment \$'000	Total \$'000
Carrying value as at 1 July	23 782	2 117	25 899
Additions	438	....	438
Depreciation	(6 762)	(757)	(7 519)
Carrying value as at 30 June	17 458	1 360	18 818

9.8 Intangible assets

An intangible asset is recognised where:

- it is probable that an expected future benefit attributable to the asset will flow to the Department; and
- the cost of the asset can be reliably measured.

Intangible assets held by the Department, where no active market exists, are valued at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with a finite useful life held by the Department principally comprise computer software.

(a) Carrying amount

	2022 \$'000	2021 \$'000
Intangible assets with a finite useful life		
At cost	20 337	19 681
Less: Accumulated amortisation	(16 220)	(14 866)
	4 117	4 815
Work in progress (at cost)	385	1 787
Total	4 502	6 602

(b) Reconciliation of movements (including fair value levels)

	2022 Level 2 \$'000	2022 Level 3 \$'000	2022 Total \$'000	2021 Total \$'000
Carrying amount as at 1 July	6 602	....	6 602	3 830
Additions	252	....	252	4 021
Disposals	(779)	....	(779)	....
Amortisation	(1 573)	....	(1 573)	(1 249)
Carrying amount as at 30 June	4 502	....	4 502	6 602

9.9 Other assets

Other assets are recorded at amortised cost and include prepayments.

(a) Carrying amount

	2022 \$'000	2021 \$'000
Other current assets		
Prepayments	17 805	10 047
Total	17 805	10 047
Other non-current assets		
Prepayments	425	806
Total	425	806
Total other assets	18 230	10 853
Recovered within 12 months	17 805	10 047
Recovered in more than 12 months	425	806
Total	18 230	10 853

Prepayments primarily include information technology expenditure for hardware and software support and software licencing contracts, in addition to equipment maintenance contracts, property rental and National Blood Authority supplies.

(b) Reconciliation of movements

	2022 \$'000	2021 \$'000
Carrying amount as at 1 July	10 853	31 325
Additions	17 424	10 781
Utilised	(10 047)	(31 253)
Carrying amount as at 30 June	18 230	10 853

Note 10 Liabilities

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

10.1 Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when the Department becomes obliged to make future payments as a result of a purchase of assets or services.

	2022 \$'000	2021 \$'000
Creditors	35 415	40 902
Accrued expenses	34 143	44 207
Paid Parental Leave Scheme liabilities	281	195
Total	69 839	85 304
Settled within 12 months	44 792	49 367
Settled in more than 12 months	25 047	35 937
Total	69 839	85 304

Accrued expenses predominantly relate to medical services provided to Tasmanian residents in other states and territories of Australia, less the medical services provided in Tasmania to residents from other states and territories. Due to the complexity of the calculations, there is two to three years delay in settlement.

Settlement of Creditors is usually made within 14 days.

10.2 Lease liabilities

A lease liability is measured at the present value of the lease payments that are not paid at that date. The discount rate used to calculate the present value of the lease liability is the rate implicit in the lease. Where the implicit rate is not known and cannot be determined the Tascorp indicative lending rate including the relevant administration margin is used.

The Department has elected not to recognise right-of-use assets and lease liabilities arising from short term leases, rental arrangements for which Treasury has substantive substitution rights over the assets and leases for which the underlying asset is of low-value. Substantive substitution rights relate primarily to office accommodation. An asset is considered low-value when it is expected to cost less than \$10 000.

The Department has entered into the following leasing arrangements:

Class of right-of-use asset	Details of leasing arrangements
Plant and equipment	These leases are paid monthly or quarterly. Lease payments include rent escalation for a fixed percentage, dollar increase per year or future index or rate.
Buildings	These leases are paid monthly, quarterly or annually. Lease payments include rent escalation for a fixed percentage, dollar increase per year or future index or rate. Some leases include options to extend the lease term.

	2022	2021
	\$'000	\$'000
Current Lease liabilities	6 628	6 352
Non-current Lease liabilities	39 254	13 009
Total	45 882	19 361

Maturity analysis of lease liabilities:

	2022	2021
	\$'000	\$'000
One year or less	6 628	6 352
From one to two years	5 604	6 205
From two to three years	4 686	3 275
From three to four years	4 743	1 367
From four to five years	4 306	1 297
More than five years	19 915	865
Total	45 882	19 361

The lease liability in the maturity analysis is presented using undiscounted contractual amounts before deducting finance charges.

The following amounts are recognised in the Statement of Comprehensive Income:

	2022	2021
	\$'000	\$'000
Interest on lease liabilities included in Note 8.5	984	485
Lease expenses included in Note 8.3:		
Short term leases	8 291	5 002
Variable lease payments	(639)	163
Net expenses from leasing activities	8 636	5 650

10.3 Employee benefit liabilities

Key estimate and judgement

Liabilities for wages and salaries and annual leave are recognised when an employee becomes entitled to receive a benefit. Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid. Other employee entitlements are measured as the present value of the benefit at 30 June, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

	2022 \$'000	2021 \$'000
Accrued salaries	28 167	18 787
Annual leave	155 049	135 947
Long service leave	168 427	177 902
Sabbatical leave	12 556	13 509
Development leave	11 125	10 759
Other employee benefits	3 005	2 891
Total	378 329	359 795
Expected to settle wholly within 12 months	130 453	116 929
Expected to settle wholly after 12 months	247 876	242 866
Total	378 329	359 795

Other employee benefits are comprised of Purchased Leave Scheme, time off in lieu provisions, excess on-call leave and State Service Accumulated Leave Scheme entitlements.

10.4 Superannuation

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense when they fall due.

(ii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Key estimate and judgement

With the exception noted below, the Department does not recognise a liability for the accruing superannuation benefits of Departmental employees. This liability is held centrally and is recognised within the Finance-General Division of the Department of Treasury and Finance.

The Department's superannuation obligations, in respect of the contributory service of current and past Ambulance Tasmania employees under the Tasmanian Ambulance Service Superannuation Scheme, are recognised at the latest actuarial assessment of the member's entitlements, net of Scheme assets. The valuation is determined by discounting to present value, the gross benefit payments at a current, market-determined, risk-adjusted discount rate appropriate to the plan.

Actuarial gains or losses arising from the actuarial revaluation of Ambulance Tasmania superannuation liabilities are recognised in the Statement of Comprehensive Income.

(a) Type of plan

Tasmanian Ambulance Service Superannuation Scheme

The Tasmanian Ambulance Service Superannuation Scheme is a defined benefit scheme where members receive lump sum benefits on resignation, retirement, death or invalidity.

The Tasmanian Ambulance Service Superannuation Scheme balances reported are provided in respect of those employees who are defined benefit members.

The Scheme is closed to new members.

The Scheme forms part of the Retirement Benefits Fund and operates under the *Public Sector Superannuation Reform Act 2016*. The rules of the Scheme are set out in the Tasmanian Ambulance Service Superannuation Scheme Trust Deed.

The Superannuation Commission has fiduciary responsibility for and oversees the administration of the Scheme. The day to day running of the Scheme is managed by the Office of the Superannuation Commission within the Department of Treasury and Finance.

There are a number of risks to which the Scheme exposes the Department. The more significant risks relating to the defined benefits are:

- Investment risk - The risk is that investment returns will be lower than assumed and employers will need to increase contributions to offset this shortfall over the long term.
- Salary growth risk - The risk is that wages or salaries (on which future benefit amounts will be based) will rise more rapidly than assumed, increasing defined benefit amounts and the associated employer contributions over the long term.
- Legislative risk - The risk is that legislative changes could be made which increase the cost of providing the defined benefits.

There were no Scheme amendments, curtailments or settlements during the year.

The present value of the superannuation asset or liability is reflected in the difference between net assets available to pay benefits and the amount of accrued benefits as at 30 June 2022.

An independent actuarial assessment is undertaken into the Tasmanian Ambulance Service Superannuation Scheme as at 30 June each financial year.

The State Actuary undertook a revaluation of the present value of the defined benefit obligation and the fair value of the plan assets as at 30 June 2022 using the process outlined in AASB 119 *Employee Benefits*. As a result of the revaluation, it was determined that the Tasmanian Ambulance Service Superannuation Scheme was in surplus by \$7.7 million (2021: \$4.1 million surplus).

(b) Reconciliation of movements in fair value of Scheme assets

	Tasmanian Ambulance Service Superannuation Scheme	
	2022	2021
	\$'000	\$'000
Fair value balance as at 1 July	68 090	56 535
Included in profit or loss		
Employer contributions	1 178	1 486
Interest income	928	548
Taxes, premiums and expenses paid	(177)	(223)
	1 929	1 811
Included in other comprehensive income		
Return/(loss) on plan assets excluding interest	(3 960)	9 669
	(3 960)	9 669
Other		
Contributions by plan participants	907	891
Benefits paid	(7 841)	(816)
	(6 934)	75
Fair value balance as at 30 June	59 125	68 090

(c) Reconciliation of the defined benefit obligation

	Tasmanian Ambulance Service Superannuation Scheme	
	2022	2021
	\$'000	\$'000
Present value of defined benefit obligations as at 1 July[^]	64 009	62 681
Current service cost	1 912	2 119
Interest expense	863	590
Contributions by Scheme participants	907	891
Actuarial (gains)/losses arising from changes in financial assumptions	(8 512)	(2 680)
Actuarial (gains)/losses arising from liability experience	246	1 447
Benefits paid	(7 841)	(816)
Taxes, premiums and expenses paid	(177)	(223)
Present value of defined benefit obligations as at 30 June[^]	51 407	64 009

[^]includes defined benefit contributions tax provision.

(d) Reconciliation of movements in present value of superannuation liability/(asset)

	Tasmanian Ambulance Service Superannuation Scheme	
	2022	2021
	\$'000	\$'000
Balance as at 1 July	(4 081)	6 146
Included in profit or loss		
Current service cost	1 912	2 119
Interest income	(65)	....
Interest cost	....	42
	1 847	2 161
Included in other comprehensive income		
Actuarial loss/(gain) arising from changes in financial assumptions	(8 512)	(2 680)
Actuarial loss/(gain) arising from liability experience	246	1 447
Return/(loss) on plan assets excluding interest	3 960	(9 669)
	(4 306)	(10 902)
Other		
Employer contributions	(1 178)	(1 486)
	(1 178)	(1 486)
Balance as at 30 June	(7 718)	(4 081)

(e) Scheme assets at fair value

Tasmanian Ambulance Service Superannuation Scheme

Scheme assets as at 30 June 2022[^] comprise:

Asset category	Level 1		Level 2		Level 3		Total	
	Quoted in active market		Observable inputs, not quoted		Unobservable inputs		Fair value	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australian equities	10 288	10 758	....	....	10 288	10 758
International equities	12 475	13 618	....	....	12 475	13 618
Infrastructure	1 951	2 247	5 676	6 605	7 627	8 852
Diversified fixed interest	13 185	16 954	....	....	13 185	16 954
Property	1 005	953	10 051	11 916	11 056	12 869
Alternative investments	4 494	5 039	....	....	4 494	5 039
Total	43 398	49 569	15 727	18 521	59 125	68 090

[^]Estimated based on estimated Scheme assets as at 30 June 2022 and asset allocation of the Retirement Benefits Fund Scheme as at 30 June 2021.

The fair value of Scheme assets includes no amounts relating to:

- any of the Department's own financial instruments.
- any property occupied by, or other assets used by the Department.

(f) Key actuarial assumptions

Tasmanian Ambulance Service Superannuation Scheme

Assumptions to determine defined benefit cost	2022 %	2021 %
Discount rate	1.45	1.00
Expected salary increase rate	3.00	3.00

Assumptions to determine defined benefit obligation	2022 %	2021 %
Discount rate	3.65	1.45
Expected salary increase rate	3.50	3.00

As at 30 June 2022, the weighted average duration of the defined benefit obligation for the Scheme was 6.7 years (2021: 7.6 years).

(g) Sensitivity analysis

Tasmanian Ambulance Service Superannuation Scheme

The defined benefit obligation as at 30 June 2022 under several scenarios is presented below.

Scenario A and B relate to discount rates sensitivity. Scenario C and D relate to expected pension increase rate sensitivity.

Scenario A: 1.0% pa lower discount rate assumption

Scenario B: 1.0% pa higher discount rate assumption

Scenario C: 1.0% pa lower than expected pension increase rate assumption

Scenario D: 1.0% pa higher than expected pension increase rate assumption

Defined benefit obligations	Base Case	Scenario A -1.0% pa discount rate	Scenario B +1.0% pa discount rate	Scenario C -1.0% pa pension increase rate	Scenario D +1.0% pa pension increase rate
Discount rate (% pa)	3.65	2.65	4.65	3.65	3.65
Pension increase rate (% pa)	3.50	3.50	3.50	2.50	4.50
Defined Budget Obligation [^] (A\$'000s)	51 407	55 804	47 736	48 353	54 925

[^]includes defined benefit contribution tax provision.

The defined benefit obligation has been recalculated by changing the assumptions as outlined above, whilst retaining all other assumptions.

(h) Funding arrangements

Contributions to the Tasmanian Ambulance Superannuation Scheme in respect of defined benefit schemes are made on an emerging cost basis. The Department expects to make a contribution of \$1.2 million (2021: \$1.3 million) to the defined benefit plan for the Tasmanian Ambulance Superannuation Scheme during the next financial year.

10.5 Other liabilities

Other liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

Other liabilities include revenue received in advance and on-costs associated with employee benefit liabilities. Revenue received in advance is measured at amortised cost. On-costs associated with employee benefit liabilities expected to be realised within 12 months are measured at the amount expected to be paid. Other on-costs associated with employee benefit liabilities are measured at the present value of the cost at 30 June 2022, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

	2022	2021
	\$'000	\$'000
Revenue received in advance		
Other revenue received in advance	2 117	2 095
Other financial liabilities		
Employee benefit liabilities - on-costs	10 089	9 213
Payroll clearing	23 038	19 753
Inter-entity balance	....	7
Funds held for distribution - Private Patient Scheme	12 673	11 180
Other liabilities	149	150
Total	48 066	42 398
Settled within 12 months	40 877	35 793
Settled in more than 12 months	7 189	6 605
Total	48 066	42 398

Payroll clearing represents payroll related payables which will be disbursed next financial year, relating to the final payroll of the current financial year.

Inter-entity balance represents Goods and Services Tax settlement entries arising between the Department and other entities.

Funds held for distribution are funds held by the THS for distribution under the Private Patient Scheme.

Note 11 Commitments and Contingencies

11.1 Schedule of commitments

Commitments represent those contractual arrangements entered by the Department that are not reflected in the Statement of Financial Position.

Leases are recognised as right-of-use assets and lease liabilities in the Statement of Financial Position, excluding short term leases and leases for which the underlying asset is of low value, which are recognised as an expense in the Statement of Comprehensive Income.

	2022 \$'000	2021 \$'000
By type		
Capital commitments		
Property, plant and equipment	72 859	41 360
Total	72 859	41 360
Other commitments		
Department of Police, Fire and Emergency Management - communication support	603	1 048
Department of Police, Fire and Emergency Management - critical incident stress management program	162	181
Department of Police, Fire and Emergency Management - helicopter emergency medical service	....	1 137
Department of Police, Fire and Emergency Management - rescue helicopter contract	....	2 546
Department of Treasury and Finance - motor vehicles	8 455	8 115
Department of Treasury and Finance - rent on buildings	68 715	60 807
Emergency services computer-aided dispatch	839	2 200
Helicopter services	5 952	2 530
Information technology	94 993	77 760
Linear accelerator maintenance agreements	13 132	9 658
Maternity services	26 084	35 552
Medical priority enterprise maintenance agreement	254	76
Miscellaneous goods and services contracts	58 587	45 187
Miscellaneous grants	116 726	127 398
Pathology services	11 250	15 750
Radiology services	62 985	52 520
Rescue helicopter contract	14 940	....
Royal Flying Doctor Service air ambulance standing charge	4 438	3 053
Rural medical services	24 280	30 773
Secondary triage	560	1 617
Short term and/or low-value leases	9 879	6 174
Total	522 834	484 082
Total commitments	595 693	525 442
By maturity		
Capital commitments		
One year or less	71 509	40 369
From one to five years	150	983
More than five years	1 200	8
Total	72 859	41 360
Other commitments		
One year or less	203 616	170 082
From one to five years	265 978	271 917
More than five years	53 240	42 083
Total	522 834	484 082
Total commitments	595 693	525 442

Capital commitments

Property, plant and equipment

Property, plant and equipment commitments primarily include commitments to either build or improve existing properties and also the purchase of equipment. The balance represents contractual commitments, primarily associated with:

- Redevelopment of the Launceston General Hospital.
- Royal Hobart Hospital Stage 2 Redevelopment.
- Mersey Community Hospital Capital Upgrades.
- Medical equipment.

Other commitments

Department of Police, Fire and Emergency Management - communication support

A Memorandum of Understanding details the services that the Department of Police, Fire and Emergency Management provides to support Ambulance Tasmania, particularly communications, systems and technology support (paging and consoles), triple zero and emergency services computer-aided dispatch systems.

Department of Police, Fire and Emergency Management - critical incident stress management program

Ambulance Tasmania is committed to the critical incident stress management program, which assists in managing the impact of critical incidents on emergency services personnel (including carers and volunteers).

Department of Treasury and Finance - motor vehicles

The Government Motor Vehicle Fleet is managed as part of a Whole-of-Government arrangement with the Department of Treasury and Finance. Rental payments vary according to the type of vehicle and, where applicable, the price received for trade-in vehicles. Rental terms for the majority of existing vehicles are for a period of three years or 60 000 km, whichever comes first, with no change to the rental rate.

Department of Treasury and Finance - rent on buildings

Commitments represent rental agreements between the Department and the Department of Treasury and Finance in relation to office accommodation leasing contracts held by the Department of Treasury and Finance. The Department's office accommodation rental commitments predominantly relate to 22 Elizabeth St Hobart, 16-24 Charles St Launceston (CH Smith Building) and 70 Collins St Hobart.

Emergency services computer-aided dispatch

Emergency services computer-aided dispatch is the integrated dispatch system across Tasmania Police, Tasmanian Fire Service, State Emergency Service and Ambulance Tasmania. The dispatch system provides the capability to deliver the best possible response to emergencies and calls for assistance, with enhanced safety for the community and emergency services personnel.

Helicopter services

To support the Department's approach to the COVID-19 pandemic and move patients across regional Tasmania, the Government funded an additional Bell 412 Helicopter.

Information technology

Information technology includes software licence commitments.

Linear accelerator maintenance agreements

As part of the purchase and planned purchase of new linear accelerators across the State, the Department has entered into maintenance agreements that are for a period of nine years post expiration of the warranty period.

Maternity services

There is one hospital in the North West that provides maternity services, being the North West Private Hospital. This hospital is not part of the Department and, as such, the Department contracts the hospital to deliver all inpatient public maternity services. This contract is to 31 October 2024, at which point it will be reviewed.

Medical priority enterprise maintenance agreement

The medical priority enterprise maintenance agreement ensures that Ambulance Tasmania's emergency dispatch and call taking software/systems are maintained to ensure that protocols are in accordance with scientifically validated, updated, and dynamic protocols.

Miscellaneous goods and services contracts

The Department is party to contracts for the supply of various goods and services, including medical supplies and equipment maintenance.

Miscellaneous grants

The Department provides grants to external service providers to deliver a range of services including, mental health support services, public health services, alcohol and drug rehabilitation services, as well as palliative, respite and home and community care.

Pathology services

Pathology services in the North West are delivered by an external contractor, namely North West Pathology, as the North West does not have its own pathology service within the Department.

Radiology services

All radiology services at the two North West hospitals and rural hospital sites in the North and North West are outsourced to an external contractor, namely Regional Imaging.

Rescue helicopter contract

The Rescue helicopter contract is a contract to secure the availability of specialist helicopter services to both Ambulance Tasmania and the Department of Police, Fire and Emergency Management with Ambulance Tasmania being the lead agency in the contract. The actual cost of the service will be shared between the agencies based on a cost sharing agreement.

Royal Flying Doctor Service air ambulance standing charge

The Royal Flying Doctor Service charge covers availability of the aircraft and a back-up aircraft, with pilots available 24 hours a day and other fixtures, including a hangar. It does not include variable costs such as flying hours and aviation charges.

Rural medical services

Provision of medical services at a number of THS rural sites are outsourced to Ochre Health as it has been beyond the THS's capacity to staff on a permanent basis. Sites include Flinders Island, Scottsdale, St Helens, Queenstown, King Island and Smithton.

Secondary triage

To improve on Ambulance Tasmania's response to 000 calls, a "secondary triage" process was implemented to ensure Tasmanian's receive the right care, in the right place and at the right time. Secondary triage will help Ambulance Tasmania keep emergency ambulances available for life-threatening and serious cases where paramedic care is needed.

Short term and/or low-value leases

The Department leases a range of medical equipment and properties/tenancies around the State for service delivery purposes. Short term leases and leases for which the underlying asset is of low value do not qualify for recognition as right-of-use assets and lease liabilities and are recognised as commitments.

11.2 Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding any possible amount or timing of any possible underlying claim or obligation.

(a) Quantifiable contingencies

A quantifiable contingent asset is any possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Department does not have any quantifiable contingent assets as at 30 June 2021 or as at 30 June 2022.

A quantifiable contingent liability is any possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, or any present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. To the extent that any quantifiable contingencies are insured, details provided below are recorded net.

	2022 \$'000	2021 \$'000
Quantifiable contingent liabilities		
Contingent claims		
Legal claims (including medical negligence and workers compensation)	12 271	15 452
Bank guarantees	368	350
Total quantifiable contingent liabilities	12 639	15 802

Legal Claims

At 30 June 2022, the Department had a number of legal claims against it for professional negligence and other matters. These claims are reported at the estimated net cost to the Department.

The Department manages its legal claims through the Tasmanian Risk Management Fund. An excess is payable for every claim (\$40 000 for general liability and \$50 000 for medical liability) and amounts over the excess are met by the Tasmanian Risk Management Fund.

(b) Unquantifiable Contingencies

At 30 June 2022, there remained several unresolved issues of potential non-compliance with taxation and superannuation legislation, which at the time of finalising the Financial Statements remained unquantified. These matters particularly relate to the Private Patient Scheme and have been referred to the Solicitor-General for specific superannuation and taxation advice.

During 2018-19, the Tasmanian Government agreed to participate in the Australian Government's National Redress Scheme for Institutional Child Sexual Abuse. The Scheme allows for redress to be provided to individuals who suffered abuse (sexual abuse and related non-sexual abuse) which occurred when the person was a child while in the care of an institution. Survivors are able to lodge an application with the Scheme, including where they suffered abuse in more than one institution.

The National Scheme will be operated by the Australian Government's Department of Social Services for a period of 10 years, from 1 July 2018 to 30 June 2028.

The Department has received a small number of applications for redress from individuals who have suffered abuse under the National Redress Scheme for Institutional Child Sexual Abuse. Additionally, a number of civil claims have been made against various Government agencies, including the Department, relating to child abuse in state care. As these claims have not yet been assessed, it is not possible at the reporting date to accurately estimate the amounts of any eventual payments that may be required in relation to these claims. As a result, these claims are currently classified as unquantifiable contingent liabilities.

