



Audit Committee Meeting

15 May 2024



local councils working together to protect the health of the community



**EASTERN HEALTH AUTHORITY
AUDIT COMMITTEE MEETING**

Wednesday 15 May 2024

Notice is hereby given that a meeting of the Audit Committee of Eastern Health Authority will be held at EHA's offices at **101 Payneham Road, St Peters** on Wednesday 15 May 2024 commencing at 5:00pm.

**MICHAEL LIVORI
CHIEF EXECUTIVE OFFICER**

AGENDA

EASTERN HEALTH AUTHORITY AUDIT COMMITTEE MEETING

Wednesday 15 May 2024

Commencing at 5:00 pm

1 Opening

2 Acknowledgement of Traditional Owners

We acknowledge this land that we meet on today is the traditional land of the Kurna People and that we respect their spiritual relationship with their country.

3 Opening Statement

We seek understanding and guidance in our debate, as we make decisions for the management of the Eastern Health Authority, that will impact the public health on those that reside, study, work in and visit the constituent councils that the Eastern Health Authority Charter provides services to.

4 Apologies

5 Presiding Member's Remarks

6 Minutes

7 Reports

7.1 Appointment of External Auditor for 2024-2026 11

| | | |
|-----|--|-----|
| 7.2 | Eastern Health Authority Charter Review Update | 12 |
| 7.3 | Finance Report and Second (December 2022) Budget Review for 2022/2023 | 14 |
| | 7.3 Attachment 1 | 17 |
| | 7.3 Attachment 2 | 20 |
| | 7.3 Attachment 3 | 22 |
| 7.4 | Draft Annual Business Plan and Budgeted Financial Statements for 2023/2024 | 23 |
| | 7.4 Attachment 1 | 29 |
| | 7.4 Attachment 2 | 56 |
| 7.5 | Finance Report and Third and Final (March 2023) Budget Review for 2022/2023 | 57 |
| | 7.5 Attachment 1 | 61 |
| | 7.5 Attachment 2 | 64 |
| | 7.5 Attachment 3 | 66 |
| 7.6 | Long Term Financial Plan Revised Financial Estimates | 67 |
| | 7.6 Attachment 1 | 69 |
| | 7.6 Attachment 2 | 71 |
| 7.7 | Risk Management Policy | 73 |
| | 7.7 Attachment 1 | 74 |
| | 7.7 Attachment 2 | 76 |
| 7.8 | Risk Management – Updated Corporate Risk Summary | 78 |
| | 7.8 Attachment 1 | 79 |
| | 7.8 Attachment 2 | 95 |
| 7.9 | EHA FY 2023 Workplan | 111 |

8 Closure of meeting

EASTERN HEALTH AUTHORITY AUDIT COMMITTEE

Minutes of the Audit Committee meeting held via teams on Wednesday 6 December 2023 commencing at 6:00 pm.

MEMBERS PRESENT:

| | |
|-------------------|--------------------------------|
| Madeleine Harding | Presiding Member (Independent) |
| Natalie Caon | Independent Member |
| Cr Peter Cornish | City of Burnside |

In attendance:

| | |
|-------------|---|
| M Livori | Chief Executive Officer |
| K Paparella | Team Leader Administration and Immunisation |

1 OPENING

The meeting was declared open by the Presiding Member at 6:00pm.

2 ACKNOWLEDGEMENTS OF TRADITIONAL OWNERS:

We acknowledge this land that we meet on today is the traditional land of the Kurna People and that we respect their spiritual relationship with their country.

3 OPENING STATEMENT:

We seek understanding and guidance in our debate, as we make decisions for the management of the Eastern Health Authority, that will impact the public health on those that reside, study, work in and visit the constituent councils that the Eastern Health Authority Charter provides services to.

4 Apologies

5 Confirmation of Minutes

Cr Peter Cornish moved:

That:

The minutes of the previous Audit Committee meeting be taken as read and confirmed.

Seconded by: Natalie Caon

CARRIED UNANIMOUSLY

1: 122023

6 MATTERS ARISING FROM THE MINUTES:

Nil.

7 ADMINISTRATION REPORTS

7.1 FINANCE REPORT AND FIRST (SEPTEMBER 2023) BUDGET REVIEW FOR 2023/2024

Cr Natalie Caon moved:

That:

1. The Finance Report and First (September 2023) Budget Review for 2023/2024 report be received.
2. The revised financial forecast for 2023/2024 is noted.

Seconded by: Peter Cornish

CARRIED UNANIMOUSLY 2: 122023

7.2 LONG-TERM FINANCIAL PLAN REVISED FINANCIAL ESTIMATES

Cr Natalie Caon moved:

That:

1. Long-Term Financial Plan revised financial estimates report is received.
2. The Long-Term Financial Plan revised financial estimates as amended are presented to the Board of Management for consideration.

Seconded by: Peter Cornish

CARRIED UNANIMOUSLY 3: 122023

7.3 EASTERN HEALTH AUTHORITY CHARTER REVIEW UPDATE

Cr Peter Cornish moved:

That:

1. The Eastern Health Authority Charter Review Update Report is received.

Seconded by: Natalie Caon

CARRIED UNANIMOUSLY 4: 122023

7.4 UPDATE ON AUDIT FINDING RECOMENDATIONS

Cr Madeleine Harding moved:

That:

1. The Update on Audit Findings Recommendations report is received.

Seconded by: Natalie Caon

CARRIED UNANIMOUSLY 5: 122023

7.5 EASTERN HEALTH AUTHORITY AUDIT COMMITTEE TERMS OF REFERENCE

Cr Natalie Caon moved:

That:

1. The report regarding the Eastern Health Authority Audit Committee Terms of Reference is received.
2. The Eastern Health Authority Audit Committee Terms of Reference provided as attachment 1 to this report are referred to the Board of Management for adoption.

Seconded by: Madeleine Harding

CARRIED UNANIMOUSLY 6: 122023

7.6 REVIEW OF EASTERN HEALTH AUTHORITY INTERNAL CONTROLS REGISTER

Cr Peter Cornish moved:

That:

1. The report regarding the Review of Eastern Health Authority Internal Controls Register as amended is received.

Seconded by: Natalie Caon

CARRIED UNANIMOUSLY 7: 122023

7.7 DEBT COLLECTION POLICY

Cr Peter Cornish moved:

That:

1. The report regarding the Debt Collection Policy as amended is received.
2. The Debt Collection Policy as amended marked attachment 2 to the Debt Collection Policy report is endorsed and referred to the Board of Management for adoption.

Seconded by: Natalie Caon

CARRIED UNANIMOUSLY 8: 122023

7.8 APPOINTMENT OF EXTERNAL AUDITOR FOR 2024-2026

Cr Peter Cornish moved:

That:

1. The Appointment of External Auditor for 2024-2026 report is received.
2. The Eastern Health Authority Board of Management be informed that the Audit Committee recommends that it appoints Dean Newberry as its External Auditor for the period 2023-2024 to 2025-2026 (with the option to extend for a further two years).

Seconded by: Natalie Caon

CARRIED UNANIMOUSLY 8: 122023

8 CORRESPONDENCE

9 OTHER BUSINESS

10 CLOSURE OF MEETING

Presiding member, Madeleine Harding, declared the meeting closed at 7:33.

7.1 APPOINTMENT OF EXTERNAL AUDITOR FOR 2024-2026

Author: Michael Livori
Ref: AF16/58

Summary

Eastern Health Authority (EHA) is required under Regulation 20 of the *Local Government Financial Management Regulations 2011* and clause 7.6 of its Charter to appoint a suitably qualified person as its auditor. The term of appointment for the EHA's current Auditor Bentleys, expired with the conclusion of the 2022-2023 audit. It was therefore necessary to commence a process for engaging an auditor for the 2024-2026 financial reporting periods.

Report

The EHA Audit Committee Terms of Reference includes the requirement that the Audit Committee make recommendations to the EHA Board of Management in relation to the appointment of the EHA's external auditor and to the level of remuneration.

The Audit Committee considered quotes received from prospective audit companies at its meeting of 6 December 2023 and provided a recommendation to the Board of Management in relation to the Auditor engagement for the 2023-2024 to 2025-2026 financial years.

At the Board of Management meeting held on 21 February 2024 the Board considered the Audit Committee recommendation and resolved.

That:

1. The Appointment of External Auditor for 2024-2026 report is received.
2. The Eastern Health Authority appoints Dean Newbery as its External Auditor for the period 2023-2024 to 2025-2026 (with the option to extend for a further two years).

EHA administration subsequently engaged Dean Newberry as EHA's External Auditor for the period detailed above. Contact was made with a representative from Dean Newbery to plan the upcoming audit process, including confirming a timeline for the preparation of end of financial year accounts.

The interim audit dates for the onsite visit to EHA offices by Dean Newberry has been confirmed for 19 and 20 June 2024. EHA has received the portal link and password set-up for CaseWare Cloud which will house the required documents for the interim audit. Initial queries will be responded to in early May 2024.

RECOMMENDATION 1

That:

The Appointment of External Auditor for 2024-2026 report is received.

7.2 EASTERN HEALTH AUTHORITY CHARTER REVIEW UPDATE

Author: Michael Livori

Ref: AF20/47

Summary

Clause 19 of Schedule 2 of the *Local Government Act 1999* requires that a regional subsidiary has a Charter prepared by its Constituent Councils, and that the Charter is reviewed every 4 years. Clause 12.3 a) of the Charter also requires the review to occur at least every 4 years. The last review of the Eastern Health Authority Charter was finalised in May 2016. An initial report was considered by the Board at its June 2020 meeting and the review process subsequently commenced. This report provides the Committee with the latest update in relation to the review process.

Report

The current Charter Review process has not been finalised due to a lack of consensus on proposed changes to Clauses 2.2 and 2.5 of the current Eastern Health Authority (EHA) Charter. These clauses consider the membership of the Board of Management and the Chair of the Board of Management.

It has now been agreed by the Administrations of all Constituent Councils that it not practically possible for a consensus to be achieved in relation to the proposed changes to these clauses.

Therefore, to finalise the Charter review process, a draft amended Charter containing no changes to the clauses detailed above will be provided to each Constituent Council for adoption.

During the review process a request was made by City of Campbelltown and City of Norwood Payneham & St Peters for the requirement for EHA to maintain a Salary and Gifts and Benefits Register. New clauses have been developed which accommodate this request. At this point in time, City of Burnside, City of Prospect and Town of Walkerville have not yet considered these new matters.

To finalise the Charter review process:

- City of Norwood Payneham & St Peters would require their Council to revise their position on clauses 2.2 and 2.5.
- City of Prospect would require their Council to revise their position on clauses 2.2 and 2.5 and also consider the additional clauses re registers.
- City of Burnside and Town of Walkerville would require their councils to consider the additional clauses re registers.

EHA Administration has provided Constituent Councils with a revised draft amended Charter requesting its adoption.

Once Constituent Councils have unanimously adopted an amended EHA Charter, a copy of the Charter as amended will be provided to the Minister for State/Local Government Relations and published on a website in accordance with the Local Government Act requirements.

RECOMMENDATION

That:

1. The Eastern Health Authority Charter Review Update Report is received.

7.3 FINANCE REPORT AND SECOND (DECEMBER 2023) BUDGET REVIEW FOR 2023/2024

Author: Michael Livori

Ref: AF23/10

Summary

So that members can ensure that Eastern Health Authority (EHA) is operating according to its adopted budget, financial performance is regularly monitored, and statutory budget reviews are considered.

In accordance with regulation 9 of the *Local Government (Financial Management) Regulations 2011*,

- (1) *A council, council subsidiary or regional subsidiary must prepare and consider the following reports:*
- (a) *at least twice, between 30 September and 31 May (both dates inclusive) in the relevant financial year (where at least 1 report must be considered before the consideration of the report under sub regulation (1)(b), and at least 1 report must be considered after consideration of the report under sub regulation (1)(b))—a report showing a revised forecast of its operating and capital investment activities for the relevant financial year compared with the estimates for those activities set out in the budget presented in a manner consistent with the note in the Model Financial Statements entitled Uniform Presentation of Finances;*
 - (b) *between 30 November and 15 March (both dates inclusive) in the relevant financial year—a report showing a revised forecast of each item shown in its budgeted financial statements for the relevant financial year compared with estimates set out in the budget presented in a manner consistent with the Model Financial Statements.*

This report provides the second of the budget reviews required in accordance with regulation 9 (1) and relates to the financial performance of EHA between 1 July 2023 and 31 December 2024. It provides the opportunity to amend the adopted budget in line with revised projections of income and expenditure for the 2023/2024 financial year. The report was considered by the Board of Management at its meeting held on 21 February 2024.

Report

The report below gives a simple analysis of year-to-date income, expenditure, and operating result.

| Eastern Health Authority - Financial Statement (Level 3) 1 July 2023 to 31 December 2023 | | | | |
|---|-------------|-------------|--------------|-------------|
| | Actual | Budgeted | \$ Variation | % Variation |
| Total Operating Expenditure | \$1,311,337 | \$1,405,650 | (\$94,313) | -7% |
| Total Operating Income | \$1,216,472 | \$1,229,125 | (\$12,653) | -1% |
| Operating Result | (\$94,865) | (\$176,525) | \$81,660 | -46% |

The report shows that for the reporting period income was \$12,653 (-1%) less than budgeted and expenditure was \$94,313 (-7%) less than budgeted. The net result is a variation of \$81,660 (-46%) on the budgeted year to date comparative operating result.

A more detailed report is provided as attachment 1. The report provides detail on year to date performance of individual budget lines. Any YTD variation greater than \$5,000 is detailed in the table below with explanatory comments.

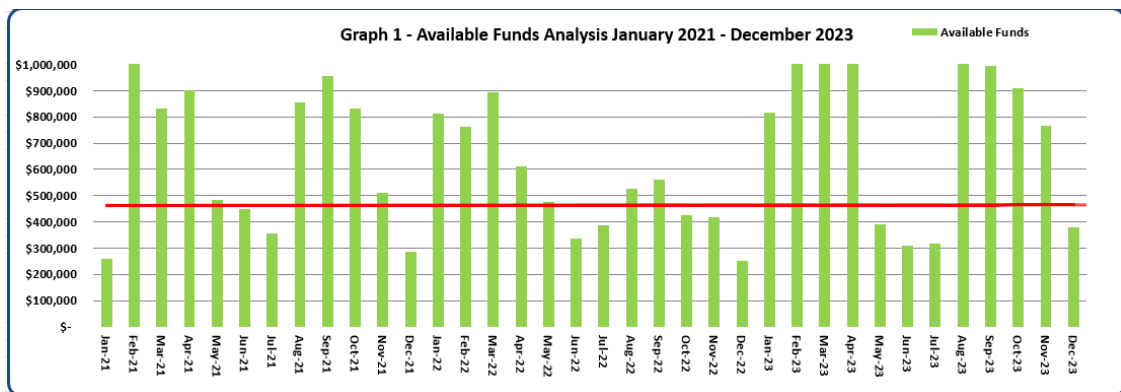
The 2023/2024 budget is provided as attachment 2.

| Summary Table of Funding Statement Variations | | | | |
|--|-------------|------------|------------|--|
| Favourable variances are shown in green and unfavourable variances are shown in red. | | | | |
| Description | YTD Budget | YTD Actual | Variation | Comment |
| Income | | | | |
| Food Inspection Fees | \$62,000 | \$53,715 | (\$8,284) | Decrease in YTD inspections due to reduced staff availability. No variation requested at this point in time. |
| Fines and Expiations | \$25,000 | \$9,876 | (\$15,124) | Decrease in YTD expiations issued. No variation requested at this point in time. |
| Food Auditing | \$47,400 | \$53,985 | \$6,585 | Increase in YTD income. No variation requested at this point in time. |
| Immunisation Service Provision | \$42,625 | \$41,250 | (\$1,375) | Contract with Adelaide Hills ended December 2023. (\$49.5K) variation requested |
| School Immunisation Program | \$0 | \$0 | \$0 | Funds received in January and May. Increase in funding. (\$24K) variation requested |
| Interest | \$5,000 | \$17,269 | \$12,269 | Increase in interest received. (\$10K) variation requested |
| Total of Income Variations Requested | | | | (\$15.5K) |
| Expenditure | | | | |
| Employee Costs | \$1,022,250 | \$946,926 | (\$75,324) | Vacant positions, Immunisation contract ending and staff on LSL. (\$20.5K) variation requested. |
| Electricity | \$5,000 | \$10,000 | \$5,000 | Increase in electricity costs. \$5K variation requested. |
| Total of Expenditure Variations Requested | | | | (\$15.5K) |
| Net Result of Variation Requested | | | | \$0K |

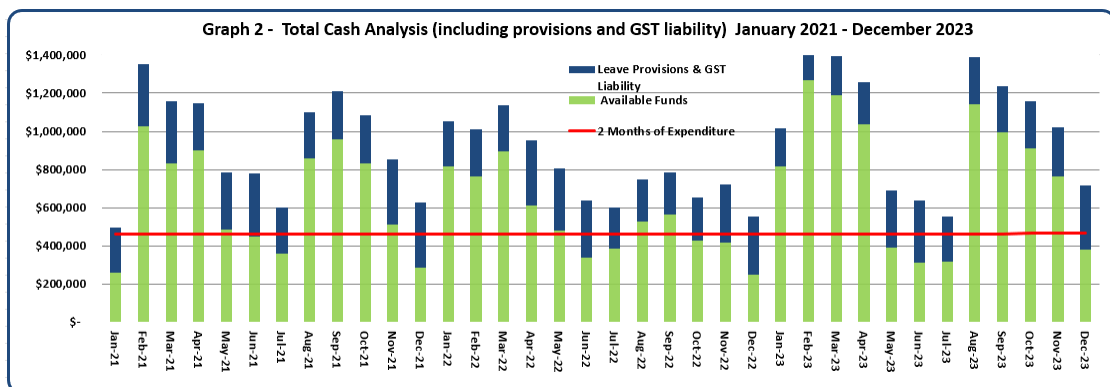
Cash Management

A Bank Reconciliation and Available Funds report for the period ending 31 December 2023 is provided as attachment 3. It shows that on 31 December 2023 available funds were \$379,031 in comparison with \$994,120 on 30 September 2023.

Graph 1 which follows details the level of available funds (total cash minus leave provisions and GST liability) for the preceding 3-year period.



Graph 2 below details the total level of cash on hand including leave provisions and GST liability.



The red line in both graphs indicates the target minimum levels of cash that are recommended to be held for working capital (equivalent to 2 months expenditure). The graphs show that the lowest levels of cash available in the annual cash cycle have generally maintained this target.

