

ANNUAL REPORT 2023–2024

**Metro South Hospital
and Health Service**



**Queensland
Government**

Open data

Information about consultancies, overseas travel, and the Queensland language services policy is available at the Queensland Government Open Data website (<https://www.data.qld.gov.au>).

Public availability statement

An electronic copy of this report is available at <http://www.metrosouth.health.qld.gov.au/about-us/strategies-and-reports/annual-reports>. Hard copies of the annual report are available by phoning the Office of the Chief Executive, Metro South Health, on 07 3176 8057. Alternatively, you can request a copy by emailing metrosouthcorro@health.qld.gov.au.

Interpreter service statement

The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can contact us on 07 3176 8074 and we will arrange an interpreter to effectively communicate the report to you.



Licence

This annual report is licensed by the State of Queensland (Metro South Hospital and Health Service) under a Creative Commons Attribution (CC BY) 4.0 International licence.



You are free to copy, communicate and adapt this annual report, as long as you attribute the work to the State of Queensland (Metro South Hospital and Health Service). To view a copy of this license, visit <http://creativecommons.org/licenses/by/4.0/>

Attribution

Content from this annual report should be attributed as: The State of Queensland (Metro South Hospital and Health Service) Annual Report 2023–2024.

© Metro South Hospital and Health Service 2024
ISSN 2202-4182

Aboriginal and Torres Strait Islander people are advised that this publication may contain words, names and descriptions of people who have passed away.

Acknowledgement of the Traditional Owners

Metro South Health recognises the traditional custodians of the land and waters where we provide health services. We pay our respects to the traditional peoples—the Yugambeh, Quandamooka, Jaggera, Ugarapul, Turrbal and Mununjali peoples—and to Elders, past, present and emerging.

Recognition of Australian South Sea Islanders

Metro South Health formally recognises the Australian South Sea Islanders as a distinct cultural group within our geographical boundaries. Metro South Health is committed to fulfilling the *Queensland Government Recognition Statement: Australian South Sea Islander Community* to ensure that present and future generations of Australian South Sea Islanders have equality of opportunity to participate in and contribute to the economic, social, political and cultural life of the State.

Letter of compliance



2 September 2024

The Honourable Shannon Fentiman MP
Minister for Health, Mental Health and Ambulance Services
and Minister for Women
GPO Box 48
Brisbane QLD 4001

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2023–2024 and financial statements for Metro South Hospital and Health Service.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements is provided at page 99 of this annual report.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Janine Walker', with a long, sweeping horizontal line extending to the right.

Janine Walker AM
Chair
Metro South Hospital and Health Board

Contents

Letter of compliance	4
Statement on Queensland Government objectives for the community	6
From the Chair and Chief Executive	7
About us	9
Strategic direction.....	9
Vision, purpose, values	9
Priorities.....	10
Aboriginal and Torres Strait Islander Health	10
Our services.....	12
Targets and challenges	13
Governance	15
Our people	15
Board membership	15
Executive management.....	24
Organisational structure	27
Workforce profile	28
Strategic workforce planning and performance.....	31
Early retirement, redundancy and retrenchment	35
Open data	35
Our risk management.....	36
Internal audit.....	36
QAO Audit	36
External scrutiny, information systems and record keeping	37
Queensland public service ethics and values	37
Corrupt conduct and public interest disclosures.....	37
Ministerial direction	38
Human Rights.....	38
Confidential information.....	39
Performance	40
Non-financial performance	40
Service standards	46
Financial summary.....	50
Financial statements	52
Glossary	96
Compliance checklist.....	99

Statement on Queensland Government objectives for the community

Metro South Hospital and Health Service's (Metro South Health) activities are aligned to the Queensland Government's objectives for the community, focusing on the complex challenges facing our state that require thoughtful and innovative solutions. The Queensland Government's overarching objectives for the community are:

- **Good jobs** – Good, secure jobs in our traditional and emerging industries.
- **Better services** – Deliver even better services right across Queensland.
- **Great lifestyle** – Protect and enhance our Queensland lifestyle as we grow.

The *Metro South Health Strategic Plan 2021–2025* outlines objectives that Metro South Health has identified to deliver on its purpose of *Quality healthcare every day*, and specifically focuses on the Queensland Government's objectives for the community of:

- **Better services** – Deliver even better services right across Queensland.
 - *Keeping Queenslanders safe* – Continue to keep Queenslanders safe as we learn to live with COVID-19 and ensure all Queenslanders can access world-class healthcare no matter where they live.
 - *Backing our frontline services* – Deliver world-class frontline services in key areas such as health, education, transport, and community safety.
- **Great lifestyle** – Protect and enhance our Queensland lifestyle as we grow.
 - *Building Queensland* – Drive investment in the infrastructure that supports the state's economy and jobs, builds resilience, and underpins future prosperity.

Metro South Health's four strategic objectives are aligned to the Queensland Government's objectives for the community. They are:

- provide equitable access to excellent care
- deliver great value
- lead by innovating and collaborating
- maintain and develop an exceptional workforce.

From the Chair and Chief Executive

In 2023–2024 Metro South Health delivered more access to healthcare than ever before to the diverse communities we serve. We are pleased to present this year's *Annual Report*, which provides an overview of our key achievements and performance against the *Metro South Health Strategic Plan*.

After several years of planning and construction, Metro South Health was proud to commission several major infrastructure projects this year.

We opened two new satellite hospitals at Redlands and Eight Mile Plains. These contemporary facilities are designed to provide high-quality healthcare closer to home for residents of their respective communities. Each satellite hospital includes a minor injury and illness clinic, kidney dialysis unit, cancer day therapy unit and an outpatient clinic. Importantly, they provide access to specialist healthcare without having to travel to a major hospital and will assist in taking the pressure off our busy emergency departments.

In March 2024, we opened the signature component of Logan Hospital's \$460 million stage 1 expansion project—three new levels built on the hospital's existing Building 3. The new levels include seven medical wards, an intensive care unit and several other clinical and support services. The remainder of the stage 1 expansion will be fully completed by early 2025, providing a total of 206 additional beds and treatment spaces for the fast-growing Logan community.

To rapidly boost bed capacity, we also commissioned three new, 28-bed medical wards at Logan, Queen Elizabeth II Jubilee (QEII) and Redland hospitals. These wards were each planned, built and commissioned in under a year, providing a rapid uplift to our bed capacity, helping to improve timely access to care.

Design commenced this year on major expansions of the Princess Alexandra and QEII hospitals, as well as stage 2 of the Logan Hospital expansion. Construction for all three projects is expected to start in late 2024. We are excited to see these modern facilities come to life, significantly improving capacity for Metro South communities.

In the 2023–2024 financial year, Metro South Health focussed on increasing elective surgery, endoscopy and outpatient activity to keep up with the demand for these services. Our surgical capacity returned to pre-pandemic levels with an average of 71 surgeries performed every day, an increase of 8 per cent from last year. We increased our gastrointestinal endoscopy throughput by 14 per cent compared with last year. While demand for specialist outpatient services remained high, we increased our overall activity by 3 per cent and improved our waiting times for Category 1 patients – the most urgent – by 3 per cent.

During the year, we experienced very high demand for acute care with significant pressure on our emergency departments and bed capacity. There were 315,379 presentations to Metro South Health hospital emergency departments this year, with Category 1, 4 and 5 patients seen within recommended timeframes. Category 2 remained below the 80 per cent target at 61 per cent, and Category 3 below the 75 per cent target at 60 per cent. During demand surges, we focused our efforts on critical emergency and urgent care. We also implemented several new strategies to address long-stay maintenance patients—an issue that affects healthcare services across the country and is a large contributor to the pressure on acute bed capacity.

In 2023–2024 Metro South Health employed more staff, with our total full-time equivalent staff growing by 9.7 per cent to reach 16,334 full-time equivalent employees, 96 per cent of which are frontline and frontline support staff. Recruitment continues to be a priority for the health service to ensure we continue to meet the needs of the community.

This year, Metro South Health launched two key health service plans that reaffirm our commitment to achieving health equity. Our region is wonderfully diverse, and every person who lives or works here deserves the best health outcomes. In July 2023, we released our *Disability Service Plan* to ensure we provide people with disability and carers with high quality, equitable health care that supports them to manage their physical and mental health. And we launched our *Multicultural Health Service Plan* in November 2023 to guide our approach to working with people from culturally and linguistically diverse backgrounds. Throughout the year, we continued to implement our *First Nations Health Equity Strategy* in partnership with consumers and community stakeholders.

Innovation and new ways of working are critical to our success as community expectations of personalised healthcare increase. This year, we launched our new 'Innovation Sprint Series', which has supported more than 30 frontline staff-led initiatives to improve access to care for patients—particularly in high-demand areas such as emergency departments, gastroenterology, specialist outpatients and elective surgery.

We continue to lead the nation in healthcare research, benefitting generations of families around the world. We are proud of our ongoing partnerships with universities and research institutes, particularly at the Princess Alexandra Hospital, which hosts the Translational Research Institute (TRI) – one of Australia’s most advanced medical research facilities. In 2023–2024, more than 1,378 health-related research studies were active across our hospitals and community services, and our health service authorised 322 new research projects.

Metro South Health achieved a small budget surplus this year, despite our activity levels exceeding the budgeted amount – a testament to our management team’s judicious use of resources while maintaining the highest quality patient care.

Metro South Health employees continued to demonstrate our organisation’s values of integrity, compassion, accountability, respect, engagement and excellence by their actions and behaviours through the delivery of excellent healthcare to the community. We thank them for their hard work and dedication.

In the next financial year, Metro South Health will embark on a transformation to position us to meet the challenges and embrace the opportunities in healthcare now and into the future. We will release a new strategic plan with a renewed focus on six pillars, as well as a new vision for our organisation: *Together we will create Australia’s healthiest community*.

Janine Walker AM

Chair, Metro South Hospital and Health Board

Noelle Cridland

Chief Executive, Metro South Hospital and Health Service

About us

Strategic direction

Metro South Health is an independent, statutory body, governed by the Metro South Hospital and Health Board, accountable to the Queensland Minister for Health, Mental Health and Ambulance Services and Minister for Women.

Under the *Hospital and Health Boards Act 2011*, Metro South Health is the principal provider of public health services for the community who live within its geographical area. The Queensland Department of Health is responsible for the overall stewardship of the public health system, including leadership in statewide planning and the monitoring of Hospital and Health Service performance. A *Service Level Agreement* between the Department of Health and Metro South Health identifies the health services Metro South Health will provide, the funding arrangements for those services, and the relevant targets and performance indicators.

The *Service Level Agreement* is negotiated annually with the Department of Health and is publicly available on the Queensland Government publications portal: Metro South HHS Service Agreements – Dataset – Publications Queensland Government¹. The current service agreement is for the period 2022–2023 to 2024–2025 (December 2023 Revision).

Metro South Health is one of 16 Hospital and Health Services in Queensland and serves an estimated resident population of 1.2 million people, 23 per cent of Queensland's population. It employs more than 16,000 full-time equivalent (FTE) employees and has an annual operating revenue of \$3.602 billion. The health service's catchment spans 3,867 square kilometres and covers the area from the Brisbane River in the north to Redland City in the east (encompassing the Southern Moreton Bay Islands), south to Logan City and the eastern portion of the Scenic Rim to the border of New South Wales.

Metro South Health also provides several statewide specialty services across Queensland including: DonateLife Queensland, Medical Aids Subsidy Scheme, Queensland Spinal Cord Injuries Service, Queensland Tissue Bank, Queensland Transcultural Mental Health Centre, Queensland Kidney Transplant Service, Queensland Liver Transplant Service and the Queensland Movement Disorder Service.

The *Metro South Health Strategic Plan 2021–2025* outlines how the health service is aligned to the Queensland Government's objectives for the community of keeping Queenslanders safe, by providing equitable access to excellent care through healthcare innovation and collaboration. The plan identifies how we are supporting our frontline services, through maintaining and developing our exceptional workforce, which is the key to delivering great value care in collaboration with others.

In delivering care for the future, Metro South Health values the significant efforts of our staff as researchers and innovators.

Consistent with the Queensland Government's objective of Building Queensland, Metro South Health has already seen the benefits of the Government's infrastructure investment throughout the region, with significant capital expansion projects already delivered across the organisation and many projects under construction or in the pipeline for delivery.

Vision, purpose, values

Vision and purpose

Our vision is to be Australia's exemplar public healthcare service and our purpose is to ensure quality healthcare every day to the community we serve.

Values

Metro South Health staff have the privilege to care for others when they are at their most vulnerable, and our organisational values reflect the Queensland Government public service values of customers first, ideas into action, unleash potential, be courageous, and empower people. Our Metro South Health values underpin behaviours that will enable better ways of working together to support better outcomes for our patients through:

- integrity
- compassion
- accountability
- respect
- engagement
- excellence.

These six values guide our decision-making as health service professionals. The empathy and excellence our staff bring to their work shows a determination to live our values every day and demonstrates the dedication of an extraordinary workforce.

¹ <https://www.publications.qld.gov.au/dataset/metro-south-hhs-service-agreements>

Priorities

The four strategic objectives of the *Metro South Health Strategic Plan 2021–2025* are aligned to the Queensland Government objectives of *Better Services: Backing our frontline services and Keeping Queenslanders Safe*, and *Great Lifestyle: Building Queensland*.

Metro South Health objective – **Provide equitable access to excellent care.**

This aligns with the Government objective **Better Services** – Keeping Queenslanders Safe.

In 2023–2024, we worked to provide equitable access to excellent care with a focus on:

- ensuring our care was safe, timely and of the highest quality
- acting as a leader for change in health outcomes
- partnering with patients and families to improve the delivery and experience of healthcare
- preventative health and responding to emerging public health challenges
- improving equity in health outcomes by closing the gap for Aboriginal and Torres Strait Islander people.

Metro South Health objective – **Deliver great value.**

This aligns with Government objectives: **Better Services** – Backing our frontline services **Great Lifestyle** – Building Queensland.

In the past year, we worked to deliver great value by:

- being responsible in the allocation of our resources
- maximising revenue to support sustainability
- minimising the provision of low-value care
- building future healthcare facilities to meet the community's needs including support for delivery of the Satellite Hospital Program, Accelerated Infrastructure Delivery Program (AIDP) and planning for the Capital Expansion Program (CEP)
- maintaining and improving our facilities and equipment to ensure they remain fit for purpose.

Metro South Health objective – **Lead by innovating and collaborating**

This aligns with the Government objectives: **Better Services** – Keeping Queenslanders safe and Backing our frontline services.

We continued to focus on innovation and collaboration by:

- using research and evidence to inform our care
- actively partnering and working with others to ensure collaborative care
- exploring and implementing different ways to deliver care through co-design and partnering for new solutions
- minimising our impact on the environment
- streamlining our processes.

Metro South Health objective – **Maintaining and developing an exceptional workforce**

This aligns with the Government objective: **Better Services** – Backing our frontline services.

We worked to maintain and develop our workforce for the future by:

- ensuring the safety, health, and wellbeing of our workforce
- embedding our Metro South Health values
- ensuring our workforce has opportunities and pathways to develop and be leaders in their fields
- educating and training the future health team
- developing a workforce that reflects the diversity of our community.

Aboriginal and Torres Strait Islander Health

Metro South Health continues to strive to ensure its services are equitable for all people and to help close the gap in health outcomes for First Nations peoples.

In 2023–2024 we continued to implement the priority actions outlined in our *First Nations Health Equity Strategy*, which was launched in the last financial year. In March 2024, Metro South Health convened a new First Nations Health Equity Executive Committee to monitor the implementation of the strategy and to lead system reform for genuine improvement in healthcare outcomes for Aboriginal and Torres Strait Islander peoples.

Metro South Health is committed to reframing our relationship with Aboriginal and Torres Strait Islander people through genuine engagement with consumers, partners and stakeholders. The health service's First Nations Elders and Consumers Advisory Committee continued to meet throughout 2023–2024, providing valued advice on health equity initiatives and projects.

A key focus for Metro South Health is increasing the cultural awareness and capability of its workforce, embedding cultural understanding into our everyday practices, and eliminating institutional racism. Across the year, the organisation's First Nations Health Directorate has provided cultural practice and 'courageous conversations about race' programs through dedicated training days and team in-services.

Another component of achieving health equity is building and sustaining a strong First Nations workforce across all areas of the organisation. Initiatives delivered in 2023–2024 to increase First Nations capacity and capability included:

- A First Nations leaders program delivered in partnership with Queensland Health's Centre for

Leadership Excellence to strengthen leadership capability, create new support networks and allow staff to learn and grow from one another.

- The 'Deadly Starts' school-based traineeship program, which offers First Nations high school students the opportunity to complete a Certificate II and III during years 11 and 12 in nursing assistance, patient support services, dental health, food services or allied health assistance.
- First Nations cadetships for university students, for First Nations people who are undertaking tertiary studies in allied health, nursing or corporate services.

Our services

Metro South Health is the major provider of public healthcare in the Brisbane south side, Logan, Redlands, and Scenic Rim regions including teaching, research and other services as outlined in the Service Agreement. It provides these services through five hospitals, two satellite hospitals, as well as several community health centres and oral health facilities.

Our hospitals

- Beaudesert Hospital
- Logan Hospital
- Princess Alexandra Hospital
- Queen Elizabeth II Jubilee (QEII) Hospital
- Redland Hospital.

Major community health centres and satellite hospitals

- Beenleigh Community Health Centre
- Browns Plains Community Health Centre
- Corinda Community Health Centre
- Eight Mile Plains Community Health Centre
- Eight Mile Plains Satellite Hospital (Maroo-goodji-ba)
- Inala Community Health Centre
- Logan Central Community Health Centre
- Logan Central Community Mental Health Centre
- Logan Healthcare Centre, Meadowbrook
- Marie Rose Centre, Dunwich
- Redland Health Service Centre, Cleveland
- Redlands Satellite Hospital (Talwalpin Milbul)

- Southern Queensland Centre of Excellence in Aboriginal and Torres Strait Islander Primary Health Care, Inala
- Woolloongabba Community Health Centre
- Wynnum-Manly Community Health Centre (Gundu-Pa).

Speciality services

- Acute medical
- Acute surgical
- Addiction and mental health
- Acquired brain injury
- Cancer services
- Cardiology
- Emergency medicine
- Obstetrics and gynaecology
- Older persons
- Paediatrics
- Palliative care
- Rehabilitation
- Spinal injury
- Trauma
- Transplantation.

Car parking concessions

Metro South Health provides car parking concessions for those who are required to attend hospital frequently or experiencing financial hardship. Metro South issued 44,178 passes in 2023–2024 to patients, their families and carers valued at \$274,302.86 under the Hospital Car Parking – Patient and Carer Car Parking Concessions Standard.

Targets and challenges

Targets

Metro South Health is committed to delivering high quality healthcare services to the fast-growing and diverse communities in the Metro South region. The landscape is changing across the health system—there continues to be growing demand for care, changing community needs and expectations, and rapid advances in research and technology.

The significant investment in health infrastructure across Metro South Health is delivering new and expanded facilities and provides a once-in-a-generation opportunity to make deliberate choices on what services are provided and where. To guide this future path, maximise benefits of the new infrastructure, and create a more integrated care system, Metro South Health has developed a new health service plan. The *Metro South Health Service Plan 2024–2028* seeks to ensure the right balance between care in the community, care closer to home, and access to highly specialised services in major centres to improve access and health outcomes for the community.

Metro South Health is one of the most culturally and linguistically diverse populations in Queensland. More than 31 per cent of people residing in the Metro South region were born overseas and more than 48 per cent of people have one or both parents born overseas. More than 28 per cent of people speak a language other than English and our residents speak more than 200 languages. As such, there were 94,117 occasions of interpreter services used across Metro South Health in the 2023–2024 financial year².

Metro South Health has continued to partner with the diverse communities across our region to improve engagement and health outcomes. Teams across the health service are continuing to pursue opportunities to engage with consumers to co-design healthcare services and health promotion activities to prevent disease and promote wellness in our communities.

Metro South Health is committed to improving health equity and access for First Nations people. The *Metro South Health First Nations Health Equity Strategy 2022–2025* continues to provide guidance for how Metro South Health will achieve health equity and eliminate institutional racism. Throughout 2023–2024, Metro South Health has been working in partnership with First Nations people throughout the region and key stakeholders to deliver the objectives of the Health Equity Strategy. An implementation plan has been co-designed with First Nations

community members and consumers and has a strong focus on co-delivery approaches.

The Metro South Health Equity and Access Team (HEAT) and the Metro South Multicultural Health Equity Network continued their engagement activities with the community throughout the year. These engagement activities helped to inform the development of the *Metro South Health Multicultural Health Service Plan 2023–2026* and the *Metro South Health Disability Service Plan 2023–2026*. These plans were informed by the lived experiences of people, with input from consumers, community groups, health organisations, staff, and interpreters. This feedback is being actively used to improve access and the health of our diverse communities.

Our health service is committed to building our future healthcare facilities to meet the community's needs. Throughout 2023–2024, the health service commissioned several large infrastructure projects. We commenced services in new wards at Logan, QEII and Redland hospitals, expanded renal services at Princess Alexandra Hospital, and opened the Redlands and Eight Mile Plains satellite hospitals.

Metro South Health is continuing to work with our partners to support planning and delivery of the significant expansions underway at facilities across our region including Redland, Logan, QEII and Princess Alexandra hospitals. This investment will support our ability to provide quality healthcare that responds to the growing and changing needs of the community. Our teams are actively working with the Department of Health to design, plan, build and commission these new facilities.

Metro South Health is continuing to fulfil our role in the broader Queensland Health system through the provision of statewide and outreach services that provide care for all Queenslanders.

Our extensive digital healthcare systems enable us to deliver better connected care, more care in non-hospital settings and improved patient outcomes. Virtual care models are showing great promise in improving how we deliver care within our community and across the state and allowing the health service to provide quality care closer to home for many Queenslanders.

Our skilled, experienced staff have a commitment to evidenced-based care, education, training, innovation, and research in our clinical service delivery. This commitment to excellence and best practice in care ensures Metro South Health is well equipped to achieve our vision to be Australia's exemplar healthcare service.

² <https://www.data.qld.gov.au/>

In 2024–2025, Metro South Health teams will continue working hard to improve health system navigation for all patients and consumers, and to support better integration of care in the community with non-government organisations (NGOs), the Brisbane South Primary Health Network (BSPHN) and community-controlled organisations as partners in the delivery of care.

Challenges

Metro South Health continues to face growth in demand for public healthcare services that exceeds population growth. While new and expanded facilities are built to support our growing population, pressures will continue to be felt across the system.

The community living within Metro South Health's catchment area is ageing, experiencing increasing rates of chronic and complex diseases and is one of the most diverse in Queensland. Metro South Health must continue to be innovative and responsive in adapting to meet the changing healthcare environment and the needs of our unique and diverse community.

Meeting the diverse needs of the community we serve requires us to improve equity and access to healthcare for socially disadvantaged members of our community, First Nations people, people with disability, and Culturally and Linguistically Diverse (CALD) communities.

We are also challenged by changes in the broader health and social care system that impact the services we provide at a local level, including changes to aged care services and the National Disability Insurance Scheme.

Growing our workforce to support the large-scale infrastructure and service expansions that will take place across Metro South Health in the coming years will require innovative models of care, alongside proactive recruitment and retention strategies. Building and maintaining a strong workforce, and protecting that workforce's health and wellbeing, remains a major focus for the health service.

Elective surgery volumes have returned to, and in some cases, exceeded pre-pandemic volumes. This has helped improve access to elective surgery. Elective surgery continues to be challenged by the need to provide timely access to emergency surgery for patients across Queensland.

Endoscopy waiting lists remain challenging given increasing demand across Metro South Health and current infrastructure being maximised. The commissioning of an additional endoscopy suite at QEII Hospital in 2024–2025 will provide needed capacity across the region.

Growing demand for outpatient services, including regional and tertiary services, remains a significant challenge in Metro South Health. Despite large numbers of patients being seen every month, further innovation and expansion is needed to meet demand.

The demand for, and the pace of change in healthcare continues to increase; and it is critical we remain at the forefront of delivering health services that are safe, effective, high quality and meet the needs and expectations of our community. This will remain our key priority as we face these challenges.

Governance

Our people

Board membership

The Metro South Hospital and Health Board has ten members appointed by the Governor in Council on the recommendation of the Minister for Health, Mental Health and Ambulance Services and Minister for Women pursuant to the *Hospital and Health Boards Act 2011* (the Act). The Board is responsible for the governance activities of the organisation and derives its authority from the Act. Each Board member brings a broad range of skills, expertise and experience to the Board.

Board and committee membership and attendance for 2023–2024

Metro South Hospital and Health Service	
Act or instrument	<i>Hospital and Health Boards Act 2011</i>
Functions	<p>The Board is responsible for setting strategic direction, establishing goals and objectives for executive management, monitoring the performance of the organisation in line with current government health policies and directives, and where necessary taking actions to improve performance.</p> <p>The Board reports to the Minister. Its functions are:</p> <ul style="list-style-type: none"> to control the Metro South Hospital and Health Service to ensure that the services provided by the health service comply with the requirements of the Act and Metro South Health's objectives. <p>The key responsibilities of the Board include:</p> <ul style="list-style-type: none"> review and approve strategies, goals, annual budgets, and financial plans of Metro South Health in response to community and stakeholder input monitor financial performance on a regular basis monitor operational performance on a regular basis including compliance with clinical standards ensure that risk management systems are in place to cover all the health service's key risk areas including operational, financial, environmental and asset related risks ensure that Metro South Health has policies and procedures to satisfy its legal and ethical responsibilities report to and communicate with government on the financial and operational performance of the organisation.
Achievements	<p>The Board and Committee activities and major achievements in 2023–2024 include the development, monitoring and advising on Metro South Health's:</p> <ul style="list-style-type: none"> Annual Financial Statements legislative compliance program risk reporting framework <i>Strategic Plan 2024–2028</i> <i>Health Service Plan 2023–2028</i> <i>Communication and Engagement Strategy 2024–2028</i> <i>People Strategy 2024–2028</i>.
Financial reporting	Financial reporting complies with the prescribed requirements of the <i>Financial Accountability Act 2009</i> and the <i>Financial and Performance Management Standard 2019</i> .