Note 12 Reserves

12.1 Reserves

2022	Land	Buildings	Heritage and cultural assets	Total
	\$'000	\$'000	\$'000	\$'000
Asset revaluation reserve				
Balance as at 1 July	44 700	318 601	1 981	365 282
Transfers to/(from) accumulated funds	(1)	(38)	....	(39)
Revaluation increments/(decrements)	23 517	97 762	....	121 279
Balance as at 30 June	68 216	416 325	1 981	486 522
<hr/>				
2021	Land	Buildings	Heritage and cultural assets	Total
	\$'000	\$'000	\$'000	\$'000
Asset revaluation reserve				
Balance as at 1 July	44 927	291 531	1 981	338 439
Revaluation increments/(decrements)	(227)	27 070	....	26 843
Balance as at 30 June	44 700	318 601	1 981	365 282

(a) Nature and purpose of reserves

Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-financial assets, as described in Note 9.6.

Transfers to/from accumulated funds are in relation to the disposal of assets which had a corresponding asset revaluation adjustment in the Statement of Changes in Equity.

Note 13 Cash Flow Reconciliation

Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in Specific Purpose Accounts, being short term of three months or less and highly liquid. Deposits are recognised at amortised cost, being their face value.

13.1 Cash and cash equivalents

Cash and cash equivalents includes the balance of the Specific Purpose Accounts held by the Department, and other cash held, excluding those accounts which are administered or held in a trustee capacity or agency arrangement.

	2022 \$'000	2021 \$'000
Specific Purpose Account balances		
Private Patient Account	16 438	18 478
Operating Account	224 068	161 414
Total	240 506	179 892
Other cash held		
Other cash and equivalents not included above	500	496
Total	500	496
Total cash and cash equivalents	241 006	180 388

Other cash and equivalents primarily represent the payroll advance account balance as well as petty cash and cash floats.

13.2 Reconciliation of net result to net cash from operating activities

	2022 \$'000	2021 \$'000
Net result from continuing operations	73 821	40 378
Non-actuarial gains/(losses) on superannuation defined benefit plans	669	675
Depreciation and amortisation	78 235	74 314
Recognition of non-cash contributions	(4 031)	(426)
Non-operational capital funding	(45 606)	(17 651)
Capital grants income	(17 613)	(543)
Impairment of non-financial assets	5 000	....
Net gain/(loss) on non-financial assets	(1 446)	(237)
Net gain/(loss) on financial instruments and statutory receivables/payables	1 165	1 448
Decrease/(increase) in Receivables	(12 641)	(9 638)
Decrease/(increase) in Contract assets	(3 502)	9 408
Decrease/(increase) in Other assets	(1 450)	2 332
Decrease/(increase) in Inventories	(1 878)	(37 477)
Increase/(decrease) in Employee benefit liabilities	18 534	32 437
Increase/(decrease) in Payables	(15 465)	(14 844)
Increase/(decrease) in Contract liabilities	....	(5 655)
Increase/(decrease) in Other liabilities	5 668	6 143
Net cash from/(used by) operating activities	79 460	80 664

13.3 Acquittal of Capital Investment Program

The Department received capital appropriation funding to fund specific projects.

Cash outflows relating to these projects, funded from the Capital Investment Program, are listed below.

Budget information refers to original estimates as disclosed in the 2021-22 Budget Papers and has not been subject to audit.

(a) Project expenditure

	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Capital Investment Program			
Aeromedical Helicopter Service	....	108	532
Air Conditioning Upgrades - Statewide	2 712	560	1 865
Better Accommodation for Health Professionals on Flinders Island	....	(3)	586
Burnie Ambulance Station	1 660	416	220
Campbell Town Ambulance Station	10	10	1 612
CHHP Acute Care Facility NWRH	1 000	53	....
CHHP Birthing Suites Upgrade LGH	242	238	20
CHHP Kings Meadows Community Centre	1 000	69	....
CHHP Queenstown Allied Health and Aged Care Facility	1 000	54	....
CHHP St Johns Park Eating Disorders Treatment Centre	....	9	107
Glenorchy Ambulance Station	750	224	343
Health Transport and Coordination Infrastructure	689	1 158	1 097
Hospital Equipment Fund	5 000	4 368	....
Human Resources Information System	3 100	5 189	611
Launceston General Hospital - Mental Health Precinct	500	....	....
Launceston General Hospital - More Car Parking	....	....	1 609
Launceston General Hospital - Redevelopment	24 469	21 797	10 863
Launceston General Hospital Redevelopment - Stage 2 (including Mental Health Precinct)	....	500	....
Launceston General Hospital - Ward 4K Upgrades	....	....	1 774
Maternity Services at the North West Regional Hospital	3 631	3 445	601
Mersey Community Hospital Capital Upgrades	12 077	5 279	4 642
Midlands Multipurpose Centre (Oatlands Hospital) Upgrade	....	....	11
Midlands Multipurpose Health Centre Upgrade	150	150	....
New Ambulance Vehicles and Equipment	2 000	2 000	....
Priority Infrastructure Works - Health	....	139	118
Regional Health and Ambulance Facilities Fund	2 500	46	....
Royal Hobart Hospital Pharmacy Redevelopment	3 623	429	121
Royal Hobart Hospital Redevelopment	5 000	722	44 174
Royal Hobart Hospital Stage 2 Redevelopment	26 700	13 546	2 175
Rural Hospital Equipment Boost	2 500	1 010	....
Smithton Ambulance Training Station	....	....	1 029
Stage 2 of the King Island Hospital Redevelopment	221	114	7 281
Statewide Hospital Critical Facility Upgrades	500	1 640	1 536
Statewide Rural Health Facility Infrastructure Upgrades	500	473	1 163
Statewide Rural Hospital and Ambulance Station Upgrade Fund	2 366	2 894	5 970
St Helens Hospital Redevelopment	....	....	165
THS Infrastructure Upgrades	500	514	50
27 New Mental Health Beds in Southern Tasmania	9 356	5 815	2 404
Total	113 756	72 966	92 679

(b) Classification of cash flows

The project expenditure above is reflected in the Statement of Cash Flows as follows.

	2022	2021
	\$'000	\$'000
Cash outflows		
Employee benefits	5 269	3 204
Supplies and consumables	7 785	13 598
Payments for acquisition of assets	59 912	75 877
Total	72 966	92 679

13.4 Financing facilities

The Department does not have any financing facilities.

13.5 Reconciliation of liabilities arising from financing activities

Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.

	2022	2021
	\$'000	\$'000
Lease liabilities		
Balance as at 1 July	19 361	26 259
New leases	39 327	438
Surrender of existing leases	(5 696)	....
Changes from financing cash flows:		
Repayment of lease liabilities (excluding interest)	(7 110)	(7 336)
Balance as at 30 June	45 882	19 361

Note 14 Financial Instruments

14.1 Risk exposures

(a) Risk management policies

The Department has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

The Accountable Authority has overall responsibility for the establishment and oversight of the Department's risk management framework. Risk management policies are established to identify and analyse risks faced by the Department, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

(b) Credit risk exposures

Credit risk is the risk of financial loss to the Department if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Financial Instrument	Accounting and strategic policies (including recognition criteria, measurement basis and credit quality of instrument)	Nature of underlying instrument (including significant terms and conditions affecting the amount, timing and certainty of cash flows)
Financial assets		
Cash and cash equivalents	Cash and deposits are recognised at face value.	Cash means notes, coins and any deposits held at call with a bank or financial institution.
Receivables	Receivables are recognised at the nominal amounts due, less any provision for impairment. Collectability of debts is reviewed on a monthly basis. Provisions are made when the collection of the debt is judged to be less rather than more likely.	Receivables credit terms are generally 30 days.
Other financial assets	Other financial assets are recognised at the nominal amounts due, less any provision for impairment.	Other financial assets credit terms are generally 30 days.

The Department has made no changes to its credit risk policy during 2021-22. The Department does not hold any security instrument for its cash and cash equivalents, receivables and other financial assets.

No credit terms on any departmental financial assets have been renegotiated.

The carrying amount of financial assets recorded in the Financial Statements, net of any allowances for losses, represents the Department's maximum exposure to credit risk without taking into account of any collateral or other security.

Expected credit loss analysis of receivables

The simplified approach to measuring expected credit losses is applied, which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are based on historical observed loss rates adjusted for forward looking factors that will have an impact on the ability to settle the receivables. The loss allowance for trade debtors as at 30 June are as follows:

2022	Not past due	Past due 1-30 days	Past due 31-60 days	Past due 61-90 days	Past due 91+ days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expected credit loss rate (A)	0.78%	0.99%	4.35%	13.47%	11.14%	7.58%
Total gross carrying amount (B)	10 392	3 796	1 870	1 062	26 809	43 929
Expected credit loss (A x B)	81	38	81	143	2 987	3 330

2021	Not past due	Past due 1-30 days	Past due 31-60 days	Past due 61-90 days	Past due 91+ days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expected credit loss rate (A)	0.21%	0.51%	3.53%	14.56%	10.30%	6.40%
Total gross carrying amount (B)	9 083	3 564	1 429	1 023	18 738	33 837
Expected credit loss (A x B)	19	18	50	149	1 930	2 166

(c) Liquidity risk

Liquidity risk is the risk that the Department will not be able to meet its financial obligations as they fall due. The Department's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

Financial Instrument	Accounting and strategic policies (including recognition criteria, measurement basis and credit quality of instrument)	Nature of underlying instrument (including significant terms and conditions affecting the amount, timing and certainty of cash flows)
Financial liabilities		
Payables	Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period equates to face value, when the Department becomes obliged to make future payments as a result of a purchase of assets or services.	Apart from accrued expenses relating to inter-jurisdictional provision of medical services (refer Note 10.1), settlement is usually made within 14 days.
Other financial liabilities	Other financial liabilities are recognised at amortised cost, which due to the short settlement period equates to face value, when the Department becomes obliged to make payments as a result of the purchase of assets or services. The Department regularly reviews budgeted and actual cash outflows to ensure that there is sufficient cash to meet all obligations.	Settlement is usually made within 30 days.

Financial liabilities have been reclassified to exclude Lease liabilities.

Maturity analysis for financial liabilities

The following tables detail the undiscounted cash flows payable by the Department by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Statement of Financial Position:

2022	1 year \$'000	2 years \$'000	3 years \$'000	4 years \$'000	5 years \$'000	5+ years \$'000	Undiscounted total \$'000	Carrying amount \$'000
Financial liabilities								
Payables	44 792	11 547	13 500	....	....	....	69 839	69 839
Other financial liabilities	38 760	7 189	....	....	....	....	45 949	45 949
Total	83 552	18 736	13 500	....	....	....	115 788	115 788

2021	1 year \$'000	2 years \$'000	3 years \$'000	4 years \$'000	5 years \$'000	5+ years \$'000	Undiscounted total \$'000	Carrying amount \$'000
Financial liabilities								
Payables	49 367	18 067	17 870	....	....	....	85 304	85 304
Other financial liabilities	34 481	5 822	....	....	....	....	40 303	40 303
Total	83 848	23 889	17 870	....	....	....	125 607	125 607

(d) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The primary market risk that the Department is exposed to is interest rate risk. As the Department does not have any interest bearing financial assets or liabilities, the exposure to this risk is considered negligible.

14.2 Categories of financial assets and liabilities

	2022 \$'000	2021 \$'000
Financial assets		
Financial assets measured at amortised cost	328 198	262 031
Total	328 198	262 031
Financial liabilities		
Financial liabilities measured at amortised cost	115 788	125 607
Total	115 788	125 607

14.3 Derecognition of financial assets

No derecognition of financial assets occurred during 2021-22.

14.4 Comparison between carrying amount and net fair value of financial assets and liabilities

	Carrying amount 2022 \$'000	Net fair value 2022 \$'000	Carrying amount 2021 \$'000	Net fair value 2021 \$'000
Financial assets				
Cash in Specific Purpose Accounts	240 506	240 506	179 892	179 892
Other cash held	500	500	496	496
Other financial assets:				
Receivables	54 746	54 746	43 270	43 270
Other financial assets	32 446	32 446	38 373	38 373
Total financial assets	328 198	328 198	262 031	262 031
Financial liabilities (recognised)				
Other financial liabilities:				
Payables	69 839	69 839	85 304	85 304
Other liabilities	45 949	45 949	40 303	40 303
Total financial liabilities (recognised)	115 788	115 788	125 607	125 607

14.5 Net fair value of financial assets and liabilities

2022	Net fair value Level 1 \$'000	Net fair value Level 2 \$'000	Net fair value Level 3 \$'000	Total \$'000
Financial assets				
Cash in Specific Purpose Accounts	240 506	....	....	240 506
Other cash held	500	....	....	500
Other financial assets				
Receivables	54 746	....	....	54 746
Other financial assets	32 446	....	....	32 446
Total financial assets	328 198	....	....	328 198
Financial liabilities (recognised)				
Other financial liabilities				
Payables	69 839	....	....	69 839
Other liabilities	45 949	....	....	45 949
Total financial liabilities (recognised)	115 788	....	....	115 788

2021	Net fair value Level 1 \$'000	Net fair value Level 2 \$'000	Net fair value Level 3 \$'000	Total \$'000
Financial assets				
Cash in Specific Purpose Accounts	179 892	....	....	179 892
Other cash held	496	....	....	496
Other financial assets				
Receivables	43 270	....	....	43 270
Other financial assets	38 373	....	....	38 373
Total financial assets	262 031	....	....	262 031
Financial liabilities (recognised)				
Other financial liabilities				
Payables	85 304	....	....	85 304
Other liabilities	40 303	....	....	40 303
Total financial liabilities (recognised)	125 607	....	....	125 607

The recognised fair values of financial assets and financial liabilities are classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements. The Department uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1 the fair value is calculated using quoted prices in active markets;

Level 2 the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

(a) **Transfer between categories**

The Department did not transfer any financial assets or financial liabilities between Level 1 and Level 2.

(b) **Reconciliation of Level 3 fair value movements**

The Department does not have any Level 3 instruments.

Financial assets

The net fair values of cash and non-interest bearing monetary financial assets approximate their carrying amounts.

Financial liabilities

The net fair values for trade creditors are approximated by their carrying amounts.

Unrecognised financial instruments

The net fair values of indemnities are regarded as the maximum possible loss which the State faces while the indemnity remains current.

Note 15 Details of Aggregated Entities

15.1 List of entities

The following entities have been aggregated by the Department:

Commissioner of Ambulance Tasmania	100 per cent
Tasmanian Health Service	100 per cent

Further information is provided at Note 19.3.

Note 16 Notes to Administered Statements

The administered program was a 2019-20 Australian Government initiative to increase the capacity of the health system to treat potential COVID-19 sufferers, by securing private hospital facilities and staffing. This program ceased during 2020-21 and as such was not included in the 2021-22 Budget Papers.

There were no administered transactions in 2021-22 and there are no administered assets or liabilities as at 30 June 2021 or 30 June 2022.

16.1 Administered grants

For significant Accounting Policies relating to Administered grants please refer to Note 6.2.

	2022 Actual \$'000	2021 Actual \$'000
Grants with sufficiently specific performance obligations		
NPA COVID-19 Response	355
Total	355
Grants without sufficiently specific performance obligations		
Other Australian Government grants
Total
Total administered revenue from grants	355

Grants with sufficiently specific performance obligations reflect Australian Government Recurrent Grants under the National Partnership Agreement on COVID-19 Response.

16.2 Administered other revenue

For significant Accounting Policies relating to Administered other revenue please refer to note 6.6.

	2022 Actual \$'000	2021 Actual \$'000
Operating recoveries	7 313
Total	7 313

Operating recoveries represents financial viability payments repaid to the Department by private hospital operators.

16.3 Administered supplies and consumables

For significant Accounting Policies relating to Administered supplies and consumables please refer to note 8.3.

	2022 \$'000	2021 \$'000
Other supplies and consumables	7 306
Total	7 306

Other supplies and consumables expense represents the transfer of the balance of Administered Funds to the Department to offset funds due from the Australian Government.

16.4 Administered grants and subsidies

For significant Accounting Policies relating to Administered grants and subsidies please refer to Note 8.4.

	2022 \$'000	2021 \$'000
Grants		
COVID-19: Financial Viability Payments	362
Total	362

COVID-19: Financial Viability Payments relate to the National Partnership Agreement on COVID-19 Response: Private Hospital Financial Viability Payments.

16.5 Administered contract assets and liabilities

There are no administered contract assets or liabilities as at 30 June 2021 or 30 June 2022 and no administered transactions during 2021-22.

For significant Accounting Policies relating to Administered contract assets and liabilities please refer to Note 9.2.

2021	Australian Government Funding \$'000	Total \$'000
Contract assets		
Balance as at 1 July	....	....
Balance as at 30 June	....	....
Contract liabilities		
Balance as at 1 July	16 384	16 384
Less: Transfer to Payables	(16 384)	(16 384)
Balance as at 30 June	....	....

	2022 \$'000	2021 \$'000
Revenue from performance obligations met during the current period	355
Revenue from performance obligations satisfied (or partially satisfied) in previous period

The transaction price allocated to unsatisfied performance obligations as at 30 June 2022 is as follows:

	2022 \$'000	2021 \$'000
Australian Government Grants
Total

16.6 Administered financial instruments

There are no administered financial assets or administered financial liabilities as at 30 June 2021 or 30 June 2022 and no administered transactions during 2021-22. As such, there has been no derecognition of administered financial assets during 2021-22.

Note 17 Transactions and Balances Relating to a Trustee or Agency Arrangement

17.1 Activities undertaken under a trustee or agency arrangement

Transactions relating to activities undertaken by the Department in a trust or fiduciary (agency) capacity do not form part of the Department's activities. Trustee and agency arrangements, and transactions/balances relating to those activities, are neither controlled nor administered.

Fees, commissions earned and expenses incurred in the course of rendering services as a trustee or through an agency arrangement are recognised as controlled transactions.

Account	Opening balance	Net transactions during 2021-22	Closing balance
	\$'000	\$'000	\$'000
Patient Trust and Bequest Account	7 143	105	7 248
Mental Health Services Client Trust Account	2	(2)	....

Note 18 Events Occurring after Balance Date

The COVID-19 Pandemic is ongoing with the Delta and Omicron variants of the virus proving to be more transmissible than previous strains.

Internally, the Department continues to take measures to monitor and mitigate the effects of COVID-19, such as safety and health measures for its people (including infection control procedures, provision of personal protective equipment, social distancing and working from home).

The Department is unable to predict the likely increases in expenditure as a result of the COVID-19 virus or long-term impact on the funding of the Department.

Note 19 Other Significant Accounting Policies and Judgements

19.1 Objectives and funding

The Department's objective is to improve the health and wellbeing of patients, clients and the Tasmanian community through a sustainable, high quality and safe health system.

The Department achieves this through the following strategic priorities: promoting health and wellbeing and intervening early when needed; planning and delivering services; delivering the benefits of reform; strengthening sustainability; and shaping our workforce.

Departmental activities are classified as either controlled or administered.

Controlled activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by the Department in its own right. Administered activities involve the management or oversight by the Department, on behalf of the Government, of items controlled or incurred by the Government. In 2021-22, there were no administered activities undertaken.

The Department is a Tasmanian Government not-for-profit entity that is predominantly funded through Parliamentary appropriations. The Department includes Ambulance Tasmania and the THS.

In addition to Parliamentary appropriations, Ambulance Tasmania provides services to fee paying patients, or patients who will receive compensation due to the circumstances surrounding their injury.

Under the National Health Reform Agreement, funding is provided to the THS on the basis of activity through activity based funding wherever practicable. Funding for smaller regional or rural hospitals is provided on a block funding basis. Funds for teaching, training and research are also provided on a block funding basis. Pricing under the National Health Reform Agreement is determined by an Independent Hospitals Pricing Authority. Funding due to the THS under Australian Government National Partnership Agreements and Commonwealth Own Purpose Expenditure programs is paid as grants. The THS also provides services to fee paying privately insured patients, or patients who will receive compensation due to the circumstances surrounding their injury.

The Financial Statements encompass all funds through which the Department controls resources to carry on its functions.

19.2 Basis of accounting

The Financial Statements are a general purpose financial report and have been prepared in accordance with:

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board; and
- The Treasurer's Instructions issued under the provisions of the *Financial Management Act 2016*.

The Financial Statements were signed by the Secretary of the Department of Health and the Chief Financial Officer on 2 September 2022.

Compliance with the Australian Accounting Standards (AAS) may not result in compliance with International Financial Reporting Standards (IFRS), as the AAS include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. The Department is considered to be not-for-profit and has adopted some accounting policies under the AAS that do not comply with IFRS.

The Financial Statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention. The accounting policies are generally consistent with the previous year except for those changes outlined in Note 19.5.

The Financial Statements have been prepared as a going concern. The continued existence of the Department in its present form, undertaking its current activities, is dependent on Government policy and on continuing appropriations by Parliament for the Department's administration and activities.

The Department has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

19.3 Reporting entity

The Financial Statements include all the controlled activities of the Department. The Financial Statements consolidate material transactions and balances of the Department and entities included in its Output Groups, being Ambulance Tasmania and the THS. Material transactions and balances between the Department, Ambulance Tasmania and the THS have been eliminated or offset, so as to not overstate the Department's account balances, yet provide accurate Output Group reporting.

19.4 Functional and presentation currency

These Financial Statements are presented in Australian dollars, which is the Department's functional currency.

19.5 Changes in accounting policies

(a) Impact of new and revised Accounting Standards

In the current year, there are no new or revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to the Department's operations and effective for the current annual reporting period.

(b) Impact of new and revised Accounting Standards yet to be applied

There are no applicable Standards that have been issued by the AASB that are yet to be applied by the Department.

(c) Voluntary changes in accounting policy

The Department has made no voluntary changes in accounting policy during 2021-22.

(d) Impact of COVID-19 on Financial Reporting for 2021-22

The impact of COVID-19 on financial reporting for 2021-22 has been considered and additional commentary has been provided at Note 18.

19.6 Foreign currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date.

19.7 Comparative figures

Comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards. Details of the impact of changes in accounting policy on comparative figures are at Note 19.5.

Where amounts have been reclassified within the Financial Statements, the comparative statements have been restated.

The comparatives for external administrative restructures are not reflected in the Financial Statements.

19.8 Rounding

All amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated. As a consequence, rounded figures may not add to totals. Amounts less than \$500 are rounded to zero and are indicated by the symbol “...”.

19.9 Taxation

The Department is exempt from all forms of taxation except Fringe Benefits Tax and Goods and Services Tax.

19.10 Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax, except where the GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables are stated inclusive of GST. The net amount recoverable, or payable, to the Australian Taxation Office is recognised as an asset or liability within the Statement of Financial Position.

In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities which is recoverable from, or payable to, the Australian Taxation Office is, in accordance with the Australian Accounting Standards, classified as operating cash flows.

Independent Auditor's Report

To the Members of Parliament
Department of Health
Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of the Department of Health (the Department), which comprises the statement of financial position as at 30 June 2022 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the Secretary of the Department.