RECOMMENDATION

That:

1. The Finance Report and Second (December 2023) Budget Review Report for 2023/2024 be received.

| Eastern Health Authority - Financial Statement (Level 3) 1 July 2023 to 31 December 2023 | | | | |
|---|--------------------|--------------------|---------------------|--------------------|
| Income | Actual | Budgeted | \$ Variation | % Variation |
| Constituent Council Income | | | | |
| City of Burnside | \$274,763 | \$274,763 | \$0 | 0% |
| City of Campbelltown | \$242,931 | \$242,931 | \$0 | 0% |
| City of NPS | \$311,800 | \$311,800 | \$0 | 0% |
| City of Prospect | \$111,053 | \$111,053 | \$0 | 0% |
| Town of Walkerville | \$44,553 | \$44,553 | \$0 | 0% |
| Total Constituent Council Contributions | \$985,100 | \$985,100 | \$0 | 0% |
| Statutory Charges | | | | |
| Food Inspection fees | \$53,715 | \$62,000 | (\$8,285) | -13% |
| Legionella registration and Inspection | \$1,568 | \$4,000 | (\$2,432) | -61% |
| SRF Licenses | \$0 | \$0 | \$0 | 0% |
| Fines & Expiation Fees | \$9,876 | \$25,000 | (\$15,124) | -60% |
| Total Statutory Charges | \$65,159 | \$91,000 | (\$25,841) | -28% |
| User Charges | | | | |
| Immunisation: Service Provision | \$41,250 | \$42,625 | (\$1,375) | -3% |
| Immunisation: Clinic Vaccines | \$37,245 | \$35,000 | \$2,245 | 6% |
| Immunisation: Worksites Vaccines | \$21 | \$0 | \$21 | 0% |
| Immunisation: Clinic Vaccines F | \$935 | \$0 | \$935 | 0% |
| Food Auditing | \$53,985 | \$47,400 | \$6,585 | 14% |
| Total User Charges | \$133,436 | \$125,025 | \$8,411 | 7% |
| Grants, Subsidies, Contributions | | | | |
| Immunisation:ACIR | \$15,244 | \$17,000 | (\$1,756) | -10% |
| Total Grants, Subsidies, Contributions | \$15,244 | \$17,000 | (\$1,756) | -10% |
| Investment Income | | | | |
| Interest on investments | \$17,269 | \$5,000 | \$12,269 | 245% |
| Total Investment Income | \$17,269 | \$5,000 | \$12,269 | 245% |
| Other Income | | | | |
| Motor Vehicle re-imbursements | \$0 | \$2,500 | (\$2,500) | -100% |
| Sundry Income | \$264 | \$3,500 | (\$3,236) | -92% |
| Total Other Income | \$264 | \$6,000 | (\$5,736) | -96% |
| Total Income | \$1,216,472 | \$1,229,125 | (\$12,653) | -1% |

| Eastern Health Authority - Financial Statement (Level 3) 1 July 2023 to 31 December 2023 | | | | |
|---|------------------|--------------------|---------------------|--------------------|
| Expenditure | Actual | Budgeted | \$ Variation | % Variation |
| Employee Costs | | | | |
| Salaries & Wages | \$816,473 | \$894,000 | (\$77,527) | -9% |
| Superannuation | \$91,808 | \$96,500 | (\$4,692) | -5% |
| Workers Compensation | \$10,305 | \$9,750 | \$555 | 6% |
| Employee Leave - LSL Accruals | \$28,340 | \$20,500 | \$7,840 | 38% |
| Medical Officer Retainer | \$0 | \$1,500 | (\$1,500) | -100% |
| Total Employee Costs | \$946,926 | \$1,022,250 | (\$75,324) | -7% |
| Prescribed Expenses | | | | |
| Auditing and Accounting | \$14,158 | \$13,250 | \$908 | 0% |
| Bad & Doubtful Debt Provision | \$0 | \$0 | \$0 | 0% |
| Insurance | \$32,968 | \$29,500 | \$3,468 | 100% |
| Maintenance | \$31,917 | \$31,500 | \$417 | 1% |
| Vehicle Leasing/maintenance | \$38,390 | \$38,500 | (\$110) | 0% |
| Total Prescribed Expenses | \$117,433 | \$112,750 | \$4,683 | 4% |
| Rent and Plant Leasing | | | | |
| Electricity | \$10,000 | \$5,000 | \$5,000 | 100% |
| Plant Leasing Photocopier | \$958 | \$1,500 | (\$543) | -36% |
| Rent | \$65,404 | \$67,083 | (\$1,679) | -3% |
| Water | \$0 | \$150 | (\$150) | -100% |
| Gas | \$0 | \$1,350 | (\$1,350) | -100% |
| Total Rent and Plant Leasing | \$76,362 | \$75,083 | \$1,279 | 2% |
| IT Licensing and Support | | | | |
| IT Licences | \$32,657 | \$35,500 | (\$2,844) | -8% |
| IT Support | \$29,287 | \$27,502 | \$1,785 | 6% |
| Internet | \$1,555 | \$2,500 | (\$946) | -38% |
| IT Other | \$178 | \$1,000 | (\$822) | -82% |
| Total IT Licensing and Support | \$63,676 | \$66,502 | (\$2,826) | -4% |
| Administration | | | | |
| Administration Sundry | \$5,262 | \$3,500 | \$1,762 | 50% |
| Accreditation Fees | \$1,349 | \$2,000 | (\$651) | -33% |
| Board of Management | \$3,113 | \$6,000 | (\$2,887) | -48% |
| Bank Charges | \$2,811 | \$1,750 | \$1,061 | 61% |
| Public Health Sundry | \$627 | \$2,500 | (\$1,873) | -75% |
| Fringe Benefits Tax | \$7,240 | \$7,000 | \$240 | 3% |
| Health Promotion | \$0 | \$2,250 | (\$2,250) | -100% |
| Legal | \$4,260 | \$6,667 | (\$2,407) | -36% |
| Printing & Stationery & Postage | \$12,148 | \$11,000 | \$1,148 | 10% |
| Telephone | \$7,902 | \$8,500 | (\$598) | -7% |
| Occupational Health & Safety | \$2,520 | \$5,000 | (\$2,480) | -50% |
| Staff Amenities | \$486 | \$3,500 | (\$3,014) | -86% |
| Staff Training | \$2,834 | \$7,400 | (\$4,566) | -62% |
| Human Resource Sundry | \$809 | \$4,998 | (\$4,189) | -84% |
| Total Administration | \$51,360 | \$72,065 | (\$20,705) | -29% |

| Eastern Health Authority - Financial Statement (Level 3) 1 July 2023 to 31 December 2023 | | | | |
|---|--------------------|--------------------|-------------------|-------------|
| Immunisation | | | | |
| Immunisation SBP Consumables | \$3,469 | \$5,000 | (\$1,531) | -31% |
| Immunisation Clinic Vaccines | \$19,117 | \$20,000 | (\$883) | -4% |
| Total Immunisation | \$22,587 | \$25,000 | (\$2,413) | -10% |
| | | | | |
| Income Protection | \$32,401 | \$31,000 | \$1,401 | 0% |
| Total Uniforms/Income protection | \$32,401 | \$31,000 | \$1,401 | 0% |
| | | | | |
| Sampling | | | | |
| Legionella Testing | \$1,134 | \$1,000 | \$134 | 13% |
| Total Sampling | \$1,134 | \$1,000 | \$134 | 13% |
| | | | | |
| Total Materials, contracts and other expenses | \$1,311,337 | \$1,405,650 | (\$94,313) | -7% |
| | | | | |
| Total Operating Expenditure | \$1,311,337 | \$1,405,650 | (\$94,313) | -7% |
| | | | | |
| Total Operating Income | \$1,216,472 | \$1,229,125 | (\$12,653) | -1% |
| | | | | |
| Operating Result | (\$94,865) | (\$176,525) | \$81,660 | -46% |

| EASTERN HEALTH AUTHORITY STATEMENT OF COMPREHENSIVE INCOME | | | | | |
|--|--|-----------------------------|---------------------|--------------------|-----------------------------|
| FOR THE YEAR ENDING 30 June 2024 | | | | | |
| AUDITED RESULTS 2022/2023 | | ADOPTED BUDGET 2023/2024 | SEPTEMBER REVIEW | DECEMBER REVIEW | REVISED BUDGET 2023/2024 |
| | INCOME | | | | |
| 1,828,000 | Council Contributions | 1,970,200 | - | - | 1,970,200 |
| 136,026 | Statutory Charges | 183,800 | - | - | 183,800 |
| 457,619 | User Charges | 442,500 | - | (49,500) | 393,000 |
| 230,170 | Grants, subsidies and contributions | 230,000 | - | 24,000 | 254,000 |
| 15,866 | Investment Income | 10,000 | - | 10,000 | 20,000 |
| 7,255 | Other Income | 12,000 | - | - | 12,000 |
| 2,674,936 | TOTAL INCOME | 2,848,500 | - | (15,500) | 2,833,000 |
| | EXPENSES | | | | |
| 1,881,592 | Employee Costs | 2,091,500 | (47,000) | (20,500) | 2,024,000 |
| 571,267 | Materials, contracts and other expenses | 731,000 | 47,000 | 5,000 | 783,000 |
| 37,681 | Finance Charges | - | - | - | - |
| 159,013 | Depreciation | 26,000 | - | - | 26,000 |
| 2,649,553 | TOTAL EXPENSES | 2,848,500 | - | (15,500) | 2,833,000 |
| 25,383 | Operating Surplus/(Deficit) | - | - | - | - |
| | Net gain (loss) on disposal of assets | - | - | - | - |
| 25,383 | Net Surplus/(Deficit) | - | - | - | - |
| 25,383 | Total Comprehensive Income | - | - | - | - |

| EASTERN HEALTH AUTHORITY STATEMENT OF CASH FLOWS | | | | | |
|--|---|-----------------------------|---------------------|--------------------|-----------------------------|
| FOR THE YEAR ENDING 30 June 2024 | | | | | |
| AUDITED RESULTS 2022/2023 | | ADOPTED BUDGET 2023/2024 | SEPTEMBER REVIEW | DECEMBER REVIEW | REVISED BUDGET 2023/2024 |
| | CASHFLOWS FROM OPERATING ACTIVITIES | | | | |
| | Receipts | | | | |
| 1,828,000 | Council Contributions | 1,970,200 | - | - | 1,970,200 |
| 136,026 | Fees & other charges | 183,800 | - | - | 183,800 |
| 418,158 | User Charges | 442,500 | - | (49,500) | 393,000 |
| 14,506 | Investment Receipts | 10,000 | - | 10,000 | 20,000 |
| 230,170 | Grants utilised for operating purposes | 230,000 | - | 24,000 | 254,000 |
| 7,633 | Other | 12,000 | - | - | 12,000 |
| - | Payments | | | | |
| (1,847,155) | Employee costs | (2,091,500) | 47,000 | 20,500 | (2,024,000) |
| (586,184) | Materials, contracts & other expenses | (731,000) | (47,000) | (5,000) | (783,000) |
| (38,517) | Finance Payments | - | - | - | - |
| 162,637 | Net Cash Provided/(Used) by Operating Activities | 26,000 | - | - | 26,000 |
| | CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| - | Loans Received | - | - | - | - |
| (38,391) | Repayment of Borrowings | - | - | - | - |
| (70,803) | Repayment of Finance Lease Liabilities | - | - | - | - |
| (109,194) | Net Cash Provided/(Used) by Financing Activities | - | - | - | - |
| | CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| - | Receipts | | | | |
| - | Sale of Replaced Assets | - | - | - | - |
| - | Payments | | | | |
| (49,557) | Expenditure on renewal / replacements of assets | - | - | - | - |
| - | Expenditure on new / upgraded assets | - | - | - | - |
| - | Distributions paid to constituent Councils | - | - | - | - |
| (49,557) | Net Cash Provided/(Used) by Investing Activities | - | - | - | (40,000) |
| (38,391) | NET INCREASE (DECREASE) IN CASH HELD | 26,000 | - | - | (14,000) |
| 640,883 | CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD | 602,492 | 42,277 | - | 644,769 |
| 644,769 | CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD | 628,492 | 42,277 | - | 630,769 |

| EASTERN HEALTH AUTHORITY STATEMENT OF FINANCIAL POSITION | | | | | |
|--|---|-----------------------------|---------------------|--------------------|-----------------------------|
| FOR THE YEAR ENDING 30 June 2024 | | | | | |
| AUDITED RESULTS 2022/2023 | | ADOPTED BUDGET 2023/2024 | SEPTEMBER REVIEW | DECEMBER REVIEW | REVISED BUDGET 2023/2024 |
| | CURRENT ASSETS | | | | |
| 644,769 | Cash and Cash Equivalents | 628,492 | 42,277 | | 670,769 |
| 271,901 | Trade & Other Receivables | 188,901 | 83,000 | - | 271,901 |
| 916,670 | TOTAL CURRENT ASSETS | 817,393 | 125,277 | - | 942,670 |
| | NON-CURRENT ASSETS | | | | |
| 1,104,793 | Infrastructure, property, plant and equipment | 998,437 | 80,356 | - | 1,118,793 |
| 1,104,793 | TOTAL NON-CURRENT ASSETS | 998,437 | 80,356 | - | 1,118,793 |
| 2,021,463 | TOTAL ASSETS | 1,815,830 | 205,633 | - | 2,021,463 |
| | CURRENT LIABILITIES | | | | |
| 121,916 | Trade & Other Payables | 163,940 | (42,024) | - | 121,916 |
| 285,083 | Provisions | 307,903 | (22,820) | - | 285,083 |
| 111,865 | Borrowings | 119,871 | (8,006) | - | 111,865 |
| 518,864 | TOTAL CURRENT LIABILITIES | 591,714 | (72,850) | - | 518,864 |
| | NON-CURRENT LIABILITIES | | | | |
| 44,614 | Provisions | 21,716 | 22,898 | - | 44,614 |
| 881,032 | Borrowings | 851,594 | 29,438 | - | 881,032 |
| 925,646 | TOTAL NON-CURRENT LIABILITIES | 873,310 | 52,336 | - | 925,646 |
| 1,444,510 | TOTAL LIABILITIES | 1,465,024 | (20,514) | - | 1,444,510 |
| 397,806 | NET CURRENT ASSETS/(CURRENT LIABILITIES) | 225,679 | 198,127 | - | 383,806 |
| 576,953 | NET ASSETS | 350,806 | 226,147 | - | 576,953 |
| | EQUITY | | | | |
| 576,953 | Accumulated Surplus/(Deficit) | 502,570 | 74,383 | - | 576,953 |
| 576,953 | TOTAL EQUITY | 502,570 | 74,383 | - | 576,953 |

| EASTERN HEALTH AUTHORITY STATEMENT OF CHANGES IN EQUITY | | | | | |
|---|---------------------------------|-----------------------------|---------------------|--------------------|-----------------------------|
| FOR THE YEAR ENDING 30 June 2024 | | | | | |
| AUDITED RESULTS 2022/2023 | | ADOPTED BUDGET 2023/2024 | SEPTEMBER REVIEW | DECEMBER REVIEW | REVISED BUDGET 2023/2024 |
| | ACCUMULATED SURPLUS | | | | |
| 551,570 | Balance at beginning of period | 502,570 | 74,383 | | 576,953 |
| 25,383 | Net Surplus/(Deficit) | - | - | - | - |
| 576,953 | BALANCE AT END OF PERIOD | 502,570 | 74,383 | - | 576,953 |
| | TOTAL EQUITY | | | | |
| 551,570 | Balance at beginning of period | 502,570 | 74,383 | - | 576,953 |
| 25,383 | Net Surplus/(Deficit) | - | - | - | - |
| 576,953 | BALANCE AT END OF PERIOD | 502,570 | 74,383 | - | 576,953 |

| Eastern Health Authority | | | |
|--|----------------------------|-------------------|------------------|
| Bank Reconciliation as at 31 December 2023 | | | |
| Bank SA Account No. 141/0532306840 | | | |
| Balance as per Bank Statement 31 December 2023 | | \$ | 201,459.67 |
| Less Outstanding cheques | \$ | - | |
| Add Outstanding deposits | \$ | - | |
| BALANCE PER General Ledger | | \$ | 201,459.67 |
| GST as 31 December 2023 | | | |
| GST Collected | \$10,579.42 | | |
| GST Paid | <u>(\$16,256.39)</u> | | |
| Net GST Claimable (Payable) | <u><u>(\$5,676.97)</u></u> | | |
| Funds Available 31 December 2023 | | | |
| Account | 31-Mar-23 | 31-Dec-23 | Variance |
| Bank SA Cheque Account | \$ 1,006,689 | \$ 201,460 | \$805,229.03 |
| Local Government Finance Authority | \$ 390,134 | \$ 512,945 | (\$122,811.19) |
| Net GST Claimable (Payable) | \$ 90,210.45 | \$ (5,676.97) | \$95,887 |
| Long Service Leave Provision | (\$175,831.00) | (\$181,588.00) | \$5,757.00 |
| Annual Leave Provision | (\$123,495.00) | (\$148,109.00) | \$24,614.00 |
| TOTAL FUNDS AVAILABLE | \$ 1,187,707 | \$ 379,031 | \$808,676 |

7.4 DRAFT ANNUAL BUSINESS PLAN AND BUDGETED FINANCIAL STATEMENTS FOR 2024/2025

Author: Michael Livori
Ref: AF23/103

Summary

In accordance with the *Local Government Act 1999*, Schedule 2, Part 2 Section 25:

- (1) *a regional subsidiary must have a budget for each financial year*
- (2) *each budget of a regional subsidiary*
 - (a) *must deal with each principal activity of the subsidiary on a separate basis; and*
 - (b) *must be consistent with its business plan; and*
 - (c) *must comply with standards and principles prescribed by the regulations; and*
 - (d) *must be adopted after 31 May for the ensuing financial year, and before a date fixed by the constituent councils; and*
 - (e) *must be provided to the constituent councils in accordance with the regulations.*

The Eastern Health Authority (EHA) Charter clause 8 states:

8.1 Contents of the Business Plan

- a) EHA must each year develop in accordance with this clause a business plan which supports and informs its annual budget.
- b) In addition to the requirements for the Business Plan set out in clause 24(6) of Schedule 2 to the Act, the Business Plan will include:
 - (a) a description of how EHA's functions relate to the delivery of the Regional Public Health Plan and the Business Plan;
 - (b) financial estimates of revenue and expenditure necessary for the delivery of the Regional Public Health Plan;
 - (c) performance targets which EHA is to pursue in respect of the Regional Public Health Plan.
- c) A draft of the Business Plan will be provided to the Constituent Councils on a date to be determined for the endorsement of the majority of those councils.
- d) The Board must provide a copy of the adopted annual Business Plan and budget to the Chief Executive Officers of each Constituent Council within five business days of its adoption.

Report

Development of the 2024/2025 EHA Annual Business Plan (ABP)

- On 6 March 2024, a Budget Workshop was held to provide Board Members with information in relation to the development of the 2024/2025 ABP and Budget.
- As per the agreed budget development process a draft ABP and budget was to be formally endorsed by the Board of Management via a circular resolution, prior to being provided to Constituent Councils for consideration.

Content of the Draft Annual Business Plan 2024/2025 (provided as attachment 1 to this report)

EHA is required to adopt an Annual Business Plan and Budget each year to outline our objectives and activities for the financial year, our financial requirements and how we will measure our performance.

We have developed a series of strategic objectives, drawn from EHA's commitment to good governance under our Charter and our responsibilities under the *Regional Public Health and Wellbeing Plan 2020-2025*, which is prepared for and adopted by our Constituent Councils.

EHA is responsible for the 'Protection for Health' priorities in the Regional Public Health Plan, and this is reflected in our four key focus areas:

1. Public and environmental health services
2. Immunisation
3. Food safety
4. Governance and organisational development

We have prepared a Plan for the next 12 months that aligns to our strategic objectives within each focus area and guides the efficient and effective delivery of our day-to-day operations.

The Plan details the key influences that have been taken into account during its development as well as detailing the priorities that have been set for 2024-2025 (see table which follows).

Our 2024-25 Priorities

| Focus Area | 2024-25 Priorities |
|--|---|
| 1. Public and Environmental Health Services | <ol style="list-style-type: none"> 1. Continue to actively collaborate and participate in the State Interagency Hoarding and Squalor group. 2. Develop educational material with key community public health messages to be promoted on EHA's website and Constituent Council social media platforms. 3. Continue to provide feedback to SA Health on the review of Public Health Regulations review as required. |
| 2. Immunisation | <ol style="list-style-type: none"> 1. Actively promote EHA's public immunisation clinic programs through channels identified in the EHA Marketing Plan. 2. Continue to ensure the effective governance and delivery of EHA's public clinic immunisation program in accordance with the National Immunisation Program (NIP) Schedule. 3. Deliver School Immunisation Program (SIP) in accordance with the SA Health Service Agreement contract. 4. Develop a business case for the provision of immunisation services on behalf of non-Constituent Councils (dependent on available opportunities) 5. Collaborate with SA Health for integration and implementation of the new on-line consent for immunisation in preparation of SIP 2025. |
| 3. Food Safety | <ol style="list-style-type: none"> 1. Continue to regulate the new legislative food management tools Standard 3.2.2a: Food Safety Supervisor; Food Handler Training and Records management. 2. Develop educational material with key community food safety messages to be promoted on EHA's website and Constituent Council social media platforms. 3. Develop new educational food safety non-verbal video guides to be accessed on EHA's website. 4. Develop a food safety Q & A for food businesses within EHA's Constituent Council areas. |
| 4. Governance and Organisational Development | <ol style="list-style-type: none"> 1. Implement the elements of the Regional Public Health Plan, 'Better Living, Better Health.' 2. In consultation with Constituent Councils, continue to review and revise the EHA business planning and reporting framework. 3. Work with the Audit Committee and the Board to review and revise the financial indicators in the Long-Term Financial Plan. 4. Distribution of targeted quarterly performance reports for Constituent Councils to supplement Board reports. 5. Deliver upon request a presentation highlighting strengths and benefits of centralized service delivery model for Constituent Council Elected Members. |

A summary of our 2024-25 budget is also included within this Plan.

Our performance against this Annual Business Plan will be reported in our Annual Report, which will be provided to Constituent Councils by 30 September 2025.

Budget Overview

The forecast for the 2024/2025 financial year is that EHA's operating result will be a break even result. A total of \$2,094,100 will be raised through contributions from our Constituent Councils. This represents a zero (6.3%) increase in overall collective contributions from the previous year.

| Operating Activity | (\$'000s) |
|------------------------------|-------------------------|
| Total Income | \$2,952 |
| Less | |
| Employee costs | \$2,104 |
| Operating Expenditure | \$800 |
| Depreciation | \$48 |
| Net Surplus (Deficit) | (\$0) Break Even |

The key assumptions that have been used as a guide to prepare the 2024-25 Budget are summarised below.