Remuneration:					
Position	Name	Meetings/ sessions attended	Approved annual, sessional, or daily fee	Approved - committee fees if applicable	Actual fees received
Chair	Ms Janine Walker AM	19 (9 Board/ 10 Committee)	\$85,714 pa	\$4,000 pa Committee Chair \$3,000 pa Committee Member	\$95,213.98
Deputy Chair (ended 31 March 2024)	Dr Marion Tower	13 (8 Board/ 5 Committee)	\$44,503 pa	\$4,000 pa Committee Chair \$3,000 pa Committee Member	\$40,737.45
Member	Mr Matthew Ames	21 (9 Board/ 12 Committee)	\$44,503 pa	\$3,000 pa Committee Member	\$58,264.59
Member	Associate Professor Helen Benham	17 (11 Board/ 6 Committee)	\$44,503 pa	\$4,000 pa Committee Chair \$3,000 pa Committee Member	\$49,985.31
Member (commenced 1 April 2024)	Ms Nadia Bromley	5 (2 Board/ 3 Committee)	\$44,503 pa	\$3,000 pa Committee Member	\$12,582.57
Member (ended 31 March 2024)	Mr Brett Bundock	11 (7 Board/ 4 Committee)	\$44,503 pa	\$3,000 pa Committee Member	\$40,277.49
Member	Mr Colin Cassidy PSM	19 (10 Board/ 9 Committee)	\$44,503 pa	\$4,000 pa Committee Chair \$3,000 pa Committee Member	\$54,795.72
Member (ended 31 March 2024)	Adjunct Professor Iyla Davies OAM	16 (7 Board/ 9 Committee)	\$44,503 pa	\$3,000 pa Committee Member	\$42,232.32
Member	Associate Professor Donisha Duff OAM	13 (6 Board/ 7 Committee)	\$44,503 pa	\$4,000 pa Committee Chair \$3,000 pa Committee Member	\$52,975.05
Member	Mr Michael Goss	20 (11 Board/ 9 Committee)	\$44,503 pa	\$3,000 pa Committee Member	\$55,274.85
Member (commenced 1 April 2024)	Ms Gail Ker OAM	4 (3 Board/ 1 Committee)	\$44,503 pa	\$3,000 pa Committee Member	\$11,605.16

Member (commenced 1 April 2024)	Dr Muhammad Daniyal Mian	2 (2 Board/ 0 Committee)	\$44,503 pa	\$3,000 pa Committee Member	\$11,605.16
Member (commenced 1 April 2024)	Dr Vu Tran	4 (3 Board/ 1 Committee)	\$44,503 pa	\$3,000 pa Committee Member	\$11,605.16
No. scheduled meetings/ sessions	11 Board meetings 24 Board Committee meetings				
Total out of pocket expenses	Total Board expenses, including allowance and employer superannuation expenses incurred by Metro South Health, are disclosed in the Financial Statements section at the end of this <i>Annual Report</i> . There was a total cost of \$5,937.69 in out-of-pocket expenses for Board members during 2023–2024.				

Role of the Board Chair

The Chair of the Board is appointed on the recommendation of the Minister for Health, Mental Health and Ambulance Services and Minister for Women following an advertised recruitment process. Ms Janine Walker AM is the current Chair.

The Board Chair's responsibilities are:

- maintaining a regular dialogue with the Health Service Chief Executive (HSCE)
- monitoring the performance of the board and individual members and promote its ongoing effectiveness
- development of the Board
- managing the evaluation and performance of the HSCE
- informing the Minister about significant issues and events.

Board members

Janine Walker AM – Chair

Appointed: 18 May 2016 – Board Member

Appointed: 13 October 2017 – Board Chair

Current Term: 1 April 2024 – 31 March 2026

Janine Walker AM is a human resources expert with a background in health, academia, and broadcasting.

Janine previously held senior management positions including Human Resources Director for Griffith University and Princess Alexandra Hospital, Director of Industrial Relations for Queensland Health, and Industrial Director and General Secretary of the Queensland Public Sector Union.

She worked as a broadcaster and columnist and served on the Board of the Australian Broadcasting Corporation and as Chair of the Corporation's Audit Committee. She has held a range of board and committee appointments including membership of the Vocational Education Training and Employment Commission, Chair of the Australia New Zealand Foundation, Chair of All Hallows' School and Board Member of the Queensland Symphony Orchestra.

Janine is an Adjunct Professor in the Griffith Business School, providing guest lectures and supporting research. She is a Fellow of the Australian Human Resource Institute and Australian Institute of Management and a Member of the Australian Institute of Company Directors.

Janine was recognised in the 2019 Queen's Birthday Honours and awarded Member of the Order of Australia for her significant service to education, to community, health and to the media.

In November 2021, Janine was appointed as a Director of QSuper and continues as a Director and Trustee of the Australian Retirement Trust.

Dr Marion Tower – Deputy Chair

Appointed: 29 June 2012 – Board Member

Appointed: 21 October 2021 – Deputy Chair

Term: 18 May 2021 – 31 March 2024

Dr Marion Tower is a registered nurse and an academic. She is currently an Associate Professor at Griffith University School of Nursing and Midwifery and an Adjunct Associate Professor at University of Queensland's (UQ) School of Nursing, Midwifery and Social Work. Prior to this she was Head of Nursing at the University of Queensland's School of Nursing, Midwifery and Social Work.

Marion is a Senior Fellow of the Higher Education Academy and was a Fellow of the Institute of Teaching and Learning Innovation at UQ. She has a PhD from Griffith University which focused on the health and healthcare needs of women affected by domestic violence and a Master of Nursing (Women's Health) from Queensland University of Technology (QUT). Her nursing Honours degree focused on quality of care in residential aged care for people with dementia.

She has a strong interest in interprofessional education and in preparing current and future health professionals to deliver contemporary, safe, and high-quality person-centred care. Marion researches and publishes in this area.

Marion has a long history of service to the Metro South community. From 2003–2011 she was a member of the QEII Health Community Council and was a member of the QEII Health Service District Safety and Quality Committee. Marion has been a member of Metro South Hospital and Health Board and the Metro South Safety and Quality committee since their inception. She has previously been a Council member of the Brisbane Boys College Council.

Matthew Ames

Appointed: 1 April 2022

Current Term: 1 April 2022 – 31 March 2026

Matthew Ames has demonstrated a passion for providing a voice for health consumers to help Queenslanders. He is an experienced executive with a background in Environmental, Health and Safety (EHS) and risk management. He currently serves on the boards of Hear and Say (supporting the needs of children and adults impacted by hearing loss), Centacare Brisbane, and Bionics Queensland as well as being a consumer advocate for various committees managed by Queensland Health.

Associate Professor Helen Benham

Appointed: 18 May 2019

Current Term: 1 April 2022 – 31 March 2026

Associate Professor Helen Benham is an experienced Rheumatologist who divides her time between clinical practice at Princess Alexandra Hospital and clinical and research translation at the Translational Research Institute (TRI).

She is the Executive Director of Translation at TRI and a Senior Staff Specialist at Princess Alexandra Hospital.

She holds a Bachelor of Medicine and Surgery (Hons), Bachelor of Applied Science (Podiatry), a PhD from the University of Queensland, and is a Fellow of the Royal Australasian College of Physicians and a graduate of the Australian Institute of Company Directors.

Nadia Bromley

Appointed: 1 April 2024

Current Term: 1 April 2024 – 31 March 2028

Nadia Bromley is the current Chief Executive Officer of the Women's Legal Service Queensland. A solicitor with qualifications in law and business, she has a broad range of experience across the corporate, profit-for-purpose and community sectors. Nadia has a passion for access to justice, legal services and women's rights and safety. She is a current Board member of Queensland's Domestic and Family Violence Death Review and Advisory Board.

Brett Bundock

Appointed: 18 May 2018

Term: 18 May 2021 – 31 March 2024

As the Group Managing Director for the Boustead Geospatial Group, Brett Bundock is one of the most influential contributors to the Asia-Pacific region's rapidly growing spatial technology industry. He is an experienced company director, having served on both boards and board subcommittees for the spatial industry and Boustead Singapore. His career within the spatial technology sector has spanned more than three decades and four continents. As the head of the Boustead Geospatial Group, Brett oversees the strategic endeavours of Esri Australia, Esri Singapore, Esri Malaysia, Esri Indonesia, Esri South Asia and Boustead Geospatial Technologies.

Colin Cassidy PSM

Appointed: 18 May 2021

Current Term: 1 April 2024 – 31 March 2026

Colin Cassidy is a former public sector senior executive with almost 40 years of leadership experience across a diverse range of disciplines at state, regional and local government levels. He has proven success in delivering outcomes in land use planning, infrastructure, corporate governance, business planning and service delivery, strategic policy, industry development and investment attraction roles.

In January 2020, Colin was recognised in the Australian Honours System and was awarded the Public Service Medal for his outstanding public

service to economic development, corporate services and town planning in Queensland.

Adjunct Professor Iyla Davies OAM

Appointed: 18 May 2017

Term: 18 May 2020 – 31 March 2024

Adjunct Professor Iyla Davies was admitted as a lawyer and worked in family law and personal injuries before becoming a law academic for more than 20 years, specialising in mediation and dispute resolution.

Iyla is currently a non-Executive Director of UQ Residences Ltd, a Trustee Director of Mercy Ministry Companions and an Adjunct Professor in the School of Law, University of Queensland.

Iyla has previously held a number of community leadership roles as National and Queensland President of Relationships Australia, Director of Legal Aid Queensland, National President of University Colleges Australia, Member of the Specialist Accreditation Board Queensland Law Society, Director of Mercy Community Services and Chair of All Hallows' School Ltd. In addition, she has held senior university positions as Assistant Dean (Internal, Commercial and Community Engagement) in the Faculty of Law, QUT and as Head of College and CEO of the Women's College within UQ.

Iyla holds a Bachelor of Laws (Hons) and a Master of Laws. She is also a Fellow of the Australian Institute of Company Directors.

Associate Professor Donisha Duff OAM

Appointed: 18 May 2016

Current Term: 1 April 2024 – 31 March 2028

Donisha Duff has a background in health policy, planning and management, with a particular focus on Aboriginal and Torres Strait Islander Health. She has more than 20 years' experience in health and Indigenous affairs, working in the Federal and State governments and the non-government, community-controlled health sector.

She is the Chief Executive Officer, Queensland Indigenous Business Network (QIBN) an independent representative body created to provide a strong and unified voice for Queensland's Aboriginal and Torres Strait Islander businesses.

Donisha is currently Senior Manager of Our Collaborations in Health Research (OCHRe), an Aboriginal and Torres Strait Islander Health Research Network at the University of Queensland.

Donisha is an Adjunct Associate Professor with Kurungkurl Katitjin, Centre for Indigenous Australian Education and Research at Edith Cowan University. Her other board and committee appointments include Chair of the Stars Foundation Limited, Member of the Queensland Voluntary Assisted Dying Review Board and Member of the Jobs Queensland Board.

Donisha is an Aboriginal and Torres Strait Islander woman from Thursday Island, Torres Strait. Her family are Aboriginal (Wuthathi) traditional owners of Eastern Cape York, and she also has familial links to Badu, Moa and Mabuiag islands in the Torres Strait.

Michael Goss

Appointed: 18 May 2020

Current Term: 1 April 2024 – 31 March 2026

Michael Goss joined the Board with more than 30 years' experience as a lawyer in large and mid-tier Australian firms, but now practices in his own legal consultancy. Michael has practiced primarily in commercial law, agribusiness, banking and residential aged care. He has worked with finance clients such as Rabobank, National Australia Bank (NAB) and Australia and New Zealand Banking Group (ANZ) and is currently a board member for aged care provider Beaumont Care and Queensland Rail.

With more than 30 years of professional practice, Michael brings to the Board his legal skills in strategic thinking and problem solving, and business sustainability through strong governance controls.

Gail Ker OAM

Appointed: 1 April 2024

Current Term: 1 April 2024 – 31 March 2028

Gail Ker is a renowned leader in multicultural, humanitarian and community services, and is currently a Special Advisor with The Social Policy Group. She served as Chief Executive

Officer of Access Community Services for more than 17 years – growing it into one of the country's leading settlement, employment and training organisations catering to migrants, refugees, and Australian born clients. Gail has been a member of several national boards including the Settlement Services Advisory Council, the Special Broadcasting Service (SBS) Consumer Advisory Committee and the Migration Council Australia.

Dr Muhammad Daniyal Mian

Appointed: 1 April 2024

Current Term: 1 April 2024 – 31 March 2026

Dr Muhammad Daniyal Mian is an award-winning project manager with 28 years' experience in asset, project, program, and design management. While originally qualified in electrical engineering, Daniyal has successfully delivered numerous infrastructure and building multi-disciplinary projects in Australia and overseas. Daniyal has also designed and delivered capability development (project management) programs. Daniyal has a PhD in Innovation Management and has written several referred publications to showcase his work in this area.

He has previously been a Board member of the Infrastructure Association of Queensland.

Dr Vu Tran

Appointed: 1 April 2024

Current Term: 1 April 2024 – 31 March 2028

Dr Vu Tran is a general practitioner based at Springwood. He completed his medical degree at Bond University, and has a keen interest in paediatric medicine, chronic disease management and disease prevention. Vu also has a passion for developing new and innovative ways to promote healthcare in the broader community and is the co-founder of a successful workplace learning technology start-up.

Our committees

In 2023–2024, the following committees assisted the Board in carrying out its functions and responsibilities:

- Executive Committee
- Finance Committee
- Audit and Risk Committee
- Safety and Quality Committee
- Making Tracks to Health Equity Committee.

The Committees are chaired by Board members, supported by the Health Service Chief Executive (HSCE) and other members of the Metro South Health executive team.

Membership of the committees

Executive Committee

Chair: Ms Janine Walker AM

The Executive Committee is an advisory committee to the Board. The Executive Committee functions under the authority of the Board in accordance with s32B of the Act. The Executive Committee is established to support the Board by:

- working with the HSCE to progress strategic issues identified by the Board
- strengthening the relationship between the Board and the HSCE to ensure accountability in the delivery of services by the health service
- developing strategic service plans for the health service and monitoring their implementation
- developing key engagement strategies and protocols and monitoring their implementation
- performing any other functions required by the Board or prescribed by regulation.

Finance Committee

Chair: Mr Colin Cassidy PSM

The Finance Committee is a prescribed committee under Part 7, s31, of the *Hospital and Health Boards Regulation 2012* (the Regulation). The Finance Committee has the following functions:

- assessing Metro South Health's budget and ensuring the budgets are consistent and appropriate with the organisational

objectives of Metro South Health and having regard to Metro South Health funding

- monitoring Metro South Health cash flow, having regard to the revenue and expenditure of Metro South Health
- monitoring the financial and operating performance of Metro South Health
- monitoring the adequacy of Metro South Health's financial systems, having regard to its operational requirements and obligations under the *Financial Accountability Act 2019* (FAA2019)
- assessing financial risks or concerns that impact, or may impact, on the financial performance and reporting obligations of Metro South Health, and how Metro South Health is managing the risks or concerns
- assessing the health service's complex or unusual financial transactions
- assessing any material deviation from the budget
- any other function given to the committee by the Board
- identifying risks and mitigating strategies associated with all decisions made
- implementing processes to enable the committee to identify, monitor and manage critical risks as they relate to the functions of the committee.

Audit and Risk Committee

Chair: Mr Colin Cassidy PSM

The Audit and Risk Committee is a prescribed committee under s31 of the Regulation. The purpose of the Audit and Risk Committee is to provide advice and assistance to the Board on:

- the health service's risk, control and compliance frameworks
- external accountability responsibilities as prescribed in the *Financial Accountability Act, Auditor-General Act 2019, Financial Accountability Regulation 2019* and *Financial and Performance Management Standard 2019*.

The Audit and Risk Committee also advises the Board on the following matters:

- assessing the adequacy of Metro South Health financial statements, having regard to the following:
 - the appropriateness of the accounting practices used
 - compliance with prescribed accounting standards under the FAA 2019
 - external audits of Metro South Health financial statements
 - information provided by Metro South Health about the accuracy and completeness of the financial statements
- monitoring Metro South Health compliance with its obligation to establish and maintain an internal control structure and systems of risk management under the FAA 2019, including:
 - whether there are appropriate policies and procedures in place and
 - whether Metro South Health is complying with the policies and procedures
- monitoring and advising the Board about Metro South Health's internal audit function
- overseeing liaison with the Queensland Audit Office in relation to proposed audit strategies and plans

- assessing external audit reports and assessing the adequacy of action taken by management arising from the reports
- monitoring the adequacy of Metro South Health's management of legal and compliance risks and internal compliance systems, including the effectiveness of the systems in monitoring compliance with relevant laws and government policies
- evaluation and approval of the Internal Audit Charter, Internal Audit Strategic and Annual Audit Plans through Internal Audit
- reviewing the risk management framework for identifying, monitoring and managing significant business risks, including fraud
- liaising with management to ensure there is a common understanding of the key risks to the agency
- assessing and contributing to the audit planning process relating to risks and threats to Metro South Health
- reviewing effectiveness of processes for identifying and escalating risks, particularly strategic risks.

Safety and Quality Committee

Chair: Dr Marion Tower (until 31 March 2024)

Chair: Associate Professor Helen Benham (current)

The Safety and Quality Committee is a prescribed committee under s31 of the Regulation. The committee advises the Board on matters relating to the safety and quality of services provided by the health service, including strategies for the following:

- minimising preventable patient harm
- reducing unjustified variation in clinical care
- improving the experience of patients and carers in receiving health services
- complying with national and state strategies, policies, agreements and standards relevant to promoting consultation with health consumers and members of the community about the provision of health services

- monitoring Metro South Health governance arrangements relating to the safety and quality of health services, including by monitoring compliance with quality and safety policies and plans
- promoting improvements in the safety and quality of health services provided by Metro South Health
- monitoring the safety and quality of health services using appropriate indicators
- any other function given to the committee by the Board
- identifying risks and mitigating strategies associated with all decisions made
- implementing processes to enable the committee to identify, monitor and manage critical risks as they relate to the functions of the committee
- improved reporting and monitoring of identified key performance indicators.

Making Tracks to Health Equity Committee

Chair: Jody Currie (until 31 March 2024)

Chair: Associate Professor Donisha Duff (current)

The Making Tracks to Health Equity Committee assists the Board on matters relating to:

- improving health outcomes for the Aboriginal and Torres Strait Islander community
- equitable and accessible health services that are culturally appropriate for the Aboriginal and Torres Strait Islander community
- reporting and monitoring of identified key performance indicators including measures on access and health outcomes for Aboriginal and Torres Strait Islanders, including those identified in the *Metro South Health First Nations Health Equity Strategy 2022–2025*
- engagement with Aboriginal and Torres Strait Islander peoples and community-controlled health organisations.

Executive management

Health Service Chief Executive

The Board appoints the HSCE and delegates the operation of Metro South Health to the HSCE and other officers to whom management is delegated.

The HSCE responsibilities are:

- management, performance, and activity outcomes of Metro South Health
- providing strategic leadership and direction for the delivery of public sector health services in Metro South Health
- promoting the effective and efficient use of available resources in the delivery of public sector health services
- developing service plans, workforce plans and capital works plans
- managing the reporting processes for performance review by the Board
- liaising with the executive team and receiving committee reports as they apply to established development objectives.

Noelle Cridland

As Chief Executive of Metro South Health, Noelle Cridland is responsible for the operational management of one of one of Australia's largest public health services. Noelle is an experienced health sector leader who has held senior roles at Metro South Hospital and Health Service as Executive Director of the Logan and Beaudesert Health Service and Acting Chief Operating Officer. She has previously held executive roles in other Hospital and Health Services in Safety and Quality, Women's and Newborn, Medical Imaging and Development and Commissioning. Noelle is a Registered Nurse and holds a Masters in Nursing.

Chief Operating Officer

Paula Foley

Paula Foley is responsible for providing strategic and operational leadership, direction and day-to-day management of Metro South Health to optimise quality healthcare and business outcomes. Paula is an accomplished health professional and senior clinician with extensive executive experience in healthcare across both

the private and public sector. Paula has a strong and proven track record in health service planning, performance improvement and innovation at both a state and local level. Previous positions held include Chief Operating Officer – Mater Health Service, Interim Chief Executive – Mackay Hospital and Health Service and, most recently, as Acting Deputy Director-General – Healthcare Purchasing and System Performance, Queensland Health. Paula holds a Master in Project Management/Clinical Redesign, a Bachelor of Science (Organisational Psychology) and a Bachelor of Health Science – Nursing.

Chief Finance Officer

Murray Brown

Murray Brown is responsible for Metro South Health's financial operations, including the finance portfolio, procurement and supply, and assets and infrastructure. Murray has significant financial and operational management experience working in large government organisations. He is a Board Director and Treasurer for the Healthcare Financial Management Association of Australia. His most recent position was as Northern Territory Health's Chief Finance Officer. Murray holds a Bachelor of Business (Accounting and Management), is a Fellow of the Certified Practising Accountants Australia (FCPA) and a Fellow of the Australasian College of Health Service Management (FACHSM).

Chief People, Engagement and Research Officer

Dr Michael Cleary PSM

Dr Michael Cleary is responsible for setting and overseeing the execution of Metro South Health's workforce, engagement and research strategies. Michael commenced working with Queensland Health more than 40 years ago. Michael has an extensive background with emergency and trauma medicine and senior level positions within health including on the boards of the Australian College for Emergency Medicine and Australian Council on Healthcare Standards. He represented Queensland on the Australian Health Ministers' Advisory Council and the Hospitals' Principal Committee. He has held the role of

Deputy Director-General and Chief Operations Officer within the Queensland Department of Health, President of the Royal Australian College of Medical Administrators and Vice-President of the Australian Medical Association Queensland.

Executive Director, Medical Services

Dr Susan O'Dwyer

Dr Susan O'Dwyer is responsible for providing high-level strategic and operational medical leadership and advice to ensure high quality healthcare service provision across the health service. Susan has worked in various senior medical administration roles in medical workforce, education, and training. Susan had a long-standing involvement with the Australian Medical Council, including accreditation activities for international medical graduate pathways, prevocational accreditation and specialist college accreditation. Susan is a Censor with the Royal Australasian College of Medical Administrators, a member of the Medical Board of Australia, and previous Chair of the Queensland Board of the Medical Board of Australia. She is Chair of the Steering and Advisory Committees of the Medical Board of Australia reforming the current specialist international medical graduate assessment processes. In addition to her medical degree, Susan has a Master of Public Health and a Fellowship from the Royal Australasian College of Medical Administrators.

Executive Director Nursing and Midwifery Services

Adjunct Professor Veronica Casey AM

Veronica Casey provides nursing and midwifery oversight, expertise and leadership to ensure the delivery of safe, high quality healthcare services across Metro South Health. Veronica's experience and expertise in the nursing and midwifery professions extends to national and international platforms. Veronica has held nursing and midwifery executive leadership positions in Queensland Health since 1998. She worked in executive and nursing roles at The Prince Charles Hospital and the Royal Brisbane and Women's Hospital prior to her appointment as the Executive Director Nursing Services at Princess Alexandra Hospital and Executive Director Nursing and Midwifery Services for Metro South Hospital and Health Service.

During her time at Metro South Health, Veronica has been instrumental in setting the vision for all Metro South Health facilities in designated American Nurses Credentialing Center (ANCC) Magnet Recognition and Pathway to Excellence® programs. She also led the introduction of the Nurse Sensitive Indicator performance monitoring system in Queensland Health. Veronica is the current Chair of the Nursing and Midwifery Board of Australia, has served two terms on the Australian Commission on Safety and Quality in Healthcare, and served as an inaugural International Magnet Commissioner for the ANCC from 2010 to December 2017. Veronica was appointed as a Member of the Order of Australia in 2019.

Executive Director Allied Health

Kellie Stockton

Kellie Stockton is a well-respected leader in allied health with extensive experience working in public and private hospitals across Queensland and Australia. She is an advocate for allied health across the state, representing allied health on strategic committees such as the Queensland Clinical Senate Executive. Kellie has a strong track record in operationally and professionally leading multidisciplinary teams and the implementation and management of innovative models of care to improve access to timely and effective healthcare services. Extensive experience in leading teams to deliver on performance outcomes, high level project management and analytical skills utilised to evaluate service delivery with strong links to the University sector with academic title – Honorary Adjunct Professor (University of Queensland).

Executive Director, Clinical Governance, Risk and Legal

Chris Thorburn

Chris Thorburn provides strategic leadership, direction and day-to-day management of Metro South Health's clinical governance, risk and compliance and legal functions to optimise quality healthcare, statutory and policy compliance and continuously improving health service outcomes. Chris' career in senior and executive health management spans more than 25 years. During this period, she has managed large, diverse, acute and community health services, mental health services and health

facilities. Chris' qualifications include a Bachelor of Social Work and a Master of Business Administration. She is a Fellow of the Institute of Managers and Leaders and a Graduate of the Australian Institute of Company Directors. Chris has held various senior leadership positions including District Manager (CEO equivalent), Local Health Network Chief Operating Officer, Executive Director of Mental Health and Executive Director of Corporate Governance and Strategy.