In my opinion, the accompanying financial statements:

- a) present fairly, in all material respects, the Department's financial position as at 30 June 2022 and its financial performance and its cash flows for the year then ended
- b) are in accordance with the *Financial Management Act 2016* and Australian Accounting Standards.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Department in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statements in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

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

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information in the Department's financial statements.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Revenue from sale of goods and services

Refer to note 6.3

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
<p>The Department recognises significant revenue from the sales of goods and services, \$226.12 million.</p> <p>The major revenue streams are inpatient, outpatient and nursing home fees, private patient scheme revenue and reimbursement from Medicare under the Pharmaceutical Benefits Scheme.</p> <p>Sales of goods and services are recognised when consideration is received or receivable in respect of a wide range of services rendered captured through discrete systems.</p> <p>Due to the number of revenue streams and systems at varying sites across the Department, the manual nature of some billing processes, and the significant revenue amounts received, we identified a number of significant risks around the accuracy and completeness of revenue.</p>	<ul style="list-style-type: none"> • Examining reconciliations of information from subsidiary systems to the general ledger. • Performing substantive testing over a sample of sales of goods and services transactions. • Examining transactions around 30 June 2022 to ensure allocation of transactions to the correct financial year. • Assessing the adequacy of relevant disclosures in the financial statements.

Responsibilities of the Secretary for the Financial Statements

The Secretary is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, and the financial reporting requirements of Section 42 (1) of the *Financial Management Act 2016*. This responsibility includes such internal control as determined necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary is responsible for assessing the Department's ability to continue as a going concern unless the Department's operations will cease as a result of an administrative restructure. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, 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 Department's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Secretary.
- Conclude on the appropriateness of the Secretary'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 Department'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 statements or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Department to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

From the matters communicated with the Secretary, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

A handwritten signature in black ink, appearing to read 'D Bond', with a stylized flourish at the end.

David Bond
Assistant Auditor-General
Delegate of the Auditor-General
Tasmanian Audit Office

6 September 2022
Hobart



**Tasmanian Health Service Financial Statements
for the year ended 30 June 2022**



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Statement of Certification

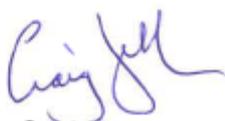
The accompanying Financial Statements of the Tasmanian Health Service are in agreement with the relevant accounts and records and have been prepared in compliance with the Treasurer's Instructions issued under the provisions of the *Financial Management Act 2016* to present fairly the financial transactions for the year ended 30 June 2022 and the financial position as at the end of the year.

At the date of signing, we are not aware of any circumstances which would render the particulars included in the Financial Statements misleading or inaccurate.



Kathrine Morgan-Wicks
Secretary
Department of Health

Dated 2 September 2022



Craig Jeffery
Chief Financial Officer
Department of Health

Dated 2 September 2022

Statement of Comprehensive Income for the year ended 30 June 2022

	Notes	2022 Actual \$'000	2021 Actual \$'000
Income from continuing operations			
Grants	4.1	1 936 593	1 694 325
Sales of goods and services	4.2	216 014	219 541
Interest	4.3	20	24
Contributions received	4.4	4 252	29 520
Other revenue	4.5	46 110	42 993
Total revenue from continuing operations		2 202 989	1 986 403
Net gain/(loss) on non-financial assets	5.1	1 239	(7)
Net gain/(loss) on financial instruments and statutory receivables/payables	5.2	(465)	(205)
Total income from continuing operations		2 203 763	1 986 191
Expenses from continuing operations			
Employee benefits	6.1	1 470 863	1 347 417
Depreciation and amortisation	6.2	70 073	67 802
Supplies and consumables	6.3	610 245	552 801
Grants and subsidies	6.4	9 520	8 029
Finance costs	6.5	902	382
Other expenses	6.6	42 664	37 809
Total expenses from continuing operations		2 204 267	2 014 240
Net result from continuing operations		(504)	(28 049)
Other comprehensive income			
Items that will not be reclassified to net result in subsequent periods			
Changes in property, plant and equipment revaluation surplus	10.1	113 945	26 386
Total other comprehensive income		113 945	26 386
Comprehensive result		113 441	(1 663)

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

Statement of Financial Position as at 30 June 2022

	Notes	2022 Actual \$'000	2021 Actual \$'000
Assets			
<i>Financial assets</i>			
Cash and cash equivalents	11.1	70 817	41 356
Receivables	7.1	45 951	35 816
Contract assets	7.2	....	1 049
Other financial assets	7.3	25 612	19 428
<i>Non-financial assets</i>			
Inventories	7.4	20 995	18 044
Assets held for sale	7.5	68	68
Property, plant and equipment	7.6	1 576 271	1 511 925
Right-of-use assets	7.7	41 803	14 881
Intangible assets	7.8	4 052	5 524
Other assets	7.9	7 189	6 772
Total assets		1 792 758	1 654 863
Liabilities			
Payables	8.1	54 573	74 749
Lease liabilities	8.2	42 662	15 268
Employee benefit liabilities	8.3	327 538	313 394
Other liabilities	8.5	27 819	24 727
Total liabilities		452 592	428 138
Net assets		1 340 166	1 226 725
Equity			
Reserves	10.1	444 652	330 707
Accumulated funds		895 514	896 018
Total equity		1 340 166	1 226 725

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

Statement of Cash Flows for the year ended 30 June 2022

	Notes	2022 Actual \$'000	2021 Actual \$'000
Cash flows from operating activities			
<i>Cash inflows</i>			
Grants - continuing operations		1 937 642	1 704 431
Sales of goods and services		199 611	211 429
GST receipts		59 355	54 073
Interest received		20	24
Other cash receipts		46 110	42 993
Total cash inflows		2 242 738	2 012 950
<i>Cash outflows</i>			
Employee benefits		(1 455 226)	(1 315 650)
Finance costs		(902)	(382)
GST payments		(60 473)	(54 834)
Grants paid		(9 520)	(8 029)
Supplies and consumables		(632 151)	(566 303)
Other cash payments		(40 504)	(34 191)
Total cash outflows		(2 198 776)	(1 979 389)
Net cash from/(used by) operating activities	11.2	43 962	33 561
Cash flows from investing activities			
<i>Cash inflows</i>			
Proceeds from the disposal of non-financial assets		4 072	264
Total cash inflows		4 072	264
<i>Cash outflows</i>			
Payments for acquisition of non-financial assets		(12 751)	(27 018)
Total cash outflows		(12 751)	(27 018)
Net cash from/(used by) investing activities		(8 679)	(26 754)
Cash flows from financing activities			
<i>Cash outflows</i>			
Repayment of lease liabilities (excluding interest)		(5 822)	(6 162)
Total cash outflows		(5 822)	(6 162)
Net cash from/(used by) financing activities		(5 822)	(6 162)
Net increase/(decrease) in cash and cash equivalents held		29 461	645
Cash and cash equivalents at the beginning of the reporting period		41 356	40 711
Cash and cash equivalents at the end of the reporting period	11.1	70 817	41 356

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

Statement of Changes in Equity for the year ended 30 June 2022

	Reserves \$'000	Accumulated funds \$'000	Total equity \$'000
Balance as at 1 July 2021	330 707	896 018	1 226 725
Net result	....	(504)	(504)
Other comprehensive income	113 945	....	113 945
Total comprehensive result	113 945	(504)	113 441
Balance as at 30 June 2022	444 652	895 514	1 340 166

	Reserves \$'000	Accumulate d funds \$'000	Total equity \$'000
Balance as at 1 July 2020	304 321	924 067	1 228 388
Net result	....	(28 049)	(28 049)
Other comprehensive income	26 386	....	26 386
Total comprehensive result	26 386	(28 049)	(1 663)
Balance as at 30 June 2021	330 707	896 018	1 226 725

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

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Note 1 Tasmanian Health Service Output Schedules

1.1 Output Group information

Comparative information has not been restated for administrative restructures.

Under the Tasmanian Health Service Act, the THS is a separate legal entity governed by an Executive reporting directly to the Secretary of the Department of Health. The THS's activities are Outputs of the Department of Health and as a result, the annual Budget Papers do not provide discrete budget information for the THS and therefore budget information is not provided in the Financial Statements of the THS.

	2022 Actual \$'000	2021 Actual \$'000
Expense by Output		
2.1 Admitted Services	1 189 211	1 143 389
2.2 Non-admitted Services	351 196	268 760
2.3 Emergency Department Services	206 268	196 182
2.4 Community Health Services	266 103	255 551
2.5 Statewide and Mental Health Services	191 489	150 358
Total	2 204 267	2 014 240

Note 2 Expenditure under Australian Government Funding Arrangements

	State Funding		Australian Government Funding	
	2022 Actual \$'000	2021 Actual \$'000	2022 Actual \$'000	2021 Actual \$'000
Specific Purpose Payments				
Activity Based Funding	651 736	519 902	419 670	378 384
Block Funding	600 412	580 432	91 016	80 207
National Partnership Program				
Health Services	....	....	8 444	15 952
Commonwealth Own Purpose Expenditure				
Other	10 531	5 785	38 004	46 810
Total	1 262 679	1 106 119	557 134	521 353

Specific Purpose Payments are payments from the Australian Government to the Tasmanian Government arising from national agreements that set out the Australian Government's agreed objectives and outcomes, outputs, roles and responsibilities and performance indicators for each sector. Specific Purpose Payments are distributed to the states on the basis of their population shares.

National Partnership Payments are similar to Specific Purpose Payments but are provided for the purpose of the delivery of specified projects, facilitate reforms or reward jurisdictions that deliver nationally significant reforms.

Commonwealth Own Purpose Expenditure (COPEs) is funding paid directly from the Australian Government to the states and territories for the provision of services identified by the Australian Government.

COPEs funding includes a State contribution to supplement COPEs funded projects where Australian Government funding is exceeded, primarily in relation to the Home and Community Care program.

Note 3 Underlying Net Result

Non-operational capital funding is the income from continuing operations relating to funding for capital projects. This funding is classified as revenue from continuing operations and included in the net result. However, the corresponding capital expenditure is not included in the calculation of the net result. Accordingly, the net result will portray a position that is better than the true underlying financial result.

For this reason, the net result is adjusted to remove the effects of funding for capital projects.

	Notes	2022 Actual \$'000	2021 Actual \$'000
Net result from continuing operations		(504)	(28 049)
Less impact of:			
Non-operational capital funding			
Contributions received – fair value of assets assumed at no cost or for nominal consideration	4.4	2 790	28 196
Total		2 790	28 196
Underlying net result from continuing operations		(3 294)	(56 245)

Contributions received – fair value of assets assumed at no cost or for nominal consideration consists of capital grants for assets transferred to the THS from the Department of Health for no consideration.

Note 4 Revenue

Income is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

Income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*, dependent on whether there is a contract with a customer defined by AASB 15.

4.1 Grants

Grants revenue, where there is a sufficiently specific performance obligation attached, are recognised when the THS satisfies the performance obligation and transfers the promised goods or services. The THS typically satisfies its performance obligations when services have been provided in line with the agreed terms as set out in funding contracts. The THS recognises revenue associated with performance obligations upon receipt of the revenues, which is typically using the input method on a straight line basis.

Note 7.2 outlines the transaction price that is allocated to the performance obligations that have not yet been satisfied at the end of the year and when it is expected to be recognised as revenue.

Grants revenue without a sufficiently specific performance obligation are recognised when the THS gains control of the asset (typically Cash).

	2022	2021
	Actual	Actual
	\$'000	\$'000
Grants with sufficiently specific performance obligations		
Australian Government recurrent grants – Activity Based Funding	418 622	379 059
COPEs receipts	11 084	10 765
Other Australian Government grants	1 450	3 955
State grants – Activity Based Funding	651 736	519 902
Total	1 082 892	913 681
Grants without sufficiently specific performance obligations		
Australian Government recurrent grants – Block Funding	91 016	80 207
COPEs receipts	28 496	27 927
Other Australian Government grants	4 946	11 916
State grants – Block Funding	575 853	558 859
State grants – Mersey	89 672	86 640
State grants – other	257	283
Internal grants	63 461	14 812
Total	853 701	780 644
Total revenue from grants	1 936 593	1 694 325

4.2 Sales of goods and services

Revenue from Sales of goods and services is recognised when the THS satisfies a performance obligation by transferring the promised goods or services to the customer.

Goods	Nature of timing of satisfaction of performance obligation, including significant payment terms	Revenue recognition policies
Pharmaceutical, prosthesis and other medical/health related goods.	The THS typically satisfies the performance obligation when the goods have been delivered to the satisfaction of the customer.	The THS recognises revenue associated with performance obligations upon receipt of the revenues, which is typically using the input method on a straight line basis.
Services	Nature of timing of satisfaction of performance obligation, including significant payment terms	Revenue recognition policies
Licencing, hospital and aged care services.	The THS typically satisfies the performance obligation when the promised services have been delivered to the satisfaction of the customer.	The THS recognises revenue associated with performance obligations upon receipt of the revenues, which is typically using the input method on a straight line basis.

	2022 Actual \$'000	2021 Actual \$'000
Dental	6 127	6 361
Inpatient, outpatient nursing home fees	68 599	72 611
Other client revenue	1 036	1 033
Other user charges	8 589	11 312
Pharmaceutical Benefits Scheme co-payments	550	542
Pharmaceutical Benefits Scheme revenue from Medicare	92 539	89 205
Pharmacy excluding Pharmaceutical Benefits Scheme	2 640	2 226
Private Patient Scheme	29 548	31 613
Prosthesis	6 386	4 638
Total	216 014	219 541

4.3 Interest

Interest on funds is recognised as it accrues using the effective interest rate method.

	2022 Actual \$'000	2021 Actual \$'000
Interest	20	24
Total	20	24

4.4 Contributions received

Services received free of charge by the THS, are recognised as income when a fair value can be reliably determined and when the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised at their fair value when the THS obtains control of the asset, it is probable that future economic benefits comprising the contribution will flow to the THS and the amount can be measured reliably. However, where the contribution received is from another government department as a consequence of restructuring of administrative arrangements, they are recognised as contributions by owners directly within equity. In these circumstances, book values from the transferor department have been used.

The THS has recognised an inflow of resources in the form of volunteer services as income where the fair value of those services can be measured reliably, and the services would have been purchased if they had not been donated.

Key estimate and judgement

Fair value of volunteer services provided for the THS is based upon weekly hours volunteered at comparable recurrent salary rates for equivalent tasks performed.

	2022	2021
	Actual	Actual
	\$'000	\$'000
Fair value of assets assumed at no cost or for nominal consideration	2 790	28 196
Fair value of volunteer services provided	1 462	1 324
Total	4 252	29 520

In 2021-22, the fair value of assets assumed at no cost or for nominal consideration primarily represents the transfer of completed capital works on buildings.

Fair value of volunteer services provided represents the estimated service value of volunteers to the THS. This contribution is offset by an equal value recorded as Other expenses, refer to Note 6.6.

4.5 Other revenue

Other revenue primarily relates to the recovery of costs incurred and is recognised when an increase in future economic benefits relating to an increase in an asset or a decrease of a liability has arisen that can be reliably measured.

Lease income from operating leases where the THS is a lessor is recognised on a straight line basis. The THS does not have any finance leases as lessor.

	2022 Actual \$'000	2021 Actual \$'000
Donations	1 498	1 296
Industry funds	3 522	2 967
Operating lease income - commercial rent	1 738	1 583
Operating lease income - residential rent	871	1 004
Recoveries - cafeterias and catering	4 388	4 399
Recoveries - multipurpose centre	207	273
Recoveries - operating expenses	3 930	4 847
Recoveries - wages and salaries	23 937	22 288
Recoveries - workers compensation	6 019	4 336
Total	46 110	42 993

Donations and Industry funds are amounts received from organisations and individuals to fund services and projects.

Note 5 Net Gains/(Losses)

5.1 Net gain/(loss) on non-financial assets

Gains or losses from the sale of non-financial assets are recognised when control of the assets has passed to the buyer.

Key judgement

Impairment exists when the recoverable amount of an asset is less than its carrying amount. Recoverable amount is the higher of fair value less costs to sell and value in use.

Specialised non-financial assets are not used for the purpose of generating cash flows, therefore their recoverable amount is expected to be materially the same as fair value, as determined under AASB 13 *Fair Value Measurement*.

All other non-financial assets are assessed to determine whether any impairment exists, with impairment losses recognised in the Statement of Comprehensive Income.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

	2022 \$'000	2021 \$'000
Net gain/(loss) on disposal of physical assets	1 239	(7)
Total net gain/(loss) on non-financial assets	1 239	(7)

5.2 Net gain/(loss) on financial instruments and statutory receivables/payables

Financial assets are impaired under the expected credit loss approach required under AASB 9 *Financial Instruments*. The expected credit loss is recognised for all debt instruments not held at fair value through profit or loss.

Key judgement

An impairment loss using the expected credit loss method for all trade debtors uses a lifetime expected loss allowance. The expected loss rates are based upon historical observed loss rates that are adjusted to reflect forward looking macroeconomic factors.

For other financial instruments that are not trade receivables, contract assets or lease receivables, the THS has measured the expected credit loss using a probability-weighted amount that takes into account the time value of money and forward looking macroeconomic factors.

	2022 \$'000	2021 \$'000
Impairment of receivables	(465)	(205)
Total net gain/(loss) on financial instruments	(465)	(205)

Impairment of receivables is recorded in the Reconciliation of movement in expected credit loss for receivables, refer to Note 7.1.

Note 6 Expenses

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

6.1 Employee benefits

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

(a) Employee expenses

	2022 \$'000	2021 \$'000
Wages and salaries	1 177 267	1 072 963
Annual leave	74 782	67 337
Long service leave	3 009	18 033
Sick leave	45 691	40 122
Superannuation - defined contribution scheme	143 467	124 754
Superannuation - defined benefit scheme	10 530	11 337
Other employment expenses – recruitment and staff development	15 145	12 084
Other employee expenses – other staff allowances	972	787
Total	1 470 863	1 347 417

Superannuation expenses relating to defined benefit schemes relate to payments into the Public Account. The amount of the payment is based on a contribution rate determined by the Treasurer, on the advice of the State Actuary. The current contribution is 12.95 per cent (2021: 12.95 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to superannuation funds at a rate of 10 per cent (2021: 9.5 per cent) of salary. In addition, the THS is also required to pay into the Public Account a “gap” payment equivalent to 3.45 per cent (2021: 3.45 per cent) of salary in respect of employees who are members of defined contribution schemes.

(b) Remuneration of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the THS, directly or indirectly.

Remuneration during 2021-22 for key management personnel is set by the *State Service Act 2000*. Remuneration and other terms of employment are specified in employment contracts. Remuneration includes salary, motor vehicle and other non-monetary benefits. Long-term employee expenses include long service leave and superannuation obligations.

Acting Arrangements

When members of key management personnel are unable to fulfil their duties, consideration is given to appointing other members of senior staff to their position during their period of absence. Individuals are considered members of key management personnel when acting arrangements are for more than a period of one month.

The following were key management personnel of the THS and unless otherwise indicated were key management personnel for the entire year:

2022	Short-term benefits		Long-term benefits			
	Salary	Other benefits	Superannuation	Other benefits and long service leave	Termination benefits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Key management personnel						
Kathrine Morgan-Wicks Secretary	455	43	46	14	....	558
Craig Jeffery Chief Financial Officer	188	38	27	7	....	260
Michelle Searle Chief People Officer (from 07/03/2022)	50	14	13	2	....	79
Susan Gannon Chief Executive Hospitals South	215	35	37	4	....	291
Eric Daniels Chief Executive Hospitals North/North West	188	24	36	5	....	253
Shane Gregory Deputy Secretary Infrastructure	239	37	26	10	....	312
Warren Prentice Chief Information Officer	270	22	44	6	....	342
Dale Webster Deputy Secretary Community, Mental Health and Wellbeing	196	46	74	12	....	328
<i>Acting key management personnel</i>						
Rebecca Howe Acting Chief People Officer (to 02/09/2021)	29	5	11	1	....	46
Nicole Curtin Acting Chief People Officer (from 03/09/2021 to 04/03/2022)	104	6	11	2	....	123
Paula Hyland Acting Deputy Secretary Community, Mental Health and Wellbeing (from 27/09/2021)	147	18	21	4	....	190
Total	2 081	288	346	67	....	2 782

2021	Short-term benefits		Long-term benefits			
	Salary	Other benefits	Superannuation	Other benefits and long service leave	Termination benefits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Key management personnel						
Kathrine Morgan-Wicks Secretary	414	57	43	12	....	526
Craig Jeffery Chief Financial Officer	208	27	27	7	....	269
Renee Anderson Chief People Officer (to 19/03/2021)	123	9	13	....	....	145
Susan Gannon Chief Executive Hospitals South	201	46	36	7	....	290
Eric Daniels Chief Executive Hospitals North/North West	185	25	36	5	....	251
Shane Gregory Deputy Secretary Infrastructure	227	36	23	7	....	293
Warren Prentice Chief Information Officer	266	22	43	5	....	336
Dale Webster Deputy Secretary Community, Mental Health and Wellbeing (from 17/08/2020)	154	22	67	3	....	246
Acting key management personnel						
Craig Watson Acting Deputy Secretary Community, Mental Health and Wellbeing (to 16/08/2020)	29	8	7	1	....	45
Rebecca Howe Acting Chief People Officer (from 20/03/2021)	37	6	16	3	....	62
Total	1 844	258	311	50	....	2 463

Notes:

- 1 Salary includes all forms of consideration paid and payable for services rendered and compensated absences during the period.
- 2 Other short-term benefits include all other forms of non-salary benefits such as motor vehicles and parking, fringe benefit tax payable in respect of these benefits, payments in lieu of leave, annual leave movements and any other compensation paid or payable.
- 3 Superannuation means the contribution to the superannuation fund of the individual.
- 4 Other long-term benefits and long service leave includes the movements in the discounted long service leave balances.

- 5 Termination benefits include accrued annual and long service leave entitlements and termination payments.

(c) **Related party transactions**

There are no significant related party transactions requiring disclosure.

6.2 Depreciation and amortisation

All applicable non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Land and Heritage and cultural assets, being assets with unlimited useful lives, are not depreciated.

The depreciable amount of improvements to or on leaseholds is allocated progressively over the estimated useful lives of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of a lease includes any option period where exercise of the option is reasonably certain.

Key estimate and judgement

Depreciation is provided for on a straight line basis, using rates which are reviewed annually.

All intangible assets having a limited useful life are systematically amortised over their useful lives reflecting the pattern in which the asset's future economic benefits are expected to be consumed by the THS.

