



2023/24

Annual Report

Featured photo on front cover
Examination of Rickettsial antibodies staining
using immunofluorescent microscope.





Acknowledgement of our Aboriginal community

PathWest Laboratory Medicine WA (PathWest) acknowledges the Traditional Owners throughout Western Australia and their continuing connection to, and custodianship of, the dynamic cultures. We acknowledge the wisdom of Aboriginal Elders past, present and emerging and pay respect to Aboriginal communities of today.

Statement of compliance

For year ended 30 June 2024

Honourable Amber-Jade Sanderson MLA, Minister for Health; Mental Health

In accordance with section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of PathWest Laboratory Medicine WA for the financial year ended 30 June 2024.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

Angie Paskevicius
Chair
PathWest Board
10 September 2024

Samantha Elder
Chair, Finance, Risk and Audit Committee
PathWest Board
10 September 2024



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Welcome

2023/24 Snapshot



13.6mil
tests

Performed more than 13.6 million laboratory tests



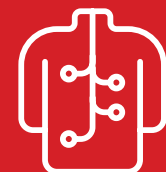
645
projects

Conducted 645 clinical research projects



3,185
exams

Performed 3,185 post-mortem examinations



3,500
scans

Undertook more than 3,500 post-mortem CT scans



206 donor
organs

Matched 206 donor organs from donors within Western Australia and interstate.



250,629
calls

Took 250,629 calls at PathWest's Customer Contact Centre - 13 PATH (7284)



54
registrars

Engaged 54 Pathology Registrars in training for certification as a qualified Pathologist and Fellow of the Royal College of Pathologists of Australasia



78
placements

Delivered 78 pre-analytical placements and 139 department placements



7 regional
scholarships

Delivered 7 Regional Scholarship Program placements



35,200
profiles

Contributed 35,200 DNA profiles in 2023/24 to the National Criminal Investigation DNA Database (NCIDD) up from 31,300 in 2022/23.



37,754
exhibits

Received 37,754 crime scene exhibits for 2023/24 up from 33,918 in 2022/23



Welcome Foreword

On behalf of the PathWest Board and Executive it is our pleasure to present the 2023/24 PathWest Annual Report.

It is appropriate that we commence this report by acknowledging our great people, PathWest staff who work in various roles and in diverse locations across Western Australia. Their ongoing diligence, dedication, commitment, and unfaltering service, ensures PathWest continues to improve the health, wellbeing and safety of our communities.

PathWest remains the pathology provider of choice for many highly specialised or complex tests that make a critical difference for many patients. This specialised testing provided by our various pathology departments, ensures that these services are available to Western Australians within their own community.

Our role as the State Pathology service is to provide pathology services even to communities where this may be logistically challenging. PathWest proudly supports our regional laboratory service comprising 18 regional and remote laboratories with staff also located at Newman, Exmouth and Meekatharra, and our provision of technical support to the Western Australian Country Health Service at 74 Health Service locations.

To recognise the importance of staff feedback and commitment to facilitating staff engagement with the PathWest leadership team, staff morning teas have been held across multiple departments and at various PathWest sites. With the PathWest Chief Executive, Board Chair and other members of the PathWest Executive Team attending with staff, these experiences help refocus energy on creating a supportive and collaborative work environment, where we can move forward together.

We have also concentrated this year on providing better data for our clinicians, Health Service Providers and our own staff, by providing an easy to use, 'one stop shop' for pathology data, titled 'DataLab', which is proving to be very successful. We will continue to expand and refine this service by directly engaging with our clients and staff.

PathWest staff have always been recognised for research and continue to contribute at a national and international level to advancing medical science. Committed to translational research they seek outcomes that offer better diagnosis and improved processes and treatment options to patients with rare diseases, cancer and other complex conditions. Through our research we strive to contribute to medical knowledge and do our part to enable critical advancements in healthcare.

High standard facilities and equipment are key to our service delivery capability. A significant achievement this year was the completion of the refurbishment of the State Mortuary. This upgraded facility enables us to provide world-class services to the WA Coronial Justice system and support us as we provide grieving families and their loved ones with the care and professionalism they deserve.

This year has also seen us embed our 'One PathWest' vision across our laboratory networks. Our governance and operational structure now better align PathWest with the National Pathology Accreditation Advisory Council (NPAAC) standards and the National Association of Testing Authorities (NATA) accreditation requirements. Our 'One PathWest' approach also helps facilitate greater internal collaboration, innovation and consistency. Our people are committed to upholding the highest standards of service, and to ensuring that PathWest remains a trusted partner in healthcare, focused on improving the health, wellbeing, and safety of all Western Australians.

We proudly acknowledge our staff who have been formally recognised for their outstanding achievements. Dr David Speers and Dr David Smith were awarded the Order of the Medal of Australia in the King's Birthday 2024 Honours list for their service to Microbiology. Dr David Speers also being recognised on the honour roll for his significant contribution to Australia's and Western Australia's response



Dr Narelle Hadlow
Chief Executive
PathWest Laboratory Medicine WA



Ms Angie Paskevicius
Board Chair
PathWest Laboratory Medicine WA

to the Covid-19 pandemic and for his receipt of a Minister for Health Award for an exceptional health professional's lifetime achievement at the WA Health Excellence Awards 2023.

PathWest also received an Excellence in Sustainability Award for its blood inventory management at the WA Health Excellence Awards and in collaboration with the WA Department of Health, an Excellence in Preventative Health Award for the long-term reduction of WA salmonellosis cases.

Finally, we would like to acknowledge the members of the PathWest Executive Team and Board. We are fortunate to work with a group of people who are deeply committed to PathWest. Their dedication to our staff and to the highest standards of quality help guide PathWest in our ongoing vision of improving the health, wellbeing and safety of our communities.



Welcome

Financial summary

Total cost of services Details from the Statement of Comprehensive Income	Net cost of services Details from the Statement of Comprehensive Income
2023/24 estimate (\$'000)	2023/24 estimate (\$'000):
409,861	353,728
2023/24 actual (\$0,000)	2023/24 actual (\$0,000):
453,670	396,547
Variance: 43,809	Variance: 42,819
Total cost of services is 11% higher than estimate mainly due to higher staffing and consumable costs associated with increased testing activity as well as the impact of increased indexation on goods and services.	Net cost of services is 12% higher than estimate mainly due to higher staffing and consumable costs associated with increased testing activity as well as the impact of increased indexation on goods and services. These higher costs were offset by higher revenue.

Total equity Details from the Statement of Financial Position	Net cost of services Details from the Statement of Cash Flow
2023/24 estimate (\$'000)	2023/24 estimate (\$'000):
271,325	40,510
2023/24 actual (\$0,000)	2023/24 actual (\$0,000):
271,273	33,734
Variance: (52)	Variance: (6,776)
Not applicable	Cash and cash equivalents is 17% lower than estimate mainly due to the reclassification of receivables for accrued salaries (provision for 27 th pay).

Our outcomes

To comply with our legislative obligation as a Western Australian government agency, PathWest operates under the Outcome Based Management (OBM) Framework. This Framework outlines the Key Performance Indicators (KPIs) used to measure our performance towards achieving the whole-of-government and WA health system goals. PathWest is responsible for delivering and reporting against:

Outcome 2: Prevention, health promotion and aged and continuing care services that help Western Australians to live healthy and safe lives.

“Pathology Services” was included in WA Health’s OBM Framework to recognise PathWest’s establishment as a Statutory Authority as of 1 July 2018.

Key effectiveness indicator

KPI 1: Percentage of PathWest test results available to Emergency Departments (ED) within the required timeframe (in laboratory to verified time): (a) Haemoglobin (40 minutes); (b) Potassium (40 minutes); (c) Troponin (50 minutes).

Results – 645,022 tests from 11 hospital EDs were assessed against the targets during 2023/24. All 3 KPIs were met, with overall improvement noted over the previous year.

Test	2023/24 Target	2023/24 Actual
Haemoglobin	88%	96%
Plasma Potassium	67%	75%
Troponin I	74%	75%
Note: This KPI is based on ACHS indicators which are specific to pathology requests from EDs only. Due to the inconsistent classification of emergency activity in smaller regional hospitals (e.g. Public acute groups C and D21), these sites are excluded from this KPI. *The computation methodology for this KPI was updated in 2023/24 to use “verified time” rather than “resulted time” as this better reflects when the Clinician has access to reviewing the result. This change had a material impact on the KPI therefore comparative periods were revised.		

Welcome

Our outcomes

Key effectiveness indicator

KPI 2: Percentage of PathWest Pathology Quality Assurance Program (QAP) results within an acceptable range.

Results – 134,021 QAP test results submitted to the Royal College of Pathologists of Australasia (RCPA) for validation were included in the KPI measurement for 2023/24. The reported results are based on submissions due and tendered during 2023/24.

Division	2023/24 Target*	2023/24 Actual
Anatomical Pathology	100%	99%
South-East Division	100%	98%
North-West Division	100%	98%
Regional Services	100%	98%
PathWest Total	100%	98%
* While there is not an industry defined target, PathWest uses the theoretical target of 100% passed to drive continuous quality improvement across the organisation.		

Key effectiveness indicator

KPI 3: Average cost of pathology services per test.

Results – Increasing demand for pathology services resulted in an increase in test activity compared with 2022/23. This in turn resulted in increased overall expenditure but delivered an improved average cost per test due to efficiencies achieved across the organisation. The increase in expenditure was largely due to increases in CPI and wages policy, an increase in costs for services provided free of charge by Health Support Services and costs associated with processing increased volume of tests.

Items	2022/23	2023/24
Expenditure	\$360,826,890	\$387,703,464
Activity: tests	12,686,651	13,658,321
Average cost per test	\$28.44	\$28.39
Target	\$25.00	\$25.00
*A revision to the OBM definition for Expenditure was applied in 2021/22 which resulted in the exclusion of financial products This had a material impact on the KPI therefore comparatives were revised. The exclusion of financial products provides a view of health service efficiency that reflects actual cost of service delivery.		



Annual Report 2023/24

Who we are



Who we are



PathWest services public hospitals, medical specialists, General Practitioners and community referrers throughout the State, ensuring services are accessible to all Western Australians.

Our clinical tests help:

- Diagnose diseases, infections and cancers
 - Predict a patient’s susceptibility to disease
 - Prevent disease by identifying risk factors in patients that can be modified
 - Determine patient prognosis
 - Monitor disease by identifying whether treatments are effective
 - Personalise treatment for each patient to achieve the best clinical outcomes.
- *With regional services also responsible for four in the metropolitan area.



Purpose, Vision and Values

Purpose:
Improving the health, wellbeing and safety of our communities

Values:
Care for our communities and our staff
Our services exist to care for our communities and keep them healthy and safe. We foster a caring culture with each other and those we serve.

Accountability for our actions
We acknowledge our commitments and keep our promises. We take responsibility for our actions and our role in delivering excellent outcomes.

Vision:
PathWest is a leader in our field and positively impacts our society and environment through the pursuit of excellence and innovation.

Respect for ourselves and others
Our differences and uniqueness are embraced. By respecting who we work with and engage with, we create a safe and productive environment.

Excellence at all times
What we do affects lives. We recognise the need to foster innovation and perform our duties and tasks to the best of our abilities and to the highest standards.



Who we are

Strategic Direction

PathWest's Strategic Plan 2021-2025 (Strategic Plan) is informed by comprehensive consultation with staff, patients, and other customers. The Strategic Plan outlines how PathWest will deliver on its aspirations and goals, where it needs to be positioned to best meet the needs of our key stakeholders, and the steps required to achieve that.

PathWest forms part of a broader WA Health system. The Strategic Plan aligns to the WA Government's goals of safe, strong and fair communities; supporting local and regional

communities to thrive; and delivering safe, quality, financially sustainable and accountable healthcare for all Western Australians.

The Strategic Plan includes key strategic pillars that support PathWest's vision as a leader in pathology and commitment to positively impacting our society and environment through the pursuit of excellence and innovation.

The strategic pillars include community, staff, services, governance, research, teaching, and the environment.



We exist for the communities and citizens of Western Australia. We are here to serve and look after them. Our success is measured in their gain.



We are defined by the quality of the services we provide. They are critical statewide services and we have a passion for and responsibility to pursue and deliver excellence.



Our staff are our biggest asset. Without their knowledge, skills and valued contributions we cannot succeed. Our collective commitment to develop and excel is a fundamental element of who we are.



Our staff have the skills to create new boundaries, and advance knowledge and learning. We seek to embrace and enable our role in this goal.



The effective and safe management of key resources is critical. We have a duty to provide a safe environment and highly functioning organisation delivering key public services.



We care for and respect our planet. We recognise the need to address the impact our activities have on its health and future. Doing our part to look after our environment is a fundamental part of caring for our communities.



Figure 1: PathWest Strategic Pillars, PathWest Strategic Plan 2021-25

Annual Report 2023/24

The pathology journey



Performance highlights

The pathology journey

At PathWest, we understand that pathology is an essential part of life's journey, providing critical insights from the very first stages of development and continuing throughout a person's life. Our commitment to the health and well-being of the WA community is reflected in the broad range of services we deliver, from routine diagnostics to complex and rare testing. With over 2,500 highly specialised professionals, we serve not only patients and clinicians but also the wider health and justice systems, contributing to decisions that shape patient care and outcomes. Through 13.6 million tests performed annually, we play a vital role in monitoring, predicting, and preventing disease.

The journey through pathology involves collaboration across multiple departments, each playing a crucial role in delivering timely and accurate diagnoses. From pre-analytical processing to specialised fields such as anatomical pathology, biochemistry, haematology, microbiology, and genomics, our teams work seamlessly to achieve breakthroughs, enhance patient care, and drive innovations that benefit the entire community.

Follow us as we trace a patient's pathology request journey through these various departments, exploring the expertise and achievements that ensure the highest standards of care and the best possible outcomes.

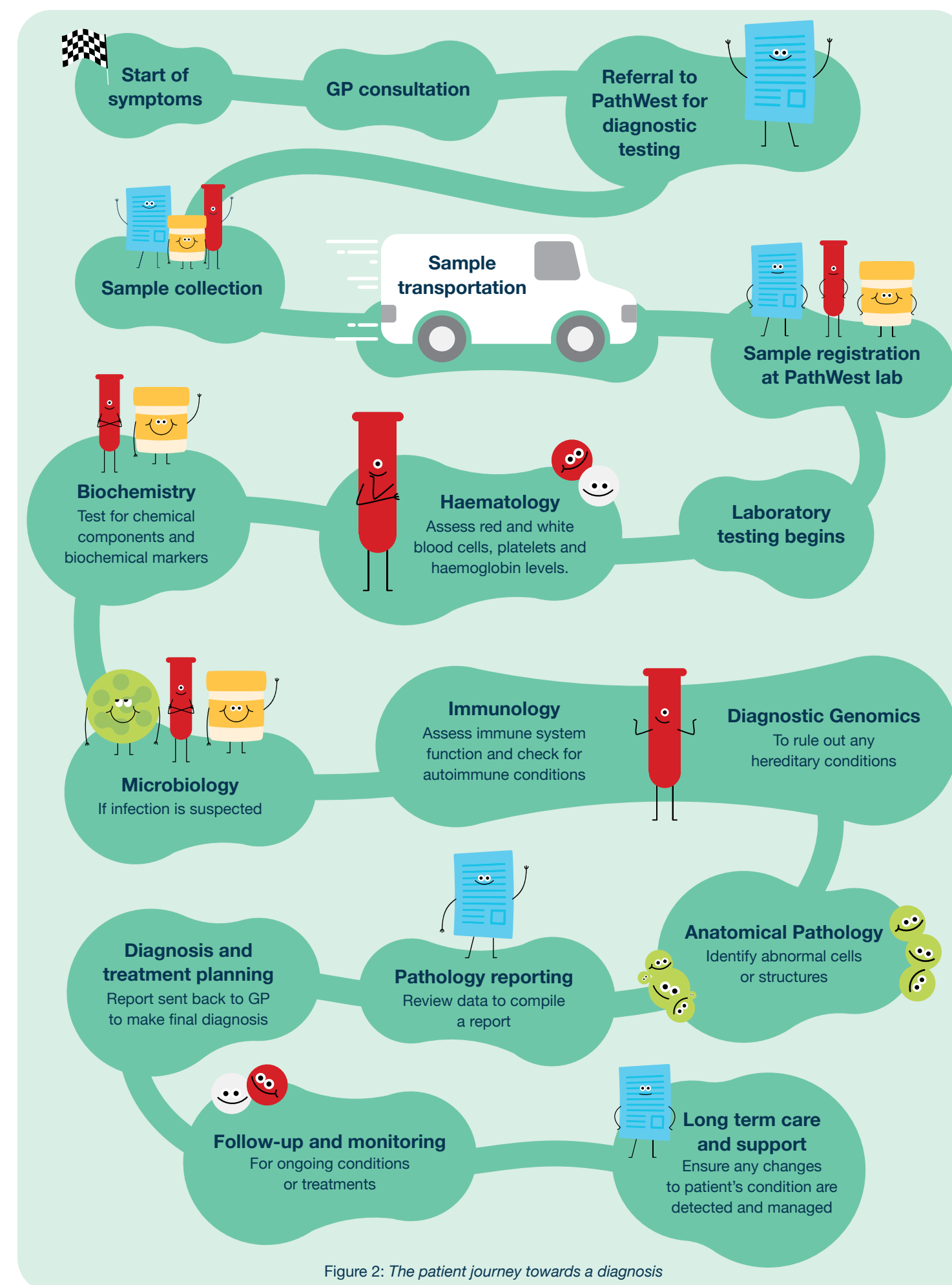
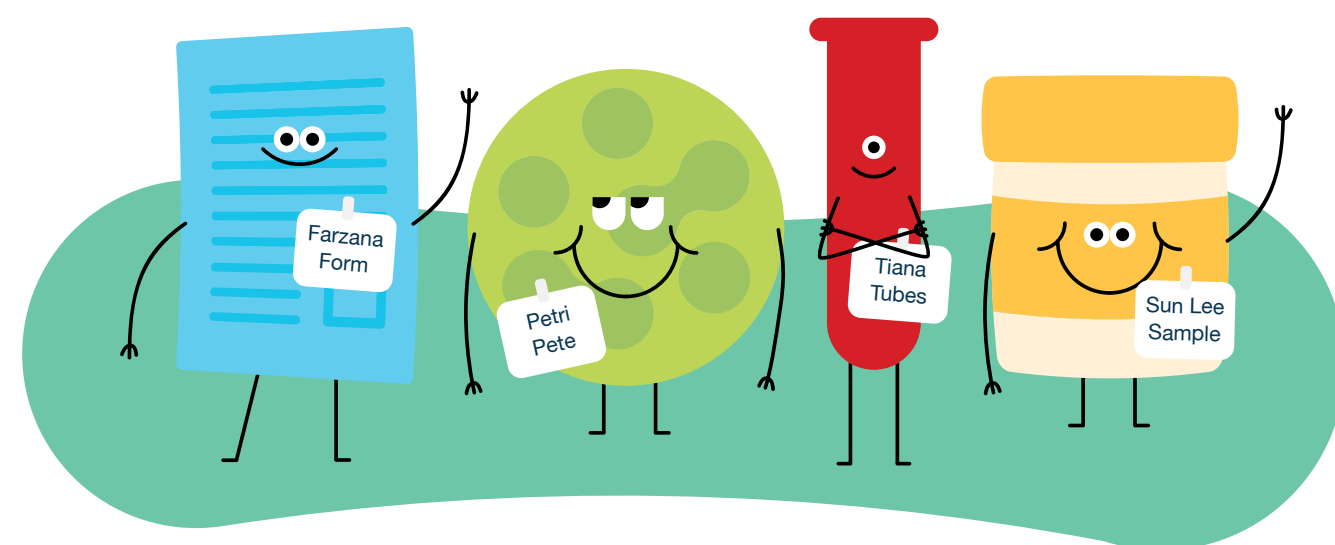


Figure 2: The patient journey towards a diagnosis

Performance highlights

Pre-analytical Services

Pre-analytical Services includes specimen collection, reception and processing, and transportation, as well as the Clinical Trials Management Unit. The specimen collection service covers all areas within hospital collection points, hospital ward rounds, and metropolitan collection centres.

Key achievements in 2023/24:

- The Customer Contact Centre responded to over 250,000 calls, with 92% answered in under a minute.
- Permanent appointment of a Medical Scientist in Charge to strengthen leadership and integration of the Customer Contact Centre, Data Integrity Unit, and Mailroom, under a single management structure to streamline operating procedures and service efficiencies.

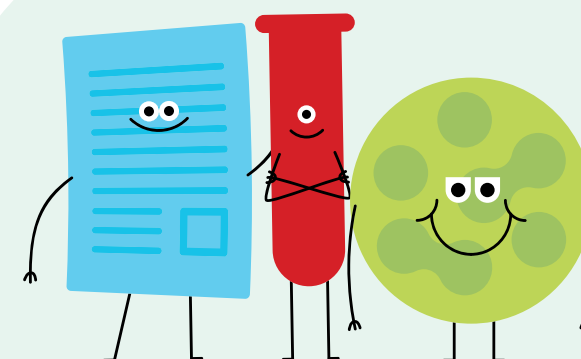
Specimen Collection Services:

- Expanded its Emergency Department cannulation service to improve patient workflow and outcomes, and efficiencies in Emergency Departments. The service is now provided at Sir Charles Gairdner Hospital, Royal Perth Hospital, Rockingham General Hospital and Fiona Stanley Hospital, with intended expansion to Armadale Health Service in 2024/25.
- Enhanced its community pathology presence with the opening of a new collection centre in West Perth.
- Adopted reusable daisy grip silicone tourniquets in the collection centre and during ward rounds at the QEII site. These tourniquets will be rolled out to all PathWest collection centres in 2024/25.
- Appointed a Specimen Collection Trainer and Assessor to improve training and upskilling of specimen collectors and specimen collection coordinators.

