

Annual Report 2013–2014



Report objective

This annual report fulfils Metro South Health's reporting requirement to the community and to the Minister for Health. It summarises the health service's results, performance, outlook and financial position for 2013–2014.

In particular, the report outlines Metro South Health's performance against key objectives identified in the Metro South Health Strategic Plan 2012–2016, as well as the Queensland Government's objectives for the community and its Blueprint for better healthcare in Queensland.

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2013–2014

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Public availability statement

This report, including the Other Reporting Requirements, can be viewed on Metro South Health's website at:

www.health.qld.gov.au/metrosouth/annual-report

Hard copies of the annual report are available by phoning the Office of the Chief Executive, Metro South Health, on (07) 3156 4949.

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) 3156 4949 and we will arrange an interpreter to effectively communicate the report to you.



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Metro South Hospital and Health Service

2013–14 **Annual Report**

Letter of compliance

The Honourable Lawrence Springborg MP
Minister for Health
Member for Southern Downs
Level 19, 147–163 Charlotte Street
Brisbane QLD 4000

Dear Minister

I am pleased to present the Annual Report 2013–2014 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 2009*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be found on page 140 of this annual report or accessed at www.health.qld.gov.au/metrosouth/annual-report.

Yours sincerely



Terry White AO
Chair
Metro South Hospital and Health Board

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Hospital and Health Board

Chair's overview

I am pleased to be able to present the Metro South Hospital and Health Service (Metro South Health) Annual Report for 2013–14.

Metro South Health is the most populated hospital and health service in Queensland with the most diverse multicultural population and provides a span of health related services to more than one million people. Health services are delivered by more than 13,000 Metro South Health staff through a budget in excess of \$1.8 billion.

Metro South Health is a strong advocate for providing a person-centred approach that places people at the core of all that we do. Ensuring that our patients and the wider community not only have a voice, but are actively involved in our organisation, is important to ensure we not only provide a service renowned for its clinical excellence, but one which meets the needs of the community.

Since 1 July 2012, Metro South Health has operated through the leadership and direction of an independent Board. In 2013–14 the Metro South Hospital and Health Board continued its focus on delivering the vision articulated in the *Strategic Plan 2012–2016* to be renowned worldwide for excellence in health care, teaching and research. I extend my appreciation to all six Board members for their energy and commitment to ensuring this past year has been a successful one.

In 2013–14, the health service continued to profit from Chief Executive Dr Richard Ashby and the Executive team's leadership in delivering quality health care services to our community. This Executive team, along with all Metro South Health employees, are to be congratulated on their performance in only their second year as an independent statutory body.

In line with the Minister's *Blueprint for Better Healthcare in Queensland*, Metro South Health positioned itself to deliver on the principle themes through greater levels of autonomy to enable more local and flexible decision making focussed on the needs of our community. A significant step in this process was to enable Metro South Health to become a prescribed employer under the provisions of the *Hospital and Health Boards Act 2011*.

From 1 July 2014, Metro South Health will operate with greater autonomy when it becomes the employer of all staff of the health service. This will provide us with increased local decision making, accountability and autonomy, more workforce flexibility and a greater ability to respond to the health needs of the community. From this date Metro South Health will also become the legal owners of land and building assets.

This year has seen many successful projects and innovations implemented to improve service delivery to patients in our community. The commencement of the Metro South Health@Home (MSH@Home) program in the Bayside and Logan regions was an important Public Private Partnership. MSH@Home coordinates and consolidates hospital substitution and avoidance programs across Metro South Health and operates with a single point of access for all services, which enables patients to access the right service at the right time.

Metro South Health takes great pride in its staff, who work tirelessly to provide a high quality and efficient service. Our staff, and particularly our clinicians, have been crucial in redesigning a number of clinical services to ensure they better meet the needs of the community.

I look forward to continuing to build on the successes of the past year and continuing to work with the Board, Executive and staff to ensure ongoing achievement in 2014–15.

Terry White AO
Chair
Metro South Hospital and Health Board



Health Service Chief Executive's overview

The 2013–14 year saw many innovations and improvements in the way Metro South Health delivers healthcare to the south Brisbane, Logan and Bayside communities.

Metro South Health's most valuable asset is its workforce; in the 2013–14 year, Metro South Health had a permanent retention rate of 92 per cent, with 13,172 employees in total. With a focus on frontline services, an additional 51 doctors, 283 nurses and 94 allied health practitioners were employed in 2013–14.

Metro South Health continued to meet growing demand for services with 201,155 people admitted to Metro South Health hospitals in the 2013–14 year, an increase of 7.8 per cent. More than 260,869 people presented to our emergency departments.

There was a six per cent improvement in performance against the National Emergency Access Target (NEAT) of four hours, with the Princess Alexandra Hospital recording the largest improvement at nearly 16 per cent from last year.

Metro South Health performed 24,546 elective surgeries in 2013–14, a 4.9 per cent increase from the previous year. Metro South Health has the second largest elective surgery workload in Queensland, with Princess Alexandra Hospital one of the largest surgical providers in Australia.

Metro South Health has made significant improvements in treating surgery patients within clinically recommended timeframes. In the 2013–14 year, long-wait Category 1 patients reduced from 17.8 per cent to zero, while total long-wait patients reduced from 3157 to 394.

Metro South Health met significantly increased dental service targets and saw major reductions in oral health waiting lists, with the long-wait list reducing from 6758 to zero in just six months.

This year I was pleased to undertake a full hospital service-wide staff satisfaction survey delivered by Best Practice Australia, the results of which are being addressed in our workforce engagement strategy—*PAVE the way*. It was developed to improve workforce engagement and culture, and to ensure all employees are equipped with the skills, resources and knowledge to help Metro South Health achieve its goals.

Over the past 12 months, some units and services underwent comprehensive reviews to examine opportunities for efficiencies and service improvements, including oral health services, radiology services, security services, operating theatres, and building and maintenance services. The Princess Alexandra Hospital received an outstanding accreditation review by the Australian Council on Healthcare Standards, and the American Nurses Credentialing Centre redesignated the hospital as a Magnet hospital for the third time—which is the first time this has occurred outside North America.

It was very pleasing to see the reopening of maternity and procedural services at the Beaudesert Hospital after a hiatus of more than 10 years, delivering on the government's *Blueprint for better healthcare in Queensland*.

Metro South Health opened a Central Referral Hub to streamline the outpatient referral process, and seven different programs providing community-based support for patients were merged into a single entity—Metro South Health@Home. This will significantly improve service quality and efficiency.

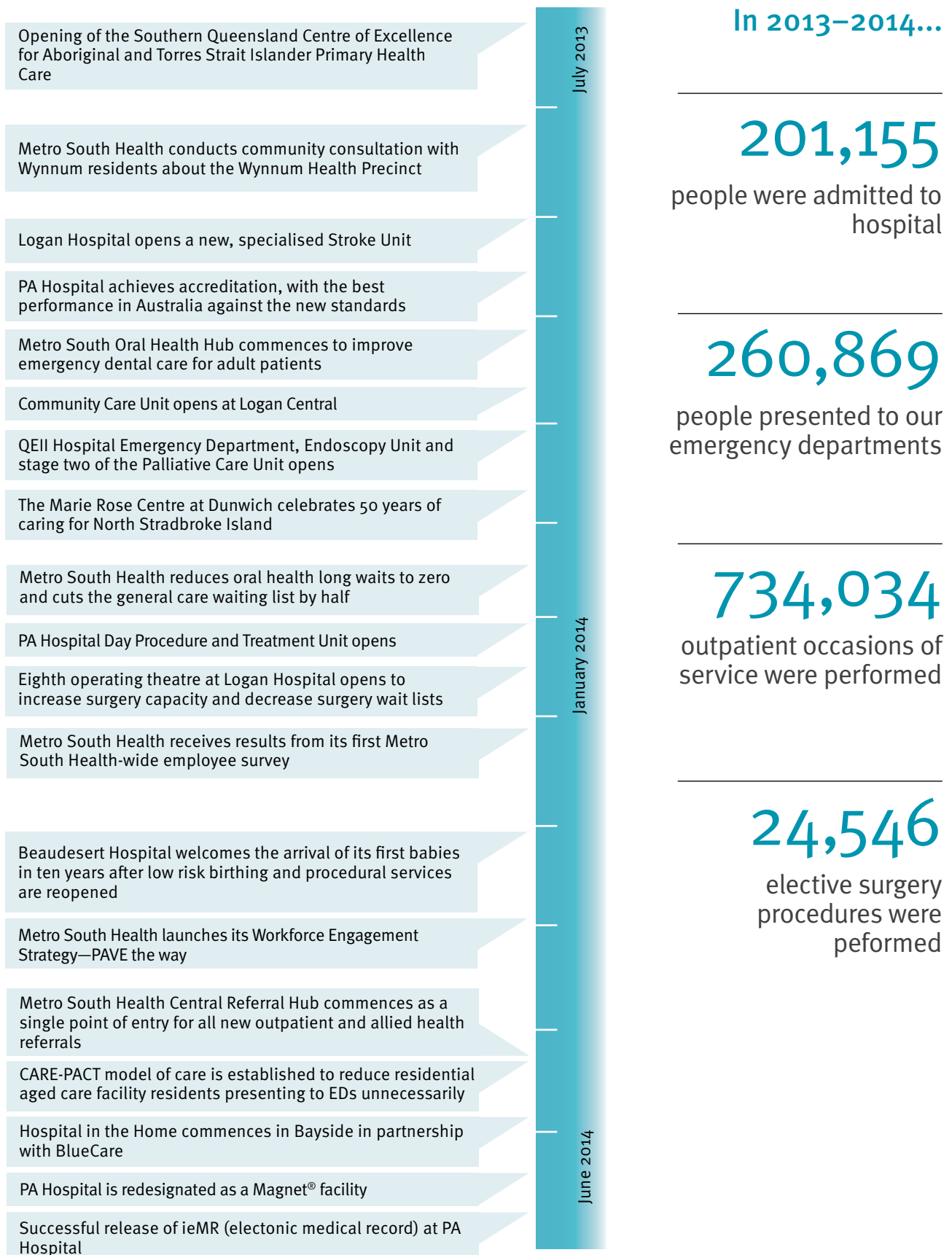
For the second year in a row, Metro South Health achieved a small operating surplus, while delivering a community dividend of \$20 million of clinical activity over target.

Major capital works projects included opening the new Emergency Department, Endoscopy Unit and stage two of the Palliative Care Unit at QEII Hospital, as well as the Southern Queensland Centre of Excellence for Aboriginal and Torres Strait Islander Health Care in Inala. The new endoscopy suites at the QEII Hospital and the new Day Procedure Unit at the PAH have significantly increased screening and surgical capacity whilst reducing the number of patients waiting for endoscopy services in the Metro South region.

I would like to thank our Board, the Executive, Stream Leaders and all of our dedicated staff for their hard work in delivering high-quality care to the Metro South community. I look forward to another productive and successful year ahead.

Dr Richard Ashby AM
Health Service Chief Executive
Metro South Hospital and Health Service

Highlights 2013–2014



1 Our organisation

Metro South Hospital and Health Service (hereafter referred to as Metro South Health) is the major provider of public health services, and health education and research, in the Brisbane south side, Logan, Redlands and Scenic Rim regions.

Vision, purpose and objectives

As outlined in Metro South Health's *Strategic Plan 2012–2016*, Metro South Health's vision, purpose and objectives describe and support our direction and how we work together.

Our vision

To be renowned worldwide for excellence in health care, teaching and research.

Our purpose

Metro South Health's purpose is to deliver high quality health care through the most efficient and innovative use of available resources, using planning and evidence-based strategies.

Our aspirations

Metro South Health aspires to:

- be viewed as a national leader in healthcare delivery

- proactively influence health care policy and planning across all sectors, including health, education, transport and communities
- independently own and manage appropriate infrastructure, assets and workforce to service our target population
- drive innovation through healthcare ICT initiatives
- be recognised as a leader in public sector workforce culture and reform.

Our objectives

Metro South Health is committed to working closely with the Queensland Government to implement its *Blueprint for better healthcare in Queensland*. Metro South Health's strategic objectives closely align with the Blueprint's four themes (see Figure 1):

- health services focused on patients and people
- empowering the community and our health workforce
- providing Queenslanders with value in health services
- investing, innovating and planning for the future.

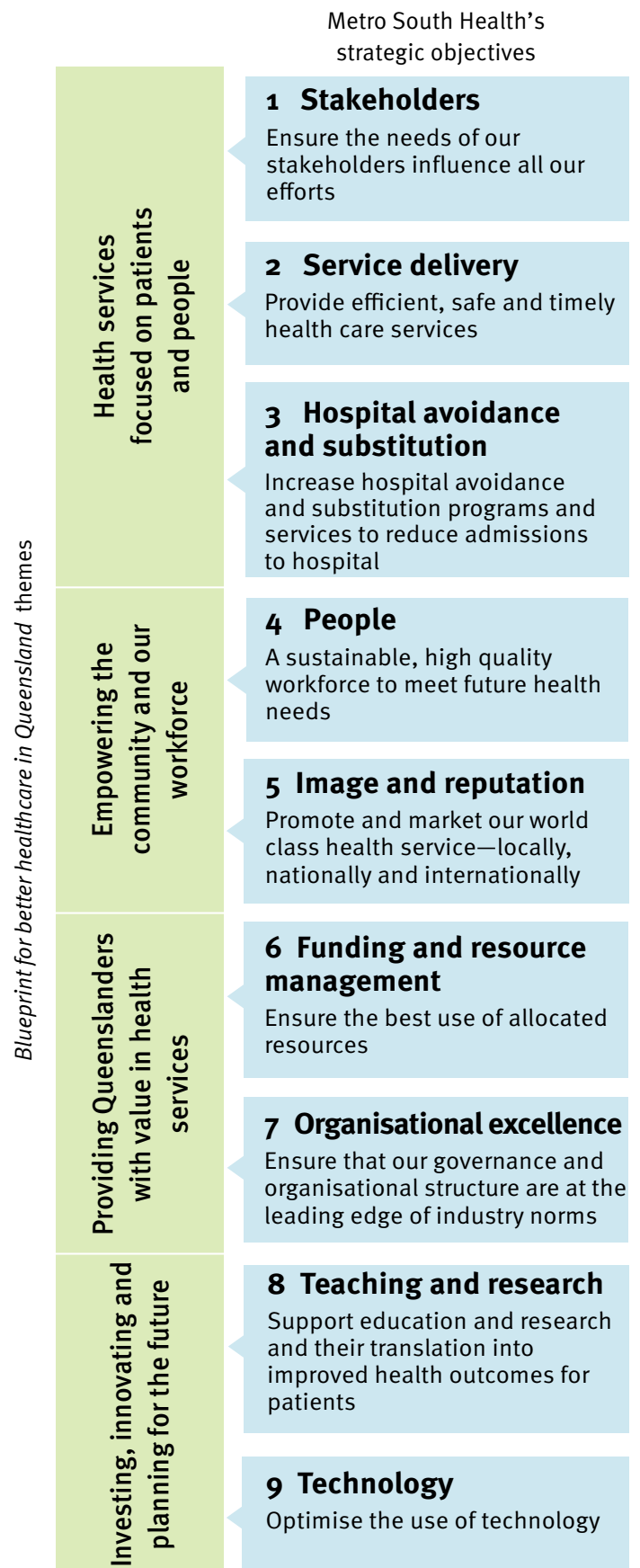
1 Our organisation

Metro South Health’s strategic objectives are:

1. **Stakeholders:** Ensure the needs of our stakeholders influence all our efforts
2. **Service delivery:** Provide efficient, safe and timely health care services
3. **Hospital avoidance and substitution:** Increase hospital avoidance and substitution programs and services to reduce admissions to hospital
4. **People:** A sustainable, high quality workforce to meet future health needs
5. **Image and reputation:** Promote and market our world class health service—locally, nationally and internationally
6. **Funding and resource management:** Ensure the best use of allocated resources
7. **Organisational excellence:** Ensure that our governance and organisational structure are at the leading edge of industry norms
8. **Teaching and research:** Support education and research and their translation into improved health outcomes for patients
9. **Technology:** Optimise the use of technology

Metro South Health is also committed to the government’s statement of objectives for the community—to grow a four pillar economy, lower the cost of living, invest in better infrastructure and better planning, revitalise frontline services, and restore accountability to government.

Figure 1. How Metro South Health’s strategic objectives align with the Blueprint for Better Healthcare in Queensland themes



Our values

Metro South Health proactively encourages its employees to align their behaviours with the Queensland public service values, see Figure 2.

Figure 2. Queensland public service values



Customers first

- Know your customer
- Deliver what matters
- Make decisions with empathy



Ideas into action

- Challenge the norm and suggest solutions
- Encourage and embrace new ideas
- Work across boundaries



Unleash potential

- Expect greatness
- Lead and set clear expectations
- Seek, provide and act on feedback



Be courageous

- Own your actions, successes and mistakes
- Take calculated risks
- Act with transparency



Empower people

- Lead, empower and trust
- Play to everyone's strengths
- Develop yourself and those around you

2013–14 Highlight



In March 2014, Metro South Health launched its workforce engagement strategy—PAVE the way.

The strategy aims to improve workforce culture and boost engagement while closely aligning with the public service values.

The strategy focuses on:

- People
- Actions
- Values
- Empowerment

Investing in workforce engagement and culture is essential to ensure we can overcome challenges and continue to provide high quality care for our community.

About Metro South Health

Metro South Health is one of 16 hospital and health services in Queensland and serves an estimated population of 1 million people, 23 per cent of Queensland's population. It employs more than 13,000 staff and has an annual operating budget of approximately \$1.8 billion. The health service's catchment spans 3856 square kilometres and covers the area from the Brisbane River in the north to Redland City in the east, south to Logan and the eastern portion of the Scenic Rim to the border of New South Wales.

Metro South Health is the principal provider of public health services for the community. It is made up of five major hospitals in addition to a number of health centres throughout the region.

Our hospitals

- Beaudesert Hospital
- Logan Hospital
- Princess Alexandra Hospital
- Queen Elizabeth II Jubilee Hospital
- Redland Hospital

Major health centres

- Beenleigh
- Browns Plains
- Corinda
- Dunwich
- Eight Mile Plains
- Inala
- Logan Central
- Redland
- Wynnum

Specialty services

Metro South Health delivers a full suite of specialty health services, including:

- acute medical
- acute surgical
- aged care
- cancer
- cardiology
- emergency medicine
- mental health
- obstetrics and gynaecology
- palliative care
- rehabilitation

- spinal
- trauma
- transplantation.

Health services delivered in the community include:

- Aboriginal and Torres Strait Islander health
- alcohol, tobacco and other drug services
- BreastScreen
- chronic disease management
- community rehabilitation
- hospital avoidance and substitution services
- mental health
- offender health
- oral health
- refugee health
- palliative care.

Statewide services

Princess Alexandra Hospital is a major tertiary facility that is renowned for its work in liver transplantation, renal transplantation, spinal injury management, brain injury rehabilitation and skull base surgery.

Education and research

Metro South Health is committed to strong undergraduate and post-graduate teaching programs in medicine, nursing and allied health with linkages to the University of Queensland, Queensland University of Technology and Griffith University, as well as several other Queensland universities.

Metro South Health is internationally recognised as a leader in biomedical and clinical research. Princess Alexandra Hospital is home to the Translational Research Institute (TRI)—a world class medical research facility housing over 700 researchers from four of the country's pinnacle institutions.

Metro South Health also plays a key role in Diamantina Health Partners, Queensland's first academic health science centre. This partnership currently comprises Princess Alexandra Hospital, Inala Indigenous Health Service, Metro South Addiction and Mental Health Services, Mater Health Services, the University of Queensland, Queensland University of Technology, the Translational Research Institute and UQ Healthcare.



Agency role and functions

Under the *Hospital and Health Boards Act 2011*, Metro South Health is the principal provider of public health services for the community within its geographical area. It is an independent, statutory body, governed by the Metro South Hospital and Health Board, which is accountable to the local community and the Queensland Minister for Health.

The service was initially gazetted as a Health Service District on 1 November 2008 as an amalgamation of Princess Alexandra Hospital and the former Southside Health Service District. Under the federal and state government health reforms, Metro South Health became one of the 17 new hospital and health services (HHSs) on 1 July 2012.

Under the *Hospital and Health Boards Act 2011*, the Queensland Department of Health is responsible for the overall management of the public health system including statewide planning and monitoring the performance of hospital and health services. A formal service agreement is in place between the Department of Health and Metro South Health. This service agreement defines the outcomes that are to be met by Metro South Health and how its performance will be managed. The service agreement also sets out the activity that is purchased by the Department from Metro South Health, and the funding provided for delivery of the purchased activity.

Metro South Health's vision is to be renowned worldwide for excellence in health care, teaching and research. This is achieved through the application of the health service's purpose, which is to deliver high quality health care through the most efficient and innovative use of available resources, using planning and evidence-based strategies.

Our community

Metro South Health is the most populated hospital and health service in Queensland. In 2012, there were 1,052,830 residents in the region, equal to approximately 23 per cent of Queensland's population. By 2016, this is expected to grow to 1,121,873 residents.

The region's population is also forecast to continue to age, like the rest of the Australian population, due to increasing life expectancy at birth, the current population age structure and relatively low levels of fertility. Between 2011 and 2031, the number of residents aged 65 years and over is projected to grow by 100 per cent or 121,197 people.

In 2011, 19,573 residents of Metro South, or two per cent of the population, identified as Aboriginal and/or Torres Strait Islander.

Metro South is one of the most culturally and linguistically diverse populations in Queensland. In 2011, 282,543 people or 28.5 per cent of the total population were born overseas and now reside in the region.

Of residents born overseas, 47 per cent speak a language other than English at home.

In Metro South Health's geographical region:

- 54.3 per cent of adults are classified as overweight or obese
- 8.0 per cent of adults report consuming the recommended serve of vegetables (five serves per day)
- 13.6 per cent of adults consume tobacco daily
- 55.2 per cent of adults report undertaking a sufficient level of exercise
- 18.2 per cent of adults report drinking at risky levels.

The leading causes of burden of disease in Metro South are cancer, mental health disorders, cardiovascular disease and neurological disorders.

Males account for about half of the Metro South population, but experience more than half of the total disease burden (51.7 per cent). Men had a significantly greater burden of disease for cancer, cardiovascular disease, intentional and unintentional injuries and alcohol dependence.

Highlights and new initiatives

First babies born at Beaudesert Hospital in a decade

Backed by strong community support and more than \$1.6 million in equipment and facility upgrades, Beaudesert Hospital recommenced birthing services in March 2014 after a 10-year absence.

The opening followed the re-establishment of postnatal inpatient services in November 2013 and was supported by the recruitment of doctors, nurses, midwives and allied health professionals to deliver the highest quality health care.

The new services allow the 22-bed hospital to offer Scenic Rim women, with low-risk pregnancies, the choice of giving birth in their own community, close to their home, family and friends. In the first four months of operation, 66 babies were born locally.

Since reopening, the Beaudesert rural hospital model has also helped form the template for the reintroduction of similar services in regional Queensland.

Oral Health eliminates waiting list

During 2013–2014, Metro South Health received increased federal funding for dental services. These extra funds delivered major improvements in service delivery to the community and allowed for an extra 40,000 treatments.

The significant boost to services eliminated the long-wait list, down from 6758 in June 2013 to zero in December 2014.

The Oral Health Hub call centre, 1300 300 850, removed rigid fixed appointments and allowed parents to choose appointments at a convenient time in any of the dental clinics across the Metro South region.

Metro South Oral Health Services expanded the Oral Health Hub to make it easier for parents to access the 100,000 free dental treatments offered to local children.

World class Emergency Department and Endoscopy Unit opens at Queen Elizabeth II Jubilee Hospital

A new state-of-the-art Emergency Department and Endoscopy Unit began delivering services to Brisbane southside residents in 2013.

Located at Queen Elizabeth II Jubilee Hospital (QEII Hospital), the new centres provide local emergency treatment and diagnostic investigations.

The \$22 million Emergency Department expansion was developed to meet the needs of a growing south-east Queensland population and transform the patient experience.

Now three times larger than the older centre, the new world-class Emergency Department facility has 11 fast-track treatment spaces, 10 acute care cubicles, three resuscitation bays, two negative pressure isolation rooms, two triage bays and an additional eight bed short stay unit for those cases requiring further overnight observation.

A 12-bay Transit Lounge has also been added to provide a safe and comfortable area for patients who have been discharged and are awaiting transport.

As the most advanced facility of its type in Australia, the new \$11 million QEII Hospital Endoscopy Unit helps treat and prevent disease. Capacity has also significantly increased from 1200 patients a year to 5000, resulting in local residents being treated faster.

Oncology expansion delivers 3770 extra treatments to cancer patients

Princess Alexandra Hospital's Oncology Day Care Unit expansion has provided more than 3770 treatments to cancer patients in its first six months of operation.

The \$5.9 million State Government-funded facility provides cancer patients greater access to services.

Since opening in January 2014, the expansion now provides lifesaving treatment to an additional 17 cancer patients each month (on average).

With cancer the leading cause of premature death in Queensland, the expanded Oncology Day Care Unit is helping address the growing demand for day care therapy for cancer patients.

Single point of contact for referrals

The Metro South Health Central Referral Hub launched in May 2014 to provide a single point of entry for all specialist and allied health outpatients referrals to Metro South Health.

In its first day of operation the hub received 600 referrals, and processed more than 23,000 referrals before the end of June 2014. This represents an average of 575 referrals each day.