(a) **Depreciation**

	Major depreciation period	2022 \$'000	2021 \$'000
Plant, equipment and vehicles	2-20 years	14 162	13 436
Buildings	40-50 years	46 671	45 494
Leasehold improvements	2-20 years	1 523	1 496
Right-of-use assets	2-22 years	6 294	6 287
Total		68 650	66 713

(b) **Amortisation**

	Major amortisation rate	2022 \$'000	2021 \$'000
Intangible assets	20 per cent	1 423	1 089
Total		1 423	1 089
Total depreciation and amortisation		70 073	67 802

6.3 Supplies and consumables

	2022 \$'000	2021 \$'000
Audit fees	226	190
Lease expenses	6 178	4 625
Consultants	2 848	1 344
Property services and rental payments	48 512	37 445
Maintenance	25 335	23 236
Communications	10 153	9 392
Information technology	11 171	8 810
Travel, transport and vehicle leasing payments	10 676	10 070
Advertising and promotion	95	52
Medical, surgical and pharmacy supplies	369 869	340 215
Patient and client services	35 112	32 451

Other licencing costs	4 528	4 351
Equipment and furniture	12 432	11 983
Administration	11 790	11 069
Food production costs	11 031	10 653
Corporate overhead charge	42 287	37 337
Service fees	1 670	2 179
Other supplies and consumables	6 332	7 399
Total	610 245	552 801

Audit fees paid or payable to the Tasmanian Audit Office for the audit of the THS's Financial Statements were \$186 920 (2021: \$180 250).

Lease expenses includes lease rentals for short term leases and variable lease payments, as detailed in Note 8.2.

6.4 Grants and subsidies

Grant and subsidies expenditure is recognised to the extent that:

- the services required to be performed by the grantee have been performed; or
- the grant eligibility criteria have been satisfied.

A liability is recorded when the THS has a binding agreement to make the grants but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a prepayment is recognised.

	2022	2021
	\$'000	\$'000
Grants		
Other health service providers	9 520	8 029
Total	9 520	8 029

The THS provides Grants to external service providers to deliver alcohol and drug rehabilitation services, as well as palliative, respite and community care.

6.5 Finance costs

All finance costs are expensed as incurred using the effective interest method.

Finance costs include lease charges.

	2022 \$'000	2021 \$'000
Interest expense		
Interest on lease liabilities	902	382
Total	902	382

6.6 Other expenses

Other expenses are recognised when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be reliably measured.

	2022 \$'000	2021 \$'000
Salary on-costs	28 042	24 028
Fair value of volunteer services	1 462	1 324
Tasmanian Risk Management Fund premium	13 097	12 375
Other	63	82
Total	42 664	37 809

Fair value of volunteer services represents the estimated service value of volunteers to the THS. This expense item is offset by an equal value recorded as Contributions received, refer to Note 4.4.

Note 7 Assets

Assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to the THS and the asset has a cost or value that can be measured reliably.

7.1 Receivables

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Key judgement

Receivables are held with the objective to collect the contractual cash flows and are subsequently measured at amortised cost using the effective interest method. Any subsequent changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process. An allowance for expected credit losses is recognised for all debt financial assets not held at fair value through profit and loss. The expected credit loss is based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate.

For trade receivables, a simplified approach in calculating expected credit losses is applied, with a loss allowance based on lifetime expected credit losses recognised at each reporting date. The THS has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

	2022 \$'000	2021 \$'000
Receivables	47 677	37 078
Less: Expected credit loss	(1 726)	(1 262)
Total	45 951	35 816
Sales of goods and services (inclusive of GST)	38 140	28 601
Tax assets	7 811	7 215
Total	45 951	35 816
Settled within 12 months	45 951	35 816
Total	45 951	35 816

(a) Reconciliation of movement in expected credit loss for receivables

	2022 \$'000	2021 \$'000
Carrying amount as at 1 July	1 262	1 206
Amounts written off during the year	(1)	(149)
Increase/(decrease) in provision recognised in profit or loss	465	205
Carrying amount as at 30 June	1 726	1 262

For ageing analysis of the financial assets, refer to note 12.1.

The Increase/(decrease) in provision recognised in profit or loss is recorded as Net gain/(loss) on financial instruments and statutory receivables/payables, refer to Note 5.2.

7.2 Contract assets and liabilities

A contract asset is the THS's right to consideration in exchange for goods or services that the THS has transferred to the customer, but not billed as at the reporting date as all conditions have not been fulfilled due to the timing of the annual acquittal process. Contract assets become receivable when the rights to receive payment become unconditional on satisfactory completion of performance obligations.

A contract liability relates to the THS's obligation to transfer goods or services to a customer for which the THS has received consideration in advance.

2022	Australian Government Funding \$'000	Total \$'000
Contract assets		
Balance as at 1 July	1 049	1 049
Less: Transfer to receivables	(1 049)	(1 049)
Balance as at 30 June	....	....
Contract liabilities		
Balance as at 1 July	....	....
Balance as at 30 June	....	....
<hr/>		
2021	Australian Government Funding \$'000	Total \$'000
Contract assets		
Balance as at 1 July	11 155	11 155
Add: Additional costs incurred that are recoverable from customer	1 049	1 049
Less: Transfer to receivables	(11 155)	(11 155)
Balance as at 30 June	1 049	1 049
Contract liabilities		
Balance as at 1 July	....	....
Balance as at 30 June	....	....
<hr/>		
	2022 \$'000	2021 \$'000
Revenue from performance obligations met during the current period	418 622	379 059
Revenue from performance obligations satisfied (or partially satisfied) in previous periods	....	....

The transaction price allocated to unsatisfied performance obligations as at 30 June is as follows:

	2022 \$'000	2021 \$'000
Australian Government Grants
Total

7.3 Other financial assets

Other financial assets are classified and measured at amortised cost. Impairment losses, where applicable, are recorded in the Statement of Comprehensive Income. Any gain or loss arising on derecognition is recognised directly in net result and presented in other gains/(losses).

	2022 \$'000	2021 \$'000
Accrued revenue	25 612	19 428
Total	25 612	19 428
Settled within 12 months	25 612	19 428
Total	25 612	19 428

7.4 Inventories

Inventories held for distribution are valued at cost adjusted, when applicable, for any loss of service potential. Inventories acquired for no cost or nominal consideration are valued at current replacement cost.

	2022 \$'000	2021 \$'000
Pharmacy	14 050	12 769
Catering	371	363
Linen	870	837
General supplies	5 704	4 075
Total	20 995	18 044
Consumed within 12 months	20 995	18 044
Total	20 995	18 044

Personal protective equipment on hand as at 30 June 2022 is primarily held in the Department of Health inventories balance.

7.5 Assets held for sale

Assets held for sale (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than continuing use are classified as held for sale. Immediately before classification as held for sale, fair value assets (or components of a disposal group) are remeasured in accordance with the THS policy. Upon initial classification to held for sale, assets are remeasured at the lower of carrying amount and fair value less costs to sell. An impairment loss is recognised in profit or loss for any initial and subsequent write-down from the carrying amount measured immediately before re-measurement to fair value less costs of disposal. Such assets are no longer amortised or depreciated upon being classified as held for sale.

(a) Carrying amount

	2022 \$'000	2021 \$'000
Land (Fair value Level 2)	17	17
Buildings (Fair value Level 3)	51	51
Total	68	68
Settled within 12 months	68	68
Total	68	68

The land and buildings held for sale have been deemed excess to requirements and will be advertised for sale during 2022-23.

Key estimate and judgement

The recognised fair value of non-financial assets is classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements.

Level 1 the fair value is calculated using quoted prices in active markets;

Level 2 the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

(b) Fair value measurement of assets held for sale (including fair value levels)

2022	Carrying value at 30 June \$'000	Fair value measurement at end of reporting period		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Land	17	....	17	....
Buildings	51	....	....	51
Total	68	....	17	51
2021	Carrying value at 30 June \$'000	Fair value measurement at end of reporting period		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Land	17	....	17	....
Buildings	51	....	....	51
Total	68	....	17	51

Key judgement

The property held for sale is carried at fair value less costs of disposal utilising the capital value assessment undertaken by the Office of the Valuer-General.

(c) Level 3 significant valuation inputs and relationship to fair value

	Fair value as at 30 June \$'000	Significant unobservable inputs used in valuation	Possible alternative values for Level 3 inputs	Sensitivity of fair value to changes in Level 3 inputs
Buildings	51	A - Construction costs B - Age and condition of asset C - Remaining useful life	When valuing these assets, their existing and alternative uses are taken into account by valuers. As a result, it is unlikely that alternative values will arise unless there are changes in known inputs.	Tasmanian construction indexes have remained stable over the past 12 months. Design and useful lives are reviewed regularly but generally remain unchanged. As a result, it is unlikely that significant variations in values will arise in the short term.

7.6 Property, plant and equipment

Key estimate and judgement

(i) Valuation basis

Land, buildings and heritage and cultural assets are recorded at fair value, less accumulated depreciation for building assets. All other non-current physical assets, including work in progress, are recorded at historic cost less accumulated depreciation and accumulated impairment losses. All assets within a class of assets are measured on the same basis.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Fair value is based on the highest and best use of the asset. Unless there is an explicit Government policy to the contrary, the highest and best use of an asset is the current purpose for which the asset is being used or occupied.

The recognised fair value of non-financial assets is classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements.

Level 1 the fair value is calculated using quoted prices in active markets;

Level 2 the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the THS and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day to day servicing of property, plant and equipment are recognised in the Statement of Comprehensive Income as incurred.

(iii) Asset recognition threshold

The asset capitalisation threshold adopted by the THS are:

Plant, equipment and vehicles	\$10 000
Land and buildings	\$10 000
Leasehold improvements	\$10 000
Heritage and cultural assets	\$10 000

Assets valued at less than the threshold amount are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total or where the details of the asset are required for tracing purposes).

(iv) Revaluations

The THS's land, building and heritage and cultural assets were revalued independently by the Valuer-General as at 30 June 2018. These assets were valued in accordance with the Australian Accounting Standards (AASB 116 *Property, Plant and Equipment*).

Each year since the revaluation, land and building assets received an indice valuation performed by the Valuer-General. The indice valuation was based on a review of market movement factors and building construction cost. There has been no adjustment to heritage and cultural assets since the 30 June 2018 revaluation.

Assets are grouped on the basis of having a similar nature or function in the operations of the THS.

Assets are revalued with sufficient regularity to ensure they reflect fair value at balance date. Revaluations are shown on a gross basis where a replacement cost basis of valuations has been used. Asset revaluations based on a market basis are disclosed on a net basis, however, the THS has endeavoured to obtain replacement cost valuations where possible to enable gross values to be disclosed.

(v) Assets in respect of leases where the THS is the lessor

The THS leases building assets (including office accommodation, consulting rooms and residential accommodation) and medical equipment under operating leases, with rental payments payable in instalments as per agreed terms with the tenants. Lease payments may include amounts for outgoings and rent escalation for a fixed percentage, dollar increase per year or future index or rate.

(vi) *Service concession assets*

The THS adopted AASB 1059 *Service Concession Arrangements: Grantors* from 1 July 2020. However, there is no effect of adopting AASB 1059 for the THS, as these types of arrangements are not entered into.

(a) Carrying amount

	2022 \$'000	2021 \$'000
Land		
At fair value	113 153	93 435
Total	113 153	93 435
Buildings		
At fair value	2 111 477	1 943 354
Less: Accumulated depreciation	(738 753)	(621 558)
	1 372 724	1 321 796
Work in progress (at cost)	3 754	2 684
Total	1 376 478	1 324 480
Leasehold improvements		
At cost	17 153	17 146
Less: Accumulated depreciation	(15 749)	(14 227)
Total	1 404	2 919
Plant, equipment and vehicles		
At cost	170 378	160 210
Less: Accumulated depreciation	(99 952)	(85 878)
	70 426	74 332
Work in progress (at cost)	11 327	13 325
Total	81 753	87 657
Heritage and cultural assets		
At fair value	3 414	3 180
	3 414	3 180
Work in progress (at cost)	69	254
Total	3 483	3 434
Total property, plant and equipment	1 576 271	1 511 925

(b) Reconciliation of movements (including fair value levels)

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

2022	Land (vacant land in active markets) Level 2 \$'000	Buildings (specific purpose/ use buildings) Level 3 \$'000	Leasehold improve- ments \$'000	Plant, equipme nt and vehicles \$'000	Heritage and cultural assets Level 3 \$'000	Total \$'000
Carrying value as at 1 July	93 435	1 324 480	2 919	87 657	3 434	1 511 925
Transfer between classes	525	(525)	....	....	....	....
Additions – acquisitions	....	2 202	8	10 703	4	12 917
Additions – contributions	....	2 406	....	184	45	2 635
Disposals	(29)	(136)	....	(2 629)	....	(2 794)
Gains/losses recognised in other comprehensive income						
Revaluation increments/(decrements)	19 222	94 722	....	....	....	113 944
Depreciation	....	(46 671)	(1 523)	(14 162)	....	(62 356)
Carrying value as at 30 June	113 153	1 376 478	1 404	81 753	3 483	1 576 271

2021	Land (vacant land in active markets) Level 2 \$'000	Buildings (specific purpose/ use buildings) Level 3 \$'000	Leasehold improve- ments \$'000	Plant, equipmen t and vehicles \$'000	Heritage and cultural assets Level 3 \$'000	Total \$'000
Carrying value as at 1 July	93 284	1 335 801	4 238	58 446	3 344	1 495 113
Transfer between classes	....	(181)	181	....	....	....
Additions – acquisitions	....	314	....	23 099	10	23 423
Additions – contributions	....	7 870	....	19 820	80	27 770
Disposals	....	....	....	(271)	....	(271)
Gains/losses recognised in other comprehensive income						
Revaluation increments/(decrements)	168	26 218	....	....	....	26 386
Transfer to Assets held for sale	(17)	(51)	....	....	....	(68)
Depreciation	....	(45 491)	(1 500)	(13 437)	....	(60 428)
Carrying value as at 30 June	93 435	1 324 480	2 919	87 657	3 434	1 511 925

(c) Carrying amount of property, plant and equipment held and used by the THS

	2022 \$'000	2021 \$'000
Land		
At fair value	104 975	86 860
Total	104 975	86 860
Buildings		
At fair value	2 003 128	1 852 293
Less: Accumulated depreciation	(705 657)	(596 575)
	1 297 471	1 255 718
Work in progress (at cost)	3 754	2 684
Total	1 301 225	1 258 402
Leasehold improvements		
At cost	17 153	17 146
Less: Accumulated depreciation	(15 749)	(14 227)
Total	1 404	2 919
Plant, equipment and vehicles		
At cost	170 378	160 210
Less: Accumulated depreciation	(99 952)	(85 878)
	70 426	74 332
Work in progress (at cost)	11 327	13 325
Total	81 753	87 657
Heritage and cultural assets		
At fair value	3 414	3 180
	3 414	3 180
Work in progress (at cost)	69	254
Total	3 483	3 434
Total property, plant and equipment	1 492 840	1 439 272

(d) Reconciliation of movements (including fair value levels) of property, plant and equipment held and used by the THS

Reconciliations of the carrying amounts of each class of Property, plant and equipment held and used by the THS at the beginning and end of the current financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

2022	Land (vacant land in active markets) Level 2 \$'000	Buildings (specific purpose/use buildings) Level 3 \$'000	Leasehold improve- ments \$'000	Plant, equipment and vehicles \$'000	Heritage and cultural assets Level 3 \$'000	Total \$'000
Carrying value as at 1 July	86 860	1 258 402	2 919	87 657	3 434	1 439 272
Transfer between classes	339	(7 149)	....	....	....	(6 810)
Additions – acquisitions	....	2 202	8	10 703	4	12 917
Additions – contributions	....	2 406	....	184	45	2 635
Disposals	(29)	(136)	....	(2 629)	....	(2 794)
Gains/losses recognised in other comprehensive income						
Revaluation increments/(decrements)	17 805	84 059	....	....	....	101 864
Depreciation	....	(38 559)	(1 523)	(14 162)	....	(54 244)
Carrying value as at 30 June	104 975	1 301 225	1 404	81 753	3 483	1 492 840

2021	Land (vacant land in active markets) Level 2 \$'000	Buildings (specific purpose/use buildings) Level 3 \$'000	Leasehold improve- ments \$'000	Plant, equipment and vehicles \$'000	Heritage and cultural assets Level 3 \$'000	Total \$'000
Carrying value as at 1 July	91 629	1 310 044	4 238	58 446	3 344	1 467 701
Transfer between classes	(5 000)	(40 585)	181	....	....	(45 404)
Additions – acquisitions	....	311	....	23 099	10	23 420
Additions – contributions	....	7 870	....	19 820	80	27 770
Disposals	....	....	....	(271)	....	(271)
Gains/losses recognised in other comprehensive income						
Revaluation increments/(decrements)	248	24 278	....	....	....	24 526
Transfer to Assets held for sale	(17)	(51)	....	....	....	(68)
Depreciation	....	(43 465)	(1 500)	(13 437)	....	(58 402)
Carrying value as at 30 June	86 860	1 258 402	2 919	87 657	3 434	1 439 272

(e) Carrying amount of property where the THS is the lessor under operating leases

	2022 \$'000	2021 \$'000
Land		
At fair value	8 178	6 575
Total	8 178	6 575
Buildings		
At fair value	108 349	91 061
Less: Accumulated depreciation	(33 096)	(24 983)
Total	75 253	66 078
Total property, plant and equipment	83 431	72 653

(f) Reconciliation of movements (including fair value levels) of property, plant and equipment where the THS is the lessor under operating leases

Reconciliations of the carrying amounts of each class of Property, plant and equipment where the THS is the lessor under operating leases at the beginning and end of the current financial year is set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

2022	Land (vacant land in active markets) Level 2 \$'000	Buildings (specific purpose/ use buildings) Level 3 \$'000	Total \$'000
Carrying value as at 1 July	6 575	66 078	72 653
Transfer between classes	186	6 624	6 810
Gains/losses recognised in other comprehensive income			
Revaluation increments/(decrements)	1 417	10 663	12 080
Depreciation	....	(8 112)	(8 112)
Carrying value as at 30 June	8 178	75 253	83 431

2021	Land (vacant land in active markets) Level 2 \$'000	Buildings (specific purpose/ use buildings) Level 3 \$'000	Total \$'000
Carrying value as at 1 July	1 655	25 757	27 412
Transfer between classes	5 000	40 404	45 404
Additions – acquisitions	....	3	3
Gains/losses recognised in other comprehensive income			
Revaluation increments/(decrements)	(80)	1 940	1 860
Depreciation	....	(2 026)	(2 026)
Carrying value as at 30 June	6 575	66 078	72 653

(g) Maturity analysis of lease payments receivable in respect of operating leases

	2022 \$'000	2021 \$'000
One year or less	1 061	969
From one to two years	966	168
From two to three years	941	434
From three to four years	859	444
From four to five years	675	399
More than five years	4 607	2 167
Total	9 109	4 581

(h) Level 3 significant valuation inputs and relationship to fair value

	Fair value as at 30 June \$'000	Significant unobservable inputs used in valuation	Possible alternative values for Level 3 inputs	Sensitivity of fair value to changes in Level 3 inputs
Buildings	1 376 478	A - Construction costs B - Age and condition of asset C - Remaining useful life	When valuing these assets, their existing and alternative uses are taken into account by valuers. As a result, it is unlikely that alternative values will arise unless there are changes in known inputs.	Tasmanian construction indexes have remained stable over the past 12 months. Design and useful lives are reviewed regularly but generally remain unchanged. As a result, it is unlikely that significant variations in values will arise in the short term.
Heritage and cultural assets	3 483	A - Acquisition costs B - Condition of the asset C - Market transactions for identical or similar assets	Valuing these assets is an inexact science and it is not likely that alternative values applying other inputs would result in a materially different value.	Given the diversity of the heritage and cultural assets held, it is unlikely that a variation in the market transactions for identical or similar assets would impact a large proportion of the assets held. As a result, it is unlikely that significant variations in values will arise in the short term.

(i) Assets where current use is not the highest and best use

The THS has no assets where the current use is not the highest and best use.

7.7 Right-of-use assets

AASB 16 requires the THS to recognise a right-of-use asset, where it has control of the underlying asset over the lease term. A right-of-use asset is measured at the present value of initial lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

The THS has elected not to recognise right-of-use assets and lease liabilities arising from short term leases, rental arrangements for which Treasury has substantive substitution rights over the assets and leases for which the underlying asset is of low-value. Substantive substitution rights relate primarily to office accommodation. An asset is considered low-value when it is expected to cost less than \$10 000.

Right-of-use assets are depreciated over the shorter of the assets useful life and the term of the lease. Where the THS obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the THS will exercise a purchase option, the THS depreciates the right-of-use asset over its useful life.

2022	Buildings \$'000	Plant and equipment \$'000	Total \$'000
Carrying value as at 1 July	14 844	37	14 881
Additions	33 778	5 134	38 912
Disposals/derecognition	(5 696)	...	(5 696)
Depreciation	(5 927)	(367)	(6 294)
Carrying value as at 30 June	36 999	4 804	41 803

2021	Buildings \$'000	Plant and equipment \$'000	Total \$'000
Carrying value as at 1 July	20 627	103	20 730
Additions	438	....	438
Depreciation	(6 221)	(66)	(6 287)
Carrying value as at 30 June	14 844	37	14 881

7.8 Intangible assets

An intangible asset is recognised where:

- it is probable that an expected future benefit attributable to the asset will flow to the THS; and
- the cost of the asset can be reliably measured.

Intangible assets held by the THS, where no active market exists, are valued at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with a finite useful life held by the THS principally comprise computer software.

(a) Carrying amount

	2022 \$'000	2021 \$'000
Intangible assets with a finite useful life		
At cost	8 709	8 207
Less: Accumulated amortisation	(5 025)	(3 822)
	3 684	4 385
Work in progress (at cost)	368	1 139
Total	4 052	5 524

(b) Reconciliation of movements (including fair value levels)

	2022 Level 2 \$'000	2022 Level 3 \$'000	2022 Total \$'000	2021 Total \$'000
Carrying amount as at 1 July	5 524	....	5 524	2 592
Additions – acquisitions	181	....	181	4 021
Disposals	(230)	....	(230)	....
Amortisation	(1 423)	....	(1 423)	(1 089)
Carrying amount as at 30 June	4 052	....	4 052	5 524

7.9 Other assets

Other assets are recorded at amortised cost and include prepayments.

(a) Carrying amount

	2022 \$'000	2021 \$'000
Other current assets		
Prepayments	7 092	5 981
Total	7 092	5 981
Other non-current assets		
Prepayments	97	791
Total	97	791
Total other assets	7 189	6 772
Recovered within 12 months	7 092	5 981
Recovered in more than 12 months	97	791
Total	7 189	6 772

Prepayments primarily include equipment maintenance contracts, library subscriptions, property rental and National Blood Authority supplies.

(b) Reconciliation of movements

	2022 \$'000	2021 \$'000
Carrying amount as at 1 July	6 772	4 125
Additions	6 398	6 728
Utilised	(5 981)	(4 081)
Carrying amount as at 30 June	7 189	6 772

Note 8 Liabilities

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

8.1 Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when the THS becomes obliged to make future payments as a result of a purchase of assets or services.

	2022 \$'000	2021 \$'000
Creditors	20 888	30 889
Accrued expenses	33 685	43 860
Total	54 573	74 749
Settled within 12 months	29 526	38 812
Settled in more than 12 months	25 047	35 937
Total	54 573	74 749

Accrued expenses predominantly relate to medical services provided to Tasmanian residents in other states and territories of Australia, less the medical services provided in Tasmania to residents from other states and territories. Due to the complexity of the calculations, there is a two to three year delay in settlement.