The PathWest Clinical Trials Management Unit, is a key enabler of research and innovation, and continues to work to build collaborations with internal and external researchers.

Key achievements in 2023/24:

- Over 120 approaches received collectively from five South Metropolitan Health Service (SMHS) and East Metropolitan Health Service (EMHS) sites, resulting in 289 active clinical research projects being supported by the South-East Network, FSH Clinical Trials Management Unit Team.
- More than 75 approaches received from three North Metropolitan Health Service sites, resulting in 356 active clinical research projects supported by the QEII Clinical Trials Management Unit Team.
- Designing an automated billing process, reviewing pricing schedules and working with other pathology departments to improve turnaround times and to increase overall service quality.



The patient visits a PathWest collection centre where a phlebotomist collects blood and urine samples, and the doctor may also refer them to radiology for a biopsy. A PathWest courier delivers the samples to one of 27 PathWest laboratories. Couriers collectively cover 853,000 kms a year transporting patient samples around the clock.

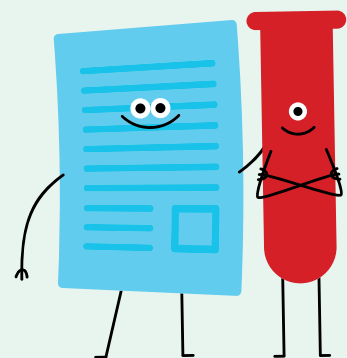


Performance highlights

Haematology

PathWest Haematology performs a wide range of routine and specialised testing services to aid in the diagnosis and treatment of multiple blood disorders, as well as providing therapeutic products including blood, plasma, platelets, clotting factors, and bone marrow.

During 2023/24, the PathWest Transfusion Inventory Management program introduced in 2022/23, continued to effectively reduce the wastage of blood and blood products, and at the same time achieving substantial cost savings across WA Health. As a result, PathWest received an Excellence in Sustainability Award at the 2023 WA Health Excellence Awards for the program.



The Haematology laboratory analyses one of the blood samples to assess components like red and white blood cells, platelets and haemoglobin levels. This routine test might reveal anomalies in the patient's blood count that suggest anaemia or other issues.

The Bone Marrow Transplant laboratory supports an increasingly busy clinical program delivering stem cell transplants and life changing CAR T-Cell therapy to patients with cancer. In 2023, PathWest Haematology supported 89 stem cell transplants and 17 CAR T-Cell infusions.

During 2023/24, 1.5 million blood counts were performed, with an ongoing growth in workload evidenced. Over 600,000 of these were performed in regional laboratories with 125,000 blood films reviewed and approximately 14,000 packed and transported to a metropolitan laboratory for review by a Haematologist.

Our focus over the next year or so will be on digital pathology for Haematology. In digital haematology images of blood films are captured using a specialised microscope lens and camera. On-board image analysis technology permits a pre-classification assessment of white and red blood cells. These images can be reviewed in a remote location before being made immediately available to Haematologists in the metropolitan tertiary laboratories for assessment.

Going forward, we will evaluate the options for digital pathology across PathWest metropolitan and Regional Services.



Biochemistry

PathWest Biochemistry performs routine and specialised biochemical tests. Using high throughput technology combined with rapid analysis, the specialised biochemical unit provides statewide services for the investigation of inherited metabolic diseases.

Turnaround times for biochemistry can significantly influence clinical decision-making and patient outcomes. In 2023/24, PathWest Biochemistry continued to meet WA Health's Health Service Provider Reporting (HSPR) turnaround time targets, with 84% of Potassium and 86% of Troponin results reported within target times.

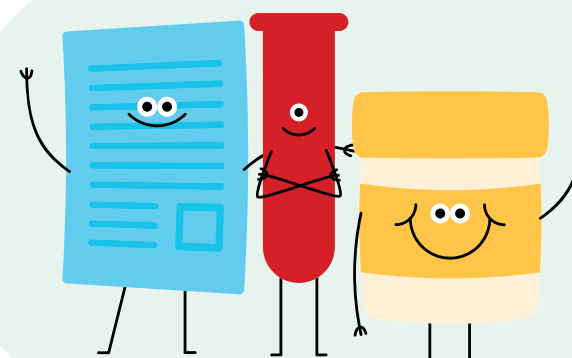
During the reporting period, Point of Care Testing (POCT) for diabetes grew significantly at Sir Charles Gairdner Hospital (27%) and the Fiona Stanley Hospital network (11.2%). Additionally, testing volumes increased at Fiona Stanley Hospital (6.5%), Royal Perth Hospital (4.3%), and Fremantle Hospital (11.9%) compared to 2022/23.

The regional POCT Service Centre was transferred to QEII Clinical Biochemistry, Pharmacology-Toxicology (CBPT) to achieve a centralised POCT approach by PathWest, with QEII CBPT demand increasing by 10% during 2023/24.

Pharmacology and Toxicology assays also increased 15% and 18% respectively, with a 21% increase evidenced in Paediatric Plasma Amino Acid analysis in the Biochemical Genetics Unit.

Tests were developed and/or commenced including for:

- Immunoglobulin subclasses and Infliximab achieving cost savings and expansion of clinical services.
- Cystatin C, a marker of kidney function, valuable in clinical scenarios where traditional markers of kidney function are less reliable.
- Screening for monitoring non-adherence to antihypertensive medication (as high as 30%) with hypertension the leading cause of death globally. The method applied was recognised by Hypertension Australia as an important aspect of care for patients with hypertension.



The Biochemistry laboratory receives another one of the patient's blood samples as well as their urine sample, and tests for chemical components and biochemical markers that indicate various conditions or diseases.

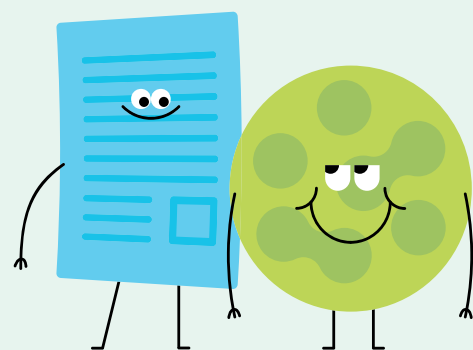
Performance highlights

Microbiology

Microbiology is a specialised service that detects and manages disease-causing microorganisms, including bacteria, fungi, viruses, protozoa, and helminths. It offers routine and diagnostic testing for acute and chronic diseases, advice on antimicrobial use, infection prevention, control, and microbial surveillance. Non-clinical services include food and water testing, media manufacturing, and pharmaceutical testing.

Key achievements in 2023/24:

- Processed approximately 18,500 SARS-CoV-2 virus tests, 30,000 respiratory virus screens, 81,000 Chlamydia and Gonorrhoeae (CTGC), and 47,600 Trichomonas vaginalis and Mycoplasma genitalium (TVMG) tests.
- Notable success by the Enteric department including accreditation for Lifeblood's Faecal Microbiome Transplantation program. The Department is also engaged in a collaborative Campylobacteriosis Study and ongoing OneHealth projects involving multiple sectors.
- Expansion of the Environmental Microbiology Unit's wastewater surveillance program to include RSV and influenza, with continued monitoring of SARS-CoV-2 concentrations.
- Sequencing by the Pathogen Genomics and Surveillance department of over 2,000 SARS-CoV-2 genomes and 2,500 bacterial genomes and transitioning to a new genomics laboratory. Research and development efforts have been strengthened with the appointment of a Senior Medical Scientist will focus on developing a Metagenomics diagnostic framework.
- The department has also implemented sustainability initiatives, including recycling Biofire cannisters and liquid waste containers, reducing the use of toxic substances, and working with suppliers to use sustainable materials.
- Microbiology also introduced HIV1 and HIV2 PCR testing, delivering rapid results 24/7, and achieved overnight testing for urgent transplant nucleic acid test (NAT). Further, it expanded the respiratory virus testing to additional hospitals, introduced new assays, and welcomed 121 new media clients.



If an infection is suspected, the Microbiologists at PathWest culture the patient's samples to identify any pathogens and perform tests to see which is the best antibiotic for the patient.

Immunology

PathWest Immunology is the leading provider of services in the State for the diagnosis, monitoring, and treatment of immunological disorders associated with autoimmunity, allergy, immunodeficiency, transplantation, and the human immunodeficiency virus (HIV). This department employs state-of-the-art DNA sequencing technology to conduct comprehensive tissue typing and matching for solid organ and bone marrow transplantation.

In 2023/24, PathWest Clinical Immunology made significant strides in transplantation laboratory medicine.

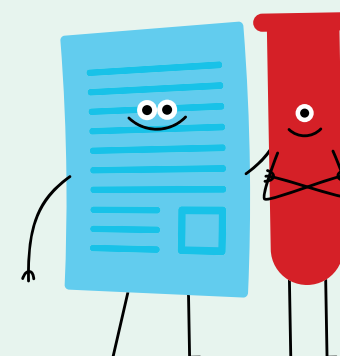
By transitioning to the third generation (TGS) platform for Human Leukocyte Antigen (HLA) sequencing and employing refined HLA antibody identification methods, particularly in challenging cases, clinical immunology became the first laboratory to perform high-resolution (HLA) typing, leading to better

clinical outcomes for patients. With the recent State Government review aimed at increasing organ and bone marrow donations, these advancements solidify PathWest Clinical Immunology's position as a leader in transplantation laboratory medicine.

For solid organ and bone marrow recipients across the world, this means shorter wait times and better results.

The Department has made significant contributions to tuberculosis (TB) contact tracing in the community using the QuantiFERON TB assay, preventing potential outbreaks in two WA correctional facilities.

Scientist training and practical placements are also strongly supported by the Department, evidencing its dedication to professional growth, training, research, and field excellence.



To assess immune system function and check for autoimmune conditions that may be contributing to symptoms, the Immunology laboratory carries out tests to check the functioning of the immune system.

Performance highlights

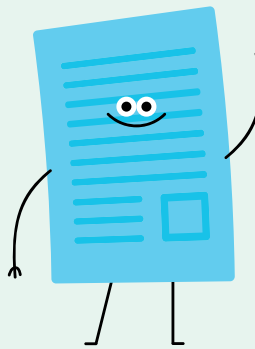
Anatomical Pathology

With 20 subspecialties and over 160 Multidisciplinary Team meetings per month, PathWest Anatomical Pathology provides a highly specialised and comprehensive diagnostic pathology service to WA public patients. This includes clinician access statewide to expert pathology reviews and specialist consultations to ensure equitable access to a high standard of care.

In 2023/24, PathWest Anatomical Pathology continued to implement state-of-the-art technologies to provide a more comprehensive genomic and epigenomic profile of individuals' cancers. Using a range of medium and high throughput next-generation sequencing, Anatomical Pathology generated extensive tumour molecular profiles to guide clinical management, identify new treatment options for patients with advanced cancer, and discover new opportunities for existing and future clinical trials. This 'precision oncology' approach continues to improve cancer care and survival rates for Western Australian cancer patients.

During 2023/24, three next-generation sequencing Comprehensive Genomic Profiling (CGP) studies continued, including Molecular Screening and Therapeutics (MoST; solid tumours); ASPIRATION (Non-Small Cell Lung Cancer at diagnosis); and MoST-Lly (haematological malignancies). PathWest Anatomical Pathology has made significant progress under its CGP studies with a continuing increase in the number of cases and genes analysed. Ethics and research governance approvals have been secured for CGP in all cancer treatment centres in the State.

Anatomical Pathology has increased its workforce capacity in the perinatal loss service by appointing a Consultant, Stillbirth Project Manager, and Mortuary Technician. This initiative is funded over three years through the Federal Government's National Stillbirth Action and Implementation Plan.



Biopsy samples arrive at the Histopathology laboratory, where they are examined to identify any abnormal cells or structures that may help explain persistent symptoms. In Cytology, the cells from samples and biopsies are analysed for malignancies or other conditions.



Diagnostic Genomics

PathWest Diagnostic Genomics offers essential diagnostic, prenatal, predictive, and family studies, particularly in the challenging field of rare diseases (RD). Rare diseases affect fewer than one in 2,000 people but over 6,000 RDs have been identified. Over 70% of RDs have an underlying genetic cause and a significant proportion manifest before birth or in early childhood.



NovaSeqXP Launch
Click to read more

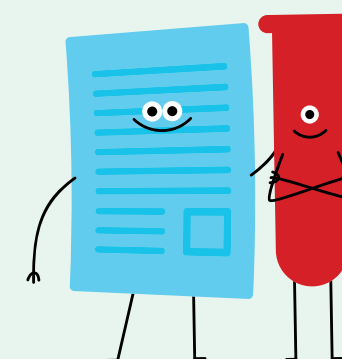


NovaSeqXP Launch

L to R: Mr Joel Gurr (North Metropolitan Health Service Acting Chief Executive Mr Joel Gurr), Dr Dimitar Azmanov (PathWest Diagnostic Genomics Head of Department), Hon Amber-Jade Sanderson (Health Minister), 12-year-old patient, Dr Narelle Hadlow (PathWest Chief Executive), Prof Nick Pachter (Genetic Health WA).

In the context of rare diseases, Diagnostic Genomics delivered or evidenced the following in 2023/24:

- A 25.81% (over 250 tests per month) increase in gene panel tests (used to identify mutations that may contribute to a particular disease or condition) for rare inherited cancers or rare neuromuscular disorders.
- Launched NovaSeq XP machine, funded by Telethon, PathWest, and the North Metropolitan Health Service (NMHS). Whole genome sequencing offers earlier and more precise diagnoses, improving the quality of life for those living with rare diseases.
- Hosted an internal event and tour for Rare Disease Day, raising awareness to improve access to diagnosis and treatment for those living with a rare disease, their families, and carers.



In rare cases, a hereditary condition can be the cause of patient symptoms. Genetic testing can provide insights into genetic markers that are associated with certain conditions.

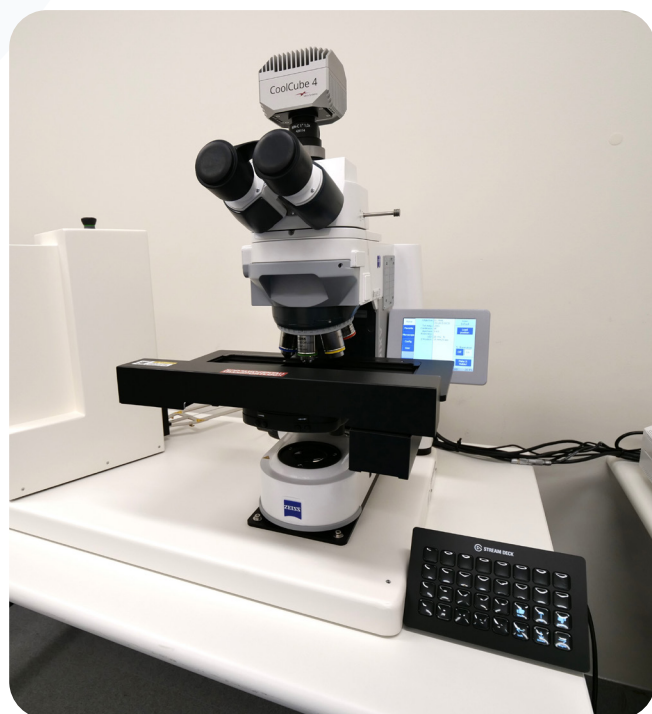
Performance highlights

Forensic Biology

The Forensic Biology Department (FBD) provides forensic DNA analysis and reporting services to support the WA justice system. Services include analysis of exhibits for the presence of biological materials in criminal cases, mass fatality disaster victim identification, criminal parentage, and missing persons' cases.

WA FBD's contribution to the National Criminal Investigation DNA Database (NCIDD) increased by over 35,200 DNA profiles in 2023/24 compared to over 31,300 in 2022/23. FBD was the first jurisdiction in Australia to upload 500,000 DNA profiles to the NCIDD, with each profile enhancing the system's capability to match DNA evidence from crime scenes with known and unknown offenders, increasing the likelihood of identification and enhancing community safety outcomes.

FBD was also the first forensic laboratory in Australia to be accredited against Part 2 of the new ISO 21043-2 Forensic Sciences' standard with further accreditation to be achieved once the remaining parts of the standard are released.



Other FBD achievements during the reporting period, a number in collaboration with the WA Police Force (WAPOL), included application of:

- Forensic Investigative Genetic Genealogy (FIGG) to resolve unsolved serious crimes and unidentified human remains' cases with three major breakthroughs in serious crimes.
- An automated microscopy platform (Metafer system) to assist with the examination of evidence in sexual assault cases. The Metafer system employs deep neural networks to automatically identify sperm cells for subsequent review by trained staff.
- New forensic software offering improved database search functions for complex mixed DNA profiles. Delivered as a pilot project with WAPOL, it resulted in 103 database links made and reported across a range of offences including aggravated burglary, assault, criminal damage, drug offences, stealing with violence and weapons offences.
- PathWest is currently working with WAPOL to trial new forensic grade swabs for evidence collection.



Forensic Pathology

The Forensic Pathology Department and State Mortuary facility provide a comprehensive Coronial post-mortem service for WA under the direction of the State Coroner.

Key achievements in 2023/24:

- The State Mortuary refurbishment project was opened by the Health Minister, Hon Amber-Jade Sanderson MLA, in August 2023. Incorporating a new homicide suite, it supports provision of world-class services to the WA criminal justice system and improved teaching capability.
- The department performed 3,185 post-mortem examinations from 3,593 Coronial admissions, with 1,125 hospital admissions. This represents an increase compared to approximately 3,126 post-mortem examinations from 3,576 Coronial admissions, with 1,093 hospital cases in 2022/23.
- Launched a new laboratory information system module to improve system integration, departmental efficiency and service to the Coroner. The next stage will focus on statistical reporting and data mining capabilities.
- The CT service remained the most crucial component of the post-mortem examination, with scanning of 99% of Coronial admissions, with full autopsies performed in 50% of cases.
- The Department onboarded its 10th Forensic Pathologist with eight of these trained locally, significantly increasing the Department's capacity to meet growing demand for forensic services.
- Increased staffing capacity in the bereavement centre, which has a key role in supporting bereaved families.

In the next reporting period, Forensic Pathology will host a further Sri Lankan Forensic Pathology Fellow under a longstanding partnership which has seen over 10 Pathologists complete compulsory overseas training in Perth.



Performance highlights

Regional and Support Services

PathWest provides regional pathology services to communities across the State with support from the Regional and Support Services (RSS) team. An integral part of regional communities, PathWest regional staff foster close working relationships with General Practitioners, local community groups and colleagues from the WA Country Health Service (WACHS).

Key achievements in 2023/24:

- **Expanded pathology services in regional areas:** Testing services increased by 9% in country regions compared to last year, with the most significant growth observed in Derby and Karratha (21% each) and Port Hedland (17%). This expansion provided more timely and convenient testing for people in these communities, reducing the need for long-distance travel for essential health services.
- **Rapid health response in Kalgoorlie:** In partnership with health agencies, urgent mercury testing was conducted for residents in Kalgoorlie who were potentially exposed due to illegal gold purification activities in their area.
- **Enhanced testing services across WA:** Significant improvements were made to testing capabilities, resulting in faster and more accurate results:
 - 12 new blood testing machines were installed across various locations, providing faster results for patients needing transfusions.
 - An automated urine testing process was introduced, reducing wait times for results.
 - Rapid testing machines were deployed at 12 sites for respiratory illnesses, such as COVID-19 and the flu, ensuring quick results, especially during high-demand periods.
- **Ensured consistent services with back-up equipment:** To maintain reliable haematology testing services during busy periods or unexpected machine issues, additional haematology testing machines were placed in Geraldton, Broome, Kalgoorlie, and Albany. This ensured the ability to provide essential testing without delays, even in high-demand situations.
- **Expanded respiratory testing in Bunbury:** The testing capabilities for respiratory illnesses at the Bunbury site were significantly expanded, allowing for the identification locally of 23 different respiratory infections. This improvement will further support intensive care units (ICUs) and infection control teams in managing and treating patients with more detailed information available.
- **Statewide staff support:** A total of 632 flights were organised to deploy skilled staff across different parts of the state, ensuring coverage for planned and unexpected leave. This effort ensured that laboratory services continued without interruption, providing consistent care and testing throughout WA.



Medical Scientists-in-Charge (MSIC) at the 2023 Annual MSIC Meeting

Business Development and Client Liaison

Business Development and Client Liaison aims to expand access to high-quality diagnostic services across the community to support better health outcomes. This is achieved by identifying opportunities to strategically grow PathWest services and maintaining strong communication channels with medical professionals to ensure they have the latest information on PathWest's advanced diagnostic services.

Key achievements in 2023/24:

- Hosted pathology presentations with regional health professionals in Kalgoorlie, Manjimup, and Narrogin on topics such as regional antibiograms, endocrine biochemistry, and blood cultures, as well as visiting local General Practitioners.
- Sponsored the 2023 Joint Scientific Meeting of the Australian Institute of Medical Scientists (AIMS), Australian Society for Microbiology (ASM), and Human Genetics Society of Australasia (HGSA). This event brought together clinicians, scientists, students, and researchers to discuss recent developments and trends in pathology, providing PathWest with valuable branding and networking opportunities.
- Renewed 10 community patient collection centre leases, ensuring continued access to vital pathology services for communities, with a renewed focus on enhancing our service infrastructure.
- Improved our digital presence and consumer engagement via a dedicated infant page, human papillomavirus infection (HPV) self-collection campaign and resources, Extended Carrier Genetics Testing, and improvements in patient information accessibility.
- Delivered a Customer Satisfaction Survey and creating customer engagement survey tools specifically designed for three key stakeholder groups: patients, Health Service Providers, general practitioners (GPs), and specialists. Hardcopy and electronic versions were made available to cater for user preferences and a comprehensive communication plan accompanied release.