The benefits of the Central Referral Hub include:

- a simple, more efficient referral process
- improved referral tracking which eliminates duplicate requests
- consistent and fair referrals for patients
- one point of contact for Metro South Health referrals.

Following the Central Referral Hub's successful launch, Metro South Health plans to extend the concept to other health services.

National and international recognition

In June 2014, Princess Alexandra Hospital was designated as a prestigious Magnet® facility for the third time. Magnet is an international nursing credentialing program that recognises quality patient care, nursing excellence, and innovations in professional nursing practice. It is the highest recognition for nursing excellence that can be attained internationally.

The hospital is one of only 400 organisations around the world to have received the designation, and the only facility outside the United States to achieve it for a third time.

Princess Alexandra Hospital also underwent its first accreditation survey under the Australian Council on Healthcare Standards new 'EQuIP National' framework. The hospital achieved the best performance in Australia against the new standards since they were introduced in January 2013.

In addition to receiving full accreditation with no recommendations, the hospital achieved the highest 'Met with Merit' score on 45 per cent of its standards, which was 10 per cent greater than its closest peer group hospital at the time.

Centre of Excellence supports Indigenous Health

During 2013, Inala became home to a new \$7 million Southern Queensland Centre of Excellence for Aboriginal and Torres Strait Islander Primary Health Care.

The new facility enhanced the capacity of the existing Inala Indigenous Health Service and dramatically increased the range of health services provided to the Aboriginal and Torres Strait Islander community.

The Centre of Excellence was the vision of Professor Noel Hayman, who as Queensland's first Indigenous doctor helped establish the original Inala Indigenous Health Service in 1995.

From only 12 patients, the centre has grown to provide services to more than 8000 members of Queensland's Indigenous community.

To help close the gap in Indigenous health and capitalise on the centre's wealth of expertise, Metro South Health is supporting the centre's growth into a research and teaching hub for the next generation of doctors, nurses, dentists and allied health professionals. The focus of research will be on Indigenous chronic disease, maternity and child health.

Strategic risks, challenges and opportunities

Australia's health system is amongst the best in the world. However, demands on the system are increasing due to an ageing population, increased rates of chronic and preventable disease, new treatments becoming available and rising health care costs.

Metro South Health operates in an environment characterised by reform, which aims to: achieve decision-making and accountability that is more responsive to local health priorities; stronger clinician, consumer and community participation; and a more 'seamless' patient experience across sectors of the health system.

Risks and challenges

As the largest public health service in Queensland, Metro South Health has a number of strategic risks over the next four years. These are:

Demand is greater than infrastructure and resource capacity

There are indications that the health of Queenslanders is improving. Life expectancy is increasing, death rates for many causes are decreasing, and more people continue to report satisfaction with their health. However, hospitalisation rates are increasing for many health conditions, and are likely to continue to rise over the next 20 years. Whilst much of the future pressure on the healthcare system will come from an ageing population, there are also other causes, in particular the impact of chronic diseases.

The current infrastructure and resources are likely to be unable to meet the health needs of Metro South residents over the coming years. Changes to models of care and the delivery of health services are required to ensure demand is able to be met.

Revenue generated is less than planned

Metro South Health has developed a number of strategies to generate revenue. If these strategies do not deliver the expected results, a review of services will be required to retain financial viability.

Unanticipated events (e.g. natural disasters, pandemics)

Queensland regularly experiences severe weather events and natural disasters and Metro South Health, as the largest hospital and health service, is integral in the

management of pandemics or disease outbreaks. Plans are in place to respond to disease outbreaks, natural disasters and environmental hazards.

Managing change both internally and externally

The National Health Reform has transformed the Australian health system and changing the way public health and hospital services are managed. These changes have had considerable impact on Metro South Health. Metro South Health is committed to ensuring that this change is professionally and sensitively managed both internally and externally.

Advances in health technology

It is estimated that half of the increase in expenditure in health spending over the last 50 years is due to the introduction of new technologies and the subsequent increased volume of services per treated case. However, advances in health technology have also improved the efficiency, effectiveness and quality of health services.

Metro South Health is committed to increasing the availability and use of technology in an appropriate way. New technologies including eHealth and telehealth will provide opportunities to deliver more effective health services and improve health outcomes.

Opportunities

There are a number of opportunities that will help Metro South Health meet its targets over the coming year.

Opportunities include:

- develop public-private partnerships to improve health service infrastructure
- utilise value-based contracting and outsourcing in line with the Queensland Government's contestability framework, to improve the effectiveness and efficiency of support services and procurement
- leverage Medicare Locals to improve the integration of local health services to simplify the health system for the community and stakeholders, and ultimately, improve health outcomes
- lead research and innovation projects, and promote translational research initiatives through the Translational Research Institute to share research knowledge and improve health outcomes for all
- utilise technologies to improve efficiency and innovate health service delivery, including eHealth.

2 Our governance

By capitalising on local control and clinical leadership, Metro South Health's Board continues to develop the health service's culture of innovation and accountability in order to deliver better health outcomes for the community.

An accountable structure

Hospital and Health Board

The Metro South Hospital and Health Board is responsible for setting the overall strategic direction, establishing goals and objectives for the health service, and monitoring the organisation in line with government health policies and directives. The Metro South Hospital and Health Board reports to the Queensland Minister for Health.

Metro South Health Executive

The Health Service Chief Executive is responsible for overall management, performance and activity outcomes for Metro South Health. The Chief Executive reports directly to the Board.

Reporting to the Chief Executive is a group of Executive Directors, each responsible for a service, portfolio or professional stream within the organisation.

Clinical streams

Through its facilities, Metro South Health delivers a full suite of specialties to the community. These services are categorised into eight core health specialty areas, which are referred to as 'clinical streams'.

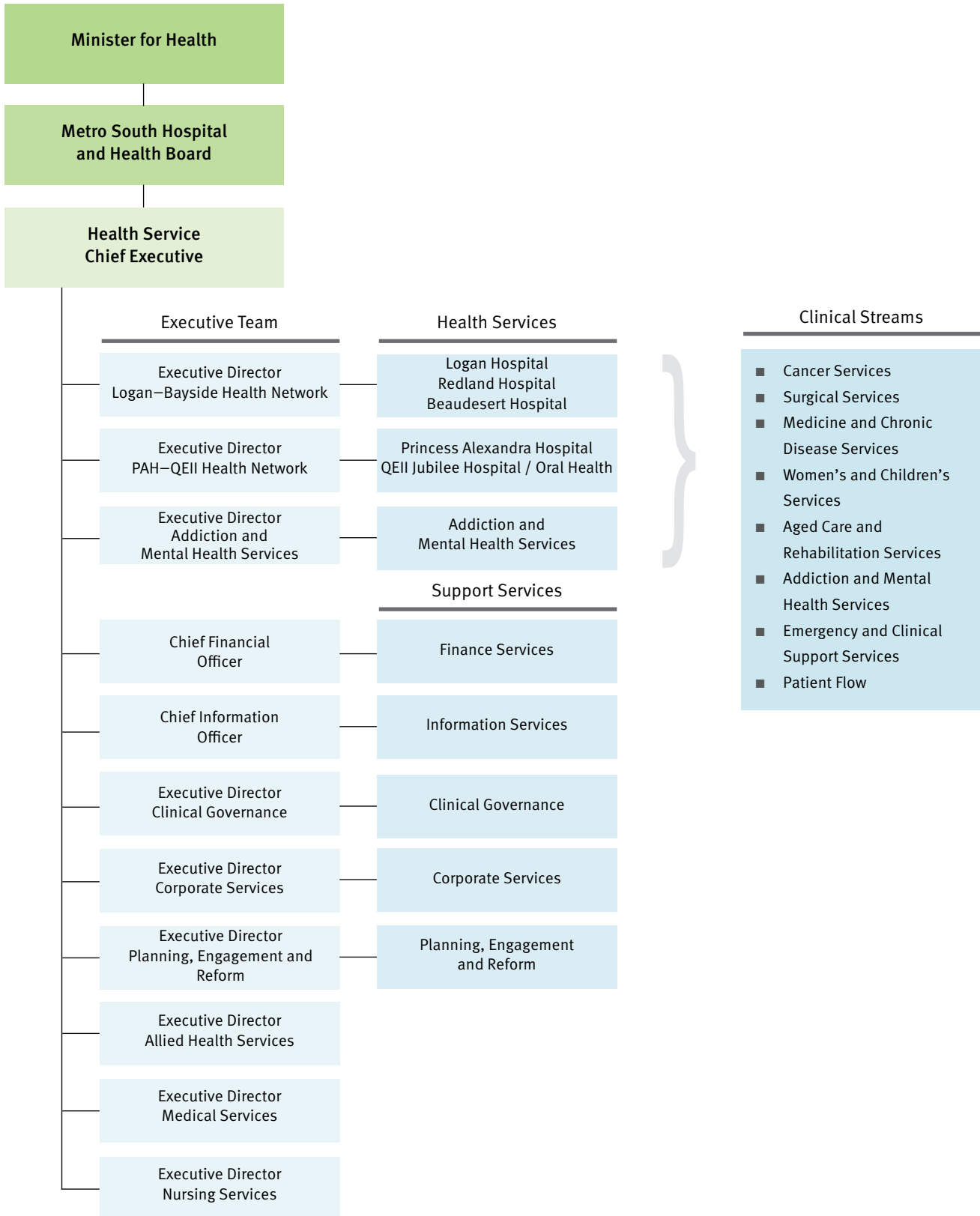
Each of the eight clinical streams is led by a single Clinical Stream Leader, supported by one or more Sub Stream Leaders.

The benefit of the clinical stream governance is improved integration of services across Metro South Health, and targeted innovation and clinical redesign.

Clinical Stream Leaders report directly to the Health Service Chief Executive and are expected to:

- undertake service planning and stakeholder engagement
- redesign clinical services
- innovate for the future.

Organisation structure



Our Board

The Metro South Hospital and Health Board (the Board) comprises five or more members appointed by the Governor in Council on the recommendation of the Queensland Minister for Health pursuant to the *Hospital and Health Boards Act 2011*.

The Board is responsible for the governance activities of the organisation and derives its authority to act from the *Hospital and Health Boards Act 2011* (the Act). Each member brings a broad range of skills, expertise and experience to the Board.



Metro South Hospital and Health Board members

The Board is responsible for setting strategic direction, establishing goals and objectives for executive management, monitoring the organisation in line with current government health policies and directives, and ensuring that adequate and appropriate community consultation is undertaken.

The Board reports to the Honourable Lawrence Springborg, Minister for Health.

Key responsibilities

The Board's key responsibilities include:

- reviewing and approving strategies, goals, annual budgets and financial plans as designed by the hospital and health service in response to community and stakeholder input
- monitoring financial performance on a regular basis
- monitoring operational performance on a regular basis including compliance with clinical regulations and standards
- ensuring that risk management systems are in place to cover all of the organisation's key risk areas including operational, financial, environmental and asset related risks
- ensuring that Metro South Health has policies and procedures to satisfy its legal and ethical responsibilities
- monitoring committee reporting on operational, financial and clinical performance
- determining the desired culture for the hospital and health service to enhance its reputation with the community and stakeholders
- reporting to and communicating with government, the community and other stakeholders on the financial and operational performance of the organisation.

Functions

The functions of the Board are to:

- oversee and manage Metro South Health (the HHS), and
- ensure that the services provided by the HHS comply with the requirements of the Act and the objectives of the HHS.

2013–14 Highlights



In 2013–2014, the Board developed, monitored and advised on the following:

- 2012–2016 Strategic Plan: 2014 update
- 2013–2014 Operational Plan
- reopening of birthing and procedural services at Beaudesert Hospital
- roll-out of the Department of Health's medical contracts for senior and visiting medical officers
- Workforce Services policy framework
- health service plans:
 - Medicine and Chronic Disease
 - Aged Care and Rehabilitation
 - Surgical Services
 - Oral Health Services
- maturity of the Metro South Health Risk Management Framework
- Metro South Health budget assessment, including consideration of funding changes and the impact on operational plans
- financial and operational performance monitoring
- significant update of the Finance Management Practice Manual and financial delegations framework
- workforce engagement strategy: PAVE the way.

Board members



Mr Terry White AO

Chairman
Metro South Hospital and
Health Board

Appointed 18 May 2012
to 17 May 2016

Terry White is a pharmacist with extensive board and business experience including roles as a Member of Parliament, Minister of the Crown, President of the Pharmacy Guild and consultant to healthcare companies such as Faulding, Mayne and Symbion.

Terry established the Terry White Chemists franchise group in 1994 which has grown into a billion dollar business employing more than 4500 staff and is currently Chair of Terry White Chemists Group Investments. He served as Deputy Chair of the Workcover Board (from 1997–2012) following the Kennedy Inquiry into the Workers Compensation Scheme.

In 2006, he was appointed as an Officer of the Order of Australia for his services to the retail industry, the community and to Parliament. In 2011 he was inducted into the Queensland Business Leaders Hall of Fame in recognition of his exceptional entrepreneurship and innovation in national retailing, as well as his significant contributions to public leadership and the community. In 2012, Terry was recognised as a Queensland Great for his contributions to the State as a business and community leader.

His personal and business achievements are the topic of his biography 'A Prescription for Change—The Terry White Story', published by the University of Queensland Press and authored by Walkley Award-winning Tony Koch, a journalist of The Australian.



Mr Peter Dowling AM

Deputy Chair and Board
Director

Appointed 29 June 2012
to 17 May 2016

Peter Dowling is an accountant and company director. He is a Fellow of CPA Australia and The Institute of Chartered Accountants in Australia and a Fellow of The Australian Institute of Company Directors. He was formerly a partner with international accounting firm Ernst & Young. He is a Centenary of Federation Medal recipient and was made a Member of the Order of Australia in 2007 for services to accountancy and the community.

Peter has a number of other board and audit and risk committee appointments.

He is a Director of CUA, CPA Australia, WorkCover, TAFE Queensland, Lexon Insurance and The Asset Institute, among others. He is the Chair of the Audit and Risk Committees for the Sunshine Coast Regional Council, Queensland Transport and Main Roads, the Queensland Department of Energy and Water Supply and the Queensland Crime and Corruption Commission. He is also a Member of the Audit and Risk Committees for the Moreton and Redlands Councils and the Queensland Department of Environment and Heritage, and is the Queensland Honorary Consul for Botswana.



Dr John Kastrissios

Board Director

Appointed 29 June 2012
to 17 May 2017

Dr John Kastrissios is a general practitioner (GP) who has a special interest in the management of cardiovascular disease, asthma, diabetes and mental health. He is a former National Asthma Council clinical educator and is a current board member of the Greater Metro South Brisbane Medicare Local.

John works as a GP supervisor for graduate registrars in training with General Practice Training Queensland. He also teaches medical students from Griffith University, Bond University and University of Queensland.

John is a member of the Queensland Clinical Senate and a former member of the National e-Health Transition Authority’s Clinical Leads and Queensland Health’s Clinical Informatics Steering Committee.

John was previously the chair of Greater Metro South Brisbane Medicare Local, the South East Primary Health Care Network and General Practice Queensland, and deputy chair of the Australian Medicare Local Alliance Board.

In 2008 he received the John Aloizos Medal for outstanding individual contribution to the Australian General Practice Network.

He is a graduate of the Australian Institute of Company Directors.



Ms Margo MacGillivray

Board Director

Appointed 14 June 2013
to 17 May 2017

Margo MacGillivray has practiced as a commercial lawyer for more than 25 years. During that time, she has been a partner of a premier Australian law firm, and General Counsel for large, multi-national entities. Margo has a particular focus on corporate governance and enterprise-wide risk management.

She has also been a member of the Queensland Executive of the Australian Corporate Lawyers Association.

Margo has also been a member and Deputy President of the Queensland Parole Boards. These were senior government positions requiring high level decision making and risk management.

Margo holds a Bachelor of Laws (Hons) and Bachelor of Arts. She is also a Graduate of the Australian Institute of Company Directors.



Ms Lorraine Martin AO

Board Director

Appointed 7 September 2012
to 17 May 2016

Ms Lorraine Martin is a highly successful corporate business woman, experienced board member and outstanding community leader. She was recognised in the 1994 Australia Day Honours List when she was awarded an Order of Australia (AO) for service to business and commerce, particularly in the field of education and training. She is also the former National President of Women Chiefs of Enterprises-International and Queensland President of the Australia Brunei Business Council.

Lorraine established Lorraine Martin College in 1976, which comprised vocational training and personnel agency services. In 1987, she established Queensland's first private English language centre. The group merged with Education and Training Australia in 1996 and grew to include campuses in Brisbane, Cairns, Gold Coast and Sydney. The organisation is now known as Martin College.

Lorraine is a highly experienced board member, having served on numerous public and private sector boards in areas including health, education and community services, including: Mater Hospital Trust; Prince Charles Hospital Foundation; Mindcare (Mental Health Foundation); State Training Council (Queensland); Austrade; Employment Services Regulatory Authority; Bond University School of Business; Queensland State Chamber of Commerce and Industry; Office of Economic Development for the City of Brisbane; Australian Institute of Company Directors; Australian President of Women Chiefs of Enterprises International.



Professor Johannes (John) Prins

Board Director

Appointed 29 June 2012
to 17 May 2016

Professor John Prins is an active clinician-scientist, a key opinion leader in diabetes and endocrinology in Australia and sits on numerous national and international scientific, clinical and educational committees and boards for the National Health and Medical Research Council, non-government organisations and industry.

John undertook his clinical training in endocrinology in Brisbane and then completed a PhD in adipose tissue biology at the University of Queensland.

His first post-doctoral research appointment was at the University of Cambridge, UK, based at Addenbrooke's Hospital. He returned to Brisbane in 1998 after being awarded a Wellcome International Senior Research Fellowship.

In 2004 he was founder and director of the UQ Centre for Diabetes and Endocrine Research, one of the most prominent and successful groups on the Princess Alexandra Hospital campus, which merged with the UQ Centre for Immunology and Cancer Research in 2007 to form the Diamantina Institute.

As chair of the Centre of Health Research on the Princess Alexandra Hospital campus from 2005 to 2009, he coordinated campus-wide research strategy, fostered research, facilitated the recruitment of researchers to the campus, and integrated research and clinical activities.

In 2009 John was appointed chief executive and director of the Mater Medical Research Institute. John has substantial commercialisation experience, holds two international patents and was founder and scientific director of a biotech company—Adipogen Pty Ltd. John is actively involved in undergraduate and postgraduate teaching and training, and has ongoing research interests in obesity and diabetes.



Dr Marion Tower

Board Director

Appointed 29 June 2012
to 17 May 2016

Dr Marion Tower is the Director of Undergraduate Studies and Deputy Head of School at the University of Queensland's School of Nursing and Midwifery.

Prior to becoming a lecturer in nursing and midwifery in 2002, Marion was a registered nurse working in various public and private organisations in emergency, critical care and community health areas. She has a strong interest in safety and quality in healthcare and in nurse education.

Marion was a member of the QEII Health Community Council from 2003–2011 and was a member of the QEII Health Service District Safety and Quality Committee.

Marion has a PhD from Griffith University for research on the health and healthcare for women affected by domestic violence.

Board member attendance

Board member	MSHHB meetings	Executive Committee meetings	Finance Committee meetings	Audit and Risk Committee meetings	Safety and Quality Committee meetings	Combined Audit and Risk, and Safety and Quality meetings
Total meetings	11	11	5	5	5	1
Terry White AO	11	11	–	–	–	–
Peter Dowling AM	10	10	5	5	–	1
Dr John Kastrissios	11	11	–	–	3	1
Professor John Prins	10	10	5	5	5	1
Dr Marion Tower	10	10	–	–	4	–
Lorraine Martin AO*	11	11	2	2	4	1
Margo MacGillivray	10	10	5	5	–	1

*On 25 March 2014, Ms Lorraine Martin stepped down from the Finance and Audit Committee. Ms Martin remained on the Safety and Quality Committee.

Note: In October 2013, a combined Audit and Risk, and Safety and Quality Committee meeting was held along with the standard meeting.

Remuneration of Board members

Board member	Base and post employment benefits (\$'000)	Non-monetary benefits* (\$'000)	Total remuneration (\$'000)
Terry White AO	80	–	80
Peter Dowling AM	41	–	41
Dr John Kastrissios	41	–	41
Professor John Prins	40	–	40
Dr Marion Tower	41	–	41
Lorraine Martin AO	41	–	41
Margo MacGillivray	42	–	42
Total	326	–	326

* e.g. travel arrangements

Policy note:

Key management personnel and remuneration expense disclosures are made in accordance with section 5 of the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury and Trade. Refer to Note 35 for the disclosures on key management personnel and remuneration.

Board roles

Board Chair

The Chair of the Board is elected on the recommendation of the Queensland Minister for Health following an advertised recruitment process.

The Chair of the Board's responsibilities are:

- presiding over all meetings of the Board. In the event of the Chair being absent, the Deputy Chair shall preside for the course of that meeting
- maintaining a regular dialogue and mentoring relationship with the Health Service Chief Executive (HSCE)
- monitoring the performance of the Board and individual members and promote the ongoing effectiveness and development of the Board
- managing the evaluation and performance of the HSCE and the Board
- informing the Minister about significant issues and events.

Health Service Chief Executive

The Board appoints the HSCE and delegates the administrative function of Metro South Health to the HSCE and those officers to whom management is delegated.

The HSCE responsibilities are:

- managing the performance and activity outcomes of Metro South Health
- providing strategic leadership and direction for the delivery of public sector health services in the HHS
- promoting the effective and efficient use of available resources in the delivery of public sector health services in the HHS
- 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.

The HSCE may delegate the chief executive's functions under the *Hospital and Health Boards Act 2011* to an appropriately qualified health executive or employee.

Corporate Secretary

The Corporate Secretary provides administrative support to the Board.

The Corporate Secretary is responsible for:

- preparing agendas and minutes
- organising Board meetings
- organising Directors' attendances
- preparing the Board induction packages
- providing a point of reference for communication between the Board and Metro South Health Executive
- attending to all statutory filings and regulatory requirements.

Our Executive team

Health Service Chief Executive

Dr Richard Ashby was appointed Chief Executive of the Metro South Hospital and Health Service in July 2012.

Dr Richard Ashby AM

Dr Richard Ashby is one of the state's most experienced clinicians and health service administrators. In 2010, Dr Ashby was awarded a Member of the General Division of the Order of Australia for service to emergency medicine, to medical administration, and to a range of professional associations. He is active across a broad range of medical areas, including teaching, research and consultancy.

Dr Ashby previously held the post of Executive Director and Director Medical Services at the Princess Alexandra Hospital. Dr Ashby is a University of Queensland graduate who undertook his internship at the Princess Alexandra Hospital and subsequently worked in provincial and rural centres and at the QEII Hospital. He was appointed Director of Emergency Medicine at the Royal Brisbane Hospital in 1989, a post he held until his appointment as Executive Director Medical Services at the Royal Brisbane and Women's Hospital in 2000.

Dr Ashby is a past President of the Australasian College for Emergency Medicine and was Chairman of the International Federation for Emergency Medicine from 1994 to 1996.

In the period 2000–2006, Dr Ashby also acted as District Manager at both the Royal Brisbane and Women's Hospital and Princess Alexandra Hospital for lengthy periods. Dr Ashby was appointed Executive Director of Medical Services at PAH in September 2006 and, in 2008, was additionally appointed as Executive Director of the hospital.

Dr Ashby is a Director of the Translational Research Institute and Australian e-Health Research Centre.

Executive team

Mr Robert Mackway-Jones Chief Finance Officer

Robert has 18 years of health sector experience and more than 12 years of senior leadership experience within the New Zealand environment. He joined Metro South Health in June 2013. Robert's New Zealand health experience included various financial roles and sector leadership roles. From 2010 to 2013 he led the health needs assessment, strategic planning, funding and contracting for health services activities for the Southern District Health Board while concurrently fulfilling its Chief Financial Officer role.

Ms Kay Toshach

Executive Director, Planning Engagement and Reform

Kay has a background in physiotherapy and worked as a senior clinician within Queensland Health and the United Kingdom's National Health Service before pursuing an interest in workforce, organisational development and change management. Both within the Princess Alexandra Hospital and more recently, across Metro South Health, she has been responsible for leading a range of broad change initiatives including workforce and performance models, critical service partnerships, planning frameworks and corporate governance models. Kay acted as the Metro South Health executive lead for the transition to an independent statutory body in line with national and state health reform in 2012.

Mr Michael Draheim Chief Information Officer

Michael is a registered nurse with postgraduate qualifications in intensive care, health administration and information systems. He has a background in clinical education, informatics and leadership positions across both the public and private sectors and has worked in health delivery roles in Queensland, New South Wales and Tasmania. Michael has experience in the implementation, management and delivery of ICT and its benefits in hospital and health care environments. He is passionate about working with clinicians in expanding the understanding and value informatics can bring to health care.

Mr Peter Frew Executive Director, Corporate Services

Peter has significant experience in organisational improvement, industrial relations and human resource management. Peter has established governance processes, policy frameworks, and oversaw the development of performance scorecards which measure key performance indicators against service agreements and organisational costings. Peter has also overseen the Metro South Corporate Services Reform Program, preparing the organisation for contestability and improving efficiency.