- Use of contribution formula which will have differing impacts on individual councils.
- CPI of 6.9%, equivalent to Adelaide CPI for period to 30 June 2023.
- Enterprise Agreement increase of 4%.
- Delivery of Immunisation Service Contracts to Unley Council
- No delivery of Immunisation Service Contracts to Adelaide Hills Council – loss of income.
- No Changes to the 2025 School Immunisation Program.

Budgeted Financial Statements can be found on pages 23-26 of the ABP document and consist of a Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows and Statement of Changes in Equity.

Funding the Business Plan and the Budget

The component of income required from Constituent Councils to fund EHA operations is determined by a formula contained within the EHA Charter. Aside for a 5% nominal administrative component that is shared equally (1% per council), costs are shared on a proportional basis, dependent upon the numbers of individual public health activities conducted by EHA on behalf of Constituent Councils.

As detailed previously, there is a 6.3% increase in overall collective contributions requested from Constituent Councils for 2024/2025.

On a longer term perspective, and as seen in Table 1, the average increases in contributions requested for Constituent Councils over the last 11 financial years has been 2.64%.

Table 1: Global increase in contributions requested from Constituent Councils.

| Combined Council Requested Contributions | Net Cost | \$ change previous year | % Change previous year |
|--|--------------|-------------------------|------------------------|
| 2013/2014 | \$ 1,576,207 | | |
| 2014/2015 | \$ 1,576,605 | \$ 398 | 0.03% |
| 2015/2016 | \$ 1,609,308 | \$ 32,703 | 2.07% |
| 2016/2017 | \$ 1,641,055 | \$ 31,747 | 1.97% |
| 2017/2018 | \$ 1,680,870 | \$ 39,815 | 2.43% |
| 2018/2019 | \$ 1,723,023 | \$ 42,153 | 2.51% |
| 2019/2020 | \$ 1,757,120 | \$ 34,097 | 1.98% |
| 2020/2021 | \$ 1,790,674 | \$ 33,554 | 1.91% |
| 2021/2022 | \$ 1,828,263 | \$ 37,589 | 2.10% |
| 2022/2023 | \$ 1,828,000 | \$ (263) | -0.01% |
| 2023/2024 | \$ 1,970,200 | \$ 142,200 | 7.78% |
| 2024/2025 | \$ 2,094,100 | \$ 123,900 | 6.29% |
| Average Annual Increase for 11 year period | | | 2.64% |

Table 2 details the contribution required from each Constituent Council using the revised formula including the change from the previous year. While there is a 6.29% overall increase in contributions, the revised formula and changes to activity proportion has the effect of redistributing costs between constituent councils.

Table 2: Constituent Council proportion and contributions for 2024/2025

| 2024/2025 | Burnside | Campbelltown | NPSP | Prospect | Walkerville | Total |
|---|--------------|--------------|------------|------------|-------------|--------------|
| Contribution proportion 2024/2025 | 28.12% | 25.33% | 30.65% | 11.89% | 4.01% | 100.00% |
| Expenditure | \$ 2,952,900 | | | | | |
| Less General Receipts - Funding Statement D45 | \$ 858,800 | | | | | |
| Total Required Operating contributions | \$ 2,094,100 | | | | | |
| Constituent Council Contribution proportion | 28.12% | 25.33% | 30.65% | 11.89% | 4.01% | 100.00% |
| Required Contribution | \$ 588,959 | \$ 530,383 | \$ 641,814 | \$ 248,997 | \$ 83,947 | \$ 2,094,100 |
| Change in Contribution from previous year (2023/2024) | | | | | | |
| Contribution proportion | 27.89% | 24.66% | 31.65% | 11.27% | 4.52% | 100.00% |
| Actual Contribution | \$ 549,526 | \$ 485,861 | \$ 623,601 | \$ 222,106 | \$ 89,107 | \$ 1,970,200 |
| Change in Contribution Proportion from previous FY | 0.23% | 0.67% | -1.00% | 0.62% | -0.51% | |
| Change in Contribution (\$) | \$ 39,433 | \$ 44,522 | \$ 18,214 | \$ 26,891 | \$ (5,159) | \$ 123,900 |
| Change in contributions (%) | 7.18% | 9.16% | 2.92% | 12.11% | -5.79% | 6.29% |

The Board of Management endorsed the draft Annual Business Plan and Budget via a circular resolution dated 14 March 2024. The minute to that resolution is provided as attachment 2 to this report. The Draft ABP and Budget was subsequently provided to Constituent Councils requesting endorsement.

Process from here.

- Constituent Council feedback and a final budget will be considered for adoption at the Board of Management meeting to be held on 26 June 2024.
- A copy of the budget will be provided to the Chief Executive Officer of each Constituent Council within 5 days of its adoption.

RECOMMENDATION

That:

The Draft Annual Business Plan and Budgeted Financial Statements for 2024/2025 Report is received.

EASTERN HEALTH AUTHORITY ANNUAL BUSINESS PLAN AND BUDGET 2024/2025



Table of Contents

Introduction..... 2

Keeping the community healthy – About EHA 2

Developing our 2024-25 Annual Business Plan 3

Key influences in 2024-25..... 4

2023-2024 Annual Business Plan Overview 5

Focus Area 1 - Public and Environmental Health Services..... 6

Focus Area 2 - Immunisations..... 10

Focus Area 3 - Food Safety..... 14

Focus Area 4 - Governance and Organisational Development..... 18

Budget Overview 21

Funding the Annual Business Plan 22

2024-25 Budget 23

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Introduction

Keeping the community healthy – About EHA

Eastern Health Authority (EHA) has a proud history of promoting and enforcing public health standards in Adelaide's eastern and inner northern suburbs.

We are a regional subsidiary established under the *Local Government Act 1999* and work across our Constituent Councils to protect the health and wellbeing of around 165,000 residents.

EHA is guided by the collective vision and commitment to public health and safety of our five Constituent Councils:


- 
- City of Burnside
 - Campbelltown City Council
 - City of Norwood Payneham and St Peters
 - City of Prospect
 - Town of Walkerville

These councils have come together to prepare a shared Regional Public Health and Wellbeing Plan 2020-2025. EHA's role is covered in the Plan's strategic directions for Protecting Health and includes vital public and environment health services such as immunisation, hygiene and sanitation control, licensing and monitoring of Supported Residential Facilities (SRFs), and inspection and regulation of food premises.

EHA effectively manages the risk profile for public and environmental health and food safety across the region, having centralised services provided through a regional subsidiary model which is well recognised and valued by stakeholders.

With a single focus, and highly specialised and experienced staff, EHA is well-equipped to deal with the increasing diversity and complexity of public and environmental health on behalf of its Constituent Councils.

Key Statistics



| | |
|---|--------------------------|
| Population Served | 171,470 |
| Staffing | 26 Staff (19 FTE) |
| Number of Inspections Undertaken | 1,271 |
| Number of Immunisations Administered | 26,903 |
| Total Budget | \$2,952K |
| Grant Funding Received | \$249K |
| User Income Generated | \$400K |
| Constituent Council Contributions | \$1,094K |

Developing our 2024-25 Annual Business Plan

EHA is governed by a Board of Management comprised of two members elected by each of our Constituent Councils. Our Charter is the formal agreement between the Councils about how EHA will operate and meet our obligations under the *Local Government Act 1999*.

The EHA Board is required to adopt an Annual Business Plan and Budget each year to outline our objectives and activities for the financial year, our financial requirements and how we will measure our performance.

We have developed a series of strategic objectives, drawn from EHA's commitment to good governance under our Charter and our responsibilities under the *Regional Public Health and Wellbeing Plan 2020-2025*, which is prepared for and adopted by our Constituent Councils. EHA is responsible for the 'Protection for Health' priorities in the Regional Public Health Plan, and this is reflected in our four key focus areas:

1. Public and environmental health services
2. Immunisation
3. Food safety
4. Governance and organisational development

In consultation with our Constituent Councils, we have prepared an Annual Business Plan for the next 12 months that aligns to our strategic objectives within each focus area and guides the efficient and effective delivery of our day-to-day operations.

As we are committed to continuous improvement, EHA plans to undertake further consultation with Constituent Councils throughout the year to review and refine our strategic objectives and adopt an improved business planning and reporting framework.

A summary of our 2024-25 budget and how we are performing against our Long-Term Financial Plan is also included within this Annual Business Plan.

Our performance against this Annual Business Plan will be reported in our Annual Report, which will be provided to Constituent Councils by 30 September 2024.

Key influences in 2024-25

The environment in which EHA and our Constituent Councils operate in is always changing. In preparing our 2024-25 Annual Business Plan, EHA has considered the key influences that we need to be aware of and respond to throughout the next 12 months. The major external factors that we have taken into consideration in the preparation of our Plan are summarised below.

| | |
|---------------------------|---|
| P POLITICAL | <ul style="list-style-type: none"> • <i>Changes in government / council policies</i> • <i>Revised Charter</i> |
| E ECONOMIC | <ul style="list-style-type: none"> • <i>Enterprise Agreement Labour Cost Increase</i> • <i>CPI 6.9% for 12 months to June 2023.</i> • <i>Continuation of Immunisation Service Provision Contract with City of Unley</i> • <i>End of Immunisation Service Provision to Adelaide Hills Council</i> • <i>Increase in Focus on Worksite Flu Program</i> • <i>No Changes to School Immunisation program for 2025</i> |
| S SOCIAL | <ul style="list-style-type: none"> • <i>Community attitudes to vaccines</i> • <i>Community expectations of environmental health</i> • <i>Community attitude towards compliance</i> • <i>Changing customer / community expectations</i> • <i>Heightened media interest in public health and safety issues</i> |
| T TECHNOLOGICAL | <ul style="list-style-type: none"> • <i>Data collection and analysis</i> • <i>Smart technology</i> • <i>Online services / immunisation bookings / information provision</i> • <i>New ways of communicating</i> • <i>Increased functionality from enhanced Immunisation Database</i> |
| E ENVIRONMENTAL | <ul style="list-style-type: none"> • <i>Increased risk of emergency events</i> • <i>Environmental Health Impacts of climate change</i> • <i>Disease from pests</i> |
| L LEGAL | <ul style="list-style-type: none"> • <i>Revised public health regulations</i> • <i>Training and evidence requirements for Food Businesses</i> • <i>Lack of appropriate registration and licensing systems for food safety and public health matters</i> • <i>Review of Supported Residential Facility legislation.</i> |

2024-2025 Annual Business Plan Overview

Our 2024-25 Priorities

| Focus Area | 2024-25 Priorities |
|--|---|
| 1. Public and Environmental Health Services | <ol style="list-style-type: none"> 1. Continue to actively collaborate and participate in the State Interagency Hoarding and Squalor group. 2. Develop educational material with key community public health messages to be promoted on EHA's website and Constituent Council social media platforms. 3. Continue to provide feedback to SA Health on the review of Public Health Regulations review as required. |
| 2. Immunisation | <ol style="list-style-type: none"> 1. Actively promote EHA's public immunisation clinic programs through channels identified in the EHA Marketing Plan. 2. Continue to ensure the effective governance and delivery of EHA's public clinic immunisation program in accordance with the National Immunisation Program (NIP) Schedule. 3. Deliver School Immunisation Program (SIP) in accordance with the SA Health Service Agreement contract. 4. Develop a business case for the provision of immunisation services on behalf of non-Constituent Councils (dependent on available opportunities) 5. Collaborate with SA Health for integration and implementation of the new on-line consent for immunisation in preparation of SIP 2025. |
| 3. Food Safety | <ol style="list-style-type: none"> 1. Continue to regulate the new legislative food management tools Standard 3.2.2a: Food Safety Supervisor; Food Handler Training and Records management. 2. Develop educational material with key community food safety messages to be promoted on EHA's website and Constituent Council social media platforms. 3. Develop new educational food safety non-verbal video guides to be accessed on EHA's website. 4. Develop a food safety Q & A for food businesses within EHA's Constituent Council areas. |
| 4. Governance and Organisational Development | <ol style="list-style-type: none"> 1. Implement the elements of the Regional Public Health Plan, 'Better Living, Better Health. 2. In consultation with Constituent Councils, continue to review and revise the EHA business planning and reporting framework. 3. Work with the Audit Committee and the Board to review and revise the financial indicators in the Long-Term Financial Plan. 4. Distribution of targeted quarterly performance reports for Constituent Councils to supplement Board reports. 5. Deliver upon request a presentation highlighting strengths and benefits of centralized service delivery model for Constituent Council Elected Members. |

Focus Area 1 - Public and Environmental Health Services

Strategic Objectives

- 1.1 Provide services that protect and maintain the health of the community and reduce the incidence of disease, injury or disability.
- 1.2 Increase awareness and understanding of good public and environmental health through community and business education programs.
- 1.3 Promote a safe and home-like environment for residents by ensuring quality of care in supported residential facilities.
- 1.4 Facilitate community safety and resilience through the integration of public and environmental health in emergency management planning.

2024-2025 Priorities

| Priority | Why this is important | Strategy |
|---|--|----------|
| 1. Continue to actively collaborate and participate in the newly formed State Interagency Hoarding and Squalor group. | <p>Continue to actively collaborate and participate in the newly formed State Interagency Hoarding and Squalor group (SAHSN).</p> <p>A consultative forum that combines the North, East, West and South Hoarding and squalor groups, aiming address hoarding and squalor across the state through an interagency approach. EHA will continue to facilitate meetings once every year and will continue to support the group and assist in advocating for more effective resolutions, development, review and distribution of hoarding and squalor legislation, guidelines and procedures.</p> | 1.1 |
| 2. Develop educational material with key community public health messages. | Develop and provide education material with key public health messages to the community. Key 'community public health focus themes' to be promoted throughout the year via EHA's website and through our Constituent Councils various social media platforms. Themes include: | 1.1 1.2 |

| | | |
|---|--|-----|
| | <ul style="list-style-type: none"> - Maintaining your swimming pool within your home (prevent mosquito harbourage, pool water quality and correctly discharge pool water) - Minimising the risk of a Legionella infection at home (maintaining hot water tanks, showers and taps, domestic spa pools and baths, evaporative coolers, therapeutic nebulisers and humidifiers and protecting yourself when gardening). - Maintaining your garden (tips to prevent the attraction and harbourage of vermin). | |
| 3. Continue to provide feedback to SA Health on the review of Public Health Regulations review as required. | EHA's key responsibility is to administer the Public Health Act and its associated Regulations. Providing feedback to the review of the Regulations enables EHA to address what is working well and areas of change to enable these legislative tools to be effective to ensure residents are provided with a safe and healthy lifestyle. | 1.1 |

Core services

EHA will continue to:

- Implement the elements of the Regional Public Health Plan 'Better Living, Better Health' as they apply to EHA.
- Comply with all relevant legislation and reporting requirements in undertaking assessments and investigating complaints to ensure appropriate standards are met in regulated premises:
 - Public swimming pools and spas
 - Cooling towers and warm water systems
 - Personal care and body art
 - Onsite wastewater management systems
- Respond to or coordinate multi-agency responses to public health enquiries and complaints within the built environment that give rise to public health risk.

- Provide information, advice and resources to households and businesses to assist with the management of public health risks.
- Contribute to and promote interagency management of residents impacted by hoarding and squalor.
- Develop, maintain, and distribute a comprehensive range of health education and promotion material to educate the community and promote good public health and also in particular areas of focus identified by SA Health.
- Assess applications under the Supported Residential Facilities legislation and undertake inspections and investigations to ensure residents receive an appropriate level of care.
- Liaise with Constituent Councils and Eastern Adelaide Zone Emergency Management Committee to ensure integration of emergency management arrangements.
- Provide public and environmental health information to the community and businesses during emergencies to minimise public health consequences of emergency events.

Key performance indicators

We will know that we are on track to achieve our strategic objectives if we meet these Key Performance Indicators.

| Strategic Objectives | KPIs |
|---|---|
| 1.1 Provide services that protect and maintain the health of the community and reduce the incidence of disease, injury or disability. | EHA is meeting all public and environmental inspection requirements as per relevant legislation (and / or) adopted service standards. All public health complaints are responded to within EHA's adopted service standards. |
| 1.2 Increase awareness and understanding of good public and environmental health through community and business education programs. | Reduce the number of health inspections that require a follow up inspection to achieve compliance. All Constituent Councils are using EHA public health resources in their own communications. Participation in at least two proactive educational activities annually. |
| 1.3 Promote a safe and home-like environment for residents by | Conduct unannounced audits of all single license / non-dual Support Residential Facilities annually. |

| | |
|---|---|
| ensuring quality of care in supported residential facilities. | All licensing applications are processed within the legislated timeframes. |
| 1.4 Facilitate community safety and resilience through the integration of public and environmental health in emergency management planning. | <p>Attend and participate in all Eastern Adelaide Zone Emergency Management Committee meetings.</p> <p>Conduct or participate in at least one business continuity or emergency management plan exercise annually.</p> |

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Focus Area 2 - Immunisations

Strategic Objectives

- 2.1 Contribute to the effective control of preventable disease by delivering a high-quality public clinic immunisation service that complies with all relevant legislation and standards.
- 2.2 Increase number of adult and child clients and vaccinations through promotion and provision of accessible clinics, booking systems and appointment times.
- 2.3 Continue to be recognised as a trusted partner and sector leading immunisation provider of choice.
- 2.4 Advocate for appropriate funding to ensure that local government delivery of immunisation services is financially sustainable.

2024-25 Priorities

| Priority | Why this is important | Strategy |
|--|---|----------------------------------|
| 1. Promotion of EHA's public immunisation clinic program through channels identified in the EHA Marketing Plan – in particular Prospect Immunisation clinic. The clinic has changed from a morning appointment to a later 4pm – 6pm time slot in 2024. | <p>The development and distribution of promotional and information materials to our community increases awareness of our services and the importance of immunisation. EHA's website is an effective platform for communication of this information and other information relating to the various immunisation programs and projects being delivered.</p> <p>Building EHA's Social Media presence through Constituent Council platforms will assist in increasing awareness of immunisation clinics and Flu Worksites.</p> <p>Educate Prospect clients about the new clinic timetable options to utilise EHA's free immunisation services that their council offers.</p> | <p>2.1</p> <p>2.2</p> <p>2.3</p> |
| 2. Continue to ensure the effective governance and delivery of EHA's public clinic immunisation program in accordance with the National | <p>Immunisation is a safe and effective way of protecting people against harmful diseases that can cause serious health problems. Continuous effective management and governance of the immunisation program delivered by our specialist</p> | <p>2.1</p> <p>2.2</p> <p>2.3</p> |

| | | |
|--|--|------------|
| <p>Immunisation Program (NIP) Schedule.</p> <p>3. Continued focus on catch up immunisation history assessments.</p> | <p>immunisation nurses and our customer service team, ensures that our community receive a high quality and safe immunisation service. Continued strong focus around completion and uptake of catch-up immunisation history assessments for new arrival families and people with overseas immunisation records. Clients are then up to date with the National Immunisation Program (NIP). Assessments are completed by EHA's Registered Nurses (RNS), and immunisation records added to AIR, increasing administered vaccine numbers at EHA clinics.</p> | |
| <p>4. Deliver School Immunisation Program (SIP) in accordance with the SA Health Service Agreement contract. Develop and provide in conjunction with SA Health communication tool kits for school and families.</p> <p>5. Development of online bookings system for schools.</p> | <p>An effective ongoing relationship with SA Health and the High Schools located within our area is critical the delivery of a successful program. Key elements include liaising with school coordinators and SA Health regarding the implementation and evaluation of the program, community engagement with schools, submission of consent information and statistics via IRIS and the Australian Immunisation Register (AIR). Efficient school planning to ensure school visits are extended out evenly throughout the year This supports EHA's capacity to deliver workplace flu programs from April – June. Development and distribution to schools and families within our SIP program communications tool kit. These will include social media tiles for distribution to the schools as a form of modern communication with families and parents via social media platforms to educate about the current SIP program.</p> <p>Explore options available for the development of an online booking</p> | <p>2.4</p> |

| | | |
|---|--|-----|
| | system, allowing for school dates to be booked online. | |
| 6. Develop a business case for the provision of immunisation services on behalf of non-Constituent Councils (dependent on available opportunities). Continue to provide immunisation services to contract councils. | EHA can diversify its revenue sources by providing additional services where it has capacity and where there will be a net benefit to Constituent Councils. Providing immunisation services to Unley Council residents, in turn gaining additional exposure of EHA services to neighboring councils encouraging residents to utilise EHA services. | 2.3 |

Core services

EHA will continue to:

- Deliver a School Immunisation Program in accordance with the SA Health Service Agreement.
- Ensure effective governance and delivery of a public health clinic immunisation program in accordance with relevant legislation and EHA's adopted service standards.
- Promote and provide a professional and quality Workplace Immunisation Program on a fee for service basis.
- Promote EHA's public immunisation clinic program in accordance with the EHA Marketing Plan
- Provide Constituent Councils with educational and promotional materials relating to immunisation.
- Promote EHA's online booking system for immunisation appointments.
- Participate in discussions with SA Health and the Local Government Association about funding and support for the delivery of local government immunisation services.
- EHA services have not historically been included in the Commonwealth's current roll out of COVID-19 vaccinations. EHA will however continue its regular contact with SA Health to enquire about future involvement in delivery of the COVID-19 vaccine in both our SIP and NIP programs.