Performance highlights

Research

In 2023/24, PathWest significantly enhanced its engagement in translational research (research that directly benefits patients) and innovation, with further development planned for 2024/25. PathWest’s commitment to translational research ensures PathWest achieves international best practice in the delivery of pathology services across all departments, supported by initiatives from the Office of Medical Research and Innovation, Department of Health.

Key achievements in 2023/24:

- 319 publications in refereed journals, 175 conference presentations, and 136 translational research projects.
- 36 Site Authorisations for projects and review and approval of 153 research Monitoring Reports by PathWest Research Governance.
- Established a \$100,000 annual PathWest Innovation Staff Fund to support staff-led projects aimed at introducing new and innovative practices.
- Participated in a Minister for Medical Research initiated review of Research Ethics and Governance processes across WA Health, commencing 2023. A revised Health Ethics structure to incorporate all WA Health committees into a centralised ethics committee began in 2024 and is expected to continue until mid-2025, with research governance reform to follow.
- Conducted a review of PathWest’s Research Governance Service (RGS) in April 2024, to improve the efficiency of the RGS without altering its core structure. Research Governance has established a process to identify forward funding opportunities for research and prepared a suite of documentation to improve understanding of research governance requirements.
- Conducted core research projects including:
 - Acquisition and commissioning of advanced sequencing technology to identify rare genetic disorders in children and to characterise genetic mutations in cancer patients, guiding early management and optimal therapies.
 - Genomic Sequencing of Infectious Agents through tracking and characterising infectious organisms, such as SARS-CoV-2, encephalitis viruses, and Salmonella, to assist in managing outbreaks and guiding treatment for infections, including antibiotic-resistant organisms.
- Continued to partner in the WA Health Translation Network (WAHTN) to improve mechanisms for identifying and supporting collaborative research and innovation across health service providers and major research institutions.
- Secured over \$250,000 from the Future Health Research and Innovation (FHRI) fund, established by the Office of Medical Research and Innovation under the Minister for Medical Research to enhance research and innovation.

Teaching and Training

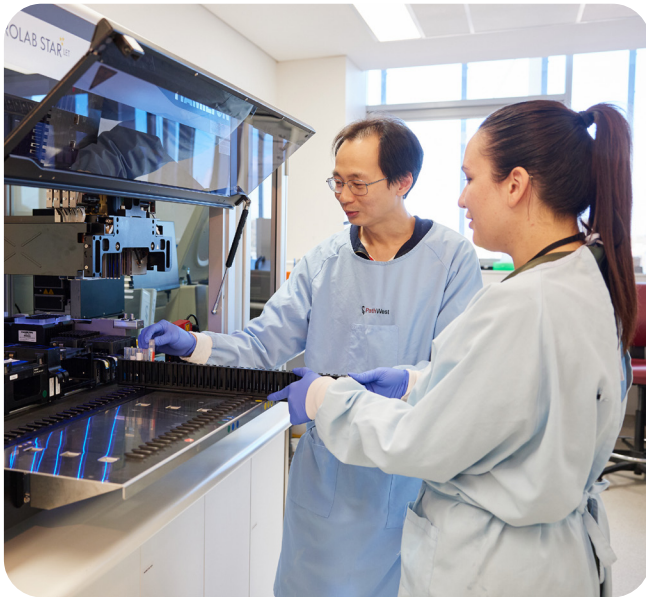
PathWest has a longstanding history of teaching and training for our scientific and medical workforce, positioning itself as a leading training organisation of choice and investing in its future.

Pathology Registrar training

In 2023/24, PathWest’s annual Registrar training program for certification as a qualified pathologist and membership as a Fellow of the Royal College of Pathologists of Australasia engaged 54 Registrars across PathWest departments.

Professional placements

PathWest’s annual accredited university programs support professional placements within laboratory and pre-analytical/specimen collection settings. In 2023/24, 42 students from Curtin University and UWA had two-week placements in phlebotomy; 36 students four-week placements in the Central Specimen Reception Area; and 139 students, six-week placements in PathWest departments.



Regional Scholarship Program

PathWest launched its inaugural Regional Scholarship Program in 2023, providing \$2,000 financial support to third and fourth-year laboratory medicine students for travel and accommodation costs for a six-week placement in a regional laboratory. Seven students from Curtin University were awarded scholarships for placements in Broome, Bunbury, Geraldton, Albany, Karratha, and Narrogin.

Certificate III in Pathology Collection

PathWest through North Metropolitan Health Service (Registered Training Organisation) offers the nationally accredited HLT37215 Certificate III in Pathology Collection (Phlebotomy Course), equipping graduates with the knowledge, skills, and practical experience to work as specimen collectors and phlebotomists. In 2023/24, a total of 32 students achieved the HLT37215 Certificate III.

Aboriginal scholarships and Cadetships

The Aboriginal scholarships and cadetships’ programs aim to enhance employment for Aboriginal people, particularly in frontline healthcare.

In 2023/24, PathWest awarded two scholarships for the six-week Certificate III in Pathology Collection course, with graduates offered fixed-term and permanent contracts. PathWest also awarded five Aboriginal cadets through the WA Health Aboriginal Cadetship Program with 12 months’ paid work experience while they complete their undergraduate degrees.

Performance highlights

Teaching and Training

Forensic Training

The Forensic Biology Department delivered lectures and training to the WA Police Force, the Office of the Director of Public Prosecutions, and the Criminal Lawyers Association on topics such as forensic DNA profiling, disaster victim identification, forensic DNA statistics, quality management, and investigative genetic genealogy.

Forensic Pathology provides training in forensic pathology overviews, coronial documentation, mortuary operations, crime scene analysis, hidden homicides, and cold case reviews (including exhibit sampling and

evidence recovery) to the Office of the Director of Public Prosecutions WA, specialist groups such as Fire and Emergency Services and the Australian Defence Force, and UWA medical and dental students. The Department also hosts study days for doctors, nurses, medical students, Supreme Court Justices, Australian Funeral Directors Association members, Coroner's Court staff, and others. Staff also present at scientific meetings including the Royal College of Pathologists of Australasia Pathology Update in Adelaide in February 2024.



Annual Report 2023/24

Governance



Governance

Enabling legislation

The *Health Services Act 2016 WA (HSA 2016)* introduced changes to the governance of the WA health system by clarifying roles, responsibilities, and accountabilities and by devolving decision making to the local level.

Section 32 of the *HSA 2016* provides for the establishment of Health Service Providers. PathWest was established as a Board-governed Health Service Provider by the Minister for Health under section 32(1)(b) of the *HSA 2016* on 1 July 2020.

Section 70(1)(b) of the *HSA 2016* stipulates that the PathWest Board is the governing body of the statutory authority and is to perform or exercise all the functions of PathWest under this Act or any other written law.

Communication between PathWest and the Minister for Health, Parliamentary representatives, Ministers, and the WA health system is governed by a Communication Agreement, with clear lines of accountability and responsibility noted within.



Accountable authority

The PathWest Board is the accountable authority for PathWest in 2023/24.

Responsible Minister

PathWest is responsible to the Honourable Amber-Jade Sanderson MLA, Minister for Health; Mental Health.

Sharing responsibilities with other agencies

PathWest works closely with several government and non-government agencies to deliver pathology and forensic services for the State to achieve the targets set out in the [WA Health 2023/24 Outcome Based Management Key Performance Indicator Data Definition Manual](#).



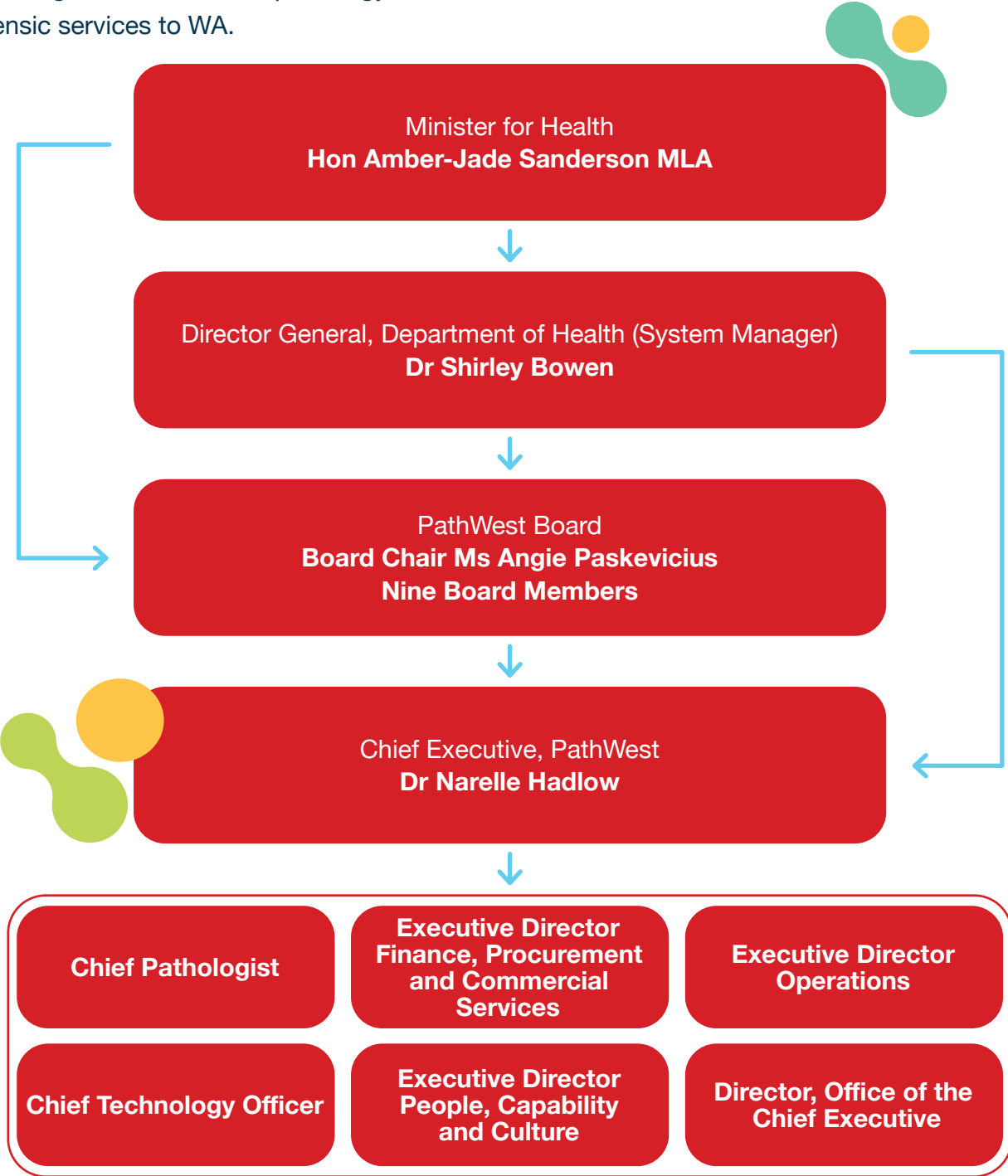
Governance

Governance structure

As a Board-governed Health Service Provider, PathWest is responsible and accountable to the Minister for Health and the Director General, Department of Health, as the System Manager.

The Minister for Health appoints the PathWest Board Chair and members, with the Board legally responsible and accountable for providing safe and efficient pathology and forensic services to WA.

The System Manager is responsible for the overall management, performance, and strategic direction of the WA health system, ensuring the delivery of high quality, safe and timely health services. The System Manager is the employing authority of the PathWest Chief Executive, who is responsible for the day-to-day operations of PathWest.



PathWest Board

PathWest was established as a Board-governed statutory authority on 1 July 2020.

The Board was appointed by the Minister for Health pursuant to Section 34 of the *HSA 2016* and sets the strategic and operational direction of PathWest within the scope of the policy frameworks set by the System Manager.

The Board comprises professionals with experience across the fields of medicine and healthcare, finance, community, and consumer engagement. The Board works closely with the PathWest Chief Executive, who manages the operations of the organisation, to deliver safe and efficient services to the communities of WA.

The Board met on 10 occasions during 2023/24 and was supported by the following three Committees and an Advisory Council:

- Finance, Risk and Audit Committee
- Safety and Quality Committee
- People and Culture Committee
- Forensic Biology Advisory Council



PathWest Board



Angie Paskevicius - Chair

Angie is an experienced Chair, Non-Executive Director, and Chief Executive Officer, with over 30 years’ experience in allied health, as a business owner, senior executive, and executive coach.

Angie served as Chief Executive Officer and Executive Director at Holyoake, Chair of Interchange WA, and Non-Executive Director of Mid-West Ports Authority. Angie currently Chairs 360 Health + Community and Leadership WA and continues to work as an Executive Coach. She is also a Fellow of the Australian Institute of Company Directors, the Australian Institute of Management, and the Institute of Public Administration Australia WA, and is a qualified Speech Pathologist.



Professor Tarun Weeramanthri AM - Deputy Chair

Tarun is a public health physician with extensive healthcare and senior executive experience and an independent public health consultant. Tarun has held executive positions in the Northern Territory and WA Health, including as Chief Health Officer, along with various health-related academic, panel, Board and inquiry positions.



Kevin Taylor - Chair, Safety and Quality Committee

Kevin is an experienced senior executive with over 30 years’ experience in strategic and operational management. Kevin served as Chief Executive Officer at St John of God pathology for over 16 years and worked on strategic development of pathology and laboratory services in Timor Leste.



Samantha Elder - Chair, Finance, Risk and Audit Committee

Sam is an accountant who has held director roles across various industries, including public and private healthcare, mining, oil and gas services, and manufacturing. Sam has considerable international experience in multi-national and not-for-profit organisations and is currently Director of Finance and Performance at St John of God Healthcare.



Tony Vis - Chair, People and Culture Committee

Tony is an experienced non-executive director and Chair with a strong background in corporate governance. He served as Chief Executive Officer of Activ Foundation until 2016 and has held chief executive and senior executive positions across a range of healthcare and not-for-profit, insurance, property and legal sectors. He also holds Board roles in care related industries and is a qualified lawyer.



Professor Christobel Saunders AO

Christobel is a leading research-oriented cancer surgeon and has made significant contributions to new treatments in this field. Christobel is currently the Head of the Department of Surgery at the University of Melbourne (Royal Melbourne Hospital precinct), Director of Medical Research at Melbourne Medical School and a consultant surgeon at Royal Melbourne Hospital and the Peter MacCallum Cancer Institute. She has received multiple meritorious awards, published a significant number of peer-reviewed journal articles, and is a member of several health Boards.



Susan Rooney

Susan Rooney is the Chief Executive Officer of the St Vincent de Paul Society WA, and former Chief Executive Officer of the Cancer Council WA and Executive Director with the then WA Fire and Emergency Services Authority. Susan has held significant Board and senior executive positions in the not-for-profit sector and is a qualified Physiotherapist.



Professor Gelareh Farshid

Gelareh is a leading Anatomical Pathologist Consultant specialising in breast, soft tissue, and bone pathology, with a research focus on the role of Artificial Intelligence in cancer diagnosis and treatment. She is a Senior Consultant at Royal Adelaide Hospital and holds Clinical Professor positions in Medicine and Medical Science at the University of Adelaide. She holds several lead and senior positions on pathology-related Boards in Australia and internationally.



Paul O'Farrell

Paul is a corporate advisor, banking professional, and chartered accountant with over 30 years’ experience in international banking and risk management with PricewaterhouseCoopers, National Australia Bank, and Bankwest. Paul holds a Board position with Racing and Wagering WA and formerly with Richmond Wellbeing WA.



Tracey Brand

Tracey is an Eastern Arrernte woman with over 30 years’ experience in Aboriginal health and social services. Tracey is the Chief Executive Officer of Derbarl Yerrigan Health Service, the largest Aboriginal Community Controlled Health Organisation in Western Australia. Tracey chairs the Aboriginal Health Council of WA and holds various Board positions relevant to Aboriginal Health and Cancer. Tracey holds several Masters’ qualifications in leadership and administration.

PathWest Executive Team



PathWest Executive is accountable and responsible for managing the performance of services across the organisation.

At 30 June 2024, PathWest Executive included:

- Dr Narelle Hadlow, Chief Executive
- Dr Priyanthi Kumarasinghe, Chief Pathologist
- Sandy Kerr, Executive Director, Finance, Procurement and Commercial Services
- Paul Schneider, Executive Director, Operations
- Jo McCran, Executive Director, People, Capability and Culture
- Tim Evans, Chief Technology Officer
- Kate Armstrong, A/Director Office of the Chief Executive

Dr David Smith has been appointed to the role of Deputy Chief Pathologist, for a six-month term, with governance responsibility for Research.



Annual Report 2023/24

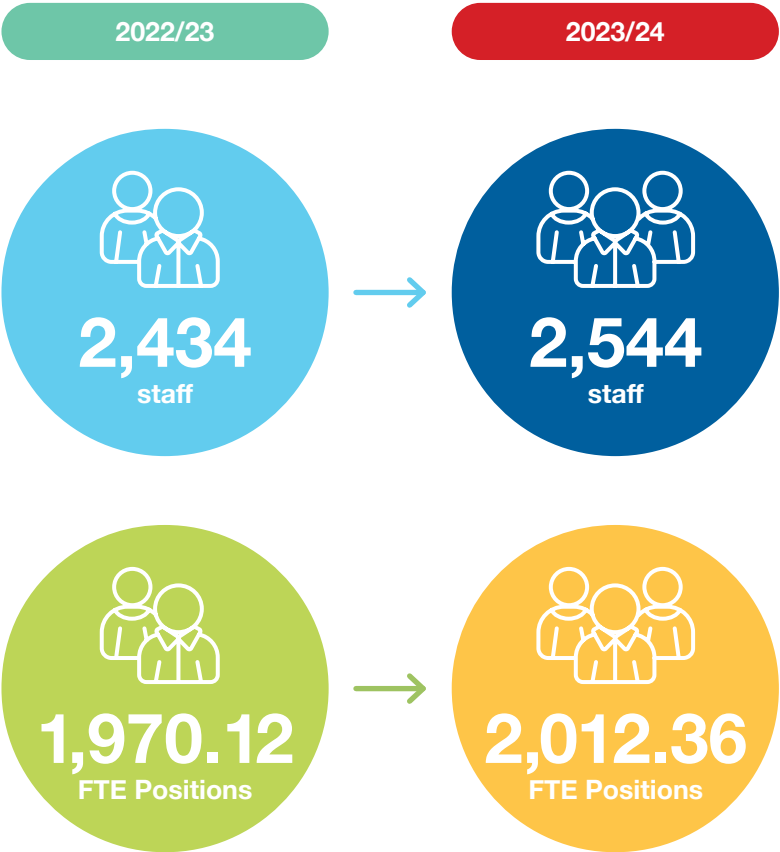
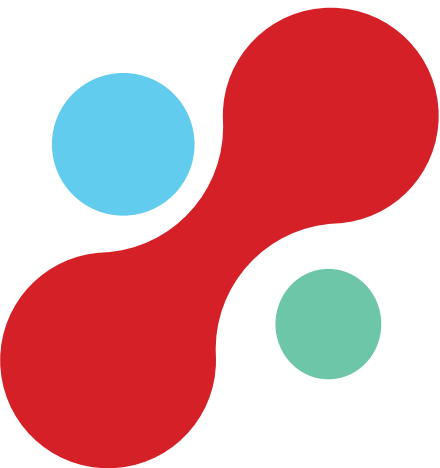
Our people



Our people

Staff snapshot and employment profile

PathWest employed 2,544 staff in 2023/24, an increase from 2,434 in 2022/23. The number of full-time equivalent (FTE) positions also rose to 2,012.36 in 2023/24, up from 1,970.12 in the previous financial year.



By staff category	2022/23	2023/24
Administration	225.98	241.91
Anthropologist	1.01	1.00
Consultant Pathologist	101.47	105.16
ICT	47.31	57.39
Nursing	0.77	0.00
Odontologist	0.68	0.69
Phlebotomy	154.12	143.32
Registrar	48.45	50.87
Scientist	778.29	808.53
Technical	612.05	603.49
	1970.12	2012.36

Aboriginal workforce

PathWest’s Multicultural Plan outlines the strategies and actions undertaken by PathWest to enhance workforce diversity and cultural competence, eliminate systemic discrimination, and ensure that its health services are welcoming, inclusive, and equitable for all. The Public Sector Commission (PSC) identifies diversity groups as Aboriginal People, Culturally and Linguistically Diverse (CaLD) people, people of diverse sexualities and genders, people with disabilities and women in management and youth.

Key achievements against the plan in 2023/24 included:

- Equity, Diversity, and Inclusion (EDI) eLearning
- WA Health Aboriginal Cultural eLearning (ACeL)
- Aboriginal Cadetship Program with five placements in various PathWest departments
- Aboriginal Graduate Program with two positions in different PathWest departments
- Aboriginal Scholarship Program providing scholarships for PathWest’s Certificate III in Pathology Collection course
- As of 6 February 2024, all PathWest job advertisements are listed pursuant to Section 51 *Equal Opportunity Act 1984*.
- Face-to-Face Aboriginal Cultural Awareness Training in October 2023
- Celebrations of significant events in the Aboriginal calendar, including National Sorry Day, Reconciliation Week, and NAIDOC Week



Aunty Sandy Harben (Associate Professor of Noongar Culture and Noongar Cultural Consultant) presenting a Welcome to Country and Noongar Language Session.

Our people

Employee development

PathWest provides a wide range of professional development opportunities for staff to attract and retain a skilled and capable workforce.