Dr Michael Daly Executive Director, Clinical Governance

Michael graduated from University College Dublin, where he trained in the Mater Hospital. After his internship, he moved to Queensland and in 2000 he became Deputy Director Medical Services at Toowoomba Hospital. Michael was appointed Executive Director, Medical Services in West Moreton in 2002 and with the health reforms of 2005–2006, he founded the Southern Area Clinical Governance Unit. In 2008, Michael was appointed Executive Director, Clinical Governance at Metro South Health. In 2014, Michael was appointed as Adjunct Associate Professor at the Queensland University of Technology's School of Public Health and Social Work and School of Clinical Sciences.

Mr Brett Bricknell**Executive Director, Logan-Bayside Health Network**

Brett began his career in health as a physiotherapist in 1989, working first in New South Wales and then the United Kingdom. On returning to Australia in 1994, Brett was appointed as the first Director of Physiotherapy Services at Logan Hospital, where his interest in a career in health service management began. Brett has held senior management positions in health service planning, allied health services, community and primary health services, and acute hospital services. Brett was appointed as Executive Director, Logan-Bayside Health Network in October 2012.

Dr Stephen Ayre**Executive Director, PAH-QEII Health Network**

Dr Stephen Ayre began his career as a general practitioner on the Sunshine Coast and has worked in several hospitals across the State. Stephen is a graduate of the University of Queensland Medical School, has a Masters in Health Administration from the University of NSW and is a Fellow and Jurisdictional Coordinator Training for the Royal Australasian College of Medical Administrators. He has worked in senior management roles across health, including community health, medical superintendent and medical services. Stephen also worked in Tasmania, where he was the CEO of the Launceston General Hospital from 2004 to 2008. He also worked as the Executive Director of Medical Services at The Prince Charles Hospital from 2008 to 2014. Stephen was appointed as Executive Director, Princess Alexandra Hospital and QEII Jubilee Hospital Health Network in May 2014.

Dr Susan O'Dwyer**Executive Director, Medical Services**

Dr Susan O'Dwyer has worked in various medical administration roles at various facilities across Queensland Health since 2001. Susan's experience includes a 7-year term at the Department of Health with responsibilities for medical workforce, education and training. Susan has 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 and a member of the Queensland Board of the Medical Board of Australia. She is also the chair of the Queensland Registration Committee of the Medical Board of Australia, and a member of the Australian Medical Council prevocational accreditation standards committee. These professional roles complement Susan's role with Metro South Health as the professional lead for medical practitioners.

Ms Veronica Casey**Executive Director, Nursing and Midwifery Services**

Veronica has held nursing executive leadership positions in Queensland Health since 1998. She worked in nursing director roles at The Prince Charles Hospital, the Royal Brisbane Hospital and the Royal Women's Hospital prior to her appointment as Executive Director, Nursing Services at Princess Alexandra Hospital. During her time at PAH, she has been instrumental in helping the hospital achieve re-designation under the Magnet® credentialing program, and the introduction of the Nurse Sensitive Indicator performance monitoring system. In 2010, she was appointed as one of three inaugural international commissioners for the American Nurses Credentialing Centre. Veronica was appointed as a Board Member on the Nursing and Midwifery Board of Australia in May 2014.

Ms Gail Gordon**Executive Director, Allied Health Services**

Gail is an occupational therapist with postgraduate qualifications in business administration. She has held a range of senior occupational therapy roles in the public and private sectors. She was Director of Allied Health at QEII Jubilee Hospital until her appointment as Executive Director of Allied Health, Southside Health Service District in 2007. Gail was appointed as Executive Director, Allied Health Services for Metro South Health in 2008. Gail has established a health service wide allied health professional structure to support effective governance of services and provided executive leadership in the implementation of innovative allied health models of care.

Professor David Crompton OAM**Executive Director, Addition and Mental Health Services**

David worked in private practice as a rural general practitioner prior to commencing psychiatry training and spending 12 years in private psychiatry practice. David is a Professor within the School of Health Service and Social Work and holds academic titles with the University of Queensland and Queensland University of Technology. He has held leadership roles in Queensland Health and New South Wales Health and is the coordinator for the Centre for Neuroscience, Recovery and Mental Health. He was awarded a Medal of the Order of Australia for development of community based mental health services for veterans, development of community post-traumatic stress disorder and anxiety and substance abuse treatment services. David's research interest includes the impact of trauma and natural disasters, suicide and factors that influence recovery of individuals with mental illness.

Board committees

The Metro South Hospital and Health Board (the Board) has established four committees to assist in carrying out its functions and responsibilities. The four committees are:

- Executive Committee
- Finance Committee
- Audit and Risk Committee
- Safety and Quality Committee.

The Board has authorised the committees, within the scope of their responsibilities, to examine any matter in relation to its objectives as it sees fit or as requested by the Board. The Board committees are subject to annual review.

The committees are led by Board members with the Chair of each committee being a member of the Board and supported by the Health Service Chief Executive (HSCE) or other senior executives in Metro South Health.

Executive Committee

The Executive Committee is an advisory committee to the Board. The Executive Committee functions under the authority of the Board in accordance with section 32B of the *Hospital and Health Boards Act 2011*.

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 HHS
- developing strategic service plans for the HHS 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 the Regulation.

The Executive Committee meets monthly, or as determined by the Board.

Committee members: Terry White AO – Chair; Peter Dowling AM; Dr John Kastrissios; Professor John Prins; Margo MacGillivray; Dr Marion Tower; Lorraine Martin AO.

Finance Committee

The committee was established under part 7, section 31, of the *Hospital and Health Boards Regulation 2012*.

The committee functions under the authority of the Board in accordance with Schedule 2, section 8, of the *Hospital and Health Board Act 2011*.

The Finance Committee has the following functions:

- assessing the HHS budget and ensuring the budgets are:
 - consistent with the organisational objectives of the HHS
 - appropriate having regard to the HHS funding
- monitoring the HHS cash flow, having regard to the revenue and expenditure of the HHS
- monitoring the financial and operating performance of the HHS
- monitoring the adequacy of the HHS financial systems, having regard to its operational requirements and obligations under the *Financial Accountability Act 2009*
- assessing financial risks or concerns that impact, or may impact, on the financial performance and reporting obligations of the HHS, and how the HHS is managing the risks or concerns
- assessing the service's complex or unusual financial transactions
- any other function given to the committee by the Board (if the function is not inconsistent with a function mentioned in the dot points above)
- 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.

The Finance Committee is required to meet at least four times per year or as required by the Chair.

Committee members: Peter Dowling AM – Chair; Professor John Prins; Margo MacGillivray; Lorraine Martin AO.

Audit and Risk Committee

The committee was established under part 7, section 31, of the *Hospital and Health Boards Regulation 2012*.

The Audit and Risk Committee operates with due regard to its terms of reference and the Queensland Treasury's Audit Committee Guidelines. The terms of reference is consistent with the requirements of the *Hospital and Health Boards Regulation 2012*, is reviewed annually and approved by the Board.

The purpose of the Audit and Risk Committee is to provide advice and assistance to the Board on:

- the service's risk, control and compliance frameworks
- the service's external accountability responsibilities as prescribed in the *Financial Accountability Act 2009*, *Auditor-General Act 2009*, *Financial Accountability Regulation 2009* and *Financial and Performance Management Standard 2009*.

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

- assessing the adequacy of the HHS financial statements, having regard to the following:
 - the appropriateness of the accounting practices used
 - compliance with prescribed accounting standards under the *Financial Accountability Act 2009*
 - external audits of the HHS financial statements
 - information provided by the HHS about the accuracy and completeness of the financial statements
- monitoring the HHS compliance with its obligation to establish and maintain an internal control structure and systems of risk management under the *Financial Accountability Act 2009*, including:
 - whether the HHS has appropriate policies and procedures in place, and
 - whether the HHS is complying with the policies and procedures
- monitoring and advising the Board about its internal audit function
- overseeing HHS liaison with the Queensland Audit Office in relation to the HHS proposed audit strategies and plans
- assessing external audit reports for the HHS and assessing the adequacy of action taken by management as a result of the reports
- monitoring the adequacy of the HHS's management of legal and compliance risks and internal compliance

systems, including the effectiveness of the systems in monitoring compliance by the HHS with relevant laws and government policies

- evaluation and approval of the Internal Audit Charter, Internal Audit Strategic and Annual Audit Plans
- through Internal Audit, oversight and appraisal of HHS financial operational reporting processes
- reviewing the effectiveness of the internal audit function and ensuring that it meets the requirements of the professional standards issued by Institute of Internal Auditors and has regard to the Queensland Treasury's Financial Accountability Handbook
- monitoring the effectiveness of HHS performance information, and compliance with the performance management framework and performance reporting requirements
- assessing the HHS complex or unusual transactions or series of transactions, or any material deviation from the HHS budget
- any other function given to the committee by the HHS (if the function is not inconsistent with a function mentioned in dot points above)
- 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. These risks will be clearly documented in the risk register which will be regularly reviewed to ensure it remains up-to-date
- assessing and contributing to the audit planning process relating to risks and threats to the HHS
- reviewing effectiveness of the HHS's processes for identifying and escalating risks, particularly strategic risks.

The Audit and Risk Committee meetings are held at least quarterly with a schedule of meetings agreed in advance.

Committee members: Peter Dowling AM – Chair; Professor John Prins; Lorraine Martin AO; Margo MacGillivray.

Safety and Quality Committee

The committee was established under part 7, section 32 of the *Hospital and Health Boards Regulation 2012*. The committee functions under the authority of the Board in accordance with schedule 1, section 8 of the *Hospital and Health Boards Act 2011*.

The committee advises the Board on matters relating to the safety and quality of health services provided by the HHS, including strategies for the following:

- minimising preventable patient harm
- reducing unjustified variation in clinical care
- improving the experience of patients and carers of the HHS 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 by the HHS
- monitoring the HHS governance arrangements relating to the safety and quality of health services, including monitoring compliance with the HHS policies and plans about safety and quality
- promoting improvements in the safety and quality of health services provided by the HHS
- monitoring the safety and quality of health services being provided by the HHS using appropriate indicators developed by the HHS
- collaborating with other safety and quality committees, the department and statewide quality of health services
- any other function given to the committee by the HHS Board (if the function is not inconsistent with a function mentioned in dot points above)
- 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.

The Safety and Quality Committee meets bi-monthly or as required by the Chair.

Committee members: Professor John Prins – Chair; Dr Marion Tower; Dr John Kastrissios; Lorraine Martin AO; Dr Richard Ashby, Health Service Chief Executive; Dr Michael Daly, Executive Director Clinical Governance.

Health service committees

Metro South Health Service Executive Committee

The Health Service Chief Executive (HSCE) has single point accountability for the total performance of the health service but relies on the advice of the Metro South Health Service Executive Committee and the transmitted accountability of the members through that Executive.

The responsibility of the Metro South Health Service Executive Committee is to oversee the delivery and performance of services and give advice to the HSCE by monitoring and making decisions regarding:

- quality and safety
- employment and human resources
- activity
- capital works
- budget assignment
- equipment purchases
- expenditure.

Membership of the Metro South Health Service Executive Committee consists of:

- Health Service Chief Executive – Chair
- Chief Finance Officer
- Executive Director, PAH-QEII Health Network
- Executive Director, Logan-Bayside Health Network
- Chief Information Officer
- Executive Director, Addiction and Mental Health Services
- Executive Director, Clinical Governance
- Executive Director, Planning, Engagement and Reform
- Executive Director, Nursing and Midwifery Services
- Executive Director, Corporate Services
- Executive Director, Allied Health Services
- Executive Director, Medical Services
- Facility Managers.

Meetings are held once a month.

Metro South Health Quality and Safety Committees

Metro South Health-wide quality and safety activities are directed and governed by the Metro South Health Executive Committee.

Each facility or service maintains a local quality and safety committee that meets monthly.

Members of these committees include:

- Executive Director, Clinical Governance, Metro South Health
- Quality and safety coordinators
- Executive and clinical leaders.

Meetings are held once a month.

Finance Network

The Metro South Health Finance Network oversees the financial management of the health service which includes activity, staffing and budget. This is achieved by:

- ensuring sound financial management of Metro South Health facilities
- undertaking financial planning processes including implementing changes to the funding model, activity based funding and setting up the HHS
- ensuring own source revenue strategies are in place in each facility to assist in meeting targets
- ensuring reporting requirements are met for Metro South Health's finance function
- informing finance directors of changes and requirements to ensure compliance and budget objectives are met
- undertaking client engagement with the Department of Health's Shared Service Provider.

Membership of the Metro South Health Finance Network consists of:

- Chief Finance Officer – Chair
- Director of Finance – Financial Accounting, Metro South Health Finance
- Metro South Health Manager, Policy and Performance
- Metro South Health Manager, Own Sourced Revenue
- Finance Director, PAH-QEII Network
- Finance Manager, Princess Alexandra Hospital
- Finance Manager, Queen Elizabeth II Jubilee Hospital
- Finance Director, Logan-Bayside Network
- Finance Manager, Logan Hospital
- Finance Manager, Redland Hospital
- Finance Director, Addiction and Mental Health Services
- Metro South Health Financial Accountant
- Metro South Health Management Accountant
- Metro South Health Business and Financial Analyst
- Metro South Health Director, Decision Support.

The Manager, Department of Health Shared Service Provider, has a standing invitation to the meeting.

Meetings are held once a month.

Credentialing and Scope of Clinical Practice Committee

The Metro South Health Credentialing and Scope of Clinical Practice Committee's purpose is to:

- ensure that all medical and dental practitioners utilising Metro South Health facilities practise high quality care, by granting Scope of Clinical Practice only to those practitioners who are appropriately qualified, trained and experienced to undertake clinical care within the facility
- ensure that the Scope of Clinical Practice granted is appropriate to the Service Capability Framework of each facility within Metro South Health.

The committee comprises representatives from the following:

- surgical specialties
- medical specialties
- addiction and mental health services
- obstetrics and gynaecology
- other specialties (e.g. radiology, cancer services) as required
- Director of Nursing and Midwifery (or nominee)
- Director of Oral Health Services (or nominee, when assessing a dental applicant).

In 2013–2014, membership of the Metro South Health Credentialing and Clinical Scope of Practice Committee consisted of:

- Executive Director, Clinical Governance – Chair
- Executive Director, Medical Services
- Executive Director, Nursing and Midwifery Services
- Executive Director, Oral Health Services
- Director, Medical Services, QEII Jubilee Hospital
- Director, Medical Services, Logan-Beaudesert
- Director, Medical Services, Redland-Wynnum
- Deputy Director Medical Services, PA Hospital
- Staff Specialist, Rheumatology, PA Hospital
- Staff Specialist, General Medicine, PA Hospital
- Staff Specialist, Obstetrics and Gynaecology, Logan-Beaudesert
- Staff Specialist, General Surgery
- Staff Specialist, Psychiatry.

Corporate Services Directors Meeting

The Metro South Health Corporate Services Directors Meeting oversees Corporate Services' performance (including financial), key risks and priorities, policies, and reform processes. Objectives include:

- review and approve strategies, goals and directions in response to Metro South Health Service Executive requirements
- monitor financial performance for facility Corporate Services on a regular basis
- monitor operational performance of facility Corporate Services on a regular basis
- oversee and address key risk matters for Corporate Services
- introduce a quality improvement process for Corporate Services matters.

Membership of the Metro South Health Corporate Services Directors Meeting consists of:

- Executive Director, Corporate Services – Chair
- Director, Corporate Services, Logan-Bayside
- Manager, Corporate Services, Redland-Wynnum
- Manager, Corporate Services, QEII Jubilee Hospital
- Director, Corporate Services, Addiction and Mental Health Services
- Senior Director, PA Support Services, PA Hospital
- Director, Corporate Business and Performance
- Director, Capital Delivery, Asset and Infrastructure
- Senior Director, Building Engineering and Maintenance Services
- Senior Director, Workforce Services
- Director, Industrial Relations.

Meetings are held once a month.

Executive Planning Committee

The Metro South Health Executive Planning Committee provides corporate governance and leads decision-making processes for strategic and service planning within Metro South Health. The Committee prioritises service planning activities and capital development projects, monitors and reviews existing plans and ensures planning aligns with relevant legislation, standards, government policy and Metro South Health's strategic intent.

Membership of the Metro South Health Executive Planning Committee consists of:

- Chief Finance Officer – Chair
- Executive Director, PAH-QEII Network
- Executive Director, Logan-Bayside Network
- Executive Director, Metro South Corporate Services
- Executive Director, Planning, Engagement and Reform
- Executive Director, Addiction and Mental Health Services
- Chief Information Officer, Metro South Health
- Director, Capital and Asset Management
- Director, Building Engineering and Maintenance Services
- Director, Planning.

Meetings are held once a month.

Workforce Services Managers Committee

The Metro South Health Workforce Managers Committee determines the strategic direction and implementation protocols for the delivery of workforce services planning and workforce culture improvement activities. Objectives include:

- provide a platform for the ongoing development of members' planning and culture management capacity, knowledge and skills
- provide advice to the Corporate Services directors relating to occupational health and safety management
- facilitate the implementation of occupational health and safety plans and initiatives within each facility and across Metro South Health.

Membership of the Metro South Health Workforce Services Managers Network consists of:

- Senior Director, Workforce Services – Chair
- Director, Workforce Services, PAH-QEII
- Manager, Workforce Services, QEII Jubilee Hospital
- Director, Workforce Services, Logan-Bayside
- Manager, Workforce Services, Redland-Wynnum
- Manager, Workforce Services, Addiction and Mental Health Services
- Occupational Health and Safety Manager, Redland-Wynnum
- Occupational Health and Safety Manager, QEII Jubilee Hospital
- Occupational Health and Safety Manager, Logan-Bayside
- Director, Health Reform
- Director, Industrial Relations
- Manager, Staff Complaints.

Meetings are held once a month.

Building, Engineering and Maintenance Management Group

The Metro South Health Building, Engineering and Maintenance Management Group oversees building and maintenance performance (including financial), key risks and priorities, policies, and reform processes.

Membership of the Metro South Health Building, Engineering and Maintenance Management Group consists of:

- Director, Building, Engineering and Maintenance Services – Chair
- Senior Director, PA Support Services, PA Hospital
- Director, Corporate Services, Logan-Bayside
- Director, Corporate Services, QEII Jubilee Hospital
- Manager, Corporate Services, Redland Hospital
- Client Manager, PAH-QEII
- Client Manager, Logan-Bayside
- Client Manager, Community and oral health services
- Client Supervisor, QEII Jubilee Hospital
- Client Supervisor, Redland Hospital.

Meetings are held once a month.

Nursing and Midwifery Executive Committee

The Metro South Health Nursing and Midwifery Executive Committee provides leadership and strategic direction for nursing and midwifery services. It advises and makes recommendations to the Metro South Health Service Executive regarding the planning and management of health services. It also responds to issues relevant to nursing as they arise.

Membership of the Metro South Health Nursing and Midwifery Executive Committee consists of:

- Executive Director, Nursing and Midwifery Services – Chair
- Executive Director of Nursing, PA Hospital
- Director of Nursing Services, QEII Jubilee Hospital
- Director of Nursing and Midwifery, Logan-Bayside
- Director of Nursing, Aged Care and Residential Services
- Director of Nursing, Addiction and Mental Health Services
- Surgical Services, Sub Stream Leader – Peri Operative
- Nursing Director, Education, PA Hospital
- Nursing Director, Centre of Excellence in Nursing, Nursing Standards and Clinical Performance
- Patient Flow, Ambulatory Care and Hospital Avoidance Clinical Stream leader.

Meetings are held bi-monthly.

Metro South Health Consultative Forum

The Metro South Health Consultative Forum (MSHCF) is a joint consultative forum established in accordance with the *Metro South Health Consultative Forum Terms of Reference 2014*.

The forum enables consultation and communication between Metro South Health management and union representatives.

A number of Local Consultative Forums have been established which report to the MSHCF, including those at:

- Princess Alexandra Hospital
- Logan Hospital
- QEII Jubilee Hospital
- Redland Hospital
- Beaudesert Hospital
- Addiction and Mental Health Services
- Oral Health Services
- Building Engineering and Maintenance Services.

The forum has joint chairpersons (one union and one management). For the purposes of meetings, this role alternates between management and union representatives. Membership of the forum consists of:

- Union representation (officials and delegates):
 - Together Queensland Union
 - Queensland Nurses Union
 - United Voice Union
 - Australian Workers Union
 - Automotive, Metals, Engineering, Printing and Kindred Industries Union
 - Electrical Trades Union
 - Construction, Forestry, Mining, Energy Union
 - Plumbers Union Queensland
- Management representation (or delegates)
- Health Service Chief Executive
- Executive Director, PAH-QEII
- Executive Director, Logan-Bayside
- Executive Director, Addiction and Mental Health Services
- Facility Manager, Redland-Wynnum
- Facility Manager, QEII Jubilee Hospital
- Director, Oral Health Services
- Executive Director, Allied Health
- Executive Director, Corporate Services
- Executive Director, Nursing and Midwifery Services
- Director, Industrial Relations.

Meetings are held once a month.

Human Research Ethics Committee

The Metro South Health Human Research Ethics Committee (HREC) acts in a consultative and advisory capacity with researchers to ensure that all clinical, research and management practices are conducted in an ethical and scientifically robust manner. The purpose of the committee, in accordance with the *National Statement on Ethical Conduct in Human Research (2007)*, is to ensure that all human research is conducted in an ethical manner, and to promote and foster ethical and good clinical/health research practice that is of benefit to the community. Key objectives of the committee include:

- protect the mental and physical welfare, rights, dignity and safety of research participants
- facilitate and promote high calibre ethical research through efficient and effective review processes
- ensure that all clinical and ethical research is conducted responsibly.

The National Statement requires the HREC to comprise of members with specific experience, knowledge and skills. As per section 5.1.30, the membership of the Metro South Health HREC includes:

- a chairperson, with suitable experience, whose other responsibilities will not impair the HREC's capacity to carry out its obligations under this National Statement
- at least two lay people, one man and one woman, who have no affiliation with the institution and do not currently engage in medical, scientific, legal or academic work
- at least one person with knowledge of, and current experience in, the professional care, counselling or treatment of people; for example, a nurse or allied health professional
- at least one person who performs a pastoral care role in a community, for example, an Aboriginal elder, a minister of religion
- at least one lawyer, where possible one who is not engaged to advise the institution
- at least two people with current research experience that is relevant to research proposals to be considered at the meetings they attend. These two members may be selected, according to need, from an established pool of inducted members with relevant expertise.

Meetings are held once a month.

Allied Health Directorate Meeting

The Metro South Health Allied Health Directorate Meeting provides leadership and strategic direction for allied health professionals across Metro South Health to improve the quality and effectiveness of patient care. Its objectives include:

- provide leadership to Metro South Health allied health and individual allied health professions in matters relating to allied health professional practice and workforce
- provide strategic directions for Allied Health Services consistent with the Metro South Health Strategic Plan, the *Allied Health Professional Plan* and the *Allied Health Practitioners Office Queensland Plan*
- provide advice and consultation to the Executive Director, Allied Health for their role as a representative on the Metro South Health Service Executive Committee
- support Metro South Health allied health governance, workforce development, education and training and research
- lead the implementation of innovative models of care, methods of service delivery and allied health management tools.

Membership of the Metro South Health Allied Health Directorate Meeting consists of:

- Executive Director, Allied Health – Chair
- Executive Director, Clinical Support Services, PA Hospital
- Director, Allied Health, QEII Hospital
- Director, Allied Health, Logan-Bayside
- Director, Therapies and Allied Health, Addiction and Mental Health Services
- Allied Health Workforce Development Officers.

Meetings are held once a month.

Disaster and Emergency Management Committee

The Metro South Health Disaster and Emergency Management Committee provides a health service-wide disaster and emergency network. The committee aims to enable each Metro South Health facility to optimally prepare and respond to disaster and emergency incidents at a facility, health service-wide or statewide level, and to develop a consistent health service-wide plan which complies with national and state policies.

Specifically, the Metro South Health Disaster and Emergency Management Committee provides strategic and operational advice to the Chief Executive, Metro South Health and Executive Directors on policy, implementation plans and coordination of relevant incidents across Metro South Health. These may include:

- disaster and emergency management planning, resourcing and realignment
- monitoring of processes and outcomes
- legislative and regulatory issues
- coordinated response for disaster and emergency incidents
- other matters within scope as determined by the Chair or the Chief Executive, Metro South Health
- joint exercises.

Membership of the Metro South Health Disaster and Emergency Management Committee consists of:

- Executive Director Medical Services, PA Hospital – Chair
- Deputy Director Medical Services, PA Hospital
- Director Medical Services, Logan Hospital
- Executive Director, Addiction and Mental Health Services
- Director Medical Services, Redland Hospital
- Director Medical Services, QEII Jubilee Hospital
- Emergency Management Coordinator, Mater Health Services
- Director, Metro South Public Health Unit
- CEO, Greater Metro South Brisbane Medicare Local
- Manager, Executive Services, PA Hospital
- Representative from PA Hospital Emergency Department
- Director, Health Equity and Access Unit
- Queensland Ambulance Service representative.

Sub-committees of the Metro South Health Disaster and Emergency Management Committee include:

- Metro South Health Pandemic Meeting
- Metro South Health Major Event Management Committee.

Meetings are held quarterly.

Clinical Ethics Committee

The Metro South Health Clinical Ethics Committee provides a forum for discussion about clinical ethics issues and situations in a safe and confidential environment.

Membership of the Metro South Health Clinical Ethics Committee consists of:

- Metro South Health Clinical Ethics Coordinator – Chair
- Executive Director Medical Services, Metro South Health
- Executive Director Medical Services, PA Hospital
- Executive Director Nursing Services, PA Hospital
- Executive Director Nursing and Midwifery Services, Metro South Health
- Executive Director Clinical Governance, Metro South Health
- Clinical expertise representative
- Legal expertise representative
- Consumer expertise representative
- Pastoral care expertise representative.