Settlement of Creditors is usually made within 14 days.

8.2 Lease liabilities

A lease liability is measured at the present value of the lease payments that are not paid at that date. The discount rate used to calculate the present value of the lease liability is the rate implicit in the lease. Where the implicit rate is not known and cannot be determined the Tascorp indicative lending rate including the relevant administration margin is used.

The THS has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases, rental arrangements for which Treasury has substantive substitution rights over the assets and leases for which the underlying asset is of low-value. Substantive substitution rights relate primarily to office accommodation. An asset is considered low-value when it is expected to cost less than \$10 000.

The THS has entered into the following leasing arrangements:

Class of right-of-use asset	Details of leasing arrangements
Plant and equipment	These leases are paid monthly or quarterly. Lease payments include rent escalation for a fixed percentage, dollar increase per year or future index or rate.
Buildings	These leases are paid monthly, quarterly or annually. Lease payments include rent escalation for a fixed percentage, dollar increase per year or future index or rate. Some leases include options to extend the lease term.

	2022 \$'000	2021 \$'000
Current Lease liabilities	5 389	5 161
Non-current Lease liabilities	37 273	10 107
Total	42 662	15 268

Maturity analysis of lease liabilities:

	2022 \$'000	2021 \$'000
One year or less	5 389	5 161
From one to two years	5 015	5 095
From two to three years	4 126	2 795
From three to four years	4 187	862
From four to five years	4 030	766
More than five years	19 915	589
Total	42 662	15 268

The lease liability in the maturity analysis is presented using undiscounted contractual amounts before deducting finance charges.

The following amounts are recognised in the Statement of Comprehensive Income:

	2022 \$'000	2021 \$'000
Interest on lease liabilities included in Note 6.5	902	382
Lease expenses included in Note 6.3:		
Short term leases	6 841	4 499
Variable lease payments	(663)	126
Net expenses from leasing activities	7 080	5 007

8.3 Employee benefit liabilities

Key estimate and judgement

Liabilities for wages and salaries and annual leave are recognised when an employee becomes entitled to receive a benefit. Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid. Other employee entitlements are measured as the present value of the benefit at 30 June, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

A liability for long service leave is recognised and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

	2022 \$'000	2021 \$'000
Accrued salaries	25 079	16 654
Annual leave	133 583	118 353
Long service leave	143 699	152 612
Sabbatical leave	12 146	13 222
Development leave	10 782	10 429
Other employee benefits	2 249	2 124
Total	327 538	313 394
Expected to settle wholly within 12 months	110 811	99 305
Expected to settle wholly after 12 months	216 727	214 089
Total	327 538	313 394

Other employee benefits is comprised of Purchased Leave Scheme, time off in lieu provisions, excess on-call leave and State Service Accumulated Leave Scheme entitlements.

8.4 Superannuation

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense when they fall due.

(ii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Key estimate and judgement

The THS does not recognise a liability for the accruing superannuation benefits of State Service employees. This liability is held centrally and is recognised within the Finance-General Division of the Department of Treasury and Finance.

8.5 Other liabilities

Other liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

Other liabilities include revenue received in advance and on-costs associated with employee benefit liabilities. Revenue received in advance is measured at amortised cost. On-costs associated with employee benefit liabilities expected to be realised within 12 months are measured at the amount expected to be paid. Other on-costs associated with employee benefit liabilities are measured at the present value of the cost at 30 June 2022, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

	2022 \$'000	2021 \$'000
Revenue received in advance		
Other revenue received in advance	531	746
Other financial liabilities		
Employee benefit liabilities - on-costs	8 727	8 029
Inter-entity balance	5 830	4 725
Funds held for distribution - Private Patient Scheme	12 673	11 180
Other liabilities	58	47
Total	27 819	24 727
Settled within 12 months	21 534	18 905
Settled in more than 12 months	6 285	5 822
Total	27 819	24 727

Inter-entity balance represents Goods and Services Tax settlement entries arising between the THS and the Department of Health.

Note 9 Commitments and Contingencies

9.1 Schedule of commitments

Commitments represent those contractual arrangements entered by the THS that are not reflected in the Statement of Financial Position.

Leases are recognised as right-of-use assets and lease liabilities in the Statement of Financial Position, excluding short term leases and leases for which the underlying asset is of low value, which are recognised as an expense in the Statement of Comprehensive Income.

	2022 \$'000	2021 \$'000
By type		
Capital commitments		
Property, plant and equipment	4 604	4 410
Total	4 604	4 410
Other commitments		
Department of Treasury and Finance - motor vehicles	4 416	4 495
Department of Treasury and Finance - rent on buildings	13 741	....
Information technology	24 915	17 616
Linear accelerator maintenance agreements	13 132	11 789
Maternity services	26 084	35 552
Miscellaneous goods and services contracts	50 200	45 311
Miscellaneous grants	4 489	8 375
Pathology services	11 250	16 370
Radiology services	62 985	52 520
Rural medical services	24 280	30 773
Short term and/or low-value leases	9 171	5 804
Total	244 663	228 605
Total commitments	249 267	233 015
By maturity		
Capital commitments		
One year or less	3 254	3 419
From one to five years	150	983
More than five years	1 200	8
Total	4 604	4 410
Other commitments		
One year or less	76 340	67 181
From one to five years	145 832	154 694
More than five years	22 491	6 730
Total	244 663	228 605
Total commitments	249 267	233 015

Capital commitments

Property, plant and equipment

Property, plant and equipment commitments primarily include commitments to either build or improve existing properties and also the purchase of equipment. The balance represents contractual commitments, primarily associated with the purchase of a linear accelerator for the Royal Hobart Hospital WP Holman Clinic.

Other commitments

Department of Treasury and Finance - motor vehicles

The Government Motor Vehicle Fleet is managed as part of a Whole-of-Government arrangement with the Department of Treasury and Finance. Rental payments vary according to the type of vehicle and, where applicable, the price received for trade-in vehicles. Rental terms for the majority of existing vehicles are for a period of three years or 60 000 km, whichever comes first, with no change to the rental rate.

Department of Treasury and Finance - rent on buildings

Commitments represent rental agreements between the THS and the Department of Treasury and Finance, in relation to office accommodation leasing contracts held by the Department of Treasury and Finance. The THS's office accommodation rental commitments predominantly relate to 70 Collins St Hobart and 91-97 Charles St Launceston (Henty House).

Information technology

Information technology includes software licence commitments.

Linear accelerator maintenance agreements

As part of the purchase and planned purchase of new linear accelerators across the State, the THS has entered into maintenance agreements that are for a period of nine years post expiration of the warranty period.

Maternity services

There is one hospital in the North West that provides maternity services, being the North West Private Hospital. This hospital is not part of the THS and, as such, the THS contracts the hospital to deliver all inpatient public maternity services. This contract is to 31 October 2024, at which point it will be reviewed.

Miscellaneous goods and services contracts

The THS is party to contracts for the supply of various clinical and non-clinical services, including security, pathology, radiology, maternity and other medical services.

Miscellaneous grants

The THS provides grants to external service providers to deliver a range of services including palliative, respite and home and community care.

Pathology services

Pathology services in the North West are delivered by an external contractor, namely North West Pathology, as the North West does not have its own pathology service within the THS.

Radiology services

All radiology services at the two North West hospitals and rural hospital sites in the North and North West are outsourced to an external contractor, namely Regional Imaging.

Rural medical services

Provision of medical services at a number of THS rural sites are outsourced to Ochre Health as it has been beyond the THS's capacity to staff on a permanent basis. Sites include Flinders Island, Scottsdale, St Helens, Queenstown, King Island and Smithton.

Short term and/or low-value leases

The THS leases a range of medical equipment and properties/tenancies around the State for service delivery purposes. Short term leases and leases for which the underlying asset is of low value do not qualify for recognition as right-of-use assets and lease liabilities and are recognised as commitments.

9.2 Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding any possible amount or timing of any possible underlying claim or obligation.

(a) Quantifiable contingencies

A quantifiable contingent asset is any possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The THS does not have any quantifiable contingent assets as at 30 June 2021 or as at 30 June 2022.

A quantifiable contingent liability is any possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, or any present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. To the extent that any quantifiable contingencies are insured, details provided below are recorded net.

	2022 \$'000	2021 \$'000
Quantifiable contingent liabilities		
Contingent claims		
Legal claims (including medical negligence and workers compensation)	11 123	13 000
Total quantifiable contingent liabilities	11 123	13 000

Legal Claims

At 30 June 2022, the THS had a number of legal claims against it for professional negligence and other matters. These claims are reported at the estimated net cost to the THS.

The THS manages its legal claims through the Tasmanian Risk Management Fund. An excess is payable for every claim (\$40 000 for general liability and \$50 000 for medical liability) and amounts over the excess are met by the Tasmanian Risk Management Fund.

(b) Unquantifiable Contingencies

At 30 June 2022, there remained several unresolved issues of potential non-compliance with taxation and superannuation legislation, which at the time of finalising the Financial Statements remained unquantified. These matters particularly relate to the Private Patient Scheme and have been referred to the Solicitor-General for specific superannuation and taxation advice.

During 2018-19, the Tasmanian Government agreed to participate in the Australian Government's National Redress Scheme for Institutional Child Sexual Abuse. The Scheme allows for redress to be provided to individuals who suffered abuse (sexual abuse and related non-sexual abuse) which occurred when the person was a child while in the care of an institution. Survivors are able to lodge an application with the Scheme, including where they suffered abuse in more than one institution.

The National Scheme will be operated by the Australian Government's Department of Social Services for a period of 10 years, from 1 July 2018 to 30 June 2028.

The THS has received a small number of applications for redress from individuals who have suffered abuse under the National Redress Scheme for Institutional Child Sexual Abuse. Additionally, a number of civil claims have been made against various Government agencies, including the THS, relating to child abuse in state care. As these claims have not yet been assessed, it is not possible at the reporting date to accurately estimate the amounts of any eventual payments that may be required in relation to these claims. As a result, these claims are currently classified as unquantifiable contingent liabilities.

Note 10 Reserves

10.1 Reserves

2022	Land	Buildings	Heritage and cultural assets	Total
	\$'000	\$'000	\$'000	\$'000
Asset revaluation reserve				
Balance as at 1 July	31 811	296 920	1 976	330 707
Revaluation increments/(decrements)	19 223	94 722	....	113 945
Balance as at 30 June	51 034	391 642	1 976	444 652
<hr/>				
2021	Land	Buildings	Heritage and cultural assets	Total
	\$'000	\$'000	\$'000	\$'000
Asset revaluation reserve				
Balance as at 1 July	31 643	270 702	1 976	304 321
Revaluation increments/(decrements)	168	26 218	....	26 386
Balance as at 30 June	31 811	296 920	1 976	330 707

(a) Nature and purpose of reserves

Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-financial assets, as described in Note 7.6.

Note 11 Cash Flow Reconciliation

Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in Specific Purpose Accounts, being short term of three months or less and highly liquid. Deposits are recognised at amortised cost, being their face value.

11.1 Cash and cash equivalents

Cash and cash equivalents include the balance of the Specific Purpose Accounts held by the THS, and other cash held, excluding those accounts which are administered or held in a trustee capacity or agency arrangement.

	2022 \$'000	2021 \$'000
Specific Purpose Account balances		
Private Patient Account	16 438	18 478
Operating Account	54 341	22 839
Total	70 779	41 317
Other cash held		
Other cash and equivalents not included above	38	39
Total	38	39
Total cash and cash equivalents	70 817	41 356

Other cash and equivalents primarily represent petty cash and cash floats.

11.2 Reconciliation of net result to net cash from operating activities

	2022 \$'000	2021 \$'000
Net result from continuing operations	(504)	(28 049)
Depreciation and amortisation	70 073	67 804
Recognition of non-cash contributions	(2 790)	(28 196)
Net gain/(loss) on non-financial assets	(1 239)	7
Net gain/(loss) on financial instruments and statutory receivables/payables	465	205
Decrease/(increase) in Receivables	(10 600)	(7 470)
Decrease/(increase) in Contract assets	1 049	10 106
Decrease/(increase) in Other assets	(6 601)	(5 546)
Decrease/(increase) in Inventories	(2 951)	(2 002)
Increase/(decrease) in Employee benefit liabilities	14 144	28 985
Increase/(decrease) in Payables	(20 176)	(8 522)
Increase/(decrease) in Other liabilities	3 092	6 239
Net cash from/(used by) operating activities	43 962	33 561

11.3 Financing facilities

The THS does not have any financing facilities.

11.4 Reconciliation of liabilities arising from financing activities

Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.

	2022 \$'000	2021 \$'000
Lease liabilities		
Balance as at 1 July	15 268	20 992
New leases	38 912	438
Surrender of Existing Leases	(5 696)	....
Changes from financing cash flows:		
Repayment of lease liabilities (excluding interest)	(5 822)	(6 162)
Balance as at 30 June	42 662	15 268

Note 12 Financial Instruments

12.1 Risk exposures

(a) Risk management policies

The THS has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

The Accountable Authority has overall responsibility for the establishment and oversight of the THS's risk management framework. Risk management policies are established to identify and analyse risks faced by the THS, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

(b) Credit risk exposures

Credit risk is the risk of financial loss to the THS if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Financial Instrument	Accounting and strategic policies (including recognition criteria, measurement basis and credit quality of instrument)	Nature of underlying instrument (including significant terms and conditions affecting the amount, timing and certainty of cash flows)
Financial assets		
Cash and cash equivalents	Cash and deposits are recognised at face value.	Cash means notes, coins and any deposits held at call with a bank or financial institution.
Receivables	Receivables are recognised at the nominal amounts due, less any provision for impairment. Collectability of debts is reviewed on a monthly basis. Provisions are made when the collection of the debt is judged to be less rather than more likely.	Receivables credit terms are generally 30 days.
Other financial assets	Other financial assets are recognised at the nominal amounts due, less any provision for impairment.	Other financial assets credit terms are generally 30 days.

The THS has made no changes to its credit risk policy during 2021-22. The THS does not hold any security instrument for its cash and cash equivalents, receivables and other financial assets.

No credit terms on any THS financial assets have been renegotiated.

The carrying amount of financial assets recorded in the Financial Statements, net of any allowances for losses, represents the THS's maximum exposure to credit risk without taking into account of any collateral or other security.

Expected credit loss analysis of receivables

The simplified approach to measuring expected credit losses is applied, which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are based on historical observed loss rates adjusted for forward looking factors that will have an impact on the ability to settle the receivables. The loss allowance for trade debtors as at 30 June are as follows:

2022	Not past due	Past due 1-30 days	Past due 31-60 days	Past due 61-90 days	Past due 91+ days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expected credit loss rate (A)	0.21%	0.48%	3.45%	12.88%	6.11%	4.43%
Total gross carrying amount (B)	8 249	3 700	1 265	1 038	24 752	39 004
Expected credit loss (A x B)	18	18	43	134	1 513	1 726
2021	Not past due	Past due 1-30 days	Past due 31-60 days	Past due 61-90 days	Past due 91+ days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expected credit loss rate (A)	0.22%	0.48%	3.45%	12.88%	6.11%	4.25%
Total gross carrying amount (B)	6 717	3 310	1 288	916	17 481	29 712
Expected credit loss (A x B)	15	16	44	118	1 069	1 262

(c) Liquidity risk

Liquidity risk is the risk that the THS will not be able to meet its financial obligations as they fall due. The THS's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

Financial Instrument	Accounting and strategic policies (including recognition criteria, measurement basis and credit quality of instrument)	Nature of underlying instrument (including significant terms and conditions affecting the amount, timing and certainty of cash flows)
Financial liabilities		
Payables	Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period equates to face value, when the THS becomes obliged to make future payments as a result of a purchase of assets or services.	Apart from accrued expenses relating to inter-jurisdictional provision of medical services (refer Note 8.1), settlement is usually made within 14 days.
Other financial liabilities	Other financial liabilities are recognised at amortised cost, which due to the short settlement period equates to face value, when the THS becomes obliged to make payments as a result of the purchase of assets or services. The THS regularly reviews budgeted and actual cash outflows to ensure that there is sufficient cash to meet all obligations.	Settlement is usually made within 30 days.

Financial liabilities have been reclassified to exclude Lease liabilities

Maturity analysis for financial liabilities

The following tables detail the undiscounted cash flows payable by the THS by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Statement of Financial Position:

2022	1 year \$'000	2 years \$'000	3 years \$'000	4 years \$'000	5 years \$'000	5+ years \$'000	Undiscou nted total \$'000	Carrying amount \$'000
Financial liabilities								
Payables	29 526	11 547	13 500	....	....	....	54 573	54 573
Other financial liabilities	21 003	6 285	....	....	....	....	27 288	27 288
Total	50 529	17 832	13 500	....	....	....	81 861	81 861
2021	1 year \$'000	2 years \$'000	3 years \$'000	4 years \$'000	5 years \$'000	5+ years \$'000	Undiscou nted total \$'000	Carrying amount \$'000
Financial liabilities								
Payables	38 812	18 067	17 870	....	....	....	74 749	74 749
Other financial liabilities	18 159	5 822	....	....	....	....	23 981	23 981
Total	56 971	23 889	17 870	....	....	....	98 730	98 730

(d) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The primary market risk that the THS is exposed to is interest rate risk. As the THS does not have any interest bearing financial assets or liabilities, the exposure to this risk is considered negligible.

12.2 Categories of financial assets and liabilities

	2022 \$'000	2021 \$'000
Financial assets		
Financial assets measured at amortised cost	142 380	96 600
Total	142 380	96 600
Financial liabilities		
Financial liabilities measured at amortised cost	81 861	98 730
Total	81 861	98 730

12.3 Derecognition of financial assets

No derecognition of financial assets occurred during 2021-22.

12.4 Comparison between carrying amount and net fair value of financial assets and liabilities

	Carrying amount 2022 \$'000	Net fair value 2022 \$'000	Carrying amount 2021 \$'000	Net fair value 2021 \$'000
Financial assets				
Cash in Specific Purpose Accounts	70 779	70 779	41 317	41 317
Other cash held	38	38	39	39
Other financial assets:				
Receivables	45 951	45 951	35 816	35 816
Other financial assets	25 612	25 612	19 428	19 428
Total financial assets	142 380	142 380	96 600	96 600
Financial liabilities (recognised)				
Other financial liabilities:				
Payables	54 573	54 573	74 749	74 749
Other liabilities	27 288	27 288	23 981	23 981
Total financial liabilities (recognised)	81 861	81 861	98 730	98 730

12.5 Net fair value of financial assets and liabilities

2022	Net fair value Level 1 \$'000	Net fair value Level 2 \$'000	Net fair value Level 3 \$'000	Total \$'000
Financial assets				
Cash in Specific Purpose Accounts	70 779	....	....	70 779
Other cash held	38	....	....	38
Other financial assets				
Receivables	45 951	....	....	45 951
Other financial assets	25 612	....	....	25 612
Total financial assets	142 380	....	....	142 380
Financial liabilities (recognised)				
Other financial liabilities				
Payables	54 573	....	....	54 573
Other liabilities	27 288	....	....	27 288
Total financial liabilities (recognised)	81 861	....	....	81 861

2021	Net fair value Level 1 \$'000	Net fair value Level 2 \$'000	Net fair value Level 3 \$'000	Total \$'000
Financial assets				
Cash in Specific Purpose Accounts	41 317	....	....	41 317
Other cash held	39	....	....	39
Other financial assets				
Receivables	35 816	....	....	35 816
Other financial assets	19 428	....	....	19 428
Total financial assets	96 600	....	....	96 600
Financial liabilities (recognised)				
Other financial liabilities				
Payables	74 749	....	....	74 749
Other liabilities	23 981	....	....	23 981
Total financial liabilities (recognised)	98 730	....	....	98 730

The recognised fair values of financial assets and financial liabilities are classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements. The THS uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1 the fair value is calculated using quoted prices in active markets;

Level 2 the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

(a) **Transfer between categories**

The THS did not transfer any financial assets or financial liabilities between Levels.

(b) **Reconciliation of Level 3 fair value movements**

The THS does not have any Level 3 instruments.

Financial assets

The net fair values of cash and non-interest bearing monetary financial assets approximate their carrying amounts.

Financial liabilities

The net fair values for trade creditors are approximated by their carrying amounts.

Unrecognised financial instruments

The net fair values of indemnities are regarded as the maximum possible loss which the State faces while the indemnity remains current.

Note 13 Transactions and Balances Relating to a Trustee or Agency Arrangement

13.1 Activities undertaken under a trustee or agency arrangement

Transactions relating to activities undertaken by the THS in a trust or fiduciary (agency) capacity do not form part of the THS's activities. Trustee and agency arrangements, and transactions/balances relating to those activities, are neither controlled nor administered.

Fees, commissions earned and expenses incurred in the course of rendering services as a trustee or through an agency arrangement are recognised as controlled transactions.

Account	Opening balance	Net transactions during 2021-22	Closing balance
	\$'000	\$'000	\$'000
Patient Trust and Bequest Account	7 041	112	7 153
Mental Health Services Client Trust Account	2	(2)	....

Note 14 Events Occurring after Balance Date

The COVID-19 Pandemic is ongoing with the Delta and Omicron variants of the virus proving to be more transmissible than previous strains.

Internally, the THS continues to take measures to monitor and mitigate the effects of COVID-19, such as safety and health measures for its people (including infection control procedures, provision of personal protective equipment, social distancing and working from home).

The THS is unable to predict the likely increases in expenditure as a result of the COVID-19 virus or long-term impact on the funding of the THS.

Note 15 Other Significant Accounting Policies and Judgements

15.1 Objectives and funding

As legislated, the principal purpose of the THS is to:

- promote and maintain the health of persons who are in Tasmania; and
- the provision of care and treatment to, and ease the suffering of, persons with health problems in Tasmania as agreed in the THS's 2021-22 Service Plan and within the funding allocated in the Service Plan.

THS activities are classified as either controlled or administered.

Controlled activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by the THS in its own right. Administered activities involve the management or oversight by the THS, on behalf of the Government, of items controlled or incurred by the Government. In the current financial year there are no administered items.

Under the *National Health Reform Agreement*, funding is provided to the THS on the basis of activity through activity based funding wherever practicable. Funding for smaller regional or rural hospitals is provided on a block funding basis. Funds for teaching, training and research are also provided on a block funding basis. Pricing under the National Health Reform Agreement is determined by an Independent Hospitals Pricing Authority. Funding due to the THS under Australian Government National Partnership Agreements and Commonwealth Own Purpose Expenditure programs is paid as grants. The THS also provides services to fee paying privately insured patients, or patients who will receive compensation for these expenses due to the circumstances surrounding their injury.

The Financial Statements encompass all funds through which the THS controls resources to carry on its functions.

15.2 Basis of accounting

The Financial Statements are a general purpose financial report and have been prepared in accordance with:

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board;
- The Treasurer's Instructions issued under the provisions of the *Financial Management Act 2016*; and
- The Tasmanian Health Service Act 2018.