Leadership development

PathWest staff participated and completed the following leadership programs during 2023/24:

- 10 PathWest leaders in the 2023/24 Masterclass Series, supported by the Institute for Health Leadership.
- The Aboriginal Workforce Consultant in the Aboriginal LEAD program, a leadership and talent development initiative aimed at fast tracking high potential Aboriginal staff into senior management and executive positions in the WA health system.
- One staff member in the First Steps Aboriginal Program, delivered in partnership with the Aboriginal Health Policy Directorate, designed to provide mid-tier Aboriginal employees with a development pathway and act as a talent pipeline for future learning and leadership opportunities.
- A PathWest senior leader in the Shaping Health Systems program, designed to enhance their leadership capabilities whilst undertaking a team-based strategic project.
- One senior staff member in the Leadership Excellence Program through the Institute for Health Leadership comprising six workshops delivered over a six-month period designed to equip participants with the skills to inspire change and promote a culture of leadership within their workplace.
- Seven staff in coaching programs through the Institute for Health Leadership designed to introduce employees to various coaching models, concepts, and tools to enable participants to adopt a coaching approach to leadership and management. Four senior leaders participated in individual coaching sessions with a credentialed coach.

Professional development

Continued provision of half-day and one-day training courses designed to equip staff with the 'soft skills' to be resilient and effective. In 2023/24, 248 staff members participated in 12 courses offered by PathWest as part of professional development training. Courses included:

- Recruitment, Selection and Appointment Training
- Change, Stress and Resilience
- Cultural Awareness
- Improving Interpersonal Relationships
- Job Application and Interview Skills
- Time Management in Outlook
- Better Mental Health at Work
- Excel courses
- Building Buoyancy

Urine and drug screening accreditation

Through an affiliation with NMHS's Registered Training Organisation, 191 phlebotomists completed HLTPAT005 - Collect specimens for drugs of abuse testing course, required to facilitate urine drug screening collections.

eLearning and Mandatory Training

The MyLearning system provides access to mandatory training courses as well as specialist courses, with PathWest Training and Development providing oversight of the Learning Management System to support the delivery of mandatory and bespoke eLearning packages.

Mandatory training includes:

- Aboriginal and Cultural eLearning
- Accountable and Ethical Decision Making
- Recordkeeping Awareness
- Patient confidentiality
- Essential Cyber Security

- New eLearning modules implemented during the reporting period to meet organisational needs included:
 - Prevention of Workplace Bullying for managers
 - Prevention of Workplace Bullying at PathWest
 - PathWest Reporting Clinical Incidents on the DATIX CIMS – Notifier Module
 - Emergency Management Procedures Course
 - PathWest Aggression Prevention and Intervention Course
 - Safe Handling and use of Liquid Nitrogen



Our people

Staff engagement and milestones

July 2023: NAIDOC Week Lunch and Learn

Aug 2023: State Mortuary Refurbishment;
Genes for Jeans; National
Science Week (featuring
RSS staff profiles)

Sep 2023: PP Block celebrates
10 years and RUOK Day

Nov 2023: Recognition of Service
Awards 2023

Dec 2023: WA Health Excellence Awards
2023; Launch of SoftForensics

Feb 2024: World Cancer Day;
Rare Disease Day

Mar 2024: NATA grants first accreditation
against ISO 21043-2 to
Forensic Biology laboratory

May 2024: NovaSeqXP Launch with Health
Minister Hon Amber-Jade
Sanderson MLA at
Diagnostic Genomics

June 2024: Dr David Smith and Dr David
Speers were recognised in the
2024 King's Birthday Honours
List; Inaugural CE and Board
Chair morning tea.



**2024 King's Birthday
Honours List**
Read More

Your Voice in Health

The Your Voice in Health Employee Engagement Survey is designed to measure staff engagement and workplace culture to inform system-wide staff engagement programs and support proactive strategies for future workplace planning. The survey was made available to all WA Health employees from 7 March 2023 to 2 April 2023.

PathWest's response rate to the survey was 49% and the Employee Engagement Index (EEI) for PathWest was 57%.

Staff feedback on the results of the survey were provided by the Acting Chief Executive via an all-staff forum on 10 August 2023 and corporate and department action plans were developed.

The corporate action plan was submitted to the Department of Health with progress reports provided twice during the reporting period. Similarly, discipline action plans were submitted but reported on to PathWest People, Capability and Culture.

In response to the survey results, Chief Executive and Board Chair morning teas were launched in June 2024 to foster greater engagement and connection between Executive and staff.



PathWest and Department of Health recipients of WA Health Excellence Award for "Long term reduction of WA salmonellosis cases: Strategies and control of community wide outbreaks"

Our people

Celebrating success

Many PathWest staff made exceptional contributions to the advancement of medicine and exemplified a commitment to excellence in their everyday practice within the organisation.

Order of the Medal of Australia

In 2023/24, both Dr David Smith and Dr David Speers were awarded the Order of the Medal of Australia in the 2024 King's Birthday Honours list. Both for their service to medicine in the field of microbiology with Dr David Speers also listed on the COVID-19 Honour Roll for his significant contribution to Australia's response to the pandemic. [Watch the PathWest celebrations for Dr Smith and Dr Speers to honour their outstanding achievements.](#)



L to R: Dr David Smith (Consultant Pathologist, Microbiology), Dr Narelle Hadlow (Chief Executive) and Angie Paskevicius (Board Chair)



L to R: Dr David Speers (Consultant Pathologist, Microbiology), Dr Narelle Hadlow (Chief Executive) and Angie Paskevicius (Board Chair)

WA Health Excellence Awards

The WA Health Excellence Awards celebrate excellence and innovation in service delivery across the WA health system. In 2023/24, PathWest received one individual award, two project or team awards, and was a finalist in a project or team award.

Dr David Speers received the **Minister for Health's Award** recognising an exceptional health professional's lifetime achievement. Dr Speers' contributions to pathology and public health spans approximately 38 years with his distinguished service evidenced through the 2009 H1N1 and COVID-19 pandemics, diagnostics, surveillance, and infection prevention.

PathWest received an **Excellence in Preventative Health** award for the long-term reduction of WA salmonellosis cases: Strategies

and control of community-wide outbreaks with work undertaken by PathWest Microbiology Environmental Microbiology Unit (EMU), Surveillance and Enteric teams.

PathWest received an **Excellence in Sustainability** award for blood inventory management with work undertaken by PathWest Haematology, regional laboratories and PathWest Scientists.

PathWest was a finalist in **Excellence in Preventative Health** award for work on the Japanese Encephalitis Virus: One Health Response, involving the Department of Health and PathWest.



WA Health Excellence Awards

Click to read the full media statement from the Health Minister Hon Amber-Jade Sanderson MLA [here](#)

Recognition of Service Awards

PathWest Recognition of Service Awards recognise staff with 10 or more years of service. In November 2023 the Acting Chief Executive and Board Chair presented 43 awards for staff service for 20 years and above, with a further 63 recipients receiving awards for 10 years' service at a further event. The number of recipients recognised were as follows – 40 years (5), 30 years (6), 20 years (32) and 10 years (67).

PathWest also acknowledges the dedicated service of staff who retired in 2023/24:

- **Dr Dominic Spagnolo**, who made significant contributions to public pathology for over 50 years, retired in February 2024.
- **Emeritus Professor Nigel Laing**, with over 40 years of service to public pathology, retired in March 2024.



Recognition of Service Award

L to R: Angie Paskevicius (Board Chair) with Rossemarie Ramirez-Avalos (Acting Medical Scientist-in-Charge, Anatomical Pathology), recipient of award for 20 years of service

Employee of the Season Awards

The Employee of the Season Awards recognise PathWest employees who consistently embody the organisation's values of **Care, Accountability, Respect, and Excellence**, making a significant impact on patients, staff, and the communities they serve. The program is sponsored by Paywise and HESTA. The winners for 2023/24 included:

- Aaron Mowe, Laboratory Technician at the Media Manufacturing Unit who was instrumental in ensuring the rapid increase in viral transport medium during the pandemic in compliance with quality standards. His communication, networking, trouble shooting, and organisational skills were applauded.
- Shae Inglis, Discipline Support Analyst, for her significant contribution to the development, implementation, and operational phases of the Laboratory Information System (LIS). Her capacity to build strong internal and external relationships, problem solve effectively, and communicate complex technical information in a clear and concise manner has been instrumental in the success of the project.

External Awards



Click to read about the meritorious awards PathWest staff received for their work in pathology.

Annual Report 2023/24

Sustainability



Sustainability

The PathWest Environmental Sustainability Steering Group drives sustainability planning and initiatives across PathWest.

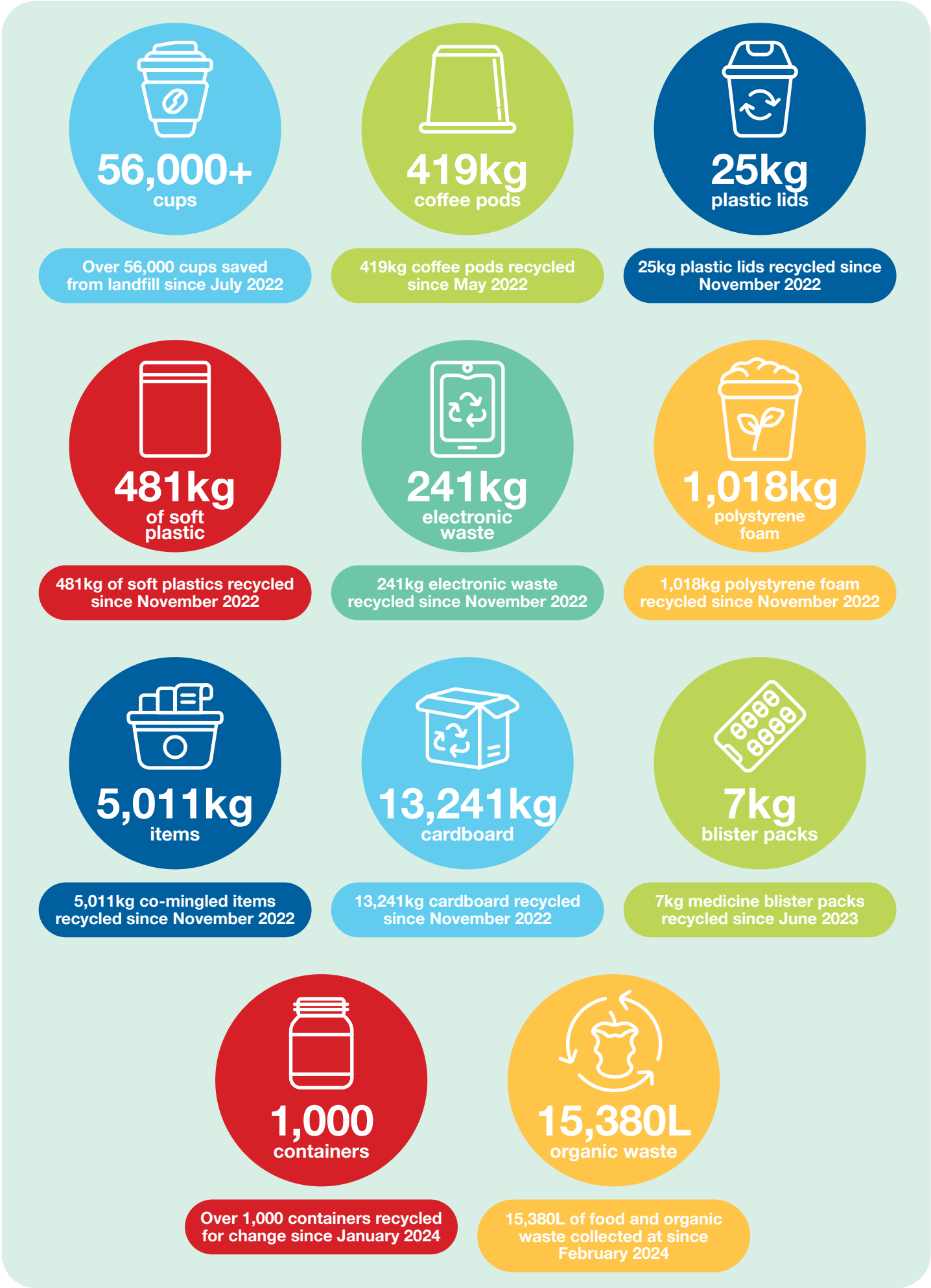
Key achievements in 2023/24:

- Development and implementation of an Environmental Management System (EMS) and Environmental Management Plan (EMP), outlining specific requirements to achieve sustainability objectives. Internal audits of our EMS against ISO 14001 standards in preparation for certification.
- Establishing ES Working Groups (ESWG) comprising Environmental Sustainability Champions (volunteer staff), to coordinate local sustainability initiatives and drive environmental change throughout PathWest.
- Recycling plastics and metals through the Containers for Change program, collecting over 100 containers per month.
- Collecting food and garden organics (FOGO) from lunchrooms and the Environmental Management Unit for composting.
- Expanding coffee cup recycling in hospital areas and recycling ice bricks used for consumables.
- Repurposing expired collection tubes and swabs for student training at UWA and Labtech Training (LTT).
- Reusing plastic QC and calibrator lids, saving 20,000 lids annually.
- Celebrating World Environment Day with the theme 'Nurture Our Planet and Yourself,' with a plant cutting exchange symbolising a commitment to environmental and personal wellbeing and a greener workspace.
- Transitioning Pre-analytical Services to multi-use silicon tourniquets.
- Upgrading Air Handling Units and Exhaust Fans in J Block, including a switch from Direct On-Line (DOL) to Variable Speed Drive (VSD) resulting in savings of \$129,512 in electricity costs and a reduction of 605,346 kg CO₂-e since February 2023.
- Upgrading lighting fixtures in PP block from fluorescent LEDs, reducing electricity usage.
- Installing formalin collection units as part of the mortuary refurbishment.
- Reducing staff travel for conferences and professional development to decrease our carbon footprint.



Ongoing and upcoming projects

- Progressively replacing fossil fuel vehicles with electric vehicles (EVs) in PathWest’s courier fleet. PathWest has 15 hybrids in a fleet of 51 vehicles and is working with Health Service Providers to install charging stations in anticipation of additional EVs.
- Trialling alternative specimen transport options, with the aim of eliminating the use of dry ice (frozen CO2), plastic packaging, polystyrene eskies, and plastic ice bricks. PathWest currently uses 34,000 kg of dry ice annually.
- Collaborating with PathWest vendors to enhance sustainability by reducing or recycling packaging and consumables and decreasing ordering frequency. Additionally, PathWest is trialling compostable clinical waste and specimen bags as replacements for current plastic bags.
- Planning the establishment of an in-house LN2 production facility and transitioning to vapour phase cryo storage with the aim of reducing approximately 80,000 litres per annum use by 30,000 litres.
- Improving the management of local heat exhaust from major laboratory equipment.



Annual Report 2023/24

Major Projects



State Mortuary Upgrade Opening with the Health Minister Amber-Jade Sanderson MLA and guests from the health, justice and police systems.

Major projects

One PathWest

The introduction of the 'One PathWest' model marks a significant advancement in PathWest's operational structure, aligning with National Pathology Accreditation Advisory Council (NPAAC) standards and the National Association of Testing Authorities accreditation requirements.

This new framework integrates efforts across metropolitan and regional sites through the leadership of the PathWest Executive.

The 'One PathWest' model came into effect in late June 2024 with PathWest operating two GX laboratories, each guided by a designated Clinical Pathology Lead, ensuring compliance with NPAAC supervision requirements.

Enhancements in ICT

During 2023/24, PathWest ICT completed its transition to a new Technology Operating Model, representing an uplift in the organisation's capability and capacity within the ICT team, recognising the increasing importance of digital innovation within pathology.

The model is delivering a more consistent and customer-focused method of working through enhanced use of technology and supports the provision of care through testing and research excellence.

PathWest continued to invest in developing and improving its Laboratory Information System (LIS). Functionality was expanded through implementation of a new module to support Forensic Pathology processes with improvements to system performance and risk management facilitated through a major project upgrade and replacement of ICT infrastructure.

Like many organisations, PathWest is responding to increasing cyber security risks through an increased focus on ICT security. PathWest has invested in the development and delivery of a cyber security roadmap which establishes milestones for the delivery of new tools and capabilities for identifying and responding to cyber security threats and incidents.

PathWest DataLab was launched, representing a significant advancement in data and analytics capabilities. Built on a Power BI platform, the DataLab creates a centralised and integrated reporting environment that simplifies access to data and enhances transparency in information management.



Digital Pathology

The integration of digital pathology represents a transformative force in healthcare, driving a paradigm shift in pathology.

PathWest continues to explore the options available in digital pathology. Digital pathology can enhance the efficiency, collaboration, accuracy, and accessibility of pathology services, and is expected to revolutionise

PathWest practices and involve various departments within pathology. By embracing these innovations, we anticipate significant improvements in patient outcomes, the training of our emerging pathologists, and the advancement of innovative research, ultimately contributing to a more robust and agile workforce and a healthier Western Australia.

Assets and facilities infrastructure works

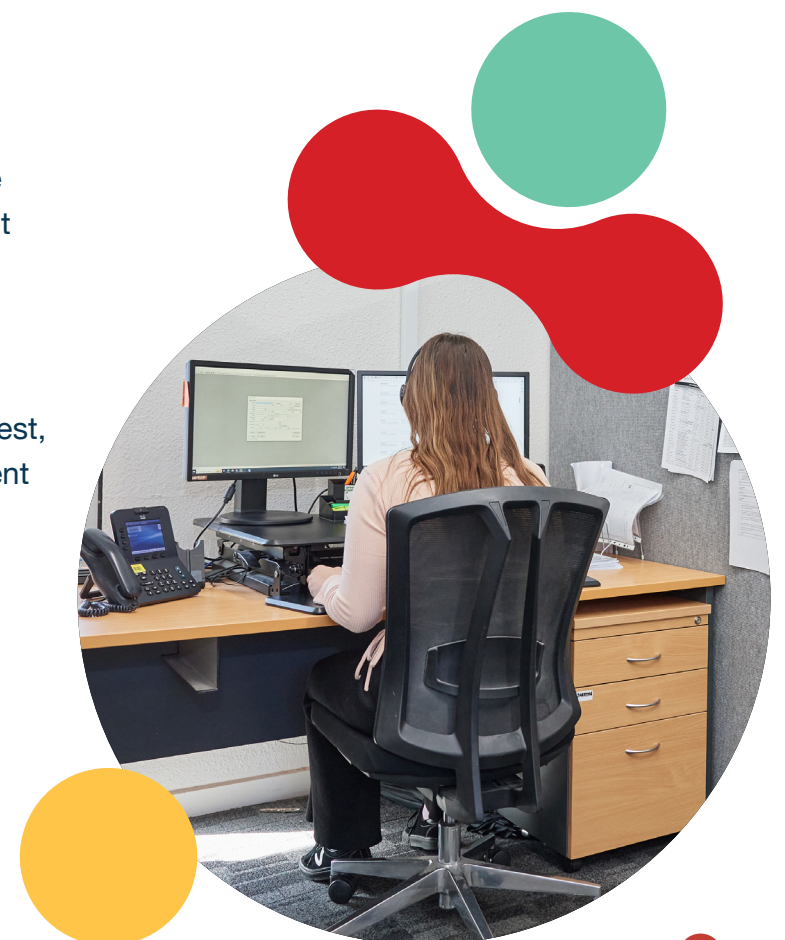
The PathWest Facilities team continues to progress multiple projects across the organisation including asbestos remediation works; fire safety improvements; disability access improvements; staff security and Work, Health and Safety improvements; laboratory and workplace upgrades and remodelling to current or planned workflows; collection centre fit outs; and new laboratory design and replacements; along with general building maintenance requirements.

Staff safety

Changes within the Work Health and Safety (WHS) portfolio implemented in 2023/24 and recent changes in WHS legislation have seen an improvement in formal management and engagement of Health and Safety Representatives (HSR) at PathWest.

Work areas and work groups have been formally identified across all areas of PathWest, strengthening systems for formal engagement of HSRs within all operational sections.

Safety Representatives are now routinely engaged in matters of safety planning, including reviewing new and proposed changes to safety related policy and procedure, and are consulted formally at Safety Committee meetings and informally through a dedicated TEAMS group.



Annual Report 2023/24

Key performance indicators



Key performance indicators

Certification of Key Performance Indicators

PATHWEST LABORATORY MEDICINE WA
Certification of key performance indicators for the year ended 30 June 2024

We hereby certify the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess PathWest’s performance, and fairly represent the performance of PathWest for the financial year ended 30 June 2024.



Angie Paskevicius
Chair
PathWest Board
10 September 2024



Samantha Elder
Chair, Finance, Risk and Audit Committee
PathWest Board
10 September 2024

Performance Management Framework

The Outcome Based Management (OBM) framework describes how outcomes, services, and Key Performance Indicators (KPIs) are used to measure WA Health system performance.

PathWest is responsible for delivering and reporting against:

- **Outcome 2:** Prevention, health promotion and aged and continuing care services that help Western Australians to live healthy and safe lives.

“Pathology Services” was included in WA Health’s OBM framework to recognise PathWest’s establishment as a statutory authority as of 1 July 2018.

The OBM KPIs measure the effectiveness and efficiency of the services delivered against agreed State Government priorities and desired outcomes.



Performance Management Framework

The alignment of 2023/24 PathWest key performance indicators to State Government and WA Health system goals are demonstrated below:



Shared responsibility with other agencies
PathWest works closely with a number of government and non-government agencies to deliver pathology and forensic services for the State to achieve the targets set out in the WA Health 2023/24 OBM key performance indicator data definition manual.