Meetings are held once a month.

Directors of Medical Services Committee

The Metro South Health Directors of Medical Services Committee is a health service-wide medical management clinical network. It aims to enable each Metro South Health facility to optimally deliver medical services by facilitating cooperation and to ensure a consistent health service-wide standard.

Specifically, the committee provides strategic and operational advice to the Executive Director Medical Services, Metro South Health on policy, implementation plans and any related matters, including:

- health needs of communities
- service planning, resourcing and realignment
- clinical governance
- medical workforce and industrial issues
- care processes and care support processes
- monitoring of care processes and outcomes
- information technology
- technological advances
- legislative and regulatory issues
- other matters within scope as determined by the Executive Director, Medical Services, Metro South Health.

Membership of the Directors of Medical Services Committee consists of:

- Executive Director Medical Services, Metro South Health – Chair
- Directors, Medical Services at each Metro South Health facility
- Deputy Directors, Medical Services at each Metro South Health facility
- Medical Administration Registrars.

Meetings are held once a month.

Radiation Safety Management Reference Group

The Metro South Radiation Safety Management Reference Group monitors, reports and advises on the use of ionising and non-ionising radiation sources across Metro South Health, in order to minimise the risk to staff, patients and the public arising from radiation sources. Key functions include:

- investigate the planned use of and monitor current practices relating to all radiation sources within Metro South Health
- monitor and advise the “Possession Licensee” on compliance issues relevant to radiation safety legislation and associated radiation safety and protection plan(s)
- review and audit safe working practices and emergency procedures for radiation sources
- provide a reporting and support mechanism for radiation safety officers to raise concerns regarding identified radiation-related hazards and risks
- recommend policy in relation to processes and practices involving radiation and its sources within Metro South Health
- review the continuing education of those persons who work with or near radiation sources
- monitor changes in legislation and assess the impact of such changes on operators and other affected persons
- review incidents involving radiation sources and advise the “Possession Licensee” on the management of the incident and risk control measures
- review planned and completed quality improvement activities involving management and use of radiation sources.

Membership of the Radiation Safety Management Reference Group consists of:

- Executive Director Medical Services, PA Hospital – Chair
- Deputy Director Medical Services, PA Hospital
- Director Medical Imaging, Redland and Wynnum
- Director Medical Imaging Services, Logan and Beaudesert hospitals
- Director Medical Services, Logan, Redland and QEII Jubilee hospitals
- Director of Radiology, PA Hospital
- Assistant Director Radiology, PA Hospital
- Director of Radiation Oncology, PA Hospital
- Director of Radiation Oncology, Mater

- Director Vascular Surgery, PA Hospital
- Professor, Cancer Services, PA Hospital
- Director of Cardiology, PA Hospital
- Operating theatres representative
- Radiation safety officers
 - Diagnostic Radiology/Nuclear Medicine/Radioisotopes
 - Radiation Oncology, Mater
 - Radiation Oncology, PA Hospital
 - Laser, PA Hospital and QEII Jubilee Hospital
 - Redland Hospital
 - Logan Hospital
 - TB Clinic
 - Breast Screening
 - X-Ray, QEII Jubilee Hospital
- Workforce Services representative
- Biomedical Technology Services Site Manager
- Clinical Governance Unit representative
- Oral Health representative.

Meetings are held once a month.

Statewide CIO Forum

The Statewide CIO (Chief Information Officer) Forum is a statewide forum for information sharing and alignment of ICT services across hospital and health services.

Membership of the Statewide CIO Forum consists of representatives from the following:

- Metro South HHS
- Sunshine Coast HHS
- Gold Coast HHS
- Townsville HHS
- South West HHS
- Torres and Cape HHS
- North West HHS
- Darling Downs HHS
- Central Queensland HHS
- Mackay HHS
- Wide Bay HHS
- Metro North HHS
- West Moreton HHS
- Children's Health Queensland HHS
- Queensland Ambulance Service
- Cairns and Hinterland HHS
- Health Service Delivery Reform and Health Renewal Portfolio
- Health Services Information Agency
- ICT Portfolio, Health Services Information Agency.

Meetings are held once a month.

ICT Executive Committee

The Metro South Health ICT Executive Committee is the governance body responsible for the overarching strategy and high-level direction for information, communications and technology (ICT) across Metro South Health.

The ICT Executive Committee takes an interest in enterprise-level ICT projects that impact Metro South Health, to ensure that the health service's specific requirements are taken into account, resourcing is appropriate and that any specific change management issues are addressed. However, the primary focus is on initiatives that are related specifically to Metro South Health and are within the health service's control. Such initiatives include:

- current operational systems
- new clinical systems
- new business support systems
- communication systems
- supporting infrastructure.

Membership of the Metro South Health ICT Executive Committee consists of:

- Health Service Chief Executive – Chair
- Chief Finance Officer
- Chief Information Officer
- Executive Director, Medical Services
- Executive Director, Nursing and Midwifery Services
- Executive Director, Allied Health Services
- Executive Director, Corporate Services
- Executive Director, Logan-Bayside
- Executive Director, PAH-QEII
- Executive Director, Addiction and Mental Health Services
- Facility Manager, QEII Jubilee Hospital
- Facility Manager, Bayside
- Health Information Management Services representative
- Chief Information Officer/Executive Director, Health Service Information Agency
- Chief Executive, Greater Metro South Brisbane Medicare Local
- Clinical Lead, ieMR Project
- Clinical Lead, Patient Flow
- Relevant staff invited as required.

Meetings are held once a month.

Addiction and Mental Health Clinical Council

Metro South Health's Addiction and Mental Health Clinical Council provides oversight of clinical initiatives and ensures best practice across the health service.

Membership of the Metro South Addiction and Mental Health Clinical Council consists of:

- Director, Medical Services, Metro South Addiction and Mental Health Services (MSAMHS) – Chair
- Director, Therapies and Allied Health, MSAMHS
- Director, Clinical Governance, MSAMHS
- Director of Nursing, MSAMHS
- Clinical Director, Psychosis Academic Clinical Unit (ACU)
- Clinical Director, Rehabilitation ACU
- Clinical Director, Mood ACU
- Clinical Director, Older Adult ACU
- Clinical Director, Child and Youth ACU
- Clinical Director, Recovery and Access Services ACU
- Clinical Director, Consultation Liaison ACU
- Director, Addiction ACU
- Director, Social Inclusions and Recovery, MSAMHS.

Meetings are held once a month.

Addiction and Mental Health Executive Committee

Metro South Health's Addiction and Mental Health Executive Committee provides oversight of clinical initiatives and ensures best practice across the health service.

Membership of the Metro South Addiction and Mental Health Committee consists of:

- Executive Director, Metro South Addiction and Mental Health Services (MSAMHS) – Chair
- Director, Therapies and Allied Health, MSAMHS
- Director, Clinical Governance, MSAMHS
- Director, Medical Services, MSAMHS
- Director of Nursing, MSAMHS
- Director, Corporate Governance, MSAMHS
- Director, Addiction Academic Clinical Unit
- Director, Social Inclusions and Recovery, MSAMHS.

Meetings are held once a month.

Addiction and Mental Health Medication Safety Advisory Committee

Metro South Health's Addiction and Mental Health Medication Safety Advisory Committee provides a comprehensive approach to the development, review and implementation of medication management standards, evidence-based practice guidelines and other medication safety initiatives across the health service.

Membership of the Metro South Addiction and Mental Health Medication Safety Advisory Committee consists of:

- Clinical Governance Team Leader, Metro South Addiction and Mental Health Services (MSAMHS) – Chair
- Consultant Psychiatrist representative, MSAMHS
- Senior Registrar representative, MSAMHS
- Pharmacist from all sites
- Nurse Educator, MSAMHS
- Addictions representative, MSAMHS
- Clozapine Coordinator, MSAMHS
- Team Leader representative, Mood and Psychosis Academic Clinical Unit
- Inpatient Nurse Unit Manager representative, MSAMHS
- Quality and Safety Manager, MSAMHS
- Consumer carer consultant representative, MSAMHS.

Meetings are held once a month.

Ethics and code of conduct

The *Public Sector Ethics Regulation 2010* defines Metro South Health as a public service agency, therefore the *Code of Conduct for the Queensland Public Service* is applicable to employees of the health service.

Metro South Health is committed to upholding the values and standards of conduct outlined in the *Code of Conduct for the Queensland Public Service*, which came into effect on 1 January 2011. The code of conduct applies to all employees of Metro South Health and was developed under the *Public Sector Ethics Act 1994* consisting of four core aspirational principles:

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

Each principle is strengthened by a set of values and standards of conduct describing the behaviour that will demonstrate that principle.

All Metro South Health employees are required to undertake training in the *Code of Conduct for the Queensland Public Service* during their induction and thereafter undertake re-familiarisation training annually or following any change to the document.

Employees are able to readily access the following training throughout the year on the code of conduct:

- orientation sessions
- intranet based modules
- CD containing training.

Manager, Staff Complaints

With the enactment of the *Hospital and Health Boards Act 2011* from 1 July 2012, the obligation to report allegations of suspected official misconduct to the Crime and Misconduct Commission under the *Crime and Misconduct Act 2001* rested with the Chief Executive of Metro South Health.

The Manager, Staff Complaints is the central point within Metro South Health to receive, assess and refer allegations of suspected official misconduct to the Crime and Misconduct Commission. This role enables the Chief Executive, Metro South Health to fulfil the obligation to report allegations of suspected official under the *Crime and Misconduct Act 2001*.

Prevention

During 2013–2014, ethical awareness, fraud prevention, public interest disclosures and Official Misconduct information sessions were delivered to staff in Metro South Health. These sessions were delivered to a variety of positions and levels within Metro South Health. In addition, learning and development staff delivered training on ethical decision making, code of conduct and official misconduct processes to all new staff members through induction and orientation.

Assessment and investigation

The assessment of suspected official misconduct matters is undertaken by the Manager, Staff Complaints with advice and assistance sought from specialist stakeholders relevant to the allegations such as:

- Director, Industrial Relations
- Executive Director, Clinical Governance
- Chief Financial Officer
- Director, Audit and Risk Management
- Department of Health Police Liaison Unit – Queensland Police Service Inspector
- A senior Department of Health workplace services unit representative.

Audit and risk management

External scrutiny

Metro South Health's operations are subject to regular scrutiny from external oversight bodies. These include Queensland Audit Office (QAO), Australian Council on Healthcare Standards, Health Quality and Complaints Commission, Postgraduate Medical Education Council of Queensland, medical colleges, National Association of Testing Authorities and others.

ACHS Accreditation Survey

Accreditation is a formal process to assist in the delivery of safe, high quality health care based on standards and processes devised and developed by health care professionals for health care services. It is public recognition of achievement of accreditation standards by a health care organisation, demonstrated through an independent external peer assessment of that organisation's level of performance in relation to the standards.

In September 2013, the Princess Alexandra Hospital underwent an independent, external accreditation survey by a team from the Australian Council on Healthcare Standards. This external review was against the requirements outlined in the National Safety and Quality Health Service Standards. The Standards became mandatory on 1 January 2013.

In the accreditation report, it was identified that Princess Alexandra Hospital had met or exceeded the mandatory requirements across all standards with no high priority recommendations arising from the survey. This is a significant achievement and provides confidence to the community that the hospital meets or exceeds contemporary health service standards.

All other Metro South Health hospitals will undergo accreditation in 2014–2015.

QAO Audit

As a public sector entity, Metro South Health is subject to an annual audit by the QAO. The QAO Final Management Report provided to Metro South Health for the 2012–13 financial year contained no high risk issues. The report referred to several reporting matters that would be followed up by QAO during the audit planning processes for 2013–14:

- plans by the Department of Health to transfer legal title of land and buildings to Metro South Health
- the need to develop a protocol with the Department of Health regarding the accounting for and valuation by which completed capital work in progress assets are to be transferred to Metro South Health
- the need to assess the useful (standard) lives for medical equipment under \$200,000
- the lack of an effective audit trail for the identification, review and update of useful life as part of the annual stocktake process
- scope to improve processes for the collating of information for the expenditure commitments disclosure in the financial statements.

The audit committee also considered all audit recommendations by the QAO including performance audit recommendations during 2013–14.

QAO's interim management letter was issued on 22 May 2014 with no high risk issues identified. Only one moderate risk issue was identified in relation to the lack of investigation into unexplained adjustments on inventory reconciliations. Overall, the interim audit identified that Metro South Health's internal controls were operating effectively.

In addition to the QAO management letters provided directly to Metro South Health, QAO also issued several Auditor-General Reports to Parliament that contained recommendations of relevance to Metro South Health.

Report 8: 2013–14 Result of audit: Hospital and Health Services entities 2012–13

This report covers the results of QAO's 2012–13 financial audits of the 17 Hospital and Health Services (HHS) established on 1 July 2012 to provide public health services in Queensland. The report summarises the results of QAO's financial audits, the timeliness and quality of financial reporting and the systemic issues with internal controls identified during their audits. QAO also analysed indicators of financial performance and sustainability with which each HHS can be assessed.

There were no additional specific recommendations in this report directed to Metro South Health.

Report 13: 2013–14 Right of Private Practice: Senior medical officer conduct

This was the second report relating to the performance audit of the right of private practice (RoPP) arrangements

at Queensland's HHSs. It focussed on the third line of inquiry, which was to determine whether practitioners were participating in the scheme with probity and propriety and in full compliance with their contractual conditions.

Allegations of widespread absenteeism received by QAO could not be substantiated nor disproved. The attendance monitoring systems at HHSs lacked basic accountability and relied primarily on the integrity of senior medical officers (SMOs). Further, basic administrative processes relating to requesting and processing of SMO leave failed and the responsibilities and requirements of employees operating within the processes were unclear, increasing the risk of inadvertent error or intentional misconduct.

In some cases, allowing SMOs to structure their weekly work arrangements contributed to additional overtime and the extent of overtime paid and on-call allowances indicated that more than four per cent of SMOs were at increased risk of fatigue.

Some SMOs were afforded access to hospital facilities to treat their own private sector patients, resulting in the private business of SMOs being subsidised. Some surgeons were double dipping and others were breaching their RoPP contracts.

QAO made six recommendations for improvement to HHS processes. In a letter dated 3 February 2014, the Metro South Hospital and Health Board Chair wrote to the Auditor-General indicating agreement with the first five recommendations, and indicating that the sixth recommendation did not have relevance to Metro South Health.

Report 17: 2013–14 Queensland Ambulance Service performance

This audit examined the operational effectiveness of the Queensland Ambulance Service (QAS), focusing on service access and responsiveness, integration with Queensland Hospitals regarding patient handover and QAS performance monitoring and reporting systems.

Key findings included:

- QAS responds quickly to most incidents, providing a quality and equitable service across the State, despite not meeting many of its own targets for dispatch, response and Code 2 incidents. It is outperforming the rest of Australia in statewide median response times
- a pressing issue is the rapid escalation in growth in

the use of ambulance services by Queenslanders, particularly for emergency and urgent incidents. Ageing population and increasing incidence of chronic diseases contribute to this accelerating growth in demand

- QAS is a high cost organisation, compared to ambulance services in other jurisdictions, with the highest cost per head of population—the key determinant of overall efficiency. QAS could better manage employee costs, such as meal overtime and unplanned absence
- the ability of QAS to continue to provide its current standards of emergency and pre-hospital care for patients is at risk. A whole-of-government response is required to address these challenges for QAS.

Recommendations included:

- facilitating the sharing of hospital patient outcome data with QAS to help measure the effect of pre-hospital care on patient outcomes
- determining underlying causes for the rapid growth in demand for QAS emergency responses, and implement strategies to address these causes and reduce the cost per head of population to service this demand.

Risk management

Metro South Health is committed to managing risk in a proactive, integrated and accountable manner. The health service's risk management practices recognise and manage risks and opportunities in a balanced manner. Risk is an inherent part of the 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 integrated risk management framework based on the *Australian/New Zealand ISO Standard 31000:2009* for risk management. The policy and framework outline Metro South Health's intent, roles, responsibilities and implementation requirements. All accountability areas are responsible for implementing the policy and framework, and developing and maintaining risk registers.

The risk management framework defines the processes for risk identification, recording, rating, key controls identification, determination of risk treatment required and regular monitoring and reporting of risks. Key accountability bodies within our risk framework include:

- **Metro South Hospital and Health Board**
The Board retains ultimate responsibility for monitoring key risks and ensuring there are systems and processes in place to identify, manage and monitor these risks. The Board has delegated responsibility for overseeing risk management activities to the Audit and Risk Committee
- **Audit and Risk Committee**
The Audit and Risk Committee oversees the assurance of the health service’s risk management framework, internal control structure and systems’ effectiveness for monitoring compliance with relevant laws, regulations and government policies
- **Metro South Health Service Executive**
The executive management team, known as Metro South Health Service Executive, has active risk management responsibilities both collectively and individually as executive directors in charge of separate service delivery streams.

Risks are controlled within the financial and management accountabilities of each position. The Health Service Chief Executive is supported by the executive director of each stream. The Health Service Chief Executive and executive directors manage risks with support from management structures within their areas of responsibility. Significant risks are reported to the Board and the Audit and Risk Committee on a regular basis.

The Audit and Risk Committee aims to oversee Metro South Health’s risk management activities and procedures by mitigating risks to tolerable levels, managing the risks that may affect the ability to continue to provide services, the development and integration of a strategic approach to managing risks (strategic, operational and financial), and embedding the process into routine governance and management practice.

Internal Audit

Internal Audit is an integrated component of corporate governance, promoting efficient management and assisting in risk management. The function operates under the Board charter, consistent with the internal auditors’ standards. In line with the overriding requirement of independence from management and to maintain objectivity, the head of Internal Audit reports directly to the Audit and Risk Committee for the effective, efficient and economical operation of the function. The Internal Audit function operates with due regard to Queensland Treasury and Trade’s Audit Committee Guidelines.

The Internal Audit unit has a central role in improving operational processes and financial practices by:

- assessing the effectiveness and efficiency of Metro South Health’s financial and operating systems, reporting processes and activities
- identifying operational deficiencies and non-compliance with legislation or prescribed requirements
- assisting in risk management and identifying deficiencies in risk management
- bringing a broad range of issues to management’s attention, including performance, efficiency and economy
- monitoring whether agreed remedial actions have been undertaken.

The strategic and annual audit plan, endorsed by the Audit and Risk Committee and approved by the Board, directs the unit’s activities and provides a framework for its effective operation. A risk-based planning approach is used to develop audit plans, including considering risk registers and consulting with internal stakeholders and the QAO. Audit reports include recommendations to address deficiencies in risk treatment and all audit reports are reviewed by the Audit and Risk Committee.

2013–14 Highlights



Achievements for 2013–2014 include:

- continued development of in-house capability and knowledge
- provision of value-added services including fraud investigations, by-request reviews and acquittal certificates
- implementation of an electronic audit tool that will increase efficiency in line with leading audit practices
- continued development of the internal audit function as a business partner within Metro South Health
- 100 per cent of audit recommendations achieved through understanding business operations and negotiation with management
- completion of the approved audit plan, targeting higher risk areas and improving the effectiveness of systems, processes and risk management.

Information systems and recordkeeping

Changes to recordkeeping practices and systems in 2013–2014

Metro South Health undertook the following changes to recordkeeping practices and systems:

- in June 2014, scanning of inpatient records on discharge commenced at Princess Alexandra Hospital as part of release one of the integrated electronic Medical Record (ieMR). Inpatient notes are available for viewing within 48 hours of being received by the Scanning Unit
- a Metro South Health forms management process was established to standardise and ensure consistency of forms across the health service
- a framework was put in place to standardise non-clinical records management across Metro South Health to ensure consistency with specified legislation, policy and standards.

Recordkeeping roles and responsibilities

All new Metro South Health employees are made aware of their responsibilities regarding security, confidentiality and management of medical records at a variety of forums including staff orientation and department inductions. Each facility within Metro South Health has procedures to ensure all aspects of medical record management are undertaken appropriately.

Training is provided to all relevant administrative officers and competency assessments are undertaken to ensure staff are able to meet record management requirements. Relevant information packs and electronic resources are made available to assist in records management. Health Information Management Services staff routinely attend administrative forums and meetings to ensure important updates, issues and process changes are communicated and understood. Audits and reviews are undertaken and results fed back to relevant areas to ensure compliance with records management processes.

Medical records department staff undergo training and orientation processes to ensure they are competent in the requirements of record management. Staff undertake training and competency assessment for each position they perform within the department. Procedures and processes within the department are constantly reviewed

to ensure a high level of service is provided at all times.

Written and electronic resources are available at all times to assist in maintaining a high level of service.

Audits are routinely undertaken within and external to the medical records department to ensure that the record management system is operating appropriately.

Management of records

Across Metro South Health, each facility has a medical records department responsible for the lifecycle management of the clinical records in accordance with the relevant statutory requirements. Non-clinical records are managed through each service's administration department.

Digital records—integrated electronic Medical Record (ieMR)

Princess Alexandra Hospital commenced scanning of inpatient notes into the ieMR in June 2014. Information is scanned within 48 hours of the notes arriving in the Scanning Unit and is then available for viewing in the ieMR.

Quality and auditing processes have been implemented to ensure a high quality scanning service is provided at all times. Numerous electronic and paper resources are available for all relevant staff to ensure the information in the ieMR is accurate and available as soon as possible.

Redland and QEII Jubilee hospitals currently manage a paper medical record system. Logan Hospital has had an electronic system since 2008 that supports the scanning of clinical information. It is anticipated that the ieMR will be available at each Metro South Health facility within the next 2–3 years.

Reliability and security

Metro South Health is compliant with the Queensland Government's *Information Standard 40: Recordkeeping*. Metro South Health-wide procedures have been implemented to ensure security of clinical records are maintained.

Back-up systems are in place and maintained to ensure records can be located and delivered during down times of the patient master index.

All facilities have physical security measures in place such

as swipe card access to secure departments, information windows, visitor registers and medical record tracking systems.

Retention and disposal

Metro South Health facilities adhere to the Queensland State Archives *Health Sector (Clinical Records) Retention and Disposal Schedule 2012*. There is an ongoing culling and destruction process. The State Archives is still completing a schedule for the management of functional records. Until a schedule is provided, all functional records within Metro South Health are being permanently retained.

Metro South Health is compliant with Queensland Government *Information Standard 31: Retention and Disposal*. Medical record destruction is undertaken regularly at facilities, in line with current retention schedule requirements. Destruction is undertaken in line with best practice and audits are completed to ensure accuracy.

Confidential information disclosure

Section 160 of the *Hospital and Health Boards Act 2011* requires that any confidential information disclosures made in the public interest by a service are outlined in the annual report for that service. There was one disclosure of confidential information by Metro South Health under this provision in 2013–2014:

- the release of medical information to Mater Health Services to enable the review of a clinical incident with a severity assessment code of 1 (SAC1) by the Mater Health Service.

Open data

The Queensland Government has committed to releasing as much public service data as possible through its Open Data Initiative. Under the initiative, a large volume of government data, where suitable for release, is published on the following website:

www.qld.gov.au/data

Metro South Health has published the following data on the government's Open Data website:

- health service expenditure on consultancies
- information relating to staff overseas travel including employee name, costs, purpose and destination.

3 Our performance

Metro South Health performed well against its targets and key performance indicators in 2013–2014.

Performance highlights

In the 2013–2014 financial year:

- National Emergency Access Target (NEAT) performance—the percentage of emergency department patients discharged or admitted within four hours—increased from 67 per cent in 2012–2013 to 73 per cent in 2013–2014.
- National Elective Surgery Access Target (NEST) performance—the percentage of elective surgery patients who receive their treatment within the clinically recommended timeframe for their urgency category—improved across all three urgency categories:
 - Category 1: 8 per cent increase
 - Category 2: 15 per cent increase
 - Category 3: 22 per cent increase.
- Elective surgeries increased by 4.7 per cent in 2013–2014 to 24,546; the second highest elective surgery performance in Queensland.
- Metro South Health provided 19,834 postnatal in-home visits to mothers in the region.
- Category 1 long waits for elective surgery have been reduced to zero—to achieve the zero long waits target set by the *National Partnership Agreement on Improving Public Hospital Services*.
- Oral health long waits were reduced from 6758 in June 2013 to zero in December 2013.
- Metro South Health exceeded its activity target, delivering 283,971 weighted activity units.
- Metro South Health achieved a financial surplus of \$25.79 million.

Government's objectives for the community

In keeping with the Queensland Government's commitment to revitalise front-line services for the community, Metro South Health is committed to providing services that are efficient, diverse and flexible to changing community and government need.

The following are examples of how Metro South Health has contributed directly to the ethos of the government's statement of objectives in 2013–2014.

Invest in better infrastructure and better planning

In 2013–2014, Metro South Health completed a number of infrastructure projects to better improve service delivery to the Metro South region.

The Logan Hospital expansion project continued to progress and will be completed in the latter half of 2014, providing state-of-the-art facilities to the growing Logan community. A redesign of Princess Alexandra Hospital's Transit Lounge is also underway to better streamline patient movement and to ensure beds are available for patients who need them most.

Metro South Health conducted planning activities to assess current and future health service demands and infrastructure needs. This included a major contribution to the South-West Growth Corridor Health Service Plan in conjunction with the West Moreton Hospital and Health Service to plan for the health care needs of the burgeoning population in the region between Logan, Brisbane's south and Ipswich.