The Financial Statements were signed by the Secretary of the Department of Health and the Chief Financial Officer on 2 September 2022.

Compliance with the Australian Accounting Standards (AAS) may not result in compliance with International Financial Reporting Standards (IFRS), as the AAS include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. The THS is considered to be not-for-profit and has adopted some accounting policies under the AAS that do not comply with IFRS.

The Financial Statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention. The accounting policies are generally consistent with the previous year except for those changes outlined in Note 15.5.

The Financial Statements have been prepared as a going concern. The continued existence of the THS in its present form, undertaking its current activities, is dependent on Government policy and on continuing appropriations by Parliament to the Department of Health for the THS's administration and activities.

The THS has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

15.3 Reporting entity

The Financial Statements include all the controlled activities of the THS. The Financial Statements consolidate material transactions and balances of the THS.

15.4 Functional and presentation currency

These Financial Statements are presented in Australian dollars, which is the THS's functional currency.

15.5 Changes in accounting policies

(a) Impact of new and revised Accounting Standards

In the current year, there are no new or revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to the THS's operations and effective for the current annual reporting period.

(b) Impact of new and revised Accounting Standards yet to be applied

There are no applicable Standards that have been issued by the AASB that are yet to be applied by the THS.

(c) Voluntary changes in accounting policy

The THS has made no voluntary changes in accounting policy during 2021-22.

(d) Impact of COVID-19 on Financial Reporting for 2021-22

The impact of COVID-19 on financial reporting for 2021-22 has been considered and additional commentary has been provided at Note 14.

15.6 Foreign currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date.

15.7 Comparative figures

Comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards. Details of the impact of changes in accounting policy on comparative figures are at Note 19.5.

Where amounts have been reclassified within the Financial Statements, the comparative statements have been restated.

The comparatives for external administrative restructures are not reflected in the Financial Statements.

15.8 Rounding

All amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated. As a consequence, rounded figures may not add to totals. Amounts less than \$500 are rounded to zero and are indicated by the symbol “....”.

15.9 Taxation

The THS is exempt from all forms of taxation except Fringe Benefits Tax and Goods and Services Tax.

15.10 Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax, except where the GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables are stated inclusive of GST. The net amount recoverable, or payable, to the Australian Taxation Office is recognised as an asset or liability within the Statement of Financial Position.

In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities which is recoverable from, or payable to, the Australian Taxation Office is, in accordance with the Australian Accounting Standards, classified as operating cash flows.



Independent Auditor's Report

To the Members of Parliament
Tasmanian Health Service
Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of the Tasmanian Health Service (the THS), which comprises the statement of financial position as at 30 June 2022 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the Secretary of the Department of Health.

In my opinion, the accompanying financial statements:

- (a) present fairly, in all material respects, the THS's financial position as at 30 June 2022 and its financial performance and its cash flows for the year then ended
- (b) are in accordance with the *Financial Management Act 2016* and Australian Accounting Standards.
- (c)

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the THS in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statements in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

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

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information in the THS's financial statements.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Revenue from sale of goods and services

Refer to note 4.2

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
<p>The THS recognises significant revenue from the sales of goods and services, \$216.01 million.</p> <p>The major revenue streams are inpatient, outpatient and nursing home fees, private patient scheme revenue and reimbursement from Medicare under the Pharmaceutical Benefits Scheme.</p> <p>Sales of goods and services are recognised when consideration is received or receivable in respect of a wide range of services rendered captured through discrete systems.</p> <p>Due to the number of revenue streams and systems at varying sites across the THS, the manual nature of some billing processes, and the significant revenue amounts received, we identified a number of significant risks around the accuracy and completeness of revenue.</p>	<ul style="list-style-type: none"> • Examining reconciliations of information from subsidiary systems to the general ledger. • Performing substantive testing over a sample of sales of goods and services transactions. • Examining transactions around 30 June 2022 to ensure allocation of transactions to the correct financial year. • Assessing the adequacy of relevant disclosures in the financial statements.

Responsibilities of the Secretary for the Financial Statements

The Secretary is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, and the financial reporting requirements of Section 42 (1) of the *Financial Management Act 2016*. This responsibility includes such internal control as determined necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary is responsible for assessing the THS's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the THS is to be dissolved by an Act of Parliament, or the Secretary intends to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, 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 THS's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Secretary.
- Conclude on the appropriateness of the Secretary'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 THS'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 statements or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the THS to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

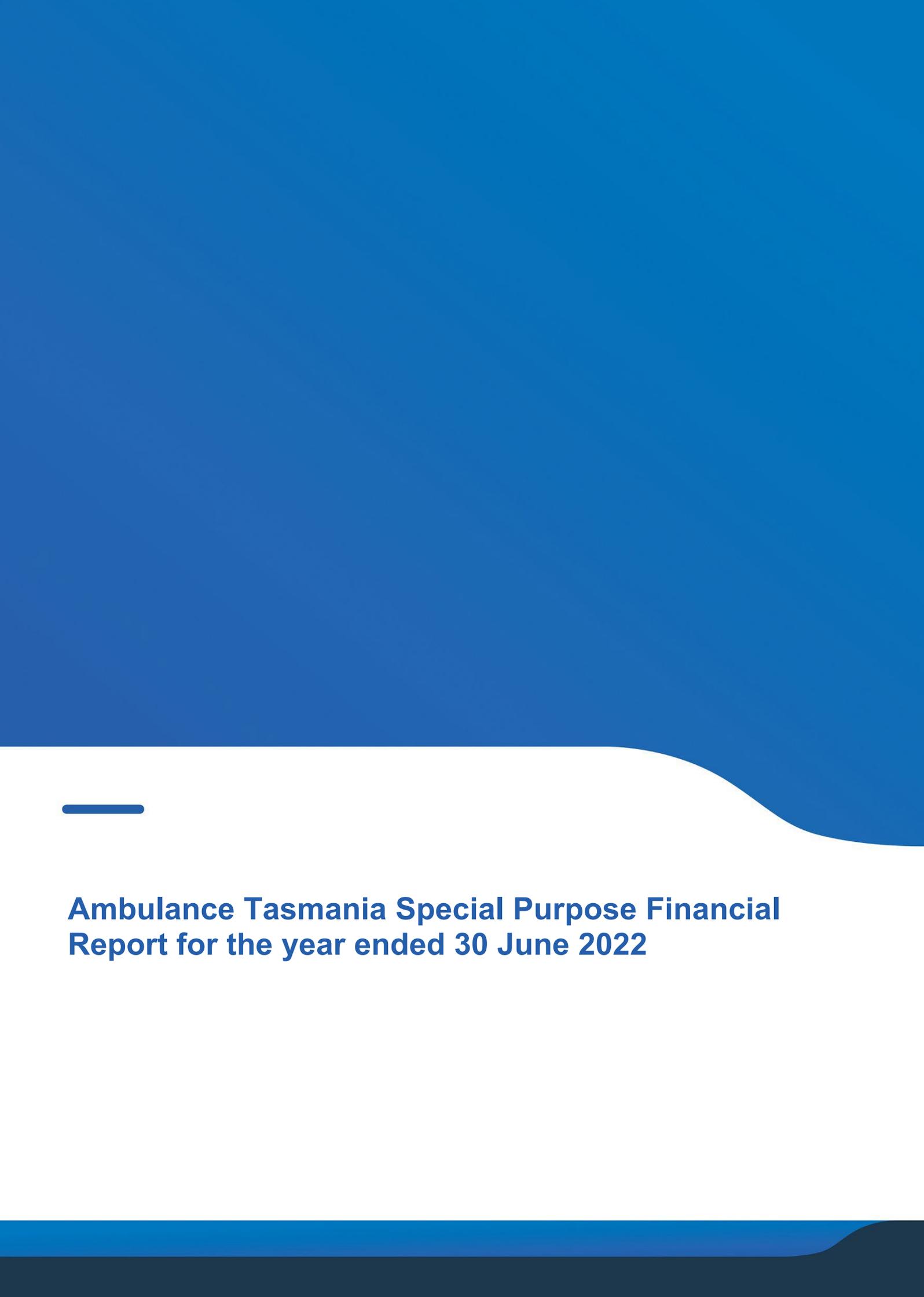
I communicate with the Secretary regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Secretary, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

A handwritten signature in black ink, appearing to read 'D Bond', with a stylized flourish at the end.

David Bond
Assistant Auditor-General
Delegate of the Auditor-General
Tasmanian Audit Office

6 September 2022
Hobart



**Ambulance Tasmania Special Purpose Financial
Report for the year ended 30 June 2022**

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Statement of Certification

The accompanying Special Purpose Financial Report of the Commissioner of Ambulance Tasmania is in agreement with the relevant accounts and records and has been prepared in compliance with the *Audit Act 2008* to present fairly the financial transactions for the year ended 30 June 2022 and the financial position as at the end of the year.

At the date of signing, we are not aware of any circumstances which would render the particulars included in the Special Purpose Financial Report misleading or inaccurate.



Kathrine Morgan-Wicks
Commissioner of Ambulance Tasmania

Dated 2 September 2022



Joe Acker
Chief Executive, Ambulance Tasmania

Dated 5 September 2022



Craig Jeffery
Chief Financial Officer, Department of Health

Dated 2 September 2022

Statement of Comprehensive Income for the year ended 30 June 2022

	Notes	2022 Actual \$'000	2021 Actual \$'000
Income from continuing operations			
Revenue from Government			
Appropriation revenue – operating	2.1	109 463	97 283
Other revenue from Government	2.1	....	2 701
Grants	2.2	24 300	23 226
Sales of goods and services	2.3	8 535	9 288
Interest	2.4	65	....
Contributions received	2.5	11 333	13 756
Other revenue	2.6	3 332	2 850
Total revenue from continuing operations		157 028	149 104
Net gain/(loss) on non-financial assets	3.1	301	214
Net gain/(loss) on financial instruments and statutory receivables/payables	3.2	(600)	(1 215)
Total income from continuing operations		156 729	148 103
Expenses from continuing operations			
Employee benefits	4.1	102 345	92 515
Depreciation and amortisation	4.2	4 097	3 736
Supplies and consumables	4.3	34 774	30 417
Grants and subsidies	4.4	32	1 883
Finance costs	4.5	23	76
Other expenses	4.6	15 220	14 392
Total expenses from continuing operations		156 491	143 019
Net result from continuing operations		238	5 084
Other comprehensive income			
Items that will not be reclassified to net result in subsequent periods			
Net actuarial gains/(losses) on superannuation defined benefit plans	6.4	4 306	10 902
Changes in property plant and equipment revaluation surplus	8.1	4 191	361
Total other comprehensive income		8 497	11 263
Comprehensive result		8 735	16 347

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

Statement of Financial Position as at 30 June 2022

	Notes	2022 Actual \$'000	2021 Actual \$'000
Assets			
<i>Financial assets</i>			
Cash and cash equivalents	9.1	1 311	1 376
Receivables	5.1	1 096	1 450
Other financial assets	5.2	2 841	841
<i>Non-financial assets</i>			
Inventories	5.3	1 378	1 658
Property, plant and equipment	5.4	46 702	43 788
Right-of-use assets	5.5	913	1 380
Intangible assets	5.6	73	43
Superannuation assets	6.4	7 718	4 081
Other assets	5.7	1 454	646
Total assets		63 486	55 263
Liabilities			
Payables	6.1	1 353	3 259
Lease liabilities	6.2	930	1 411
Employee benefit liabilities	6.3	26 324	24 460
Other liabilities	6.5	930	919
Total liabilities		29 537	30 049
Net assets		33 949	25 214
Equity			
Reserves	8.1	16 380	12 189
Accumulated funds		17 569	13 025
Total equity		33 949	25 214

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

Statement of Cash Flows for the year ended 30 June 2022

	Notes	2022 Actual \$'000	2021 Actual \$'000
Cash flows from operating activities			
<i>Cash inflows</i>			
Appropriation receipts – operating		109 463	97 283
Appropriation receipts - other		....	2 701
Grants - continuing operations		24 300	23 226
Sales of goods and services		6 066	9 150
GST receipts		3 363	3 279
Interest received		65	....
Other cash receipts		3 332	2 853
Total cash inflows		146 589	138 492
<i>Cash outflows</i>			
Employee benefits		(99 812)	(92 902)
Finance costs		(23)	(76)
GST payments		(3 289)	(3 201)
Grants paid		(32)	(1 883)
Supplies and consumables		(37 133)	(30 815)
Other cash payments		(5 481)	(3 405)
Total cash outflows		(145 770)	(132 282)
Net cash from/(used by) operating activities	9.2	819	6 210
Cash flows from investing activities			
<i>Cash inflows</i>			
Proceeds from the disposal of non-financial assets		517	772
Total cash inflows		517	772
<i>Cash outflows</i>			
Payments for acquisition of non-financial assets		(558)	(6 508)
Total cash outflows		(558)	(6 508)
Net cash from/(used by) investing activities		(41)	(5 736)
Cash flows from financing activities			
<i>Cash outflows</i>			
Repayment of lease liabilities (excluding interest)		(843)	(759)
Total cash outflows		(843)	(759)
Net cash from/(used by) financing activities		(843)	(759)
Net increase/(decrease) in cash and cash equivalents held		(65)	(285)
Cash and cash equivalents at the beginning of the reporting period		1 376	1 661
Cash and cash equivalents at the end of the reporting period	9.1	1 311	1 376

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

Statement of Changes in Equity for the year ended 30 June 2022

	Reserves \$'000	Accumulated funds/(deficit) \$'000	Total equity \$'000
Balance as at 1 July 2021	12 189	13 025	25 214
Net result	....	238	238
Other comprehensive income	4 191	4 306	8 497
Total comprehensive result	4 191	4 544	8 735
Balance as at 30 June 2022	16 380	17 569	33 949

	Reserves \$'000	Accumulated funds/(deficit) \$'000	Total equity \$'000
Balance as at 1 July 2020	11 828	(2 961)	8 867
Net result	....	5 084	5 084
Other comprehensive income	361	10 902	11 263
Total comprehensive result	361	15 986	16 347
Balance as at 30 June 2021	12 189	13 025	25 214

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

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Note 1 Underlying Net Result

Non-operational capital funding is the income from continuing operations relating to funding for capital projects. This funding is classified as revenue from continuing operations and included in the net result. However, the corresponding capital expenditure is not included in the calculation of the net result. Accordingly, the net result will portray a position that is better than the true underlying financial result.

For this reason, the net result is adjusted to remove the effects of funding for capital projects.

	Notes	2022 Actual \$'000	2021 Actual \$'000
Net result from continuing operations		238	5 084
Less impact of:			
Non-operational capital funding			
Contributions received - fair value of assets assumed at no cost or for nominal consideration	2.5	1 679	2 952
Contributions not capitalised		....	(3)
Total		1 679	2 949
Underlying net result from continuing operations		(1 441)	2 135

Contributions received – fair value of assets assumed at no cost or for nominal consideration consists of capital grants for assets transferred to Ambulance Tasmania from the Department of Health for no consideration.

Note 2 Revenue

Income is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

Income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*, dependent on whether there is a contract with a customer defined by AASB 15.

2.1 Revenue from Government

Appropriations, whether operating or capital, are recognised as revenues in the period in which Ambulance Tasmania gains control of the appropriated funds as they do not contain enforceable and sufficiently specific obligations as defined by AASB 15. Except for any amounts identified as carried forward, control arises in the period of appropriation.

Revenue from Government includes revenue from appropriations, unexpended appropriations rolled over under section 23 of the *Financial Management Act 2016* and Items Reserved by Law.

Section 23 of the Financial Management Act allows for an unexpended appropriation at the end of the financial year, as determined by the Treasurer, to be issued and applied from the Public Account in the following financial year. The amount determined by the Treasurer must not exceed five per cent of an Agency's appropriation for the financial year.

	2022 Actual \$'000	2021 Actual \$'000
Continuing operations		
Appropriation revenue - operating		
Current year	109 463	97 283
Other revenue from Government		
Appropriation rollover under section 23 of the <i>Financial Management Act 2016</i>	....	2 701
Total revenue from Government	109 463	99 984

2.2 Grants

Grants revenue, where there is a sufficiently specific performance obligation attached, are recognised when Ambulance Tasmania satisfies the performance obligation and transfers the promised goods or services. Ambulance Tasmania typically satisfies its performance obligations when services have been provided in line with the agreed terms as set out in funding contracts. Ambulance Tasmania recognises revenue associated with performance obligations upon receipt of the revenues, which is typically using the input method on a straight line basis.

Grants revenue without a sufficiently specific performance obligation are recognised when Ambulance Tasmania gains control of the asset (typically Cash).

	2022 Actual \$'000	2021 Actual \$'000
Grants with sufficiently specific performance obligations		
Other Australian Government grants	3 323	6 778
Total	3 323	6 778
Grants without sufficiently specific performance obligations		
Other Australian Government grants	4 353	13
Internal grants	16 624	16 435
Total	20 977	16 448
Total revenue from grants	24 300	23 226

Internal grants primarily reflect additional funding provided by the Department of Health.

2.3 Sales of goods and services

Revenue from Sales of goods and services is recognised when Ambulance Tasmania satisfies a performance obligation by transferring the promised goods or services to the customer.

Services	Nature of timing of satisfaction of performance obligation, including significant payment terms	Revenue recognition policies
Ambulance services	Ambulance Tasmania typically satisfies the performance obligation when the promised services have been delivered to the satisfaction of the customer.	Ambulance Tasmania recognises revenue associated with performance obligations upon receipt of the revenues, which is typically using the input method on a straight line basis.

	2022 Actual \$'000	2021 Actual \$'000
Ambulance fees	8 485	9 213
Other user charges	50	75
Total	8 535	9 288

2.4 Interest

Interest on funds is recognised as it accrues using the effective interest rate method.

	2022 \$'000	2021 \$'000
Interest revenue		
Interest on superannuation defined benefit plans	65	....
Total	65	....

2.5 Contributions received

Services received free of charge by Ambulance Tasmania are recognised as income when a fair value can be reliably determined and when the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised at their fair value when Ambulance Tasmania obtains control of the asset, it is probable that future economic benefits comprising the contribution will flow to Ambulance Tasmania and the amount can be measured reliably. However, where the contribution received is from another government department as a consequence of restructuring of administrative arrangements, they are recognised as contributions by owners directly within equity. In these circumstances, book values from the transferor department have been used.

Ambulance Tasmania has recognised an inflow of resources in the form of volunteer services as income where the fair value of those services can be measured reliably, and the services would have been purchased if they had not been donated.

Key estimate and judgement

Fair value of volunteer services provided for Ambulance Tasmania is estimated based upon statewide volunteer hours at a salary rate which reflects that an ambulance volunteer's skill level may range up to advanced first aid and that the emergency care they provide is under approved protocols.

	2022	2021
	Actual	Actual
	\$'000	\$'000
Fair value of assets assumed at no cost or for nominal consideration	1 679	2 952
Fair value of volunteer services provided	9 654	10 804
Total	11 333	13 756

Fair value of volunteer services provided represents the estimated service value of volunteers to Ambulance Tasmania. This contribution is offset by an equal value recorded as Other expenses, refer to Note 4.6.

2.6 Other revenue

Other revenue primarily relates to the recovery of costs incurred and is recognised when an increase in future economic benefits relating to an increase in an asset or a decrease of a liability has arisen that can be reliably measured.

	2022	2021
	\$'000	\$'000
Corporate overhead funding	920	582
Recoveries - operating expenses	30	118
Recoveries - wages and salaries	84	84
Recoveries - workers compensation	2 298	2 066
Total	3 332	2 850

Corporate overhead funding represents a contribution by the Department of Health to partially offset the Corporate overhead charge levied against Ambulance Tasmania, refer to Note 4.3.

Note 3 Net Gains/(Losses)

3.1 Net gain/(loss) on non-financial assets

Gains or losses from the sale of non-financial assets are recognised when control of the assets has passed to the buyer.

Key judgement

Impairment exists when the recoverable amount of an asset is less than its carrying amount. Recoverable amount is the higher of fair value less costs to sell and value in use.

Specialised non-financial assets are not used for the purpose of generating cash flows, therefore their recoverable amount is expected to be materially the same as fair value, as determined under AASB 13 *Fair Value Measurement*.

All other non-financial assets are assessed to determine whether any impairment exists, with impairment losses recognised in the Statement of Comprehensive Income.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

	2022 \$'000	2021 \$'000
Net gain/(loss) on disposal of physical assets	301	214
Total net gain/(loss) on non-financial assets	301	214

3.2 Net gain/(loss) on financial instruments and statutory receivables/payables

Financial assets are impaired under the expected credit loss approach required under AASB 9 *Financial Instruments*. The expected credit loss is recognised for all debt instruments not held at fair value through profit or loss.

Key judgement

An impairment loss using the expected credit loss method for all trade debtors uses a lifetime expected loss allowance. The expected loss rates are based upon historical observed loss rates that are adjusted to reflect forward looking macroeconomic factors.

For other financial instruments that are not trade receivables, contract assets or lease receivables, Ambulance Tasmania has measured the expected credit loss using a probability-weighted amount that takes into account the time value of money and forward-looking macroeconomic factors.

	2022 \$'000	2021 \$'000
Impairment of receivables	(600)	(1 215)
Total net gain/(loss) on financial instruments	(600)	(1 215)

Impairment of receivables is recorded in the Reconciliation of movement in expected credit loss for receivables, refer to Note 5.1.

Note 4 Expenses

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

4.1 Employee benefits

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

(a) Employee expenses

	2022 \$'000	2021 \$'000
Wages and salaries	75 906	68 790
Annual leave	8 795	8 093
Long service leave	187	1 096
Sick leave	4 721	3 458
Superannuation - defined contribution scheme	9 449	8 461
Superannuation - defined benefit scheme	2 113	1 475
Other employment expenses – recruitment and staff development	639	533
Other employee expenses – other staff allowances	535	609
Total	102 345	92 515

Superannuation expenses relating to defined benefit schemes relate to payments into the Public Account. The amount of the payment is based on an employer contribution rate determined by the Treasurer, on the advice of the State Actuary. The current employer contribution is 12.95 per cent (2021: 12.95 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to superannuation funds at a rate of 10 per cent (2021: 9.5 per cent) of salary. In addition, Ambulance Tasmania is also required to pay into the Public Account a “gap” payment equivalent to 3.45 per cent (2021: 3.45 per cent) of salary in respect of employees who are members of defined contribution schemes.

4.2 Depreciation and amortisation

All applicable non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Land and Heritage and cultural assets, being assets with unlimited useful lives, are not depreciated.

The depreciable amount of improvements to or on leaseholds is allocated progressively over the estimated useful lives of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of a lease includes any option period where exercise of the option is reasonably certain.

Key estimate and judgement

Depreciation is provided for on a straight line basis, using rates which are reviewed annually.

All intangible assets having a limited useful life are systematically amortised over their useful lives reflecting the pattern in which the asset's future economic benefits are expected to be consumed by Ambulance Tasmania.