Executive Director Digital Health and Chief Information Officer

Cameron Ballantine

Cameron Ballantine is responsible for overseeing the people, processes, and technologies within Metro South Health to ensure they deliver outcomes that support the objectives of the health service. Cameron has practical experience in clinical leadership positions across the public sector and has worked in health delivery roles in Queensland. He also has a Masters qualification in Health Science and is a registered nurse with post-graduate qualifications in intensive care. Cameron has experience in the implementation, management and delivery of ICT and its benefits in hospital and healthcare systems. His digital experience includes service delivery transformation to support changing models of care associated with digital hospitals. This includes significant experience in leading

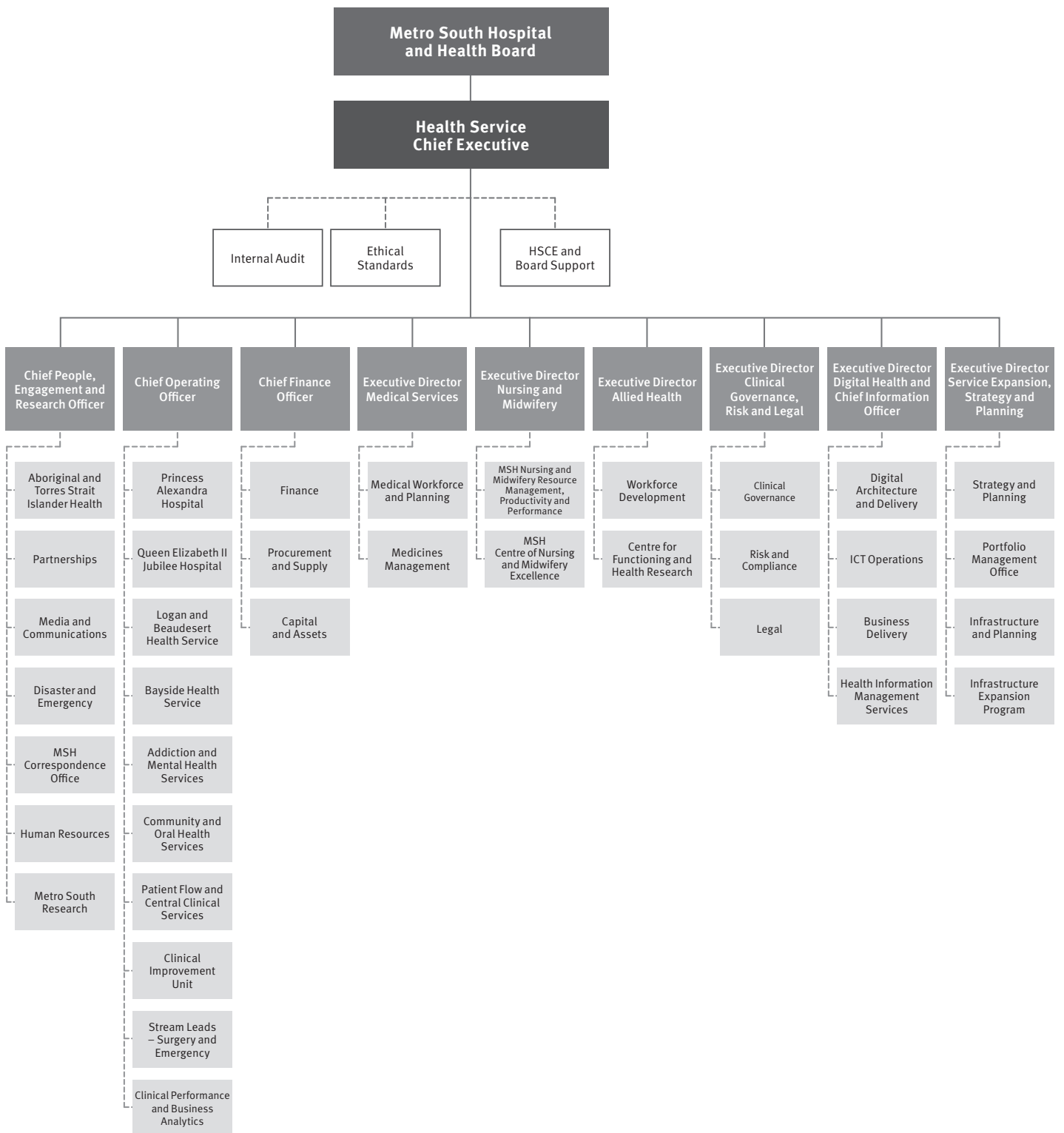
implementation of data analytics and predictive modelling to support patient care.

Executive Director, Service Expansion, Strategy and Planning

Kaylene Sutherland

Kaylene Sutherland is an executive leader with significant experience in the planning and delivery of large-scale projects and infrastructure for Queensland Health at a departmental and health service level. Kaylene started her career as an emergency and critical care nurse and has led multi-disciplinary teams for more than 30 years, providing her a strong grounding in operationalising health services. Kaylene was previously the Gold Coast Hospital and Health Service lead for the new Coomera Hospital Project, and her previous projects include the Gold Coast University Hospital, Robina Hospital redevelopment and opening of the new Roma Hospital. Kaylene also led the development and operationalisation of the medical program for the 2018 Commonwealth Games and was Program Director for the COVID-19 Quarantine and Isolation Service. In her current role, Kaylene leads Metro South Health's Service Expansion, Strategy and Planning service line, providing strategic and operational leadership of our almost \$2 billion capital expansion program.

Organisational structure



Workforce profile

The Metro South Health workforce is made up of 16,334 full-time equivalent employees, and a headcount of 20,009 people, 73 per cent of which are women (Table 5).

Metro South Health supports flexible working arrangements for staff, with 46 per cent of our employees working part-time.

In 2023–2024, Metro South Health employed more doctors, nurses, and allied health professionals to care for our fast-growing community, with more than 95 per cent of the workforce frontline and frontline support staff (Table 2).

The Metro South region is the most culturally diverse area in Queensland, and our employees proudly reflect the community in which they serve. In 2023–2024, Metro South Health exceeded the culturally and linguistically diverse workforce target of 18 per cent, with 21 per cent of staff identifying as coming from non-English speaking backgrounds (Table 6).

More work is required to increase the number of Metro South Health staff who identify as having a disability, which currently stands at 459 or two per cent of the workforce (Table 6). Work will be undertaken over the coming year to ensure Metro South Health is an inclusive workplace for people with disability.

In 2023–2024, 331 employees identified as Aboriginal and Torres Strait Islander, representing 1.65 per cent of our workforce (Table 6). This year, Metro South Health introduced several initiatives to increase the number of employees who identify as Aboriginal and Torres Strait Islander. These initiatives included developing agreements with healthcare, university, and community partners to develop a holistic approach to the Aboriginal and Torres Strait Islander health labour market and designing and implementing workforce inclusion initiatives to improve the diversity of our workforce. We worked to increase opportunities for career pathways including school-based training, cadetships, paid internships, and early career support. Practical mentorship and experience with a guaranteed job at the end of training periods will assist in further exceeding these targets and further diversifying our workforce to reflect the Metro South community.

A great deal of work was undertaken during 2023–2024 to establish The Deadly Starts pilot, an initiative to employ First Nations school-based trainees across Metro South Health. Eighteen trainees commenced placements at QEII and Princess Alexandra hospitals from July 2023 to August 2024 across a range of occupations including nursing, physiotherapy, pharmacy, human resources and operations. Planning for

the second cohort of Deadly Start students will commence in late July with a view to expand offerings to other directorates within Metro South Health including Logan and Beaudesert. Further school-based traineeships are being explored for opportunities in dental and administration occupations from late 2023–2024 as part of a broader Queensland Health strategy to increase these opportunities.

To support ongoing work in employing people from other diverse groups including people with disability, culturally and linguistically diverse backgrounds, First Nations peoples and people identifying as LGBTIQ+, Metro South Health Diversity and Inclusion Senior Consultants increased their engagement activities in the community to showcase Metro South Health as an employer of choice for a diverse workforce. Some of these activities included engagement and presence at the following events and expos:

- the Inaugural Logan Jobs Fair
- Springwood State School
- Bridge to Business Event – Logan Secondary Schools
- Beaudesert High School Careers Fair
- Chisholm Catholic College Careers Expo
- Gunya Meta (First Nations) Carers Fair at Logan Entertainment Centre
- Twin Rivers Breakfast
- Calamvale Community College Industry Breakfast
- Brisbane Careers and Employment Expo.

In addition to these major career events, Metro South Health also:

- engaged with local catchment schools to discuss work experience and traineeship opportunities
- engaged with universities for First Nations Cadetship placements
- partnered with Griffith University for networking events with students
- provided non-clinical internship student placements for defined project activity with Queensland University of Technology, Griffith University and TAFE Queensland
- attended TAFE Queensland Welcome Days (four campuses)
- collaborated with internal and external industry partners and Registered Training Organisations including TAFE Queensland, Education Queensland, CheckUp, Twin Rivers, Your Town, Connect N Grow, Axiom, Box Hill Institute.

By increasing our presence in the community, we can establish the foundations to create long-term, sustainable partnerships across multiple

sectors and increase pipelines and pathways of talent.

A key tool for measuring progress on equity and diversity targets (Table 6) is through Equal Employee Opportunity (EEO) reporting. This information is used to ensure Metro South Health is a diverse and inclusive organisation. Metro South Health will engage a range of strategies to improve reporting of these measures

by all employees to ensure we have an accurate picture of the Metro South workforce. A diverse and inclusive workforce is a critical component of Metro South Health as a healthcare organisation that meets the needs of our community and promotes equitable health outcomes.

Table 1: Total staffing

Total staffing	#
Headcount	20,009
Paid FTE*	16,330.8

*Workforce is measured in Minimum Obligatory Human Resource Information (MOHRI) Full-Time Equivalent (FTE). This MOHRI data supplied by the Public Sector Commission is not an exact match with data in the Financial Statements, which is drawn from the Decision Support System (DSS).

Table 2: Occupation types by FTE

Occupation types by FTE	%
Corporate	4.33
Frontline and Frontline Support	95.67

Table 3: Appointment type by FTE

Appointment type by FTE	%
Permanent	76.56
Temporary	20.45
Casual	2.85
Contract	0.14

Table 4: Employment status by headcount

Employment status by headcount	%
Full-time	48.44
Part-time	46.43
Casual	5.13

Table 5: Gender

Gender	Headcount	%
Woman	14,636	73.15
Man	5,346	26.72
Non-binary	27	0.13

Table 6: Diversity target group data

Diversity groups	Headcount	%
Women	14,636	73.15
Aboriginal Peoples and Torres Strait Islander Peoples	331	1.65
People with disability	459	2.29
Culturally and linguistically diverse – speak a language at home other than English**	4,210	21.04

**This includes Aboriginal and Torres Strait Islander languages or Australian South Sea Islander languages spoken at home.

Table 7: Target group data for women in leadership roles

Group	Headcount	%
Senior Officers (classified and s122 equivalent combined)	22	52.38
Senior Executive Service and Chief Executives (classified and s122 equivalent combined)	16	59.26

Strategic workforce planning and performance

Leadership and capability

At Metro South Health, we strive to create a culture where our values are at the centre of how we work and interact with our patients, consumers and each other. In doing so, we aim to create a positive workplace where our people can connect with our vision and purpose, to feel safe and welcome to contribute, and perform at their best. We recognise that leaders who demonstrate and promote our values set the foundations of a culture of trust and respect in their teams, building collaboration, engagement and commitment to deliver excellence in care for our patients and the Metro South community.

In 2023–2024 Metro South Health focused on enhancing our leadership capability development opportunities and improving access to these programs. We also worked on improving our workplace culture and employee wellbeing.

Leadership capability at Metro South Health continued to be informed by the Leadership Development Framework across the four pillars of leadership – leading people, leading performance, leading culture and change, and leading safety and wellness. The leadership and management suite of learning programs aim to influence leadership capacity and capability within our workforce, and a strong leadership culture that will support us in achieving our organisational goals and aspirations moving forward.

In 2023–2024, 148 leadership and management learning and development programs were held, with 2,175 existing and aspiring Metro South Health leaders attending. These offerings included the core programs of the Leadership Development Pathway, namely the Emerging Executive Leadership Program (EELP) (26 graduates), the Management Development Program (171 graduates), Sailing into Supervision (162 graduates), supported and complemented by a suite of short course programs and workshops.

During this period, Metro South Health extended our ongoing professional relationship with Centre for Leadership Excellence (The Department of Health) and launched the inaugural Inspiring Leaders Program and the First Nations Leadership Program. The First Nations Leadership Program was contextualised and hosted by our peers in the Metro South Health First Nations Health Directorate.

To further enhance leadership capability, in 2023–2024 Metro South Health convened two leadership summits with more than 200 staff from across the organisation attending.

Access to training and compliance data remained a keen focus for leaders at Metro South Health and has been enhanced with improved accessibility to the Corporate Mandatory Training Data Dashboard and new Clinical Mandatory Training Data Dashboard. The dashboard displays real time data and analysis of corporate mandatory training information extracted from MSHLearn, our learning management system.

Workplace culture

In 2023–2024, Metro South Health resumed our partnership with BPA Analytics Pty Ltd to facilitate the BPA Staff Engagement Survey (BPA Survey). The BPA Survey was completed by 9,000 (53 per cent) of Metro South Health employees. The improvement in our culture since the 2020 survey results was evident in many work units, with a real sense of striving for better.

Metro South Health's engagement rating of 46 per cent, was an increase of 1.1 per cent since the 2020 BPA survey. Metro South-wide services noticeably increased their engagement rating by 13.1 per cent overall. Metro South Health results demonstrated a higher percentage of employee engagement compared to BPA's primary benchmarking partner of Public Health Services and BPA's secondary benchmarking partner of Queensland Public Health Services.

Sixty-eight per cent of employees believe Metro South Health is a 'Truly Great Place to Work', an increase of 6.9 per cent since the last survey. Our employees have also shared a higher level of trust in management. This includes a 6.3 per cent increase since 2020 in high trust in the Executive Management of their directorate, a 4.4 per cent increase in high trust in middle management and a 4 per cent increase in 'Trust and Respect' throughout the organisation.

Our employees have also shared that Metro South Health provides them with good career opportunities. Since 2020, 7.3 per cent more employees shared that Metro South Health provides a safe working environment for them.

Metro South Health also recognises achievement, clearly communicates about things that would affect employees and provides the support required to get the job done. From a personal wellbeing perspective, our employees agree they have a strong sense of feeling in control, feeling valued, feeling included and feeling supported. The work they do is worthwhile and something that they are proud of. Clients, teamwork, and helpfulness are the top three themes for our employees that make them proud of the work they do at Metro South Health.

Whilst there are improvements in the overall safety of an employee's workplace, areas where improvements are required include work-related violence and aggression, sexual harassment, and overall occupational violence. Other areas of improvement include all employees being treated equally and fairly regardless of gender, sexuality, cultural and/or linguistic background and identifying as a person with disability. Furthermore, additional support of resources, staff shortages, staff wellbeing including burnout and mental health are all identified daily employee frustrations. Following the survey, action plans were developed at the whole of directorate and facility level, identifying key initiatives and actions that will drive improvements in workplace culture.

This year, Metro South Health trialled a new cultural uplift program to embed the organisation's values in all work units. The program included a series of workshops and supporting resources, with 54 per cent of the cohort experiencing an improvement in staff engagement.

Health, safety and wellness

Metro South Health is committed to workplace health, safety and wellbeing in line with legislative requirements and our values of integrity, compassion, accountability, respect, engagement and excellence.

The Metro South Board and Executive lead the way in displaying our organisational values in line with their legislative obligation under section 27 of the *Work Health and Safety Act 2011 (QLD)*, which requires officers of the organisation to exercise due diligence to ensure that the organisation complies with that obligation.

A key platform for exercising due diligence is ensuring the organisation has an effective Safety Management System (SMS). Metro South Health has progressed aligning all elements of the organisation's SMS International Standard ISO45001 and performed well in a third-party Queensland Health-wide audit this year.

A critical element of an effective SMS is having analytics and reporting to understand and ensure management of key risks. Metro South Health has continued development and implementation of a report suite, to provide effective 'real time' data to support understanding operations, hazards and risks.

Metro South Health has continued building capacity to identify and mitigate psychosocial risks in line with the Code of Practice on Managing the Risk of Psychosocial Hazards at Work, in particular, violence and aggression, exposure to traumatic events, high job demands,

role clarity, support, and harassment including sexual harassment.

Education

General staff education and training

Metro South Health has experienced significant transformation and growth in the 2023–2024 period, with service expansion, increasing demand for services, and evolving patient and community expectations. Metro South Health has a firm focus on building the capability of the workforce to meet the challenges of the future.

The Metro South Human Resources Organisational Development team offers learning and capability development opportunities for all staff in our health service. These opportunities help staff develop their careers, both personally and professionally, with a focus on values and patient care, to boost job satisfaction, productivity, and performance.

The team offers a suite of online, blended, virtual and face-to-face programs, including 42 eLearning modules, 15 structured courses, and 13 partnered programs. The service also extends to the delivery of contextualised in-service training programs directly to work units upon request, to enhance teamwork, culture and capability.

Medical clinical education and training

During 2023, the medical education units across Metro South Health hospitals were preparing for the implementation of the Australian Medical Council's new *National Framework for Prevocational Medical Training*. The revised two-year framework commenced in January 2024 for first-year medical graduates and will include second-year medical graduates from 2025. The new framework provides a more comprehensive education and training experience for junior medical officers prior to them commencing on a specialist training pathway and includes strengthened Aboriginal and Torres Strait Islander and wellbeing standards.

As an example, QEII Hospital is currently implementing the new national framework, with the commencement of 18 postgraduate first year doctors within the new framework program in January 2024. Work is also underway to support the successful commencement of the Postgraduate Year 2 cohort in January 2025.

The implementation of this program has involved the adoption of a *Medical Education Strategic Plan 2024–26* and *Operational Plan 2024–25* by the hospital's Postgraduate Medical Education Committee.

QEII Hospital's medical education unit is also working with one of Metro South Health's Aboriginal and Torres Strait Islander Capability Officers to assist resident medical officers in meeting their cultural safety outcome statements. QEII Hospital has also recently implemented a Prevocational Doctor Assessment Review Panel, with the new terms of reference for the panel being developed as a collaborative strategy between the four Metro South Health medical education units.

Metro South Health has also maintained a register of all medical college accreditations for specialist training pathways with biannual reporting on the status of all accreditations to the Executive and Strategic Governance Committee and the Board. This monitoring provides oversight of all accreditation outcomes including conditions, commendations, and any support needed to maintain the future of these important training programs.

Nursing and midwifery clinical education and training

In 2023–2024, nursing and midwifery clinical education and training focussed on two primary areas. The first focus was on the ongoing major expansion projects within Metro South Health, ensuring the seamless integration of an increased workforce and facilitating the transition of existing staff into new expanded services.

The second area of emphasis was on increasing the workforce pipeline by enhancing opportunities for nursing and midwifery within Metro South Health. This includes extending traineeship programs like the school-based Trainee Program, which has evolved from its inception at Logan and Redland hospitals to encompass the entire Metro South Health region. This included enhancing opportunities for First Nations people, with the introduction of the Deadly Starts and First Nations Cadet programs across the health service.

In 2023–2024 there was a concerted effort to increase the number of nursing students and the availability of graduate nurse and midwife placements across Metro South Health, as a strategy to attract and retain a future workforce.

Metro South Health has completed reviews of the current nursing student placement models and the student record retention process for nursing and midwifery students. The model adjustments have facilitated the introduction of new clinical practice models for undergraduates, such as the implementation of a preceptored placement model for midwifery students, now widely available throughout Metro South Health.

Allied Health clinical education and training

In 2023–2024, Metro South Health implemented a new Allied Health Clinical Education Committee in response to a governance review of clinical education across the health service. The new committee is led by a Director of Allied Health with an Allied Health Workforce Development Officer providing support.

In 2023–2024, Metro South Health partnered with 20 different education providers to offer placements across 20 of our 24 allied health professions. A total of 1,295 placements (32,211 days) were offered by allied health with an uptake of 90 per cent by our education partners to provide 1,167 placements (28,210 days) over the course of the calendar year.

This year, Metro South Health reviewed its *Preparation of Student Placement Deed Clinical Placement Schedules for Allied Health Procedure and Student Placement Record Keeping Process (Allied Health) Work Instruction* with all schedules now compliant. An audit of the student record retention has demonstrated 100 per cent compliance by profession departments to the recordkeeping standards. In addition, during the year Metro South Health reviewed and updated its *Intellectual Property Agreements for Students on Placement Procedure* that applies to all students on placement.

Research

The Metro South Health research community—comprising clinician researchers, as well as supporting clinical, operational, technical and professional employees, and our research partners—has continued work to improve health services and outcomes for patients and the community in 2023–2024. More than 1,378 health-related research studies were active across Metro South Health facilities, including research at Addiction and Mental Health, Community and Oral Health, and across the Logan, Princess Alexandra, QEII, and Redland hospitals. During 2023–2024, more than 322 new research projects were authorised to commence in Metro South Health facilities and services.

Metro South Health reinforced its commitment to research excellence during 2023–2024 and further strengthened research support and management, administration, and compliance through revision of its research policy documents. The *Metro South Research Policy*, endorsed by the Metro South Hospital and Health Board, establishes an overarching research policy framework, which sets out the standards and provides guidance for ethical and effective research and is designed to support and enhance the quality and impact of our research efforts. All underpinning procedures, work instructions, guidelines, tools and templates were

updated and made available to our research community.

Training to support research excellence has continued to be a focus for Metro South Health, with Research Integrity Training and accredited Good Clinical Practice (GCP) education modules becoming mandatory for all researchers from 1 January 2024. To further strengthen learning opportunities for Metro South Health researchers and to support compliance with the Australian Code for the Responsible Conduct of Research, Metro South Health established a new Research Integrity Advisor Network. Through these initiatives, Metro South Health has trained more than 500 researchers in research integrity concepts and provides a support and advisory network for researchers—enabling ongoing research support, development, networking, and collaborative opportunities across the health service.

An additional area of development for Metro South Health in 2023–2024 was the revision of research corporate governance structures to support the implementation of the National Clinical Trials Governance Framework. The Metro South Health Research Council expanded its membership to include additional representatives from clinical governance and clinical trials to ensure that the health service remains responsive to key research initiatives and research-related risk action plans. A Metro South Health Research Grants Committee was established to advise and provide recommendations that will enable and facilitate the achievement of Metro South Health's vision and strategy in relation to research. Research Committees at each of Metro South Health's facilities and services have also been established or advanced under consistent terms of reference, to advise, monitor and report on research.

Metro South Health researchers have secured major external health research grants and have been recognised for research excellence during 2023–2024. During the year, Metro South Health researchers have led and been significant partners in research teams that have secured Medical Research Future Fund and National Health and Medical Research Council grants—including research in mental health, neurology, rehabilitation, frailty, melanoma risk, precision medicine in oncology, rare cancers, aphasia, reducing medication harm, and rheumatoid arthritis. Metro South Health researchers were also awarded the Queensland Health Research Excellence for Translation, the Queensland Health Research Excellence for Industry Partnership, and the Australasian College of Dermatologists Silver Medal (the College's highest award).

Workforce planning

With increased demand on the healthcare system and several capital expansion projects underway, workforce planning remains a critical element in operating our health service. Metro South Health is also investigating ways in which our recruitment strategies and processes can be improved to ensure inclusivity for applicants from diverse cultures and experiences. This is in line with the amended Recruitment and Selection Directive 07/23 which has a specific focus on inclusivity.

With Metro South Health's continuous capital growth, it is critical that recruitment, attraction, and selection methodologies are reflective of an innovative and forward-thinking approach to our workforce. With significant uplift planned across the health service, there has been a focus on developing talent pipelines for areas of immediate and future critical needs including nursing and midwifery, allied health, operations and administration.

Pathways have been developed for experienced overseas nurses and midwives to be supported for relocation and visas to supplement the local domestic labour markets. Metro South Health also continues to increase its use of social media platforms like Facebook and LinkedIn to showcase the health service as an employer of choice within the local community as well as in-person promotional activities at universities via careers fairs, mentoring sessions, meet and greet student opportunities, and networking forums.

During 2024, Allied Health and Nursing provided paid placement opportunities to First Nations students via the First Nations Cadetship Program. The cadets are university students who are studying an Allied Health or Nursing degree. Metro South Health continues to work towards achieving our vision of establishing stronger connections and relationships with universities to support students in gaining employment at the completion of their degree and/or throughout their degree.

During 2024, Metro South Health continued the Deadly Starts traineeship program, expanding on from the initial program which commenced during 2023. This program provides paid traineeship opportunities to First Nations students interested in pursuing a career in Health.

The cadetships and traineeships aim to improve the representation of Aboriginal and Torres Strait Islander people in the health workforce and assists in working towards making tracks together to health equity. In addition to these programs for First Nations peoples, engagement with schools and stakeholders in the employment sector has been a key focus for Metro South Health to improve access to employment

opportunities for youth and those living with a disability.

Further to this, Metro South Health continues to offer unpaid non-clinical internships such as opportunities for university students seeking work experience in a health environment. These internship-like opportunities are by agreement with the local universities. Metro South Health also offers work experience programs across all disciplines from students in our local catchment schools.

Early retirement, redundancy and retrenchment

No redundancy, early retirement or retrenchment packages were paid during the 2023–2024 period.

Open data

Metro South Health has Open Data to report on consultancies, overseas travel and the implementation of the Queensland Language Services Policy. Data is published on the Queensland Government's open data website³.

³ <https://www.data.qld.gov.au/>

Our risk management

Metro South Health is committed to managing risk in a proactive, integrated and accountable manner. Risk is an inherent part of a health service's operating environment. Risk management activities are incorporated into strategic planning, governance reporting and operational processes.

Metro South Health has a risk management policy and framework, which incorporates a procedure based on the AS ISO 31000:2018 Risk Management Guidelines. The policy outlines the health service's intent, roles and responsibilities and implementation requirements. All accountability areas are responsible for implementing the policy and framework while proactively developing and maintaining risk registers.

The risk management procedure defines the processes for risk identification, recording, rating, identification of key controls, determination of risk treatments and regular monitoring and reporting of risks.

Our risk management function is monitored and supported by the Metro South Health Risk and Compliance Unit.

Governance of the risk framework is managed by:

- The Metro South Health Board, which has ultimate responsibility for monitoring key risks and ensuring there are systems and processes in place to identify, manage and monitor risks. The Board has delegated responsibility for overseeing risk management activities to the Board Audit and Risk Committee.
- The Board Audit and Risk Committee oversees the assurance of the health service's risk management framework, the internal control structure, and the effectiveness of monitoring compliance with relevant laws, regulations and government policies.

Risks are controlled within the financial and management accountabilities of each position. The HSCE is supported by the Executive Director of each stream and facility. The HSCE and Executive Directors manage risks with support from management structures within their areas of responsibility. Significant risks are reported to the Board, Board Audit and Risk Committee and the Executive Risk and Compliance Committee on a regular basis.

Internal audit

Internal audit reports during 2023–2024 included:

- review of routine and unplanned maintenance
- review of Contract Management process
- cyber incident management
- QEII selected payroll allowances
- governance of processes to operationalise projects
- expenditure review
- fraud risk management framework review
- review of Smart Referral process.

There were continued improvements in the follow-up, and closing out, of outstanding Internal Audit recommendations and Queensland Audit Office (QAO) Performance Audit recommendations. Internal audit also collaborated with a new co-source partner on several audits. Audit staff participated in a range of professional development activities, enhancing their knowledge, skills and auditing techniques, in support of their ongoing professional registrations and memberships.

QAO Audit

As a public sector entity, Metro South Health is subject to annual audit by the QAO. The QAO also issued the following Auditor-General Reports to Parliament that contained recommendations of relevance to Metro South Health:

- State Entities 2023 – Tabled 21 March 2024
- Minimising gambling harm – Tabled 6 February 2024
- Major projects 2023 – Tabled 14 December 2023
- Health 2023 – Tabled 12 December 2023
- 2023 status of Auditor-General's recommendations – Tabled 28 November 2023
- Health outcomes for First Nations people – Tabled 7 June 2023.

External scrutiny, information systems and record keeping

During the 2023–2024 financial year, information security risks were actively managed and assessed against Metro South Health's risk appetite with appropriate assurance activities undertaken in line with the requirements of the Queensland Government Enterprise Architecture (QGEA) Information security policy (IS18:2018).

During the mandatory annual Information Security reporting process, the Chief Executive attested to the appropriateness of the information security risk management within the health service to the Queensland Government Chief Information Security Officer, noting that appropriate assurance activities have been undertaken to inform this opinion and the health service's information security risk position.