Metro South Health has established several public-private partnerships in a contestability model to pursue efficiencies and improve health outcomes for the community.

Revitalise front-line services

Metro South Health is committed to delivering better access to emergency, specialist and maternal health care for Queenslanders. This is demonstrated through:

- ensuring statutory and standards obligations are realised including processes to monitor national targets such as the National Elective Surgery Target and the National Emergency Access Target
- implementing load-sharing strategies and continuing

- to ban ambulance bypass as mechanisms to ensure care is available when and where it is required
- re-opening birthing and procedural services at Beaudesert Hospital
- delivery of the Mums and Bubs program which provides postnatal in-home visits to mothers in the region
- implementing a program to minimise avoidable emergency department presentations by patients from residential aged care facilities
- implementing reform of the health system in Metro South Health including detailed planning activities and a number of service improvement reviews.

Restore accountability in government

Metro South Health's *Consumer and Community Engagement Strategy* ensures that patients, consumers, and community members influence health service delivery in Metro South Health. Metro South Health has engaged the community on issues including: planning and redesign of services and facilities; evaluation and monitoring of services; development of new programs and projects; and matters affecting the quality and safety of the organisation. To ensure that our community has a voice Metro South Health has:

- established a Community of Interest to ensure two-way communication and information between Metro South Health and the community
- conducted bi-monthly community workshops to build health literacy and understanding of the health system, and seek feedback from the community
- implemented an e-engagement program to reach all parts of the community including the socially and geographically isolated. This includes the Consultation Hub, Ideas Hub, Facebook, Twitter, Simply Health and the Metro South Health website.
- actively sought feedback from patients through annual patient satisfaction surveys. All Metro South Health Hospitals are now also using iPads to gather feedback while patients are still in hospital to ensure their concerns are addressed as soon as possible.
- involve patients, other consumers and community members on many internal committees. Currently, more than 20 consumer and community representatives are members of committees across Metro South Health
- established the Health Equity and Access Unit to ensure that people who are under-represented in the health system and who experience disadvantage have access to health services and have a voice in the planning and delivery of health services.

Blueprint for better healthcare in Queensland

In 2013, the Queensland Government introduced its *Blueprint for better healthcare in Queensland*, an action plan for structural and cultural improvements to improve productivity, care, efficiency and access to services.

The Blueprint has four principal themes, which are:

1. Health services focused on patients and people
2. Empowering the community and our health workforce
3. Providing Queenslanders with value in health services
4. Investing, innovating and planning for the future.

Metro South Health is committed to helping the government deliver on the objectives outlined in the Blueprint. The following are examples of how Metro South Health has addressed these objectives.

Health services focused on patients and people

- During 2013–2014, Metro South Health undertook a number of clinical service redesign processes to ensure they better meet the needs of the Metro South community.
- Some units and services underwent comprehensive reviews to examine opportunities for efficiencies and service improvements, including oral health services, radiology services, security services, operating theatres, and building and maintenance services.
- These reviews and redesigns were designed to assist Metro South Health to better streamline services and address the government's Public Sector Renewal Program and the Blueprint.
- Clinical redesign was undertaken for theatre utilisation at Logan and Redland Hospitals. The redesign led to noticeable improvements in theatre scheduling, theatre practices, staffing models and service distribution.
- Princess Alexandra Hospital reviewed its Transit Lounge and identified the opportunity to improve the patient experience, as well as streamline the transition of patients for discharge out of ward beds, so that new patients can be allocated to a bed as soon as possible.
- Metro South Health's planning team routinely undertakes detailed analysis of each community's population and demographic profile to ensure any new services meet their needs.
- In response to community need, Metro South Health re-introduced birthing and procedural services at Beaudesert Hospital four months ahead of schedule.

Empowering the community and our workforce

Metro South Health has a dedicated consumer and community engagement team whose role it is to ensure people have a voice in the planning, design, delivery and monitoring of health services and programs. In 2013–2014, the team continued to implement the *Consumer and Community Engagement Strategy 2012–2015*, which provides a framework to enable structured engagement to take place across the health service.

Providing Queenslanders with value in health services

- Metro South Health has conducted comprehensive reviews of many units and services to examine opportunities for efficiencies.
- Metro South Health investigated options for partnerships with non-government and private organisations. For example, to improve service delivery to patients in our community Metro South Health partnered with Blue Care to deliver its Hospital in the Home program.

Investing, innovating and planning for the future

- Metro South Health is committed to involving stakeholders in planning activities to ensure future health services have the capacity and capability to meet the changing needs of the community. This will ensure that value is achieved from every health dollar.
- Metro South Health has a strong record of collaboration in medical research and translation of research into improved outcomes for patients. Princess Alexandra Hospital is one of the primary partners of one of Australia's pinnacle research institutions, the Translational Research Institute.
- Metro South Health is investing in long-term service planning and infrastructure including the expansion of Logan Hospital and the building of stage 2 of the Southern Queensland Centre of Excellence for Aboriginal and Torres Strait Islander Primary Healthcare.

Agency objectives and performance indicators

Metro South Health’s *Strategic Plan 2012–2016* (2013 revised version) describes how the health service will provide quality care for the community over the next four years, including our aspirations, strategies and measures of success. Metro South Health carefully monitors its achievements against these targets.

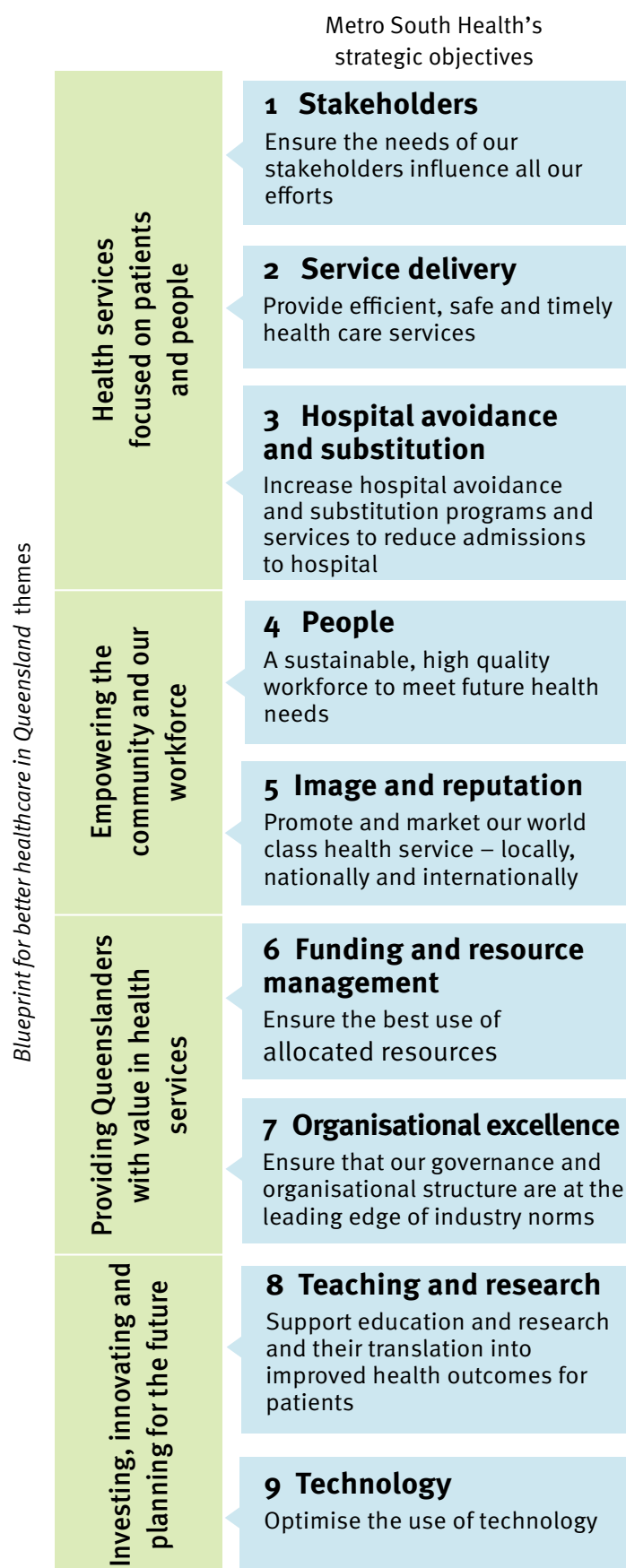
Strategic objectives

Metro South Health’s strategic objectives are:

1. **Stakeholders:** Ensure the needs of our stakeholders influence all our efforts
2. **Service delivery:** Provide efficient, safe and timely health care service
3. **Hospital avoidance and substitution:** Increase hospital avoidance and substitution programs and services to reduce admissions to hospital
4. **People:** A sustainable, high quality workforce to meet future health needs
5. **Image and reputation:** Promote and market our world class health service—locally, nationally and internationally
6. **Funding and resource management:** Ensure the best use of allocated resources
7. **Organisational excellence:** Ensure that our governance and organisational structure are at the leading edge of industry norms
8. **Teaching and research:** Support education and research and their translation into improved health outcomes for patients
9. **Technology:** Optimise the use of technology

This section contains highlights of Metro South Health’s achievements against its strategic objectives in 2013–2014.

Figure 3. How Metro South Health’s strategic objectives align with the Blueprint for Better Healthcare in Queensland themes



Strategic objective 1 Stakeholders

Ensure the needs of our stakeholders influence all our efforts

Metro South Health believes that healthcare should be organised around the needs of the community as best as possible. To achieve this, it is important that Metro South Health engages with its patients, carers, friends, stakeholders and the broader community.

The Metro South Health *Consumer and Community Engagement Strategy* provides a broad framework for engagement and outlines a number of key strategies required to establish the foundations of its engagement agenda. In 2013–2014, Metro South Health continued to roll out the strategy, establishing a strong foundation for engaging with the community and its patients. This allowed Metro South Health to advance a number of key initiatives which have improved, and will continue to improve, the way health care is delivered.

Consumer and community participation has allowed Metro South Health to design and implement initiatives and achieve significant improvements in 2013–2014.

Virtual Health Precinct

The Virtual Health Precinct project is one of Metro South Health's e-engagement solutions. The project will deliver Simply Health—an interactive online community where consumers, general practitioners and the community can find information to support their healthcare decisions and assist them to navigate the health system. As a result of the project it is expected that there will be:

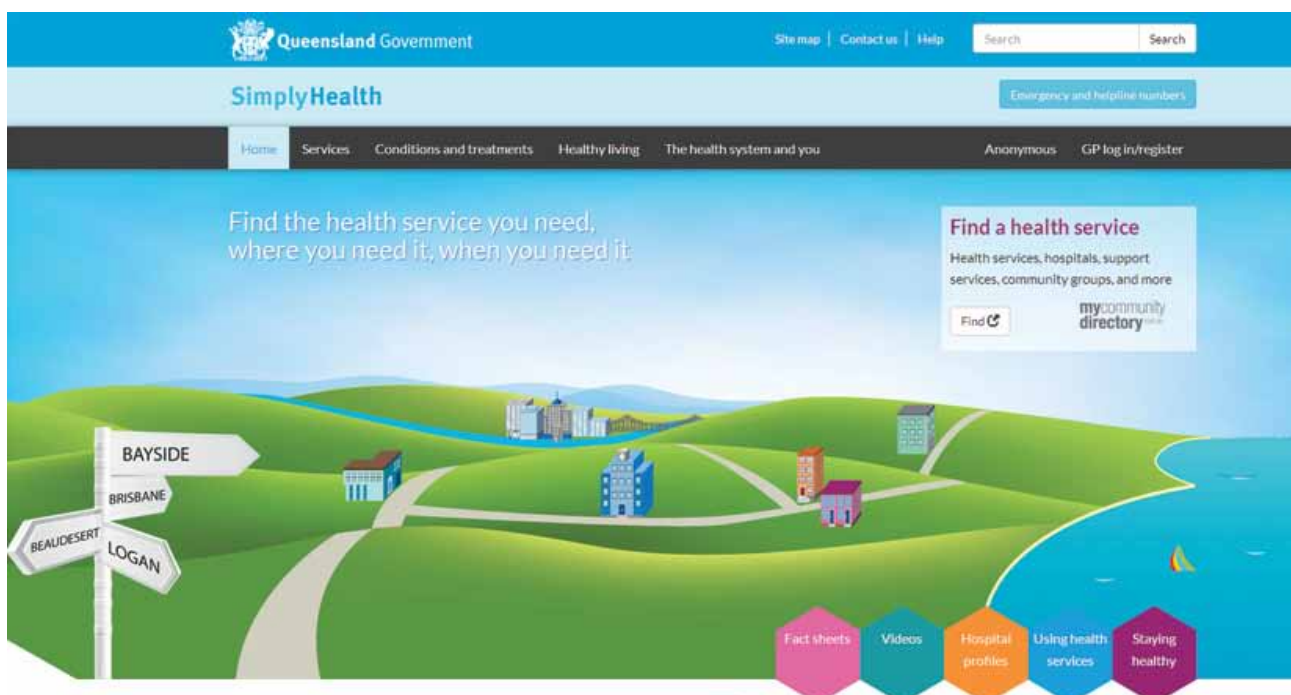
- reduced pressure on public health services by providing information on all the care options available (public, private, non-government organisations) in one place
- improved access to health services through standardised care pathways
- improved relationships and communication by connecting general practitioners and specialists
- enhanced patient experience by ensuring the 'person' is at the centre of all decisions
- enhanced health literacy through the provision of quality information and education.

The project team works closely with:

- general practitioner advisors who review and contribute to care pathways
- a consumer working group to inform the design, functionality and content of the Simply Health site
- consumers, non-government organisations and general practitioners to inform content, design and functionality.

Simply Health will be launched in December 2014.

Figure 4. Progress on the Virtual Health Precinct website



Patient satisfaction surveys

Metro South Health engages Best Practice Australia (BPA) to implement patient satisfaction surveys on an annual basis. According to the last round of surveys, Metro South Health hospitals are exceeding national norms when it comes to patient care.

Patient satisfaction surveys serve as a barometer to ensure Metro South Health continues to deliver the quality of care patients expect and deserve.

Results are benchmarked against a group of 34 Australian public hospitals. In 2013, the average ratings for patient satisfaction measured against indicators of nursing care, clinical quality and safety, and hospital services were met or exceeded by all Metro South Health facilities.

2013–14 Highlight



The results of the latest BPA patient satisfaction survey (April 2014) showed

92 per cent of patients are satisfied with the overall quality of care they received

during their most recent admission to a Metro South Health hospital.

Patient satisfaction survey highlights for each facility are:

Princess Alexandra Hospital

93 per cent

of patients are satisfied with the overall quality of care received during most recent admission to Princess Alexandra Hospital.

94 per cent

of patients feel our staff provide them with appropriate information about how to manage their condition after they are discharged from hospital.

BPA peer group average is 87 per cent.

97 per cent

of patients agree that Princess Alexandra Hospital nursing staff provide a friendly, welcoming environment for patients and their visitors.

BPA peer group average is 92 per cent.

Queen Elizabeth II Jubilee Hospital

91 per cent

of patients are satisfied with the overall quality of care received during most recent admission to QEII Hospital.

95 per cent

of patients felt they received the medical treatment they expected at QEII Hospital.

BPA peer group average is 91 per cent.

93 per cent

of patients believe QEII Hospital nurses demonstrate honesty when caring for any issue of concern.

BPA peer group average is 91 per cent.

Logan Hospital

93 per cent

of patients believe Logan Hospital nurses understand their requirements/needs.

BPA peer group average is 89 per cent.

95 per cent

of patients are satisfied that Logan Hospital's nursing staff demonstrate competence and knowledge in their professional approach.

BPA peer group average is 91 per cent.

Redland Hospital

94 per cent

of patients are satisfied with the overall quality of their most recent admission at Redland Hospital.

98 per cent

of patients are satisfied they received the medical treatment they had expected at Redland Hospital.

BPA peer group average is 91 per cent.

95 per cent

of patients believe they received adequate information prior to being admitted to Redland Hospital.

BPA peer group average is 86 per cent.

Wynnum Health Service

Patients who attended Wynnum Health Service expressed a high level of satisfaction that their expectations of the hospital and of the nursing staff were consistently met. They rated their satisfaction with the quality of their most recent admission at 100 per cent.

100 per cent

of patients were satisfied with 24 out of 25 nursing care indicators at Wynnum Health Service.

Beaudesert Hospital

92 per cent

of patients are satisfied with the quality of their most recent admission to Beaudesert Hospital.

97 per cent

of patients believe the nurses at Beaudesert Hospital meet their most important expectations (expectations of care, attention, friendliness, and information).

96 per cent

of patients believe Beaudesert Hospital meets their expectations (expectations of efficiency, information and helpfulness).

National Safety and Quality Health Service Standards

Metro South Health is working with consumers to ensure all patient information brochures are reviewed prior to publication.

More than 20 consumers are represented on committees across Metro South Health and are involved in the analysis of safety and quality data, and the development of action plans for health service improvement.

All facilities have governance structures that allow consumer engagement activities to be reported to the Board.

Metro South Health, collectively with consumers and the community, are ensuring Metro South Health meets and exceeds the National Safety and Quality Health Service Standards, with a particular emphasis on Standard 2: Partnering with Consumers.

Collaboration with Medicare Local

Building collaborative partnerships is key to delivering services that are accountable and responsive to the needs of the local community. Together, Metro South Health, the Greater Metro South Brisbane Medicare Local and West Moreton Oxley Medicare Local play an essential role in the planning, delivery and management of health services in the Metro South region.

To ensure planning and health service delivery is coordinated, Metro South Health formed 'working together agreements' (or partnership protocols) with both organisations. The agreements recognise the strategic linkages between Medicare Locals and Metro South Health, and a shared drive to improve the health system and to achieve better health outcomes for the community.

Key initiatives that Metro South Health has collaborated with the Medicare Locals on include:

- consumer and community engagement
- primary/secondary care integration
- chronic disease management.

Metro South Health and the Medicare Locals have actively engaged the community at a number of forums in Beenleigh, Beaudesert and Eight Mile Plains to seek community feedback on a number of issues. The feedback has been used to inform the Greater Metro South Brisbane Medicare Local needs assessment.

GPLO Program

In 2013–2014, the General Practice Liaison Officer (GPLO) Program commenced to strengthen the partnership between primary, community and secondary care providers to improve health outcomes for the community.

The GPLO Program is focussed on:

- streamlining referral processes and forms for all specialties
- improving patient access by assessing patient's needs and providing information regarding alternate and more appropriate care options, where appropriate
- identifying and addressing service gaps between primary and specialist outpatient care
- improving equity of access to services for patients
- improving clinical handover following discharge
- promoting and providing up-to-date tools and resources.

The GPLO program has been integral in engaging general practitioners with respect to diabetes redesign and providing better access to endoscopy services for patients.

Integrated chronic disease clinics

Metro South Health's chronic disease service is working with general practitioners to improve access to specialty services in the community. General practitioners work alongside consultants in shared care beacon-style clinics located at Annerley, Inala and Meadowbrook. This also provides an opportunity for general practitioners and other primary care staff to develop their skills in managing people with complex, chronic diabetes and kidney disease.

Government relations

Metro South Health recognises the importance of working in partnership with government agencies at the local, state and federal levels and with elected representatives.

A key focus for 2013–2014 has been developing relationships with elected representatives by:

- disseminating information on key Metro South Health initiatives, including service developments and opportunities for community engagement
- providing timely responses to health-related matters concerning the community
- seeking input regarding issues impacting local communities.

Metro South Health will continue to work in partnership with other government agencies to ensure an integrated response to matters impacting our communities.

Online engagement

Parts of the Metro South community are geographically and socially isolated, which can make reaching them with information and engaging with them more challenging. Further, the number of people interacting online continues to increase.

In recognition of its growing importance, Metro South Health has expanded its online engagement platform to include:

- **Facebook:** It provides an ideal medium to receive feedback from the community, promote achievements and clarify information the community may receive through other forums
- **Ideas Hub:** The Ideas Hub is an extension of the Consultation Hub and provides community members with the opportunity to post an idea regarding a particular issue, and to rate or respond to an existing comment posted by someone else.
- **iPads:** iPads are being used to gain real-time feedback from patients while they are still in hospital. This feedback provides the opportunity to ensure the patients needs and concerns are addressed as soon as they arise.

Consumer representatives

Each Metro South Health facility has established either a Consumer Advisory Council or consumer reference groups. These groups play an important role in decision-making at the service level. Functions include:

- receive and provide comment and advice on operational plans prior to finalisation
- participate in building design
- participate in health service design and redesign
- develop and monitor a action plans
- review projects and research proposals relating to patient experience
- analyse safety and quality data and patient satisfaction survey data.

In addition, each facility has a number of other committees which include consumer membership.

Health Equity and Access Unit

The Health Equity and Access Unit was established in 2013 to ensure the entire Metro South Health community is able to access the health services they need. The unit has a specific focus on individuals and groups who experience disadvantage and may be vulnerable to poorer health and wellbeing. The unit has been working with a range of population groups such as people with a disability to ensure better access to services. Other population groups include people from non-English speaking backgrounds, Aboriginal and Torres Strait Islander people and the homeless.

Community of Interest

The Metro South Health Community of Interest is a network of patients and community members who have expressed an interest in either receiving regular information directly from Metro South Health, or who choose to participate as formal consumer representatives. Its members support Metro South Health by providing consumer representation on committees, and participation in projects, focus groups and events. The network has also been invaluable in providing input into a number of key service plans.

Membership of the Community of Interest is currently more than 400 consumer and community members, and Metro South Health hopes to grow this network further over the next year.

Bi-monthly workshops

Metro South Health's Engagement Team offers bi-monthly workshops to improve health literacy and promote individual empowerment amongst consumers. Interactive guest speakers and participant-requested topics enable participants to learn more about Metro South Health and how to get the most out of health services. The workshops are also used to seek feedback from consumers about a range of issues.

In 2013–2014, five workshops were held with a total of 140 participants. The workshop topics were:

- Health Systems and Services
- Safety and Quality Systems in Health Care
- The Patient Journey
- Engagement in a Healthcare Setting
- Supportive Networks for Chronic Disease.

Consultation Hub

Metro South Health's Consultation Hub provides an online platform for consumers and community members to provide feedback on a range of topics. It has been invaluable in reaching both the socially and geographically isolated and provides an avenue for Metro South Health to reach a broader range of people to gather feedback regarding a number of key initiatives.

In 2013–2014, Metro South Health has conducted the following community consultations:

- Medicine and Chronic Disease Services—Inpatient service plan
- Healthy lifestyle facebook page survey
- Consumer Liaison Service—Compliments, suggestions and complaints brochure
- Barriers to accessing community rehabilitation
- Addiction and Mental Health Services—draft Strategic Plan and Clinical Service Plans
- Wynnum Health and Community Precinct survey
- 'How should we support the Community of Interest?' survey
- Surgical Services health service plan
- Aged Care and Rehabilitation health service plan.

Volunteers

Volunteers form a crucial part of the Metro South Health community and are highly valued by the health service. Their roles fall broadly into three categories:

- support to visitors and public
- support to patients and families
- support behind the scenes.

In addition to volunteers, Metro South Health also has a number of consumer advocates who work with consumers and staff in a supportive and educative role. Consumer advocates are vital to helping staff understand the consumer perspective.

Strategic objective 2 Service delivery

Provide efficient, safe and timely health care services

National Safety and Quality Health Service (NSQHS) Standards Compliance

Metro South Health’s first priorities are the safe and comfortable care for patients and the continuous improvement of clinical outcomes. In order to ensure the highest standard of safety and quality, individual facilities are subject to an external peer assessment of their performance against the newly established National Safety and Quality Health Service (NSQHS) standards.

Princess Alexandra Hospital was assessed for accreditation against the ‘EQuIP National’ framework, which covers the ten NSQHS standards and five additional standards. The hospital achieved full accreditation, meeting each of the NSQHS standards with no recommendations. Further, 45 per cent of the standards received a rating of ‘Met with Merit’ from the surveyors, which is the highest possible score and demonstrates a culture of safety, evaluation and improvement.

All other Metro South Health facilities are currently accredited, and will be reassessed against the new NSQHS standards in the coming financial year according to their assessment cycle.

2013–14 Highlights



In 2013–2014:

260,869

people presented to our emergency departments

24,546

elective surgery procedures were performed

Emergency departments

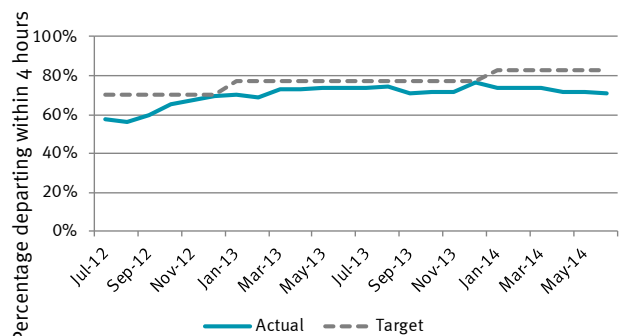
The National Emergency Access Target (NEAT), as set in the *National Partnership Agreement on Improving Public Hospital Services*, aims to improve access and shorter stays in emergency departments throughout Australia. By December 2015, the NEAT measure aims to achieve 90 per cent of patients presenting to a public hospital emergency department to be admitted to hospital, referred to another hospital for treatment, or discharged, within four hours.

Metro South Health has been working towards achieving this measure with an improvement in performance from 67 per cent in 2012–2013, to 73 per cent in 2013–2014.