Key effectiveness indicators

KPI 1 – Percentage of PathWest test results available to Emergency Departments (ED) within the required timeframe (in laboratory to verified time): (a) Haemoglobin (40 minutes); (b) Potassium (40 minutes); (c) Troponin (50 minutes)

Rationale

PathWest is the statewide public provider of pathology services, servicing public hospitals and the wider Western Australian community.

Turnaround times (TATs) for pathology tests are widely used as an indication of overall pathology service performance. In an Emergency Department (ED), timely availability of pathology test results is crucial for accurate diagnosis and commencement of appropriate treatment. Improvements in pathology turnaround times can also impact the overall functioning of EDs by reducing the length of patient stays and improving throughput.

This performance indicator is based on three indicators produced by the Australian Council of Healthcare Standards (ACHS). The selection of these specific tests is due to their critical role in diagnosing potentially life-threatening conditions in an emergency setting.

Results

645,022 tests from 11 hospital EDs were assessed against the targets during 2023/24. All 3 KPIs were met, with overall improvement noted over the previous year.

Test	2020/21 Revised Actual*	2021/22 Revised Actual*	2022/23 Revised Actual*	2023/24 Target	2023/24 Actual
Haemoglobin	96%	97%	97%	88%	96%
Plasma Potassium	71%	72%	74%	67%	75%
Troponin I	63%	71%	73%	74%	75%

Note: This KPI is based on ACHS indicators which are specific to pathology requests from EDs only. Due to the inconsistent classification of emergency activity in smaller regional hospitals (e.g. Public acute groups C and D21), these sites are excluded from this KPI.

*The computation methodology for this KPI was updated in 2023/24 to use “verified time” rather than “resulted time” as this better reflects when the Clinician has access to reviewing the result. This change had a material impact on the KPI therefore comparative periods were revised.

2021/22, 2022/23 and 2023/24 Data Sources: SCC Soft Laboratory Information System (Soft SCC).

2020/21 Data Sources: ULTRA and SCC Soft Laboratory Information System.

Key effectiveness indicators

KPI 2 – Percentage of PathWest Pathology Quality Assurance Program (QAP) results within an acceptable range

Rationale

PathWest is the statewide public provider of pathology services, servicing public hospitals and the wider Western Australian community.

PathWest performs over 12 million tests per year. A mandatory requirement for continuing laboratory accreditation is satisfactory performance in external quality assurance programmes (QAPs). External QAPs are available for all pathology disciplines and are developed in consultation with professional bodies and with significant input from participating laboratories. The Royal College of Pathologists of Australasia has the most extensive QAP in Australasia with submissions from participating laboratories nationwide.

Pathology testing is used to:

- diagnose 70% of all diseases and 100% of cancers
- predict susceptibility to disease
- prevent disease by identifying risk factors in patients that can be modified
- determine patient prognosis
- identify the presence or absence of infection
- monitor disease, identifying whether treatments are effective, and
- personalise treatment to achieve the best clinical outcomes.

Tests that fail quality assurance may produce erroneous results. Inaccurate results can lead to misdiagnosis and mistreatment of patients and delays in diagnosis or treatment, leading to increased morbidity or mortality.

PathWest is enrolled in a range of external QAPs to meet its mandatory accreditation requirements.

Results

134,021 QAP test results submitted to the RCPA for validation were included in the KPI measurement for 2023/24. The reported results are based on submissions due and tendered during 2023/24.

Test	2020/21 Actual	2021/22 Actual	2022/23 Actual	2023/24 Target*	2023/24 Actual
Anatomical Pathology	99%	99%	98%	100%	99%
South-East Division	98%	98%	98%	100%	98%
North-West Division	98%	98%	97%	100%	98%
Regional Services	95%	96%	98%	100%	98%
PathWest Total	96%	97%	98%	100%	98%

*While there is not an industry defined target, PathWest uses the theoretical target of 100% passed to drive continuous quality improvement across the organisation.

Data Source: RCPA QAP survey result reports.

Key efficiency indicator

KPI 3 – Average cost of pathology services per test

Rationale

PathWest is the statewide public provider of pathology services, servicing public hospitals and the wider Western Australian community.

The purpose of this indicator is to provide a longitudinal measure of the financial efficiency of PathWest in the delivery of clinical and health pathology services (excluding forensic services) across WA.

Results

Increasing demand for pathology services resulted in an increase in test activity compared with 2022/23. This in turn resulted in increased overall expenditure but delivered an improved average cost per test due to efficiencies achieved across the organisation. The increase in expenditure was largely due to increases in CPI and wages policy, an increase in costs for services provided free of charge by Health Support Services and costs associated with processing increased volume of tests.

Test	2020/21	2021/22 Revised*	2021/22	2022/23	2023/24
Expenditure	\$323,321,313	\$292,947,667	\$361,257,121	\$360,826,890	\$387,703,464
Activity: tests	11,944,578	11,944,578	12,829,645	12,686,651	13,658,321
Average cost per test	\$27.07	\$24.53	\$28.16	\$28.44	\$28.39
Target	\$28.00	\$25.00	\$25.00	\$25.00	\$25.00

*A revision to the OBM definition for Expenditure was applied in 2021/22 which resulted in the exclusion of financial products. This had a material impact on the KPI therefore comparatives were revised. The exclusion of financial products provides a view of health service efficiency that reflects actual cost of service delivery.

2021/22, 2022/23 and 2023/24 Data Sources:
SCC Soft Laboratory Information System.
Oracle General Ledger 17.2 OBM Expenditure.

2020/21 Data Sources:
ULTRA and SCC Soft Laboratory Information System.
Oracle General Ledger 17.2 OBM Expenditure.



Annual Report 2023/24

Financials





Auditor General

INDEPENDENT AUDITOR’S REPORT

2024

PathWest Laboratory Medicine WA

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the PathWest Laboratory Medicine WA (PathWest) which comprise:

- the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the PathWest Laboratory Medicine WA for the year ended 30 June 2024 and the financial position as at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer’s Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of my report.

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

Responsibilities of the Board for the financial statements

The Board is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer’s Instructions
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for:

- assessing the entity’s ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the PathWest.

Auditor’s responsibilities for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor’s report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

Report on the audit of controls

Basis for Qualified Opinion

I identified significant weaknesses in network security controls and controls over user access management at PathWest Laboratory Medicine WA. These weaknesses could compromise the confidentiality, integrity and availability of key systems and information. These weaknesses also exposed the WA Health network to increased vulnerabilities which could undermine the integrity of data across all systems, including the financial system.

Qualified Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the PathWest Laboratory Medicine WA. The controls exercised by the PathWest Laboratory Medicine WA are those policies and procedures established to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with the State’s financial reporting framework (the overall control objectives).

In my opinion, except for the possible effects of the matters described in the Basis for Qualified opinion paragraph, in all material respects, the controls exercised by PathWest Laboratory Medicine WA are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with the State’s financial reporting framework during the year ended 30 June 2024

The Board’s responsibilities

The Board is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer’s Instructions and other relevant written law.

Auditor General’s responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 Assurance Engagements on Controls issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the PathWest Laboratory Medicine WA for the year ended 30 June 2024 reported in accordance with *Financial Management Act 2006* and the Treasurer’s Instructions (legislative requirements). The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators report of the PathWest Laboratory Medicine WA for the year ended 30 June 2024 is in accordance with the legislative requirements, and the key performance indicators are relevant and appropriate to assist users to assess the PathWest’s performance and fairly represent indicated performance for the year ended 30 June 2024.

The Board’s responsibilities for the key performance indicators

The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer’s Instructions and for such internal controls as the Board determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Board is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer’s Instruction 904 Key Performance Indicators.

Financials

Auditor General’s responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity’s performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer’s Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments, I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My independence and quality management relating to the report on financial statements, controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

The Board is responsible for the other information. The other information is the information in the entity’s annual report for the year ended 30 June 2024, but not the financial statements, key performance indicators and my auditor’s report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor’s report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor’s report and re-issue an amended report.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor’s report relates to the financial statements and key performance indicators of the PathWest Laboratory Medicine WA for the year ended 30 June 2024 included in the annual report on the PathWest’s website. The PathWest’s management is responsible for the integrity of the PathWest’s website. This audit does not provide assurance on the integrity of the PathWest’s website. The auditor’s report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.

Grant Robinson

Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
11 September 2024

Certification of financial statements

For the reporting period ended 30 June 2024

This section provides additional information about how PathWest’s funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by PathWest in achieving its objectives and the relevant notes are:

The accompanying financial statements of PathWest Laboratory Medicine WA have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2024 and the financial position as at 30 June 2024. At the date of signing, we are not aware of any circumstances which would render the particulars included within the financial statements misleading or inaccurate.

Sandy Kerr

Sandy Kerr
Executive Director
Finance, Procurement
and Commercial Services
PathWest Laboratory
Medicine WA
10 September 2024

Angie Paskevicius

Angie Paskevicius
Chair
PathWest Board
10 September 2024

Samantha Elder

Samantha Elder
Chair, Finance, Risk
and Audit Committee
PathWest Board
10 September 2024

Statement of Comprehensive Income

For the year ended 30 June 2024

		2024	2023
	Note	\$'000	\$'000
COST OF SERVICES			
Expenses			
Employee benefits expense	2.1.1	287,582	268,082
Domestic contracts	2.2	2,220	2,100
Depreciation and amortisation expenses	4.1, 4.2, 4.3	16,356	15,047
Finance costs	6.2	310	288
Loss on disposal of non-current assets	2.3	29	-
Repairs, maintenance and minor equipment	2.2	15,860	12,436
Supplies and services	2.2	106,302	101,751
Other expenses	2.2	25,011	18,928
Total cost of services		453,670	418,632
Income			
Patient charges	3.1	39,950	35,288
Other fees for services	3.2	15,718	10,541
Gain on disposal of non-current assets	2.3	-	159
Other income	3.4	1,455	2,101
Total income		57,123	48,089
NET COST OF SERVICES		396,547	370,543
Income from State Government			
Service Agreement Grants	3.3	170,821	159,241
Income from other public sector entities	3.3	202,330	187,891
Products and Services received free of charge	3.3	17,465	17,289
Total income from State Government		390,616	364,421
SURPLUS / (DEFICIT) FOR THE PERIOD		(5,931)	(6,122)
OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation reserve	4.1	5,733	6,807
Total other comprehensive income		5,733	6,807
Total comprehensive income for the period		(198)	685

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

Statement of Financial Position

As at 30 June 2024

		2024	2023
	Note	\$'000	\$'000
ASSETS			
Current Assets			
Cash and cash equivalents	6.3	15,248	19,685
Restricted cash and cash equivalents	6.3	18,486	10,276
Receivables	5.1	34,296	33,281
Inventories	5.4	2,855	2,993
Other current assets	5.3	1,659	3,865
Total Current Assets		72,544	70,100
Non-Current Assets			
Restricted cash and cash equivalents	6.3	-	7,317
Receivables	5.1	9,038	-
Amounts receivable for services	5.2	147,569	131,618
Property, plant and equipment	4.1	113,528	105,986
Intangible assets	4.2	33,027	36,667
Right-of-use assets	4.3	8,364	9,180
Total Non-Current Assets		311,526	290,768
TOTAL ASSETS		384,070	360,868
LIABILITIES			
Current Liabilities			
Payables	5.5	22,810	19,919
Lease liabilities	6.1	2,515	2,333
Employee related provisions	2.1.2	59,860	56,981
Other current liabilities	5.6	6,631	3,642
Total Current Liabilities		91,816	82,875
Non-Current Liabilities			
Lease liabilities	6.1	6,158	7,093
Employee related provisions	2.1.2	14,823	13,976
Total Non-Current Liabilities		20,981	21,069
TOTAL LIABILITIES		112,797	103,944
NET ASSETS		271,273	256,924
EQUITY			
Contributed equity	8.7	226,889	212,342
Reserves		23,787	18,054
Accumulated surplus		20,597	26,528
TOTAL EQUITY		271,273	256,924

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

Statement of Changes in Equity
For the year ended 30 June 2024

		Contributed equity	Reserves	Accumulated surplus	Total equity
	Note	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2023	8.7	212,342	18,054	26,528	256,924
Prior period adjustment		-	-	-	-
Restated balance at 1 July 2023		212,342	18,054	26,528	256,924
Surplus/(deficit)		-	-	(5,931)	(5,931)
Other comprehensive income		-	5,733	-	5,733
Total comprehensive income for the period		-	5,733	(5,931)	(198)
Transactions with owners in their capacity as owners:					
Contribution by owners - Capital appropriations administered by Department of Health		14,547	-	-	14,547
Total		14,547	-	-	14,547
Balance at 30 June 2024		226,889	23,787	20,597	271,273

		Contributed equity	Reserves	Accumulated surplus	Total equity
	Note	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2022	8.7	199,995	11,247	32,650	243,892
Surplus/(deficit)				(6,122)	(6,122)
Other comprehensive income		-	6,807	-	6,807
Total comprehensive income for the period		-	6,807	(6,122)	685
Transactions with owners in their capacity as owners:					
Contribution by owners - Capital appropriations administered by Department of Health		12,347	-	-	12,347
Total		12,347	-	-	12,347
Balance at 30 June 2023		212,342	18,054	26,528	256,924

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

Statement of Cash Flows
For the year ended 30 June 2024

		2024	2023
	Note	\$'000	\$'000
CASH FLOWS FROM THE STATE GOVERNMENT			
Department of Health - Service Agreement		154,870	143,899
Contribution by owners - Capital appropriations		14,547	12,347
Funds from other public sector entities		205,316	191,562
Net cash provided by the State Government		374,733	347,808
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employees benefits		(283,268)	(273,145)
Supplies and services		(129,354)	(116,725)
Finance costs		(310)	(288)
Receipts			
Receipts from customers		37,917	38,295
Other receipts		18,546	9,169
Net cash used in operating activities		(356,469)	(342,694)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		(11,696)	(11,204)
Receipts			
Proceeds from sale of non-current assets		1	240
Net cash used in investing activities		(11,695)	(10,964)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Principal elements of lease payments		(2,796)	(2,656)
Net cash used in financing activities		(2,796)	(2,656)
Net increase/(decrease) in cash and cash equivalents		3,773	(8,506)
Cash and cash equivalents at the beginning of the period		37,278	45,784
Adjustment for the reclassification of accrued salaries account		(7,317)	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6.3	33,734	37,278

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

Notes to the Financial Statements

For the year ended 30 June 2024

NOTE 1 Basis of preparation

PathWest Laboratory Medicine WA (PathWest) is a WA Government Health Service Provider and is controlled by the State of Western Australia, which is the ultimate parent. PathWest is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the ‘Overview’ which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of PathWest on 10 September 2024.

Statement of compliance

The financial statements constitute general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by Treasurer’s instructions. Several of these are modified by Treasurer’s instructions to vary application, disclosure, format and wording.

The Financial Management Act 2006 (the Act) and Treasurer’s instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$’000).

Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- a) amount of GST incurred by PathWest as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset’s cost of acquisition or as part of an item of expense; and
- b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Contributed equity

AASB Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, as designated as contributions by owners (at the time of, or prior to, transfer) be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 Contributions by Owners made to Wholly Owned Public Sector Entities and have been credited directly to Contributed Equity.

Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 provides relief from presenting comparatives for:

- Property, Plant and Equipment reconciliations;
- Intangible Asset reconciliations; and
- Right-of-Use Asset reconciliations.

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

Notes to the Financial Statements

For the year ended 30 June 2024

NOTE 2 Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how PathWest’s funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by PathWest in achieving its objectives and the relevant notes are:

	Notes
Employee benefits expenses	2.1.1
Employee related provisions	2.1.2
Other expenditure	2.2

2.1.1 Employee benefits expense

	2024	2023
	\$’000	\$’000
Employee benefits	259,746	242,694
Superannuation	27,836	25,388
Total employee benefits expenses	287,582	268,082

Employee benefits

Include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, and non-monetary benefits recognised under accounting standards other than AASB 16 (such as medical care, housing, cars and free or subsidised goods or services) for employees.

Superannuation

Superannuation is the amount recognised in profit or loss of the Statement of comprehensive income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESB schemes or other superannuation funds.

AASB 16 non-monetary benefits

Non-monetary employee benefits, predominantly relating to the provision of vehicle and housing benefits that are recognised under AASB 16 and are excluded from the employee benefits expense.

Employee contributions

Contributions made to PathWest by employees towards employee benefits that have been provided by PathWest. This includes both AASB 16 and non-AASB 16 employee contributions.

Notes to the Financial Statements

For the year ended 30 June 2024

2.1.2 Employee related provisions

	2024	2023
	\$'000	\$'000
Current		
Employee benefits provisions		
Annual leave ^(a)	34,271	33,162
Time off in lieu leave ^(a)	1,976	1,931
Long service leave ^(b)	23,570	21,845
Deferred salary scheme ^(c)	43	43
Total current employee related provisions	59,860	56,981
Non-current		
Employee benefits provisions		
Long service leave ^(b)	14,805	13,980
Deferred salary scheme ^(c)	18	(4)
Total non-current employee related provisions	14,823	13,976
Total employee related provisions	74,683	70,957

Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

a) Annual leave and time off in lieu leave liabilities
Annual leave and time off in lieu leave liabilities are classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

b) Long service leave liabilities
Unconditional long service leave provisions are classified as current liabilities as PathWest does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because PathWest has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

The provision for long service leave is calculated at present value as PathWest does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Notes to the Financial Statements

For the year ended 30 June 2024

2.1.2 Employee related provisions (continued)

Key sources of estimation uncertainty - long service leave

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Several estimates and assumptions are used in calculating an agency’s long service leave provision.

These include:

- expected future salary rates;
- discount rates;
- employee retention rates; and
- expected future payments.

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision. Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

c) Deferred salary scheme liabilities

Deferred salary scheme liabilities are classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

2.2 Other expenditure

	2024	2023
	\$'000	\$'000
Domestic contracts		
Domestic charges	2,085	2,028
Food supplies	81	72
Patient transport costs	54	-
Total domestic contracts expenses	2,220	2,100
Repairs, maintenance and minor equipment		
Repairs and maintenance	10,630	9,420
Minor equipment	5,230	3,016
Total repairs, maintenance and minor equipment expenses	15,860	12,436
Supplies and services		
Supply costs	88,866	84,768
Utilities	48	55
Services provided by Health Support Services (HSS)		
Information, communication and technology (ICT) services	12,702	12,183
Supply chain services	1,750	2,086
Financial services	662	643
Human resource services	2,274	2,016
Total supplies and services expenses	106,302	101,751

Notes to the Financial Statements

For the year ended 30 June 2024

2.2 Other expenditure (continued)

	2024	2023
	\$'000	\$'000
Other expenses		
Communications	587	686
Document management	294	571
Information, communication and technology	8,629	5,458
Research, development and other grants	63	10
Workers compensation insurance	1,252	666
Training	377	263
Travel and accommodation	3,551	2,888
Rental expenses	1,882	1,313
Other insurances	1,904	102
Consultancy fees	592	540
Other employee related expenses	978	1,105
Printing and stationery	1,104	989
Expected credit losses expense	14	-
Motor vehicle expenses	403	425
Bank fees and charges	(7)	52
Subscriptions and periodicals	2,311	2,642
Licences and fees	249	1,149
Rates and charges	3	1
Legal	25	(139)
Advertising	5	2
Audit fees	319	271
Other	476	(66)
Total other expenses	25,011	18,928
Total other expenditure	149,393	135,215

Notes to the Financial Statements

For the year ended 30 June 2024

2.2 Other expenditure (continued)

Supplies and services

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

Rental expenses include:

- i. Short-term leases with a lease term of 12 months or less;
- ii. Low-value leases with an underlying value of \$5,000 or less; and
- iii. Variable lease payments, recognised in the period in which the event or condition that triggers those payments occur.

Repairs, maintenance and minor equipment costs are recognised as expenses as incurred.

Information, communication and technology

Information, communication and technology costs are recognised as expenses as incurred.

Expected credit losses

The allowance for expected credit losses of trade receivables is recognised for movement in allowance for impairment of trade receivables.

2.3 Net gain/(loss) on disposal of non-current assets

	2024	2023
	\$'000	\$'000
Carrying amount of non-current assets disposed:		
Property, plant and equipment	(29)	(81)
	(29)	(81)
Proceeds from disposal of non-current assets:		
Property, plant and equipment	-	240
	-	240
Net gain/(loss) on disposal of non-current assets	(29)	159

Gains and losses on the disposal of non-current assets are recognised in profit or loss in the Statement of Comprehensive Income.

Notes to the Financial Statements

For the year ended 30 June 2024

NOTE 3 Our funding sources

How we obtain our funding

This section provides additional information about how PathWest obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by PathWest and the relevant notes are:

	Note
Patient charges	3.1
Other fees for services	3.2
Income from State Government	3.3
Other income	3.4

3.1 Patient charges

	2024	2023
	\$'000	\$'000
Inpatient charges	12,781	11,561
Outpatient charges	27,169	23,727
Total patient charges	39,950	35,288

Revenue is recognised at the transaction price when PathWest transfers control of the services to customers.

Revenue is recognised at a point in time for inpatient and outpatient charges. The performance obligations for these inpatient and outpatient charges are satisfied when services have been provided.

3.2 Other fees for services

	2024	2023
	\$'000	\$'000
Pathology services to other health organisations	15,707	10,523
Clinical services to other health organisations	4	-
Non clinical services to other health organisations	7	18
Total other fees for services	15,718	10,541

Revenue is recognised at the transaction price when PathWest transfers control of the services to customers.

Revenue is recognised at a point in time for clinical, non-clinical and pathology services to other health organisations. The performance obligations for these services are satisfied when services have been provided.