Key performance indicators

We will know that we are on track to achieve our strategic objectives if we are meeting these Key Performance Indicators.

| <i>Strategic Objectives</i> | | <i>KPIs</i> |
|-----------------------------|--|--|
| 2.1 | Contribute to the effective control of preventable disease by delivering | Clinic performance evaluation completed. |

| | | |
|-----|---|--|
| | a high-quality public clinic immunisation service that complies with all relevant legislation and standards | <p>Submit all reports within the required timeframes.</p> <p>Annual Cold Chain audit and pharmaceutical refrigerator maintenance.</p> |
| 2.2 | Continue to increase number of adult and child clients and vaccinations through promotion and provision of accessible clinics, booking systems and appointment times. | <p>Maintain or increase the number of public immunisation clinics offered by EHA annually.</p> <p>All eligible students are offered vaccinations through the School Immunisation Program and all absent students are invited to EHA public clinics to catch up.</p> <p>75% of bookings are made via the Immunisation Online Booking System.</p> <p>Clinic Timetable reviewed and published by 30 November.</p> |
| 2.3 | Continue to be recognised as a trusted partner and sector leading immunisation provider of choice. | <p>Renewal rate for EHA Workplace Immunisation Program is not less than 70%</p> <p>Satisfy all requirements of the SA Health Service Agreement contract.</p> |
| 2.4 | Advocate for appropriate funding to ensure that local government delivery of immunisation services is financially sustainable. | No reduction in the level of State Government funding provided to EHA to deliver immunisation services. |

Focus Area 3 - Food Safety

Strategic Objectives

- 3.1 Contribute to the effective control of preventable illness by monitoring and enforcing food safety standards and investigating food related complaints on behalf of Constituent Councils.
- 3.2 Be proactive in building positive relationships with food businesses and provide training and resources to encourage and support compliance with food safety standards.
- 3.3 Build community awareness of food safety issues by leading or participating in food safety education projects and partnerships.

2024-25 Priorities

| Priority | Why this is important | Strategy |
|--|--|------------|
| 1. Continue to regulate the new legislative food management tools Standard 3.2.2a: food safety supervisor; food handler training and records or evidence. | Continue to regulate the national Food Safety Standard 3.2.2a – Food Safety Management Tools: food safety supervisor; food handler training and records and evidence. The Standard introduces requirements for Australian businesses in food service, catering and retail sectors that handle unpackaged potentially hazardous food that is ready to eat. The tools have been introduced to improve the skills and knowledge of all food handlers and thereby improving the management of controls that are critical to food safety. Continue to distribute key communications to food businesses to assist with compliance of the new standards. | 3.1 3.2 |
| 2. Develop educational material with key community food safety messages. | Develop food safety education material to promote to the community. Key 'community food safety themes' to be promoted throughout the year via EHA's website and through our Constituent Councils various social media platforms. Themes include: | 3.3 |

| | | |
|--|--|-------------------|
| | <ul style="list-style-type: none"> - Food Safety: Parties, buffets and picnics – information to be distributed prior to summer and festive season. - Food safety: Refrigeration temperature and food safety – refrigerator tips to keep food safe and fresh. - Food Safety: Use-by or Best Before? Explaining the difference when reading and interpreting the label of a food product to allow customers to make improved and safe choices when buying and consuming food. | |
| 3. Continue to develop new food safety educational/information videos to be accessed on EHA's website. | <p>Continue to develop new food safety educational videos. A focus is to provide 'non-verbal video guides' to assist prospective and current proprietors of their responsibilities and requirements such as 'starting a home based food business'</p> <p>These video guides are designed to be short, silent with occasional supportive text to provide clarity, to capture a wider audience, including those who are deaf or hard of hearing and where English is a second language. The video to be accessed on EHA's website.</p> | 3.1 3.2 3.3 |
| 4. Develop a food safety Q & A for food businesses within EHA's Constituent Council areas. | <p>Develop a Q & A session specifically for food businesses within EHA's Constituent Council areas. The session is an opportunity for businesses to attend an informal interactive session to ask key food safety questions to assist with skills and knowledge and improving compliance with the food safety standards.</p> | 3.1 3.2 |

Core services

EHA will continue to:

- Monitor and maintain a register of all food businesses operating within EHA's jurisdiction.
- Conduct routine food business assessments using an appropriate food safety rating tool to ensure compliance with the *Food Act 2001* and Food Safety Standards.
- Undertake enforcement action in relation to breaches of the *Food Act 2001* and Food Safety Standards and follow up actions to ensure compliance is achieved.

- Implement the voluntary SA Health Food Star Rating Scheme.
- Respond to food-related customer complaints in accordance with customer service standards and SA Health guidelines and maintain a register of all food related complaints.
- Respond to food recalls in accordance with SA Health recommendations.
- Engage with applicants and provide advice to Constituent Councils about development applications and the structural fit out of new food businesses.
- Assess risks, conduct safety assessments where required and provide educational materials for temporary food businesses and temporary events.
- Provide reports on food safety assessments investigations and actions to the Board, Constituent Councils and SA Health.
- Provide food safety training for food businesses within EHA's Constituent Council area.
- Collate a biennial food safety newsletter to be distributed to EHA's food businesses.
- Develop and maintain a comprehensive range of health education and promotion material on food safety related issues and in particular areas of focus identified by SA Health.

Key performance indicators

We will know that we are on track to achieve our strategic objectives if we meet these Key Performance Indicators.

| Strategic Objectives | KPIs |
|--|--|
| <p>3.1 Contribute to the effective control of preventable illness by monitoring and enforcing food safety standards and investigating food related complaints on behalf of Constituent Councils.</p> | <p>EHA is meeting all food safety inspection requirements for higher risk food business determined by the SA Food Business Risk Classification Framework and performance of the food business.</p> <p>All food safety complaints are investigated in accordance with EHA service standards and SA Health instructions.</p> |
| <p>3.2 EHA is proactive in building positive relationships with food businesses and provide training and resources to encourage and support compliance with food safety standards.</p> | <p>Reduce the number of routine food premise inspections requiring a follow up inspection to address non-compliance.</p> <p>The average rating given under the SA Health Food Star Rating Scheme is increasing annually.</p> <p>All new food businesses receive an EHA Welcome Pack following notification.</p> |



| | |
|--|--|
| <p>3.3 Build community awareness of food safety issues by leading or participating in food safety education projects and partnerships.</p> | <p>Provide food safety training to at least 60 participants annually.</p> <p>All Constituent Councils are using EHA food safety education materials in their communications.</p> |
|--|--|

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Focus Area 4 - Governance and Organisational Development

Strategic Objectives

- 4.1 Achieve best practice standards of governance in accordance with the EHA Charter and relevant legislation.
- 4.2 Keep Constituent Councils informed of the services and actions performed by EHA on their behalf and the community outcomes being achieved.
- 4.3 Demonstrate leadership within the local government sector as an advocate for public health reforms that benefit the community and councils.
- 4.4 Provide a safe, healthy and rewarding working environment.

2024-25 Priorities

| Priority | Why this is important | Strategy |
|--|--|------------|
| 1. Implement the elements of the Regional Public Health Plan, 'Better Living, Better Health' as they apply to EHA. | EHA is currently responsible for ensuring that the elements of the plan relating to Health Protection are implemented on behalf of its Constituent Councils. | 4.1 |
| 2. In consultation with Constituent Councils, continue to review and revise the EHA business planning and reporting framework. | It is important that we continue to improve the way we plan our services and measure the outcomes we deliver to councils and the community. | 4.1 4.2 |
| 3. Work with the Audit Committee and the Board to review and revise the financial indicators in the Long-Term Financial Plan. | The EHA Long Term Financial Plan contains financial sustainability measures that are consistent with those used by Councils. As a subsidiary with a clearly defined focus on delivering public health services, we can explore whether these are the most meaningful measures for EHA to use in its new business planning and reporting framework. | 4.1 |
| 4. Distribution of targeted quarterly performance reports for Constituent Councils to supplement Board reports. | Regular (quarterly) targeted performance reporting on a dash board format, focusing on high-level EHA service provision. | 4.2 |

| | | |
|---|---|-----|
| 5. Deliver upon request a presentation highlighting strengths and benefits of centralised service delivery model for Constituent Council Elected Members. | A presentation provided to Constituent Council Elected Members and/or Executive which highlight the benefits of EHA as a centralised service delivery model provider will assist with strategic council engagement and relationships. | 4.2 |
|---|---|-----|

Core services

EHA will continue to:

- Achieve full compliance with the requirements of the EHA Charter and the Local Government Act 1999.
- Provide administrative assistance to the Public Health Plan Advisory Committee
- Prepare and monitor a Long-Term Financial Plan
- Prepare, monitor, and implement a Corporate Risk Plan
- Make submissions on public health reforms on behalf of Constituent Councils
- Compile and submit all periodic reports on EHAs activities required by legislation (Public Health Act, Food Act, Safe Drinking Water Act etc.)
- Explore the potential for the expansion of service provision to areas outside of current Constituent Councils
- Expand the functionality of Health Manager and Mobile Health to improve inspection, compliant and administrative efficiency, and reporting capabilities.
- Foster team cohesiveness and support effective teamwork.
- Provide systems for a safe working environment with appropriate Work Health and Safety (WHS) practices in place.
- Provide professional development opportunities for staff and encourage membership of relevant professional organisations.

Key performance indicators

We will know that we are on track to achieve our strategic objectives if we meet these Key Performance Indicators.

| Strategic Objectives | KPIs |
|--|--|
| 4.1 Achieve best practice standards of governance in accordance with the EHA Charter and relevant legislation. | No instances of non-compliance with the EHA Charter. No instances of non-compliance with the reporting requirements to external bodies required by legislation. |

| | |
|---|--|
| | Ongoing implementation of all risk controls in the EHA Corporate Risk Plan. |
| 4.2 Keep Constituent Councils informed of the services and actions performed by EHA on their behalf and the community outcomes being achieved. | Meet with Constituent Council nominated contacts at least four times per year. Respond to all Constituent Council requests for information within 5 business days. Provide an Annual Report to Constituent Councils by 30 September. All Constituent Councils participate in EHA's Annual Business Plan and Budget setting process. |
| 4.3 Demonstrate leadership within the local government sector as an advocate for public health reforms that benefit the community and councils. | Written submissions on public health reform proposals are endorsed by the Board. Attend meetings of the Environmental Managers Forum. |
| 4.4 Provide a safe, healthy and rewarding working environment. | WHS is an agenda item at all EHA staff meetings. Annual staff training and development budget is not less than 1.75% of total budget. Staff portfolios are reviewed annually as part of a performance development framework. |

Budget Overview

The forecast for the 2024/2025 financial year is that EHA's operating result will be a break-even result. A total of \$2,094,100 will be raised through contributions from our Constituent Councils.

A total of \$1,944,200 will be raised through contributions from our Constituent Councils

This represents a 6.29% increase in overall collective contributions from the previous year.

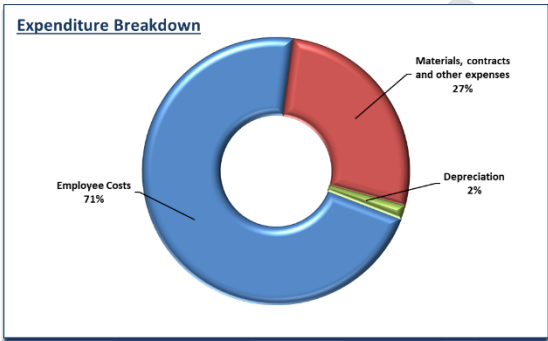
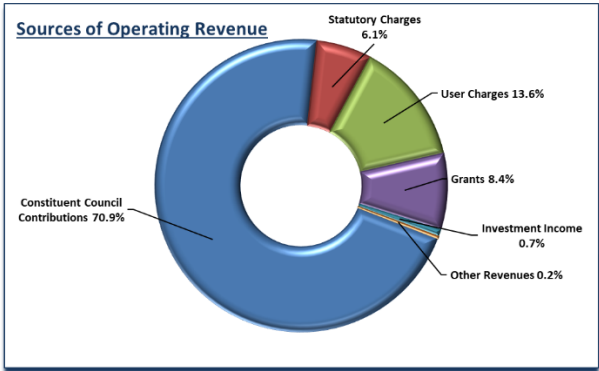
| Operating Activity | (\$'000s) |
|-----------------------|------------------|
| Total Income | \$2,952 |
| Less | |
| Employee costs | \$2,104 |
| Operating Expenditure | \$800 |
| Depreciation | \$48 |
| Net Surplus (Deficit) | (\$0) Break Even |

The key assumptions that have been used to prepare the 2024-25 Budget are summarised below.

- Use of Revised Contribution Formula which will have differing impacts on individual councils.
- CPI of 6.9, equivalent to Adelaide CPI for period to 30 June 2023.
- Enterprise Agreement increase of 4.
- Delivery of Immunisation Service Contracts to Unley Council
- No delivery of Immunisation Service Contracts to Adelaide Hills Council.
- No Changes to the 2025 School Immunisation Program.

Funding the Annual Business Plan

The component of income required from Constituent Councils to fund EHA operations is determined by a formula contained within the EHA Charter. Aside for a 5% nominal administrative component that is shared equally (1% per council), costs are shared on a proportional basis, dependent upon the numbers of individual public health activities conducted by EHA on behalf of Constituent Councils.



2024-25 Budget

| EASTERN HEALTH AUTHORITY STATEMENT OF COMPREHENSIVE INCOME | | |
|--|---|---------------------------|
| FOR THE YEAR ENDING 30 June 2025 | | |
| ADOPTED BUDGET 2023/2024 (After Third Review) | | DRAFT BUDGET 2024/2025 |
| | INCOME | |
| 1,970,200 | Council Contributions | 2,094,100 |
| 183,800 | Statutory Charges | 180,300 |
| 393,000 | User Charges | 400,500 |
| 254,000 | Grants, subsidies and contributions | 249,000 |
| 20,000 | Investment Income | 22,000 |
| 12,000 | Other Income | 7,000 |
| 2,833,000 | TOTAL INCOME | 2,952,900 |
| | EXPENSES | |
| 2,024,000 | Employee Costs | 2,104,000 |
| 783,000 | Materials, contracts and other expenses | 800,900 |
| - | Finance Charges | - |
| 26,000 | Depreciation | 48,000 |
| 2,833,000 | TOTAL EXPENSES | 2,952,900 |
| - | Operating Surplus/(Deficit) | - |
| | | |
| | Net gain (loss) on disposal of assets | - |
| - | Net Surplus/(Deficit) | - |
| | | |
| - | Total Comprehensive Income | - |

| EASTERN HEALTH AUTHORITY STATEMENT OF CASH FLOWS | | |
|---|---|---------------------------|
| FOR THE YEAR ENDING 30 June 2025 | | |
| ADOPTED BUDGET 2023/2024 (After Third Review) | | DRAFT BUDGET 2024/2025 |
| | CASHFLOWS FROM OPERATING ACTIVITIES | |
| | Receipts | |
| 1,970,200 | Council Contributions | 2,094,100 |
| 183,800 | Fees & other charges | 180,300 |
| 393,000 | User Charges | 400,500 |
| 20,000 | Investment Receipts | 22,000 |
| 254,000 | Grants utilised for operating purposes | 249,000 |
| 12,000 | Other | 7,000 |
| - | Payments | |
| (2,024,000) | Employee costs | (2,104,000) |
| (783,000) | Materials, contracts & other expenses | (800,900) |
| - | Finance Payments | - |
| 26,000 | Net Cash Provided/(Used) by Operating Activities | 48,000 |
| | CASH FLOWS FROM FINANCING ACTIVITIES | |
| - | Loans Received | - |
| - | Repayment of Borrowings | - |
| - | Repayment of Finance Lease Liabilities | - |
| - | Net Cash Provided/(Used) by Financing Activities | - |
| | CASH FLOWS FROM INVESTING ACTIVITIES | |
| - | Receipts | |
| - | Sale of Replaced Assets | - |
| - | Payments | |
| (40,000) | Expenditure on renewal / replacements of assets | - |
| - | Expenditure on new / upgraded assets | - |
| - | Distributions paid to constituent Councils | - |
| (40,000) | Net Cash Provided/(Used) by Investing Activities | - |
| (14,000) | NET INCREASE (DECREASE) IN CASH HELD | 48,000 |
| 644,769 | CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD | 630,769 |
| 630,769 | CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD | 678,769 |

| EASTERN HEALTH AUTHORITY STATEMENT OF FINANCIAL POSITION | | |
|--|---|---------------------------|
| FOR THE YEAR ENDING 30 June 2025 | | |
| ADOPTED BUDGET 2023/2024 (After Third Review) | | DRAFT BUDGET 2024/2025 |
| | <u>CURRENT ASSETS</u> | |
| 630,769 | Cash and Cash Equivalents | 678,769 |
| 271,901 | Trade & Other Receivables | 271,901 |
| 902,670 | TOTAL CURRENT ASSETS | 950,670 |
| | <u>NON-CURRENT ASSETS</u> | |
| 1,118,793 | Infrastructure, property, plant and equipment | 1,070,793 |
| 1,118,793 | TOTAL NON-CURRENT ASSETS | 1,070,793 |
| | | |
| 2,021,463 | TOTAL ASSETS | 2,021,463 |
| | <u>CURRENT LIABILITIES</u> | |
| 121,916 | Trade & Other Payables | 121,916 |
| 285,083 | Provisions | 285,083 |
| 111,865 | Borrowings | 111,865 |
| 518,864 | TOTAL CURRENT LIABILITIES | 518,864 |
| | <u>NON-CURRENT LIABILITIES</u> | |
| 44,614 | Provisions | 44,614 |
| 881,032 | Borrowings | 881,032 |
| 925,646 | TOTAL NON-CURRENT LIABILITIES | 925,646 |
| | | |
| 1,444,510 | TOTAL LIABILITIES | 1,444,510 |
| | | |
| 383,806 | NET CURRENT ASSETS/(CURRENT LIABILITIES) | 431,806 |
| | | |
| 576,953 | NET ASSETS | 576,953 |
| | <u>EQUITY</u> | |
| 576,953 | Accumulated Surplus/(Deficit) | 576,953 |
| 576,953 | TOTAL EQUITY | 576,953 |

| EASTERN HEALTH AUTHORITY STATEMENT OF CHANGES IN EQUITY | | |
|---|--------------------------------|---------------------------|
| FOR THE YEAR ENDING 30 June 2025 | | |
| ADOPTED BUDGET 2023/2024 (After Third Review) | | DRAFT BUDGET 2024/2025 |
| | <u>ACCUMULATED SURPLUS</u> | |
| 576,953 | Balance at beginning of period | 576,953 |
| | Net Surplus/(Deficit) | - |
| 576,953 BALANCE AT END OF PERIOD | | 576,953 |
| | <u>TOTAL EQUITY</u> | |
| 576,953 | Balance at beginning of period | 576,953 |
| | Net Surplus/(Deficit) | - |
| 576,953 BALANCE AT END OF PERIOD | | 576,953 |

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EASTERN HEALTH AUTHORITY

Minute of a decision by the Board of Management of Eastern Health Authority (EHA) made via circular resolution.

Resolution Proposed by Circular Resolution

1.0 DRAFT ANNUAL BUSINESS PLAN AND BUDGETED FINANCIAL STATEMENTS FOR 2023/2024

- 1. The Draft Annual Business Plan and Budgeted Financial Statements for 2024/2025 Report is received.
- 2. The Draft Annual Business Plan and Budgeted Financial Statements for 2024/2025 provided as attachment 1 to this report is endorsed.

There were nine (9) votes in favour, zero (0) votes against. Seven (7) votes were received before the prescribed date and time in the notice. Two (2) votes were received after the prescribed date and time in the notice of Monday 18 March 2024 5:00pm.

| Votes received before prescribed date and time | Vote |
|--|------|
| Cr M Nobel (City of Campbelltown) | Yes |
| Cr J Allanson (Town of Walkerville) | Yes |
| Cr S Whittington (City of NPSP) | Yes |
| Cr P Cornish (City of Burnside) | Yes |
| Cr K Barnett (City of Prospect) | Yes |
| Cr K Moorhouse (City of NPSP) | Yes |
| M Hammond (City of Campbelltown) | Yes |
| Votes received after prescribed date and time | |
| Cr T Nguyen (City of Prospect) | Yes |
| Cr L Henschke (City of Burnside) | Yes |

Note - Cr J Nenke (Town Walkerville) – leave of absence.