Two of Metro South Health’s four hospitals met the annual state target for NEAT in the 2013 calendar year. All of Metro South Health’s hospitals were ranked in the top 35 per cent of their peer group across Australia, according to the recent National Health Performance Authority’s report on time patients spent in emergency departments in 2012 and 2013. Queen Elizabeth II Jubilee Hospital was ranked second in its peer group out of 20 other large metropolitan hospitals.

Hospital	NEAT %	
	2013–14	Australian Ranking for Peer Group
Princess Alexandra	68%	18/52
Logan	69%	9/52
QEII Jubilee	81%	2/20
Redland	77%	7/20
HHS Total	73%	

Figure 5. NEAT performance



Elective surgery

The National Elective Surgery Target (NEST), as set in the *National Partnership Agreement on Improving Public Hospital Services*, measures the percentage of elective surgery patients who receive their treatment within the clinically recommended timeframe for their urgency category.

Metro South Health performed 24,546 elective surgeries in 2013–2014. This is a 4.7 per cent increase on the previous year, with 54 per cent of 2013–2014 activity contributed solely by Princess Alexandra Hospital. Metro South Health has the second highest elective surgery performance for the state of Queensland, and Princess Alexandra Hospital is one of the largest in Australia.

In addition to increased performance in NEST and elective surgery volume, Metro South Health has significantly reduced its elective surgery waiting list, especially for Category 1 long waits (those waiting longer than the clinically recommended 30 days). Category 1 long waits for elective surgery reduced from 54 patients in June 2013 to zero, achieving the target set in the *National Partnership Agreement on Improving Public Hospital Services*.

2013–14 Highlights



Metro South Health made vast improvements in treating patients within the clinically recommended timeframe in 2013–2014. The percentage of elective surgery patients who received treatment within the clinically recommended timeframe improved across all three urgency categories from June 2013 to June 2014:

- Category 1 (within 30 days): increased from 89.4 per cent to 97.7 per cent
- Category 2 (within 90 days): increased from 66.2 per cent to 81.3 per cent
- Category 3 (within 365 days): increased from 64.5 per cent to 86.3 per cent.

Figure 6. NEST Category 1 performance

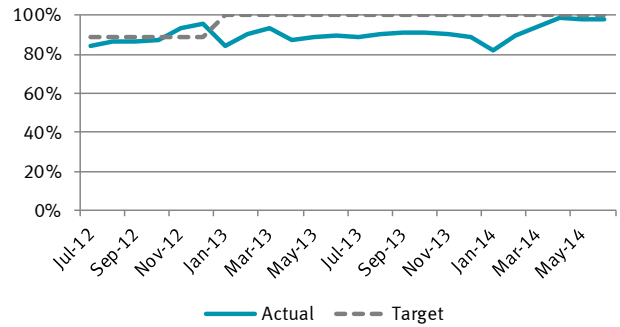


Figure 7. NEST Category 2 performance

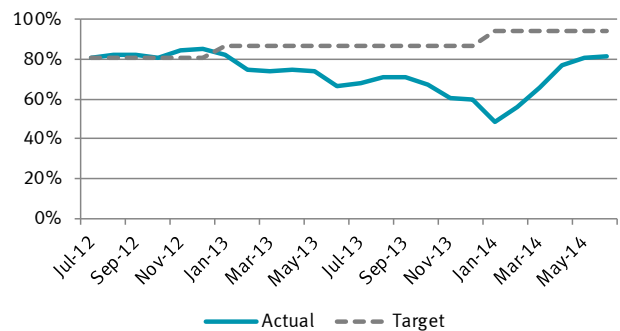


Figure 8. NEST Category 3 performance

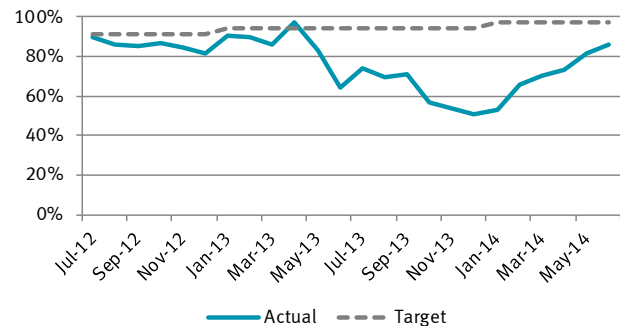
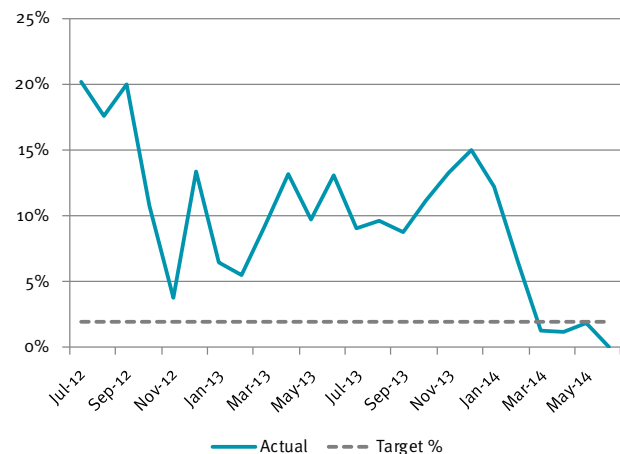


Figure 9. Elective surgery long waits performance by percentage



3 Our performance

Outpatients waiting in time

Metro South Health is committed to improving community access to specialist hospital services. In 2013–2014, Metro South Health reduced the number of patients waiting longer than clinically recommended for an outpatient appointment (Waiting in Time). Logan Hospital had the most improvement; the number of Category 1 patients waiting in time increased from 8.5 per cent for the month of June 2013 to 46.5 per cent in June 2014.

Hospital	Outpatient Waiting in Time 2013–2014		
	Cat 1 %	Cat 2 %	Cat 3 %
Princess Alexandra	32%	25%	59%
Logan	49%	27%	38%
QEII Jubilee	68%	42%	56%
Redland	60%	39%	52%
Beautesert	58%	58%	51%
HHS Total	38%	29%	51%

Note: Princess Alexandra Hospital is reported separately and manually, and includes medical, nursing and allied health (excluding radiology and tuberculosis) outpatient waiting lists.

Factors affecting performance

- Metro South Health's population continues to increase—faster than most other HHSs.
- Life expectancy continues to increase, resulting in an ageing population.
- Death rates are declining for many of the major causes.
- People are dying at older ages due to early detection and successful treatment of disease.
- Hospitalisation rates (per head of population) are increasing for many of the major causes, resulting in a large increase in the number of hospitalisations per year.

This means that the burden on the hospital system is growing faster than the population is increasing, and faster than it is ageing.

Safety and quality

Metro South Health is dedicated to working towards reducing hospital acquired infection rates. The acceptable rate for healthcare-associated *Staphylococcus aureus* bacteraemia infections is no more than 2.0 per 10,000 occupied bed days. Metro South Health performed well below this rate at 0.83 for 2013–2014; this is an improvement on last year's performance, which was 1.0 per 10,000 bed days.

Metro South Health hospital mortality rates for acute myocardial infarction, stroke, fractured neck of femur and pneumonia are all within controlled limits and all Metro South Health facilities have met the target for hand hygiene compliance.

Clinical streams and health service planning

Metro South Health has established eight clinical streams with the aim of improving integration of services across the region through innovation and clinical redesign. Each clinical stream is supported by a stream leader, who is a senior clinician with responsibility for providing leadership and planning in their specialty areas across all facilities.

A significant achievement for the clinical streams in 2013–2014 was the development and implementation of an outpatient reform strategy, focusing on the interface between primary care and specialist outpatient care across all specialties within the health service. Key outcomes of this strategy that have already been delivered include the establishment of a Central Referral Hub to provide a centralised referral pathway and more efficient waiting list management, and the introduction of a GP liaison program to improve communication between the hospitals and primary care providers.

A number of clinical streams and specialties developed health service plans in 2013–2014. Health service plans are key directional plans to support and enable the health service's strategic plan through specific service directions. They are essential to ensure Metro South Health continues to provide quality and cost-effective health care services to its vast population by effectively utilising its allocated resources and workforce.

Metro South Health has a health service planning team that undertakes demographic and epidemiological analysis and works with clinical streams to develop health service plans.

In 2013–2014, Metro South Health completed the following major health service plans:

- Medicine and Chronic Disease Inpatient Services health service plan
- Oral Health service plan
- Queensland Tissue Bank health service plan
- Clean sheet redesign for community-based aged care and rehabilitation services.

In 2014–2015, health service planning will be undertaken for:

- Cancer services
- Emergency services
- Hospital avoidance and substitution
- Women’s and children’s services.

Metro South Health was also a major contributor to the South-West Growth Corridor Health Service Plan in conjunction with the West Moreton Hospital and Health Service. This plan aimed to better understand the health care needs of the burgeoning population in the region between Logan, Brisbane’s south and Ipswich, a population that is projected to grow from 768,540 people in 2011 to 1,160,682 people by 2026. In 2013–2014, the health service planning team in conjunction with the clinical streams sought support for the implementation of this plan.

Beaudesert birthing and procedural services

One of Metro South Health’s key service delivery objectives for 2013–2014 was the reintroduction of birthing and procedural services at Beaudesert Hospital.

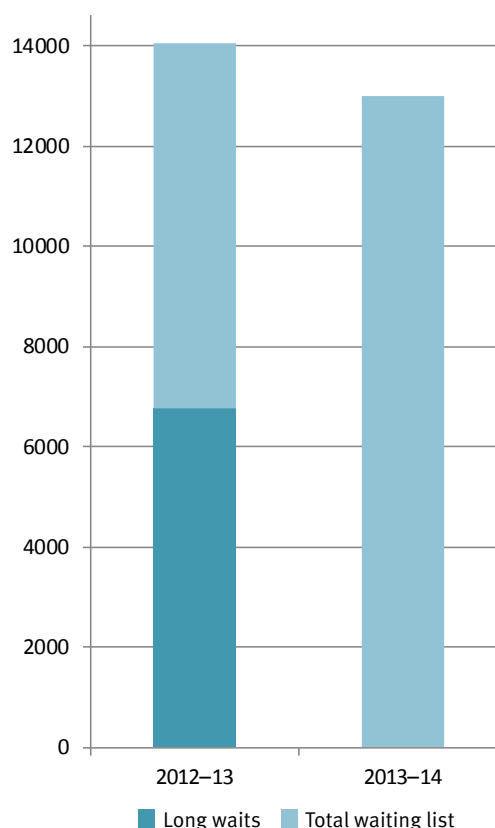
Following significant planning and development by members of the advisory committee and Beaudesert Hospital staff, Metro South Health commenced low-risk birthing services in March 2014, four months ahead of schedule. This followed the successful re-opening of procedural services including minor surgical procedures and some investigative procedures in May 2013.

The return of birthing services at Beaudesert means local women with low risk pregnancies can now choose to birth in their own community, close to their home, family and friends. The hospital now provides a range of obstetric services including postnatal care, meaning eligible women from the Beaudesert catchment no longer need to travel long distances to receive this type of care at other hospitals.

Oral Health services

The 2013–2014 year saw significant improvement in oral health waiting lists for the Metro South region. At the end of June 2013, 6758 people had been waiting for more than two years (long-waits list). This was reduced to zero in December 2013. The general waiting list was also reduced, from 14,059 in 2012–2013 down to 12,993 in 2013–2014.

Figure 10. Metro South Oral Health Services waiting list June 2013 vs June 2014



Metro South Health achieved these significant improvements by improving efficiency and by partnering with the private sector via the dental voucher scheme. The dental voucher scheme saw the health service provide private dental treatment vouchers to people who had been on public dental waiting lists for long periods, or to those requiring urgent dental care.

Metro South Health is on track to further reduce the number of people waiting for dental treatment, and will continue its efforts to increase the number of patients seen and improve access to services.

2013–14 Highlight



Metro South Health reduced the number of people waiting for more than two years for dental care from 6758 people to zero.

Strategic objective 3

Hospital avoidance and substitution

Provide efficient, safe and timely health care services

Postnatal in-home visits

Metro South Health provides maternity services at three of its hospitals—Logan, Redland and Beaudesert hospitals. The maternity services provided include comprehensive postnatal home visiting services.

Metro South Health implemented the Mums and Bubs program in 2013, which aims to enhance maternal and child health services. It provides additional access to home visits and community clinics in the first 12 months following birth for all women.

To enable effective and successful implementation of the Mums and Bubs program, Metro South Health partnered with Greater Metro South Brisbane Medicare Local to oversee the program. The program is available to women who give birth at Logan, Redland and Beaudesert hospitals and will soon be available to women who give birth at other private and public hospitals in the Metro South Health region.

2013–14 Highlight



In 2013–2014, Metro South Health provided 19,834 postnatal in-home visits*— which is 586 visits above the target for the year.

*Includes Mater Mothers' postnatal figures.

Beacon clinic

Diabetes clinics integrating hospital and health service specialists and general practice are established in the GP Super Clinics (UQ Health Care) at Annerley and Meadowbrook (Logan). The model has been partly extended to other chronic disease groups with the Keeping Kidneys project. Inala Primary Care is involved in developing a model of shared care for people with complex chronic kidney disease.

Metro South Health@Home

Metro South Health@Home has been established to coordinate and consolidate many of the hospital avoidance and substitution programs across Metro South Health. It aims to provide a single point of access for services, which will ensure patients receive the right service at the right time in the right location.



An executive committee has been established to provide oversight of a hospital avoidance and substitution strategy for Metro South Health.

Working parties have been established to progress:

- amalgamation of the Hospital in the Home, Post Acute Care and Alternate Site Infusion services
- access to in-home allied health and pharmacy support for hospital substitution patients
- redesign of Community Hospital Interface Program services to facilitate coverage seven days per week, across all wards in all facilities
- standardisation of policies and procedures for hospital avoidance and substitution services
- development of a standardised reporting framework for hospital avoidance and substitution services.

The initiative will continue to be rolled out in 2014–2015.

Hospital in the Home

Hospital substitution care involves patients being cared for at home or another suitable environment, as if they are in a virtual hospital ward. Professionals including medical officers and nurses deliver treatment, providing a safe, quality and viable alternative to hospital.

In March 2014, a public-private partnership contract commenced with Blue Care. Blue Care was contracted to provide Hospital in the Home services to five diagnosis related groups of patients, including patients with:

- Cellulitis
- Deep vein thrombosis
- Pulmonary embolus
- Urinary tract infection
- Pneumonia.

Central Referral Hub

The Metro South Health Central Referral Hub was launched in May 2014 to provide a single point of entry for all specialist and allied health outpatients referrals to Metro South Health.

The benefits of the Central Referral Hub include:

- a simple, more efficient referral process
- improved referral tracking
- consistent and fair for patients
- one point of contact for Metro South Health referrals.

The hub had a very successful launch; receiving more than 600 referrals on its first day. In less than two months from launch, the hub processed more than 23,000 referrals, which is an average of 575 referrals each day.

The Central Referral Hub continues to improve its operations with plans to expand to other Metro South Health services in the future.

Oral Health Hub

In October 2013, Metro South Health launched the Oral Health Hub to improve the way people access urgent public dental treatment. The Oral Health Hub is a call centre for patients, meaning they no longer have to wait in line at a clinic for urgent and emergency treatment. The hub assesses the patient's dental need and allocates the most appropriate time and location for treatment. The benefits include:

- patients can choose the clinic most convenient to them
- patients no longer have to queue outside dental clinics
- reduced administration for staff at the clinics.

Following its successful introduction, the hub was expanded to handle general paediatric appointments in April 2014. Planning is underway to expand the hub to handle all public oral dental appointments for Metro South Health.

The Oral Health Hub is co-located with the Central Referral Hub.

CARE-PACT

When an elderly patient is transferred from a residential aged care facility to the emergency department, it can be a distressing experience and place them at risk of hospital acquired iatrogenic complications. Further,

Metro South Health has seen an increase in avoidable emergency department presentations from aged care facility residents.

CARE-PACT is a unique program that was established in March 2014 to streamline and educate the care pathway for the frail elderly residents of aged care facilities. It aims to ensure the resident receives the best care for their needs in a timely manner and in the most appropriate environment, therefore minimising avoidable emergency department presentations and improving quality of care.

CARE-PACT is a partnership between aged care facilities, general practitioners, hospitals and community services, and will continue to be rolled out across the Metro South Health region over the coming year.

Home and Community Care

In 2012–2013, Home and Community Care (HACC) services were redesigned across Metro South Health. The 2013–2014 year was HACC's first full year as the HACC Brokered Service and Rapid Response Service.

The HACC Brokered Service replaced the previous home care service (including domestic, social support, in home respite and personal care); these services are now contracted to three non-government agencies.

The HACC Rapid Response Service supports Metro South Health's hospital avoidance strategy, by providing time-limited, 28-day support and maintenance services to eligible patients referred from emergency departments or acute wards within Metro South Health's hospitals. Services include nursing assessment and onward referral, physiotherapy, occupational therapy, and support services such as meal preparation, personal care, domestic and social support.

Alternate Site Infusion Service

The Metro South Health Alternate Site Infusion Service (ASIS) offers patients who require intravenous therapy an alternative to hospitalisation. This can include home care or outpatient treatment. There are many different conditions, such as endocarditis, osteomyelitis, brain abscesses, wound infections, and kidney infections that can now be successfully managed at home or in an infusion centre, avoiding hospitalisation.

Post Acute Care Service

The Post Acute Care Service provides community nursing services for a time-limited, short-term period where an intervention is required following an acute admission or presentation to hospital. The service avoids hospitalisation because care is delivered from an appropriate community-based setting, for example home or clinic.

Post Acute Care services include:

- wound care
- medication management including subcutaneous/intramuscular injections
- peripherally inserted central catheter line management
- stoma cares
- catheter and self-catheterisation management and education
- comprehensive assessments
- personal hygiene support (up to six visits) with an educational requirement.

The principal objective of the service is to facilitate timely discharge and reduce the risk of admission or re-admission to hospital.

Community Hospital Interface Program

The Community Hospital Interface Program (CHIP) aims to enhance the transition between the hospital and community by ensuring continuity of care for the client is maintained on discharge. The underlying principal of CHIP is early identification and intervention of at-risk clients who present to or are admitted to the acute hospital setting to prevent re-admission. Early identification occurs through the use of a risk screening, assessment and referral tool.

Community Adult Rehabilitation Service

The Community Adult Rehabilitation Service delivers allied health rehabilitation services to patients who have a progressive neurological disorder or other neurological conditions, Parkinson's disease or stroke. The service also provides support for elderly people who have a history of falls.

In 2013–2014, the service has implemented a multidisciplinary assessment process for patients to improve the quality and efficiency of the patient experience. The service operates from Eight Mile Plains, Logan Central, Browns Plains and Beenleigh, and offers

group and individual programs. It also offers home assessments to patients when appropriate.

As well as rehabilitation, the service offers specialist services including an occupational therapist driving assessment, speech programs and a dietitian.

Strategic objective 4

People

A sustainable, high quality workforce to meet future health needs

Clinician Engagement Strategy

The *Metro South Health Clinician Engagement Strategy 2012–2015* was endorsed by the Metro South Hospital and Health Board in November 2012.

In accordance with the *Hospital and Health Boards Act 2011*, the strategy has been developed following broad consultation with health professionals across Metro South Health and the community, and has been posted to the internet and intranet. The strategy complies with the prescribed requirements as detailed in the *Hospital and Health Boards Regulation 2012*.

The strategy also forms a key component of the *Metro South Health Workforce Engagement Strategy 2013–2015*, and is linked with the *Metro South Health Workforce Plan 2012–2017*.

Key activities of the Clinician Engagement Strategy include:

- **Integrated Motor Neuron Disease model of care:** Clinical redesign clinicians have been actively engaged to develop a model of care for integrated Motor Neuron Disease. This will ensure the entire patient journey is planned and addressed from community care through to referral to the acute sector.
- **Chronic disease redesign:** Clinicians have been engaged in the redesign of community-based chronic disease services. This work will continue in 2014 to ensure the service is well integrated with primary care.
- **Virtual Health Precinct:** Clinicians have been engaged to inform the Simply Health online community website.

Clinicians have been actively involved in developing the following plans and initiatives in 2013–2014:

- Medicine and Chronic Disease Services Inpatient Service Plan
- Barriers to accessing community rehabilitation
- Addiction and Mental Health Services—Draft Strategic Plan and Clinical Service Plans

- Wynnum Health and Community Precinct Survey
- Surgical Services Plan
- Aged Care and Rehabilitation Service Plan
- General Practice Liaison Officer (GPLO) Program.

The Board has endorsed the implementation of a Metro South Health-wide Clinician Advisory Group who will interact directly with the Board. The group will provide a forum for the Board to engage directly with clinicians on matters of importance and to seek their feedback regarding key reform initiatives. It is anticipated the first Clinician Advisory Group meeting will occur in late 2014.

2013–14 Highlight



Since 2012–2013, Metro South Health has increased clinician numbers by 5.3 per cent or 428 doctors, nurses and allied health practitioners.

Best Practice Australia Culture Survey

Metro South Health participated in the Best Practice Australia (BPA) staff culture survey in 2013–2014, and received positive results. When compared against BPA's database of government public healthcare and health sector norms, out of a possible 125 quantitative attributes measured on the 2013 survey that could be benchmarked:

- 88 quantitative attributes benchmarked above average—which equates to 70 per cent
- 24 quantitative attributes benchmarked average
- 13 quantitative attributes benchmarked below average.

The survey results highlighted Metro South Health's key strengths; the following are some of the attributes which benchmarked above average:

- management skills and leadership styles
- freedom from workplace aggression (in particular freedom from offensive verbal abuse and violent behaviour)
- a fair day's pay for a fair day's work
- appropriate remuneration for responsibilities
- trust in middle management.

Princess Alexandra Hospital set new benchmarks for the following:

- the organisation provides a fair day's pay for a fair day's work (63 per cent agreement)
- the organisation provides appropriate remuneration for the responsibilities I have (58 per cent agreement)

- my manager has set the standards for building a great team—they will settle for nothing less (66 per cent agreement)
- regardless of how difficult the situation, my manager always exudes a sense of confidence that we will get through it (72 per cent agreement).

Workforce Engagement Strategy

Metro South Health's most valuable asset is its workforce. *PAVE the way* is Metro South Health's workforce engagement strategy, which is a critical tool to ensuring all employees are equipped with the skills, resources and knowledge to work with the organisation to achieve our goals.

To drive real change within Metro South Health, three PAVE action groups were established; each with a particular focus:

Action group 1: Business literacy and communication

Action group 2: Leadership, management and capability development

Action group 3: Workforce management systems, workforce planning and innovative workforce models

Since its establishment in April 2014, *PAVE the way* has already resulted in the following actions:

- new communication strategies that promote a Metro South Health identity, target the whole workforce and make use of both formal (branded e-bulletin, all staff emails) and informal media (consultation hub, facebook, ideas hub, staff stories)
- exploration of ways to talk and learn about values that will improve workforce culture including staff stories, person-centred care and values-based practice
- review of current management and leadership programs with a view to developing and making available a Metro South Health program
- exploration of ways to build trust within and between all levels of the organisation
- development of a clear set of capabilities for all categories and levels of staff
- review of current recruitment practices and development of innovative ways to ensure there is alignment between the worker, the role, the workforce plan and the workplace culture.

Prescribed employer status

In June 2012, amendments were made to the *Hospital and Health Boards Act 2011*, giving Metro South Health more autonomy by allowing it to become the direct employer of staff. Following a significant preparation and application process, Metro South Health will become one of eight hospital and health services to be a 'prescribed employer' from 1 July 2014, with employees transferred to the health service from the Department of Health.

The move to prescribed employer status will allow Metro South Health to hold all authorities and accountabilities for administering human resource functions. The Director-General, Department of Health remains responsible for statewide employment and industrial relations arrangements and will continue to establish conditions of employment for health service employees and negotiate certified agreements.

Australia Day Awards

Each year, Metro South Health presents Australia Day Achievement Awards to recognise staff who have made significant contributions to the improvement and delivery of health services for the benefit of our community and for all Queenslanders.

In 2014, the Australia Day Achievement Awards were awarded to:

- Kate Bell: an osteoporosis nurse from PA Hospital, who pioneered this role in Queensland and goes well beyond the call of duty to follow up her patients once they leave hospital.
- Margaret Broomfield: Director of Community Aged Care Services who, in 2013, skilfully and courageously led the most significant reform to residential aged care that the health service has ever seen.
- Emergency Department Team, Princess Alexandra Hospital: who, despite working in a highly complex environment, achieved the greatest improvement in performance of any emergency department in Australia in 2012–13.

Policies and procedures framework

As part of the transition to prescribed employer status, in 2013–2014 Metro South Health developed a new workforce services policy framework to commence on 1 July 2014. The policies:

- provide a strategic statement of Metro South Health’s principle expectations of employees
- incorporate existing legislation, awards, agreements and directives
- reference Department of Health policy which will still apply to a prescribed health service as applied through health employment directives and health service directives
- provide a hierarchy of power for procedures and guidelines
- reference the Board Chair’s human resources instrument of delegation and related delegations manual.

Strategic objective 5

Image and reputation

Promote and market our world-class health service—locally, nationally and internationally

Magnet recognition program

In June 2014, Princess Alexandra Hospital was designated as a prestigious Magnet® facility for the third time. Magnet is an international nursing credentialing program that recognises quality patient care, nursing excellence, and innovations in professional nursing practice. It is the highest recognition for nursing excellence that can be attained internationally.