Notes to the Financial Statements

For the year ended 30 June 2024

3.3 Income from State Government

	2024	2023
	\$'000	\$'000
Service Agreement Grants:		
Department of Health	170,772	153,889
Department of Health (Commonwealth)	49	5,352
Total Service Agreement Grants	170,821	159,241
Income received from other public sector entities:		
Health and Non-Health Services agencies grants	14,497	12,820
Pathology services to other Health Services and other government agencies ^(a)	187,833	175,071
Total income received from other public sector entities	202,330	187,891
Products and Services received free of charge:		
Products received from Health Support Services (HSS)	56	314
Services received from Non-Health Support Services agencies	21	47
Services received from Health Support Services (HSS):		
Information, communication and technology (ICT) services	12,702	12,183
Supply chain services	1,750	2,086
Financial services	662	643
Human resource services	2,274	2,016
Total Products and Services received free of charge	17,465	17,289
Total income from State Government	390,616	364,421

(a) Represents pathology services billed to other Health Services (CAHS, SMHS, EMHS, NMHS and WACHS) and other government agencies (Department of Justice, WA Police and Insurance Commission of Western Australia).

Department of Health – Service Agreement Grants are recognised as income at fair value of consideration received in the period in which PathWest gains control of the appropriated funds. PathWest gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the ‘Amounts receivable for services’ (holding account) held at Treasury. Following the update in Treasurer’s Instructions 1102, revenue is recognised based on the immediate funding source.

Products and Services received free of charge or for nominal cost, that PathWest would otherwise purchase if not donated, are recognised as income at the fair value of the assets or services where they can be reliably measured. A corresponding expense is recognised for services received.

Grants from Health Services and Non-Health Services agencies are recognised as income when PathWest has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income will be recognised when PathWest receives the funds.

Notes to the Financial Statements

For the year ended 30 June 2024

3.3 Income from State Government (continued)

Pathology services revenue is measured at the transaction price and is recognised at a point in time when PathWest provides pathology services.

3.4 Other income

	2024	2023
	\$'000	\$'000
Clinical trials	857	1,048
Commercial pathology	355	788
Other	243	265
Total other income	1,455	2,101

Revenue is recognised at the transaction price when PathWest transfers control of the services to customers.

Revenue is recognised at a point in time for clinical trials, commercial and other pathology services. The performance obligations are satisfied when services have been provided.

NOTE 4 Key assets

Assets PathWest utilises for economic benefit or service potential

This section includes information regarding the key assets PathWest utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Note
Property, plant and equipment	4.1
Intangibles	4.2
Right-of-use assets	4.3

Notes to the Financial Statements

For the year ended 30 June 2024

4.1 Property, plant and equipment

Reconciliations of the carrying amounts of property, plant and equipment assets at the beginning and end of the reporting period are set out in the tables below.

	Carrying amount at start of the period	Additions	Transfers	Disposals	Revaluation increments/ (decrements)	Depreciation	Carrying amount at the end of the period
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2024							
Buildings	78,193	930	8,500	-	5,733	(3,347)	90,009
Leasehold improvements	1,205	-	-	-	-	(213)	992
Computer equipment	97	445	-	-	-	(95)	447
Furniture and fittings	74	-	-	-	-	(9)	65
Medical equipment	17,163	7,753	-	(30)	-	(5,024)	19,862
Other plant and equipment	869	75	-	-	-	(168)	776
Works in progress	8,385	1,492	(8,500)	-	-	-	1,377
Total	105,986	10,695	-	(30)	5,733	(8,856)	113,528

Initial recognition

Items of property, plant and equipment, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no cost or significantly less than fair value, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

Subsequent measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of buildings and historical cost for all other property, plant and equipment. Buildings are carried at fair value less accumulated depreciation and accumulated impairment loss. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Buildings are independently valued annually by the Western Australian Land Information Authority (Landgate) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Buildings were revalued as at 1 July 2023 by Landgate. The valuation was performed during the year ended 30 June 2024 and recognised at 30 June 2024. In undertaking the revaluation, fair value was determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement cost.

Significant assumptions and judgements:

The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated economic life.

A number of buildings that are located on the land of local government agencies have been recognised in the financial statements. PathWest believes that, based on past experience, its occupancy in these buildings will continue to the end of their useful life.

Notes to the Financial Statements

For the year ended 30 June 2024

4.1 Property, plant and equipment (continued)

Depreciation charge for the period

	2024	2023
	\$'000	\$'000
Depreciation		
Buildings	3,347	2,737
Leasehold improvements	213	213
Computer equipment	95	48
Furniture and fittings	9	9
Medical equipment	5,024	5,058
Other plant and equipment	168	161
Total depreciation for the period	8,856	8,226

Finite useful lives

All property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Estimated useful lives for the different asset classes are included in the table below:

Asset	Useful Life
Buildings	50 years
Leasehold improvements	Term of lease
Computer equipment	4 to 10 years
Furniture and fittings	5 to 20 years
Medical equipment	3 to 25 years
Other plant and equipment	3 to 25 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and the impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income to the extent

that the impairment loss does not exceed the amount in the revaluation surplus for the class of asset.

As PathWest is a not-for-profit entity, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

Notes to the Financial Statements

For the year ended 30 June 2024

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling, or where there is significant change in useful life. Each relevant class of asset is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

As at 30 June 2024 there were no indications of impairment to property, plant and equipment.

4.2 Intangible assets

	2024	2023
	\$'000	\$'000
Computer software		
At cost	49,567	41,997
Accumulated amortisation	(16,540)	(11,899)
	33,027	30,098
Work in Progress		
Computer software under development (at cost)	-	6,569
	33,027	36,667
Reconciliations:		
Computer software		
Carrying amount at start of period	30,098	34,298
Additions	7,570	-
Amortisation (Note 4.2.1)	(4,641)	(4,200)
Carrying amount at end of period	33,027	30,098
Work in progress		
Carrying amount at start of period	6,569	4,697
Additions	-	1,872
Transfers between asset classes	(6,569)	-
Carrying amount at end of period	-	6,569

Initial recognition

Intangible assets are initially recognised at cost. For assets acquired at no significantly less than fair value, the cost is their fair value at the date of acquisition.

Acquired and internally generated intangible assets costing \$5,000 or more that comply with the recognition criteria of AASB 138 Intangible Assets are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- An intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- The intangible asset will generate probable future economic benefit;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Costs incurred in the research phase of a project are immediately expensed.

Notes to the Financial Statements

For the year ended 30 June 2024

4.2 Intangible assets (continued)

Software that is an integral part of the related hardware is recognised as property, plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset.

Subsequent measurement

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

4.2.1 Amortisation and impairment

	2024	2023
	\$'000	\$'000
Amortisation		
Computer Software	4,641	4,200
Total amortisation for the period	4,641	4,200

Amortisation of finite life intangible assets is calculated on a straight-line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by PathWest have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are:
Software 10 Years

PathWest held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

Impairment of intangible assets

The policy in connection with testing for impairment is outlined in note 4.1. As at 30 June 2024 there were no indications of impairment to intangible assets.

4.3 Right-of-use assets

	2024	2023
	\$'000	\$'000
Buildings	6,764	7,626
Motor vehicles	427	368
Medical equipment	1,173	1,186
Net carrying amount as at end of period	8,364	9,180

PathWest has leases for buildings, motor vehicles and medical equipment. The lease contracts are typically made for fixed periods of 1-10 years. The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 6.1. Additions to right-of-use assets during the 2024 financial year were \$1,714,308 (2023: \$2,548,985). The total cash outflow for leases in 2024 was \$3,469,267 (2023: \$2,656,000).

Notes to the Financial Statements

For the year ended 30 June 2024

4.3 Right-of-use assets (continued)

Initial recognition

Right-of-use assets are measured at cost including the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs, including dismantling and removing the underlying asset.

PathWest has elected not to recognise right-of-use assets and lease liabilities for short-term lease (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent Measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to PathWest at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in note 4.1.

4.3.1 Depreciation charge on right-of-use assets

The following amounts relating to leases have been recognised in the Statement of Comprehensive Income:

	2024	2023
	\$'000	\$'000
Buildings	2,273	2,119
Motor vehicles	216	231
Medical equipment	370	271
Total right-of-use assets depreciation	2,859	2,621

Notes to the Financial Statements

For the year ended 30 June 2024

NOTE 5 Other assets and liabilities

This section sets out those assets and liabilities that arose from PathWest’s controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Note
Receivables	5.1
Amounts receivable for services	5.2
Other current assets	5.3
Inventories	5.4
Payables	5.5
Other liabilities	5.6

5.1 Receivables

	2024	2023
	\$'000	\$'000
Current		
Patient fee debtors	15,116	12,085
Other receivables	4,259	5,078
Less: Allowance for impairment of trade receivables	(2,280)	(2,626)
Accrued revenue	16,802	18,707
GST Receivables	399	37
Total current receivables	34,296	33,281
Non-current		
Accrued salaries account ^(a)	9,038	-
Total non-current receivables	9,038	-
Total receivables at end of the period	43,334	33,281

(a) Funds transferred to Treasury for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year. This account is classified as non-current except for the year before the 27th pay year.

Trade receivables are recognised and carried at original invoice amount less any allowance for uncollectible amounts (i.e. impairment). The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

PathWest recognises a loss allowance for expected credit losses (ECLs) on a receivable not held at fair value through profit or loss. The ECLs based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate. Individual receivables are written off when PathWest has no reasonable expectations of recovering the contractual cash flows.

For trade receivables, PathWest recognises an allowance for ECLs measured at the lifetime expected credit losses at each reporting date. PathWest has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Notes to the Financial Statements

For the year ended 30 June 2024

5.1 Receivables (continued)

The accrued salaries account consists of amounts paid annually, from PathWest appropriations for salaries expense, into the Treasurer’s special purpose account. It is restricted to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

The account has been reclassified from ‘Cash and cash equivalents’ to ‘Receivables’ as it is considered that funds in the account are not cash but a right to receive the cash in future. Comparative amounts have also been reclassified.

5.2 Amounts receivable for services (Holding Account)

	2024	2023
	\$'000	\$'000
Non-current	147,569	131,618
Balance at end of period	147,569	131,618

Amounts receivable for services represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

Amounts receivable for services are not considered to be impaired (i.e. there is no expected credit loss of the Holding Account).

Amounts receivable for services are classified as non-current assets as there is no plan to draw down on the funds for at least 12 months after the end of the reporting period.

5.3 Other assets

	2024	2023
	\$'000	\$'000
Current		
Prepayments	1,659	3,865
Total current	1,659	3,865
Balance at end of period	1,659	3,865

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

5.4 Inventories

	2024	2023
	\$'000	\$'000
Current		
Pharmaceutical stores - at cost	2,517	2,659
Engineering stores - at cost	338	334
Balance at end of period	2,855	2,993

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory.

Notes to the Financial Statements

For the year ended 30 June 2024

5.5 Payables

	2024	2023
	\$'000	\$'000
Current		
Trade payables	3,158	4,621
Other payables	22	20
Accrued expenses	8,794	6,751
Accrued salaries	10,836	8,527
Balance at end of period	22,810	19,919

Payables are recognised at the amounts payable when PathWest becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value as settlement is generally within 30 days.

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight after the reporting period end. PathWest considers the carrying amount of accrued salaries to be equivalent to its fair value.

5.6 Other liabilities

	2024	2023
	\$'000	\$'000
Current		
Paid parental leave scheme	7	-
Capital grant liabilities*	6,590	3,625
Other	34	17
Balance at end of period	6,631	3,642

* PathWest recognises capital grant liabilities for the excess of the initial carrying amount of financial assets received in a transfer to enable the entity to acquire or construct recognisable non-financial assets that are to be controlled by the entity. When (or as) the obligations of the capital grant liabilities are satisfied under the transfer, PathWest recognises income in profit or loss.

Notes to the Financial Statements

For the year ended 30 June 2024

NOTE 6 Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of PathWest.

	Note
Lease liabilities	6.1
Finance costs	6.2
Cash and cash equivalents	6.3
Capital commitments	6.4

6.1 Lease liabilities

The Statement of Financial Position shows the following amounts relating to lease liabilities:

	2024	2023
	\$'000	\$'000
Not later than one year	2,515	2,333
Later than one year and not later than five years	5,884	5,776
Later than five years	274	1,317
	8,673	9,426
Current	2,515	2,333
Non-current	6,158	7,093
	8,673	9,426

	2024	2023
	\$'000	\$'000
Lease expenses recognised in the Statement of Comprehensive Income		
Lease interest expense	310	288
Expenses relating to variable lease payments not included in lease liabilities	573	341
Short-term leases	416	402
Total lease expense	1,299	1,031

Short-term leases with a lease term of 12 months or less are recognised on a straight-line basis unless the lessor is an agency within the Western Australian public sector.

Low-value leases with an underlying value of \$5,000 or less are recognised on a straight-line basis.

Variable lease payments that are not included in the measurement of the lease liability are recognised in the period in which the event or condition that triggers those payments occurs.

Notes to the Financial Statements

For the year ended 30 June 2024

6.1 Lease liabilities (continued)

Initial measurement

PathWest measures a lease liability, at the commencement date, at the present value of the lease payments to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, PathWest uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

Lease payments included by PathWest as part of the present value calculation of lease liability include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options (where these are reasonably certain to be exercised);
- Payments for penalties for terminating a lease, where the lease term reflects PathWest exercising an option to terminate the lease; and
- Periods covered by extension or termination options are only included in the lease term by PathWest if the lease is reasonably certain to be extended (or not terminated).

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales, an index or a rate are recognised by PathWest in profit or loss in the period in which the condition that triggers those payments occurs.

Subsequent measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

This section should be read in conjunction with Note 4.3 Right-of-use assets.

6.2 Finance costs

	2024	2023
	\$'000	\$'000
Lease interest expense	310	288
Total finance costs expensed	310	288

Finance costs includes the interest component of lease liability repayments.

Notes to the Financial Statements

For the year ended 30 June 2024

6.3 Cash and cash equivalents

	2024	2023
	\$'000	\$'000
Current		
Cash and cash equivalents	15,248	19,685
Restricted cash and cash equivalents		
- assets held for other specific purposes ^(a)	18,486	10,276
Total current	33,734	29,961
Non-current		
Restricted cash and cash equivalents		
- Accrued salaries account ^(b)	-	7,317
Total non-current	-	7,317
Balance at end of period	33,734	37,278

- (a) Funds held for specific purposes including capital works.
- (b) Funds held in the account for the purpose of meeting the 27th pay. The account has been reclassified to Receivables in the current year.

For the purpose of the Statement of Cash Flows, cash and cash equivalents (and restricted cash and cash equivalents) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash, and which are subject to insignificant risk of changes in value.

6.4 Capital Commitments

Capital commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:

	2024	2023
	\$'000	\$'000
Within 1 year	4,591	10,124
Later than 1 year and not later than 5 years	511	92
Later than 5 years	-	-
Total capital expenditure commitments	5,102	10,216

The total value or quantum presented for capital commitments are GST inclusive.

NOTE 7 Financial instruments and contingencies

This section sets out the key risk management policies and measurements techniques of PathWest.

	Note
Financial instruments	7.1
Contingent liabilities	7.2.1
Contingent assets	7.2.2

Notes to the Financial Statements

For the year ended 30 June 2024

7.1 Financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follows:

	2024	2023
	\$'000	\$'000
Financial Assets		
Cash and cash equivalents	15,248	19,685
Restricted cash and cash equivalents	18,486	17,593
Financial assets at amortised cost	190,903	164,899
Total financial assets	224,637	202,177
Financial Liabilities		
Financial liabilities at amortised cost	22,810	19,919
Total financial liabilities	22,810	19,919

7.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position but are disclosed and, if quantifiable, are measured at the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

7.2.1 Contingent liabilities

The following contingent liabilities are additional to the liabilities included in the financial statements:

Litigation in progress

No claim has been filed against PathWest.

Contaminated sites

Under the Contaminated Sites Act 2003, PathWest is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated – remediation required or possibly contaminated – investigation required, PathWest may have a liability in respect of investigation or remediation expenses.

At the reporting date, PathWest does not have any suspected contaminated sites reported under the Act.

7.2.2 Contingent assets

At the reporting date, PathWest does not have any contingent assets.

Notes to the Financial Statements

For the year ended 30 June 2024

NOTE 8 Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements for the understanding of this financial report.

	Note
Events occurring after the end of the reporting period	8.1
Key management personnel	8.2
Related party transactions	8.3
Related bodies	8.4
Affiliated bodies	8.5
Remuneration of auditors	8.6
Equity	8.7
Supplementary financial information	8.8

8.1 Events occurring after the end of the reporting period

To the best of its knowledge, PathWest is not aware of any material events relating to the reporting period.

8.2 Key management personnel

PathWest has determined that key management personnel include cabinet ministers, board members and senior officers of PathWest. However, PathWest is not obligated to compensate Ministers and therefore disclosures in relation to Ministers' compensation may be found in the *Annual Report on State Finances*.

Total compensation (total fees, salaries, superannuation, non-monetary and other benefits) for members of the accountable authority of PathWest for the reporting period are presented within the following bands:

	2024	2023
Compensation band (\$)		
\$0 - \$10,000	-	2
\$10,001 - \$20,000	-	1
\$20,001 - \$30,000	-	-
\$30,001 - \$40,000	1	-
\$40,001 - \$50,000	8	8
\$50,001 - \$60,000	-	-
\$80,001 - \$90,000	1	1
	10	12

Notes to the Financial Statements

For the year ended 30 June 2024

8.2 Key management personnel (continued)

Total compensation (total fees, salaries, superannuation, non-monetary and other benefits) for senior officers of PathWest for the reporting period are presented within the following bands:

	2024	2023
Compensation band (\$)		
\$1 - \$50,000	-	5
\$50,001 - \$100,000	-	1
\$100,001 - \$150,000	-	2
\$150,001 - \$200,000	2	1
\$200,001 - \$250,000	4	2
\$250,001 - \$300,000	2	3
\$400,001 - \$450,000	-	-
\$450,001 - \$500,000	-	1
	8	15

	\$'000	\$'000
Total compensation of senior officers and board members	2,352	2,809

8.3 Related party transactions

PathWest is a wholly owned public sector entity that is controlled by the State of Western Australia. Related parties of PathWest include:

- all cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- senior officers and their close family members, and their controlled or jointly controlled entities;
- other agencies and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities);
- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

Material transactions with related parties

Outside of normal citizen type transactions with PathWest, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

Significant transactions with government related entities

Significant transactions include:

- Service Agreement Grants (note 3.3)
- Income received from other public sector entities (note 3.3)
- Products and Services received free of charge (note 3.3)
- Superannuation payments to GESB (note 2.1.1)

Notes to the Financial Statements

For the year ended 30 June 2024

8.4 Related Bodies

PathWest had no related bodies during the financial year.

8.5 Affiliated Bodies

PathWest had no affiliated bodies during the financial year.

8.6 Remuneration of auditors

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2024	2023
	\$'000	\$'000
Auditing the accounts, financial statements, controls and key performance indicators	242	220

8.7 Equity

	2024	2023
	\$'000	\$'000
Contributed equity		
Balance at start of period	212,342	199,995
Contribution by owners - Capital appropriation administered by Department of Health	14,547	12,347
Balance at end of period	226,889	212,342

8.8 Supplementary financial information

(a) Write-offs

	2024	2023
	\$'000	\$'000
Revenue and debts written off under the authority of the Accountable Authority	345	139
	345	139

Notes to the Financial Statements

For the year ended 30 June 2024

NOTE 9 Explanatory statement

This section explains variations in the financial performance of PathWest.

	Note
Explanatory statement for controlled operations	9.1

9.1 Explanatory statements for controlled operations

This explanatory section explains variations in the financial performance of PathWest undertaking transactions under its own control, as represented by the primary financial statements.

All variances between annual estimates (original budget) and actual results for 2024, and between the actual results for 2024 and 2023 are shown below. Narratives are provided for key major variances which vary more than 10% from their comparative and that the variation is more than 1% of:

- Total Cost of Services budgeted for the Statements of Comprehensive Income and Statement of Cash Flows; and
- Total Assets for the previous year for the Statement of Financial Position.

Notes to the Financial Statements

For the year ended 30 June 2024

9.1.1 Statement of Comprehensive Income Variances

	Variance Note	Estimate 2024	Actual 2024	Actual 2023	Variance between actual and estimate	Variance between actual results for 2024 and 2023
		\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES						
Expenses						
Employee benefits expense		277,741	287,582	268,082	9,841	19,500
Domestic contracts		1,987	2,220	2,100	233	120
Depreciation and amortisation expense		15,951	16,356	15,047	405	1,309
Finance costs		33	310	288	277	22
Loss on disposal of non-current assets		-	29	-	29	29
Repairs, maintenance and minor equipment	1	11,159	15,860	12,436	4,701	3,424
Supplies and services	2	83,364	106,302	101,751	22,938	4,551
Other expenses	3, a	19,626	25,011	18,928	5,385	6,083
Total cost of services		409,861	453,670	418,632	43,809	35,038
Income						
Patient charges	b	36,944	39,950	35,288	3,006	4,662
Other fees for services	c	17,760	15,718	10,541	(2,042)	5,177
Gain on disposal of non-current assets			-	159	-	(159)
Other income		1,429	1,455	2,101	26	(646)
Total revenue		56,133	57,123	48,089	990	9,034
Total income other than income from State Government		56,133	57,123	48,089	990	9,034
NET COST OF SERVICES		353,728	396,547	370,543	42,819	26,004
Income from State Government						
Service Agreement Grants		169,510	170,821	159,241	1,311	11,580
Income from other public sector entities	4	171,777	202,330	187,891	30,553	14,439
Products and Services received free of charge		15,941	17,465	17,289	1,524	176
Total income from State Government		357,228	390,616	364,421	33,388	26,195
SURPLUS / (DEFICIT) FOR THE PERIOD		3,500	(5,931)	(6,122)	(9,431)	191
OTHER COMPREHENSIVE INCOME						
Items not reclassified subsequently to profit or loss						
Changes in asset revaluation surplus		-	5,733	6,807	5,733	(1,074)
Total other comprehensive income		-	5,733	6,807	5,733	(1,074)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD		3,500	(198)	685	(3,698)	(883)

Notes to the Financial Statements

For the year ended 30 June 2024

9.1.1 Statement of Comprehensive Income Variances (continued)

Major Variance Narratives
Variances between estimate and actual

Statement of Comprehensive Income

1. Repairs and Maintenance was higher than estimate largely due to increases in the cost of labour and materials in the maintenance industry.
2. Supplies and Services was higher than estimate due to increased use of pathology materials associated with activity driven growth and the impact of indexation increases on contracted prices for materials and freight.
3. Other Expenses was higher than estimate mainly due to increased use of IT services and higher insurance premiums.
4. Income from Other Public Sector Entities was higher than estimate due to hospital activity driven growth.