Stage 1 of the Metro South Health Information Security Management System (ISMS) commenced in September 2023. The ISMS is a structured approach to managing information security risks and establishing strong information security practices throughout our organisation. It encompasses a set of policies, procedures, standards, guidelines and controls designed to protect our information assets from unauthorised access, loss or damage.

Metro South Health adopts the 'ISO/IEC 27001:2022 Information security, cybersecurity and privacy protection – Information security management systems – Requirements' Standard as benchmark for the ISMS Framework in Metro South Health. This ISMS Framework is built on a series of mandated controls across Organisational, People, Physical and Technical domains.

The ISMS enables us to:

- protect the privacy of patient information
- maintain regulatory compliance
- safeguard against potential threats
- effectively respond and recover from breaches.

Queensland public service ethics and values

Metro South Health is committed to upholding the ethics values outlined in the *Public Sector Ethics Act 1994*, namely:

- integrity and impartiality
- promoting the public good
- commitment to the system of government
- accountability and transparency.

The Code of Conduct for the Queensland Public Service applies to all employees of Metro South Health, with training provided to employees as part of their mandatory induction training and also at regular intervals during their employment.

To foster a positive workplace culture, employees are also required to undertake awareness training regarding inappropriate workplace behaviours such as bullying, harassment, sexual harassment and discrimination, as well as training in relation to ethics, fraud and conflicts of interest. Such training is made available to staff through orientation sessions and online learning modules through the health service's online learning platform, MSHLearn.

Metro South Health is committed to preventing fraud, and has zero tolerance to fraud, misconduct and corruption which can take away vital resources from the health service and undermine public confidence in its work. All employees play an important role in maintaining a corruption-free environment and building a workplace culture that promotes fraud prevention. Fraud Awareness Month, held in February, focused on the theme 'Fraud under the spotlight' which aimed to assist all employees in knowing how to identify and prevent fraudulent activities and how to appropriately report these concerns.

Corrupt conduct and public interest disclosures

The Ethical Standards Unit (ESU) is the central point within Metro South Health to receive and assess matters involving suspected corrupt conduct as defined in section 15 of the *Crime and Corruption Act 2001*. The ESU also discharges the Health Service Chief Executive's legislative obligation to notify the Crime and Corruption Commission (CCC) of suspected corrupt conduct matters in accordance with section 38 of the *Crime and Corruption Act 2001*.

All reports of suspected corrupt conduct are rigorously assessed and dealt with, with some cases being directly overseen by the CCC. As per the CCC's *Strategic Plan 2022–2026*, one of the CCC's 'areas of focus' is corruption involving improper influence which includes abuse of authority and exploitation of public sector resources. The CCC has a particular interest in matters involving the failure to declare and manage conflicts of interest and allegations relating to improper recruitment and selection processes. Metro South Health ensures all complaints of suspected corrupt conduct are dealt with in an ethical, transparent, and accountable manner.

Pursuant to the *Public Interest Disclosure Act 2010*, complaints/disclosures made by members of the public and public officers about certain types of wrongdoing in the public sector may constitute a public interest disclosure (PID). The Director, Ethical Standards Unit has the delegated responsibility for assessing whether complaints constitute PIDs; notifying relevant external agencies of a PID where required; and facilitating the provision of support and protection measures/strategies for relevant parties.

Metro South Health has detailed procedures relating to reporting and managing corrupt conduct and PIDs, which ensures the health service meets relevant legislative obligations and appropriately addresses any instances of suspected corrupt conduct.

Ministerial direction

Section 44(6) of the *Hospital and Health Boards Act 2011* requires annual reports to state each direction given by the Minister to the HHS during the financial year and the action taken by the HHS as a result of the direction.

One Ministerial direction was given to Metro South Health during the reporting period in relation to the introduction of a crisis care process in emergency departments (EDs). Under the direction, Metro South Health EDs must accept into immediate care any person who discloses a sexual assault during a presentation at an ED, or who is presented to an ED by a police officer as a victim of a sexual assault. The clinical care pathway must commence within 10 minutes of the presentation or disclosure.

To implement this direction, Metro South Health has:

- Developed and published the Metro South Health Sexual Assault Response Service procedure after hospital and health service-wide consultation and feedback in line with the Ministerial direction.
- Reviewed hospital facility pathways to ensure alignment with the procedure and support fast-tracked publication.
- Documented a suitable care pathway to ensure appropriate care for paediatric sexual assault patients (under 14 years of age).
- Developed a nursing workforce model of care for forensic services including after-hours management.
- Extended the social work service at Logan Hospital to provide on-site service 24-hours a day, seven days a week.
- Established a social work on-call service to complement the seven-day a week

business hours social work service already had in place. This means that 24-hour social work is now available across Logan, Princess Alexandra, QEII and Redland hospitals.

- Established formal inter-agency collaboration with the Queensland Police Service, Queensland Ambulance Service, Legal Services, consumers and non-government organisations to strengthen services.

Human Rights

Metro South Health is committed to respecting, protecting and promoting human rights in all our decision making and actions. We value consumers from diverse backgrounds and consider their abilities as essential partners in the planning, design, delivery, measurement, evaluation and governance of person-centred health care. All governing policies and procedures within Metro South Health undergo a compliance check to ensure our delivery of care is compatible with the *Human Rights Act 2019*.

Metro South Health is committed to a visible, equitable and accessible complaints management system for all consumers. Consumers of Metro South Health are supported to select the most suitable submission option available for them, including as audio files, video files, online web form, face-to-face, email, handwritten or phone call. Consumers can provide feedback and receive a response in their first language, which is translated by interpreter services.

Metro South Health offers online training in relation to the *Human Rights Act 2019* for all Metro South Health employees and contractors. We also offer the MAYBO – Promoting Human Rights and Reducing Restrictive Practices training. This introduces the principles of supporting a person's needs through a human rights approach. It highlights how to take measures to reduce restrictive practices that might be used intentionally or in some cases without realising they are restricting the person's liberty or autonomy. It is available to all staff.

Highlights from 2023–2024 include:

- Continuing to embed the concepts of health equity into the planning and delivery of health services. Specific plans and programs that address the impact of health inequities are being delivered in partnership with consumers, communities, universities and other stakeholders. These plans include the:
 - *Disability Health Service Plan 2023–2026*
 - *Multicultural Service Plan 2023–2026*

- *Māori and Pasifika Health and Wellbeing: A Strategic Framework and Action Plan for Brisbane South 2020–2025.*
- Metro South Health recognised and celebrated Human Rights Week from 1 to 10 December 2023.
- Metro South Health has received no recommendations from the Queensland Human Rights Commission (QHRC) or the Australian Human Rights Commission on improving our human rights culture.

Human Rights complaints and outcomes

In the 2023–2024 financial year, Metro South Health received 307⁴ customer complaints considered as potentially relevant to the *Human Rights Act 2019*. Most of the complaints made in this reporting period were resolved at the local level.

The following table summarises QHRC matters active during the relevant period (Table 8):

Table 8: QHRC matters

Total new matters (healthcare related) received	1 new matter was received during the last financial year and remains under consideration by the QHRC
Total matters carried over from last financial year	Nil
Total new matters (employment related) received during the last financial year	1

Confidential information

The *Hospital and Health Boards Act 2011* requires annual reports to state the nature and purpose of any confidential information disclosed in the public interest during the financial year.

The Chief Executive did not authorise the disclosure of confidential information during the reporting period.

⁴ This number includes complaints that were assessed by Metro South Health staff as relevant. It includes complaints

that were not substantiated, withdrawn and or which do not explicitly mention human rights.

Performance

Non-financial performance

Throughout the 2023–2024 financial year, Metro South Health monitored progress towards the achievement of the strategic objectives in our *Strategic Plan 2021–2025*. Achievements this year under our strategic objectives included:

Provide equitable access to excellent care

- In 2023–2024, Metro South Health delivered Statements of Commitment to Interprofessional Collaborative Practice and Health Literacy.
- In July 2023, Metro South Health became one of Queensland's first Hospital and Health Services to launch a *Disability Service Plan*. The plan affirms Metro South Health's respect for the diverse strengths, abilities and needs of people with disability and also responds to the recommendations of the Disability Royal Commission. The plan outlines five key priority areas: workforce; access; connected care; safety and quality; and co-design and partnership.
- Metro South Health has extensive digital healthcare systems which enable the delivery of better-connected care. The organisation has been recognised as one of Australia's first digital health services and we have a strong cultural foundation to think differently and look beyond our existing digital capabilities to deliver contemporary models of care that benefit all. This year, Metro South Health launched the *Digital Health Strategy* which defines six focus areas to enable safe, quality healthcare and build on our existing leadership position in Australia's digital healthcare environment.
- Metro South Health launched its *Multicultural Health Service Plan 2023–2026* in November 2023. The strategy demonstrates the organisation's commitment to working with people from culturally and linguistically diverse backgrounds. The plan will guide Metro South Health's improvements across the health service, ensuring the delivery of high-quality, culturally responsive healthcare and a workforce that welcomes and embeds diversity.
- Since February 2024, Metro South Health has enhanced the Sexual Assault Response Service Model of Care across Princess Alexandra, QEII, Logan and Redland hospitals. The model includes an onsite social worker to provide first contact support and assessment 24-hours a day. Forensic assessments are

led by specially trained Sexual Assault Nurse Examiners at QEII and Logan hospitals.

- Metro South Health is the third public health service in Queensland to expand its Hospital in the Home (HITH) service to include mental health care. The Metro South Mental Health Hospital in the Home (MH-HITH) service will become the largest in the state. The expanded service is part of the Queensland Government's \$1.64 billion *Better Care Together Plan* that is delivering more treatment, care and support for mental health recovery.
- Throughout 2024, Metro South Health held free Advance Care Planning (ACP) clinics for consumers at several Community Health Centres. The clinics, hosted by the Metro South Health ACP Service, enabled consumers to learn more about ACP and receive support to complete Queensland ACP documents including the Enduring Power of Attorney, Advance Health Directive and Statement of Choices.

Deliver great value

- Logan Hospital's new Birthing Suites and Transit Care Hub opened in July 2023. The Transit Care Hub features 33 new beds and chairs and the number of Birthing Suites increased to 12, with eight new birthing pools also installed. The new services are part of the Queensland Government's more than \$1 billion investment in the hospital to provide significantly increased capacity and modern facilities for the growing Logan community.
- The Redlands Satellite Hospital officially opened to patients in August 2023. The services include a minor injury and illness clinic, kidney dialysis, cancer day therapy and outpatient services to the local community.
- A new \$20 million rapid expansion ward known as 'Ward 2Q' opened at Logan Hospital in August 2023 providing 28 new beds in a modern, comfortable environment.
- The Princess Alexandra Hospital installed a new O-arm CT machine in

the operating theatre in August 2023 to improve 3D-imaging for patients by offering a moveable platform that can be adjusted in real time.

- New state-of-the-art mammography technology with a sensory suite was unveiled at the Princess Alexandra Hospital in October 2023, promising to transform mammograms for patients, as well as the radiography staff who perform more than 2,000 mammograms every year. Princess Alexandra Hospital is the first facility in Australia to have the full combination of sensory suite, Senographe Pristina™ 3D mammography, and Dueta remote controlled device that allows patients to take control of their own compression.
- Main Works construction on the Redland Hospital Stage 1 Expansion Project began in August 2023, marking a significant milestone in the delivery of improved healthcare services to the Redland community.
- QEII Hospital opened a new 28-bed medical ward – built as part of the Accelerated Infrastructure Delivery Program. The ward opened to patients in November 2023.
- Stage 1 of the \$5.8 million expansion of the High Dependency Haemodialysis Unit at the Princess Alexandra Hospital was completed in December 2023.
- Logan Hospital's new Medical Imaging Department opened its doors in December 2023 with new state-of-the-art technology including x-ray, ultrasound, fluoroscopy, computed tomography (CT) and magnetic resonance imaging (MRI) suites.
- Redland Hospital's new modular 28-bed medical ward opened to patients in December 2023, increasing the hospital's medical bed capacity by 57 per cent.
- Design commenced on the \$350 million Princess Alexandra Hospital Expansion Project in February 2024. The project will deliver a vertical expansion of the existing emergency department building, delivering five new floors and 249 additional beds. Plans include 219 new acute inpatient beds, 30 new ICU beds, 13 new cancer treatment bays and reconfigured specialist treatment spaces. Construction will begin in late 2024.
- In February 2024, design commenced on the Logan Hospital Stage 2 Expansion Project which represents an investment from Government of \$530 million. The project will deliver 112 additional beds and more operating theatres in a new clinical services building. Early works started in March 2024, with main works

expected to start in the second half of 2024.

- The centrepiece of Logan Hospital's Stage 1 Expansion Project – a vertical expansion of the existing Building 3 – was completed in December 2023 and services opened in the new facility in February and March 2024. The new levels include seven medical wards, an intensive care unit and several other clinical and support services.
- In June 2023, design commenced on the QEII Hospital Expansion Project, representing an investment of \$465 million, which will see a new five-storey clinical building on the campus delivering an additional 112 overnight beds, including seven additional Intensive Care Unit beds and additional operating theatre capacity. The project also includes the refurbishment of clinical support and operational service support areas in the existing main building. On top of these investments, \$127.4 million has been allocated to deliver a new multi-storey carpark that will deliver an additional 1,379 car parking spaces to support the campus expansion.
- The Eight Mile Plains Satellite Hospital officially opened to patients in May 2024. The services include a minor injury and illness clinic, kidney dialysis, cancer day therapy and outpatient services for the local community.
- Construction continued on the new Logan Urgent and Specialist Care Centre, a new Commonwealth-funded, community facility which will include a minor injury and illness clinic and a women's health outpatient clinic. The facility is due to open in 2025.
- Construction work progressed on the Gold Coast's first Secure Mental Health Rehab Unit, with the first Metro South Health consumers expected to transition to the facility in early 2025. The 40-bed unit is designed for patients 18-years and over with severe and complex mental health disorders and will be shared by consumers of both Metro South and Gold Coast hospital and health services.

Lead by innovating and collaborating

- Metro South Health's Cancer Alliance Queensland team developed the Papua New Guinea National Cancer Registry through a memorandum of understanding, assisting the Pacific region to track disease prevalence and plan accordingly.

- In August 2023, Princess Alexandra Hospital launched a new Drug and Alcohol Brief Intervention Team (DABIT), a 10-minute brief intervention service offered to emergency department patients with drug and alcohol-related issues.
- Metro South Health launched an 'Innovation Sprint Series' in November 2023. The Sprint Series provided an opportunity for frontline teams to explore, identify and implement initiatives to improve access to care for patients within the emergency department, surgery, outpatients and gastroenterology. These initiatives are now business as usual across Metro South Health. Achievements include a significant reduction in patients waiting longer than 24-hours in the emergency departments, and improved access to care for outpatients, patients requiring elective surgery and gastrointestinal endoscopies.
- In November 2023, Redland Hospital was the first hospital in South East Queensland to use Magseed technology for breast cancer patients.
- In January 2024, the Metro South Health-led Comprehensive Aged Residents Emergency Partners in Assessment Care and Treatment (CARE-PACT) Program celebrated ten years of improving access to care for residents of aged care facilities.
- The Metro South Oral Health Services team from the Nathan Inala cluster participated in the Kummara Centre of Excellence Back to School Resource Day in January 2024. The event aimed to provide valuable healthcare services to school-aged Indigenous children, offering ear, eye, and oral health screenings.
- In February 2024, a new Telehealth Clinic partnership was launched between QEII Hospital and North West Hospital and Health Service (NWHHS), based at Mount Isa Hospital. The clinic allows regional outpatients to virtually connect with orthopaedic and allied health specialists at QEII, addressing a gap in specialist availability in the region and easing mounting pressure on regional waitlists.
- A dedicated After-Hours Care Unit was established at Princess Alexandra Hospital in 2024 to ensure patients continue to receive exceptional care, day and night.
- The Logan Endocrine and Diabetes Service (LEADS) piloted a Diabetes Ramadan Preparation clinic in the lead up to Ramadan to help patients prepare to fast safely. The Islamic month of Ramadan took place between 11 March to 9 April 2024.
- In April 2024, Metro South Health established a new community partnership to support the Southern Moreton Bay Islands. The service provides home-based appointments with health professionals for residents of Coochiemudlo, Karragarra, Russell, Macleay and Lamb islands.
- In April 2024, Princess Alexandra Hospital began world-first clinical trials for prostate cancer and strokes.
- Metro South Health and BSPHN partnered in April 2024 to deliver the joint Health Needs Assessment Survey as part of an extensive regional Needs Assessment undertaken every three years to gain a deeper understanding of current health needs and service gaps experienced across our vast and diverse region.
- The inaugural Nurse and Midwife Navigator Showcase was held at the Brisbane Convention Centre in April 2024, with more than 400 clinicians from across the state attending. The showcase highlighted an innovative new pathway and relationship between Metro South Health and the Queensland Ambulance Service Clinical Hub that focuses on a hospital avoidance strategy based on the principles of nurse navigation.

Maintain and develop an exceptional workforce

- The Metro South Health Staff Awards Gala was held in September 2023, celebrating our exceptional Metro South Health staff and the difference they make for our health service, and the patients and communities we serve.
- Metro South Health held a number of events throughout 2023–2024, highlighting the impressive work and research being carried out by our staff across the health service. Events included the annual Princess Alexandra Hospital Health Symposium, the annual Logan and Beaudesert Health Service Research Symposium, the annual QEII Research Symposium, the Bayside Health Service Research Symposium, the seventh annual Metro South Addiction and Mental Health Services Research Symposium, the second Community and Oral Health Innovation Showcase and the Metro South Health Orthopaedic Research Showcase.

- Throughout 2023–2024, Metro South Health welcomed hundreds of interns and graduates across many healthcare professions into our workforce to help us continue to deliver exceptional patient care while fostering the growth and development of budding healthcare professionals.
- Metro South Health is now offering dedicated positions for psychology interns in mental health. The one-year Psychology Internship Program (1-PIP) is an intensive supervised training program designed to support psychologists to function at full scope of practice within the mental health service. The program not only supports psychology workforce development and sustainability, but also provides psychology graduates with a smooth integration into the clinical setting.
- The Launch into Health and Community Care Jobs Expo was held in Eagleby in November 2023 and March 2024 for aspiring healthcare professionals. Representatives from Metro South Health's Human Resources team were on hand to offer valuable advice and resources to attendees, helping them take the next step in their healthcare careers.
- Metro South Health in partnership with the University of Queensland delivered an Emerging Executive Leadership Program in 2023–2024. The ten-month program is designed to build the leadership capability of the organisation's future leaders across all professions. As part of the program, participants work in groups to design and implement a business improvement project.
- In the 2023–2024 financial year, Metro South Health partnered with Monash University on the Advancing Women in Healthcare Leadership research program. Improving gender equity in Metro South Health's leadership is important to ensure equal opportunities for progression for all staff.
- Logan Hospital welcomed its first Māori-identified midwife in February 2024 in an exciting step forward for culturally sensitive maternity care at the Pasifika Midwifery Group Practice.
- After the success of Medtasker at Redland Hospital, it was implemented at Princess Alexandra, QEII and Logan hospitals in late 2023. Medtasker is a mobile communication and integrated care coordination application used to create and deliver tasks to the right clinician to improve productivity, clinical care, and patient safety.

Performance indicators

Metro South Health is committed to a balanced scorecard approach to performance measurement, encompassing innovative quantitative and qualitative indicators of success.

As of 30 June 2024, Metro South Health reported the following progress against its strategic objectives:

Table 9: Performance indicators 2023–2024

Objectives	Measures		Target	2023–2024
Provide equitable access to excellent care	Increase % of patients treated within clinically recommended timeframes	Emergency Department – Length of Stay	Admitted : ≥60% Total : ≥80%	Admitted : 38.8% Total : 48.3%
		Specialist Outpatients - seen in clinically recommended time	Cat 1: ≥90% Cat 2: ≥85% Cat 3: ≥85%	72.6% 41.9% 70.5%
		Elective Surgery - treated in clinically recommended time	Cat 1: ≥98% Cat 2: ≥95% Cat 3: ≥95%	79.8% 70.6% 83.3%
		Gastrointestinal endoscopies - treated in clinically recommended time	Cat 4: ≥98% Cat 5: ≥95% Cat 6: ≥95%	56.0% 76.1% 91.9%
	Reduce sentinel events		Zero Events	5 Events
	Improve patient reported experience		Increase on last FYTD	+1%
	Increase vaccination rates		HHS Resident Population Dose 2: ≥80% Coverage: Staff Dose 2: 100%	HHS Resident Population Dose 2: 95.3% (As at June 2022) Staff Dose 2: 99.14% (As at Sept 2023)
	Rate gap in rates of diabetes potentially preventable hospitalisations between Indigenous and Non-Indigenous people		Aboriginal and Torres Strait Islander peoples ≤ 2.3%	2.8% (As at March 2024)
			Non-Aboriginal and Torres Strait Islander peoples ≤ 1.6%	2.1% (As at March 2024)
Deliver great value	Balanced or surplus financial operating position		Balanced or Surplus FYTD	\$6.1M Surplus
	Maximise own source revenue		Balanced or Surplus FYTD	9.3% Surplus

	Reduce admissions classified as 'low-value care'	TBC	Under development
	Increase capital project investment	Increase on last FYTD	-2%
	Increase planned maintenance as % of total maintenance spend	≥60%	39.43%
Lead by innovating and collaborating	Increase research-related spend	Increase on last FYTD	+14%
	Increase MSH staff Residential Aged Care Facility attendances aimed to reduce hospital admissions	Increase on last FYTD	+42%
	Increase Hospital in the Home as % of all admissions	Increase on last FYTD	Inpatient: -0.05%
	Increase % of pregnant women seen in community maternity hubs	Increase on last FYTD	Logan: -1.11%
	Decrease growth in waste production	TBC	Under development
	Decrease time from 'Request to Hire' to appointment	≤ 55	72
Maintain and develop an exceptional workforce	Decrease Workcover % of time lost	Decrease on last FYTD	-0.01%
	Increase in rates of demonstration of ICARE ² values from Performance Development Plans	Increase on last FYTD	+0.90%
	Increase representation rate of Aboriginal and Torres Strait Islander peoples in our workforce	≥2.63%	1.65%
	Increase staff and student training hours	Increase on last FYTD	+0.44%
	Increase participation rate of peoples with disability in our workforce	≥3%	2.29%

Service standards

A key focus in 2023–2024 was the commissioning of a number of infrastructure projects across the health service to support the increased demand and ensure everyone in the Metro South region has access to excellent care.

Table 10: Service standards – performance 2023–2024

Metro South Hospital and Health Service	2023–2024 target	2023–2024 actual
Effectiveness measures		
Percentage of emergency department patients seen within recommended timeframes <ul style="list-style-type: none"> Category 1 (within 2 minutes) Category 2 (within 10 minutes) Category 3 (within 30 minutes) Category 4 (within 60 minutes) Category 5 (within 120 minutes) 	100% 80% 75% 70% 70%	100% 61% 60% 74% 92%
Percentage of emergency department attendances who depart within 4 hours of their arrival in the department	>80%	48%
Percentage of elective surgery patients treated within the clinically recommended times <ul style="list-style-type: none"> Category 1 (30 days) Category 2 (90 days)¹ Category 3 (365 days)¹ 	>98%	80% 71% 83%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days ²	≤1.0	0.7
Rate of community mental health follow up within 1–7 days following discharge from an acute mental health inpatient unit ^{3,4}	>65%	61.9%
Proportion of re-admissions to acute psychiatric care within 28 days of discharge ⁴	<12%	9.9%
Percentage of specialist outpatients waiting within clinically recommended times ⁵ <ul style="list-style-type: none"> Category 1 (30 days) Category 2 (90 days)⁶ Category 3 (365 days)⁶ 	45%	46% 40% 72%
Percentage of specialist outpatients seen within clinically recommended times <ul style="list-style-type: none"> Category 1 (30 days) Category 2 (90 days)⁶ Category 3 (365 days)⁶ 	75%	73% 42% 70%
Median wait time for treatment in emergency departments (minutes) ⁷	..	16
Median wait time for elective surgery treatment (days)	..	39

Efficiency measures		
Average cost per weighted activity unit for Activity Based Funding facilities ⁸	\$5,564	\$5,734
Other measures		
Number of elective surgery patients treated within clinically recommended times		
<ul style="list-style-type: none"> Category 1 (30 days) Category 2 (90 days)¹ Category 3 (365 days)¹ 	10,631	9,461 6,637 4,087
Number of Telehealth outpatients service events ⁹	36,602	37,530
Total weighted activity units (WAU) ¹⁰		
<ul style="list-style-type: none"> Acute Inpatients Outpatients Sub-acute Emergency Department Mental Health Prevention and Primary Care 	255,493 94,314 41,303 51,109 27,204 8,047	255,348 95,745 43,597 52,081 29,103 9,029
Ambulatory mental health service contact duration (hours) ⁴	>174,933	131,076
Staffing ¹¹	15,437	16,334

Notes:

1. Treated in time performance Targets for category 2 and 3 patients are not applicable for 2023–2024 due to the System's focus on reducing the volume of patients waiting longer than clinically recommended for elective surgery. The targets have been reinstated for 2024–2025.
2. Staphylococcus aureus (including MRSA) bloodstream (SAB) infections 2023–2024 Actual rate is based on data from 1 July 2023 to 31 March 2024 as at 14 May 2024.
3. Previous analysis has shown similar rates of follow up for both Indigenous and non-Indigenous Queenslanders are evident, but trends are impacted by a smaller number of separations for Indigenous Queenslanders.
4. Mental Health data is as at 19 August 2024.
5. Waiting within clinically recommended time is a point in time performance measure. 2023–2024 Actual is as at 1 July 2024.
6. Given the System's focus on reducing the volume of patients waiting longer than clinically recommended for specialist outpatients, it is expected that higher proportions of patients seen from the waitlist will be long wait patients and the seen within clinically recommended time percentage will be lower. To maintain the focus on long wait reduction, the targets for category 2 and 3 patients are not applicable.
7. There is no nationally agreed target for this measure, and the median wait time varies depending on the proportion of patients in each urgency category.
8. Cost per WAU is reported in QWAU Phase Q26 and is based on data available on 19 August 2024. 2023–2024 Actual includes in-year funding, e.g. Cost of Living Allowance (COLA), Enterprise Bargaining uplift, Special Pandemic Leave payment, and additional funding for new initiatives.
9. Telehealth 2023–2024 Actual is as at 20 August 2024.
10. All measures are reported in QWAU Phase Q26. The 2023–2024 Actual is based on data available on 19 August 2024. As the Hospital and Health Services have operational discretion to respond to service demands and deliver activity across services streams to meet the needs of the community, variation to the Target can occur.
11. Corporate FTEs are allocated across the service to which they relate. The department participates in a partnership arrangement in the delivery of its services, whereby corporate FTEs are hosted by the department to work across multiple departments. 2023–2024 Actual is for pay period ending 23 June 2024.