The hospital is one of only 400 organisations around the world to have received the designation, and the only facility outside the United States to achieve it for a third time. The designation followed months of preparation including a large written submission and a site visit by accreditors from the American Nurses Credentialing Centre.

The accreditors made special commendations about the collaboration and teamwork across the hospital's clinical professions along with a number of quality initiatives including pressure injury prevention, state-wide nurse sensitive indicators, dementia, and blood management.

Accreditation

The Princess Alexandra Hospital underwent its four-yearly Australian Council on Healthcare Standards accreditation survey in September 2013. This was the first time the hospital was surveyed against ten new standards under the new 'EQuIP National' framework.

Princess Alexandra Hospital achieved the best performance in Australia against the new standards since they were introduced in January 2013. The hospital achieved the highest 'Met with Merit' (MM) score on 45 per cent of its standards, which was 10 per cent greater than its closest peer group hospital at the time. Notably, the hospital achieved 15 per cent MM in workforce planning, 18 per cent MM in corporate systems and 42 per cent MM in information management. In addition, Princess Alexandra Hospital achieved full accreditation with no recommendations.

2013–14 Highlights



Magnet

Princess Alexandra Hospital is the only facility outside the United States to have received the prestigious Magnet designation for the third time.

Accreditation

Princess Alexandra Hospital achieved the best performance in Australia against the new Australian Council on Healthcare Standards, since they were introduced in January 2013.

International speakers

A number of Metro South Health staff members presented at international conferences in 2013–2014, demonstrating the quality of clinical innovation and research undertaken at facilities across the health service.

International conference presentations included:

- Dr Steven McPhail, Senior Research Fellow—International Conference on Physical Activity and Public Health in Rio de Janeiro, Brazil
- Ms Megan Rossi, Dietitian—International Congress on Nutrition and Metabolism in Renal in Frankfurt, Germany
- Dr Peter Moore, Cardiologist—American Heart Rhythm Society Conference in San Francisco, USA
- Dr Viral Chikani, Endocrinologist—International Congress of Endocrinology in Chicago, USA
- Ms Christine Ossenberg, Clinical Nurse—International Nurse Education Conference in Amsterdam, Netherlands
- Ms Sarah Bowden, Social Worker—International Congress on Practice Research in New York, USA
- Professor Kenneth O'Byrne, Medical Oncology Consultant—Korea Oncology Advisory Board Meeting in Seoul, Korea.

Media and communications

Metro South Health has a dedicated media and communications team that manages all aspects of media relations, web, marketing, and service-wide communication to both internal staff and the general public. A key focus for this team in 2013–2014 was the continued development of a strong media profile to:

- build on Metro South Health’s brand as an independent health service with a reputation for innovation and the highest standards of health care delivery
- continue to develop positive, open relationships with media outlets to ensure issues are presented accurately and with balance.

Metro South Health has maintained a strong media profile throughout the financial year. An analysis of the year’s media coverage showed that 33 per cent of all media activity was classified as positive while only 7 per cent was negative. Negative media coverage reduced by 11 per cent from the previous year. There was also a large amount of neutral coverage (60 per cent) due to ongoing interest in high-profile patients.

The health service built on its communication platforms throughout the year to better engage with employees, consumers and community members. One key achievement was the establishment of a Metro South Health Facebook page, which showcases positive news stories, staff achievements, events, service updates, public health messages and healthy lifestyle tips. The page also provides an additional opportunity to directly engage with people in the community. The page has been well received with nearly 600 followers at the end of June 2014, and Metro South Health content now reaches, on average, more than 1300 individual people per day.

Figure 11. Facebook likes

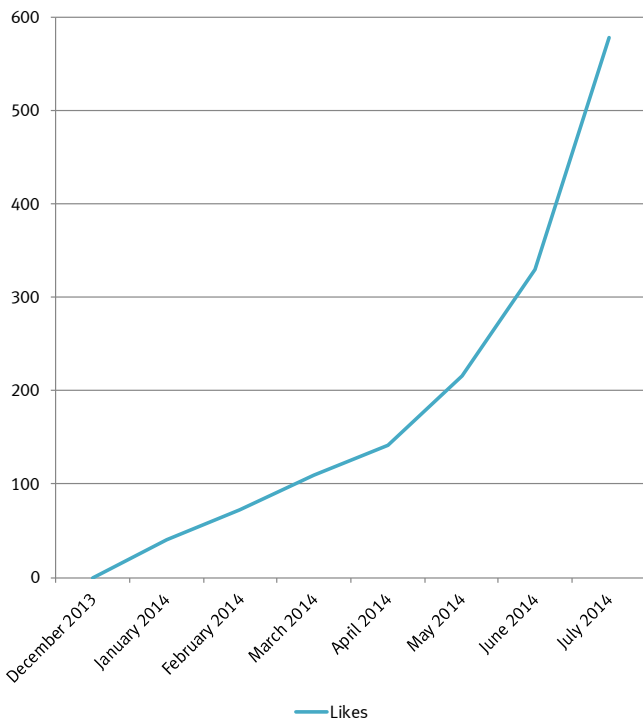


Figure 12. Tone of media coverage in 2013–2014

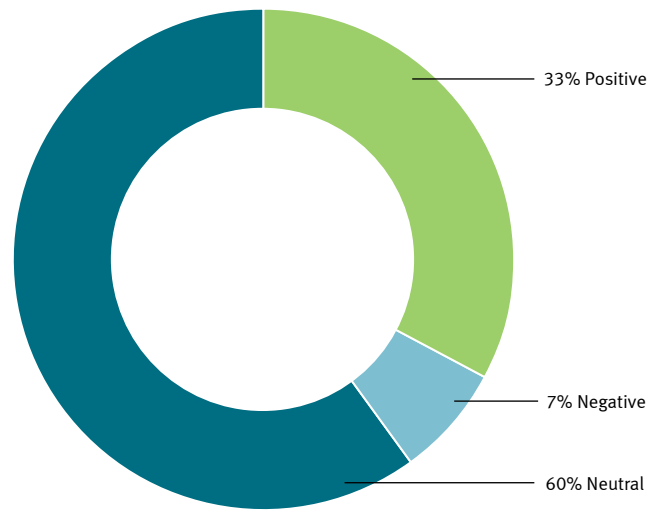
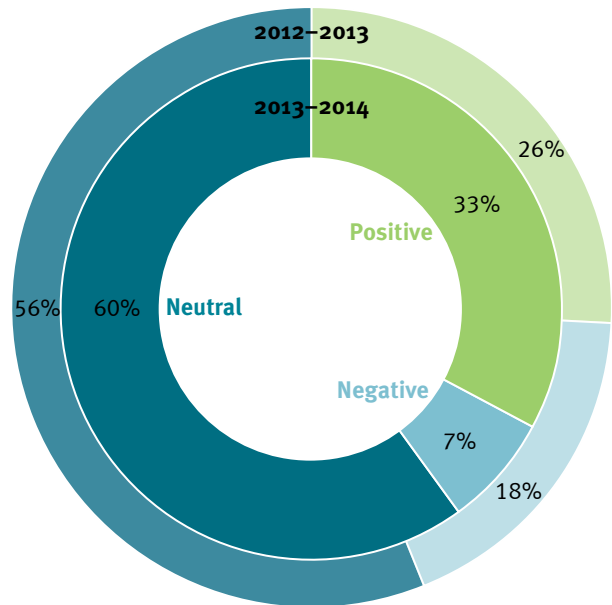


Figure 13. Media coverage 2013–2014 vs 2012–2013



Strategic objective 6 Funding and resource management

Ensure the best use of allocated resources

Value for money

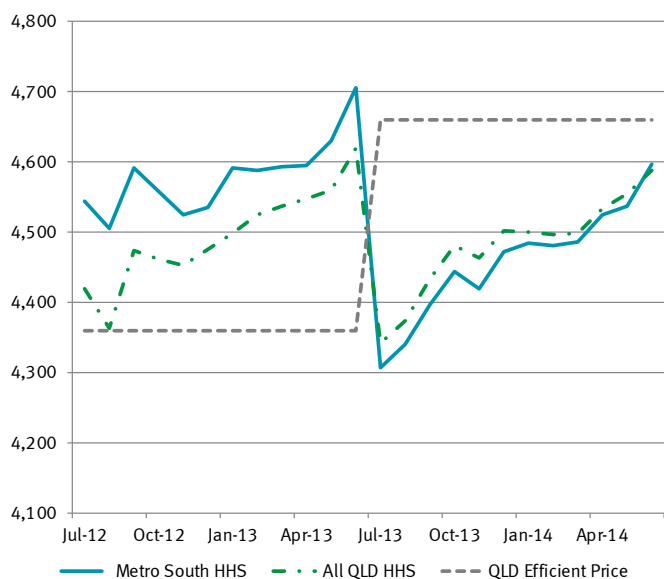
Under the activity based funding model, weighted activity units (WAU) provide a common unit of comparison for all clinical activities so that hospital activity can be measured and costed consistently. The base cost for one WAU is the Queensland Efficient Price, which was set at \$4660 in 2013–2014.

Some examples of how WAU are applied to clinical activities are: an Orthopaedics outpatient appointment has a weighting of 0.05 WAU, which equates to \$233; whereas a cochlear implant has a weighting of 6.995, which equates to \$32,597.

Metro South Health provided 283,971 WAU of activity in 2013–2014, which is 4378 (1.6 per cent) above its targeted purchased (funded) activity. At the end of June 2014, the cost per WAU in Metro South Health was \$62.75 lower than the Queensland Efficient Price.

At the end of the 2013–2014 financial year, Metro South Health's year-to-date operating position was \$25.79 million in surplus.

Figure 14. Value for money (cost per WAU) 2012–2014



Capital and asset management

Metro South Health successfully negotiated the transfer of ownership of Metro South Health land and buildings from the Department of Health. Assets with a net book value of more than \$800 million (estimated replacement value in excess of \$1.7 billion) were transferred to Metro South Health on 1 July 2014.

Development of the Metro South Health Asset Strategic Plan is continuing in line with the progressive development of service plans.

A number of significant asset acquisitions and disposals were finalised in 2013–2014 to better align Metro South Health's asset base with service delivery requirements. Acquisitions included medical equipment replacements in excess of \$14 million and new equipment and building works in excess of \$9 million. Disposals included the former Moreton Bay Nursing Care Unit facilities.

Infrastructure

In 2013–2014, Metro South Health completed and opened a number of infrastructure projects, including:

- Princess Alexandra Hospital
 - Day procedure unit
 - Oncology day care unit expansion
 - Vascular hybrid operating theatre
- Queen Elizabeth II Jubilee Hospital
 - Endoscopy unit
 - Short stay ward
 - Emergency department expansion
- Logan Hospital
 - Sexual assault forensic examination (SAFE) room
 - Eighth surgical theatre
- Addiction and Mental Health
 - Community care unit, Logan
- Other
 - Southern Queensland Centre for Excellence in Aboriginal and Torres Strait Islander Primary Health Care, Inala
 - Central Referral Hub building fit-out.

In addition, work continued on the following projects:

- Logan Hospital expansion including emergency department, children's inpatient ward and rehabilitation ward
- Clinical Research Facility, Princess Alexandra Hospital
- Transit lounge and foyer redevelopment, Princess Alexandra Hospital
- Redland Bay Community Care Unit.

Procurement

Metro South Health has undertaken detailed planning to identify key areas to improve value for money outcomes through effective procurement. In doing so, the health service has focused on developing procurement capability and effective risk management.

A feature of Metro South Health's activities during 2013–2014 was the detailed assessment of the feasibility of selected public-private partnership options, partnerships with non-government organisations, and innovative service delivery opportunities. The Metro South Hospital and Health Board endorsed continued work on a range of these activities, which will be progressed with the support of private-sector contractors and the Department of Health's contestability unit.

Audit

In 2013–2014, Metro South Health strengthened its internal and external audit mechanisms to provide continued assurance to the Board on the effectiveness of financial and operating systems as well as risk management.

An internal audit plan was developed for the financial year with the following key focus areas:

- fraud prevention and control
- integrity and content of Board reporting
- health practitioner credentialing
- workforce planning
- compliance with legislative requirements
- asset management
- complaints management
- contract management
- establishment management
- financial management assurance program
- drugs handling
- backlog maintenance
- leave management
- palliative care acquittal.

In addition, Metro South Health's operations were subject to external scrutiny from a number of oversight bodies in the past financial year. Major reviews included an annual audit by the Queensland Audit Office as well as the accreditation of Princess Alexandra Hospital against the 10 National Safety and Quality Health Service Standards.

Further details about audit and risk management programs are available on page 43.

Strategic objective 7

Organisational excellence

Ensure that our governance and organisational structure are at the leading edge of industry norms

Contestability and public-private partnerships

One of Metro South Health's key strategic objectives for 2013–2014 was to consider contestability and public-private partnerships opportunities to ensure the best use of allocated resources.

Key initiatives included:

Oral health vouchers

In 2013, Metro South Health was awarded funding to increase the use of vouchers for private oral health treatment. The health service was subsequently able to eliminate its long-wait general care waiting list (patients waiting more than two years), as well as reduce the total number of people waiting for dental treatment by more than half.

Mums and Bubs Program

In 2013, Metro South Health partnered with the Greater Metro South Brisbane Medicare Local to deliver a new postnatal home visiting service at two and four weeks' following the birth. The service is an extension of midwifery care provided by Logan, Redland and Beaudesert hospitals. The visit provides new mothers with a postnatal check, general health and wellbeing advice, a physical assessment for the baby, breastfeeding support, parenting strategies, and advice on local community support services.

Hospital in the Home

In 2014, Metro South Health entered into a public-private partnership contract with Blue Care to deliver the Hospital in the Home service. Hospital in the Home provides hospital substitution care to patients at home or another suitable environment, as if they are in a virtual hospital ward. The service provides acute treatment in a safe, quality and viable alternative to hospital.

Security services

An independent review of security and protective services in Metro South Health facilities recommended a contestability process to compare the current in-house service with external providers. Following assessment and careful consideration, a contract was awarded to an accredited private security provider. This provider has demonstrated the necessary expertise to meet the health service's stringent requirements and standards, as well as generating significant cost savings.

Building collaborative partnerships to deliver high quality health care

To ensure planning and health service delivery is coordinated, Metro South Health has formed 'Working Together Agreements' or 'Partnership Protocols' with both the Greater Metro South Brisbane Medicare Local and West Moreton Oxley Medicare Local.

This initiative recognises the strategic linkages between the Medicare Locals and Metro South Health, and a shared desire to work together for a common purpose to improve our health system and to achieve better health outcomes for our community.

Key initiatives Metro South Health has collaborated on with either Medicare Locals have been focused on the following priority areas:

- consumer and community engagement (e.g. community forums)
- primary/secondary integration (e.g. General Practice Liaison Officer Program)
- chronic disease (e.g. beacon clinics).

Executive appointments

Metro South Health appointed a number of highly qualified and experienced clinicians and administrators to senior positions during 2013–2014. These included:

- Dr Stephen Ayre—Executive Director, PAH-QEII Health Network
- Mr Brett Bricknell—Executive Director, Logan-Bayside Health Network
- Mr Michael Draheim—Chief Information Officer
- Ms Kay Toshach—Executive Director, Planning, Engagement and Reform
- Mr Peter Frew—Executive Director, Corporate Services.

Strategic objective 8

Teaching and research

Support education and research and their translation into improved health outcomes for patients

Research partnerships

Metro South Health has a strong record of collaboration in medical research and translation of research into improved outcomes for patients.

Princess Alexandra Hospital is home to one of Australia's pinnacle medical research institutions—the Translational Research Institute (TRI). TRI aims to combine clinical and translational research to advance progress from laboratory discovery to application in the community.

Princess Alexandra Hospital is also a founding partner of Diamantina Health Partners, Queensland's first academic health science centre. One of the key aims of Diamantina Health Partners is to foster collaboration between laboratory scientists and clinicians. In 2013–2014, strategic plans were developed for seven areas of research and an annual forum was established to facilitate information-sharing.

2013–14 Highlights



Major research achievements involving Metro South Health staff during 2013–2014 included:

- a discovery on how to 'flick a biological switch' that allows the immune system of cancer patients to be better protected during chemotherapy.
- a new trauma care model in which researchers work side-by-side with paramedics, medical staff, allied health professionals and rehabilitation specialists to improve the care pathway of patients.
- new funding for the Medical Research Commercialisation Fund that is supporting a Princess Alexandra Hospital project to use snake venom in new blood-clotting technology.

Significant partnerships are also in place with major Queensland universities, which include 39 joint appointments in a variety of areas and disciplines, as well as a number of student placement agreements.

Princess Alexandra Hospital Health Symposium

Each year, Princess Alexandra Hospital convenes a week-long symposium to showcase clinical innovation, teaching and research from across the facility, with all Metro South Health staff invited to attend. The 2013 symposium was held from 19–23 August under the theme "Making advances matter: research, education and treatment in partnership". The program highlighted how translational research and partnerships in health disciplines are leading to new technologies, improved and more cost-effective treatments for chronic disease, immunology, inflammation and cancer, trauma and rehabilitation, and neuroscience and mental health.

The event featured an international fellow, Professor Stephen Durham from Imperial College London, who is a world-renowned clinician-scientist. Professor Durham delivered a keynote address on how interdisciplinary and global partnerships have advanced the understanding of immunologic mechanisms that are translating to novel therapies for allergies and asthma.

The symposium also featured educational sessions covering the integrated electronic medical record, a debate on the use of social media in healthcare, and a celebratory presentation on the Princess Alexandra Hospital Centres for Health Research. In addition, the symposium awarded bursary prizes to junior researchers who delivered the best oral presentations as well as clinicians and researchers with the best research poster displays.

New nursing supervision model

In July 2013, a formal research project with Griffith University was developed to implement and evaluate a new nursing supervision model for undergraduate nursing students placed at Princess Alexandra and Logan hospitals.

The new nursing supervision model involved the establishment of a clinical associate role, whose primary focus was to support and up-skill the staff acting as a preceptor to individual students. This is a move away from the facilitation model's focus on a facilitator who supports a group of 6–8 students. Within a clinical associate

model, there is a larger group of students per associate and the student is allocated one to two key preceptors.

The new model has received favourable feedback from students, preceptors and the clinical associate. It has the ability to increase the student to supervisor ratio whilst maintaining a safe, proactive learning environment for the undergraduate nursing student.

The clinical associate role has been sourced from facility staff in conjunction with the education provider which also provides professional development opportunities to other Metro South Health staff.

Research Fellowship with the NHMRC Centre of Research Excellence in Nursing

Dr Rachel Walker is a registered nurse at the Princess Alexandra Hospital and a research fellow with the Centre of Research Excellence in Nursing (NCREN).

Following a period of consultation with nurse leaders in the divisions of surgery and medicine, Dr Walker has positioned her research within acute health settings with a focus on cochrane reviews, skin integrity (pressure injury), symptom management and knowledge translation.

Dr Walker's current research work includes:

- a randomised controlled trial in clinical areas in the divisions of surgery and medicine titled:
Prophylactic dressing to minimise sacral pressure injuries in high risk hospitalised patients: A pilot study.
The study is registered with the Australian and New Zealand Clinical Trials - ACTRN12613001328763
www.ANZCTR.org.au/ACTRN12613001328763.aspx
- leading and collaborating author on a suite of Cochrane protocols and reviews:
 - Foam dressing for treating pressure ulcers (Protocol)
 - Alginate dressings for treating pressure ulcers (Protocol)
 - Hydrogel dressings for treating pressure ulcers (Protocol)
 - Hydrocolloid dressing for treating pressure ulcers (Review)
- a pilot study commencing in 2015 will use a knowledge translation framework to partner with nurses to improve reporting of clinical deterioration in patients.

Strategic objective 9

Technology

Optimise the use of technology

Innovate to deliver ICT services that are at the cutting edge of healthcare standards

Implementation of Interactive Electronic Medical Record (ieMR) Program

The Department of Health has committed to an eHealth agenda that aims to create a single shared integrated electronic Medical Record (ieMR) which will enable improved quality, patient safety and care for patients into the future.

Metro South Health shares this commitment, and is further building upon this platform by adding additional functionality. This will enable a fully digital integrated patient journey from the time the patient arrives in the emergency department, through surgery, to outpatients and eventually back into community care. Once the program of work has been completed, Metro South Health will be the leading 'Digital Hospital and Health Service' in Queensland.

Princess Alexandra Hospital successfully implemented Release 1 of the ieMR program in June 2014. During 2014–2015, the hospital will undertake an ambitious program of work to deliver a truly integrated electronic medical record that will achieve an EMRAM level 6 across the facility (the level of electronic medical record adoption).

Once the program has been successfully implemented at Princess Alexandra Hospital, it will be implemented at Metro South Health's other facilities. It is planned that the program will expand to an additional facility by late 2015.

Vocera Communication Badge

The Vocera Communication Badge is a hands-free, mobile device that uses wireless technology to provide users with an immediate person-to-person communication. It is controlled using naturally spoken commands and allows clinicians to continue about their work without the need to leave the patient bed side. It reduces the need for overhead paging, searching for colleagues or receiving phone calls at the front desk or reception.

The technology was successfully implemented into the

emergency department, and general medical and mental health wards at Princess Alexandra Hospital, as well as the emergency department at QEII Jubilee Hospital. Planning is underway to implement the technology at Logan Hospital.

Emergency departments are highly complex work places with huge workforces. The system has been configured to ensure ease of communication between all nursing, allied health, administration and operational staff. Where previously staff had to recall specific phone extension numbers or search the department for the correct staff members, Vocera allows staff to push a button and connect straight away with the correct individual or group of people.

The Vocera Communication Badge has helped Princess Alexandra Hospital and Queen Elizabeth II Jubilee Hospital to support the key objectives related to their National Emergency Access Targets (NEAT) by:

- locating staff more efficiently
- saving time on daily work processes
- reducing interruptions to patient care
- creating a more efficient patient flow
- increasing staff and patient safety.

Patient Flow Manager Program

The Patient Flow Manager Program is the consolidation of segregated patient flow manager programs across the health service into a single, standardised communication platform. This enables a holistic view of ward occupancy across Metro South Health and the ability to standardise and increase efficiency in patient flow processes and outputs. It will also assist bed management and ward staff to view expected patients within their hospital and aid in bed planning well before the patient presents to a given ward.

The Patient Flow Manager Program was successfully implemented at Princess Alexandra and Queen Elizabeth II Jubilee hospitals in April 2014. Stage 2 of the program will see it rolled out to Logan, Beaudesert and Redland hospitals and Wynnum Health Service in August 2014.

Electronic Medical AVAC Project

During 2013–2014, Metro South Health successfully implemented an Electronic Medical AVAC tool at Redland Hospital. This follows the successful implementation at Princess Alexandra and Logan hospitals.

The tool was developed to facilitate the overall capture and management of overtime and fatigue leave for junior medical officers. The tool allows users to electronically record their overtime or fatigue leave claim, submit to their director for review and approval, with subsequent electronic submission of the claim to the local payroll department.

The project has already resulted in improvements in the timely capture and submission of overtime and fatigue claims, and leave forms. It also provides customisable real-time and trending reports to inform strategic and operational planning.

Recording all Facility Transportation Application

Metro South Health developed the Recording all Facility Transportation (RaFT) application to facilitate the creation, management and reporting of patient transport requests within the health service.

RaFTs successful implementation resulted in clear benefits, including immediate availability of activity data, increased efficiencies, improved quality of business processes, and increased ability to align clinically correct transport for acuity of patients. The Queensland Ambulance Service has also reported clear benefits in both process and resource efficiencies as a result of RaFT.

The success of the implementation and benefits delivered directly to both Metro South Health and its patients, have been recognised not only within the health service, but also externally—with RaFT receiving a ‘State Merit Award’ in the 2014 Queensland iAwards Competition.

Horizon Cardiology Virtualisation Project

The Horizon Cardiology Virtualisation Project upgraded the existing information system responsible for storing and reporting Metro South Health’s echocardiogram investigations. The project was implemented in July 2013 and has significantly improved connectivity of the integrated services, resulting in a significant decrease in the time between the scan being completed and the scan being available for reporting (from up to 48 hours to approximately 10 minutes).

QEII Hospital Outpatient Kiosks

The Queen Elizabeth II Jubilee Hospital Outpatient Department previously operated on a human-interaction system for patients arriving for appointments. The

patient’s appointment letter and Medicare Card were checked manually by administrative staff and they were then directed to the applicable outpatient waiting area.

In order to decrease patient waiting times, a proof of concept was initiated in May to trial an automated check-in system at the hospital.

An automated patient check-in system is already in place at other hospitals in Queensland and have resulted in increased data accuracy for reporting, increased revenue, reduced waiting times, improved patient satisfaction and improved operational efficiency. It is anticipated that a move to an automated check-in system will achieve similar outcomes for the QEII Outpatient Department.

The trial will continue through the 2014–2015 year.

Service agreement—Tier 1 key performance indicators

The following table contains performance against the mandatory Tier 1 key performance indicators defined in Metro South Health's service agreement with the Department of Health.