Variances between actual and actual

Statement of Comprehensive Income

- a. The increase in Other Expenses is mainly due to increased use of IT services and higher insurance premiums.
- b. The increase in patient charges is mainly due to increased private outpatient activity.
- c. The increase in Other Fees for Services is related to a reversal of unbilled COVID charges in the previous year.

9.1.2 Statement of Financial Position Variances

		Estimate 2024	Actual 2024	Actual 2023	Variance between actual and estimate	Variance between actual results for 2024 and 2023
	Note	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS						
Current Assets						
Cash and cash equivalents		21,709	15,248	19,685	(6,461)	(4,437)
Restricted cash and cash equivalents		9,884	18,486	10,276	8,602	8,210
Receivables		33,549	34,296	33,281	747	1,015
Inventories		2,993	2,855	2,993	(138)	(138)
Other current assets		3,865	1,659	3,865	(2,206)	(2,206)
Total Current Assets		72,000	72,544	70,100	544	2,444
Non-Current Assets						
Restricted cash and cash equivalents		-	-	7,317	-	(7,317)
Receivables		8,917	9,038	-	121	9,038
Amounts receivable for services	d	147,569	147,569	131,618	-	15,951
Property, plant and equipment		107,760	113,528	105,986	5,768	7,542
Intangible assets		34,376	33,027	36,667	(1,349)	(3,640)
Right-of-use assets	5	4,320	8,364	9,180	4,044	(816)
Total Non-Current Assets		302,942	311,526	290,768	8,584	20,758
TOTAL ASSETS		374,942	384,070	360,868	9,128	23,202
LIABILITIES						
Current Liabilities						
Payables		19,548	22,810	19,919	3,262	2,891
Lease liabilities		2,333	2,515	2,333	182	182
Employee related provisions		56,981	59,860	56,981	2,879	2,879
Other current liabilities		3,686	6,631	3,642	2,945	2,989
Total Current Liabilities		82,548	91,816	82,875	9,268	8,941
Non-Current Liabilities						
Lease liabilities		7,093	6,158	7,093	(935)	(935)
Employee related provisions		13,976	14,823	13,976	847	847
Total Non-Current Liabilities		21,069	20,981	21,069	(88)	(88)
TOTAL LIABILITIES		103,617	112,797	103,944	9,180	8,853
NET ASSETS		271,325	271,273	256,924	(52)	14,349
EQUITY						
Contributed equity		222,916	226,889	212,342	3,973	14,547
Reserves		18,054	23,787	18,054	5,733	5,733
Accumulated surplus	6, e	30,355	20,597	26,528	(9,758)	(5,931)
TOTAL EQUITY		271,325	271,273	256,924	(52)	14,349

Notes to the Financial Statements

For the year ended 30 June 2024

9.1.2 Statement of Financial Position Variances (continued)

Major Variance Narratives
Variances between estimate and actual

Statement of Financial Position

- 5. Right-of-Use Assets is higher than estimate due to the extension of a lease agreement for a period of greater than 5 years.
- 6. Accumulated Surplus is lower than estimate due to the net impact of variances between estimate and actual result under the Statement of Comprehensive Income.

Variances between actual and actual

Statement of Financial Position

- d. The increase in Amounts Receivable for Services is due to the increase in Non- Cash Accrual Appropriation in relation to fixed assets depreciation and of leasing costs in compliance to the requirements of Accounting Standard AASB16 (Leases).
- e. The decrease in Accumulated Surplus is due to the deficit result reported for the current year under the Statement of Comprehensive Income.

Notes to the Financial Statements

For the year ended 30 June 2024

9.1.3 Statement of Cash Flows Variances

		Estimate 2024	Actual 2024	Actual 2023	Variance between actual and estimate	Variance between actual results for 2024 and 2023
	Note	\$'000	\$'000	\$'000	\$'000	\$'000
CASH FLOWS FROM STATE GOVERNMENT						
Department of Health - Service Agreement		153,558	154,870	143,899	1,312	10,971
Capital appropriations		10,574	14,547	12,347	3,973	2,200
Funds from other public sector entities	7	171,778	205,316	191,562	33,538	13,754
Royalties for Regions Fund		-	-	-	-	-
Net cash provided by State Government		335,910	374,733	347,808	38,823	26,925
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employees benefits		(279,341)	(283,268)	(273,145)	(3,927)	(10,123)
Supplies and services	8,f	(100,195)	(129,354)	(116,725)	(29,159)	(12,629)
Finance costs		(33)	(310)	(288)	(277)	(22)
Receipts						
Receipts from customers		40,444	37,917	38,295	(2,527)	(378)
Other receipts	g	19,189	18,546	9,169	(643)	9,377
Net cash used in operating activities		(319,936)	(356,469)	(342,694)	(36,533)	(13,775)
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current assets		(10,574)	(11,696)	(11,204)	(1,122)	(492)
Receipts						
Proceeds from sale of non-current assets		-	1	240	1	(239)
Net cash used in investing activities		(10,574)	(11,695)	(10,964)	(1,121)	(731)
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments						
Principal elements of lease payments		(2,168)	(2,796)	(2,656)	(628)	(140)
Net cash used in financing activities		(2,168)	(2,796)	(2,656)	(628)	(140)
Net increase/(decrease) in cash and cash equivalents		3,232	3,773	(8,506)	541	12,279
Cash and cash equivalents at the beginning of the period		37,278	37,278	45,784	-	(8,506)
Adjustment for the reclassification of accrued salaries account		-	(7,317)	-	(7,317)	(7,317)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		40 510	33,734	37,278	(6,776)	(3,544)

Notes to the Financial Statements

For the year ended 30 June 2024

9.1.3 Statement of Cash Flows Variances (continued)

Major Variance Narratives
Variances between estimate and actual

Statement of Cash Flows

- 7. Funds from Other Public Sector Entities was higher than estimate due to hospital activity driven growth
- 8. Supplies and Services was higher than estimate due to increased use of pathology materials associated with activity driven growth and the impact of indexation increases on contracted prices for materials and freight.

Variances between actual and actual

Statement of Cash Flows

- f. The increase in Supplies and Services is mainly due to increased use of pathology materials associated with activity driven growth, impact of indexation increases on contracted prices for materials and freight, increased use of IT services and higher insurance premiums.
- g. The increase in Other Receipts is related to the receipt of external grants and settlement and collection of some large, long outstanding debts.



Annual Report 2023/24

Disclosures and legal compliance



Ministerial directives

Treasurer's Instruction 903(12) requires Health Service Providers to disclose any ministerial directives relevant to the setting or achievement of desired outcomes or operational objectives, investment activities, and financial activities.

PathWest did not receive any ministerial directives in 2023/24.

Employment profile

See [Page 41](#)



Recruitment and selection breach

During the period 2023/24 there were two breaches of employment standard claims lodged regarding PathWest recruitment, selection, and appointment processes. Both claims were resolved and did not result in a breach of standard.

Substantive equality

See [Page 42](#)



Industrial relations

The core responsibility of Industrial Relations remains focused on promoting and nurturing productive relationships with employees, unions, and key stakeholders. Major industrial relations activities undertaken during the 2023/24 period include:

- Representation and advocacy on matters before the WA Industrial Relations Commission (WAIRC), the Public Sector Arbitrator (PSA), and the Public Sector Appeal Board (PSAB).
- Provision of advice and interpretation regarding industrial agreements and their application.
- Management of claims and disputes, including those related to investigations, disciplinary issues, and contractual claims concerning conditions and entitlements.
- Ongoing support for implementing workforce changes, including new shift patterns and extended operational hours.
- Development, review, and implementation of workforce policies, systems, and processes related to industrial relations.
- Participation in forums and working groups, including monthly WA Health Industrial relations forums, to receive updates and discuss topics such as long service leave for casuals, transition to permanency for senior practitioners, and negotiations for replacement industrial agreements.
- Advice and management of industrial aspects related to fitness-for-work matters.
- Provision of strategic planning advice, as required.



Workers' compensation

In 2023/24, PathWest recorded 36 workers' compensation claims.

Items	2021/22	2022/23	2023/24
Burns	0	1	2
Heat, radiation and electricity	0	1	0
Foreign body, ear, eye, nose, respiratory	1	0	0
Fractures	3	1	1
Mental disorders	2	1	3
Musculoskeletal system - disorders muscles and other soft tissue	5	6	6
Open wound	2	2	3
Sprains, strains and dislocations	8	9	14
Superficial injury	1	1	1
Exposure to chemicals	0	1	3
Disorders of the eyes	0	1	0
Disorders of nerve roots, plexuses	1	0	0
All other disease	1	0	1
Contusion and crushing	0	0	2
Total Claims	24	24	36

Pricing policy

Pathology fees and charges are set under Division 4 of the *Health Services (Fees and Charges) Order 2016* and are reviewed annually.

PathWest charges patients for pathology services in accordance with Section 7.5 of the *WA Health - Patient Fees and Charges Manual 2023/24* issued by the Department of Health, dated February 2024.

Capital works

The following key projects were completed during the 2023/24 financial year to enhance pathology infrastructure in PathWest:

Completed works

- Replacement of Laboratory Information System (Total Spent in 2023/24 – \$1,921,000)
- PathWest State Mortuary (Total Spent in 2023/24 – \$1,314,000)

Unauthorised use of credit cards

Pathwest uses purchasing cards for purchasing goods and services to achieve savings through improved administrative efficiency and more effective cash management. A purchasing card is a credit card that provides a clear audit trail for management. Pathwest credit cards are only provided to employees who are required to make purchases on behalf of Pathwest. Credit cards are strictly not for personal use. Should a card holder use a credit card for personal use, they are required to submit a Notice of Non-compliance and refund the total amount spent within five working days. In 2023/24, there were three inadvertent purchases made for personal use and all amounts were reported and repaid when identified by staff.

Indemnity insurance

In 2023/24, the insurance premium paid to indemnify any 'director' (defined in Part 3 of the *Statutory Corporations (Liability of Directors) Act 1996*) against liability incurred under sections 13 or 14 of that Act was \$26,599.10 (including GST).

Annual estimates

PathWest's annual operational budget estimates are reported to the Minister for Health under Section 40 of the *Financial Management Act 2006* and Treasurer's Instruction 953. The Annual Estimates 2024/25 will be published on the PathWest website.



Annual Estimates
Click to read more

Expenditure on advertising

In accordance with Section 175ZE of the *Electoral Act 1907* PathWest is required to report its total advertising expenditure. In 2023/24 the total expenditure incurred was \$1,357.52. The types of advertisements that were used and the amount paid against each type of advertisement are detailed in the table below.

Category

Type of Advert	Amount
Advertising – Newspapers	\$0.00
Advertising – Radio	\$0.00
Advertising – Television	\$0.00
Advertising – Other Media	\$1,357.52
Total	\$1,357.52

Board remuneration

Member position	Member name	Period of membership for 2023/24	2023/24	Type of remuneration	Base salary / sitting fees (\$)	Gross/actual remuneration (\$)
Chair	Angie Paskevicius	12 Months	1 July 2020 to 30 June 2027	Annual	\$76,230	\$84,519
Deputy Chair	Tarun Weeramanthri	12 Months	16 August 2020 to 30 June 2026	Annual	\$41,926	\$49,085
Member	Gelareh Farshid	12 Months	1 July 2020 to 30 June 2026	Annual	\$41,926	\$46,389
Member	Samantha Elder	12 Months	1 July 2020 to 30 June 2026	Annual	\$41,926	\$46,389
Member	Kevin Taylor	12 Months	1 July 2020 to 30 June 2025	Annual	\$41,926	\$46,389
Member	Christobel Saunders	12 Months	1 July 2020 to 30 June 2026	Annual	\$41,926	\$46,389
Member	Tony Vis	12 Months	1 July 2022 to 30 June 2025	Annual	\$41,926	\$46,389
Member	Susan Rooney	12 Months	1 July 2022 to 30 June 2025	Annual	\$41,926	\$48,094
Member	Paul O’Farrell	12 Months	17 April 2023 to 16 April 2026	Annual	\$41,926	\$46,389
Member	Tracey Brand	9 months	18 September 2023 to 17 September 2025	Annual	\$41,926	\$37,062
Member	Robert McPhee	7 weeks	1 July 2020 to 18 August 2023	Annual	\$41,926	\$7,233
Total						\$504,327

Notes:
1. Rob McPhee ceased as a Board member and Chair, People and Culture Committee on 18 August 2023.
2. Tracey Brand commenced as a Board member and member of People and Culture Committee on 18 September 2023.
3. Professor Tarun Weeramanthri acting Board Chair for the period 29 September 2023 to 23 October 2023.

WA Multicultural Policy Framework

The PathWest Multicultural Plan 2021-25 was developed to address the three policy priorities of the WA Multicultural Policy Framework:

- 1. Harmonious and inclusive communities
- 2. Culturally responsive policies, programs, and services
- 3. Economic, social, cultural, civic, and political participation.

The vision of the PathWest Multicultural Plan 2021-25 is to foster an inclusive and harmonious workplace where every individual feels a strong sense of belonging and can fully contribute to all aspects of the organisation. This plan outlines the strategies and actions PathWest will implement to enhance workforce diversity and cultural competence, eliminate systemic discrimination, and deliver health services that are welcoming, inclusive, and equitable for everyone.



WA Multicultural Policy Framework

Policy priority area position	Actions	Outcomes achieved in 2022/23
Harmonious and inclusive communities	Celebrate national events that raise awareness of racism and discrimination, such as Harmony Day.	PathWest celebrated national events such as Harmony Week, RUOK Day, International Women’s Day, NAIDOC Week, National Reconciliation Week, and National Sorry Day, while promoting these events through the Public Sector Commission Diversity and Inclusion Calendar.
	Hold workplace functions on culturally significant dates, such as Chinese New Year, to encourage an understanding of these significant days.	PathWest continued to celebrate and communicate key events to all staff, raising awareness on an annual basis.
	Actions to be undertaken in 2024/25: - Develop signage at all sites to be more welcoming and inclusive, including universal symbols in reception areas and signs in other languages. - Sign up for the Australian Human Rights Commission’s ‘Racism It Stops with Me’ national campaign and promote its resources.	
Culturally responsive policies, programs, and service	Actions to be undertaken in 2024/25: - Identify inequities in service access and develop strategies to address them. - Provide a language service to eliminate barriers when accessing information and services, including complaint processes. - Include telephone numbers for interpreting services on the website. - Collect and analyse current client feedback forms to contribute to the identification of client needs.	
Economic, social, cultural, civic, and political participation	Staff to undertake Equity, Diversity and Inclusion (EDI) Module Training, which provides education around creating an inclusive workplace and embedding core skills for all workers.	The Department of Health, along with all Health Service Providers, developed an EDI Training Course now implemented across the organisation. Staff are encouraged to access the course via the Learning Management System learning module, with completion rates to be determined.
	Improve workforce data collection by including the diversity dashboard within the quarterly Workforce Report provided to the Executive Teams.	People, Capability, and Culture provided updates to the Board and Executive Committee on quarterly diversity figures. This update also included the Equal Employment Opportunity (EEO) Plan and Multicultural Plan, outlining key actions underway and those completed.
	Actions to be undertaken in 2024/25: PathWest will develop a staff survey to identify areas for improvement in welcoming and supporting all staff members from diverse backgrounds.	

Work health and safety injury management

The health and safety of PathWest’s workforce is a significant priority, underscored by the PathWest Work, Health and Safety (WHS) Commitment Statement.

The WHS team strengthened its collaboration with work groups, Health and Safety Representatives (HSRs), managers, and employees.

During 2023/24, there was a noticeable rise in requests from managers for support in managing staff with non-work-related injuries and conditions, reflecting a heightened awareness of safety and associated responsibilities.

Key activities for the reporting period included:

- Enhancements in chemical safety management.
- Improved formal consultation processes with HSRs.
- Increased dissemination of information and guidance on workplace ergonomics and infection prevention and management.
- Implementation of an electronic safety reporting solution.

WHS continues to monitor and report on hazard and incident reporting, as well as workplace inspection completion rates, through quarterly reports and presentations to the Board, Executive, and various operational committees and sub-committees.

Measure	2021/22 Results	2022/23 Results	2023/24 Results	Target	Achievement
Number of fatalities	0	0	0	0	Target Achieved
Lost time injury and disease incidence rate (LTIR)	0.32%	0.16%	1.36%	0 or 10% improvement on the previous 3 years	Not achieved
Lost time injury and disease severity rate	3.08%	5.60%	4.15%	0 or 10% improvement on the previous 3 years	Not achieved
Percentage of injured workers returned to work within 13 weeks	100%	100%	76%	Greater than or equal to 80%	Not achieved
Percentage of injured workers returned to work within 26 weeks	100%	100%	88.20%	0 or 10% improvement on the previous 3 years	Not achieved
Percentage of managers trained in WHS and Injury management responsibilities	0	75%	68%	Greater than or equal to 80%	Not achieved

Hazard and injury reporting

Effective communication and engagement with all workers and management are crucial for achieving positive WHS outcomes.

In the 2023/24 financial year, PathWest experienced an increase in the reporting of hazards and incidents. Despite this rise, there was no corresponding increase in negative health outcomes or compensation claims, compared to previous years. This trend reflects an improving safety culture and demonstrates the effectiveness of PathWest’s safety management practices.

Ongoing analysis of injury and incident mechanisms has led to the development of new policies, procedures, and training resources focused on laboratory and chemical safety. These efforts aim to identify trends and implement optimal preventative control strategies.

The WHS team actively promotes the reporting of unsafe workplace practices and systems through various channels, including worker inductions, departmental team meetings, manager and supervisor training, and safety committee meetings.

- Q1 2023/24 Report: Hazards = 35; Incidents = 103
- Q2 2023/24 Report: Hazards = 50; Incidents = 85
- Q3 2023/24 Report: Hazards = 29; Incidents = 60
- Q4 2023/24 Report: Hazards = 42; Incidents = 73

FY 2023/24 TOTAL: Hazards = 156; Incidents = 321

Recordkeeping plans

PathWest reviewed and updated its Recordkeeping Plan in 2024 and it is currently being reviewed by the State Records Office. PathWest continues to develop its recordkeeping and has introduced HP Records Manager as its corporate records management tool.

Currently, the Office of the Chief Executive has deployed HP Records Manager to all its functional areas and developed a policy and procedures to support the application, together with on-site vendor training.

As a foundation to the recordkeeping practices in PathWest, all staff are required to undertake the Recordkeeping online training module as part of their PathWest induction.



Job security review

PathWest remains dedicated to providing job security for our staff whenever possible. Permanent employment is preferred, as outlined in the *WA Health System – HSUWA – PACTS Industrial Agreement 2022* and the *WA Health System – United Workers Union (WA) – Hospital Support Workers Industrial Agreement 2022* (The Agreements).

During the 2023/24 financial year, PathWest reviewed the employment arrangements of 345 fixed-term contract and casual employees. Of these, 127 were transitioned to permanent positions, resulting in a conversion rate of 36%. This reflects our commitment to aligning

employment practices with the allowable reasons prescribed in the relevant Agreements.

A central focus was on Specimen Collection Services, where a notable conversion rate of 79% was achieved, with 57 employees transitioning to permanent roles.

PathWest will continue to collaborate with various departments to support and promote opportunities for increasing job security. Employee arrangements will be reviewed as they become eligible, ensuring ongoing efforts to enhance job stability.

Compliance with public sector standards and ethical codes

The WA Health Code of Conduct aims to foster a positive workplace culture by establishing a framework for ethical conduct and decision-making. It sets forth the standards of professional behaviour and outlines the expectations for all PathWest employees.

Developed in alignment with the Western Australian Public Sector Code of Ethics, the Code ensures that all employees adhere to principles of appropriate behaviour.

PathWest has implemented several systems and processes to ensure compliance with these policies and behavioural standards. All policies are accessible to staff through the PathWest intranet or the PathWest Workforce team. To ensure awareness and understanding of relevant policies, training programs cover topics such as Accountable and Ethical Decision-Making, Aboriginal Cultural Learning, Confidentiality, Recordkeeping Awareness,

and Workplace Bullying and Harassment: Prevention and Management.

Workforce Services and the Manager of Integrity and Ethics provide ongoing advice, education, and support to employees.

Under the *WA Health Discipline Policy*, PathWest is required to investigate all complaints alleging a breach of discipline. All breaches of the Code of Conduct are considered breaches of discipline under the *Health Services Act 2016*.

In the 2023/24 financial year, PathWest received 63 complaints of potential breaches of discipline. During the same period, 66 disciplinary processes were finalised. As of 30 June 2024, PathWest was managing 27 outstanding complaints of potential breaches of discipline.