.....

Date: 25 March 2024

Michael Livori
Chief Executive Officer

7.5 FINANCE REPORT AND THIRD AND FINAL (MARCH 2024) BUDGET REVIEW FOR 2023/2024

Author: Michael Livori

Ref: AF23/91

Summary

So that members can ensure that Eastern Health Authority (EHA) is operating according to its adopted budget, financial performance is regularly monitored, and statutory budget reviews are considered.

In accordance with regulation 9 of the *Local Government (Financial Management) Regulations 2011*,

- (1) *A council, council subsidiary or regional subsidiary must prepare and consider the following reports:*
- (a) *at least twice, between 30 September and 31 May (both dates inclusive) in the relevant financial year (where at least 1 report must be considered before the consideration of the report under sub regulation (1)(b), and at least 1 report must be considered after consideration of the report under sub regulation (1)(b))—a report showing a revised forecast of its operating and capital investment activities for the relevant financial year compared with the estimates for those activities set out in the budget presented in a manner consistent with the note in the Model Financial Statements entitled Uniform Presentation of Finances;*
 - (b) *between 30 November and 15 March (both dates inclusive) in the relevant financial year—a report showing a revised forecast of each item shown in its budgeted financial statements for the relevant financial year compared with estimates set out in the budget presented in a manner consistent with the Model Financial Statements.*

This report provides the third and final of the budget reviews required in accordance with regulation 9 (1) and relates to the financial performance of EHA between 1 July 2023 and 31 March 2024. It provides the opportunity to compare the adopted budget with revised projections of income and expenditure for the 2023/2024 financial year. The report was considered and endorsed by the Board of Management at its meeting held on 21 February 2024.

Report

The report below gives a simple analysis of year-to-date income, expenditure, and operating result.

| Eastern Health Authority - Financial Statement (Level 3) 1 July 2023 to 31 March 2024 | | | | |
|--|-------------|-------------|--------------|-------------|
| | Actual | Budgeted | \$ Variation | % Variation |
| Total Operating Expenditure | \$1,867,624 | \$2,021,993 | (\$154,369) | -8% |
| Total Operating Income | \$2,479,105 | \$2,494,950 | (\$15,846) | -1% |
| Operating Result | \$611,480 | \$472,957 | \$138,523 | 29% |

The report shows that for the reporting period income was \$15,846 (-1%) less than budgeted and expenditure was \$154,369 (-8%) less than budgeted.

The net result is a positive variation of \$138,523 on the budgeted year to date comparative operating result.

A more detailed report is provided as attachment 1. The report provides detail on year-to-date performance of individual budget lines. Any YTD variation greater than \$5,000 is detailed in the table on the following page with explanatory comments.

| Summary Table of Funding Statement Variations | | | | |
|---|-------------|-------------|---------------|--|
| Favourable variances are shown in black and unfavourable variances are shown in red . | | | | |
| Description | YTD Budget | YTD Actual | YTD Variation | Comment |
| Operational Income | | | | |
| Food Inspection Fees | \$93,000 | \$85,075 | (\$7,925) | Decrease in YTD budgeted inspections. Delay in appointment of staff to budgeted positions. |
| Fines | \$37,500 | \$9,876 | (\$27,624) | Reduction in YTD fines issued. |
| Fee for service Vaccines | \$58,644 | \$52,500 | \$6,144 | Fee vaccines (Men B and Flu) provided at public clinics. |
| Food Auditing | \$72,700 | \$86,058 | \$13,358 | Additional Food Audit Income. |
| Interest | \$15,000 | \$24,170 | \$9,170 | Additional Interest Income |
| Income variations requested | | | | Nil |
| Operational Expenditure | | | | |
| Employee Costs | \$1,478,750 | \$1,358,108 | (\$120,642) | Delay in appointment of staff to budgeted positions. |
| Legal | \$13,333 | \$4,260 | (\$9,073) | Less legal advice required by EHA |
| Expenditure variations requested | | | | Nil |

There are no operational budget variations requested or required in this review. There is however a Capital Expenditure variation request which is detailed below.

Capital Expenditure

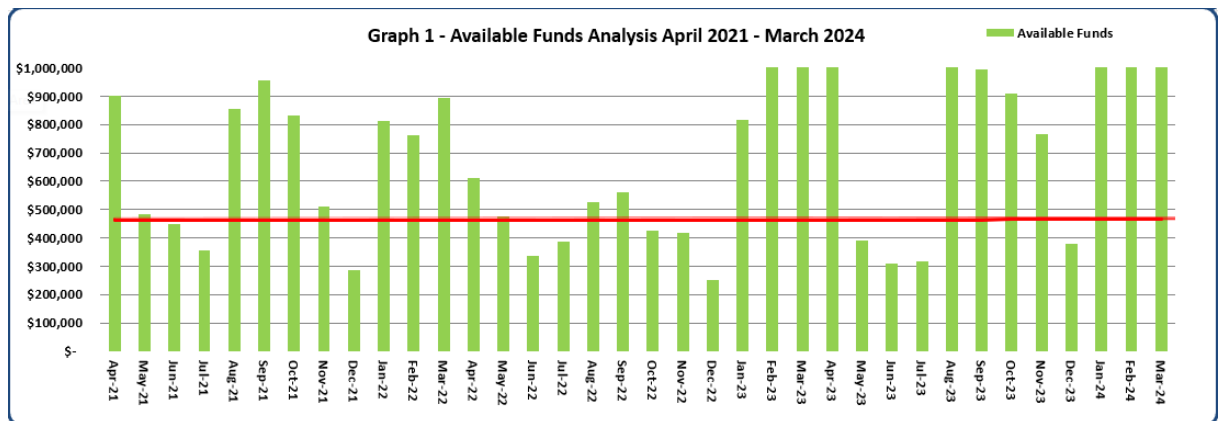
At the Budget Workshop held on 6 March 2024 Board Members were informed that there would be a budget variation presented at this meeting for capital expenditure. The personal computers (PC's) that are currently being used by the organisation are now five years old and have come to the end of their reliable life. There have been a number of units which have ceased to operate in recent times and IT advice is that the PC's (21) and associated hardware (screens/headsets/keyboards etc) should be changed over. To accommodate this, it is requested that \$40,000 is incorporated into the 2023/2024 budget as Capital Expenditure. While this expenditure will reduce the budget result, the final budget result is expected to be well above (positive) the breakeven result budgeted (see attachment 1).

A copy of the amended budget incorporating the requested Capital Expenditure is provided as attachment 2.

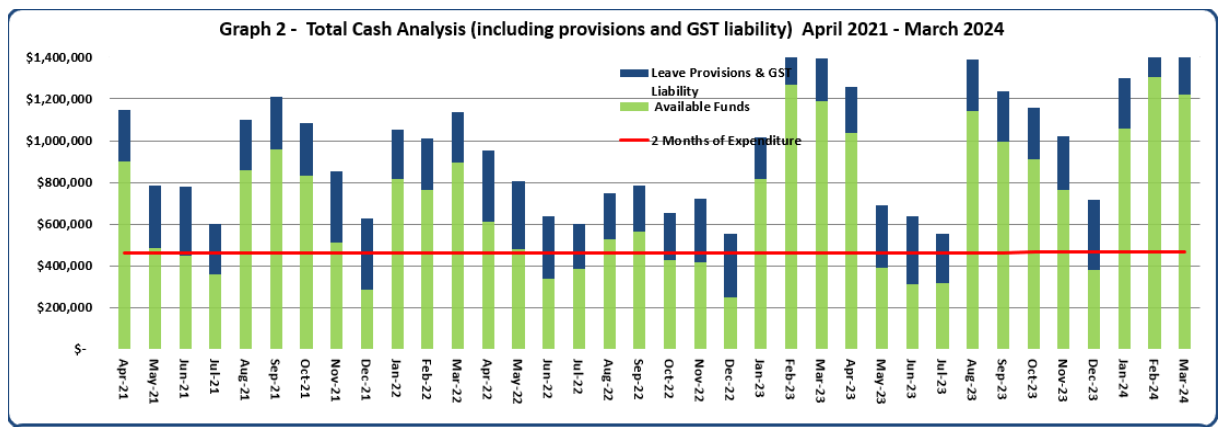
Cash Management

A Bank Reconciliation and Available Funds report for the period ending 31 March 2024 is provided as attachment 3. It shows that available funds were \$1,218,343 on 31 March 2024 in comparison with \$379,031 on 31 December 2023.

Graph 1 which follows details the level of available funds (total cash minus leave provisions and GST liability) for the preceding 2-year period.



Graph 2 below details the total level of cash on hand including leave provisions and GST liability.



The red line in both graphs indicates the target minimum levels of cash that are recommended to be held for working capital (equivalent to 2 months expenditure). The graphs show that the lowest levels of cash available in the annual cash cycle have generally maintained this target.

RECOMMENDATION

That:

The Finance Report and Third and Final (March 2024) Budget Review for 2023/2024 Report be received.

| Eastern Health Authority - Financial Statement (Level 3) 1 July 2023 to 31 March 2024 | | | | |
|--|--------------------|--------------------|-------------------|-------------|
| Income | Actual | Budgeted | \$ Variation | % Variation |
| Constituent Council Income | | | | |
| City of Burnside | \$549,526 | \$549,526 | \$0 | 0% |
| City of Campbelltown | \$485,862 | \$485,862 | \$0 | 0% |
| City of NPS | \$623,600 | \$623,600 | \$0 | 0% |
| City of Prospect | \$222,106 | \$222,106 | \$0 | 0% |
| Town of Walkerville | \$89,106 | \$89,106 | \$0 | 0% |
| Total Constituent Council Contributions | \$1,970,200 | \$1,970,200 | \$0 | 0% |
| Statutory Charges | | | | |
| Food Inspection fees | \$85,075 | \$93,000 | (\$7,925) | -9% |
| Legionella registration and Inspection | \$4,472 | \$6,000 | (\$1,528) | -25% |
| SRF Licenses | \$273 | \$1,800 | (\$1,527) | 0% |
| Fines & Expiation Fees | \$9,876 | \$37,500 | (\$27,624) | -74% |
| Total Statutory Charges | \$99,696 | \$138,300 | (\$38,604) | -28% |
| User Charges | | | | |
| Immunisation: Service Provision | \$101,750 | \$101,750 | \$0 | 0% |
| Immunisation: Clinic Vaccines | \$58,644 | \$52,500 | \$6,144 | 12% |
| Immunisation: Worksites Vaccines | \$21 | \$0 | \$21 | 0% |
| Immunisation: Clinic Vaccines F | \$2,055 | \$0 | \$2,055 | 0% |
| Food Auditing | \$86,058 | \$72,700 | \$13,358 | 18% |
| Food Safety Training | | | | |
| Total User Charges | \$248,527 | \$226,950 | \$21,577 | 10% |
| Grants, Subsidies, Contributions | | | | |
| Immunisation School Program | \$117,493 | \$114,500 | \$2,993 | 3% |
| Immunisation:ACIR | \$18,646 | \$21,000 | (\$2,354) | -11% |
| Total Grants, Subsidies, Contributions | \$136,139 | \$135,500 | \$639 | 0% |
| Investment Income | | | | |
| Interest on investments | \$24,170 | \$15,000 | \$9,170 | 61% |
| Total Investment Income | \$24,170 | \$15,000 | \$9,170 | 61% |
| Other Income | | | | |
| Motor Vehicle re-imbursements | \$0 | \$3,750 | (\$3,750) | -100% |
| Sundry Income | \$372 | \$5,250 | (\$4,878) | -93% |
| Total Other Income | \$372 | \$9,000 | (\$8,628) | -96% |
| Total Income | \$2,479,105 | \$2,494,950 | (\$15,846) | -1% |

| Eastern Health Authority - Financial Statement (Level 3) 1 July 2023 to 31 March 2024 | | | | |
|--|--------------------|--------------------|---------------------|--------------------|
| Expenditure | Actual | Budgeted | \$ Variation | % Variation |
| Employee Costs | | | | |
| Salaries & Wages | \$1,179,836 | \$1,285,625 | (\$105,789) | -8% |
| Superannuation | \$132,153 | \$144,750 | (\$12,597) | -9% |
| Workers Compensation | \$15,458 | \$14,625 | \$833 | 6% |
| Employee Leave - LSL Accruals | \$30,662 | \$30,750 | (\$88) | 0% |
| Medical Officer Retainer | \$0 | \$3,000 | (\$3,000) | -100% |
| Total Employee Costs | \$1,358,108 | \$1,478,750 | (\$120,642) | -8% |
| Prescribed Expenses | | | | |
| Auditing and Accounting | \$14,158 | \$16,500 | (\$2,343) | 0% |
| Insurance | \$42,959 | \$38,250 | \$4,709 | 100% |
| Maintenance | \$44,728 | \$42,750 | \$1,978 | 5% |
| Vehicle Leasing/maintenance | \$58,653 | \$57,750 | \$903 | 2% |
| Total Prescribed Expenses | \$160,498 | \$155,250 | \$5,248 | 3% |
| Rent and Plant Leasing | | | | |
| Electricity | \$14,437 | \$11,250 | \$3,187 | 28% |
| Plant Leasing Photocopier | \$1,532 | \$2,250 | (\$718) | -32% |
| Rent | \$93,435 | \$95,833 | (\$2,399) | -3% |
| Water | \$0 | \$225 | (\$225) | -100% |
| Gas | \$0 | \$2,025 | (\$2,025) | -100% |
| Total Rent and Plant Leasing | \$109,404 | \$111,583 | (\$2,180) | -2% |
| IT Licensing and Support | | | | |
| IT Licences | \$47,515 | \$52,200 | (\$4,685) | -9% |
| IT Support | \$43,844 | \$41,251 | \$2,593 | 6% |
| Internet | \$3,177 | \$4,500 | (\$1,323) | -29% |
| IT Other | \$255 | \$1,500 | (\$1,246) | -83% |
| Total IT Licensing and Support | \$94,790 | \$99,451 | (\$4,661) | -5% |
| Administration | | | | |
| Administration Sundry | \$6,763 | \$5,250 | \$1,513 | 29% |
| Accreditation Fees | \$2,119 | \$3,000 | (\$881) | -29% |
| Board of Management | \$4,080 | \$9,000 | (\$4,920) | -55% |
| Bank Charges | \$4,125 | \$2,625 | \$1,500 | 57% |
| Public Health Sundry | \$1,011 | \$3,750 | (\$2,739) | -73% |
| Fringe Benefits Tax | \$10,860 | \$10,500 | \$360 | 3% |
| Legal | \$4,260 | \$13,333 | (\$9,073) | -68% |
| Printing & Stationery & Postage | \$14,754 | \$16,500 | (\$1,746) | -11% |
| Telephone | \$10,402 | \$12,750 | (\$2,348) | -18% |
| Occupational Health & Safety | \$3,780 | \$7,500 | (\$3,720) | -50% |
| Staff Amenities | \$715 | \$5,250 | (\$4,535) | -86% |
| Staff Training | \$4,011 | \$9,000 | (\$4,989) | -55% |
| Human Resource Sundry | \$3,920 | \$8,500 | (\$4,580) | -54% |
| Total Administration | \$70,801 | \$106,958 | (\$36,158) | -34% |

| Eastern Health Authority - Financial Statement (Level 3) 1 July 2023 to 31 March 2024 | | | | |
|--|--------------------|--------------------|--------------------|------------|
| Immunisation | | | | |
| Immunisation SBP Consumables | \$6,616 | \$7,500 | (\$884) | -12% |
| Immunisation Clinic Vaccines | \$32,552 | \$30,000 | \$2,552 | 9% |
| Immunisation Worksite Vaccines | \$3,625 | \$0 | \$3,625 | 0% |
| Total Immunisation | \$42,793 | \$37,500 | \$5,293 | 14% |
| | | | | |
| Income Protection | \$29,536 | \$31,000 | (\$1,464) | 0% |
| Total Uniforms/Income protection | \$29,536 | \$31,000 | (\$1,464) | 0% |
| | | | | |
| Sampling | | | | |
| Legionella Testing | \$2,238 | \$1,500 | \$738 | 49% |
| Total Sampling | \$2,238 | \$1,500 | \$738 | 49% |
| | | | | |
| Finance Costs - Unallocated Transactions | | | | |
| | | | | |
| Total Materials, contracts and other expenses | \$1,867,624 | \$2,021,993 | (\$154,369) | -8% |
| | | | | |
| Total Operating Expenditure | \$1,867,624 | \$2,021,993 | (\$154,369) | -8% |
| | | | | |
| Total Operating Income | \$2,479,105 | \$2,494,950 | (\$15,846) | -1% |
| | | | | |
| Operating Result | \$611,480 | \$472,957 | \$138,523 | 29% |

| EASTERN HEALTH AUTHORITY STATEMENT OF COMPREHENSIVE INCOME | | | | | | |
|--|---|-----------------------------|---------------------|--------------------|-----------------|-----------------------------|
| FOR THE YEAR ENDING 30 June 2024 | | | | | | |
| AUDITED RESULTS 2022/2023 | | ADOPTED BUDGET 2023/2024 | SEPTEMBER REVIEW | DECEMBER REVIEW | MARCH REVIEW | REVISED BUDGET 2023/2024 |
| | INCOME | | | | | |
| 1,828,000 | Council Contributions | 1,970,200 | - | - | - | 1,970,200 |
| 136,026 | Statutory Charges | 183,800 | - | - | - | 183,800 |
| 457,619 | User Charges | 442,500 | - | (49,500) | - | 393,000 |
| 230,170 | Grants, subsidies and contributions | 230,000 | - | 24,000 | - | 254,000 |
| 15,866 | Investment Income | 10,000 | - | 10,000 | - | 20,000 |
| 7,255 | Other Income | 12,000 | - | - | - | 12,000 |
| 2,674,936 | TOTAL INCOME | 2,848,500 | - | (15,500) | - | 2,833,000 |
| | EXPENSES | | | | | |
| 1,881,592 | Employee Costs | 2,091,500 | (47,000) | (20,500) | - | 2,024,000 |
| 571,267 | Materials, contracts and other expenses | 731,000 | 47,000 | 5,000 | - | 783,000 |
| 37,681 | Finance Charges | - | - | - | - | - |
| 159,013 | Depreciation | 26,000 | - | - | - | 26,000 |
| 2,649,553 | TOTAL EXPENSES | 2,848,500 | - | (15,500) | - | 2,833,000 |
| 25,383 | Operating Surplus/(Deficit) | - | - | - | - | - |
| | Net gain (loss) on disposal of assets | - | - | - | - | - |
| 25,383 | Net Surplus/(Deficit) | - | - | - | - | - |
| 25,383 | Total Comprehensive Income | - | - | - | - | - |

| EASTERN HEALTH AUTHORITY STATEMENT OF CASH FLOWS | | | | | | |
|--|---|-----------------------------|---------------------|--------------------|-----------------|-----------------------------|
| FOR THE YEAR ENDING 30 June 2024 | | | | | | |
| AUDITED RESULTS 2022/2023 | | ADOPTED BUDGET 2023/2024 | SEPTEMBER REVIEW | DECEMBER REVIEW | MARCH REVIEW | REVISED BUDGET 2023/2024 |
| | CASHFLOWS FROM OPERATING ACTIVITIES | | | | | |
| | Receipts | | | | | |
| 1,828,000 | Council Contributions | 1,970,200 | - | - | - | 1,970,200 |
| 136,026 | Fees & other charges | 183,800 | - | - | - | 183,800 |
| 418,158 | User Charges | 442,500 | - | (49,500) | - | 393,000 |
| 14,506 | Investment Receipts | 10,000 | - | 10,000 | - | 20,000 |
| 230,170 | Grants utilised for operating purposes | 230,000 | - | 24,000 | - | 254,000 |
| 7,633 | Other | 12,000 | - | - | - | 12,000 |
| - | Payments | | | | | |
| (1,847,155) | Employee costs | (2,091,500) | 47,000 | 20,500 | - | (2,024,000) |
| (586,184) | Materials, contracts & other expenses | (731,000) | (47,000) | (5,000) | - | (783,000) |
| (38,517) | Finance Payments | - | - | - | - | - |
| 162,637 | Net Cash Provided/(Used) by Operating Activities | 26,000 | - | - | - | 26,000 |
| | CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| - | Loans Received | - | - | - | - | - |
| (38,391) | Repayment of Borrowings | - | - | - | - | - |
| (70,803) | Repayment of Finance Lease Liabilities | - | - | - | - | - |
| (109,194) | Net Cash Provided/(Used) by Financing Activities | - | - | - | - | - |
| | CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| - | Receipts | | | | | |
| - | Sale of Replaced Assets | - | - | - | - | - |
| - | Payments | | | | | |
| (49,557) | Expenditure on renewal / replacements of assets | - | - | - | (40,000) | (40,000) |
| - | Expenditure on new / upgraded assets | - | - | - | - | - |
| - | Distributions paid to constituent Councils | - | - | - | - | - |
| (49,557) | Net Cash Provided/(Used) by Investing Activities | - | - | - | (40,000) | (40,000) |
| (38,391) | NET INCREASE (DECREASE) IN CASH HELD | 26,000 | - | - | (40,000) | (14,000) |
| 640,883 | CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD | 602,492 | 42,277 | - | - | 644,769 |
| 644,769 | CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD | 628,492 | 42,277 | - | (40,000) | 630,769 |