(a) Depreciation

	Major depreciation period	2022 \$'000	2021 \$'000
Plant, equipment and vehicles	2-20 years	2 613	2 383
Buildings	40-50 years	629	571
Right-of-use assets	2-22 years	830	766
Total		4 072	3 720

(b) Amortisation

	Major amortisation rate	2022 \$'000	2021 \$'000
Intangible assets	20 per cent	25	16
Total		25	16
Total depreciation and amortisation		4 097	3 736

4.3 Supplies and consumables

	2022 \$'000	2021 \$'000
Audit fees	37	36
Lease expenses	178	238
Consultants	53	134
Property services and rental payments	2 861	2 742
Maintenance	1 121	788
Communications	680	678
Information technology	3 169	2 844
Travel, transport and vehicle leasing payments	4 244	3 005
Advertising and promotion	1	15
Medical, surgical and pharmacy supplies	5 242	2 831
Patient and client services	12 634	12 855
Other licencing costs	58	125
Equipment and furniture	526	1 068
Administration	159	202
Food production costs	108	88
Corporate overhead charge	1 682	1 314
Service fees	1 767	680
Other supplies and consumables	254	774
Total	34 774	30 417

Audit fees paid or payable to the Tasmanian Audit Office for the audit of Ambulance Tasmania's Special Purpose Financial Report were \$37 390 (2021: \$36 050).

Lease expenses includes lease rentals for short term leases and variable lease payments, as detailed in Note 6.2.

The Corporate overhead charge levied against Ambulance Tasmania is partially offset by the Corporate overhead funding contribution by the Department of Health, refer to Note 2.6.

4.4 Grants and subsidies

Grant and subsidies expenditure is recognised to the extent that:

- the services required to be performed by the grantee have been performed; or
- the grant eligibility criteria have been satisfied.

A liability is recorded when Ambulance Tasmania has a binding agreement to make the grants, but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a prepayment is recognised.

	2022 \$'000	2021 \$'000
Grants		
Other	32	1 883
Total	32	1 883

Other grants primarily refer to contributions by Ambulance Tasmania to the Department of Health and the Tasmanian Health Service towards the operating costs of shared activities.

4.5 Finance costs

All finance costs are expensed as incurred using the effective interest method.

Finance costs include:

- lease charges; and
- interest on superannuation defined benefit plans.

	2022 \$'000	2021 \$'000
Interest expense		
Interest on lease liabilities	23	34
Interest on superannuation defined benefit scheme	....	42
Total	23	76

4.6 Other expenses

Other expenses are recognised when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be reliably measured.

	2022 \$'000	2021 \$'000
Salary on-costs	5 343	3 466
Fair value of volunteer services	9 654	10 804
Tasmanian Risk Management Fund premium	222	122
Other	1	....
Total	15 220	14 392

Fair value of volunteer services represents the estimated service value of volunteers to Ambulance Tasmania. This expense item is offset by an equal value recorded as Contributions received, refer to Note 2.5.

Note 5 Assets

Assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to Ambulance Tasmania and the asset has a cost or value that can be measured reliably.

5.1 Receivables

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Key judgement

Receivables are held with the objective to collect the contractual cash flows and are subsequently measured at amortised cost using the effective interest method. Any subsequent changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process. An allowance for expected credit losses is recognised for all debt financial assets not held at fair value through profit and loss. The expected credit loss is based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate.

For trade receivables, a simplified approach in calculating expected credit losses is applied, with a loss allowance based on lifetime expected credit losses recognised at each reporting date. Ambulance Tasmania has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

	2022 \$'000	2021 \$'000
Receivables	2 579	2 333
Less: Expected credit loss	(1 483)	(883)
Total	1 096	1 450
Sales of goods and services (inclusive of GST)	786	917
Tax assets	310	533
Total	1 096	1 450
Settled within 12 months	1 096	1 450
Total	1 096	1 450

(a) Reconciliation of movement in expected credit loss for receivables

	2022 \$'000	2021 \$'000
Carrying amount as at 1 July	883	156
Amounts written off during the year	....	(488)
Increase/(decrease) in provision recognised in profit or loss	600	1 215
Carrying amount as at 30 June	1 483	883

The Increase/(decrease) in provision recognised in profit or loss is recorded as Net gain/(loss) on financial instruments and statutory receivables/payables, refer to Note 3.2.

5.2 Other financial assets

Other financial assets are classified and measured at amortised cost. Impairment losses, where applicable, are recorded in the Statement of Comprehensive Income. Any gain or loss arising on derecognition is recognised directly in net result and presented in other gains/(losses).

	2022 \$'000	2021 \$'000
Accrued revenue	2 841	841
Total	2 841	841
Settled within 12 months	2 841	841
Total	2 841	841

Accrued revenue primarily relates to recoveries from the Australian Department of Veteran Affairs.

5.3 Inventories

Inventories held for distribution are valued at cost adjusted, when applicable, for any loss of service potential. Inventories acquired for no cost or nominal consideration are valued at current replacement cost.

	2022 \$'000	2021 \$'000
Pharmacy	125	169
General supplies	1 253	1 489
Total	1 378	1 658
Consumed within 12 months	1 378	1 658
Total	1 378	1 658

5.4 Property, plant and equipment

Key estimate and judgement

(i) Valuation basis

Land, buildings and heritage and cultural assets are recorded at fair value, less accumulated depreciation for building assets. All other non-current physical assets, including work in progress, are recorded at historic cost less accumulated depreciation and accumulated impairment losses. All assets within a class of assets are measured on the same basis.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Fair value is based on the highest and best use of the asset. Unless there is an explicit Government policy to the contrary, the highest and best use of an asset is the current purpose for which the asset is being used or occupied.

The recognised fair value of non-financial assets is classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements.

Level 1 the fair value is calculated using quoted prices in active markets;

Level 2 the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to Ambulance Tasmania and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day to day servicing of property, plant and equipment are recognised in the Statement of Comprehensive Income as incurred.

(iii) Asset recognition threshold

The asset capitalisation threshold adopted by Ambulance Tasmania are:

Plant, equipment and vehicles	\$10 000
Land and buildings	\$10 000
Heritage and cultural assets	\$10 000

Assets valued at less than the threshold amount are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total or where the details of the asset are required for tracing purposes).

(iv) *Revaluations*

Ambulance Tasmania's land, building and heritage and cultural assets were revalued independently by the Valuer-General as at 30 June 2018. These assets were valued in accordance with the Australian Accounting Standards (AASB 116 *Property, Plant and Equipment*).

Each year since the revaluation, land and building assets received an indice valuation performed by the Valuer-General. The indice valuation was based on a review of market movement factors and building construction cost. There has been no adjustment to heritage and cultural assets since the 30 June 2018 revaluation.

Assets are grouped on the basis of having a similar nature or function in the operations of Ambulance Tasmania.

Assets are revalued with sufficient regularity to ensure they reflect fair value at balance date. *Revaluations are shown on a gross basis where a replacement cost basis of valuations has been used. Asset revaluations based on a market basis are disclosed on a net basis, however, Ambulance Tasmania has endeavoured to obtain replacement cost valuations where possible to enable gross values to be disclosed.*

(v) *Service concession assets*

Ambulance Tasmania adopted AASB 1059 *Service Concession Arrangements: Grantors* from 1 July 2020. However, there is no effect of adopting AASB 1059 for Ambulance Tasmania, as these types of arrangements are not entered into.

(a) **Carrying amount**

	2022 \$'000	2021 \$'000
Land		
At fair value	14 651	12 120
Total	14 651	12 120
Buildings		
At fair value	34 829	30 023
Less: Accumulated depreciation	(15 293)	(13 167)
Total	19 536	16 856
Plant, equipment and vehicles		
At cost	23 471	24 544
Less: Accumulated depreciation	(14 181)	(15 370)
	9 290	9 174
Work in progress (at cost)	3 048	5 543
Total	12 338	14 717
Heritage and cultural assets		
At fair value	151	95
	151	95
Work in progress (at cost)	26	....
Total	177	95
Total property, plant and equipment	46 702	43 788

(b) Reconciliation of movements (including fair value levels)

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

2022	Land (vacant land in active markets) Level 2 \$'000	Buildings (specific purpose/use buildings) Level 3 \$'000	Plant, equipment and vehicles \$'000	Heritage and cultural assets Level 3 \$'000	Total \$'000
Carrying value as at 1 July	12 120	16 856	14 717	95	43 788
Additions – acquisitions	....	....	451	....	451
Additions – contributions	30	1 618	....	82	1 730
Disposals	....	....	(216)	....	(216)
Gains/losses recognised in other comprehensive income					
Revaluation increments/(decrements)	2 501	1 691	....	....	4 192
Depreciation	....	(629)	(2 614)	....	(3 243)
Carrying value as at 30 June	14 651	19 536	12 338	177	46 702
2021	Land (vacant land in active markets) Level 2 \$'000	Buildings (specific purpose/use buildings) Level 3 \$'000	Plant, equipment and vehicles \$'000	Heritage and cultural assets Level 3 \$'000	Total \$'000
Carrying value as at 1 July	11 987	15 164	10 233	95	37 479
Transfer between classes	215	(215)	....	....	....
Additions – acquisitions	....	....	6 511	....	6 511
Additions – contributions	....	2 035	914	....	2 949
Disposals	....	....	(558)	....	(558)
Gains/losses recognised in other comprehensive income					
Revaluation increments/(decrements)	(82)	443	....	....	361
Depreciation	....	(571)	(2 383)	....	(2 954)
Carrying value as at 30 June	12 120	16 856	14 717	95	43 788

(c) Level 3 significant valuation inputs and relationship to fair value

	Fair value as at 30 June \$'000	Significant unobservable inputs used in valuation	Possible alternative values for Level 3 inputs	Sensitivity of fair value to changes in Level 3 inputs
Buildings	19 536	A - Construction costs B - Age and condition of asset C - Remaining useful life	When valuing these assets, their existing and alternative uses are taken into account by valuers. As a result, it is unlikely that alternative values will arise unless there are changes in known inputs.	Tasmanian construction indexes have remained stable over the past 12 months. Design and useful lives are reviewed regularly but generally remain unchanged. As a result, it is unlikely that significant variations in values will arise in the short term.

	Fair value as at 30 June \$'000	Significant unobservable inputs used in valuation	Possible alternative values for Level 3 inputs	Sensitivity of fair value to changes in Level 3 inputs
Heritage and cultural assets	177	A - Acquisition costs B - Condition of the asset C - Market transactions for identical or similar assets	Valuing these assets is an inexact science and it is not likely that alternative values applying other inputs would result in a materially different value.	Given the diversity of the heritage and cultural assets held, it is unlikely that a variation in the market transactions for identical or similar assets would impact a large proportion of the assets held. As a result, it is unlikely that significant variations in values will arise in the short term.

(d) Assets where current use is not the highest and best use

Ambulance Tasmania has no assets where the current use is not the highest and best use.

5.5 Right-of-use assets

AASB 16 requires Ambulance Tasmania to recognise a right-of-use asset, where it has control of the underlying asset over the lease term. A right-of-use asset is measured at the present value of initial lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Ambulance Tasmania has elected not to recognise right-of-use assets and lease liabilities arising from short term leases, rental arrangements for which Treasury has substantive substitution rights over the assets and leases for which the underlying asset is of low-value. Substantive substitution rights relate primarily to office accommodation. An asset is considered low-value when it is expected to cost less than \$10 000.

Right-of-use assets are depreciated over the shorter of the assets useful life and the term of the lease. Where Ambulance Tasmania obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that Ambulance Tasmania will exercise a purchase option, Ambulance Tasmania depreciates the right-of-use asset over its useful life.

2022	Buildings \$'000	Plant and equipment \$'000	Total \$'000
Carrying value as at 1 July	56	1 324	1 380
Additions	362	....	362
Depreciation	(138)	(691)	(829)
Carrying value as at 30 June	280	633	913

2021	Buildings \$'000	Plant and equipment \$'000	Total \$'000
Carrying value as at 1 July	130	2 016	2 146
Depreciation	(74)	(692)	(766)
Carrying value as at 30 June	56	1 324	1 380

5.6 Intangible assets

An intangible asset is recognised where:

- it is probable that an expected future benefit attributable to the asset will flow to Ambulance Tasmania; and
- the cost of the asset can be reliably measured.

Intangible assets held by Ambulance Tasmania, where no active market exists, are valued at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with a finite useful life held by Ambulance Tasmania principally comprise computer software.

(a) Carrying amount

	2022 \$'000	2021 \$'000
Intangible assets with a finite useful life		
At cost	325	270
Less: Accumulated amortisation	(252)	(227)
Total	73	43

(b) Reconciliation of movements (including fair value levels)

	2022 Level 2 \$'000	2022 Level 3 \$'000	2022 Total \$'000	2021 Total \$'000
Carrying amount as at 1 July	43	....	43	59
Additions	55	....	55	....
Amortisation	(25)	....	(25)	(16)
Carrying amount as at 30 June	73	....	73	43

5.7 Other assets

Other assets are recorded at amortised cost and include prepayments.

(a) Carrying amount

	2022 \$'000	2021 \$'000
Other current assets		
Prepayments	1 454	646
Total	1 454	646
Recovered within 12 months	1 454	646
Total	1 454	646

Prepayments primarily relate to medical equipment and services.

(b) Reconciliation of movements

	2022 \$'000	2021 \$'000
Carrying amount as at 1 July	646	179
Additions	1 454	646
Utilised	(646)	(179)
Carrying amount as at 30 June	1 454	646

Note 6 Liabilities

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

6.1 Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when Ambulance Tasmania becomes obliged to make future payments as a result of a purchase of assets or services.

	2022	2021
	\$'000	\$'000
Creditors	1 251	3 209
Accrued expenses	102	50
Total	1 353	3 259
Settled within 12 months	1 353	3 259
Total	1 353	3 259

Settlement of Creditors is usually made within 14 days.

6.2 Lease liabilities

A lease liability is measured at the present value of the lease payments that are not paid at that date. The discount rate used to calculate the present value of the lease liability is the rate implicit in the lease. Where the implicit rate is not known and cannot be determined the Tascorp indicative lending rate including the relevant administration margin is used.

Ambulance Tasmania has elected not to recognise right-of-use assets and lease liabilities arising from short term leases, rental arrangements for which Treasury has substantive substitution rights over the assets and leases for which the underlying asset is of low-value. Substantive substitution rights relate primarily to office accommodation. An asset is considered low-value when it is expected to cost less than \$10 000.

Ambulance Tasmania has entered into the following leasing arrangements:

Class of right-of-use asset	Details of leasing arrangements
Plant and equipment	These leases are paid monthly, quarterly or annually. Lease payments include rent escalation for a fixed percentage, dollar increase per year or future index or rate.
Buildings	These leases are paid monthly, quarterly or annually. Lease payments include rent escalation for a fixed percentage, dollar increase per year or future index or rate. Some leases include options to extend the lease term.

	2022	2021
	\$'000	\$'000
Current Lease liabilities	765	758
Non-current Lease liabilities	165	653
Total	930	1 411

Maturity analysis of lease liabilities:

	2022 \$'000	2021 \$'000
One year or less	765	758
From one to two years	90	653
From two to three years	50	....
From three to four years	25	....
More than four years	....	....
Total	930	1 411

The lease liability in the maturity analysis is presented using undiscounted contractual amounts before deducting finance charges.

The following amounts are recognised in the Statement of Comprehensive Income:

	2022 \$'000	2021 \$'000
Interest on lease liabilities included in Note 4.5	23	34
Lease expenses included in Note 4.3:		
Short term leases	167	222
Variable lease payments	11	16
Net expenses from leasing activities	201	272

6.3 Employee benefit liabilities

Key estimate and judgement

Liabilities for wages and salaries and annual leave are recognised when an employee becomes entitled to receive a benefit. Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid. Other employee entitlements are measured as the present value of the benefit at 30 June, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

A liability for long service leave is recognised and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

	2022 \$'000	2021 \$'000
Accrued salaries	1 412	1 002
Annual leave	12 598	10 573
Long service leave	11 601	12 173
Sabbatical leave	242	175
Development leave	122	143
Other employee benefits	349	394
Total	26 324	24 460
Expected to settle wholly within 12 months	10 983	9 608
Expected to settle wholly after 12 months	15 341	14 852
Total	26 324	24 460

Other employee benefits is comprised of Purchased Leave Scheme, excess on-call leave and State Service Accumulated Leave Scheme entitlements.

6.4 Superannuation

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense when they fall due.

(ii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Key estimate and judgement

With the exception noted below, Ambulance Tasmania does not recognise a liability for the accruing superannuation benefits of State Service employees. This liability is held centrally and is recognised within the Finance-General Division of the Department of Treasury and Finance.

Ambulance Tasmania's superannuation obligations, in respect of the contributory service of current and past Ambulance Tasmania employees under the Tasmanian Ambulance Service Superannuation Scheme, are recognised at the latest actuarial assessment of the member's entitlements, net of Scheme assets. The valuation is determined by discounting to present value, the gross benefit payments at a current, market-determined, risk-adjusted discount rate appropriate to the plan.

Actuarial gains or losses arising from the actuarial revaluation of Ambulance Tasmania superannuation liabilities are recognised in the Statement of Comprehensive Income.

(a) Type of plan

Tasmanian Ambulance Service Superannuation Scheme

The Tasmanian Ambulance Service Superannuation Scheme is a defined benefit scheme where members receive lump sum benefits on resignation, retirement, death or invalidity.

The Tasmanian Ambulance Service Superannuation Scheme balances reported are provided in respect of those employees who are defined benefit members.

The Scheme is closed to new members.

The Scheme forms part of the Retirement Benefits Fund and operates under the *Public Sector Superannuation Reform Act 2016*. The rules of the Scheme are set out in the Tasmanian Ambulance Service Superannuation Scheme Trust Deed.

The Superannuation Commission has fiduciary responsibility for, and oversees the administration of the Scheme. The day to day running of the Scheme is managed by the Office of the Superannuation Commission within the Department of Treasury and Finance.

There are a number of risks to which the Scheme exposes Ambulance Tasmania. The more significant risks relating to the defined benefits are:

- Investment risk - The risk is that investment returns will be lower than assumed and employers will need to increase contributions to offset this shortfall over the long term.
- Salary growth risk - The risk is that wages or salaries (on which future benefit amounts will be based) will rise more rapidly than assumed, increasing defined benefit amounts and the associated employer contributions over the long term.
- Legislative risk – The risk is that legislative changes could be made which increase the cost of providing the defined benefits.
- There were no Scheme amendments, curtailments or settlements during the year.
- The present value of the superannuation asset or liability is reflected in the difference between net assets available to pay benefits and the amount of accrued benefits as at 30 June 2022.
- An independent actuarial assessment is undertaken into the Tasmanian Ambulance Service Superannuation Scheme as at 30 June each financial year.
- The State Actuary undertook a revaluation of the present value of the defined benefit obligation and the fair value of the plan assets as at 30 June 2022 using the process outlined in AASB 119 *Employee Benefits*. As a result of the revaluation, it was determined that the Tasmanian Ambulance Service Superannuation Scheme was in surplus by \$7.7 million (2021: \$4.1 million surplus).

(b) Reconciliation of movements in fair value of Scheme assets

	Tasmanian Ambulance Service Superannuation Scheme	
	2022	2021
	\$'000	\$'000
Fair value balance as at 1 July	68 090	56 535
Included in profit or loss		
Employer contributions	1 178	1 486
Interest income	928	548
Taxes, premiums and expenses paid	(177)	(223)
	1 929	1 811
Included in other comprehensive income		
Return/(loss) on plan assets excluding interest	(3 960)	9 669
	(3 960)	9 669
Other		
Contributions by plan participants	907	891
Benefits paid	(7 841)	(816)
	(6 934)	75
Fair value balance as at 30 June	59 125	68 090

(c) Reconciliation of the defined benefit obligation

	Tasmanian Ambulance Service Superannuation Scheme	
	2022	2021
	\$'000	\$'000
Present value of defined benefit obligations as at 1 July[^]	64 009	62 681
Current service cost	1 912	2 119
Interest expense	863	590
Contributions by Scheme participants	907	891
Actuarial (gains)/losses arising from changes in financial assumptions	(8 512)	(2 680)
Actuarial (gains)/losses arising from liability experience	246	1 447
Benefits paid	(7 841)	(816)
Taxes, premiums and expenses paid	(177)	(223)
Present value of defined benefit obligations as at 30 June[^]	51 407	64 009

[^]includes defined benefit contributions tax provision.

(d) Reconciliation of movements in present value of superannuation liability/(asset)

	Tasmanian Ambulance Service Superannuation Scheme	
	2022	2021
	\$'000	\$'000
Balance as at 1 July	(4 081)	6 146
Included in profit or loss		
Current service cost	1 912	2 119
Interest income	(65)	....
Interest cost	....	42
	1 847	2 161
Included in other comprehensive income		
Actuarial loss/(gain) arising from changes in financial assumptions	(8 512)	(2 680)
Actuarial loss/(gain) arising from liability experience	246	1 447
Return/(loss) on plan assets excluding interest	3 960	(9 669)
	(4 306)	(10 902)
Other		
Employer contributions	(1 178)	(1 486)

Balance as at 30 June

(7 718)

(4 081)

(e) Scheme assets at fair value

Tasmanian Ambulance Service Superannuation Scheme

Scheme assets as at 30 June 2022[^] comprise:

Asset category	Level 1		Level 2		Level 3		Total	
	Quoted in active market		Observable inputs, not quoted		Unobservable inputs		Fair value	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australian equities	10 288	10 758	....	....	10 288	10 758
International equities	12 475	13 618	....	....	12 475	13 618
Infrastructure	1 951	2 247	5 676	6 605	7 627	8 852
Diversified fixed interest	13 185	16 954	....	....	13 185	16 954
Property	1 005	953	10 051	11 916	11 056	12 869
Alternative investments	4 494	5 039	....	....	4 494	5 039
Total	43 398	49 569	15 727	18 521	59 125	68 090

[^]Estimated based on estimated Scheme assets as at 30 June 2022 and asset allocation of the Retirement Benefits Fund Scheme as at 30 June 2021.

The fair value of Scheme assets includes no amounts relating to:

- any of Ambulance Tasmania's own financial instruments.
- any property occupied by, or other assets used by Ambulance Tasmania.

(f) Key actuarial assumptions

Tasmanian Ambulance Service Superannuation Scheme

Assumptions to determine defined benefit cost	2022	2021
	%	%
Discount rate	1.45	1.00
Expected salary increase rate	3.00	3.00

Assumptions to determine defined benefit obligation	2022	2021
	%	%
Discount rate	3.65	1.45
Expected salary increase rate	3.50	3.00

As at 30 June 2022, the weighted average duration of the defined benefit obligation for the Scheme was 6.7 years (2021: 7.6 years).

(g) Sensitivity analysis

Tasmanian Ambulance Service Superannuation Scheme

The defined benefit obligation as at 30 June 2022 under several scenarios is presented below.

Scenario A and B relate to discount rates sensitivity. Scenario C and D relate to expected pension increase rate sensitivity.