Emergency departments

There were 315,379 emergency presentations to Metro South Health hospitals in 2023–2024, representing an overall increase of 3,436 more presentations than the previous year. This increase was particularly significant at Logan Hospital, which saw 3,256 more patients compared to the previous year. Metro South Health saw 100% of Australian Triage Scale (ATS) Category 1, the most critical patients, within two minutes.

Metro South Health continued to work collaboratively with Queensland Ambulance Service (QAS), West Moreton Hospital and Health Service, Darling Downs Hospital and Health Service, and Mater Health Service to load share patients across the network. Metro South Health implemented the Putting Patients First initiatives across the health service, increasing Transfer Initiative Nurse (TIN) capacity at all sites, increasing mental health clinicians in emergency departments, and increasing the number of dedicated 'Flow Commander' positions to support QAS to return to the road.

Metro South Health implemented a wide range of initiatives during the year to improve emergency length of stay and wait times. This was exemplified by the 'Sprint Series' that connected improvement ideas from frontline staff to improve access to care. The successful implementation of these initiatives led to one of the best quarters for emergency department performance in Metro South Health since the pandemic. Metro South Health continued its commitment to ensuring equitable access to emergency care including providing culturally safe environments and models of care.

Further improvements are expected as the full bed platform is commissioned across Metro South Health. Metro South Health is focusing on networked solutions to ensure that any benefits from new infrastructure is captured by the entire health service.

Elective surgery

Metro South Health returned to full surgical activity in 2023–2024, with the commissioning of two additional theatres at Princess Alexandra Hospital over the course of the year.

In 2023–2024, a total of 11,856 Category 1 elective surgery patients, 9,401 Category 2 elective surgery patients, and 4,908 Category 3 elective surgery patients received surgery over the year. This is in addition to 16,121 emergency surgeries. This works out as an average of 71 elective surgeries every day, an increase of 8.4 per cent year on year.

The median wait time for elective surgery was 81 days.

Metro South Health formed the 'Surgery Sprint Series' to connect frontline improvement ideas. Initiatives included improved pre-admission processes to reduce day of surgery cancellations, innovative models of care to reduce length of stay, and the standardisation of booking processes to improve access to care. Metro South Health expanded equitable access to care across the health service by increasing capacity and implementing culturally safe pathways for patients.

Specialist outpatients

Metro South Health saw 80,037 Category 1 outpatients over the year, 40,008 Category 2 outpatients, and 18,132 Category 3 outpatients over the year. This averages to 378 patients per day and was an increase of 3 per cent year on year.

Outpatient demand remained high over the course of the year as Metro South Health returned to full operations. Metro South Health established an 'Outpatient Sprint Series' to connect innovative ideas from frontline staff to implementation. Key initiatives included alternative pathways of care, standardisation of booking and day of appointment processes, and ensuring our models of care provided equitable access to Culturally and Linguistically Diverse populations within our catchment.

GI Endoscopy

Metro South Health delivered 15,775 Category 4, 6,530 Category 5, and 1,983 Category 6 GI Endoscopies over the course of 2023–2024. This was an increase of 14 per cent year on year.

Demand for GI Endoscopy remained consistently high over the course of the year. Metro South Health established a 'GI Endoscopy Sprint Series' that focused on improving access to care through a range of initiatives including alternate pathways, innovative workforce models, and internal process review.

The commissioning of an additional Endoscopy suite at QEII Hospital in 2024–2025 provides a significant opportunity for Metro South Health to further improve access to care across the health service.

Long stay maintenance patients

Long stay patients are inpatients in hospital that are medically ready for discharge but are awaiting appropriate supports to transition to the community. This is a long-standing issue across all Australian public healthcare services. Metro South Health had 153 identified long stay maintenance patients at its latest census conducted in February 2024.

Metro South Health is focussed on establishing a more coordinated approach across the

organisation to address long-stay patients. In 2023–2024, we established a Long Stay Committee, which will develop and monitor strategies to improve service models and remove barriers to patient discharge. The committee is also focussed on establishing real-time data to improve visibility of long-stay patients and trends.

The health service has also secured temporary funding through to June 2025 to help address barriers to discharge, with initiatives including:

- an allied health-led long stay team to assist with complex patient management
- two new onsite Senior Public Guardians to support patient access to substitute decision-making
- expansion of the existing Multidisciplinary Hospital Avoidance and Post-acute Service
- a new in-reach rehabilitation team based at Princess Alexandra Hospital
- a new Mental Health in the Home service.

Safety and quality

Metro South Health has a Board-endorsed *Patient Safety and Quality Strategy 2021–2024*. Initiatives within this strategy have been implemented to improve the safety and quality of care provided to our consumers. Quarterly progress updates were provided to the Metro South Health Executive and the Board Safety and Quality Committee.

The *Patient Safety and Quality Strategy 2021–2024* describes the opportunities to optimise collaboration, increase reliability of care and improve clinical outcomes. There is a focus on:

- establishing mechanisms to collaborate across the organisation to leverage innovation, increase efficiency and streamline initiatives that aim to improve the safety and quality of care
- enhancing data literacy to guide service planning, quality improvement and evaluation
- building on our commitment to improve the safety and quality of care
- collaborating with consumers to identify opportunities for improvement.

The *Patient Safety and Quality Strategy 2021–2024* is supported by our Clinical Governance Framework, which supports the Board, Executive, managers, clinicians, and all staff to understand their responsibilities for the delivery of safe and high-quality health care. The Framework outlines the systems that are in place and resources available to support the delivery of services that are safe, effective, integrated, high-quality and continuously improving.

Value for money

Activity Based Funding (ABF) is the primary financing mechanism for public hospitals. Under this model, Weighted Activity Units (WAU) provide a common unit of comparison for all clinical activities so that hospital activity can be measured and costed consistently.

The cost per WAU for Activity Based Funding facilities in Metro South Health for quarter 3 – 2023–2024 was \$5,683, which is below the State average. A key contributing factor was the over delivery of WAU activity relevant to target, whilst meeting the overall financial budget target for the organisation.

Financial summary

Metro South Health's operational result is a surplus of \$6.147 million for the year ending 30 June 2024. This represents a 0.17 per cent variance against revenue of \$3.602 billion.

The 2023–2024 financial year demonstrated the commitment, resilience and effectiveness of Metro South Health's service provision in prioritising and meeting the needs of our diverse community. Whilst delivering a positive overall financial result, there were many challenges for Metro South Health in meeting its budget obligations. Key items being unprecedented increases in demand for services, a key focus to reduce patient waitlists driven by delays from the COVID-19 pandemic as well as the ongoing impact of global cost inflation pressures.

Revenue and expenditure

Metro South Health's income is sourced from two major areas:

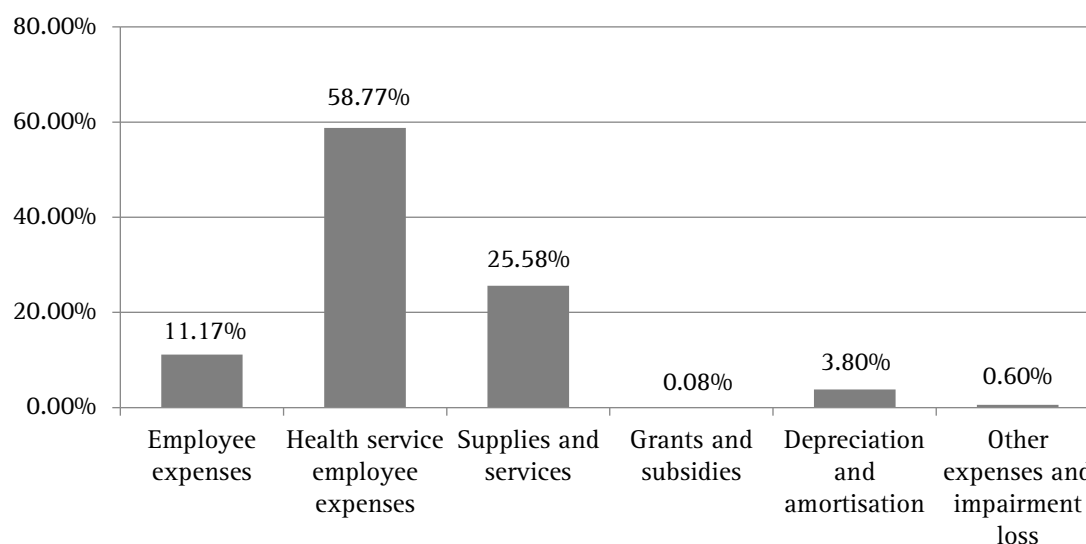
1. Department of Health funding for public health services (including Commonwealth contributions).
2. Own source revenue.

Metro South Health's total income was \$3.602 billion, which is an increase of \$376.712 million (11.7 per cent) from 2022–2023:

- The activity-based funding for hospital services was 78.15 per cent or \$2.815 billion.
- Block and other Department of Health funding was 10.36 per cent or \$373.216 million.
- Commonwealth grants and other grants funding was 1.82 per cent or \$65.675 million for health services.
- Own source revenue was 9.2 per cent or \$331.389 million.
- Other revenue and gain were 0.47 per cent or \$16.965 million.

The total expenses were \$3.596 billion, averaging at \$9.825 million a day for providing public health services. Total expenditure increased by \$360.670 million (11.15 per cent) from last financial year.

Graph 1: Expenses 2023–2024



Assets and liabilities

Metro South Health's asset base amounts to \$1.882 billion. Of this, 85.13 per cent or \$1.602 billion is invested in property, plant and equipment, service concession building, intangible and right-of-use assets. The remaining balance of \$279.746 million is held in cash, receivables, inventory, contract assets and other assets.

Metro South Health's liabilities total \$325.491 million and consist of payables, employee benefits, contract liabilities, other liabilities and lease liabilities, leaving an equity base of \$1.556 billion.

Deferred maintenance

Deferred maintenance is a common building maintenance strategy utilised by public and private sector industries. All Queensland Health entities comply with the Queensland Government Maintenance Management Framework which requires the reporting of deferred maintenance.

The Building Policy Guideline defines deferred maintenance as all maintenance work that has not been conducted within the financial year and is deemed necessary to bring the condition of the building to a required standard or acceptable level of risk. Deferred maintenance is the maintenance work that is postponed to a future budget cycle or until funds become available. Some deferred maintenance activities can be postponed without immediately having a noticeable effect on the functionality of the building. It excludes work that is earmarked in anticipation of a level of deterioration that did not occur such as forecast of repainting.

All deferred maintenance items are risk assessed to identify any potential impact on users and services and are closely managed to ensure all facilities are safe.

As of 30 June 2024, Metro South Health reported deferred maintenance of \$692.565 million.

The significant increase is due to the application of best practice asset management principles, uplifting the maturity and capability of the HHS to understand its building and infrastructure risks in greater detail.

Rigorous condition assessment is now undertaken in-house to also include plant and full infrastructure systems as opposed to historical condition assessments that were based on building fabric only.

Metro South Health has the following strategies in place to mitigate any risks associated with these items:

- Seeking funding from the various Department of Health capital funding programs:
 - Priority Capital Works (PCW)
 - Health Technology Equipment Program (HTER)
 - Capital Maintenance and Asset Replacement (CMAR).
- Prioritisation of maintenance activity based on the level of risk, legislative and statutory requirements, impact to clinical service etc.
- Target any additional and available maintenance funding based on the risk assessments.

Financial statements

Metro South Health

For the year ended 30 June 2024

Table of contents

STATEMENT OF COMPREHENSIVE INCOME.....	53
STATEMENT OF FINANCIAL POSITION.....	54
STATEMENT OF CHANGES IN EQUITY.....	55
STATEMENT OF CASH FLOWS.....	56
NOTES TO THE STATEMENT OF CASH FLOWS.....	57
BASIS OF FINANCIAL STATEMENT PREPARATION.	58
A NOTES ABOUT FINANCIAL PERFORMANCE.....	60
A1 Income	60
A2 Expenses	63
B NOTES ABOUT FINANCIAL POSITION.....	67
B1 Cash and cash equivalents	67
B2 Receivables	68
B3 Contract assets	69
B4 Inventories.....	69
B5 Other assets.....	70
B6 Property, plant and equipment.....	70
B7 Public private partnerships service concession assets.....	74
B8 Payable.....	76
B9 Accrued employee benefits	76
B10 Contract liabilities	76
B11 Other liabilities.....	77
B12 Leases.....	77
B13 Asset revaluation surplus	80
B14 Equity injections and equity withdrawals	80
C NOTES ABOUT RISK AND OTHER ACCOUNTING UNCERTAINTIES	81
C1 Financial instruments	81
C2 Commitments	82
C3 Contingencies.....	82
D BUDGET VS ACTUAL COMPARISON	83
D1 Budget vs actual comparison – Statement of comprehensive income.....	83
D2 Budget vs actual comparison – Statement of financial position.....	83
D3 Budget vs actual comparison – Statement of cashflows	84
E OTHER INFORMATION	85
E1 Key management personnel and remuneration expenses.....	85
E2 Related party transactions	87
E3 Restricted assets	88
E4 Agency and fiduciary trust transactions and balances.....	88
E5 Co-location arrangements	90
E6 Climate risk disclosure.....	91
E7 First year application of new accounting standards	91
Management Certificate of Metro South Health	92
Independent auditor's report.....	93

General Information

The Metro South Hospital and Health Service is a not-for-profit Queensland Government statutory body under the *Hospital and Health Boards Act 2011*. The Metro South Hospital and Health Service operates under its registered trading name of Metro South Health.

Metro South Health is controlled by the State of Queensland which is the ultimate parent entity.

The head office and principal place of business of Metro South Health is:

Princess Alexandra Hospital, Building 15, Level 3
199 Ipswich Road, Woolloongabba Q 4102

For information in relation to Metro South Health's financial statements visit the Metro South Health website:
www.metrosouth.health.qld.gov.au or email: MetroSouthCorro@health.qld.gov.au

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2024

		2024	2024		2023
	Notes	Actual \$'000	Original Budget \$'000	Budget Variance*	Actual \$'000
Income from continuing operations					
Funding for public health services	A1-1	3,188,238	3,019,486	168,752	2,886,422
User charges and fees	A1-2	331,389	262,422	68,967	268,747
Grants and other contributions	A1-3	65,675	54,477	11,198	56,826
Other revenue	A1-4	16,225	13,522	2,703	13,216
Total revenue		3,601,527	3,349,907	251,620	3,225,211
Gain on disposal or re-measurement of assets		740	128	612	344
Total income from continuing operations		3,602,267	3,350,035	252,232	3,225,555
Expenses from continuing operations					
Employee expenses	A2-1	401,772	364,002	37,770	363,059
Health service employee expenses	A2-2	2,113,333	2,007,121	106,212	1,938,199
Supplies and services	A2-3	919,549	784,635	134,914	783,731
Grants and subsidies	A2-4	2,944	921	2,023	1,601
Interest on lease liabilities	B12	272	255	17	310
Depreciation and amortisation	B6,B7,B12	136,699	131,403	5,296	131,955
Impairment losses		7,237	1,713	5,524	5,132
Other expenses	A2-5	14,314	59,985	(45,671)	11,463
Total expenses from continuing operations		3,596,120	3,350,035	246,085	3,235,450
Operating result for the year		6,147	-	6,147	(9,895)
Other comprehensive income					
<i>Items that will not be reclassified subsequently to operating result</i>					
Increase in asset revaluation surplus	B13	45,491	-	45,491	184,961
Total other comprehensive income		45,491	-	45,491	184,961
Total comprehensive income		51,638	-	51,638	175,066

*An explanation of major variances between budget and actuals is included at Note D1.

The accompanying notes form part of these financial statements.

Metro South Health
STATEMENT OF FINANCIAL POSITION
As at 30 June 2024

		2024	2024		2023
	Notes	Actual \$'000	Original Budget \$'000	Budget Variance* \$'000	Actual \$'000
Assets					
Current assets					
Cash and cash equivalents	B1	152,392	77,221	75,171	136,958
Receivables	B2	48,264	67,651	(19,387)	42,271
Contract assets	B3	45,632	-	45,632	38,646
Inventories	B4	24,268	22,152	2,116	22,425
Other assets	B5	9,190	7,751	1,439	5,626
Total current assets		279,746	174,775	104,971	245,926
Non-current assets					
Intangibles		60	-	60	121
Property, plant and equipment	B6	1,565,681	1,430,559	135,122	1,436,755
Service concession assets	B7	29,150	25,091	4,059	28,287
Right-of-use assets	B12	7,104	6,654	450	9,064
Total non-current assets		1,601,995	1,462,304	139,691	1,474,227
Total assets		1,881,741	1,637,079	244,662	1,720,153
Liabilities					
Current liabilities					
Payables	B8	285,256	211,398	73,858	271,774
Accrued employee benefits	B9	7,410	8,530	(1,120)	26,054
Contract liabilities	B10	14,696	-	14,696	1,060
Lease liabilities	B12	1,211	1,082	129	2,539
Other liabilities	B11	1,440	1,163	277	1,654
Total current liabilities		310,013	222,173	87,840	303,081
Non-current liabilities					
Lease liabilities	B12	6,561	6,207	354	7,382
Other liabilities	B11	8,917	8,860	57	10,080
Total non-current liabilities		15,478	15,067	411	17,462
Total liabilities		325,491	237,240	88,251	320,543
Net assets		1,556,250	1,399,839	156,411	1,399,610
Equity					
Contributed equity	B14	1,018,623	1,015,641	2,982	913,621
Accumulated surplus/(deficit)		9,331	14,082	(4,751)	3,184
Asset revaluation surplus	B13	528,296	370,116	158,180	482,805
Total equity		1,556,250	1,399,839	156,411	1,399,610

*An explanation of major variances between budget and actuals is included at Note D2.

The accompanying notes form part of these financial statements.

Metro South Health
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2024

	Notes	Accumulated surplus/(deficit) \$'000	Asset revaluation surplus \$'000	Contributed equity \$'000	Total equity \$'000
Balance at 1 July 2022		13,079	297,844	1,018,748	1,329,671
Operating result					
Operating result from continuing operations		(9,895)	-	-	(9,895)
Other comprehensive income					
Increase in asset revaluation surplus	B13	-	184,961	-	184,961
Total comprehensive income for the year		(9,895)	184,961	-	175,066
Transactions with owners as owners:					
Equity asset transfers	B14	-	-	(150,826)	(150,826)
Equity injections	B14	-	-	176,463	176,463
Equity withdrawals	B14	-	-	(130,764)	(130,764)
Net transactions with owners as owners		-	-	(105,127)	(105,127)
Balance at 30 June 2023		3,184	482,805	913,621	1,399,610
	Notes	Accumulated surplus/(deficit) \$'000	Asset revaluation surplus \$'000	Contributed equity \$'000	Total equity \$'000
Balance at 1 July 2023		3,184	482,805	913,621	1,399,610
Operating result					
Operating result from continuing operations		6,147	-	-	6,147
Other comprehensive income					
Increase in asset revaluation surplus	B13	-	45,491	-	45,491
Total comprehensive income for the year		6,147	45,491	-	51,638
Transactions with owners as owners:					
Equity asset transfers	B14	-	-	146,454	146,454
Equity injections	B14	-	-	97,124	97,124
Equity withdrawals - cash	B14	-	-	(3,291)	(3,291)
Equity withdrawals	B14	-	-	(135,285)	(135,285)
Net transactions with owners as owners		-	-	105,002	105,002
Balance at 30 June 2024		9,331	528,296	1,018,623	1,556,250

The accompanying notes form part of these financial statements.

Metro South Health
STATEMENT OF CASH FLOWS
For the year ended 30 June 2024

	Notes	2024 Actual \$'000	2024 Original Budget \$'000	Budget Variance* \$'000	2023 Actual \$'000
Cash flows from operating activities					
<i>Inflows:</i>					
Funding for public health services		3,061,139	2,889,229	171,910	2,740,524
User charges and fees		316,990	260,405	56,585	257,000
Grants and other contributions		40,174	30,633	9,541	33,446
Interest received		1,178	143	1,035	765
GST input tax credits from ATO		52,040	53,915	(1,875)	54,902
GST collected from customers		7,578	7,688	(110)	6,343
Other receipts		13,316	12,188	1,128	11,098
<i>Outflows:</i>					
Employee expenses		(420,340)	(362,102)	(58,238)	(341,691)
Health service employee expenses		(2,148,353)	(2,007,121)	(141,232)	(1,885,571)
Supplies and services		(849,988)	(772,286)	(77,702)	(769,146)
Grants and subsidies		(3,080)	(921)	(2,159)	(1,673)
GST paid to suppliers		(53,354)	(54,223)	869	(55,228)
Interest payments on lease liabilities		-	(255)	255	-
GST remitted to ATO		(7,473)	(7,585)	112	(6,281)
Other		(13,369)	(36,141)	22,772	(11,347)
Net cash provided by operating activities	CF-1	<u>(3,542)</u>	<u>13,567</u>	<u>(17,109)</u>	<u>33,141</u>
Cash flows from investing activities					
<i>Inflows:</i>					
Sale of property, plant and equipment		1,008	128	880	491
<i>Outflows:</i>					
Payments for property, plant and equipment		<u>(72,836)</u>	<u>(34)</u>	<u>(72,802)</u>	<u>(180,039)</u>
Net cash used in investing activities		<u>(71,828)</u>	<u>94</u>	<u>(71,922)</u>	<u>(179,548)</u>
Cash flows from financing activities					
<i>Inflows:</i>					
Equity injections	B14	97,124	2,763	94,361	176,464
<i>Outflows:</i>					
Equity withdrawals		(3,291)	-	(3,291)	-
Lease payments		<u>(3,029)</u>	<u>(2,508)</u>	<u>(521)</u>	<u>(2,834)</u>
Net cash provided by financing activities		<u>90,804</u>	<u>255</u>	<u>90,549</u>	<u>173,630</u>
Net increase/(decrease) in cash and cash equivalents		15,434	13,916	1,518	27,223
Cash and cash equivalents at the beginning of the financial year		136,958	63,305	73,653	109,735
Cash and cash equivalents at the end of the financial year	B1	<u>152,392</u>	<u>77,221</u>	<u>75,171</u>	<u>136,958</u>

*An explanation of major variances between budget and actuals is included at Note D3.

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2024

NOTES TO THE STATEMENT OF CASH FLOWS

The following table reconciles the operating result to net cash provided by operating activities:

CF-1 RECONCILIATION OF OPERATING RESULT TO NET CASH FROM OPERATING ACTIVITIES

	2024 \$'000	2023 \$'000
Operating result from continuing operations	6,147	(9,895)
<i>Non-cash items:</i>		
Depreciation/amortisation expense	136,699	131,955
Depreciation and amortisation funding	(135,285)	(130,764)
Service concession arrangements revenue	(1,163)	(1,163)
Assets written (on)/off	70	(209)
Impairment loss on property, plant and equipment	457	33
Lease interest	272	310
Net (gain)/loss on sale of property, plant and equipment	(614)	(137)
Services below fair value	26,467	23,427
Donations services below fair value	(26,467)	(23,427)
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(5,802)	(6,965)
Increase/(decrease) in loss allowance in trade receivables	(191)	1,574
(Increase)/decrease in inventories	(1,843)	(563)
(Increase)/decrease in contract assets	(6,986)	(11,101)
(Increase)/decrease in prepayments	(3,564)	2,148
Increase/(decrease) in contract liabilities and unearned revenue	13,422	(5,487)
Increase/(decrease) in accrued employees expenses	(18,645)	21,325
Increase/(decrease) in accrued health service employees expenses	(34,942)	52,671
Increase/(decrease) in payables	48,426	(10,591)
Net cash provided by (used in) operating activities	(3,542)	33,141

Notes to the Financial Statements

For the year ended 30 June 2024

BASIS OF FINANCIAL STATEMENT PREPARATION

Compliance with prescribed requirements

Metro South Health has prepared these financial statements in compliance with section 62(1) of the *Financial Accountability Act 2009* and section 39 of the *Financial and Performance Management Standard 2019*. These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities as Metro South Health is a not-for-profit entity. The financial statements also comply with *Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2023* and other authoritative pronouncements. Amounts are recorded at their historical cost, except where stated otherwise.

Metro South Health has prepared these financial statements on a going concern basis, which assumes that Metro South Health will be able to meet the payment terms of its financial obligations as and when they fall due. Metro South Health's primary source of income is from the Department of Health for the provision of public health services and Metro South Health's ability to continue viable operations is dependent on this funding. At the date of this report, management has no reason to believe that this financial support will not continue.

In addition to Metro South Health's funding arrangements under the Service Agreement Framework, Metro South Health has no intention to liquidate or to cease operations and under section 18 of the *Hospital and Health Boards Act 2011* Metro South Health represents the State of Queensland and has all the privileges and immunity of the State.

The reporting entity

The financial statements include the value of all income, expenses, assets, liabilities and equity of Metro South Health. Metro South Health does not have any controlled entities.

Taxation

Metro South Health is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only Commonwealth taxes recognised by Metro South Health. GST credits receivable from and GST payable to the Australian Tax Office (ATO) are recognised in note B2.

Both Metro South Health and the Department of Health satisfy section 149-25(e) of the *A New Tax System (Goods and Services) Act 1999* (Cth) (the GST Act) and were able, with other hospital and health services, to form a "group" for GST purposes under Division 149 of the GST Act. This means that any transactions between the members of the "group" do not attract GST.

Authorisation of financial statements for issue

The financial statements are authorised for issue by the Chair, Metro South Hospital and Health Board, the Chief Executive, Metro South Health and the Chief Financial Officer, Metro South Health, at the date of signing the Management Certificate.

Accounting estimates and judgements

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis and outlined in the relevant notes to the financial statements.

Key judgements and estimates are disclosed in the relevant notes to which they apply.

Currency, rounding and comparatives

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

The comparative information has been restated where necessary to be consistent with disclosures in the current reporting period and to improve transparency across the years.

Notes to the Financial Statements

For the year ended 30 June 2024

BASIS OF FINANCIAL STATEMENT PREPARATION (CONTINUED)

Current and non-current classification

Assets and liabilities are classified as either current or non-current in the Statement of Financial Position and associated notes.