| EASTERN HEALTH AUTHORITY STATEMENT OF FINANCIAL POSITION | | | | | | |
|--|---|-----------------------------|---------------------|--------------------|-----------------|-----------------------------|
| FOR THE YEAR ENDING 30 June 2024 | | | | | | |
| AUDITED RESULTS 2022/2023 | | ADOPTED BUDGET 2023/2024 | SEPTEMBER REVIEW | DECEMBER REVIEW | MARCH REVIEW | REVISED BUDGET 2023/2024 |
| | <u>CURRENT ASSETS</u> | | | | | |
| 644,769 | Cash and Cash Equivalents | 628,492 | 42,277 | | (40,000) | 630,769 |
| 271,901 | Trade & Other Receivables | 188,901 | 83,000 | - | - | 271,901 |
| 916,670 | TOTAL CURRENT ASSETS | 817,393 | 125,277 | - | (40,000) | 902,670 |
| | <u>NON-CURRENT ASSETS</u> | | | | | |
| 1,104,793 | Infrastructure, property, plant and equipment | 998,437 | 80,356 | - | 40,000 | 1,118,793 |
| 1,104,793 | TOTAL NON-CURRENT ASSETS | 998,437 | 80,356 | - | 40,000 | 1,118,793 |
| 2,021,463 | TOTAL ASSETS | 1,815,830 | 205,633 | - | - | 2,021,463 |
| | <u>CURRENT LIABILITIES</u> | | | | | |
| 121,916 | Trade & Other Payables | 163,940 | (42,024) | - | - | 121,916 |
| 285,083 | Provisions | 307,903 | (22,820) | - | - | 285,083 |
| 111,865 | Borrowings | 119,871 | (8,006) | - | - | 111,865 |
| 518,864 | TOTAL CURRENT LIABILITIES | 591,714 | (72,850) | - | - | 518,864 |
| | <u>NON-CURRENT LIABILITIES</u> | | | | | |
| 44,614 | Provisions | 21,716 | 22,898 | - | - | 44,614 |
| 881,032 | Borrowings | 851,594 | 29,438 | - | - | 881,032 |
| 925,646 | TOTAL NON-CURRENT LIABILITIES | 873,310 | 52,336 | - | - | 925,646 |
| 1,444,510 | TOTAL LIABILITIES | 1,465,024 | (20,514) | - | - | 1,444,510 |
| 397,806 | NET CURRENT ASSETS/(CURRENT LIABILITIES) | 225,679 | 198,127 | - | (40,000) | 383,806 |
| 576,953 | NET ASSETS | 350,806 | 226,147 | - | - | 576,953 |
| | <u>EQUITY</u> | | | | | |
| 576,953 | Accumulated Surplus/(Deficit) | 502,570 | 74,383 | - | - | 576,953 |
| 576,953 | TOTAL EQUITY | 502,570 | 74,383 | - | - | 576,953 |

| EASTERN HEALTH AUTHORITY STATEMENT OF CHANGES IN EQUITY | | | | | | |
|---|---------------------------------|-----------------------------|---------------------|--------------------|-----------------|-----------------------------|
| FOR THE YEAR ENDING 30 June 2024 | | | | | | |
| AUDITED RESULTS 2022/2023 | | ADOPTED BUDGET 2023/2024 | SEPTEMBER REVIEW | DECEMBER REVIEW | MARCH REVIEW | REVISED BUDGET 2023/2024 |
| | <u>ACCUMULATED SURPLUS</u> | | | | | |
| 551,570 | Balance at beginning of period | 502,570 | 74,383 | | - | 576,953 |
| 25,383 | Net Surplus/(Deficit) | - | - | - | - | - |
| 576,953 | BALANCE AT END OF PERIOD | 502,570 | 74,383 | - | - | 576,953 |
| | <u>TOTAL EQUITY</u> | | | | | |
| 551,570 | Balance at beginning of period | 502,570 | 74,383 | - | - | 576,953 |
| 25,383 | Net Surplus/(Deficit) | - | - | - | - | - |
| 576,953 | BALANCE AT END OF PERIOD | 502,570 | 74,383 | - | - | 576,953 |

| Eastern Health Authority | | | | | | |
|---|----------------|----------------|----------------|--|--|---------------|
| Bank Reconciliation as at 31 March 2024 | | | | | | |
| Bank SA Account No. 141/0532306840 | | | | | | |
| Balance as per Bank Statement 31 March 2024 | | | | | | \$ 422,579.20 |
| Less Outstanding cheques | | | \$ - | | | |
| Add Outstanding deposits | | | \$ - | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| BALANCE PER General Ledger | | | | | | \$ 422,579.20 |
| | | | | | | |
| GST as 31 March 2024 | | | | | | |
| GST Collected | | | \$122,806.81 | | | |
| GST Paid | | | (\$17,191.23) | | | |
| Net GST Claimable (Payable) | | | \$105,615.58 | | | |
| | | | | | | |
| | | | | | | |
| Funds Available 31 March 2024 | | | | | | |
| Account | 31-Dec-23 | 31-Mar-24 | Variance | | | |
| Bank SA Cheque Account | \$ 201,460 | \$ 422,579 | (\$221,119.53) | | | |
| Local Government Finance Authority | \$ 512,945 | \$ 1,019,845 | (\$506,900.41) | | | |
| Net GST Claimable (Payable) | \$ (5,676.97) | \$ 105,616 | (\$111,293) | | | |
| Long Service Leave Provision | (\$181,588.00) | (\$181,588.00) | \$0.00 | | | |
| Annual Leave Provision | (\$148,109.00) | (\$148,109.00) | \$0.00 | | | |
| TOTAL FUNDS AVAILABLE | \$ 379,031 | \$ 1,218,343 | (\$839,312) | | | |

7.6 LONG-TERM FINANCIAL PLAN FINANCIAL ESTIMATES

Author: Michael Livori
Ref: AF13/78

Summary

Revised Long Term Financial Plan Estimates (LTFPE) were considered and endorsed by the Audit Committee at its meeting held on 6 December 2023. The revised LTFPE were subsequently presented to the Board of Management at its meeting held on 21 February 2024. The Board requested at this meeting that the Audit Committee reconsider the assumptions used within the LTFPE at its next meeting.

Report

The purpose of the EHA LTFP is to express, in financial terms, the activities that EHA proposes to undertake over the medium to longer term to achieve its stated objectives as outlined in its Charter and Business Plan.

EHA is an operational based organisation focused on meeting the regulatory requirements of its member councils. Unlike its Constituent Councils it is not responsible for managing a high level of long-lived assets.

The one exception to this was the upgrade of EHA's St Peters office accommodation which occurred in 2012. A 10 year loan from the LGFA was used to fund the required office accommodation. The final payment on the loan was made in July 2022. The LTFP is now simply a projection of current operating arrangements moving forward.

Revised Long-Term financial estimates based on the audited results from 2022/2023 and the currently used key assumptions were considered by the Audit Committee at its meeting held on 16 August 2023. At the meeting the committee requested that a simpler LTFP model be developed. It was requested that the model should be more in line with EHA's financial operations.

A revised LTFP based on a simpler format was subsequently developed and was provided to and considered by the Audit Committee at its meeting held on 6 December 2023. The Long-Term financial estimates were based on 3% income, 3% expenses and 3% wages indexing basis.

The revised LTFPE was presented to the Board of Management for consideration at its meeting held on 21 February 2024. At the meeting the Board requested that the Audit Committee reconsider the assumptions used within the LTFPE at its next meeting.

Provided as attachment 1 is the revised LTFPE.

Provided as attachment 2 is the Working Information associated with the LTFPE.

RECOMMENDATION

That:

1. The Long-Term Financial Plan Financial Estimates report is received.
2. The Long-Term Financial Plan Revised Financial Estimates are amended with the revised assumptions agreed at the meeting and provided to the Board of Management for adoption.

EASTERN HEALTH AUTHORITY LONG TERM FINANCIAL PLAN

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED

| AUDITED RESULTS 2022/2023 | | ADOPTED BUDGET 2023/2024 | PLAN 2024/2025 | PLAN 2025/2026 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2026/2027 |
|------------------------------|---|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | INCOME | | | | | | % | | \$ | % | |
| 1,828,000 | Council Contributions | 1,970,200 | 2,029,306 | 2,090,185 | 2,152,891 | 2,217,477 | 2,284,002 | 2,352,522 | 2,423,097 | 2,495,790 | 2,570,664 |
| 136,026 | Statutory Charges | 183,800 | 189,314 | 194,993 | 200,843 | 206,869 | 213,075 | 219,467 | 226,051 | 232,832 | 239,817 |
| 457,619 | User Charges | 442,500 | 455,775 | 469,448 | 483,532 | 498,038 | 512,979 | 528,368 | 544,219 | 560,546 | 577,362 |
| 230,170 | Grants, subsidies and contributions | 230,000 | 236,900 | 244,007 | 251,327 | 258,867 | 266,633 | 274,632 | 282,871 | 291,357 | 300,098 |
| 15,866 | Investment Income | 10,000 | 10,300 | 10,609 | 10,927 | 11,255 | 11,593 | 11,941 | 12,299 | 12,668 | 13,048 |
| 7,255 | Other Income | 12,000 | 12,360 | 12,731 | 13,113 | 13,506 | 13,911 | 14,329 | 14,758 | 15,201 | 15,657 |
| 2,674,936 | TOTAL INCOME | 2,848,500 | 2,933,955 | 3,021,974 | 3,112,633 | 3,206,012 | 3,302,192 | 3,401,258 | 3,503,296 | 3,608,395 | 3,716,646 |
| | EXPENSES | | | | | | | - | | | |
| 1,881,592 | Employee Costs | 2,061,500 | 2,123,345 | 2,187,045 | 2,252,657 | 2,320,236 | 2,389,844 | 2,461,539 | 2,535,385 | 2,611,447 | 2,689,790 |
| 571,267 | Materials, contracts and other expenses | 761,000 | 783,830 | 807,345 | 831,565 | 856,512 | 882,208 | 908,674 | 935,934 | 964,012 | 992,932 |
| 37,681 | Finance Charges | - | - | - | - | - | - | - | - | - | - |
| 159,013 | Depreciation | 26,000 | 26,780 | 27,583 | 28,411 | 29,263 | 30,141 | 31,045 | 31,977 | 32,936 | 33,924 |
| 2,649,553 | TOTAL EXPENSES | 2,848,500 | 2,933,955 | 3,021,974 | 3,112,633 | 3,206,012 | 3,302,192 | 3,401,258 | 3,503,296 | 3,608,395 | 3,716,646 |
| 25,383 | Operating Surplus/(Deficit) | - | - | - | - | - | - | - | - | - | - |
| | Net gain (loss) on disposal of assets | - | - | - | - | - | - | - | - | - | - |
| 25,383 | Net Surplus/(Deficit) | - | - | - | - | - | - | - | - | - | - |
| 25,383 | Total Comprehensive Income | - | - | - | - | - | - | - | - | - | - |

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED

| AUDITED RESULTS 2022/2023 | | ADOPTED BUDGET 2023/2024 | PLAN 2024/2025 | PLAN 2025/2026 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2026/2027 |
|------------------------------|--|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | CASHFLOWS FROM OPERATING ACTIVITIES | | | | | | | | | | |
| | Receipts | | | | | | | | | | |
| 1,828,000 | Council Contributions | 1,970,200 | 2,029,306 | 2,090,185 | 2,152,891 | 2,217,477 | 2,284,002 | 2,352,522 | 2,423,097 | 2,495,790 | 2,570,664 |
| 136,026 | Fees & other charges | 183,800 | 189,314 | 194,993 | 200,843 | 206,869 | 213,075 | 219,467 | 226,051 | 232,832 | 239,817 |
| 418,158 | User Charges | 442,500 | 455,775 | 469,448 | 483,532 | 498,038 | 512,979 | 528,368 | 544,219 | 560,546 | 577,362 |
| 14,506 | Investment Receipts | 10,000 | 10,300 | 10,609 | 10,927 | 11,255 | 11,593 | 11,941 | 12,299 | 12,668 | 13,048 |
| 230,170 | Grants utilised for operating purposes | 230,000 | 236,900 | 244,007 | 251,327 | 258,867 | 266,633 | 274,632 | 282,871 | 291,357 | 300,098 |
| 7,633 | Other | 12,000 | 4,203 | 4,329 | 4,459 | 4,593 | 4,730 | 4,872 | 5,019 | 5,169 | 5,324 |
| | Payments | | | | | | | | | | |
| (1,847,155) | Employee costs | (2,061,500) | (2,113,454) | (2,176,858) | (2,242,163) | (2,309,428) | (2,378,711) | (2,450,073) | (2,523,575) | (2,599,282) | (2,677,260) |
| (586,184) | Materials, contracts & other expenses | (761,000) | (780,173) | (803,578) | (827,685) | (852,516) | (878,091) | (904,434) | (931,567) | (959,514) | (988,299) |
| (38,517) | Finance Payments | - | - | - | - | - | - | - | - | - | - |
| 162,637 | Net Cash Provided/(Used) by Operating Activities | 26,000 | 32,171 | 33,137 | 34,131 | 35,155 | 36,209 | 37,295 | 38,414 | 39,567 | 40,754 |
| | CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | - | | | |
| - | Loans Received | - | - | - | - | - | - | - | - | - | - |
| (38,391) | Repayment of Borrowings | - | - | - | - | - | - | - | - | - | - |
| (70,803) | Repayment of Finance Lease Liabilities | - | - | - | - | - | - | - | - | - | - |
| (109,194) | Net Cash Provided/(Used) by Financing Activities | - | - | - | - | - | - | - | - | - | - |
| | CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | - | | | |
| - | Receipts | | | | | | | - | | | |
| - | Sale of Replaced Assets | - | - | - | - | - | - | - | - | - | - |
| - | Payments | | | | | | | | | | |
| (49,557) | Expenditure on renewal / replacements of assets | - | - | - | - | - | - | - | - | - | - |
| - | Expenditure on new / upgraded assets | - | - | - | - | - | - | - | - | - | - |
| - | Distributions paid to constituent Councils | - | - | - | - | - | - | - | - | - | - |
| (49,557) | Net Cash Provided/(Used) by Investing Activities | - | - | - | - | - | - | - | - | - | - |
| (38,391) | NET INCREASE (DECREASE) IN CASH HELD | 26,000 | 32,171 | 33,137 | 34,131 | 35,155 | 36,209 | 37,295 | 38,414 | 39,567 | 40,754 |
| 640,883 | CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD | 644,769 | 670,769 | 702,940 | 736,077 | 770,207 | 805,362 | 841,571 | 878,867 | 917,281 | 956,848 |
| 644,769 | CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD | 670,769 | 702,940 | 736,077 | 770,207 | 805,362 | 841,571 | 878,867 | 917,281 | 956,848 | 997,601 |

| STATEMENT OF FINANCIAL POSITION | | | | | | | | | | | |
|---------------------------------|---|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| FOR THE YEAR ENDED | | | | | | | | | | | |
| AUDITED RESULTS 2022/2023 | | ADOPTED BUDGET 2023/2024 | PLAN 2024/2025 | PLAN 2025/2026 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2026/2027 |
| | CURRENT ASSETS | | | | | | | | | | |
| 644,769 | Cash and Cash Equivalents | 670,769 | 702,940 | 736,077 | 770,207 | 805,362 | 841,571 | 878,867 | 917,281 | 956,848 | 997,601 |
| 271,901 | Trade & Other Receivables | 271,901 | 280,058 | 288,460 | 297,114 | 306,027 | 315,208 | 324,664 | 334,404 | 344,436 | 354,769 |
| 916,670 | TOTAL CURRENT ASSETS | 942,670 | 982,998 | 1,024,537 | 1,067,321 | 1,111,389 | 1,156,779 | 1,203,531 | 1,251,685 | 1,301,284 | 1,352,370 |
| | NON-CURRENT ASSETS | | | | | | | | | | |
| 1,104,793 | Infrastructure, property, plant and equipment | 1,078,793 | 1,052,013 | 1,024,430 | 996,019 | 966,755 | 936,614 | 905,569 | 873,592 | 840,656 | 806,732 |
| 1,104,793 | TOTAL NON-CURRENT ASSETS | 1,078,793 | 1,052,013 | 1,024,430 | 996,019 | 966,755 | 936,614 | 905,569 | 873,592 | 840,656 | 806,732 |
| 2,021,463 | TOTAL ASSETS | 2,021,463 | 2,035,011 | 2,048,966 | 2,063,340 | 2,078,144 | 2,093,393 | 2,109,100 | 2,125,277 | 2,141,940 | 2,159,103 |
| | CURRENT LIABILITIES | | | | | | | | | | |
| 121,916 | Trade & Other Payables | 121,916 | 125,573 | 129,341 | 133,221 | 137,218 | 141,334 | 145,574 | 149,941 | 154,440 | 159,073 |
| 285,083 | Provisions | 285,083 | 293,635 | 302,445 | 311,518 | 320,863 | 330,489 | 340,404 | 350,616 | 361,135 | 371,969 |
| 111,865 | Borrowings | 111,865 | 111,865 | 111,865 | 111,865 | 111,865 | 111,865 | 111,865 | 111,865 | 111,865 | 111,865 |
| 518,864 | TOTAL CURRENT LIABILITIES | 518,864 | 531,074 | 543,650 | 556,604 | 569,946 | 583,688 | 597,843 | 612,422 | 627,439 | 642,906 |
| | NON-CURRENT LIABILITIES | | | | | | | | | | |
| 44,614 | Provisions | 44,614 | 45,952 | 47,331 | 48,751 | 50,213 | 51,720 | 53,271 | 54,870 | 56,516 | 58,211 |
| 881,032 | Borrowings | 881,032 | 881,032 | 881,032 | 881,032 | 881,032 | 881,032 | 881,032 | 881,032 | 881,032 | 881,032 |
| 925,646 | TOTAL NON-CURRENT LIABILITIES | 925,646 | 926,984 | 928,363 | 929,783 | 931,245 | 932,752 | 934,303 | 935,902 | 937,548 | 939,243 |
| 1,444,510 | TOTAL LIABILITIES | 1,444,510 | 1,458,058 | 1,472,013 | 1,486,387 | 1,501,191 | 1,516,440 | 1,532,147 | 1,548,324 | 1,564,987 | 1,582,150 |
| 397,806 | NET CURRENT ASSETS/(CURRENT LIABILITIES) | 423,806 | 451,924 | 480,886 | 510,717 | 541,443 | 573,091 | 605,687 | 639,262 | 673,844 | 709,464 |
| 576,953 | NET ASSETS | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 |
| | EQUITY | | | | | | | | | | |
| 576,953 | Accumulated Surplus/(Deficit) | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 |
| 576,953 | TOTAL EQUITY | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 |
| STATEMENT OF CHANGES IN EQUITY | | | | | | | | | | | |
| FOR THE YEAR ENDED | | | | | | | | | | | |
| AUDITED RESULTS 2022/2023 | | ADOPTED BUDGET 2023/2024 | PLAN 2024/2025 | PLAN 2025/2026 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2024/2025 | PLAN 2026/2027 |
| | ACCUMULATED SURPLUS | | | | | | | | | | |
| 551,570 | Balance at beginning of period | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 |
| 25,383 | Net Surplus/(Deficit) | - | - | - | - | - | - | - | - | - | - |
| 576,953 | BALANCE AT END OF PERIOD | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 |
| | TOTAL EQUITY | | | | | | | | | | |
| 551,570 | Balance at beginning of period | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 |
| 25,383 | Net Surplus/(Deficit) | - | - | - | - | - | - | - | - | - | - |
| 576,953 | BALANCE AT END OF PERIOD | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 | 576,953 |