Disability Access and Inclusion Plan (DAIP)

PathWest is committed to fostering accessible and inclusive services. In line with this commitment, PathWest initiated the development of a Disability Access and Inclusion Plan (DAIP) aimed at ensuring our services are highly responsive to the needs of people with disabilities.

In FY23/24, a comprehensive gap analysis was undertaken to evaluate the accessibility of our community-facing services. This included the development of a facilities audit tool to systematically evaluate PathWest patient collection centres in both metropolitan and regional areas. To date, 40% of these centres have been audited, identifying opportunities for access improvements.

Further steps have been taken to enhance the accessibility of PathWest’s digital platforms, focusing on ensuring ease of navigation and access to critical patient information.

Additionally, a translation services gap analysis was conducted to address any barriers faced by patients and carers with language, or communication challenges. Resulting from this analysis, eight key patient information documents, including pre- and post-test care materials, were translated into the five languages commonly spoken in Western Australia.

Looking ahead, PathWest is committed to completing the remaining audits and finalising the gap analysis. These findings will inform the development of a comprehensive DAIP action plan that will guide future enhancements in accessibility and inclusion.

Through these initiatives, PathWest continues to uphold its commitment to delivering equitable, high-quality, pathology services to all Western Australians.

Asbestos Management Plan

During the 2023/24 financial year, PathWest, through its Assets, Facilities, and Infrastructure (AFI) Management, has advanced the development of a comprehensive Asbestos Management Plan (AMP). This initiative, as an independent Health Service Provider (HSP), ensures compliance with current Workplace Health and Safety regulations. The AMP is designed to facilitate a safe working environment for PathWest employees across all metropolitan and regional facilities in Western Australia.

Key activities during 2023/24 included:

- Development of a comprehensive AMP incorporating requirements and responsibilities at HSPs for co-located PathWest facilities, commercial tenancies and PathWest controlled buildings at QEII Medical Centre, to comply with Government policy and legislation for the Management and Control of Asbestos in Workplaces [NOHSC:2018(2005)]. The AMP forms the basis for subsequent PathWest Policy documentation.
- Establishing a comprehensive Asbestos Containing Materials (ACM) Register to identify the location and age of all PathWest facilities in metropolitan and regional areas. This will inform properties requiring ongoing AMP and the conduct of appropriate Asbestos Risk Assessments inclusive of PathWest controlled, co-located and commercial facilities throughout Western Australia.
- A comprehensive ACM Audit by professional and qualified Licensed Asbestos Assessors in each of the twenty-three PathWest Commercial Tenancies across the State. This informed the development of Asbestos Registers for these tenancies and will serve to inform staff where Asbestos has been detected in the building and procedures required on site prior to contractual works.
- PathWest introduced an online mandatory e-learning Staff Training Module titled Asbestos National Strategic Plan Awareness to increase understanding of asbestos related risks and compliance.
- A PathWest Fire Safety Remediation Program of works replacing Asbestos Fire Doors, which remains an ongoing program of works.
- Working collaboratively with other HSPs hosting PathWest laboratories and collection centres to identify ACM, monitor facility asbestos registers and ensure compliance audits are conducted.
- Removing asbestos at sites (where safe to do so) as part of new site works.

It is proposed going forward that the presence of Asbestos is considered a factor when evaluating new premises for tenancy (e.g. patient collection centres).



Asbestos Management Plan

Asbestos National Strategic Plan Awareness

Staff Training KPIs since the introduction of the training in early 2023 confirm 2438 (90%) of staff have completed and passed the course.



In 2023/24, 314 participants completed the course and of those 258 participants (83%) successfully completed it.

Eight participants (2%) are actively in-progress, and 48 participants (15%) are enrolled to complete the course.

● 83% completed ● 2% in progress ● 15% enrolled



Risk and Audit Management

The Audit and Risk Management team manages PathWest’s Internal Audit Program and Enterprise Risk Management Systems which form a key element of organisational governance. The team reports directly to the PathWest Executive Committee and the Board through its Finance, Risk and Audit Committee and the Audit and Risk Management team.

Audit

During 2023/24, PathWest completed internal audits on Strategic Procurement, Purchase Cards, Corporate Governance, Revenue, and Forensic Biology as well as its inaugural Internal Audit Quality Assessment, in line with the requirements of the International Standards for the Professional Practice of Internal Auditing. This identified that PathWest’s audit function is fully compliant with the Treasurer’s Instructions.

As a result of resourcing changes, PathWest’s Strategic Internal Audit Plan for 2024/25 provides greater coverage than previous years, allowing for a more comprehensive, detailed and focused internal audit service.

Planned internal audits include:

- | | |
|---|--|
| • Facilities Management | • Clinical Trials |
| • Cyber Security | • Employee Development and Performance Planning |
| • Work Health and Safety Incident Hazard and Reporting | • High Risk Pathology Results |
| • Procurement | • Forensic Pathology Authorisations |
| • Staff Travel and Staff Development Fund | • Pre-natal Sample Tracking and Reporting |
| • Emergency Management and Business Continuity Planning | • Perinatal and Paediatric Pathology Authorisations and Case Tracking. |

The results of these audits will be reported to the PathWest Executive Committee and the Finance, Risk and Audit Committee to ensure oversight and promote informed decision-making, with monitoring by the Audit and Risk Management team.



Risk and Audit Management

Risk Management

PathWest employs an Enterprise Risk Management System to systematically identify, assess, review and refresh risks for Corporate and Operational areas of the business. This includes working closely with all pathology departments to identify clinical, Work Health and Safety, financial, compliance and environmental risks.

The Audit and Risk Management team also supports risk owners with development and progress monitoring of risk treatment action plans to ensure risks are appropriately managed and reports key risks to Executive and the Finance, Risk and Audit Committee to help support responsive decision making.

Continued engagement with departments and business units throughout 2024/25 will provide ongoing enhancements in the practical management of risks, supporting operational improvement across PathWest.

Throughout 2023/24, PathWest engaged in a project to update its Strategic Risks as well as refreshing its Risk Appetite Statement and developing a suite of Key Risk Indicators and associated Risk Tolerances. Once complete, this will provide the PathWest Board with intuitive, dynamic risk reporting that will further improve oversight of PathWest’s risk profile throughout 2024/25.



Freedom of Information

The Freedom of Information Act 1992 (WA) gives all Western Australians a right to access information held by PathWest.

Access to information can be made through a Freedom of Information (FOI) application that involves the lodgement of a written request, which must provide enough information to enable the application to be processed, including contact details, and an Australian address for correspondence.

In 2023/24, seven requests for information were dealt with under the FOI Act. Two were considered exempt under the Act, one was transferred to another agency, and one had a partial release of information. One request had no records discovered and two had full release of information.

There were 28 requests received under FOI dealt with external to FOI with full release of information on all of these.

Learning from clinical incidents

A clinical incident is an event resulting from the provision of health care that could have, or did, lead to the unintended harm of a patient. PathWest requires all staff to report clinical incidents. The process of investigating incidents is undertaken consistent with the Clinical Incident Management Policy (Clinical Governance, Safety and Quality Policy Framework) and is fundamental in the prevention of future harm to patients.

In 2023/24, all reported clinical incidents were investigated and, where appropriate, recommendations implemented to improve patient safety. The timely communication with patients around adverse outcomes through the open disclosure process provides transparency, and assurance to those who may have suffered harm, that PathWest takes seriously our commitment to mitigate risk of reoccurrence.

Clinical incidents resulting in serious harm to a patient are assigned a Severity Assessment Code (SAC) rating of SAC 1. There were no SAC 1 clinical incidents reported by PathWest in 2023/24.

PathWest undertakes root cause analyses for all serious incidents to ensure improvement opportunities can be identified and implemented. Investigations of incidents include all aspects of the patient’s health care journey. PathWest contributes to, and benefits from, the shared learnings from investigations across the spectrum of health services involved.

Accreditation

PathWest services in medical, forensic, biological, and environmental testing continue to hold accreditation based on international and national standards for testing laboratories.

All PathWest human pathology testing laboratories and the State Mortuary services are accredited by the National Association of Testing Authorities (NATA) to the International Standard ISO 15189:2022, *Medical laboratories – Requirements for quality and competence* and requirements prescribed by the National Pathology Accreditation Advisory Council (NPAAC). NATA also assesses some specialist services against standards prescribed by the Therapeutic Goods Administration (TGA). PathWest is accredited by NATA to ISO 8655:2022 *Piston-operated volumetric apparatus (POVA)* to perform in-house calibrations.

As well as human pathology testing laboratories, PathWest operates a forensic testing laboratory and two biological testing laboratories, in the specialties of environmental testing and media production. These three facilities have continued their accreditation by NATA to ISO/IEC 17025:2017, *General requirements for the competence of testing and calibration laboratories*.

NATA also assess the toxicology laboratory and supporting collection services to Australian Standard AS/NZS 4308:2008, *Procedures for Specimen Collection and the Detection and Quantitation of Drugs of Abuse in Urine*.

All laboratories have maintained their continuing accreditation status in all fields of testing including Forensic, Medical, Biological and Environmental, and for performing in-house Calibration of POVA.

Some of the commendations received by PathWest from the national accreditation body for assessments completed during 2023/24 include:

- “The laboratory is commended for the scientific knowledge and commitment shown by staff.”
- “The laboratory is to be commended for the excellent system of tracking specimens that has been implemented.”
- “The organisation is to be commended on the way... supervision is undertaken for the regions and the support given...”
- “The facility is commended on the development and implementation of the... Intranet for easy access to the relevant standards, regulations, user feedback, etc., for all PathWest staff.”



Patient and customer feedback

PathWest is committed to providing high-quality pathology healthcare and collection services throughout Western Australia. PathWest welcomes and relies on feedback from customers to identify opportunities for improvement as well as to acknowledge staff where they are performing well.

Additional to the Customer Satisfaction Survey, PathWest offers numerous mechanisms for providing feedback including:

- **Online** – Share your story anonymously on the independent Care Opinion website at www.careopinion.org.au
- **Email** – feedback.pathwest@health.wa.gov.au
- **Telephone** – Call 13 PATH
- **In person at a collection centre** – Feedback forms are provided
- **By post** – Mail your completed feedback form to the Manager Laboratory Safety, Quality and Risk, Preanalytical Services, Locked bag 2009, NEDLANDS WA 6909

PathWest records and monitors feedback through an electronic feedback management system that categorises feedback as complaint, customer contact and concern and compliment. PathWest takes a proactive approach to complaint management and is committed to complying with the WA Health Complaints Management Policy by:

- Acknowledging feedback within five working days of receipt.
- Informing patients, clients and customers of the resolution process.
- Investigating all issues raised.
- Providing a final response within 30 days of receipt where applicable.

- Implementing service improvements identified through the investigation process.
- Regularly monitoring and reporting complaints and contacts data to Senior Management, Heads of Department, Executive and the Board.

During 2023/24, PathWest received a total of 376 customer feedback records. The main categories of the complaints and contacts and concerns related to Access, Communication, Corporate Services, Professional Conduct, Quality of Clinical Care and Rights, Respect and Dignity.

PathWest also received 148 compliments during the 2023/24 financial year.

PathWest continues to work on improving its service and the timely process of managing, monitoring and actioning complaints, contacts and concerns.

Categories of complaints and concerns:

• Access	73
• Communication	44
• Corporate services	35
• Costs	2
• Decision making	1
• Grievances	2
• Professional conduct	29
• Quality of clinical care	22
• Rights, respect and dignity	20
• Grand Total	228 total

Annual Report 2023/24

Appendix



Appendix

Board highlights in 2023/24

Regional Board travel

The Board conducts visits to regional PathWest facilities to gain a deeper understanding of the unique challenges and opportunities in regional and remote operations.



PathWest Denmark – Collection Centre

L to R: Professor Tarun Weeramanthri (Deputy Board Chair), Tony Vis (Board Member), Samantha Elder (Board Member), Lesley Hunter (Laboratory Assistant), Dr Narelle Hadlow (Chief Executive), Angie Paskevicius (Board Chair), Helen Tasker (Laboratory Assistant), Tracey Brand (Board Member), Paul O'Farrell (Board Member), and David Clark (Medical Scientist in Charge).

The Board held its April 2024 Board meeting in Albany, viewing PathWest facilities in both Albany and Denmark.

Staff outlined a 'day in the life' of a PathWest regional staff member and the services provided at each site to their regional community.



PathWest - Albany Laboratory

L to R: Jennifer Bonini (Technical Assistant), Angie Paskevicius (Board Chair), Tracey Brand (Board Member), Melissa Tebbutt (Laboratory Assistant), Alexandra Vogel (Medical Scientist), Tony Vis (Board Member), Mark Basa (Laboratory Assistant), Christian Martin (Medical Scientist), Professor Tarun Weeramanthri (Deputy Board Chair), David Clark (Medical Scientist in Charge), Samantha Elder, Paul O'Farrell (Board Member), Dr Narelle Hadlow (Chief Executive), Bridget Johns (Medical Scientist), Monica Neil (Senior Medical Scientist), Cathy Seal (Technical Assistant).



Board highlights in 2023/24

Diagnostic Genomics tour

The Board Chair, along with the Chief Executive and Chief Pathologist, toured the Diagnostic Genomics laboratory to learn about its processes and the new NovaSeq XP genomics sequencer. This state-of-the-art machine is set to revolutionise testing for rare diseases by examining a person's genetic makeup.



L to R: Dr Priyanthi Kumarasinghe (Chief Pathologist), Dr Narelle Hadlow (Chief Executive), Angie Paskevicius (Board Chair), Dr Dimitar Azmanov (Head of Department, Diagnostic Genomics).

Board committees in focus

The following details the role of the Board Committees and the Forensic Biology Advisory Council's strategic oversight of functions, compliance and activities in 2023/24 facilitated operationally through the PathWest Executive and where relevant, through PathWest Audit and Risk. The Western Australia Police Force is acknowledged as integral in oversight and funding of Pathwest Forensic Biology.

People and Culture – Chair: Tony Vis

The Committee fosters a shared vision and positive, open culture with an emphasis on staff. It also cultivates appropriate and effective engagement between staff, clinicians, patients, customers and communities on matters related to people and culture.

- Strengthening PathWest's structure to ensure the delivery of high quality and safe pathology services, with a focus on growing and developing a strong workforce and future leaders.
- Increasing Aboriginal employment and improving cultural enrichment and wellbeing of Aboriginal staff.
- Reducing excess leave liability with an emphasis on promoting the connection between leave and staff wellbeing, including in collaboration with the Finance, Risk and Audit Committee.
- Promoting a workplace culture of accountability and performance, including supporting a continuous quality improvement approach to compliance with work health and safety priorities.
- Monitoring work health and safety, through Occupational Health and Safety Key Performance Indicators
- Commencing the development of a revised workforce dashboard.

Safety and Quality – Chair: Kevin Taylor

The Committee assists the Board in fostering safe and high quality PathWest services for patients and customers by monitoring and advising on matters relating to safety and quality through implementation of, and adherence to, the Clinical Governance Framework.

Activities:

- Continuing to monitor compliance by PathWest Laboratories with accreditation requirements under the National Association of Testing Authorities (NATA), and other regulatory bodies.
- Monitoring key assurance indicators to underpin the delivery of high-quality pathology services.
- Understanding and ensuring implementation of regular reporting on clinical incidents and ensuring appropriate corrective actions are instituted.
- Ensuring effective oversight on research governance and performance.
- Overseeing performance development reviews and competency compliance for scientific staff members.
- Formalising patient feedback on PathWest services to provide baseline data for service improvements.

Finance, Risk and Audit – Chair: Samantha Elder

The Committee supports and advises the PathWest Board on adherence with the WA Department of Health Risk, Compliance and Audit Policy Framework, and all aspects of financial management including policy, performance, governance and contract management. It also monitors adequacy, effectiveness and efficiency of internal audit and risk management processes.

Activities:

- Continued monitoring of PathWest's risk profile and audit capability.
- Effective implementation of the Annual Internal Audit Plan and Audit outcomes for 2023/24 and the three-year rolling Strategic Internal Audit Plan.
- Developing a PathWest Finance Health Framework and achieving ongoing improvements to the methods of financial reporting to the Board.
- Overseeing the Annual Budget Cycle with the Department of Health.
- Working in collaboration with the People and Culture Committee to address excess leave.
- Overseeing development of detailed Business Continuity and Emergency Management Plans for the whole of PathWest.
- Monitoring key projects and key risks such as IT controls, cybersecurity risk and strategic procurement matters.

Appendix

Board committees in focus

Forensic Biology Advisory Council – Chair: Hon John Chaney

The Council promotes the PathWest Forensic Biology Department (FBD) and guides and supports ongoing development and delivery of an innovative, transparent, impartial and responsive range of forensic biology services. These services support law enforcement, the justice system, and contribute to a safer WA community.

- Activities:**
- Overseeing Forensic Biology Department workload.
 - Responding to the requirements of a new Practice Direction for the Children’s Court.
 - Supporting development of the WA Police Force and PathWest DNA Strategy.
 - Maintaining quality assurance standards and the forensic biology accreditation programme.
 - Overseeing proficiency testing programs.



Board Meeting

Name	Position	Number of Meetings	Meetings attended
Angie Paskevicius	Chair	10	9
Prof Tarun Weeramanthri	Deputy Chair	10	10
Prof Christobel Saunders	Member	10	10
Prof Gelareh Farshid	Member	10	9
Kevin Taylor	Member	10	7
Paul O’Farrell	Member	10	10
Robert McPhee*	Member	1	1
Samantha Elder	Member	10	8
Susan Rooney	Member	10	10
Tony Vis	Member	10	9
Tracey Brand**	Member	8	7

Finance Risk and Audit Committee

Name	Number of Meetings	Meetings attended
Ms Samantha Elder	8	7
Mr Kevin Taylor***	1	1
Mr Paul O’Farrell	8	8
Mr Tony Vis	8	8

Safety and Quality Committee

Name	Number of Meetings	Meetings attended
Mr Kevin Taylor	4	4
Prof Gelareh Farshid	4	4
Prof Tarun Weeramanthri	4	4

People and Culture Committee

Name	Number of Meetings	Meetings attended
Mr Tony Vis	3	3
Mr Robert McPhee*	1	1
Ms Susan Rooney	3	3
Ms Tracey Brand**	2	2

Forensic Biology Advisory Council

Name	Number of Meetings	Meetings attended
Hon John Chaney SC	3	3
Assistant Commissioner Arlene Mavratsou	3	3
Prof Christobel Saunders	3	3
Dr Gavin Turbett	3	3
A/Prof James Speers	3	3
Dr Narelle Hadlow****	2	2
Mr Nicholas van Hattem	3	1
Mr Robert Owen	3	2
Mr Sash Tomson*****	1	1

* Robert McPhee ceased as a Board member and Chair, People and Culture Committee on 18 August 2023.

** Tracey Brand commenced as a Board member and member of People and Culture Committee on 18 September 2024.

*** Mr Kevin Taylor retired as a member of the Finance, Risk and Audit Committee effective from 11 August 2023.

**** Dr Narelle Hadlow commenced as Chief Executive, PathWest on 3 January 2024 and as a formal member of the Forensic Biology Advisory Council

***** Mr Sash Tomson ceased as a PathWest employee on 9 January 2024 and his membership on the Forensic Biology Advisory Council

Appendix

Abbreviations and acronyms

Acronym	Full Name	Page Number
ACCHO	Aboriginal Community Controlled Health Organisation	38
ACeL	WA Health Aboriginal Cultural eLearning	42
ACM	Asbestos Containing Materials	85
AI	Artificial Intelligence	38
AP	Anatomical Pathology	9
ASPiRATION	Non-Small Cell Lung Cancer at diagnosis	23
ATO	Australian Taxation Office	70
CAR	Chimeric Antigen Receptors	19
CCC	Customer Contact Centre	3
CPI	Consumer Price Index	9
CSRA	Central Specimen Registration Area	30
CTGC	Chlamydia and Gonorrhoeae	21
DAIP	Disability Access and Inclusion Plan	84
DG	Director General	35
DOH	Department of Health	6
DOL	Direct On-Line	50
EEO	Equal Employment Opportunity	80
EMU	Environmental Microbiology Unit	21
ESSG	Environmental Sustainability Steering Group	50
EV	Electric Vehicles (In document as EVs)	51
FBAC	Forensic Biology Advisory Council	36
FH	Fremantle Hospital	20
FMT	Faecal Microbiome Transplantation	21
FSH	Fiona Stanley Hospital	18
GST	Goods and Services Tax	70
HSA 2016	Health Services Act 2016 WA	33
HSPs	Health Service Providers	5
ICUs	Intensive Care Units	27
IHL	Institute for Health Leadership	43
KPIs	Key Performance Indicators	8
LEP	Leadership Excellence Program	43
LMS	Learning Management System	44
LN2	Liquid Nitrogen	51
LTT	Labtech Training	50
MDT	Multi-disciplinary team	23
MoST	Molecular Screening and Therapeutics (solid tumours)	23

MoST-Lly	Haematological Malignancies	23
NAT	Nucleic Acid Test	21
OAM	Order of the Medal of Australia	6
OBM	Outcome Based Management	8
OMRI	Office of Medical Research and Innovation	29
PMCT	Post-Mortem CT	4
QAP	Quality Assurance Program	9
QC	Quality Control	50
QEII	Queen Elizabeth II Medical Centre	17
RCPA	Royal College of Pathologists of Australasia	4
RPH	Royal Perth Hospital	17
SCGH	Sir Charles Gairdner Hospital	17
SMHS	South Metropolitan Health Service	18
TGS	Third Generation	22
TVMG	Trichomonas Vaginalis and Mycoplasma Genitalium	21
WAPOL	WA Police Force	25
YViH	Your Voice in Health	46



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