Assets are classified as current where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or Metro South Health does not have an unconditional right to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as non-current.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2024

A NOTES ABOUT FINANCIAL PERFORMANCE

A1 Income

NOTE A1-1: FUNDING FOR PUBLIC HEALTH SERVICES

	2024	2023
	\$'000	\$'000
Activity based funding	2,815,022	2,536,360
Block funding	237,931	219,298
Depreciation funding	135,285	130,764
	<u>3,188,238</u>	<u>2,886,422</u>

Metro South Health's funding is provided predominantly by the Department of Health for specific public health services purchased in accordance with a service agreement. The Australian Government pays its share of the National Health Funding directly to the Department of Health, for on forwarding to the Hospital and Health Services. The Service Agreement is reviewed periodically and updated for changes in activity and price of services delivered by Metro South Health. Cash funding from the Department of Health is received fortnightly for State payments and monthly for Commonwealth payments. Commonwealth funding to Metro South Health in 2024 was \$1,134.431 million (2023: \$979.234 million).

The Service Agreement includes activity based funding for the provision of a targeted level of public health activity. The Service Agreement also includes block funding for various services, including community services and funding for depreciation provided as non-cash revenue which is offset against an equity withdrawal presented in the Statement of Changes in Equity. Revenue for activity based funding and block funding is recognised over time as Metro South Health meets its performance obligations stipulated under the Service Agreement. Revenue for depreciation funding is recognised as Metro South Health incurs depreciation charges over the financial year.

At the end of the financial year, an agreed technical adjustment between the Department of Health and Metro South Health may be required for the level of services performed above or below agreed levels which may result in a receivable, contract asset or contract liability. This technical adjustment process is undertaken annually according to the provisions of the service agreement and ensures that revenue is recognised in each financial year correctly and reflects Metro South Health's delivery of public health services.

NOTE A1-2: USER CHARGES AND FEES

	2024	2023
	\$'000	\$'000
Revenue from contracts with customers		
Hospital fees	119,735	98,472
Sale of goods and services	97,872	65,239
Pharmaceutical benefit scheme reimbursements	109,515	101,261
Other user charges and fees		
Rental income	4,267	3,775
	<u>331,389</u>	<u>268,747</u>

Revenue from contracts with customers is recognised at a point in time when Metro South Health transfers control over a good or service to the customer when performance obligations are satisfied and measured at the amount of the transaction price allocated to the performance obligation.

Where consideration is received for performance obligations to be satisfied in the following year, revenue is deferred with a contract liability being recognised.

Notes to the Financial Statements

For the year ended 30 June 2024

NOTE A1-2: USER CHARGES AND FEES (CONTINUED)

Hospital fees include inpatient and outpatient fees, medical ineligible patient fees and compensable patient fees. Revenue is recognised at a point in time when the performance obligations are met.

The sale of goods and services includes drugs, medical supplies, pathology, conducting research programs and other medical services provided to other hospital and health services, to the Department of Health and other organisations. Revenue is recognised at a point in time when these goods and services are delivered and service obligations are met.

Under the Pharmaceutical Benefit Scheme (PBS), the Australian Government subsidises the cost of a wide range of necessary prescription medicines for most medical conditions. Revenue is recognised at a point in time when service obligations are met and drugs are dispensed to patients at the reduced PBS rate and claims lodged for co-payments through the PBS arrangement. Where Metro South Health has satisfied the performance obligations for drugs dispensed but not yet claimed through the PBS arrangement a contract asset is raised.

Rental income is recognised under AASB 16 *Leases* accounting standard on a periodic straight-line basis over the lease term in accordance with the operating lease agreement.

NOTE A1-3: GRANTS AND OTHER CONTRIBUTIONS

	2024	2023
	\$'000	\$'000
Revenue from contracts with customers		
Transition care program grant	13,414	11,774
Nursing home grant	10,885	8,207
Other grants - contracts with customers	8,368	6,539
	32,667	26,520
Other grants and contributions		
Other specific purpose grants	2,650	2,882
Other grants	3,336	3,732
Donations services below fair value*	26,467	23,427
Donations**	555	265
	65,675	56,826

*Metro South Health receives corporate services support from the Department of Health for no direct cost. Corporate services received would have been purchased if they were not provided by the Department of Health and include payroll services, accounts payable and banking services. The fair value of corporate services received in 2023-24 estimated by the Department of Health were \$26.467 million (2023: \$23.427 million). An equal amount of expense is recognised as services below fair value, refer Note A2-3.

**Donations include contributed assets recognised at their fair value, refer Note B6.

Grants and contributions are transactions where Metro South Health receives funds to further its objectives. Where an agreement is enforceable and contains sufficiently specific performance obligations for Metro South Health to transfer goods or services to a third-party on the grantor's behalf, the transaction is accounted for under AASB 15 *Revenue from Contracts with Customers*. In this case, revenue is initially deferred (as a contract liability) and recognised as or when the performance obligations are satisfied. A contract asset representing Metro South Health's right to consideration for services delivered but not yet billed will be raised where applicable.

Otherwise, the grant is accounted for under AASB 1058 *Income of Not-for-Profit Entities*, whereby revenue is recognised upon receipt of the grant funding, except for special purpose capital grants received to construct non-financial assets to be controlled by Metro South Health.

Notes to the Financial Statements

For the year ended 30 June 2024

NOTE A1-3: GRANTS AND OTHER CONTRIBUTIONS (CONTINUED)

The following grants are recognised in accordance with AASB 15 *Revenue from Contracts with Customers*. Revenue is recognised over time as the goods and services are provided to the patient.

- Nursing home grant is an agreement to provide personal care to approved patients based on agreed level of care.
- Transition Care Program provides patients with care packages in accordance with an approved care plan after a hospital stay.
- Other grants from contracts with customers includes the delivery of specialised goods and services and educational programs throughout Queensland such as the Specialist Training Program, Checkup Australia Program and the Organ and Tissue Donation and Transplantation Statewide Program.

As at 30 June 2024, for other grants \$1.623 million contract liabilities has been recorded for services to be delivered in the next financial year and \$0.690 million for contract assets for services provided and funding yet to be received. Refer Note B3, B10.

Metro South Health's other grant agreements are assessed as either not containing sufficiently specific performance obligations or not enforceable agreements and accounted for under AASB 1058 *Income of Not-for-Profit Entities*.

These grants are recognised as revenue upon receipt of the grant funding and include the following:

- Other specific purpose grants are Commonwealth funded to support the asset replacement of radiation oncology over time within the discretion of the health service and the Indigenous Australians' Health program.
- Other grants predominantly fund research, clinical drug trials and clinical education. These grants are used for broad objectives and are not sufficiently specific.

Metro South Health received grants from the Commonwealth and State Government for programs that have not been fully completed at the end of the financial year resulting in \$0.398 million unspent funds as at 30 June 2024. These funds are restricted to the delivery of programs in accordance with the grant agreements and are budgeted to be used for these programs in the 2024-25 financial year.

NOTE A1-4: OTHER REVENUE

	2024	2023
	\$'000	\$'000
Interest	1,178	765
Health service employee expense recoveries*	10,407	9,803
General recoveries	2,209	547
Service concession arrangements revenue**	1,163	1,163
Other revenue	1,268	938
	16,225	13,216

*Health service employee expense recoveries is for salaries and wages for health service employees working for other agencies. Refer Note A2-2.

**For service concession arrangement information refer to Notes B7.

Other revenue is recognised when it is received or when the right to receive payment has been established.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2024

A2 Expenses

NOTE A2-1: EMPLOYEE EXPENSES

	2024 \$'000	2023 \$'000
Employee benefits		
Wages and salaries*	309,250	289,180
Employer superannuation contributions	37,312	27,051
Annual leave levy/expense	42,694	36,286
Long service leave levy/expense	8,422	7,216
Termination benefits	67	352
	397,745	360,085
Employee related expenses		
Workers compensation premium	3,949	2,931
Other employee related expenses	78	43
	401,772	363,059

*Wages and salaries offset by recoveries of wages and salaries expense for employees working for other agencies.

Wages and salaries due but unpaid at the reporting date are recognised as a liability in the Statement of Financial Position at the current salary rates. As Metro South Health expects such liabilities to be wholly settled within 12 months of the reporting date, the liabilities are recognised at undiscounted amounts.

Under the Queensland Government's Annual Leave Central Scheme and Long Service Leave Scheme, levies are payable by Metro South Health to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. These levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave and long service leave are claimed from the schemes quarterly in arrears, which is facilitated by the Department of Health. Non-vesting employee benefits, such as sick leave are recognised as an expense when taken.

Post-employment benefits for superannuation are provided through defined contributions or accumulation plans or the Queensland Government's defined benefit plan as determined by the employee's condition of employment. The former QSuper defined benefit categories now administered by the Government Division of the Australian Retirement Trust.

Under the defined contribution plans, contributions are made to eligible superannuation funds based on the rates specified in the relevant Enterprise Bargaining Agreement or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Under the defined benefit plan the liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations are based upon the rates determined on the advice of the State Actuary. Contributions are paid at the specified rate following completion of the employee's service each pay period. Metro South Health's obligations are limited to those contributions paid.

Workers compensation insurance is a consequence of employing employees but is not counted in an employee's total remuneration package. It is not an employee benefit and is recognised separately as an employee related expense.

Key management personnel and remuneration expenses disclosures are detailed in Note E1.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2024

NOTE A2-2: HEALTH SERVICE EMPLOYEE EXPENSES

	2024	2023
	\$'000	\$'000
Health service employee expenses*	2,087,512	1,917,047
Health service employee related workers compensation premium	20,271	15,486
Other health service employee related expenses	5,550	5,666
	<u>2,113,333</u>	<u>1,938,199</u>

FULL TIME EQUIVALENT EMPLOYEES

	2024	2023
Number of employees**	802	739
Number of health service employees**	15,532	14,154
	<u>16,334</u>	<u>14,893</u>

*Recoveries of salaries and wages for health service employees working for other agencies are recorded as revenue. Refer Note A1-4.

** The number of employees and health service employees as at 30 June includes full-time and part-time employees measured on a full-time equivalent (FTE) basis (reflecting Minimum Obligatory Human Resource Information (MOHRI)). The number of employees does not include the chair, deputy chair or members of the board. The number of employees represent the employees of Metro South Health and health service employees are non-executive health service employees. See notes below.

Health service employee expenses

All non-executive health service employees in Hospital and Health Services have been employed by the Director-General of Queensland Health.

A non-executive health service employee is any employee who is not a Senior Health Service Employee (including Senior Medical Officers and Visiting Medical Officers) or a member of the Health Executive Service. Employment is under the *Hospital and Health Boards Act 2011* and employees are employed under their relevant Award or EB Agreement of Queensland Health.

As established under the *Hospital and Health Boards Act 2011*, the Department of Health is the employer for all health service employees (excluding persons appointed as a Health Executive) and recovers all employee expenses and associated on-costs from hospital and health services.

Health service employee expenses represent the cost of the Department of Health employees and other contracted staff to the hospital and health services to provide public health services. In accordance with the *Hospital and Health Boards Act 2011*, the employees of the Department of Health are referred to as health service employees. Under this arrangement:

- The Department of Health provides employees to perform work for the hospital and health service and acknowledges and accepts its obligations as the employer of these employees;
- The hospital and health service is responsible for the day to day management of these Department of Health employees; and
- The hospital and health service reimburses the Department of Health for the salaries and on-costs of these employees.

Metro South Health discloses the reimbursement of these costs as health service employee expenses.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2024

NOTE A2-3: SUPPLIES AND SERVICES

	2024	2023
	\$'000	\$'000
Consultants and contractors	25,592	21,497
Electricity and other energy	14,058	13,887
Patient travel	1,305	1,297
Other travel	3,446	2,348
Building services	10,965	10,314
Computer services	53,011	23,912
Motor vehicles	1,221	1,065
Communications	42,344	39,062
Repairs and maintenance	74,559	49,757
Minor works including plant and equipment	4,427	3,414
Rent expenses*	16,017	14,948
Lease expenses	889	1,571
Drugs	146,613	135,127
Clinical supplies and services	408,143	362,687
Catering and domestic supplies	41,958	36,888
Insurance payment to the Department of Health**	25,077	23,327
Inter entity hospital and health service supplies and services***	8,565	7,510
Services below fair value****	26,467	23,427
Other	14,892	11,693
	919,549	783,731

*Rent expenses include office accommodation, employee housing and motor vehicles provided through the Department of Housing, Local Government, Planning and Public Works under government-wide frameworks. These arrangements are classified as procurement services rather than as leases because Department of Housing, Local Government, Planning and Public Works has substantive rights over the assets. Lease expenses include lease payments for short-term leases or leases of low-value assets. Refer Note B12.

**Metro South Health is covered by the Department of Health's insurance policy with the Queensland Government Insurance Fund (QGIF) and pays a fee to the Department of Health as a fee for service arrangement. QGIF covers property and general losses above a \$10,000 threshold and health litigation payments above a \$20,000 threshold and associated legal fees. Premiums are calculated by QGIF on a risk assessment basis.

***Inter entity hospital and health services supplies and services include payments for cost recovery arrangements between Queensland Health entities. This is recorded as other supplies and services and no further breakdown recorded in the accounts.

**** Metro South Health receives corporate services support from the Department of Health for no direct cost. Corporate services received would have been purchased if they were not provided by the Department of Health and include payroll services, accounts payable and banking services. The fair value of corporate services received in 2023-24 estimated by the Department of Health were \$26.467 million (2023: \$23.427 million). An equal amount of revenue is recognised as donations services below fair value, refer Note A1-3.

For a transaction to be classified as supplies and services, the value of goods or services received by Metro South Health must be of approximately equal value to the value of the consideration exchanged for those goods or services. Where this is not the substance of the arrangement, the transaction is classified as a grant in note A2-4.

NOTE A2-4: GRANTS AND SUBSIDIES

	2024	2023
	\$'000	\$'000
Home and community health services	1,547	432
Medical research and education programs	1,397	1,169
	2,944	1,601

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2024

NOTE A2-5: OTHER EXPENSES

	2024	2023
	\$'000	\$'000
External audit fees*	310	301
Other audit fees	48	94
Insurance	217	112
Inventory written off	358	226
Losses from the disposal of non-current assets	130	207
Special payments - ex-gratia payments**	66	51
Other legal costs	702	1,173
Journals and subscriptions	225	207
Advertising	1,176	1,048
Interpreter fees	8,286	6,651
Grants returned	59	90
Other	2,737	1,303
	14,314	11,463

* Total audit fees relating to Queensland Audit Office for the 2023-24 financial year are quoted to be \$0.310 million (2023: \$0.301 million). There are no non-audit services included in this amount.

** Metro South Health in 2023-24 financial year made 32 special-ex-gratia payments (2023: 21) for less than \$5,000 to staff for other compensations and for their lost property and to patients for other compensations, events and for their lost property whilst in hospital care. In 2023-24 there were 2 payments (2023: 4) for and in excess of \$5,000 to staff for deed of release settlement (\$30,000) and reimbursement for patient's lost property (\$14,684). Metro South Health in 2022-23 financial year made 21 special-ex-gratia payments for less than \$5,000 to staff for other compensations and patients for their lost property, settlement for adverse clinical events and other compensations whilst in hospital care. In 2022-23 there were 4 payments for and in excess of \$5,000 to patients for settlement for other compensations (\$7,085) and reimbursement for their lost property (\$5,000) and compensation for contractual payment due to delays in contract execution (\$26,910). In compliance with the *Financial and Performance Management Standard 2019*, Metro South Health maintains a register setting out details of all special payments greater than \$5,000.

B NOTES ABOUT FINANCIAL POSITION

B1 Cash and cash equivalents

	2024	2023
	\$'000	\$'000
Cash at bank and on hand	131,104	116,611
24 hour call deposits	21,288	20,347
	152,392	136,958

Metro South Health's bank accounts are grouped within the whole-of-government set-off arrangement. Metro South Health does not earn interest on surplus funds and is not charged interest or fees for accessing its approved cash debit facility as it is part of the whole-of-government banking arrangements.

Metro South Health's General Trust funds are operating from Commonwealth Bank of Australia bank accounts. Cash held in these accounts earned interest at a rate between 4.1% to 4.95% (2023: 1.45% to 4.7%). General Trust funds in excess of monthly operational requirements are deposited at call with QTC and earned interest at a rate of 4.71% (2023: 4.16%). Cash assets include all cash receipted but not banked as at 30 June as well as deposits at call with financial institutions. Refer to Notes C1 and E3.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2024

B2 Receivables

	2024	2023
	\$'000	\$'000
Trade debtors	46,735	42,457
Queensland Health debtors	1,383	1,068
Less: Loss allowance	(6,101)	(6,292)
	42,017	37,233
 GST receivable	 7,128	 5,814
GST payable	(881)	(776)
Net receivable	48,264	42,271

Receivables are measured at amortised cost which approximates their fair value at the reporting date. Trade debtors are recognised at the amounts due at the time of sale or service delivery and are generally settled within 30-120 days.

Metro South Health applies AASB 9 *Financial Instruments* using the simplified approach measuring lifetime expected credit losses on receivables. Metro South Health determined that trade debtors are the only material group for measuring expected credit losses and there is no loss allowance provided for government debtors as they represent high credit rating and in turn, a low risk of default.

Metro South Health uses a provision matrix to calculate the historical loss rates based on incurred losses of the last four financial years. The loss allowance for trade debtors reflects the credit risk associated with the receivable balances, taking into account the lifetime expected credit losses. Metro South Health has also considered reasonable and supportable future-looking information for expected changes in macro-economic indicators that may affect the future recovery of its receivables and determined that there was no correlation between those indicators and debtors default rate.

The closing balance of receivables that are arising from contracts with customers at 30 June 2024 is \$47.463 million (2023: \$42.924 million).

Where Metro South Health has no reasonable expectation of recovering an amount owed by a debtor, the debt is written-off by directly reducing the receivable against the loss allowance. This occurs when the debt is over 60 days past due and Metro South Health has ceased enforcement activity. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss.

	2024	2023
	\$'000	\$'000
Movements in loss allowance		
Balance at 1 July	6,292	4,718
Increase/(decrease) in allowance recognised in operating result	3,429	2,995
Amounts written off during the year	(3,620)	(1,421)
Balance as at 30 June	6,101	6,292

Financial assets

No collateral is held as security and no credit enhancements relate to financial assets held by Metro South Health. No financial assets and financial liabilities have been offset and presented in the Statement of Financial Position.

Notes to the Financial Statements

For the year ended 30 June 2024

B2 Receivables (continued)

Ageing of past due but not impaired as well as impaired financial assets are disclosed in the following tables. Under AASB 9 *Financial Instruments*, a loss allowance is assessed for all receivables.

Impairment of receivables

	2024			2023		
	Gross receivables	Loss rate	Expected credit loss	Gross receivables	Loss rate	Expected credit loss
	\$'000	%	\$'000	\$'000	%	\$'000
Trade debtors	39,989	15.26	(6,101)	35,424	17.76	(6,292)
Adjustment to trade debtors*	6,746	-	-	7,033	-	-
Total Trade Debtors	46,735	n/a	(6,101)	42,457	n/a	(6,292)
Queensland Health debtors	1,383	-	-	1,068	-	-
Total Debtors	48,118	n/a	(6,101)	43,525	n/a	(6,292)

* Receivables raised at 30 June for billing to Medicare for private practice billing are not subject to impairment.

B3 Contract assets

	2024	2023
	\$'000	\$'000
Current		
Contract assets	45,632	38,646

Contract assets arise from contracts with customers and are transferred to receivables when Metro South Health's right to payment becomes unconditional. This usually occurs when the invoice is issued to the customer.

Accrued revenue that does not arise from contracts with customers are reported as part of other assets. Refer note B5.

Contract assets have been assessed for impairment under AASB 9 *Financial Instruments*. The loss rate has been assessed as nil and no provision for an expected credit loss has been raised.

Changes in contract assets during the 2023-24 financial year was an increase of \$6.986 million (2023: \$11.101 million) which mainly related to \$4.563 million for services provided in accordance with the Service Agreement with the Department of Health and \$2.423 million for services provided to other Government Entities and private providers.

B4 Inventories

	2024	2023
	\$'000	\$'000
Inventories held for distribution		
Medical supplies	16,994	15,738
Pharmaceutical supplies	6,106	5,489
Catering and domestic	573	432
Engineering	595	766
	24,268	22,425

Inventories consist mainly of pharmaceutical and medical supplies held for distribution in Metro South Health hospitals. Inventories are measured at weighted average cost adjusted for obsolescence. Material imprest holdings are recognised as inventory at the balance date through the annual stocktake process at weighted average cost.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2024

B5 Other assets

	2024 \$'000	2023 \$'000
Current		
Prepayments	9,190	5,626

B6 Property, plant and equipment

	2024 \$'000	2023 \$'000
Land		
At fair value	359,670	345,584
Buildings		
At fair value	2,979,625	2,703,587
Less: Accumulated depreciation	(1,980,389)	(1,807,717)
	999,236	895,870
Plant and equipment		
At cost	429,431	421,726
Less: Accumulated depreciation	(258,181)	(266,577)
	171,250	155,149
Capital works in progress		
At cost	35,525	40,152
Total property, plant and equipment	1,565,681	1,436,755

Recognition thresholds

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds and with a useful life of more than one year are recognised at acquisition. Items below these values are expensed.

Class	Threshold
Buildings (including land improvements)	\$10,000
Land	\$1
Plant and equipment	\$5,000

Acquisition

Actual cost is used for the initial recording of all non-current asset acquisitions. Cost is determined as consideration plus any costs directly incurred in getting the asset ready for use. Any training costs are expensed as incurred. The cost of items acquired during the financial year has been judged by management to materially represent the fair value at the end of the reporting period.

Assets under construction are at cost until they are ready for use. These assets are assessed at fair value upon practical completion by an independent valuer.

Where assets are received from Queensland Government agencies free of charge, the acquisition cost is recognised as the gross carrying amount in the books of the transferor immediately prior to the transfer together with any accumulated depreciation. Assets acquired at no cost or for nominal consideration are initially recognised at their fair value at the date of acquisition.

B6 Property, plant and equipment (continued)

Measurement

Plant and equipment is measured at historical cost in accordance with Queensland Treasury’s *Non-Current Asset Policies for the Queensland Public Sector*. The carrying amount for such plant and equipment at cost is not materially different from their fair value.

Land and buildings are measured at fair value as required by Queensland Treasury’s *Non-Current Asset Policies for the Queensland Public Sector*. These assets are reported by their revalued amount, being the fair value at the date of valuation, less any subsequent accumulated depreciation and impairment losses where applicable.

Depreciation

Key estimate and judgement

The depreciation rate is determined by application of appropriate useful life to relevant non-current asset classes.

Non-current asset useful lives	
Class	Useful life (years)
Buildings (including land improvements)	Between 9 to 92
Plant and equipment	Between 2 to 47

The useful lives could change significantly as a result of change in use of the asset, technical obsolescence or some other economic event. The impact on depreciation can be significant and could also result in a write-off of the asset.

Buildings and plant and equipment are depreciated on a straight-line basis. Land is not depreciated. Assets under construction or work-in-progress are not depreciated until they reach service delivery capacity.

Any expenditure above the asset recognition thresholds that increases the originally assessed service potential of an asset is capitalised and depreciated over the remaining useful life of the asset. The depreciable amount of improvements to leasehold property is allocated progressively over the shorter of the estimated useful lives of the improvements or the unexpired period of the lease, which is inclusive of any option period where exercise of the option is probable.

The estimated useful lives of the assets are reviewed annually and, where necessary, are adjusted to better reflect the pattern of consumption of the asset. In reviewing the useful life of each asset, factors such as asset usage and the rate of technical obsolescence are considered.

Componentisation of complex assets

Metro South Health recognises buildings as complex assets. Complex assets comprise separately identifiable components (or groups of components) of significant value, that require replacement at regular intervals and at different times to other components.

On initial recognition, the asset recognition thresholds outlined above apply to the complex asset as a single item. Where the complex asset qualifies for recognition, components are then separately recorded for the building elements identified with reference to the asset revaluation process. Components are consistently valued and recorded as sub-assets to the parent building asset.

When a separately identifiable component is replaced, the existing component is derecognised and the replacement component is capitalised when it is probable that future economic benefits from the significant component will flow to Metro South Health in conjunction with the other components.

Components are separately recognised and valued on the same basis as the asset class to which they relate.

Impairment

All non-current assets are assessed annually for indicators of impairment or where the asset is measured at fair value assessed for indicators of change in fair value or service potential since the last valuation was completed. Where indicators of a material change in fair value or service potential since the last valuation arise, the asset is revalued at the reporting date under AASB 13 *Fair Value Measurement*. If an indicator of possible impairment exists, Metro South Health determines the asset’s recoverable amount under AASB 136 *Impairment of Assets*.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2024

B6 Property, plant and equipment (continued)

Property, plant and equipment reconciliation	Land* \$'000 Level 2	Land** \$'000 Level 3	Buildings*** \$'000 Level 3	Plant and equipment \$'000	Work in progress \$'000	Total \$'000
Balance at 1 July 2022	134,998	115,450	782,257	133,912	186,431	1,353,048
Acquisitions	-	-	25,171	54,984	99,884	180,039
Donations received	-	-	-	26	-	26
Disposals	-	-	-	(354)	-	(354)
Transfers in/(out) from other Queensland Government	-	-	-	717	(151,544)	(150,827)
Transfers between asset classes	-	-	94,335	251	(94,586)	-
Transfer recognised in operating surplus/(deficit)	-	-	-	183	(33)	150
Revaluation increments/(decrements) to asset revaluation surplus****	37,446	57,690	87,730	-	-	182,866
Depreciation charge	-	-	(93,623)	(34,570)	-	(128,193)
Balance at 1 July 2023	172,444	173,140	895,870	155,149	40,152	1,436,755
Acquisitions	-	-	3,997	45,936	22,903	72,836
Donations received	-	-	-	118	-	118
Disposals	-	-	-	(394)	-	(394)
Transfers in/(out) from other Queensland Government*****	15,410	-	127,755	3,289	-	146,454
Transfers between asset classes	-	-	25,679	1,394	(27,073)	-
Transfer recognised in operating surplus/(deficit)	-	-	-	(189)	-	(189)
Revaluation increments/(decrements) to asset revaluation surplus****	(1,374)	50	44,538	-	-	43,214
Impairment losses recognised in operating surplus/(deficit)	-	-	-	-	(457)	(457)
Depreciation charge	-	-	(98,603)	(34,053)	-	(132,656)
Balance at 30 June 2024	186,480	173,190	999,236	171,250	35,525	1,565,681

* Land level 2 assets are land with active market.

** Land level 3 due to lack of observable inputs.

*** Buildings level 3 assets are special purpose built buildings with a lack of observable inputs.

**** Refer Note B13

***** The transfers in from other Queensland Government at fair value in 2023-24 includes \$97.545 million of land, building and equipment relating to Redland Bay Satellite Hospital and Eight Mile Plains Satellite Hospital, \$17.524 million relating to Redland Hospital Modular Ward, \$17.336 million relating to Logan Hospital Modular Ward and \$14.049 million net transfer of various assets to the Redland and Logan Hospitals. The transfers out to other Queensland Government in 2022-23 includes \$151.544 million of work in progress asset relating to the Logan Hospital Expansion Project valued at cost due to the Capital Program Management Reform of Queensland Health consolidating the capital program management to the Department of Health.