| WORKING INFORMATION FOR EASTERN HEALTH AUTHORITY LONG TERM FINANCIAL PLAN | | | | | | | | | | | |
|---|---|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| AUDITED RESULTS 2022/2023 | | ADOPTED BUDGET 2023/2024 | PLAN 2024/2025 | PLAN 2025/2026 | PLAN 2026/2027 | PLAN 2027/2028 | PLAN 2028/2029 | PLAN 2029/2030 | PLAN 2030/2031 | PLAN 2031/2032 | PLAN 2032/2033 |
| | BALANCED | Income CPI | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% |
| | BALANCED | Expenses CPI | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% |
| | BALANCED | Wages CPI | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% |
| 2,649,553 | OPERATING EXPENSES | 2,848,500 | 2,933,955 | 3,021,974 | 3,112,633 | 3,206,012 | 3,302,192 | 3,401,258 | 3,503,296 | 3,608,395 | 3,716,646 |
| 2,674,936 | OPERATING REVENUE | 2,848,500 | 2,933,955 | 3,021,974 | 3,112,633 | 3,206,012 | 3,302,192 | 3,401,258 | 3,503,296 | 3,608,395 | 3,716,646 |
| 25,383 | OPERATING SURPLUS/(DEFICIT) | - | - | - | - | - | - | - | - | - | - |
| | BEFORE CAPITAL REVENUES | | | | | | | | | | |
| | REPRESENTED BY: | | | | | | | | | | |
| | DECREASE IN EXISTING ASSETS | | | | | | | | | | |
| (49,557) | Capital Expenditure | - | - | - | - | - | - | - | - | - | - |
| | Sale of Operating Assets | - | - | - | - | - | - | - | - | - | - |
| 159,013 | Depreciation | 26,000 | 26,780 | 27,583 | 28,411 | 29,263 | 30,141 | 31,045 | 31,977 | 32,936 | 33,924 |
| 109,456 | NET DECREASE IN EXISTING ASSETS | 26,000 | 26,780 | 27,583 | 28,411 | 29,263 | 30,141 | 31,045 | 31,977 | 32,936 | 33,924 |
| | DECREASE IN EXISTING LIABILITIES | | | | | | | | | | |
| (38,391) | Loan Principal Repayments | - | - | - | - | - | - | - | - | - | - |
| (70,773) | Lease liabilities | - | - | - | - | - | - | - | - | - | - |
| | Distributions Received from Associated | - | - | - | - | - | - | - | - | - | - |
| | Loans Received | - | - | - | - | - | - | - | - | - | - |
| (109,164) | NET DECREASE IN LIABILITIES | - | - | - | - | - | - | - | - | - | - |
| 292 | DECREASE IN NET ASSETS | 26,000 | 26,780 | 27,583 | 28,411 | 29,263 | 30,141 | 31,045 | 31,977 | 32,936 | 33,924 |
| | INCREASE IN NEW ASSETS | | | | | | | | | | |
| | Capital Expenditure | - | - | - | - | - | - | - | - | - | - |
| | Sale of Surplus assets | - | - | - | - | - | - | - | - | - | - |
| | Sale of Real Estate | - | - | - | - | - | - | - | - | - | - |
| | Development of Real Estate | - | - | - | - | - | - | - | - | - | - |
| | Capital Grants and Subsidies | - | - | - | - | - | - | - | - | - | - |
| | Physical Resources Received Free | - | - | - | - | - | - | - | - | - | - |
| | Loans Received | - | - | - | - | - | - | - | - | - | - |
| - | NET INCREASE IN NEW ASSETS | - | - | - | - | - | - | - | - | - | - |
| (25,675) | UNCOMMITTED FUNDS DECREASE/(INCREASE) | (26,000) | (26,780) | (27,583) | (28,411) | (29,263) | (30,141) | (31,045) | (31,977) | (32,936) | (33,924) |
| (25,383) | OPERATING SURPLUS/(DEFICIT) | - | - | - | - | - | - | - | - | - | - |
| | BEFORE CAPITAL REVENUES | | | | | | | | | | |
| | INTEGRITY CHECKS | | | | | | | | | | |
| | RECONCILIATION OF UNCOMMITTED FUNDS | | | | | | | | | | |
| 474,917 | Balance Brought Forward | 509,671 | 535,671 | 563,789 | 592,751 | 622,582 | 653,308 | 684,956 | 717,552 | 751,127 | 785,709 |
| | Increase/(Decrease) For Year | 26,000 | 26,780 | 27,583 | 28,411 | 29,263 | 30,141 | 31,045 | 31,977 | 32,936 | 33,924 |
| 34,754 | Employee Entitlements | - | 1,338 | 1,379 | 1,420 | 1,463 | 1,506 | 1,552 | 1,598 | 1,646 | 1,695 |
| | Transfers to Reserves | | | | | | | | | | |
| | Transfers from Reserves | | | | | | | | | | |
| 509,671 | ACCUMULATED BUDGET SURPLUS/(DEFICIT) | 535,671 | 563,789 | 592,751 | 622,582 | 653,308 | 684,956 | 717,552 | 751,127 | 785,709 | 821,329 |
| | Projected cash at end of year reconciles to the projected budget surplus/deficit as follows; | | | | | | | | | | |
| 644,769 | PROJECTED CASH AT END OF YEAR | 670,769 | 702,940 | 736,077 | 770,207 | 805,362 | 841,571 | 878,867 | 917,281 | 956,848 | 997,601 |
| | Less Reserves at end of year | | | | | | | | | | |

| | | | | | | | | | | | |
|-----------|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| (135,098) | Add Other Net Current Assets | (135,098) | (139,151) | (143,325) | (147,625) | (152,054) | (156,616) | (161,314) | (166,153) | (171,138) | (176,272) |
| <hr/> | | | | | | | | | | | |
| 509,671 | PROJECTED BUDGET SURPLUS/DEFICIT AT YEAR END | 535,671 | 563,789 | 592,751 | 622,582 | 653,308 | 684,956 | 717,552 | 751,127 | 785,709 | 821,329 |
| <hr/> | | | | | | | | | | | |
| | Net Current Assets per the Statement of Financial Position reconcile to the projected budget surplus/deficit as follows; | | | | | | | | | | |
| 397,806 | NET CURRENT ASSETS PER THE BALANCE SHEET | 423,806 | 451,924 | 480,886 | 510,717 | 541,443 | 573,091 | 605,687 | 639,262 | 673,844 | 709,464 |
| | Add Unfunded Liabilities :- | | | | | | | | | | |
| 111,865 | Loans | 111,865 | 111,865 | 111,865 | 111,865 | 111,865 | 111,865 | 111,865 | 111,865 | 111,865 | 111,865 |
| | Less Committed Cash :- Reserves | | | | | | | | | | |
| <hr/> | | | | | | | | | | | |
| 509,671 | PROJECTED ACCUMULATED BUDGET SURPLUS/DEFICIT AT YEAR END | 535,671 | 563,789 | 592,751 | 622,582 | 653,308 | 684,956 | 717,552 | 751,127 | 785,709 | 821,329 |
| <hr/> | | | | | | | | | | | |

7.7 RISK MANAGEMENT POLICY

Author: Michael Livori
Ref: AF19/111

Summary

A review of the Eastern Health Authority (EHA) Risk and Opportunity Management Policy (the Policy) has been undertaken and a revised policy is provided for consideration.

Report

It is important that EHA is pursuing its objectives and fulfilling its responsibilities with due diligence and accountability. To this end EHA must manage its risks in order to protect its employees, assets, liabilities and Constituent Councils against potential losses. Managing risks also assists in minimising uncertainty in achieving EHA goals and objectives and to maximise EHA opportunities.

Risk is defined as something happening that may have an impact on the achievement of objectives. Risk Management is described as the planned and systematic approach used to identify, evaluate, and manage the whole range of business risks facing EHA.

It has only been necessary to make a number of minor changes to the policy by removing the reference to opportunity. This change brings the policy into line with constituent council risk management policies. A copy of the policy identifying the changes is provided as attachment 2.

A copy of a draft amended Policy with these changes accepted is provided as attachment 1 for consideration and adoption.

RECOMMENDATION

That:

1. The report regarding the Risk and Opportunity Management Policy is received.
2. The Risk and Opportunity Management Policy is endorsed and presented to the Board of Management for adoption.



RISK MANAGEMENT POLICY

| | |
|--|--|
| Policy Reference | GOV08 |
| Date of initial Board Adoption | 24 February 2016 |
| Minutes Reference | 9: 082018 |
| Date of Audit Committee Endorsement (if applicable) | 15 August 2018 |
| Date last reviewed by Eastern Health Authority Board of Management | 23 February 2022 |
| Relevant Document Reference | AS ISO 31000:2018 Risk Management – Guidelines Local Government Act 1999 Risk Management Framework Work Health Safety and Injury Policy Procurement Policy |

1. Purpose

The aim of this policy is to provide management with a formalised process for identifying and managing risk in a consistent manner.

This policy provides minimum standards for management of risks within Eastern Health Authority (EHA) and is to be considered within the context of our strategic goals and priorities.

2. Scope

This policy applies to all EHA Staff, Board and Committee members in relation to the provision of goods, works and services provided by EHA.

3. Definitions

D15/5720 [v6]

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Risk is defined as “The effect of uncertainty on objectives. For EHA, a risk is anything that could prevent EHA from achieving its objectives. Risk may arise from an event, an action or from a lack of action. It is measured in terms of consequences and likelihood ”

Risk Management is described as “The culture, processes and structures directed towards the effective management of potential opportunities and adverse effects.”.

4. Principles

EHA understands that the effective management of risk:

- Is an integral part of sound governance and strategic planning
- Applies across all EHA activities
- Is implemented and integrated into EHA through the creation and continuous improvement of a framework
- Improves its ability to deliver services on behalf of its Constituent Councils

5. Policy

This policy is based on the practices and principles of risk management contained in AS ISO 31000:2018. A Risk Management Framework has been developed in accordance with this Standard, to provide management with a formalised process for identifying and managing risk in a consistent manner.

EHA is committed to effective risk management and this policy seeks to:

- Add value to all the activities of EHA
- Assist in achieving EHA’s goals and deliver programs and services within a tolerable level of risk
- Embed risk management into all our management activities, critical business systems and processes
- Ensure all risks are consistently assessed and managed within EHA’s risk framework
- Improve our ability to deliver community priorities, services delivery and outcomes for EHA;
- Maximise opportunities and minimise the impact and likelihood of risk
- Protect its employees, assets, liabilities and its community by avoiding or mitigating losses
- Provide greater certainty for our employees, stakeholders and the community in which we operate by understanding and managing our risks.

6. Responsibility

EHA’s Board through its Audit Committee has the responsibility to monitor and review all risk management processes. Management has the responsibility for risk management within their program, service or area of responsibility.

7. Review

The policy will be formally reviewed every 48 months or as needed.



RISK ~~AND OPPORTUNITY~~ MANAGEMENT POLICY

| | |
|--|---|
| Policy Reference | GOV08 |
| Date of initial Board Adoption | 24 February 2016 |
| Minutes Reference | 9: 082018 |
| Date of Audit Committee Endorsement (if applicable) | 15 August 2018 |
| Date last reviewed by Eastern Health Authority Board of Management | 23 February 2022 |
| Relevant Document Reference | AS ISO 31000:2018 Risk Management – Guidelines Local Government Act 1999 Risk and Opportunity Management Framework Work Health Safety and Injury Policy Procurement Policy |

1. Purpose

The aim of this policy is to provide management with a formalised process for identifying and managing risk ~~and opportunity~~ in a consistent manner.

This policy provides minimum standards for management of risks within Eastern Health Authority (EHA) and is to be considered within the context ~~of a positive organisational culture~~ of our strategic goals and priorities.

2. Scope

This policy applies to all EHA Staff, Board and Committee members in relation to the provision of goods, works and services provided by EHA.

3. Definitions

Risk is defined as “The effect of uncertainty on objectives. For EHA, a risk is anything that could prevent EHA from achieving its objectives. Risk may arise from an event, an action or from a lack of action. It is measured in terms of consequences and likelihood ”

Risk ~~and Opportunity~~ Management is described as “The culture, processes and structures directed towards the effective management of potential opportunities and adverse effects.”.

4. Principles

EHA understands that the effective management of risk:

- Is an integral part of sound governance and strategic planning
- Applies across all EHA activities
- Is implemented and integrated into EHA through the creation and continuous improvement of a framework
- Improves its ability to deliver services on behalf of its Constituent Councils

5. Policy

This policy is based on the practices and principles of risk management contained in AS ISO 31000:2018. A Risk ~~and Opportunity~~ Management Framework has been developed in accordance with this Standard, to provide management with a formalised process for identifying and managing risk in a consistent manner.

EHA is committed to effective risk ~~and opportunity~~ management and this policy seeks to:

- Add value to all the activities of EHA
- Assist in achieving EHA’s goals and deliver programs and services within a tolerable level of risk
- Embed risk ~~and opportunity~~ management into all our management activities, critical business systems and processes
- Ensure all risks are consistently assessed and managed within EHA’s risk ~~and opportunity~~ framework
- Improve our ability to deliver community priorities, services delivery and outcomes for EHA;
- Maximise opportunities and minimise the impact and likelihood of risk
- Protect its employees, assets, liabilities and its community by avoiding or mitigating losses
- Provide greater certainty for our employees, stakeholders and the community in which we operate by understanding and managing our risks.

6. Responsibility

EHA’s Board through its Audit Committee has the responsibility to monitor and review all risk management processes. Management has the responsibility for risk management within their program, service or area of responsibility.

7. Review

The policy will be formally reviewed every 48 months or as needed.

D15/5720 [v65]

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7.8 RISK MANAGEMENT – UPDATED CORPORATE RISK SUMMARY

Author: Michael Livori
Ref: AF18/81

Summary

The Risk Management Policy and Framework for Eastern Health Authority (EHA) contemplate the analysis of organisational risks. A Corporate Risk Summary has been developed to assist with the assessment and maintenance of organisational risk.

Administrative staff has undertaken a review of the Corporate Risk Summary. A number of minor changes have been made to the document which is now provided to the Audit Committee for consideration.

Report

It is important that EHA is pursuing its objectives and fulfilling its responsibilities with due diligence and accountability. To this end EHA must manage its risks in order to protect its employees, assets, liabilities, and Constituent Councils against potential losses. Managing risks also assists in minimising uncertainty in achieving EHA goals and objectives and to maximise EHA opportunities.

The administration have reviewed the current Corporate Risk Summary and have only found it necessary to make a number of minor amendments in relation to time frames for completion of control measures. These changes (extending timeframes to June 2025) have resulted from other priorities consuming available resources.

Copies of the Corporate Risk Summary with these changes accepted is provided as attachment 1, and a tracked changes version is provided as attachment 2.

RECOMMENDATION

That:

1. The Risk Management – Updated Corporate Risk Summary Report is received.
2. The updated Corporate Risk Summary marked as attachment 1 to this report is endorsed.

Corporate Risk Summary

| | Risk Description | Initial Risk Rating | Revised Consequence | Revised Likelihood | Revised Risk Rating |
|----|---|---------------------|---------------------|--------------------|---------------------|
| 1. | Serious breach of legislation (other than WH&S) ¹ duty of care, standards and agreements threatening operations. | HIGH | 4 | A | MODERATE |
| 2. | WH&S system fails to prevent serious WHS injury | HIGH | 4 | C | HIGH |
| 3. | Business Plan objectives not appropriate or not achieved. | MODERATE | 3 | C | MODERATE |
| 4. | Unfavourable financial impact due to changes in government policy, or changes to service provision arrangements. | MODERATE | 3 | C | MODERATE |
| 5. | Inability to recruit and retain appropriately qualified staff. | HIGH | 3 | B | MODERATE |
| 6 | A significant, unplanned, adverse event threatens the continued operations of the organisation. | MODERATE | 3 | B | MODERATE |
| 7. | Inadequate business processes and systems to deliver services. | HIGH | 3 | B | MODERATE |

Risk Assessment

¹ WH&S addressed in Risk Description No 2.

Ref: MT – Management Team

Relevant Docs: Risk Management Policy – D15/5720[v6] & EHA Risk Framework D13/629[v2]

D13/630[v10]

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Corporate Strategic Risks – Documentation of Key Risks and Opportunities

Date Updated: 6 May 2024

| Ref | Risk Description | Current Controls in place | Consequence | Likelihood | Rating | Future Controls to be put in place | Consequence | Likelihood | Revised Rating | Priority | Resp | Timeframe |
|-----|--|---|-------------|------------|----------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| 1. | Serious breach of legislation, duty of care, standards and agreements threatening operations | <ul style="list-style-type: none"> Staff trained in key legislation where appropriate. Clear reporting to Board on legislative requirements Delegations Register External Audit Charter Review Use of legal firms familiar with Local Government Operations. Professional Indemnity (PI) and Public liability (PL) Insurances in place and also built into all contracts. Business Plan contemplates the monitoring of compliance of statutory requirements identified in the Charter. Required staff subject to DCSI employment screening checks. | 4 | A | MODERATE | | | | | | | |

D13/630[v10]

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Eastern Health Authority Corporate Risk Summary

| Ref | Risk Description | Current Controls in place | Consequence | Likelihood | Rating | Future Controls to be put in place | Consequence | Likelihood | Revised Rating | Priority | Resp | Timeframe |
|-----|------------------|---|-------------|------------|--------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | <ul style="list-style-type: none"> National Police Checks for staff that are not subjected to DCSI employment screening checks. Enforcement Policy Completion of Enforcement Matrix to assist with decision of most appropriate enforcement strategy with consideration of the Enforcement Policy. Code of Conduct for Board Members and Staff Application of the Food Business Risk Classification System Policy Register including regular reviews Regular meetings with staff regarding use of delegated authority. Maintain and distribute list of applicable legislation & legal obligations. All non-compliance and best practice recommendations resulting from Governance Review have been implemented. Date Completed: 22/08/2019. | | | | | | | | | | |

D13/630[v10]

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Eastern Health Authority Corporate Risk Summary

| Ref | Risk Description | Current Controls in place | Consequence | Likelihood | Rating | Future Controls to be put in place | Consequence | Likelihood | Revised Rating | Priority | Resp | Timeframe |
|-----|--|---|-------------|------------|--------|---|-------------|------------|----------------|-------------|----------------|-----------------------------------|
| | | <ul style="list-style-type: none"> LGA Member Access – appropriate staff provided with individual login access. Date completed: 18/10/2022. Distribution of LG Circulars is broadened to appropriate staff. Service Review Completed and copy of report provided to BoM and Audit Committee. Date completed 16/06/2021 | | | | | | | | | | |
| 2. | WH&S system fails to prevent serious WHS injury. | <i>Safety and Security</i> <ul style="list-style-type: none"> Building Security Procedures in place including monitored security alarm and access tags which are audited. Duress alarms at reception. Worksafe Guardian – offsite duress monitoring system. Minimal cash on site at all times. | 5 | B | HIGH | <ul style="list-style-type: none"> Ongoing Review and development of WH&S policies. Response team to be developed to deal with aggressive situations in short timeframe. Review of EH WHS Procedures to align with industry standards. | 4 | C | HIGH | 1 2 1 | MT MT NC | Ongoing June 2025 June 2025 |

D13/630[v10]

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|-----|------------------|---|-------------|------------|--------|--|-------------|------------|----------------|----------|------|-----------|
| | | <ul style="list-style-type: none"> Staff training and awareness including dealing with aggressive people and Fire Safety. Regular inspection audits undertaken of all equipment. Internal Audit process conducted every 3 years. WHS System reviewed in regard to legislative changes. Annual Capital budget to provide for capital replacements as needed. (building and equipment maintenance). WH&S 3 year plan. Participation in Emergency Management Planning Committee meetings for St Peters Town Hall Complex. Emergency Management Plan. Working Remotely policy and checklist. Operational COVID-19 Safe Plan. Updated WHS staff induction presentation. | | | | <ul style="list-style-type: none"> Development of 3 Step WHS Risk Assessment. All staff to be educated in the implementation of the tool. | | | | 2 | MT | June 2025 |

D13/630[v10]

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|-----|------------------|--|-------------|------------|--------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | <p><i>Staff Health</i></p> <p>Health policy in place including:</p> <ul style="list-style-type: none"> ○ All staff offered annual flu vaccinations. ○ At risk staff offered Hepatitis A & B and Diphtheria, Tetanus and Pertussis vaccinations as required. ○ Immunisation History of all staff requested, and vaccinations offered. ○ Inform staff to stay home if sick. ○ Participation in CHG Health Lifestyle Programs including Health Assessments and Skin ○ Ergonomic Workstation Assessments ○ Personal Protective Equipment. | | | | | | | | | | |

Eastern Health Authority Corporate Risk Summary

| Ref | Risk Description | Current Controls in place | Consequence | Likelihood | Rating | Future Controls to be put in place | Consequence | Likelihood | Revised Rating | Priority | Resp | Timeframe |
|-----|---|---|-------------|------------|----------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | <ul style="list-style-type: none"> WHS on all Team Meeting Agendas. First Aid Kits in office and all motor vehicles. Safe Operating Procedures specific for each area. Annual CPR training. Manual Handling Update. WHS Training Register. <p><i>Other.</i></p> <ul style="list-style-type: none"> Risk Assessments undertaken for all function activities. Maintain and distribute list of applicable WHS legislation & legal obligations. | | | | | | | | | | |
| 3. | Business Plan objectives not appropriate or not achieved. | <ul style="list-style-type: none"> Annual Business Plan in place. Annual Business Plan supported by appropriate Budget. Annual review of Annual Business Plan undertaken | 3 | C | MODERATE | | | | | | | |