Scenario A: 1.0% pa lower discount rate assumption

Scenario B: 1.0% pa higher discount rate assumption

Scenario C: 1.0% pa lower than expected pension increase rate assumption

Scenario D: 1.0% pa higher than expected pension increase rate assumption

Defined benefit obligations	Base Case	Scenario A -1.0% pa discount rate	Scenario B +1.0% pa discount rate	Scenario C -1.0% pa pension increase rate	Scenario D +1.0% pa pension increase rate
Discount rate (% pa)	3.65	2.65	4.65	3.65	3.65
Pension increase rate (% pa)	3.50	3.50	3.50	2.50	4.50
Defined Budget Obligation^ (A\$'000s)	51 407	55 804	47 736	48 353	54 925

^includes defined benefit contribution tax provision.

The defined benefit obligation has been recalculated by changing the assumptions as outlined above, whilst retaining all other assumptions.

(h) Funding arrangements

Contributions to the Tasmanian Ambulance Superannuation Scheme in respect of defined benefit schemes are made on an emerging cost basis.

Ambulance Tasmania expects to make a contribution of \$1.2 million (2021: \$1.3 million) to the defined benefit plan for the Tasmanian Ambulance Superannuation Scheme during the next financial year.

6.5 Other liabilities

Other liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably. Other liabilities include revenue received in advance and on-costs associated with employee benefit liabilities. Revenue received in advance is measured at amortised cost. On-costs associated with employee benefit liabilities expected to be realised within 12 months are measured at the amount expected to be paid. Other on-costs associated with employee benefit liabilities are measured at the present value of the cost at 30 June 2022, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

	2022 \$'000	2021 \$'000
Other financial liabilities		
Employee benefit liabilities - on-costs	712	627
Inter-entity balance	218	292
Total	930	919
Settled within 12 months	485	515
Settled in more than 12 months	445	404
Total	930	919

Inter-entity balance represents Goods and Services Tax settlement entries arising between Ambulance Tasmania and the Department of Health.

Note 7 Commitments and Contingencies

7.1 Schedule of commitments

Commitments represent those contractual arrangements entered by Ambulance Tasmania that are not reflected in the Statement of Financial Position.

Leases are recognised as right-of-use assets and lease liabilities in the Statement of Financial Position, excluding short term leases and leases for which the underlying asset is of low value, which are recognised as an expense in the Statement of Comprehensive Income.

	2022 \$'000	2021 \$'000
By type		
Capital commitments		
Property, plant and equipment	....	1 195
Total	....	1 195
Other commitments		
Department of Police, Fire and Emergency Management - communication support	603	1 048
Department of Police, Fire and Emergency Management - critical incident stress management program	162	181
Department of Police, Fire and Emergency Management - helicopter emergency medical service	....	1 137
Department of Police, Fire and Emergency Management - rescue helicopter contract	....	2 546
Department of Treasury and Finance - motor vehicles	1 040	980
Department of Treasury and Finance – rent on buildings	28	....
Emergency services computer-aided dispatch	839	2 200
Helicopter services	5 952	2 530
Information technology	316	469
Medical priority enterprise maintenance agreement	255	76
Miscellaneous goods and services contracts	854	740
Rescue helicopter contract	14 940	....
Royal Flying Doctor Service air ambulance standing charge	4 438	3 053
Secondary triage	560	1 617
Short term and/or low-value leases	166	370
Total	30 153	16 947
Total commitments	30 153	18 142
By maturity		
Capital commitments		
One year or less	....	1 195
From one to five years	....	....
More than five years	....	....
Total	....	1 195
Other commitments		
One year or less	20 273	13 362
From one to five years	9 880	3 183
More than five years	....	402
Total	30 153	16 947
Total commitments	30 153	18 142

Other commitments

Department of Police, Fire and Emergency Management - communication support

A Memorandum of Understanding details the services that the Department of Police, Fire and Emergency Management provides to support Ambulance Tasmania, particularly communications, systems and technology support (paging and consoles), triple zero and emergency services computer-aided dispatch systems.

Department of Police, Fire and Emergency Management - critical incident stress management program

Ambulance Tasmania is committed to the critical incident stress management program, which assists in managing the impact of critical incidents on emergency services personnel (including carers and volunteers).

Department of Treasury and Finance - motor vehicles

The Government motor vehicle fleet is managed as part of a whole-of-Government arrangement with the Department of Treasury and Finance. Rental payments vary according to the type of vehicle and, where applicable, the price received for trade-in vehicles. Rental terms for the majority of existing vehicles are for a period of three years or 60 000 km, whichever comes first, with no change to the rental rate.

Department of Treasury and Finance - rent on buildings

Commitments represent rental agreements between Ambulance Tasmania and the Department of Treasury and Finance in relation to office accommodation leasing contracts held by the Department of Treasury and Finance.

Emergency services computer-aided dispatch

Emergency services computer-aided dispatch is the integrated dispatch system across Tasmania Police, Tasmanian Fire Service, State Emergency Service and Ambulance Tasmania. The dispatch system provides the capability to deliver the best possible response to emergencies and calls for assistance, with enhanced safety for the community and emergency services personnel.

Helicopter services

To support Ambulance Tasmania's approach to the COVID-19 pandemic and move patients across regional Tasmania, the Government funded an additional Bell 412 Helicopter.

Information technology

Information technology commitments include the In-Vehicle Information System contract, which relates to the maintenance and support of the on-board computer system placed in operational ambulance vehicles. This system provides a mobile interface to the State Communications Centre for ambulance crews.

Medical priority enterprise maintenance agreement

The medical priority enterprise maintenance agreement ensures that Ambulance Tasmania's emergency dispatch and call taking software/systems are maintained to ensure that protocols are in accordance with scientifically validated, updated, and dynamic protocols.

Miscellaneous goods and services contracts

Ambulance Tasmania is party to contracts for the supply of medical services, equipment purchase and maintenance contracts and other development projects.

Rescue helicopter contract

The Rescue helicopter contract is a contract to secure the availability of specialist helicopter services to both Ambulance Tasmania and the Department of Police, Fire and Emergency Management with Ambulance Tasmania being the lead agency in the contract. The actual cost of the service will be shared between the agencies based on a cost sharing agreement.

Royal Flying Doctor Service air ambulance standing charge

The Royal Flying Doctor Service charge covers availability of the aircraft and a back-up aircraft, with pilots available 24 hours a day and other fixtures, including a hangar. It does not include variable costs such as flying hours and aviation charges.

Secondary triage

To improve on Ambulance Tasmania's response to 000 calls, a "secondary triage" process was implemented to ensure Tasmanian's receive the right care, in the right place and at the right time. Secondary triage will help Ambulance Tasmania keep emergency ambulances available for life-threatening and serious cases where paramedic care is needed.

Short term and/or low-value leases

Ambulance Tasmania leases a range of properties/tenancies around the State for service delivery purposes. Short term leases and leases for which the underlying asset is of low value do not qualify for recognition as right-of-use assets and lease liabilities and are recognised as commitments.

7.2 Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding any possible amount or timing of any possible underlying claim or obligation.

(a) Quantifiable contingencies

A quantifiable contingent asset is any possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Ambulance Tasmania does not have any quantifiable contingent assets as at 30 June 2021 or as at 30 June 2022.

A quantifiable contingent liability is any possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, or any present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. To the extent that any quantifiable contingencies are insured, details provided below are recorded net.

	2022 \$'000	2021 \$'000
Quantifiable contingent liabilities		
Contingent claims		
Legal claims (including medical negligence and workers compensation)	992	2 166
Total quantifiable contingent liabilities	992	2 166

Legal Claims

At 30 June 2022, Ambulance Tasmania had a number of legal claims against it for professional negligence and other matters. These claims are reported at the estimated net cost to Ambulance Tasmania.

Ambulance Tasmania manages its legal claims through the Tasmanian Risk Management Fund. An excess is payable for every claim (\$40 000 for general liability and \$50 000 for medical liability) and amounts over the excess are met by the Tasmanian Risk Management Fund.

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding any possible amount or timing of any possible underlying claim or obligation.

(b) Unquantifiable contingencies

There are no unquantifiable contingencies as at 30 June 2022.

Note 8 Reserves

8.1 Reserves

2022	Land	Buildings	Heritage and cultural assets	Total
	\$'000	\$'000	\$'000	\$'000
Asset revaluation reserve				
Balance as at 1 July	8 423	3 753	13	12 189
Revaluation increments/(decrements)	2 501	1 690	....	4 191
Balance as at 30 June	10 924	5 443	13	16 380

2021	Land	Buildings	Heritage and cultural assets	Total
	\$'000	\$'000	\$'000	\$'000
Asset revaluation reserve				
Balance as at 1 July	8 505	3 310	13	11 828
Revaluation increments/(decrements)	(82)	443	....	361
Balance as at 30 June	8 423	3 753	13	12 189

(a) Nature and purpose of reserves

Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-financial assets, as described in Note 5.4.

Transfers to/from accumulated funds are in relation to the disposal of assets which had a corresponding asset revaluation adjustment in the Statement of Changes in Equity.

Note 9 Cash Flow Reconciliation

Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in Specific Purpose Accounts, being short term of three months or less and highly liquid. Deposits are recognised at amortised cost, being their face value.

9.1 Cash and cash equivalents

Cash and cash equivalents include the balance of the Specific Purpose Accounts held by Ambulance Tasmania, and other cash held, excluding those accounts which are administered or held in a trustee capacity or agency arrangement.

	2022 \$'000	2021 \$'000
Specific Purpose Account balances		
Operating Account	1 309	1 374
Total	1 309	1 374
Other cash held		
Other cash and equivalents not included above	2	2
Total	2	2
Total cash and cash equivalents	1 311	1 376

Other cash and equivalents primarily represent petty cash and cash floats.

9.2 Reconciliation of net result to net cash from operating activities

	2022 \$'000	2021 \$'000
Net result from continuing operations	238	5 084
Non-actuarial gains/(losses) on superannuation defined benefit plans	669	675
Depreciation and amortisation	4 097	3 736
Recognition of non-cash contributions	(1 679)	(2 952)
Net gain/(loss) on non-financial assets	(301)	(214)
Net gain/(loss) on financial instruments and statutory receivables/payables	600	1 215
Decrease/(increase) in Receivables	(246)	(108)
Decrease/(increase) in Other assets	(2 808)	(466)
Decrease/(increase) in Inventories	280	37
Increase/(decrease) in Employee benefit liabilities	1 864	(1 062)
Increase/(decrease) in Payables	(1 906)	160
Increase/(decrease) in Other liabilities	11	105
Net cash from/(used by) operating activities	819	6 210

9.3 Financing facilities

Ambulance Tasmania does not have any financing facilities.

9.4 Reconciliation of liabilities arising from financing activities

Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.

	2022 \$'000	2021 \$'000
Lease liabilities		
Balance as at 1 July	1 411	2 170
New leases	362	....
Changes from financing cash flows:		
Repayment of lease liabilities (excluding interest)	(843)	(759)
Balance as at 30 June	930	1 411

Note 10 Transactions and Balances Relating to a Trustee or Agency Arrangement

10.1 Activities undertaken under a trustee or agency arrangement

Transactions relating to activities undertaken by Ambulance Tasmania in a trust or fiduciary (agency) capacity do not form part of Ambulance Tasmania's activities. Trustee and agency arrangements, and transactions/balances relating to those activities, are neither controlled nor administered.

Fees, commissions earned and expenses incurred in the course of rendering services as a trustee or through an agency arrangement are recognised as controlled transactions.

Account	Opening balance	Net transactions during 2021-22	Closing balance
	\$'000	\$'000	\$'000
Patient Trust and Bequest Account	101	(6)	95

Note 11 Events Occurring after Balance Date

The COVID-19 Pandemic is ongoing with the Delta and Omicron variants of the virus proving to be more transmissible than previous strains.

Internally, Ambulance Tasmania continues to take measures to monitor and mitigate the effects of COVID-19, such as safety and health measures for its people (including infection control procedures, provision of personal protective equipment, social distancing and working from home).

Ambulance Tasmania is unable to predict the likely increases in expenditure as a result of the COVID-19 virus or long-term impact on the funding of Ambulance Tasmania.

Note 12 Other Significant Accounting Policies

12.1 Objectives and funding

Ambulance Tasmania provides emergency ambulance, transport and care services and a non-emergency patient transport service. The provision of ambulance services in rural communities relies on the strength and commitment of volunteer ambulance officers working in volunteer units, branch stations and independent services.

Ambulance Tasmania is predominantly funded through appropriation funding through the Department of Health. In addition, Ambulance Tasmania provides services to fee paying patients, or patients who will receive compensation for these expenses due to the circumstances surrounding their injury.

Ambulance Tasmania's activities are classified as either controlled or administered.

Controlled activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by Ambulance Tasmania in its own right. Administered activities involve the management or oversight by Ambulance Tasmania, on behalf of the Government, of items controlled or incurred by the Government. In the current financial year, there are no administered items.

12.2 Basis of accounting

The Commissioner of Ambulance Tasmania has determined that, as there are no users dependent on General Purpose Financial Statements, this Special Purpose Financial Report has been prepared in order to meet the financial reporting obligations of Ambulance Tasmania and the *Audit Act 2008*.

The Special Purpose Financial Report has been prepared in accordance with:

- The recognition and measurement requirements specified by Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1048 *Interpretation of Standards*, AASB 1054 *Australian Additional Disclosures*, AASB 13 *Fair Value Measurement*, AASB 15 *Revenue from Contracts with Customers*, AASB 16 *Leases*, AASB 102 *Inventories*, AASB 116 *Property Plant and Equipment*, and AASB 138 *Intangible Assets*.

The Special Purpose Financial Report was signed on 2 September 2022.

Compliance with the Australian Accounting Standards (AAS) may not result in compliance with International Financial Reporting Standards (IFRS), as the AAS include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. Ambulance Tasmania is considered to be not-for-profit and has adopted some accounting policies under the AAS that do not comply with IFRS.

This Special Purpose Financial Report has reduced disclosure in terms of financial instruments, remuneration of key management personnel and related party transactions.

The Special Purpose Financial Report has been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention. The accounting policies are generally consistent with the previous year except for those changes outlined in Note 12.5.

The Special Purpose Financial Report has been prepared as a going concern. The continued existence of Ambulance Tasmania in its present form, undertaking its current activities, is dependent on Government policy and on continuing appropriations through the Department of Health for Ambulance Tasmania's administration and activities.

Ambulance Tasmania has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

12.3 Reporting entity

The Special Purpose Financial Report includes all the controlled activities of Ambulance Tasmania. The Special Purpose Financial Report consolidates material transactions and balances of Ambulance Tasmania.

12.4 Functional and presentation currency

This Special Purpose Financial Report is presented in Australian dollars, which is Ambulance Tasmania's functional currency.

12.5 Changes in accounting policies

(a) Impact of new and revised Accounting Standards

In the current year, there are no new or revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to Ambulance Tasmania's operations and effective for the current annual reporting period.

(b) Impact of new and revised Accounting Standards yet to be applied

There are no applicable Standards that have been issued by the AASB that are yet to be applied by Ambulance Tasmania.

(c) Voluntary changes in accounting policy

Ambulance Tasmania has made no voluntary changes in accounting policy during 2021-22.

(d) Impact of COVID-19 on Financial Reporting for 2021-22

The impact of COVID-19 on financial reporting for 2021-22 has been considered and additional commentary has been provided at Note 11.

12.6 Foreign currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date.

12.7 Comparative figures

Comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards. Details of the impact of changes in accounting policy on comparative figures are at Note 19.5.

Where amounts have been reclassified within the Special Purpose Financial Report, the comparative statements have been restated.

The comparatives for external administrative restructures are not reflected in the Financial Statements.

12.8 Rounding

All amounts in the Special Purpose Financial Report have been rounded to the nearest thousand dollars, unless otherwise stated. As a consequence, rounded figures may not add to totals. Amounts less than \$500 are rounded to zero and are indicated by the symbol “...”.

12.9 Taxation

Ambulance Tasmania is exempt from all forms of taxation except Fringe Benefits Tax and Goods and Services Tax.

12.10 Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax, except where the GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables are stated inclusive of GST. The net amount recoverable, or payable, to the Australian Taxation Office is recognised as an asset or liability within the Statement of Financial Position.

In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities which is recoverable from, or payable to, the Australian Taxation Office is, in accordance with the Australian Accounting Standards, classified as operating cash flows.

Independent Auditor's Report

To the Members of Parliament
Ambulance Tasmania
Report on the Audit of the Special Purpose Financial Report

Opinion

I have audited the financial report, being a special purpose financial report of the Commissioner of Ambulance Tasmania (Ambulance Tasmania), which comprises the statement of financial position as at 30 June 2022 the statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements including a summary of significant accounting policies and other explanatory information and the statement of certification by management.

In my opinion, the financial report presents fairly, in all material respects, the financial position of Ambulance Tasmania as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Section 17 of the *Audit Act 2008*.

Basis for Opinion

I conducted the audit in accordance with 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 Ambulance Tasmania in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

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

Emphasis of Matter - Basis of Accounting

I draw attention to Note 12.2 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Ambulance Tasmania to meet the financial reporting requirements of the *Audit Act 2008*. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Responsibilities of the Commissioner for the Financial Report

The Commissioner is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Audit Act 2008* and for such internal control as determined necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Commissioner is responsible for assessing Ambulance Tasmania's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless Ambulance Tasmania is to be dissolved by an Act of Parliament, or the Commissioner intends to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statement.

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

- Identify and assess the risks of material misstatement of the financial statement, 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 Ambulance Tasmania's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner.

- Conclude on the appropriateness of the Commissioner'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 Ambulance Tasmania'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 statement or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Ambulance Tasmania to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

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



David Bond
Assistant Auditor-General
Delegate of the Auditor-General
Tasmanian Audit Office

6 September 2022
Hobart

Key Acronyms

Acronym	Full name
Ahpra	Australian Health Practitioner Regulation Agency
CAMHS	Child and Adolescent Mental Health Services
COPMM	Council of Obstetric and Paediatric Mortality and Morbidity
CQRA	Clinical Quality, Regulation and Accreditation
DoH	Department of Health
ED	emergency department
FTE	full-time equivalent (employee)
KPI	key performance indicator
LGBTIQ+	lesbian, gay, bisexual, transgender and gender diverse, intersex and queer +
LGH	Launceston General Hospital
MCH	Mersey Community Hospital
MHCT	Mental Health Council of Tasmania
NDIS	National Disability Insurance Scheme
NSQHS	National Safety and Quality Health Service Standards
NWRH	North West Regional Hospital
PHT	Primary Health Tasmania
RHH	Royal Hobart Hospital
THS	Tasmanian Health Service
UTAS	University of Tasmania
VAD	voluntary assisted dying

Key Website References

Strategic Priorities 2021–23

https://www.health.tas.gov.au/sites/default/files/2021-12/Strategic_Priorities_2021-23_DoHTasmania.pdf

Winter Strategy

<https://www.health.tas.gov.au/about/what-we-do/strategic-programs-and-initiatives/winter-strategy>

Statewide Elective Surgery Four-Year Plan 2021–25

https://www.health.tas.gov.au/sites/default/files/2022-07/elective_surgery_plan_2021-22_to_2024-25.pdf

Health System Dashboard

<https://healthstats.dhhs.tas.gov.au/healthsystem>

Our Healthcare Future – Immediate Actions and Consultation Paper

<https://www.health.tas.gov.au/publications/our-healthcare-future-immediate-actions-and-consultations-paper>

Rethink 2020

<https://www.health.tas.gov.au/publications/rethink-2020>

Rethink 2020 Implementation Plan

<https://www.health.tas.gov.au/publications/rethink-2020-implementation-plan>

Reform Agenda for the Alcohol and Other Drugs Sector in Tasmania

<https://www.health.tas.gov.au/publications/reform-agenda-alcohol-and-other-drugs-sector-tasmania>

Healthy Tasmania

<https://www.health.tas.gov.au/publications/healthy-tasmania-five-year-strategic-plan-2022-2026>

Launceston General Hospital (LGH) Precinct Masterplan

<https://www.health.tas.gov.au/about/doing-business-us/priority-projects#launceston-general-hospital-precinct-masterplan>

LGH Implementation Program

<https://www.health.tas.gov.au/publications/launceston-general-hospital-precinct-masterplan-implementation-program-march-2022>

Digital Health Transformation – Improving Patient Outcomes 2022–2032

<https://www.health.tas.gov.au/publications/digital-health-transformation-improving-patient-outcomes-2022-2032>

Health Workforce 2040

<https://www.health.tas.gov.au/about/what-we-do/strategic-programs-and-initiatives/health-workforce-2040>

Advancing Tasmania's Health (Exposure Draft)

<https://www.health.tas.gov.au/about/what-we-do/strategic-programs-and-initiatives/our-healthcare-future#advancing-tasmanias-health>

National Safety and Quality in Healthcare Clinical Care Standards

<https://www.safetyandquality.gov.au/standards/nsqhs-standards>

Clifford Craig Research Foundation

<https://cliffordcraig.org.au/>

Royal Hobart Hospital Research Foundation

<https://www.rhhresearchfoundation.org/>

National Clinical Trial Governance Framework

<https://www.safetyandquality.gov.au/standards/national-clinical-trials-governance-framework>

Australian Commission on Safety and Quality in Health Care

<https://www.safetyandquality.gov.au/consumers/public-reporting-hospital-performance-nsqhs-standards>

Telling Us the Story report

https://www.communities.tas.gov.au/_data/assets/pdf_file/0017/216413/LGBTIQ-Tasmanians-Telling-Us-the-Story-Survey-Report-May-2022.pdf

Improving Aboriginal Cultural Respect Across Tasmania's Health System Action Plan 2020–2026

[https://www.health.tas.gov.au/sites/default/files/2021-12/Improving Aboriginal Cultural Respect Across Tasmania's Health System Action Plan 2021-2026.pdf](https://www.health.tas.gov.au/sites/default/files/2021-12/Improving%20Aboriginal%20Cultural%20Respect%20Across%20Tasmania%27s%20Health%20System%20Action%20Plan%202021-2026.pdf)

Contact Us

Department Contacts

Person or Department	Contact Details
If you know who to call	Visit the Tasmanian Government Directory
If you don't know who to call	Phone Service Tasmania on 1300 135 513
Reporting concerns of inappropriate behaviour	Reporting Concerns of Inappropriate Behaviour Form (health.tas.gov.au)
Coronavirus (COVID-19) information	Visit our coronavirus website
Media enquiries	comms@health.tas.gov.au
Creditor enquiries (invoice/payment queries)	Phone: 03 6166 3864
	Email: finance@health.tas.gov.au
	Fax: 03 6173 0317
Debtor enquiries (non-hospital related queries)	Phone: 03 6166 3865
	Email: finance@health.tas.gov.au
	Fax: 03 6173 0317
General enquiries, feedback and complaints	Use our online feedback form
Other Tasmanian Government departments	Visit the Tasmanian Government Directory

Department Services and Support Contacts

Person or Department	Contact Details
Mental Health Services	Phone: 1800 332 388 or 03 6166 6333
Alcohol and Drug Services	Phone: 1300 139 641
Oral (Dental) Health	Phone: 1300 011 013
Public Health Hotline	Phone: 1800 671 738



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