B6 Property, plant and equipment (continued)

Fair value measurement and valuation

Key estimate and judgement:

Property, plant and equipment valuation in respect of fair value measurement can be sensitive to the various valuation inputs selected. Considerable judgement is required to determine what input is significant to fair value and therefore which category within the fair value hierarchy the asset is placed. Valuation standards are used to guide any required judgements.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Fair value measurement can be sensitive to various valuation inputs selected. Observable inputs are publicly available data that are relevant to the characteristics of the assets being valued, and include but are not limited to, published sales data for land and general buildings.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets being valued. Unobservable inputs are used to the extent that sufficient, relevant and reliable observable inputs are not available for similar assets.

Significant unobservable inputs used by Metro South Health include, but are not limited to:

- subjective adjustments made to observable data to take account of the specialised nature of health service buildings including historical and current construction contracts (and/or estimates of such costs);
- assessments of physical condition and remaining useful life; and
- large scale inner city land zoned as community facilities (major health care) with high level of valuer input to observable data.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets of Metro South Health for which fair value is measured and disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- Level 1: represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets;
- Level 2: represents fair value measurements that are substantially derived from inputs (other than quoted prices included in level 1) that are observable, either directly or indirectly; and
- Level 3: represents fair value measurements that are substantially derived from unobservable inputs.

Land and building asset classes are measured at fair value and are assessed on an annual basis by an independent professional valuer or by the use of appropriate and relevant indices. Metro South Health has an Asset Valuation Steering Committee that oversees the revaluation processes managed by Metro South Finance. This committee undertakes an annual review of the revaluation practices and reports to Metro South Health's Audit and Risk Committee regarding the outcomes of the valuation, indices and recommendations arising from the valuation process.

Revaluations using independent professional valuers are undertaken at least once every five years. However, if a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal.

The valuation methodology for the independent valuation uses historical and current construction contracts. The replacement cost of each building at date of valuation is determined by taking into account Brisbane location factors and comparing against current construction contracts.

B6 Property, plant and equipment (continued)

The valuation is provided for a replacement building of the same size, shape and functionality that meets current design standards, and is based on estimates of gross floor area, number of floors, building girth and height and existing lifts and staircases.

This method makes an adjustment to the replacement cost of a modern day equivalent building for any utility embodied in the modern substitute that is not present in the existing asset (e.g. mobility support) to give a gross replacement cost that is of comparable utility (the modern equivalent asset). This methodology makes further adjustment to the total estimated life taking into consideration physical obsolescence impacting on the remaining useful life to arrive at the current replacement cost via straight line depreciation.

Where assets have not been specifically valued in the reporting period, their fair values are updated (if material) via the application of relevant indices.

Revaluation increments increase the asset revaluation surplus of the appropriate class, except to the extent that it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense to the extent it exceeds the balance (if any) in the revaluation surplus relating to that asset class.

Land

Land is measured at fair value each year using independent market valuations or indexation. In 2023-24, Metro South Health's land was valued by McGees Property Brisbane (McGees) using independent market valuation. McGees replaced State Valuation Service as land valuation provider in 2023-24. The effective date of the valuation was 30 June 2024. Management, through the Asset Valuation Steering Committee, has assessed the valuation provided by McGees as appropriate for Metro South Health and endorsed the result of the independent valuation.

The fair value of land was based on physical inspection and publicly available data on sales of similar land in nearby localities. For the land that is categorised into level 2 of the fair value hierarchy, McGees used observable inputs from market transactional data. In determining the values, adjustments were made to the sales data to take into account the location of Metro South Health's land, its size, street or road frontage access and any significant restrictions. The land assets categorised into level 3 of the fair value hierarchy have been comprehensively revalued using market transactional data with significant unobservable inputs in determining the land value.

The revaluation of land for 2023-24 resulted in a \$1.324 million decrement (2023: \$95.136 million increment) to the carrying amount of land.

Buildings

Metro South Health engaged independent experts, Jacobs Group (Australia) Pty Limited (Jacobs), to undertake building revaluation in accordance with the fair value methodology. In the 2023-24 financial year, the first year of the new revaluation cycle, Jacobs performed comprehensive valuation of 92% (2023: 6%) of the value of Metro South Health's building portfolio of 86 buildings (2023: 8 buildings) and provided an index of 6% relevant to the remaining 8% (2023: 94%) of the building portfolio of 57 buildings (2023: 124 buildings) in order to maintain fair value. These indices are either publicly available, or are derived from market information available, and Jacobs provides assurance of their robustness, validity and appropriateness for application. The effective date of the valuation was 30 June 2024.

The revaluation of buildings for 2023-24 resulted in a \$46.814 million increment (2023: \$87.730 million increment) to the fair value of buildings. The main drivers for the increase were significant uncertainty within the construction industry in terms of labour and materials in relation to availability and cost.

Notes to the Financial Statements

For the year ended 30 June 2024

B7 Public private partnerships service concession assets

	2024	2023
	\$'000	\$'000
Service concession assets		
Buildings - Fair value	54,181	47,575
Buildings - Accumulated depreciation	(25,031)	(19,288)
	29,150	28,287

Accounting policies and disclosures – Service concession arrangements

Service concession assets are measured at current replacement cost on initial recognition and are subsequently measured at fair value (determined using current replacement cost) using the same valuation methodology applicable to the building asset class as outlined in Note B6. The assets are depreciated on a straight-line basis over their useful lives.

Service concession asset

The grantor recognises a service concession asset provided by the grantor upon gaining control of the asset. The asset is initially measured at current replacement cost and subsequently depreciated over the asset's useful life.

Liabilities

The nature of the liability recognised is aligned to how the operator is compensated for the asset. Metro South Health, as the grantor grants the operator a right to earn revenue from users of the asset and the grantor recognises an unearned revenue liability.

Unearned revenue is recognised as revenue over the concession period reflecting the economic substance of the arrangement.

Metro South Health's accounting policies on fair value measurement and impairment for property, plant and equipment is disclosed in Note B6 and also apply to service concession assets.

Service concession assets and liabilities movement reconciliation

	Buildings
	\$'000
Service concession assets	
Opening balance at 1 July 2022	27,383
Net revaluation increments/(decrements) to asset revaluation surplus*	2,095
Depreciation charge	(1,191)
Balance at 30 June 2023	28,287
Liabilities	
Opening balance at 1 July 2022	11,242
Amortisation of unearned revenue	(1,162)
Balance at 30 June 2023	10,080
Service concession assets	
Opening balance at 1 July 2023	28,287
Net revaluation increments/(decrements) to asset revaluation surplus*	2,277
Depreciation charge	(1,414)
Balance at 30 June 2024	29,150
Liabilities	
Opening balance at 1 July 2023	10,080
Amortisation of unearned revenue	(1,163)
Balance at 30 June 2024	8,917

* The service concession asset was comprehensively revalued resulting in an increment of \$2.277 million (2023: \$2.095 million). Refer Note B6 and B13.

Notes to the Financial Statements

For the year ended 30 June 2024

B7 Public private partnerships service concession assets (continued)

Details of Metro South Health's service concession arrangement is provided below.

The Princess Alexandra Hospital Multi-Storey Car Park

In February 2008, the Department of Health, prior to the establishment of Metro South Health in 2012, entered into a contractual arrangement with a private sector entity for the construction and operation of a public infrastructure facility for a period of time on land now controlled by Metro South Health. After a period of 25 years in 2033, ownership of the facility will pass to Metro South Health. Arrangements of this type are known as Public Private Partnerships (PPP).

The developer constructed a 1,403 space multi-storey car park on site at the hospital. The land where the facility has been constructed is recognised as Metro South Health's land. The recognised value of the relevant land parcel at Princess Alexandra Hospital (PAH) is \$44.6 million. The portion dedicated to the PAH multi-storey car park is 33.4% with an estimated value of \$14.9 million.

Metro South Health requires the operator of the carpark, International Parking Group Pty Limited (IPG), to provide 82% of the car park services to Princess Alexandra Hospital (PAH) staff and set the rates in the agreement per a fee schedule. Metro South Health staff are entitled to concessional rates when using the car park. The car park is also available to hospital patrons and the general public. Given the location of the carpark and available commercial car park in the hospital vicinity the use of the car park by general public or commercial use is minimal and predominantly used to support hospital services.

An unearned revenue liability was recognised representing the unearned portion of any revenue arising from the receipt of a service concession asset. This is recognised under the grant of a right to the operator model at the fair value (current replacement cost) of the related service concession asset at the date of initial application, adjusted to reflect the remaining period of the service concession arrangement relative to the remaining economic life of the asset.

This liability is amortised as revenue on a straight-line basis over the 25 year concession period, with 9 years remaining at 30 June 2024. Rental of \$0.295 million per annum, undiscounted and escalated for CPI annually, will be received from the car park operator up to February 2033.

The impact of the service concession asset on the Statement of Comprehensive Income is as follows

	Note	2024 \$'000	2023 \$'000
Revenue			
Rental income		448	421
Amortisation of unearned revenue	A1-4	1,163	1,163
Expenses			
Depreciation expenses		1,414	1,191
Net impact on operating result		197	393

Estimated future cash flows of the service concession asset

The Princess Alexandra Hospital multi-storey car park	2024 \$'000	2023 \$'000
Cash inflows		
Not later than 1 year	461	433
Later than 1 year but no later than 5 years	1,987	1,867
Later than 5 year but no later than 10 years	1,993	2,430
	4,441	4,730

Notes to the Financial Statements

For the year ended 30 June 2024

B8 Payable

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount, at agreed purchase/contract price, gross of applicable trade and other discounts. The amounts are unsecured and are settled generally in accordance with the vendors' terms and conditions.

	2024 \$'000	2023 \$'000
Trade creditors	46,814	25,042
Accrued expenses	47,733	39,908
Department of Health payables	190,709	206,824
	285,256	271,774

B9 Accrued employee benefits

No provision for annual leave and long service leave is recognised by Metro South Health as the liability is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

	2024 \$'000	2023 \$'000
Salaries and wages accrued	6,649	21,774
Other employee entitlements payable	761	4,280
	7,410	26,054

B10 Contract liabilities

	2024 \$'000	2023 \$'000
Current		
Contract liabilities	14,696	1,060

Contract liabilities arise from contracts with customers while other unearned revenue arise from transactions that are not contracts with customers.

During the 2023-24 financial year, from the contract liabilities balance of 1 July 2023 \$0.679 million (2023: \$5.769 million) has been recognised as revenue in 2023-24.

Contract liabilities at 30 June 2024 include \$14.696 million (2023: \$1.060 million) which mainly relates to the following revenue where deliverables have not yet been achieved and these revenues will be recognised over the next financial year:

- \$7.000 million for the refurbishment of the QEII Endoscopy suit.
- \$6.000 million for further transitioning support for the Logan Hospital Expansion Program.
- \$1.696 million for several health service programs.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2024

B11 Other liabilities

	2024	2023
	\$'000	\$'000
Current		
Unearned revenue	277	491
Unearned revenue - service concession arrangements*	1,163	1,163
	<u>1,440</u>	<u>1,654</u>
Non-current		
Unearned revenue - service concession arrangements*	8,917	10,080
	<u>8,917</u>	<u>10,080</u>

*Additional information for service concession arrangements refer Notes B7.

B12 Leases

Leases as lessee

	2024	2023
	\$'000	\$'000
Right-of-use assets		
Buildings - fair value	18,598	18,197
Buildings - accumulated depreciation	(11,494)	(9,133)
	<u>7,104</u>	<u>9,064</u>

Buildings at fair value
\$'000
Balance 1 July 2022
Additions
Depreciation charge for the year
Other adjustments
Balance at 30 June 2023
Additions
Depreciation charge for the year
Other adjustments
Balance at 30 June 2024

	2024	2023
	\$'000	\$'000
Lease liability		
Current		
Lease liabilities	1,211	2,539
Non-current		
Lease liabilities	6,561	7,382
	<u>7,772</u>	<u>9,921</u>

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2024

B12 Leases (continued)

Notes to the Statement of Cash Flows

Changes in liabilities arising from financing activities

	Lease liabilities \$'000
Balance at 1 July 2022	10,675
Non-cash movements:	
New leases acquired during the year	1,721
Lease interest	310
Lease - other non-cash adjustments	49
Cashflows:	
Lease repayments	(2,834)
Balance at 30 June 2023	<u>9,921</u>
Non-cash movements:	
New leases acquired during the year	336
Lease interest	272
Lease - other non-cash adjustments	272
Cashflows:	
Lease repayments	(3,029)
Balance at 30 June 2024	<u>7,772</u>

Right-of-use assets

Right-of-use assets are initially recognised at cost and are subsequently depreciated over the lease term and are subject to impairment testing on an annual basis. Metro South Health measures all right-of-use assets at cost subsequent to initial recognition.

The carrying amount of right-of-use assets are adjusted for any remeasurement of the lease liability in the financial year following a change in discount rate, a reduction in lease payments payable, changes in variable lease payments that depend upon variable indexes/rates of a change in lease term.

Metro South Health has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets. The lease payments are recognised as expenses on a straight-line basis over the lease term. An asset is considered low value where it is expected to cost less than \$10,000 when new.

Lease liabilities

Lease liabilities are initially recognised at the present value of lease payments over the lease term that are not yet paid. The lease term includes any extension or renewal options that Metro South Health is reasonably certain to exercise.

Where a contract contains both lease and non-lease components such as asset maintenance services, Metro South Health allocates the contractual payments to each component on the basis of their stand-alone prices.

When measuring the lease liability, Metro South Health uses its incremental borrowing rate as the discount rate where the interest rate implicit in the lease cannot be readily determined, which is the case for all of Metro South Health's leases. To determine the incremental borrowing rate, Metro South Health uses loan rates provided by Queensland Treasury Corporation that correspond to the commencement date and term of the lease.

Notes to the Financial Statements

For the year ended 30 June 2024

B12 Leases (continued)

Subsequent to initial recognition, the lease liabilities are increased by the interest charge and reduced by the amount of lease payments. Lease liabilities are also remeasured in certain situations such as a change in variable lease payments that depend on an index or rate (e.g. a market rent review), or a change in the lease term.

Office accommodation, employee housing and motor vehicles

The Department of Housing, Local Government, Planning and Public Works provides Metro South Health with access to office accommodation, employee housing and motor vehicles under government-wide frameworks. These arrangements are categorised as procurement of services rather than as leases because the Department of Housing, Local Government, Planning and Public Works has substantive substitution rights over the assets. The related service expenses are included in Note A2-3.

Amounts recognised in profit or loss for lease expenses

	2024 \$'000	2023 \$'000
Interest expense on lease liabilities	272	310
Expenses relating to short-term leases (Note A2-3)	889	1,571
	<u>1,161</u>	<u>1,881</u>

Leases as lessor

Metro South Health recognises lease payments from operating leases as income on a straight-line basis over the lease term. Metro South Health has operating leases providing clinical services, medical research and education facilities. Some of these leases are peppercorn or concessional leases and some operate under a colocation agreement. Refer note E5.

Maturity analysis

The following table sets out a maturity analysis of future undiscounted lease payments receivable under Metro South Health's operating leases.

	2024 \$'000	2023 \$'000
Less than 1 year	224	119
1 to 2 years	1,410	2,027
2 to 3 years	1,344	2,008
3 to 4 years	1,404	1,484
4 to 5 years	1,416	1,021
More than 5 years	11,187	9,986
	<u>16,985</u>	<u>16,645</u>

Notes to the Financial Statements

For the year ended 30 June 2024

B13 Asset revaluation surplus

	2024 \$'000	2023 \$'000
Land		
Balance at the beginning of the financial year	151,255	56,119
Revaluation increment/(decrement)	(1,324)	95,136
Balance at the end of the financial year	149,931	151,255
Buildings		
Balance at the beginning of the financial year	327,783	240,053
Revaluation increment/(decrement)	44,538	87,730
Balance at the end of the financial year	372,321	327,783
Service concession asset		
Balance at the beginning of the financial year	3,767	1,672
Revaluation increment/(decrement)	2,277	2,095
Balance at the end of the financial year	6,044	3,767
Total balance at the end of the financial year	528,296	482,805

B14 Equity injections and equity withdrawals

	2024 \$'000	2023 \$'000
Balance at the beginning of the financial year	913,621	1,018,748
Cash injection for asset acquisitions	97,124	176,463
Cash withdrawal fund transfer*	(3,291)	-
Equity asset transfers in/(out) from other Queensland Government entities**	146,454	(150,826)
Non-cash withdrawal for depreciation***	(135,285)	(130,764)
Balance at the end of the financial year	1,018,623	913,621

* The equity withdrawal is to transfer funds to the Department of Health for the Logan Hospital Expansion Project.

** These equity asset transfers are in accordance with the *Designation of Transfer Notice* and in 2023-24 includes \$97.545 million relating to Redland Bay Satellite Hospital and Eight Mile Plains Satellite Hospital, \$17.524 million relating to Redland Hospital Modular Ward, \$17.336 million relating to Logan Hospital Modular Ward and \$14.049 million net transfer of various assets to the Redland and Logan Hospitals. The equity transfer in 2022-23 includes \$151.544 million work in progress asset transfer to the Department of Health in accordance with the capital program management reform of Queensland Health. See Note B6.

*** The non-cash equity withdrawal is for offsetting non-cash revenue funding for depreciation expense.

Notes to the Financial Statements

For the year ended 30 June 2024

C NOTES ABOUT RISK AND OTHER ACCOUNTING UNCERTAINTIES**C1 Financial instruments****Categorisation of financial instruments**

Financial assets and financial liabilities are recognised in the Statement of Financial Position when Metro South Health becomes party to the contractual provisions of the financial instrument. Metro South Health has the following categories of financial assets and financial liabilities:

	Notes	2024 \$'000	2023 \$'000
Financial assets			
Cash and cash equivalents	B1	152,392	136,958
Financial assets at amortised cost			
Receivables	B2	<u>48,264</u>	<u>42,271</u>
		<u>200,656</u>	<u>179,229</u>
Financial liabilities at amortised cost			
Payables	B8	285,256	271,774
Lease liabilities	B12	<u>7,772</u>	<u>9,921</u>
		<u>293,028</u>	<u>281,695</u>

No financial assets and liabilities have been offset and presented as net values in the Statement of Financial Position.

Financial risk management

Metro South Health is exposed to a variety of financial risks – credit risk, liquidity risk, interest rate risk and market risk. Financial risk is managed in accordance with Queensland Government and Metro South Health's policies. Metro South Health's policies provide written principles for overall risk management and aim to minimise potential adverse effects of risk events on the financial performance of Metro South Health.

Credit risk

Credit risk is the potential for financial loss arising from Metro South Health's debtors defaulting on their obligations. The maximum exposure to credit risk at balance date is the gross carrying amount of receivables. Metro South Health measures the loss allowance of trade receivables at lifetime expected credit losses with the exception of receivables from Queensland Government and Australian Government agencies which are considered immaterial credit risk. Refer Note B2. Credit risk is considered minimal for Metro South Health.

Liquidity risk

Liquidity risk refers to the situation when Metro South Health may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets. Liquidity risk is measured through monitoring of cash flows by active management of accrual accounts. Metro South Health liquidity risk is minimal due to an approved (and unused) overdraft facility of \$34 million (2023: \$34 million) under the whole-of-government banking arrangements to manage any short-term cash shortfalls.

Notes to the Financial Statements

For the year ended 30 June 2024

C1 Financial instruments (continued)**Liquidity risk contractual maturity of financial liabilities**

The following table sets out the liquidity risk of financial liabilities held by Metro South Health. They represent the contractual maturity of financial liabilities calculated based on undiscounted cash flows relating to the liabilities at balance date.

Liquidity risk contractual maturity of financial liabilities

	Contractual maturity				Contractual maturity			
	2024				2023			
	<1 Year	1-5 Years	>5 Years	Total	<1 Year	1-5 Years	>5 Years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Payables	285,256	-	-	285,256	271,774	-	-	271,774
Lease liabilities	1,211	5,005	1,556	7,772	2,539	4,696	2,686	9,921
	286,467	5,005	1,556	293,028	274,313	4,696	2,686	281,695

Interest rate risk

Metro South Health has interest rate exposure on the Queensland Treasury Corporation deposits and there is no interest rate exposure on its cash and fixed rate deposits. Metro South Health does not undertake any hedging in relation to interest rate risk. Changes in interest rates have a minimal effect on the operating result of Metro South Health and sensitivity analysis is not required.

Fair value measurement

Cash and cash equivalents are measured at fair value. All other financial assets or liabilities are measured at cost less any loss allowance, which, given the short-term nature of these assets, is assumed to represent fair value.

C2 Commitments**Capital expenditure commitments**

Commitments for capital expenditure at reporting date are exclusive of anticipated GST and are payable as follows:

	2024	2023
	\$'000	\$'000
Not later than one year	76,833	32,072
Later than one year and not later than five years	27,882	1,426
	104,715	33,498

C3 Contingencies**Litigation in progress**

All Metro South Health indemnified medical indemnity and general liability claims have been managed by the Queensland Government Insurance Fund (QGIF). At 30 June 2024, Metro South Health has 23 litigation cases before the courts (2023: 21 cases). There are 179 claims (2023: 142 claims) managed by QGIF, some of which may never be litigated or result in payment of claims. The maximum exposure to Metro South Health under this policy is \$20,000 for each insurable event. Metro South Health's legal advisors, management advisors and management believe it would be misleading to estimate the final amount payable (if any) in respect of litigation before the courts at this time.

D BUDGET VS ACTUAL COMPARISON

The following provides explanations of major variances between Metro South Health's actual 2023-24 financial results and the original budget published in the 2023-24 *Queensland State Budget Service Delivery Statements of Queensland Health* as presented to Parliament.

D1 Budget vs actual comparison – Statement of comprehensive income

Explanation of major variances – Statement of Comprehensive Income

D1-1 Funding for public health services

The increase of \$168.752 million from budget includes an additional \$76.370 million of Enterprise Bargaining Agreement, Non-Labour Escalation and Special Pandemic Leave Funding. There is \$42.046 million new funding for Planned Care and Long Stay Patient Recovery, Putting Patients First, Better Care Together, Connected Community Pathways, Patient Flow and Patient Off Stretcher Time (POST) initiatives. A net increase of \$21.883 million is due to a mix of program funding including Queensland Spinal Cord Injuries Service (QCISS) uplift, Evolve Therapeutic Services, Statewide Brain and Spinal Cord Injuries, additional Oral Health activity, Long Stay Rapid Response and Medical Aids Subsidy programs including Waterproof Artificial Limbs and Palliative Care Equipment. An additional increase of \$23.426 million related to changes in corporate charging for iMR and logistics as well as an increase of \$5.028 million for depreciation.

D1-2 User charges and fees

The increase of \$68.967 million from budget is due to \$22.321 million increase in hospital fees due to higher than target activity levels, \$45.412 million increase in non-patient revenue predominantly relating to Pharmaceutical Benefit Scheme Reimbursement due to the opening of the Redland and Eight Mile Plains Satellite Hospitals, Car Park Fees and Retail Proceeds. Further increase of \$1.234 million relating to revenue from leases higher than budgeted.

D1-3 Employee expenses

The increase of \$37.770 million to budget is due to Enterprise Bargaining Agreement increments and increases in program funding noted in A1.1

D1-4 Health service employee expenses

The increase of \$106.212 million to budget is due to Enterprise Bargaining Agreement increments and increases in program funding noted in A1.1

D1-5 Supplies and services

The increase of \$134.914 million includes \$26.467 million for services below fair value and \$25.077 million for insurance premium where the budget is held in other expenses. The residual \$83.369 million is attributable to increased expense in contractors of \$12.536 million delivering health services, increase in repairs and maintenance \$11.247 million and other supplies and services of \$59.586 million for increase in clinical and domestic supply expense due to increased activities relating to programs as noted in A1.1 and price escalation above CPI escalation.

D1-6 Other expenses

The decrease of \$45.671 million is due to services below fair value of \$23.844 million and insurance premium of \$23.174 million included in the budgeted other expenses but the actual expenses are included in supplies and services. This is offset by asset related losses and write downs budgeted in impairment losses but the actuals included in other expenses for \$1.242 million and the reminder variance of \$0.105 million is for higher than budgeted sundry expenses.

D2 Budget vs actual comparison – Statement of financial position

Explanation of major variances – Statement of Financial Position

D2-1 Cash and cash equivalents

The increase of \$75.171 million in cash position is due to higher than budgeted opening balance of \$73.653 million including cash funding balances for not yet paid health service employee expenses due to Enterprise Bargaining Agreement and underspends in specific initiatives, programs and higher than budgeted increase of \$1.518 million for the year in line with reported net increase in the Cash Flow Statement.

Notes to the Financial Statements

For the year ended 30 June 2024

D2 Budget vs actual comparison – Statement of financial position (continued)

Explanation of major variances – Statement of Financial Position (continued)

D2-2 Receivables and contract assets

The decrease of \$19.387 million in receivables is offset by an increase of \$45.632 million in contract assets due to the budget held in receivables. The net increase of \$26.245 million is due to funding revenue not yet received including Enterprise Bargaining Agreement, Non Labour Escalation and Special Pandemic Leave for \$4.450 million, contract asset for equity injection \$10.638 million and \$19.620 million increase to receivables due to increase in health service programs including Queensland Spinal Cord Injuries Service (QSCIS), Better Care Together, Patient Off Stretcher Time (POST) Improvement Initiatives, Long Stay Rapid Response and additional oral health activity not included in budget.

D2-3 Property, plant and equipment

The increase of \$135.122 million is due to a higher than budgeted opening balance of \$60.378 million, a higher than budgeted commissioning of building projects and land transfers of \$60.236 million including the Redland Bay and Eight Mile Plains Satellite Hospitals and the Redland and Logan Hospitals Modular Wards and the revaluation of the land building portfolio higher than budgeted of \$7.078 million. These are offset by less than budgeted disposals of \$12.125 million and higher than budgeted depreciation expense of \$4.695 million.

D2-4 Payables

The increase of \$73.858 million includes higher than budgeted opening balance of \$73.579 million for Department of Health payables related to return of funds due to delays in hospital expansion projects, underspends in specific health service initiatives and programs and higher accrued expenses for health service employee expenses due to Enterprise Bargaining Agreement increments and an increase of \$0.279 million in the current financial year for trade payables.

D2-5 Equity

The increase of \$156.411 million to budget is due to the net increase in the asset revaluation surplus of \$158.18 million for land and building portfolio and an increase of \$2.982 million in contributed assets, offset by a decrease of \$4.752 million in accumulated surplus/deficit.