Eastern Health Authority Corporate Risk Summary

| Ref | Risk Description | Current Controls in place | Consequence | Likelihood | Rating | Future Controls to be put in place | Consequence | Likelihood | Revised Rating | Priority | Resp | Timeframe |
|-----|------------------|---|-------------|------------|--------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | <p>including requests for input from Constituent Councils.</p> <ul style="list-style-type: none"> • Annual Report detailing activities and achievements. • Annual evaluation of EHA's performance against the performance measures contained within the Business Plan • Organisational structure provides effective leadership. • Benchmarking/Comparison Report developed and presented to the Board of Management. • Quarterly meeting with Constituent Council Contacts to maintain communication and provide updates. Minutes taken and distributed. • Service Review finalised. • Service review recommendations implemented as agreed with the BoM and Constituent Councils. | | | | | | | | | | |

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|-----|---|--|-------------|------------|----------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| 4. | Unfavourable financial impact due to changes in government policy or changes to service provision arrangements. | <ul style="list-style-type: none"> Report to Board and Constituent Councils on financial and operational impact of changes to government policy. Regular financial reporting to the Board and Audit Committee. Statutory Budget reviews undertaken. Long Term Financial Plan (LTFP) in place and reviewed annually. Annual Capital budget to provide for capital replacements as needed and for building and equipment maintenance. External Audit conducted annually. Grant funding opportunities monitored. Public image/Reputation maintained through: <ul style="list-style-type: none"> Internet Web site. Revision of information material. | 3 | C | MODERATE | | | | | | | |

Eastern Health Authority Corporate Risk Summary

| Ref | Risk Description | Current Controls in place | Consequence | Likelihood | Rating | Future Controls to be put in place | Consequence | Likelihood | Revised Rating | Priority | Resp | Timeframe |
|-----|------------------|--|-------------|------------|--------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | <ul style="list-style-type: none"> ○ Promotion of services at Constituent Councils. • Quarterly meeting with Constituent Council Contacts to maintain communication and provide updates. Minutes taken and distributed. • Ongoing exploration of new/expanded income opportunities (subject to Charter compliance). • Participation on Committees for Networking and education including: <ul style="list-style-type: none"> ○ Eastern Hoarding and Squalor Regional Public Health Planning Committee. ○ Immunisation Providers Network. ○ Immunisation Administration Network. ○ Environmental Health Managers Forum including sub-committees. | | | | | | | | | | |

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|-----|--|---|-------------|------------|--------|--|-------------|------------|----------------|----------|-----------|------------------------|
| | | <ul style="list-style-type: none"> Environmental Health Australia state conference committee. LGA/SIP Providers Strategic Working Group Annual Food Auditors Forum LGA/SIP Providers Strategic Working Group COVID-19 LGRS operational Briefings Continue to identify appropriate networking opportunities. | | | | | | | | | | |
| 5. | Inability to recruit and retain appropriately qualified staff. | <ul style="list-style-type: none"> Appropriate Staff recruitment process. Appropriate Staff induction process. Use of SEEK.COM for ongoing recruitment. Comply with Awards and annual Award wage increases. | 4 | C | HIGH | <ul style="list-style-type: none"> Conduct formal exit interviews. Succession Plan for CEO in place. | 3 | C | MODERATE | 1 2 | MT CEO | June 2025 June 2025 |

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|-----|------------------|--|-------------|------------|--------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | <ul style="list-style-type: none"> Professional development opportunities provided including study. Create team work ethos/innovative culture. Establish an intranet for internal communication. Code of Conduct and other staff policies in place. General Staff Meetings held bi-monthly – Agenda item 'Successes and Achievements'. Individual Performance Development process including identification of training needs. Staff Social Club functions. Annual Review of Job Descriptions. Continue to engage with tertiary providers of EHOs. Use of skilled agency staff for Immunisation roles. Staff engagement survey offered to all staff. | | | | | | | | | | |

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Eastern Health Authority Corporate Risk Summary

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|-----|---|--|-------------|------------|----------|---|-------------|------------|----------------|----------|-----------|------------------------|
| 6. | A significant, unplanned, adverse event threatens operations of the organisation. | <ul style="list-style-type: none"> Business Continuity Plan (BCP). Public Health Functional Emergency Management Plan (currently under review). St Peters Town Hall Complex Facility Emergency Management Plan (EMP). Monitored fire alarm in place. Building evacuation and situation drills. Cloud based CIT environment including Disaster Recovery Module. IT back-up tapes off site and offsite storage of records. Preventative Maintenance Plans in place for building and equipment and regular inspections. Appropriate building, asset and business insurance in place. Key staff have mobile phones. Call diversion facility with Optus for business phones. | 3 | B | MODERATE | <ul style="list-style-type: none"> Review BCP Note: Revised BCP provided by LGRS. Test of the BCP to be undertaken. | 3 | C | MODERATE | 1 2 | CEO MT | June 2025 June 2025 |

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Eastern Health Authority Corporate Risk Summary

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|-----|------------------|--|-------------|------------|--------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | <ul style="list-style-type: none"> Active monitoring of CIT environment by Comunet. Fraud/Cyber Awareness Training Cyber Risk Assessment Action Plan – All High risk resolved and moderate risks in process of being resolved. Small number of low risks outstanding. Business Interruption Insurance Limits Review conducted. Independent review of risk environment conducted. CIT Disaster Recovery Plan in final stage of development. | | | | | | | | | | |

Eastern Health Authority Corporate Risk Summary

| Ref | Risk Description | Current Controls in place | Consequence | Likelihood | Rating | Future Controls to be put in place | Consequence | Likelihood | Revised Rating | Priority | Resp | Timeframe |
|-----|--|--|-------------|------------|----------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| 7. | Inadequate business processes and systems to deliver services. | <ul style="list-style-type: none"> Policy Manual. Internal Controls Register to manage risks. eg. fraud Standard Operating Procedures. Induction program to ensure all staff trained in correct use of organisational systems, Policies and Standard Operating Procedures. EHA High Performance Framework and Individual Performance Management Plan for all staff. Use of LGCS purchasing arrangements. Legal advice available when needed. Corporate Risk Summary. External Financial Audit undertaken. Service Agreement in place for maintenance of CIT systems. Gap analysis undertaken on all policies and procedures | 3 | B | MODERATE | | | | | | | |

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Eastern Health Authority Corporate Risk Summary

| Ref | Risk Description | Current Controls in place | Consequence | Likelihood | Rating | Future Controls to be put in place | Consequence | Likelihood | Revised Rating | Priority | Resp | Timeframe |
|-----|------------------|--|-------------|------------|--------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | <ul style="list-style-type: none"> Service Improvement Review conducted 2021. | | | | | | | | | | |



Eastern Health Authority Corporate Risk Summary

Corporate Risk Summary

| | Risk Description | Initial Risk Rating | Revised Consequence | Revised Likelihood | Revised Risk Rating |
|----|---|---------------------|---------------------|--------------------|---------------------|
| 1. | Serious breach of legislation (other than WH&S) ¹ duty of care, standards and agreements threatening operations. | HIGH | 4 | A | MODERATE |
| 2. | WH&S system fails to prevent serious WHS injury | HIGH | 4 | C | HIGH |
| 3. | Business Plan objectives not appropriate or not achieved. | MODERATE | 3 | C | MODERATE |
| 4. | Unfavourable financial impact due to changes in government policy, or changes to service provision arrangements. | MODERATE | 3 | C | MODERATE |
| 5. | Inability to recruit and retain appropriately qualified staff. | HIGH | 3 | B | MODERATE |
| 6 | A significant, unplanned, adverse event threatens the continued operations of the organisation. | MODERATE | 3 | B | MODERATE |
| 7. | Inadequate business processes and systems to deliver services. | HIGH | 3 | B | MODERATE |

Risk Assessment

¹ WH&S addressed in Risk Description No 2.

Ref: MT – Management Team

Relevant Docs: Risk and Opportunity Management Policy – D15/5720[v56] & EHA Risk and Opportunity Framework D13/629[v2]

D13/630[v109]

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Eastern Health Authority Corporate Risk Summary

Corporate Strategic Risks – Documentation of Key Risks and Opportunities

Date Updated: ~~18-6 May 2024~~ ~~October 2022~~

| Ref | Risk Description | Current Controls in place | Consequence | Likelihood | Rating | Future Controls to be put in place | Consequence | Likelihood | Revised Rating | Priority | Resp | Timeframe |
|-----|--|---|-------------|------------|----------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| 1. | Serious breach of legislation, duty of care, standards and agreements threatening operations | <ul style="list-style-type: none"> Staff trained in key legislation where appropriate. Clear reporting to Board on legislative requirements Delegations Register External Audit Charter Review Use of legal firms familiar with Local Government Operations. Professional Indemnity (PI) and Public liability (PL) Insurances in place and also built into all contracts. Business Plan contemplates the monitoring of compliance of statutory requirements identified in the Charter. Required staff subject to DCSI employment screening checks. | 4 | A | MODERATE | | | | | | | |

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Eastern Health Authority Corporate Risk Summary

| Ref | Risk Description | Current Controls in place | Consequence | Likelihood | Rating | Future Controls to be put in place | Consequence | Likelihood | Revised Rating | Priority | Resp | Timeframe |
|-----|------------------|---|-------------|------------|--------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | <ul style="list-style-type: none"> National Police Checks for staff that are not subjected to DCSI employment screening checks. Enforcement Policy Completion of Enforcement Matrix to assist with decision of most appropriate enforcement strategy with consideration of the Enforcement Policy. Code of Conduct for Board Members and Staff Application of the Food Business Risk Classification System Policy Register including regular reviews Regular meetings with staff regarding use of delegated authority. Maintain and distribute list of applicable legislation & legal obligations. All non-compliance and best practice recommendations resulting from Governance Review have been implemented. Date Completed: 22/08/2019. | | | | | | | | | | |

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Eastern Health Authority Corporate Risk Summary

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|-----|--|---|-------------|------------|--------|---|-------------|------------|----------------|-------------|----------------|---|
| | | <ul style="list-style-type: none"> LGA Member Access – appropriate staff provided with individual login access. Date completed: 18/10/2022. Distribution of LG Circulars is broadened to appropriate staff. Service Review Completed and copy of report provided to BoM and Audit Committee. Date completed 16/06/2021 | | | | | | | | | | |
| 2. | WH&S system fails to prevent serious WHS injury. | <i>Safety and Security</i> <ul style="list-style-type: none"> Building Security Procedures in place including monitored security alarm and access tags which are audited. Duress alarms at reception. Worksafe Guardian – offsite duress monitoring system. Minimal cash on site at all times. | 5 | B | HIGH | <ul style="list-style-type: none"> Ongoing Review and development of WH&S policies. Response team to be developed to deal with aggressive situations in short timeframe. Review of EH WHS Procedures to align with industry standards. | 4 | C | HIGH | 1 2 1 | MT MT NC | Ongoing June 2025 ⁵⁴ June 2025 ⁵⁴ |

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|-----|------------------|---|-------------|------------|--------|--|-------------|------------|----------------|----------|------|--------------------------------------|
| | | <ul style="list-style-type: none"> Staff training and awareness including dealing with aggressive people and Fire Safety. Regular inspection audits undertaken of all equipment. Internal Audit process conducted every 3 years. WHS System reviewed in regard to legislative changes. Annual Capital budget to provide for capital replacements as needed. (building and equipment maintenance). WH&S 3 year plan. Participation in Emergency Management Planning Committee meetings for St Peters Town Hall Complex. Emergency Management Plan. Working Remotely policy and checklist. Operational COVID-19 Safe Plan. Updated WHS staff induction presentation. | | | | <ul style="list-style-type: none"> Development of 3 Step WHS Risk Assessment. All staff to be educated in the implementation of the tool. | | | | 2 | MT | June 2025 ⁵⁴ June 2024 |

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|-----|------------------|---|-------------|------------|--------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | Staff Health Health policy in place including: <ul style="list-style-type: none"> ○ All staff offered annual flu vaccinations. ○ At risk staff offered Hepatitis A & B and Diphtheria, Tetanus and Pertussis vaccinations as required. ○ Immunisation History of all staff requested, and vaccinations offered. ○ Inform staff to stay home if sick. ○ Participation in CHG Health Lifestyle Programs including Health Assessments and Skin ○ Ergonomic Workstation Assessments ○ Personal Protective Equipment. | | | | | | | | | | |

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|-----|---|---|-------------|------------|----------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | <ul style="list-style-type: none"> WHS on all Team Meeting Agendas. First Aid Kits in office and all motor vehicles. Safe Operating Procedures specific for each area. Annual CPR training. Manual Handling Update. WHS Training Register. <p><i>Other.</i></p> <ul style="list-style-type: none"> Risk Assessments undertaken for all function activities. Maintain and distribute list of applicable WHS legislation & legal obligations. | | | | | | | | | | |
| 3. | Business Plan objectives not appropriate or not achieved. | <ul style="list-style-type: none"> Annual Business Plan in place. Annual Business Plan supported by appropriate Budget. Annual review of Annual Business Plan undertaken | 3 | C | MODERATE | | | | | | | |

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|-----|------------------|--|-------------|------------|--------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | including requests for input from Constituent Councils. <ul style="list-style-type: none"> Annual Report detailing activities and achievements. Annual evaluation of EHA's performance against the performance measures contained within the Business Plan Organisational structure provides effective leadership. Benchmarking/Comparison Report developed and presented to the Board of Management. Quarterly meeting with Constituent Council Contacts to maintain communication and provide updates. Minutes taken and distributed. Service Review finalised. Service review recommendations implemented as agreed with the BoM and Constituent Councils. | | | | | | | | | | |

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|-----|---|--|-------------|------------|----------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| 4. | Unfavourable financial impact due to changes in government policy or changes to service provision arrangements. | <ul style="list-style-type: none"> Report to Board and Constituent Councils on financial and operational impact of changes to government policy. Regular financial reporting to the Board and Audit Committee. Statutory Budget reviews undertaken. Long Term Financial Plan (LTFP) in place and reviewed annually. Annual Capital budget to provide for capital replacements as needed and for building and equipment maintenance. External Audit conducted annually. Grant funding opportunities monitored. Public image/Reputation maintained through: <ul style="list-style-type: none"> Internet Web site. Revision of information material. | 3 | C | MODERATE | | | | | | | |

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|-----|------------------|--|-------------|------------|--------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | <ul style="list-style-type: none"> ○ Promotion of services at Constituent Councils. • Quarterly meeting with Constituent Council Contacts to maintain communication and provide updates. Minutes taken and distributed. • Ongoing exploration of new/expanded income opportunities (subject to Charter compliance). • Participation on Committees for Networking and education including: <ul style="list-style-type: none"> ○ Eastern Hoarding and Squalor Regional Public Health Planning Committee. ○ Immunisation Providers Network. ○ Immunisation Administration Network. ○ Environmental Health Managers Forum including sub-committees. | | | | | | | | | | |

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|-----|--|---|-------------|------------|--------|--|-------------|------------|----------------|----------|-----------|------------------------|
| | | <ul style="list-style-type: none"> Environmental Health Australia state conference committee. LGA/SIP Providers Strategic Working Group Annual Food Auditors Forum LGA/SIP Providers Strategic Working Group COVID-19 LGRS operational Briefings Continue to identify appropriate networking opportunities. | | | | | | | | | | |
| 5. | Inability to recruit and retain appropriately qualified staff. | <ul style="list-style-type: none"> Appropriate Staff recruitment process. Appropriate Staff induction process. Use of SEEK.COM for ongoing recruitment. Comply with Awards and annual Award wage increases. | 4 | C | HIGH | <ul style="list-style-type: none"> Conduct formal exit interviews. Succession Plan for CEO in place. | 3 | C | MODERATE | 1 2 | MT CEO | June 2025 June 2025 |

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|-----|------------------|--|-------------|------------|--------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | <ul style="list-style-type: none"> Professional development opportunities provided including study. Create team work ethos/innovative culture. Establish an intranet for internal communication. Code of Conduct and other staff policies in place. General Staff Meetings held bi-monthly – Agenda item 'Successes and Achievements'. Individual Performance Development process including identification of training needs. Staff Social Club functions. Annual Review of Job Descriptions. Continue to engage with tertiary providers of EHOs. Use of skilled agency staff for Immunisation roles. Staff engagement survey offered to all staff. | | | | | | | | | | |

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| 6. | A significant, unplanned, adverse event threatens operations of the organisation. | <ul style="list-style-type: none"> Business Continuity Plan (BCP). Public Health Functional Emergency Management Plan (currently under review). St Peters Town Hall Complex Facility Emergency Management Plan (EMP). Monitored fire alarm in place. Building evacuation and situation drills. Cloud based CIT environment including Disaster Recovery Module. IT back-up tapes off site and offsite storage of records. Preventative Maintenance Plans in place for building and equipment and regular inspections. Appropriate building, asset and business insurance in place. Key staff have mobile phones. Call diversion facility with Optus for business phones. | 3 | B | MODERATE | <ul style="list-style-type: none"> Review BCP Note: Revised BCP provided by LGRS. Test of the BCP to be undertaken. | 3 | C | MODERATE | 1 | CEO | June 2025 ⁵⁴ |
| | | | | | | | | | | 2 | MT | June 2025 ⁵⁴ |

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|-----|------------------|--|-------------|------------|--------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | <ul style="list-style-type: none"> Active monitoring of CIT environment by Comunet. Fraud/Cyber Awareness Training Cyber Risk Assessment Action Plan – All High risk resolved and moderate risks in process of being resolved. Small number of low risks outstanding. Business Interruption Insurance Limits Review conducted. Independent review of risk environment conducted. CIT Disaster Recovery Plan in final stage of development. | | | | | | | | | | |

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| Ref | Risk Description | Current Controls in place | Consequence | Likelihood | Rating | Future Controls to be put in place | Consequence | Likelihood | Revised Rating | Priority | Resp | Timeframe |
|-----|--|--|-------------|------------|----------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| 7. | Inadequate business processes and systems to deliver services. | <ul style="list-style-type: none"> Policy Manual. Internal Controls Register to manage risks. eg. fraud Standard Operating Procedures. Induction program to ensure all staff trained in correct use of organisational systems, Policies and Standard Operating Procedures. EHA High Performance Framework and Individual Performance Management Plan for all staff. Use of LGCS purchasing arrangements. Legal advice available when needed. Corporate Risk Summary. External Financial Audit undertaken. Service Agreement in place for maintenance of CIT systems. Gap analysis undertaken on all policies and procedures | 3 | B | MODERATE | | | | | | | |

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Eastern Health Authority Corporate Risk Summary

| Ref | Risk Description | Current Controls in place | Consequence | Likelihood | Rating | Future Controls to be put in place | Consequence | Likelihood | Revised Rating | Priority | Resp | Timeframe |
|-----|------------------|--|-------------|------------|--------|------------------------------------|-------------|------------|----------------|----------|------|-----------|
| | | <ul style="list-style-type: none"> Service Improvement Review conducted 2021. | | | | | | | | | | |

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Eastern Health Authority – Audit Committee 2023 2024 Workplan

| | August 2023 | December 2023 | May 2024 | August 2024 | December 2024 | Notes |
|---|-------------------------------------|-------------------------------------|----------|-------------|---------------|--------------------------------|
| End of Financial Year | | | | | | |
| Auditor Attendance | <input checked="" type="checkbox"/> | | | | | |
| External Audit Recommendations-Status Update | | <input checked="" type="checkbox"/> | | | | |
| Long Term Financial Plan | | <input checked="" type="checkbox"/> | | | | Request for LTFP to be revised |
| Year end - General Purpose Financial Statements | <input checked="" type="checkbox"/> | | | | | |
| Performance Reports | | | | | | |
| Annual Business Plan & Budget | | | | | | |
| Budget Reviews | | <input checked="" type="checkbox"/> | | | | |
| Policy | | | | | | |
| Debtors Policy | | <input checked="" type="checkbox"/> | | | | |
| Fraud and Corruption Prevention Policy | | | | | | Reviewed 7/22 due 7/24 |
| Risk and Opportunity Management Policy | | | | | | |
| Risk Management | | | | | | |
| Corporate Risk Summary | | | | | | |
| Internal Controls Review | | <input checked="" type="checkbox"/> | | | | |
| Terms of Reference | | | | | | |
| Audit Committee - Annual Evaluation | <input checked="" type="checkbox"/> | | | | | |
| Review Terms of Reference | | <input checked="" type="checkbox"/> | | | | |