D3 Budget vs actual comparison – Statement of cashflows

Explanation of major variances – Statement of Cashflows

D3-1 Funding for public health services

The increase of \$182.593 million is the cash impact of the variances noted in D1-1.

D3-2 User charges

The increase of \$56.585 million is the cash impact of the variances noted in D1-2.

D3-3 Employee expenses

The increase of \$58.238 million is the cash impact of the variances noted in D1-3.

D3-4 Health service employee expenses

The increase of \$141.232 million is the cash impact of the variances noted in D1-4.

D3-5 Supplies and services

The increase of \$88.385 million is the cash impact of the variances noted in D1-5.

D3-6 Other expenses

The increase of \$22.772 million is the cash impact of the variances noted in D1-6.

D3-7 Payments for property, plant and equipment

The increase of \$72.8 million includes payment for capital projects such as the Health Technology Equipment Replacement program (HTER), Metro South Capital Maintenance and Asset Renewal (CMAR) program, Logan Hospital Expansion and priority capital works projects including Metro South Crisis Support Spaces, and Redland Multi level carpark projects.

D3-8 Equity injections

The increase of \$94.361 million is due to the funding arrangement of reimbursement of capital projects such as the Health Technology Equipment Replacement program (HTER), Metro South Capital Maintenance and Asset Renewal (CMAR) program, Logan Hospital Expansion and priority capital works projects including Metro South Crisis Support Spaces and Redland Hospital Multi level Carpark Project. The capital budget is included in the Department of Health budget.

D3-9 Equity withdrawals

The increase of \$3.291 million is for funding transfer to the Department of Health for the Logan Hospital Expansion Project.

E OTHER INFORMATION

E1 Key management personnel and remuneration expenses

Details of key management personnel

Metro South Health's responsible Minister is identified as part of Metro South Health's key management personnel, consistent with additional guidance included in AASB 124 *Related Parties Disclosures*. The responsible Minister is Hon Shannon Fentiman, Minister for Health, Mental Health and Ambulance Services and Minister for Women.

Key management personnel remuneration policies

Key management personnel remuneration – Minister

The ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. Metro South Health does not bear any costs of remuneration of the Minister for Health and Ambulance Services. The majority of Ministerial entitlements are paid by the Legislative Assembly, with remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet.

As all Ministers are reported as key management personnel of the Queensland Government, aggregate remuneration expenses for all Ministers are disclosed in the Queensland Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances.

Key management personnel remuneration – Board

Metro South Health is independently and locally controlled by the Metro South Hospital and Health Board (The Board). The Board appoints the Health Service Chief Executive and exercises significant responsibilities at a local level, including controlling the financial management of Metro South Health and the management of Metro South Health land and buildings (section 7 *Hospital and Health Boards Act 2011*).

Remuneration arrangements for the Metro South Health Board are approved by the Governor in Council and the chair, deputy chair and members are paid an annual fee consistent with the government procedures titled *Remuneration procedures for part-time chairs and members of Queensland Government bodies*.

Key management personnel remuneration - Executive Leadership Team (ELT)

Section 74 of the *Hospital and Health Boards Act 2011* provides that the contract of employment for health executive staff must state the term of employment, the person's functions, any performance criteria as well as the person's classification level and remuneration package.

Remuneration policy for Metro South Health key executive management personnel is set by direct engagement common law employment contracts and various award agreements.

The remuneration and other terms of employment for the key executive management personnel are also addressed by these common law employment contracts and awards. Some of the remuneration packages provide for the provision of some benefits, including motor vehicle allowance. The remuneration packages of Metro South Health key management personnel does not provide for any performance or bonus payments.

Remuneration expenses for key management personnel comprise the following components:

- Long-term employee expenses which include amounts expensed in respect of long service leave entitlements earned.
- Short-term employee expenses which include:
 - salaries, allowances and leave entitlements earned and expensed for the entire year or for that part of the year which the employee was a key management person;
 - non-monetary benefits consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- Post-employment expenses including amounts expensed in respect of employer superannuation obligations.
- Termination benefits include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

Notes to the Financial Statements

For the year ended 30 June 2024

E1 Key management personnel and remuneration expenses (continued)

Remuneration expenses

The following details for non-Ministerial key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of Metro South Health in 2023-24. Further information on key management personnel positions can be found in the body of the Annual Report under the section relating to Executive Management. The following tables contain the expenses incurred by Metro South Health attributable to non-Ministerial key management personnel during the respective reporting periods. For board positions, the expenses are specific to the individual board member. For executive positions, all expenses incurred by Metro South Health that are attributable to that position are included for the respective reporting period, regardless of the number of personnel filling the position in either substantive or in acting capacity. The amounts disclosed are recognised on the same basis as expenses recognised in the Statement of Comprehensive Income.

Metro South Hospital and Health Board

The Board decides the objectives, strategies and policies to be followed by Metro South and ensure it performs its functions in a proper, effective and efficient way. Appointments are under the provisions of the *Hospital and Health Boards Act 2011* by Governor in Council Notice published in the Queensland Government Gazette.

Metro South Hospital and Health Board remuneration expenses

Position title Position holder	Short-term employee expenses		Other employee expenses		Total Expenses	
	Monetary expenses \$'000		Post-employment expenses \$'000		\$'000	
	2024	2023	2024	2023	2024	2023
Chair						
Ms Janine Walker AM (13 October 2017)	95	96	14	9	109	105
Deputy Chair						
Dr Marion Tower (21 October 2021 to 31 March 2024)	41	54	6	6	47	60
Board Members						
Ms Helen Darch (18 May 2017 to 31 March 2023)	-	38	-	4	-	42
Adjunct Professor Iyla Davies OAM (18 May 2017 to 31 March 2024)	42	57	7	6	49	63
Associate Professor Donisha Duff OAM (18 May 2017 to 4 April 2022; 1 Dec 2022)	53	32	7	3	60	35
Mr Brett Bundock (18 May 2018 to 31 March 2024)	40	55	7	6	47	61
Associate Professor Helen Benham (18 May 2019)	50	51	8	5	58	56
Mr Michael Goss (18 May 2020)	55	57	9	6	64	63
Mr Colin Cassidy PSM (18 May 2021)	55	56	8	6	63	62
Mr Matthew Ames (1 April 2022)	58	54	9	6	67	60
Ms Gail Ker OAM (1 April 2024)	12	-	1	-	13	-
Dr Muhammad Daniyal Mian (1 April 2024))	12	-	1	-	13	-
Ms Nadia Bromley (1 April 2024)	12	-	2	-	14	-
Dr Vu Tran (1 April 2024)	12	-	1	-	13	-

Notes to the Financial Statements

For the year ended 30 June 2024

E1 Key management personnel and remuneration expenses (continued)

Metro South Hospital and Health Service Executives remuneration expenses

Position title Position responsibility	Short-term employee expenses				Other employee expenses						Total Expenses \$'000	
	Monetary expenses \$'000		Non-monetary expenses \$'000		Long term employee expenses \$'000		Post-employment expenses \$'000		Termination expenses \$'000			
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Health Service Chief Executive Delegated the operational responsibility to fulfil the Board's objectives and strategies. The Health Service Chief Executive then sub-delegates certain functions to the Executive team and other employees as specified under the various instruments of delegation.	492	712	-	-	12	15	64	60	-	12	568	799
Chief Finance Officer This position is responsible and accountable for the operation of the financial management system and control environment for Metro South Health. It provides strategic advice and leadership of the financial management functions for the Hospital and Health Service.	273	281	1	-	6	5	32	22	-	-	312	308
Chief Operating Officer This position is responsible for directing and managing the five acute hospitals, Addiction and Mental health Services along with Community and Oral health services.	348	310	-	-	8	6	47	20	-	4	403	340

E2 Related party transactions

Transactions with Queensland Government Controlled Entities

Metro South Health is controlled by its ultimate parent entity, the State of Queensland. All State of Queensland controlled entities meet the definition of a related party in AASB 124 *Related Party Disclosures*.

Department of Health

Metro South Health receives funding from the Department of Health. The Department of Health receives a majority of its revenue from the Queensland Government, and the remainder from the Commonwealth.

The funding provided to Metro South Health is predominantly for specific public health services purchased by the Department in accordance with a service agreement between the Department and Metro South Health. The Service Agreement is reviewed periodically and updated for changes in activities and prices of services delivered by Metro South Health. Refer to Note A1-1. The signed Service Agreements are published on the Queensland Government website and publicly available.

Notes to the Financial Statements

For the year ended 30 June 2024

E2 Related party transactions (Continued)

In addition to the provision of corporate services support (refer to notes A1-3 and A2-3), the Department of Health manages, on behalf of Metro South Health, a range of services including pathology testing, pharmaceutical drugs, clinical supplies, patient transport, technology services and telecommunications. These are provided on a cost recovery basis. In 2023-24, these services totalled \$292.823 million (2023: \$244.774 million).

Refer to note B2 for information on receivables from the Department of Health and other Queensland Health entities. Refer to Note B8 for information on payables to the Department of Health.

Other Hospital and Health Services

Payments to and receipts from other Hospital and Health Services occur to facilitate the transfer of patients, drugs, staff and other incidentals.

Queensland Treasury Corporation

Metro South Health have investment bank accounts with the Queensland Treasury Corporation for general trust monies. Refer Note B1.

Department of Housing, Local Government, Planning and Public Works

Metro South Health pays rent to the Department of Housing, Local Government, Planning and Public Works for a number of properties. In addition, Metro South Health pays the Department of Housing, Local Government, Planning and Public Works for vehicle fleet management services (QFleet).

Transactions with people/entities related to key management personnel

All transactions in the year ended 30 June 2024 between Metro South Health and their key management personnel and their related parties, were examined. Transactions were identified with four related entities, which were all on normal commercial terms and conditions and were immaterial in nature.

E3 Restricted assets

Metro South Health receives cash contributions primarily from private practice clinicians, Pathology Queensland and from external entities to provide for education, study and research in clinical areas. Contributions are also received from benefactors in the form of gifts, donations and bequests and are held in trust for stipulated purposes.

At 30 June 2024, amounts of \$21.339 million (2023: \$20.413 million) in general trust and \$18.804 million (2023: \$15.465 million) for research projects are set aside for the specified purposes underlying the contribution.

E4 Agency and fiduciary trust transactions and balances

Fiduciary trust transactions

Metro South Health acts in a fiduciary trust capacity in relation to patient trust accounts. These funds are received and held on behalf of patients with Metro South Health having no discretion over these funds. Consequently, these transactions and balances are not recognised in the financial statements but are disclosed below for information purposes. Although patient funds are not controlled by Metro South Health, trust activities are included in the audit performed annually by the Auditor-General of Queensland.

Notes to the Financial Statements

For the year ended 30 June 2024

E4 Agency and fiduciary trust transactions and balances (continued)

	2024 \$'000	2023 \$'000
Fiduciary trust receipts and payments		
Receipts	2,931	2,752
Payments	(3,050)	(2,744)
Increase/(decrease) in net patient trust assets	(119)	8
Fiduciary trust assets		
Current assets		
Cash		
Patient trust funds	405	524
Total current assets	405	524

Agency granted private practice transactions and balances

Metro South Health has a Granted Private Practice arrangement in place as follows:

Assignment model - all revenue generated by the clinician is paid to and recognised as revenue by Metro South Health. Doctors under this arrangement are employees of Metro South Health.

Retention model - the revenue generated is initially payable to the private practice doctors directly. Under this arrangement, doctors receive the generated revenue up to an established annual cap. Amounts over the cap are split one third to the doctor and two thirds to Metro South Health. The portion due to Metro South Health is receipted into a general trust account for a study, education and research fund for all staff, which is referred to as SERTA funds. Recoverable costs, such as administration expense in respect of this arrangement, which Metro South Health is entitled to, are recorded as revenue in Metro South Health's Statement of Comprehensive Income.

Metro South Health acts as an agent in respect of the transactions and balances of the private practice bank accounts. The private practice funds are not controlled by Metro South Health, but the activities are included in the annual audit performed by the Auditor-General of Queensland.

	2024 \$'000	2023 \$'000
Granted private practice receipts and payments		
Receipts		
Private practice receipts*	53,775	47,484
Interest	157	95
Other receipts*	537	361
Total receipts	54,469	47,940
Payments		
Payments to doctors	11,725	12,401
Payments to Metro South Health for recoverable costs	34,958	31,229
Payments to Metro South Health general trust for SERTA	5,416	5,540
Other payments	713	488
Total payments	52,812	49,658
Increase/(decrease) in net granted private practice assets	1,657	(1,718)

* Private practice receipts and other receipts include outstanding deposits not yet receipted and receipts not yet deposited.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2024

E4 Agency and fiduciary trust transactions and balances (continued)

	2024	2023
	\$'000	\$'000
Granted private practice assets		
Current assets		
Cash*	<u>4,479</u>	<u>2,822</u>
Total current assets	<u>4,479</u>	<u>2,822</u>

*Cash balance predominantly includes doctor payments that are outstanding at balance date and other payments due to Metro South Health that have been accrued as revenue in Metro South Health's accounts.

E5 Co-location arrangements

Co-location arrangements operating for all or part of the financial year are as follows:

Facility	Counterparty	Term of Agreement	Commencement Date
Mater Private Hospital Redland	Mater Misericordiae Ltd	25 years + 30 years	August 1999
Translational Research Institute (TRI) Building	Translational Research Institute Pty Ltd	30 years + 20 years	May 2013
University of Queensland Training Facility, Redland Hospital	University of Queensland	20 years	August 2015
University of Queensland Training Facility, Queen Elizabeth II Jubilee Hospital	University of Queensland	20 years	September 2015

There are contractual arrangements with private sector entities for the operation of a private health facility for a period of time on land controlled by Metro South Health. Metro South Health may receive rights to receive cash flows or rights to receive the facility at the end of the contractual term in accordance with the respective contractual arrangements. As a concession contract, Metro South Health does not recognise the facility as an asset. These contracts are recognised as leases under AASB 16 *Leases* where Metro South Health is the lessor. Refer Note B12.

Co-location agreement with Mater Private Hospital Redland

In accordance with the Co-location Agreement, in 2023-24 Metro South Health recognised \$0.2405 million revenue (2023: \$0.222 million). Metro South Health has not recognised any rights or obligations relating to these facilities other than those associated with land rental and the provision of services under the agreements. Metro South Health has the right to retain the rent in accordance with the Deed of Lease in the Transfer Notice. The land where the Mater Private Hospital Redland was constructed is approximately 9% of the Redland Hospital land recognised at a total value of \$1.535 million. Refer Note B12.

Co-location agreement with Translational Research Institute Pty Ltd

The land where the Translational Research Institute (TRI) was constructed is approximately 11.9% of the relevant parcels of the Princess Alexandra Hospital land recognised at a total value of \$19.816 million. The land was transferred to Metro South Health as at 1 July 2014 from the Department of Health in accordance with a Transfer Notice. This included the transfer of the finance lease with TRI on the land which was already prepaid to the Department of Health for the full term of the lease prior to the transfer resulting in no value recorded for the finance lease in Metro South Health accounts. Metro South Health does not record revenue from this arrangement. Refer Note B12.

E5 Co-location arrangements (continued)

Co-location agreement with University of Queensland – Redland Hospital

The land where the University of Queensland Training Facility was constructed is approximately 0.3% of the relevant parcels of the Redland Hospital land recognised at a total value of \$0.058 million. The lease for the building is between Metro South Health and the University of Queensland and no revenue is recorded from this arrangement. Refer Note B12.

Co-location agreement with University of Queensland – Queen Elizabeth II Jubilee Hospital

The land where the University of Queensland Training Facility was constructed is approximately 0.4% of the relevant parcels of the Queen Elizabeth II Jubilee Hospital land recognised at a total value of \$0.112 million. The lease for the building is between Metro South Health and the University of Queensland and no revenue is recorded from this arrangement. Refer Note B12.

E6 Climate risk disclosure

Metro South Health estimates and judgements - climate related risks

Metro South Health continues to monitor the emergence of material climate-related risks that may impact the financial statements of Metro South Health, including those arising under the Queensland Government's *Queensland 2035 Clean Economy Pathway*, and other Queensland Government climate-related policies or directives.

Metro South Health made no adjustments to the carrying value of assets as a result of climate related risks. No other transactions have been recognised during the financial year specifically due to climate-related risks impacting Metro South Health.

Whole-of-Government climate-related reporting

The State of Queensland has published a wide range of information and resources on climate related risks, strategies and actions accessible via <https://www.energyandclimate.qld.gov.au/climate>.

The Queensland Sustainability Report (QSR) outlines how the Queensland Government measures, monitors and manages sustainability risks and opportunities, including governance structures supporting policy oversight and implementation. To demonstrate progress, the QSR also provides time series data on key sustainability policy responses. The QSR is available via Queensland Treasury's website at <https://www.treasury.qld.gov.au/programs-and-policies/queensland-sustainability-report>.

E7 First year application of new accounting standards

Accounting standards applied for the first time

No new accounting standards or interpretations that apply to Metro South Health for the first time in 2023-24 had any material impact on the financial statements.

Accounting standards early adopted

No Australian Accounting Standards have been early adopted for 2023-24.

MANAGEMENT CERTIFICATE OF METRO SOUTH HEALTH

For the year ended 30 June 2024

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- a) The prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) The financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Metro South Health for the financial year ended 30 June 2024 and of the financial position of Metro South Health at the end of that year; and

We acknowledge responsibilities under section 7 and section 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



Janine Walker AM

Adjunct Professor, BAEd, GradDip Business,
FAHRI, FAIM, MAICD

Chair

Metro South Hospital and Health Board

20 August 2024



Noelle Cridland

BN, MN (Leadership)

Health Service Chief Executive

Metro South Health

20 August 2024



Murray Brown

FCPA

Chief Finance Officer

Metro South Health

20 August 2024

INDEPENDENT AUDITOR'S REPORT

To the Board of Metro South Hospital and Health Service

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Metro South Hospital and Health Service.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2024, and its financial performance and cash flows for the year then ended; and
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises 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 to the financial statements including material accounting policy information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of specialised buildings (\$999.236 million)

Refer to Note B6 in the financial report

Key audit matter	How my audit addressed the key audit matter
<p>Buildings were material to Metro South Hospital and Health Service at balance date and were measured at fair value using the current replacement cost method.</p> <p>Metro South Hospital and Health Service performed a comprehensive revaluation of approximately 92% of its building assets this year as part of the rolling revaluation program. All other buildings were assessed using relevant indices.</p> <p>The current replacement cost method comprises:</p> <ul style="list-style-type: none"> gross replacement cost, less accumulated depreciation. <p>Metro South Hospital and Health Service derived the gross replacement cost of its buildings at balance date using unit prices that required significant judgements for:</p> <ul style="list-style-type: none"> identifying the components of buildings with separately identifiable replacement costs developing a unit rate for each of these components, including: <ul style="list-style-type: none"> estimating the current cost for a modern substitute (including locality factors and oncosts), expressed as a rate per unit (e.g. \$/square metre) identifying whether the existing building contains obsolescence or less utility compared to the modern substitute, and if so estimating the adjustment to the unit rate required to reflect this difference. <p>The measurement of accumulated depreciation involved significant judgements for determining condition and forecasting the remaining useful lives of building components.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant judgements for calculating annual depreciation expense.</p> <p>Using indexation required:</p> <ul style="list-style-type: none"> significant judgement in determining changes in cost and design factors for each asset type since the previous revaluation reviewing previous assumptions and judgements used in the last comprehensive valuation to ensure ongoing validity of assumptions and judgements used. 	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> assessing the adequacy of management's review of the valuation process and results reviewing the scope and instructions provided to the valuer assessing the appropriateness of the valuation methodology and the underlying assumptions with reference to common industry practices. assessing the appropriateness of the components of buildings used for measuring gross replacement cost with reference to common industry practices assessing the competence, capabilities and objectivity of the experts used to develop the models for unit rates, on a sample basis, evaluating the relevance, completeness and accuracy of source data used to derive the unit rate of the: <ul style="list-style-type: none"> modern substitute (including locality factors and oncosts) adjustment for excess quality or obsolescence. evaluating the relevance and appropriateness of the indices used for changes in cost inputs by comparing to other relevant external indices evaluating useful life estimates for reasonableness by: <ul style="list-style-type: none"> reviewing management's annual assessment of useful lives at an aggregated level, reviewing asset management plans for consistency between renewal budgets and the gross replacement cost of assets testing that no building asset still in use has reached or exceeded its useful life enquiring of management about their plans for assets that are nearing the end of their useful life reviewing assets with an inconsistent relationship between condition and remaining useful life. Where changes in useful lives were identified, evaluating whether the effective dates of the changes applied for depreciation expense were supported by appropriate evidence.

Responsibilities of the entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

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

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar6.pdf

This description forms part of my auditor's report.

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2024:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



21 August 2024

D J Toma
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Glossary

Acronyms

Acronym	Definition
ABF	Activity Based Funding
ACP	Advance Care Planning
AIDP	Accelerated Infrastructure Delivery Program
AM	Member of the Order of Australia
ANCC	American Nurses Credentialing Center
ANZ	Australia and New Zealand Banking Group
ATS	Australian Triage Scale
BSPHN	Brisbane South Primary Health Network
CALD	Culturally and Linguistically Diverse
CEO	Chief Executive Officer
CEP	Capital Expansion Program
CCC	Crime and Corruption Commission
CT	Computed Tomography
DABIT	Drug and Alcohol Brief Intervention Team
EELP	Emerging Executive Leadership Program
EEO	Equal Employee Opportunity
EH&S	Environmental Health and Safety
ESU	Ethical Standards Unit
ED	Emergency Department
FAA	Financial Accountability Act 2019
FTE	Full-time Equivalent
GCP	Good Clinical Practice
GI	Gastrointestinal
HEAT	Health Equity and Access Team
HHS	Hospital and Health Service
HITH	Hospital in the Home

HSCE	Health Service Chief Executive
ICT	Information and Communication Technology
ICU	Intensive Care Unit
ISMS	Information Security Management System
ISO	International Organization for Standardization
LGBTIQ+	Lesbian, gay, bisexual, transgender, intersex, queer/questioning, asexual
MRI	Magnetic Resonance Imaging
MRSA	Methicillin Resistant Staphylococcus aureus
MSH	Metro South Health
NAB	National Australia Bank
NGOs	Non-Government Organisations
OAM	Medal of the Order of Australia
OCHRe	Our Collaborations in Health Research (a national network for Aboriginal and Torres Strait Islander researchers)
PID	Public Interest Disclosure
PSM	Public Service Medal
QAS	Queensland Ambulance Service
QAO	Queensland Audit Office
QEII	Queen Elizabeth II Jubilee Hospital
QGEA	Queensland Government Enterprise Architecture
QHRC	Queensland Human Rights Commission
QIBN	Queensland Indigenous Business Network
QUT	Queensland University of Technology
SBS	Special Broadcasting Service
SMS	Safety Management System
TIN	Transfer Initiative Nurse
TRI	Translational Research Institute
UQ	The University of Queensland
WAU	Weighted Activity Unit

Terms

Term	Definition
Activity Based Funding	Activity Based Funding (ABF) is the primary financing mechanism for public hospitals.
Board	Metro South Hospital and Health Board.
BPA Survey	A staff engagement survey conducted by Metro South Health in partnership with BPA Analytics Pty Ltd.
Closing the Gap	A government strategy that aims to reduce disadvantage among Aboriginal and Torres Strait Islander people with respect to life expectancy, child mortality, access to early childhood education, educational achievement, and employment outcomes.
COVID-19	Coronavirus disease (COVID-19) is an infectious disease caused by the SARS-CoV-2 virus.
ICARE ² values	A set of organisational values adopted by Metro South Health that provide the framework for how we deliver care.
MSHLearn	Metro South Health's learning management system
Nurse and Midwife Navigator	Nurse and Midwife Navigators are a team of senior advanced practice registered nurses who provide a vital service for patients who have complex health conditions and require a high degree of comprehensive, clinical care.
Satellite hospital	Satellite hospitals have been built in major growth areas to allow people to access healthcare services in a purpose-built community setting, closer to home, without having to travel to a major hospital's emergency department.
Sprint Series	The Sprint Series provided an opportunity for frontline teams across Metro South Health to explore, identify and implement initiatives to improve access to care for patients within the emergency department, surgery, outpatients and gastroenterology.
Telehealth	The delivery of health services and information using telecommunication technology such as live video and audio links, teleradiology, storing of clinical data and images on a computer for forwarding to another location.
Weighted Activity Units	Weighted Activity Units provide a common unit of comparison for all clinical activities so that hospital activity can be measured and costed consistently.

Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	Page 4
Accessibility	Table of contents Glossary	ARRs – section 9.1	Page 5 Page 96
	Public availability	ARRs – section 9.2	Page 2
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	Page 2
	Copyright notice	<i>Copyright Act 1968</i> ARRs – section 9.4	Page 2
	Information Licensing	<i>QGEA – Information Licensing</i> ARRs – section 9.5	Page 2
General information	Introductory Information	ARRs – section 10	Page 9
Non-financial performance	Government's objectives for the community and whole-of-government plans/specific initiatives	ARRs – section 11.1	Page 6
	Agency objectives and performance indicators	ARRs – section 11.2	Page 10, 44
	Agency service areas and service standards	ARRs – section 11.3	Page 12, 46
Financial performance	Summary of financial performance	ARRs – section 12.1	Page 50
Governance – management and structure	Organisational structure	ARRs – section 13.1	Page 27
	Executive management	ARRs – section 13.2	Page 24
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	Page 15
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	Page 37
	Human Rights	<i>Human Rights Act 2019</i> ARRs – section 13.5	Page 38
	Queensland public service values	ARRs – section 13.6	Page 9, 37

Governance – risk management and accountability	Risk management	ARRs – section 14.1	Page 36
	Audit committee	ARRs – section 14.2	Page 22, 36
	Internal audit	ARRs – section 14.3	Page 36
	External scrutiny	ARRs – section 14.4	Page 37
	Information systems and recordkeeping	ARRs – section 14.5	Page 37
	Information Security attestation	ARRs – section 14.6	Page 37
Governance – human resources	Strategic workforce planning and performance	ARRs – section 15.1	Page 31
	Early retirement, redundancy and retrenchment	<i>Directive No.04/18 Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	Page 35
Open Data	Statement advising publication of information	ARRs – section 16	Page 35
	Consultancies	ARRs – section 31.1	https://data.qld.gov.au
	Overseas travel	ARRs – section 31.2	https://data.qld.gov.au
	Queensland Language Services Policy	ARRs – section 31.3	https://data.qld.gov.au
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	Page 92
	Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	Page 93

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2019*

ARRs *Annual report requirements for Queensland Government agencies*