KPI Description	Target	Actual
Effectiveness—Safety and quality		
National Safety and Quality Health Service Standards Compliance	All actions met	All actions met
Access—Equity and effectiveness		
Shorter stays in emergency departments		
National Emergency Access Target (NEAT): percentage of emergency department attendees who depart within 4 hours of their arrival in the emergency department.	2013: 77% 2014: 83%	2013: 73% 2014: 73%
Shorter waits for elective surgery		
National Elective Surgery Target (NEST): percentage of patients receiving elective surgery who were treated within the clinically recommended timeframe for their urgency category.		
Category 1 : within 30 days	2013: 100% 2014: 100%	2013: 90% 2014: 94%
Category 2 : within 90 days	2013: 87% 2014: 94%	2013: 70% 2014: 69%
Category 3 : within 365 days	2013: 94% 2014: 97%	2013: 71% 2014: 73%
Maintain surgical activity		
Elective surgery volume	≥5% more than 2010 volume (27,084)	2013–14: 24,546
Fewer long waiting patients		
Elective surgery patients waiting more than the clinically recommended timeframe for their category:		
Category 1 : within 30 days	0 - ≤2% with no patients waiting longer than 60 days	0
Efficiency—Efficiency and financial performance		
Year to date operating position	Balanced or Surplus	Surplus \$25.79M
Full-year forecast operating position	Balanced or Surplus	Surplus \$25.79M
Purchased activity	0% to +/- 1%	1.6%

Financial highlights

Metro South Health has achieved a financial surplus of \$25.794 million for the year ending 30 June 2014. This represents a 1.4 per cent variance against its revenue base of \$1.8 billion.

The result is pleasing given the demand pressure on health services, and demonstrates that Metro South Health is an efficient provider of services.

Metro South Health delivered a range of services at levels 1.3 per cent higher than it is funded for, which demonstrates the value the health service is providing to its local communities.

During the year, Metro South undertook a significant number of quality and performance improvement initiatives that contributed to the overall positive financial result.

The surplus will allow Metro South Health to continue to reinvest into priority areas such as reducing patient waiting times, but also allow to invest in strategic initiatives designed to create longer term financial sustainability.

Income

Metro South Health's income includes operating revenue, which is sourced from three major areas:

- Department of Health funding for public health services
- Commonwealth grants
- own-source revenue.

Metro South Health's total income was \$1.846 billion, which is an increase of \$43.4 million (2.4 per cent) from 2012–2013. Figure 15 details the extent of these funding sources for 2013–2014.

- Metro South Health's total income was \$1.846 billion.
- the activity based funding for hospital services was 81 per cent or \$1.49 billion
- block and other Department of Health funding was 8 per cent or \$162.7 million
- commonwealth grants and other grants funding was 3 per cent or \$40.2 million for health services
- own source revenue was 7 per cent or \$138.4 million
- other revenue was 1 per cent or \$15.5million.

Funding for public health services was predominantly from State Government (70.19 per cent) and Australian Government (29.81 per cent).

Figure 15. Revenue by funding sources

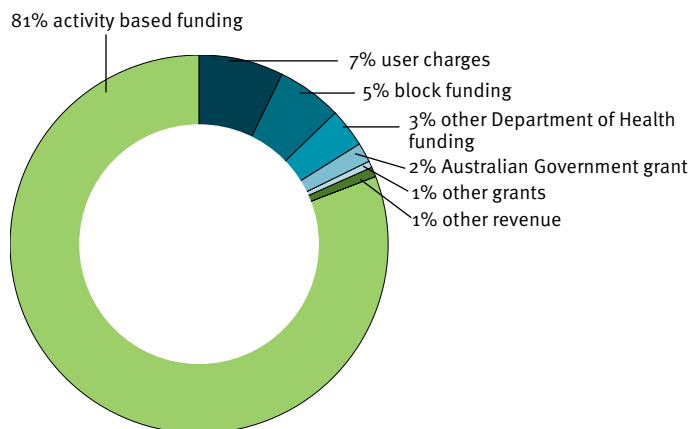
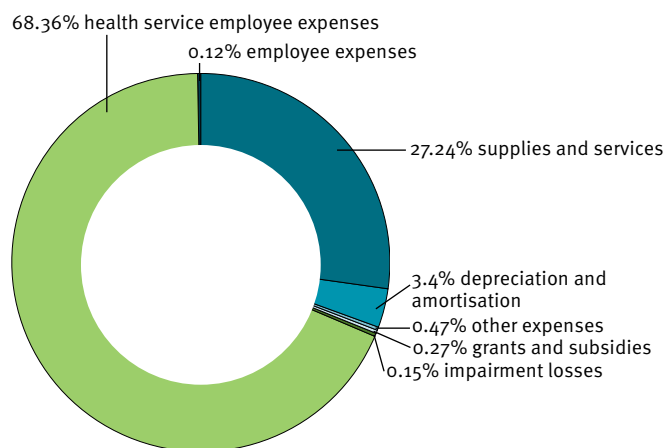


Figure 16. Expenses 2013–2014



Expenses

The total expenses were \$1.821 billion averaging at \$4.988 million a day for providing public health services. This is an increase of \$37.6 million (2.11 per cent) from last financial year. The increase in expenses includes:

- health service employee expenses decreased by \$15 million due to a reduction in full time employees as a result of 2012–2013 cost reduction strategies
- supplies and services increased by \$54 million mainly due to costs associated with expanded services at Logan, QEII and Beaudesert hospitals, and for additional elective surgery.

Figure 16 provides a breakdown of expenditure to the main categories.

In addition to the above, Metro South Health has invested in its asset portfolio of \$33.2 million, funded predominantly from State funding.

Comparison of actual financial results with budget

Metro South Health's actual result in comparison to its budget as published in the *State Budget Papers, Service Delivery Statements* are presented in the following tables with accompanying notes.

Statement of Comprehensive Income for 2013–2014 financial year

	Notes	2013–2014 actual \$'000	2013–2014 budget \$'000	Variance %
Income				
User charges and fees	1	1,790,325	1,790,265	4%
Grants and contributions	2	40,207	28,397	42%
Other revenue	3	15,483	2,637	487%
Gains on disposal or re-measurement of assets		573	–	n/a
Total income		1,846,588	1,751,299	5%
Expenses				
Employee expenses	4	2,122	1,896	12%
Health service employee expenses	5	1,244,654	1,233,148	1%
Supplies and services	6	495,924	441,848	12%
Grants and subsidies	7	4,918	3,221	53%
Depreciation and amortisation	8	61,895	64,311	-4%
Impairment losses/losses on sale of assets	9	2,802	1,322	112%
Other expenses	10	8,479	5,553	53%
Total expenses		1,820,794	1,751,299	4%
Operating result		25,794	–	n/a

Notes

1. The increase in user charges and fees is due to additional funding from the Department of Health for expanded services at Logan, QEII and Beaudesert hospitals, along with additional funding for elective surgery.
2. The increase in grants is predominantly due to a higher level of grants funding for research and aged care services compared to budget.
3. The increase in other revenue is predominantly due to the reimbursement of joint appointment costs with a change in accounting treatment as these were budgeted as an offset to expenditure.
4. The higher than budgeted employee expenses includes executives and board remuneration.
5. The increase in health service employee expenses is due to additional costs associated with specific growth funding reflected in the service agreement between Metro South Health and the Department of Health, as well as inflation for enterprise bargaining agreements.
6. The increase in supplies and services reflects amendments in the service agreement between Metro South Health and the Department of Health, including specific and general growth as well as non-labour cost escalations.
7. The increase in grants expense is due to new funding arrangements, including the commitment to the Centre of Excellence for Head and Neck Cancer and Enhanced Maternal and Child Health Services.
8. The decrease in depreciation is due to the review of useful life of the building and medical equipment portfolio, asset transfers to other entities and disposal of assets.
9. The increase in impairment loss is due to a review of the debt collectability of Metro South Health hospital fees predominantly relating to overseas patients and the impact of non-current asset disposals.
10. The increase in other expenses is spread across various categories such as interpreter services, legal fees and insurance.

Statement of financial position as at 30 June 2014

	Notes	2013–2014 actual \$'000	2013–2014 budget \$'000	Variance %
Current assets				
Cash and cash equivalents	11	170,710	100,725	69%
Receivables	12	26,858	36,305	-26%
Inventories	13	13,773	12,763	8%
Other	14	4,191	1,534	173%
Total current assets		215,532	151,327	42%
Non-current assets				
Intangibles		477	178	168%
Property, plant and equipment	15	1,081,818	1,147,831	-6%
Other assets		-	1	-100%
Total non-current assets		1,082,295	1,148,010	-6%
Total assets		1,297,827	1,299,337	0%
Current liabilities				
Payables	16	142,530	123,727	15%
Accrued employee benefits		37	1,104	-97%
Other liabilities	17	1,923	36	n/a
Total current liabilities		144,490	124,867	16%
Total liabilities		144,490	124,867	16%
Net assets		1,153,337	1,174,470	-2%
Equity				
Contributed equity	18	1,070,853	1,122,587	-5%
Accumulated surpluses/(deficit)	19	45,783	-	n/a
Asset revaluation surplus	20	36,701	51,883	-29%
Total equity		1,153,337	1,174,470	-2%

Notes

11. The increase in cash is due to Department of Health funds receivable in 2012–2013 being received in 2013–2014, end of year cash advances received for reimbursement payable to the Department of Health for payroll and vendor payments, and also the impact of the operating result of 2013–2014.
12. The decrease in receivables is predominantly due to the reduction in Department of Health funding receivables in 2013–2014.
13. The increase in Inventory is due to higher than budgeted actual stock levels.
14. The increase is due to higher than budgeted prepaid goods and services.
15. The decrease in property, plant and equipment is predominantly due to less than budgeted capital acquisition (timing of capital works completion) offset by an increase due to the revaluation of buildings.
16. The increase in payables is predominantly due to reimbursement payable to the Department of Health for payroll and vendor payments.
17. The increase in other liabilities is due to hospital service revenues and fees received in advance.
18. The decrease in Contributed equity is due to delays in expected transfer of completed work in progress projects from the Department of Health.
19. The increase in accumulated surplus is due to the end of year results of both 2012–2013 and 2013–2014 financial years.
20. The decrease in asset revaluation surplus is due to the actual result of the revaluation of buildings being less than budgeted.

4 Our people

Metro South Health recognises that investing in people to promote a better workforce culture means the organisation will be able to overcome challenges and continue to provide high quality care for the community.

Our workforce

Metro South Health employs more than 10,000 full time equivalent staff.

The headcount at June 2014 of Metro South Health staff included:

- 5,766 nurses
- 1,771 doctors including visiting medical officers
- 1,940 health practitioners and technical officers
- 1,544 operational officers
- 2,090 managerial and clerical officers
- 62 trades and artisans.

Listening to our staff

Every two years for the past decade, Princess Alexandra Hospital has conducted an employee survey to measure the overall culture and engagement levels of staff and identify potential improvements for the professional working environment.

In 2013, the survey was expanded to include all facilities within Metro South Health. The survey was conducted by researchers Best Practice Australia.

58 per cent of staff said Metro South Health was a ‘truly great place to work’

Workforce profile

Metro South Health’s capacity to deliver health services and achieve positive health outcomes for the population, both now and into the future, is largely dependent upon its health workforce. It is critical to ensure that there are sufficient numbers of the right staff, with the right mix, in the right place and the right time, and that the workforce is appropriately skilled to deliver patient focussed care.

The Metro South Health clinical workforce is ageing, with 16 per cent of its clinical workforce aged 55 years and over. It is probable that a significant proportion of the current clinical workforce will exit the workforce in the next five to ten years. In addition, more people are working part-time. This means that several people may be required to fill a single full time position.

Significant capital and service expansion at Logan Hospital will also have an impact on workforce requirements, as we require more staff to deliver these additional services.

Planning undertaken, endorsed and implemented

In 2013–2014, Metro South Health completed the following planning activities:

- Medicine and Chronic Disease Inpatient Services Health Service Plan
- Oral Health Service Plan
- Queensland Tissue Bank
- clean sheet redesign for community-based aged care and rehabilitation services
- health service requirements in the Bayside area.

In 2014–15, health service planning will be undertaken for:

- cancer services
- emergency services
- hospital avoidance and substitution
- women’s and children’s services.

Analysis of current workforce demographics

Analysis of the current workforce and key trends provides important information for projecting future workforce requirements:

- the total number of Minimum Obligatory Human Resource Information (MOHRI) full time equivalent (FTE) staff (excluding external, casuals that did not

work in the fortnight and employees on extended unpaid leave) at fortnight ending 22 June 2014 was 11,090

- the MOHRI headcount (employees that are active and paid in the Queensland Health payroll system) at fortnight ending 22 June 2014 was 13,172
- Metro South Health employed 1383 new staff in the 2013–2014 year to 22 June 2014
- 1003 Metro South Health staff separated from the organisation (this includes those whose contract ended as well as permanent staff separations)
- 70.65 per cent of the current workforce is clinical with the remaining 29.35 per cent representing administrative and supporting workforces
- the number of clinical staff in Metro South Health increased by 5.3 per cent since June 2013.

Figure 17. Employees by professional stream

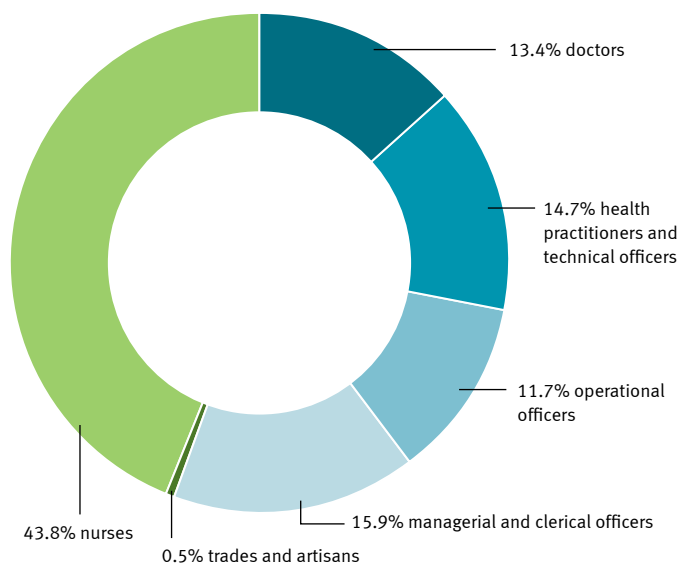
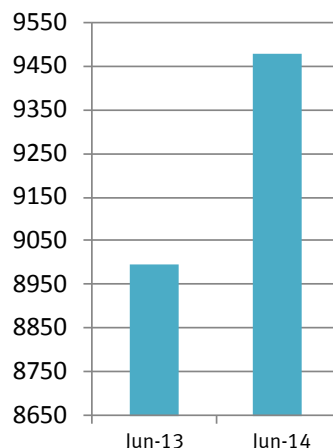


Figure 18. Clinical staff numbers 2013 vs 2014



Generational diversity

Recent census data (Australian Bureau of Statistics, 2011) highlights an ageing workforce and limited supply into the future. Therefore, Metro South Health is dedicated to appropriately managing generational diversity in the workplace:

- health-service wide, the median age is 41 years
- the highest proportion (41.39 per cent) of our staff are generation X
- baby boomers make up 30.65 per cent
- generation Y equate to 27 per cent
- silent generation is 0.65 per cent
- generation Z (iGen) is 0.32 per cent.

Equal employment opportunity

As a total percentage, women comprise 74.21 per cent of the workforce. Women represent:

- 86.78 per cent of the nursing workforce
- 37.14 per cent of the medical workforce
- 76.43 per cent of the allied health workforce
- 71.19 per cent of the non-clinical workforce.

As of June 2014, 0.99 per cent of staff employed in the Metro South Health identify themselves as an Aboriginal and/or Torres Strait Islander. This compares to approximately 2 per cent of the population in the Metro South Health catchment area.

As of June 2014, 16.44 per cent of Metro South Health staff identified themselves as being from a non-English speaking background.

Turnover and length of service

In 2013–2014, 1003 Metro South Health staff separated from the organisation (this includes those whose contract ended as well as permanent staff separations). This equates to a turnover rate of 7.61 per cent and a permanent separation rate of 5.04 per cent.

Unscheduled leave

The unscheduled leave rate (verses occupied full time equivalent staff) for the 2013–2014 year was 1.7 per cent meaning, on average, staff took 4.4 days off as unplanned leave.

This has decreased from 2.15 per cent in the 2012–2013 year where on average staff took 5.6 days unscheduled leave. Unscheduled leave is inclusive of sick leave, family leave and special leave.

Figure 19. Trend in length of service bands

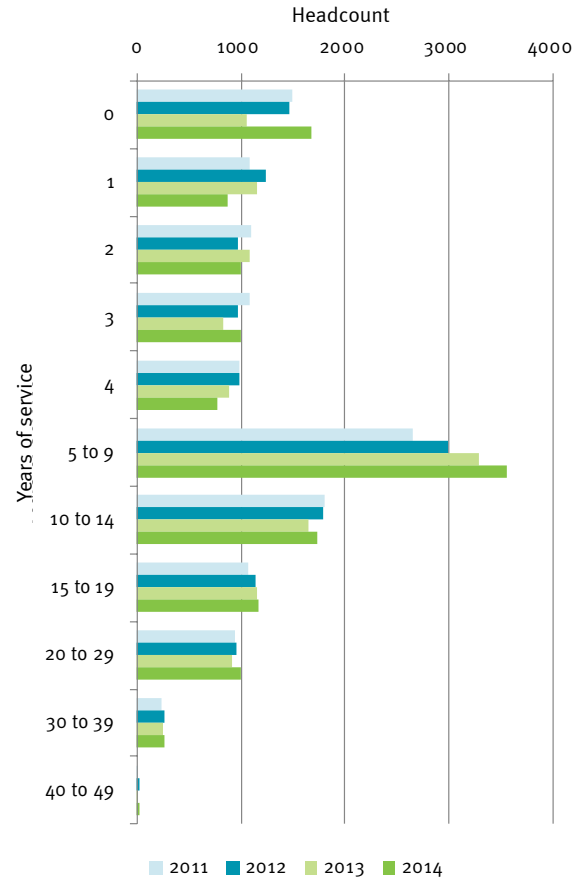
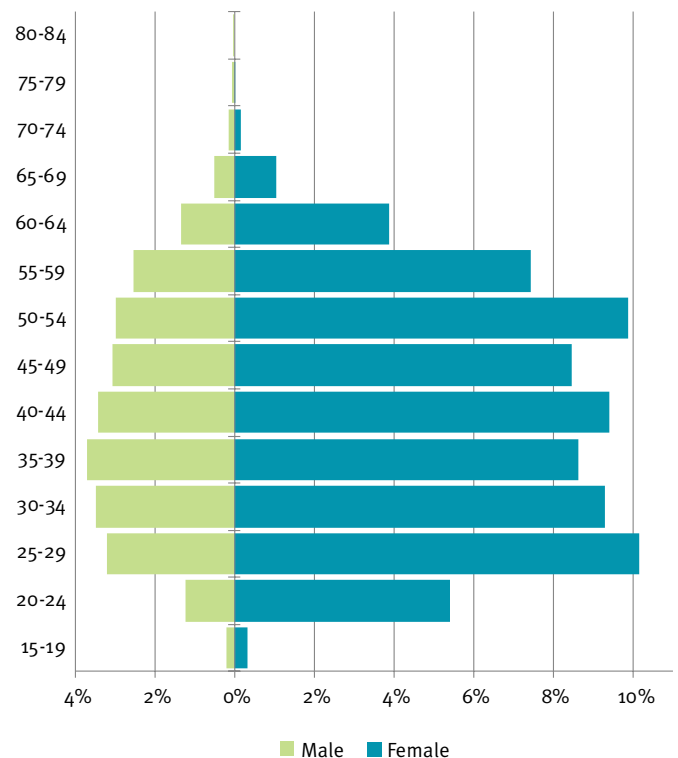


Figure 20. Percentage of male and female employees by age



Prescribed employer

From 1 July 2014, Metro South Health will become the employer of all staff of the Health Service. Although this change will have little impact on individual employees, it will provide Metro South with increased local decision making, accountability and autonomy, more workforce flexibility and a greater ability to respond to the health needs of the community.

To prepare for this significant change, Metro South Health was obliged to provide evidence of its ability to effectively manage its workforce. This evidence took the form of a submission to the Director-General and the Minister for Health.

An extract from this submission is as follows:

“In line with the Minister’s Blueprint for Health Reform, Metro South is positioned to deliver on the principle themes through greater levels of autonomy to enable more local and flexible decision making focussed on the needs of our community. A significant step in this process is to enable Metro South Health to become a Prescribed Employer under the provisions of the Hospital and Health Boards Act 2011 (Qld).

Metro South Health continues to make significant achievements in health care reform, has met budget and clinical targets at the same time providing excellent clinical services to its ever expanding client base.

This application demonstrates that Metro South Health has the capability to successfully manage the benefits and challenges associated with being a prescribed employer by regulation.

Metro South Health can demonstrate its capacity at a high standard through responses to the Prescribed Employer Evidence Framework developed in conjunction with the Chief Human Resources Officer, Department of Health.

All facilities and services in Metro South Health have achieved accreditation as required through the Australian Council of Healthcare Standards (ACHS).

Metro South Health has reached a five out of five rating in the People Domain from Ernst and Young in the readiness assessment conducted in July 2013.

An independent Occupational Health and Safety Audit conducted in April 2013 assessed Metro South Health highly with nil non-compliance assessment from 548

elements of evidence.

Metro South Health has developed streamlined policy management processes which ensures that workforce policies and procedures are accurate, timely, reflect compliance requirements, and are informed to the Metro South Health workforce through a variety of effective media.

Metro South Health has an effective process for managing delegations which is closely aligned to the Workforce Services Policy Employment Framework.

A formal Employment and Industrial Relations Framework has been developed which supports the implementation of awards, agreements and directives (employment and health service) and Metro South Health workforce policies.

Metro South Health has developed a Strategic Workforce Plan (2012–2017) which was amended to reflect the significant changes in 2012 and prepare for prescribed employer status. This plan has articulated four key strategic directions of building capacity, boosting productivity, improving distribution, and managing risks. Additionally, a Workforce Engagement Strategy has been developed to complement and support implementation of the workforce plan through culture change and innovation.

Metro South Health has an effective change management and communication strategy to inform staff of the impact of this application as well as other changes in the industrial and employment environment. The challenge in this regard will be separate of the prescribed employer impact and that of the industrial changes introduced by the government as part of its agenda to simplify industrial awards and entitlements through legislative amendments to the Industrial Relations Act 1999 (Qld).

Extensive consultation regarding this application has been undertaken with employees at various levels in the organisation. The Board, executive and senior managers for all disciplines are fully supportive of this action and are extremely confident that the transition as a prescribed employer will be a positive move and that Metro South Health has the capacity and capability to manage all the assigned responsibilities ensuring a steady progress of the Minister’s Blueprint principles.”

By correspondence dated 5 May 2014 Lawrence Springborg MP, Minister for Health advised as follows:

“Officers of the Department have assessed your application and supporting documentation against the

evidence criteria and have advised that you have provided a comprehensive submission which demonstrates the HHS's capability and capacity to become the employer of employees working in and for the Metro South HHS. ...

I am pleased to advise you that I have approved your application for Metro South HHS to become prescribed as an employer effective 1 July 2014 and will take the necessary actions to amend the Hospital and Health Boards Regulation 2012 accordingly. ...”

Workforce policy and governance

Metro South Health Workforce Services finalised a process to transition existing Department of Health human resources and occupational health and safety policies, to Metro South Health workforce services policies and procedures effective from 1 July 2014.

The Metro South Health Workforce Services Policy Framework has been developed to give effect to the creation or amendment of workforce services policies, procedures and guidelines and is managed by a specific process detailed in the Policy Framework Management Procedure.

The framework contains of fifteen workforce services overarching policies:

1. Employment Framework Policy
2. Resourcing Policy
3. Remuneration, Leave and Benefits Policy
4. Relocation, Accommodation and Travel Policy
5. Ethics and Conduct Policy
6. Consultation Policy
7. Learning, Development and Performance Policy
8. Discipline Policy
9. Separation of Employment Policy
10. Work Health and Safety Policy
11. Work Health and Safety Planning Policy
12. Work Health and Safety Governance, Consultation and Capability Policy
13. Work Health and Safety Risk Management Policy
14. Work Health and Safety Monitoring, Evaluation and Performance Policy
15. Workplace Rehabilitation and Return to Work Policy.

Relevant procedures exist under each policy, and these procedures may also contain guidelines which accommodate forms, and/or local operating instructions.

Workforce services policy and procedure creation, including application forms and approval processes, are in accordance with Workforce Services Policy Framework Management Procedure.

This framework also references applicable Queensland Health Policy, which incorporates existing legislation, awards, agreements and directives. Delegations applicable to each procedure are also referenced.

The framework will accommodate the transition of existing Department of Health policies and the intended application of health employment and health service directives.

Metro South Health Workforce Managers' Committee

A Metro South Health Workforce Managers' Committee is established and responsible for the preparation, development, maintenance and governance of all Workforce Services (human resources, and occupational health and safety) policies and procedures.

Metro South Health has a reliable process in place to implement and monitor compliance with workforce policies and procedures. The process incorporates linkages and networks with Queensland Health, access and monitoring of Queensland Health and Government internet and intranet sites, professional development, regular access to external industrial relations networks and workshops. Workforce Services policy and information is disseminated throughout the health service through a sophisticated network of committees:

- Hospital and Health Service Executive and Board
 - Monthly Chief Executive Report includes Workforce, Reform, Industrial Relations
- Corporate Services Executive Meeting
- MSH Workforce Managers' Committee
- Workforce Services, Reform and Industrial Relations Report
- Monthly Scorecard
- Facility/Service:
 - Workforce Committee
 - Finance and Performance Committee
 - Risk Committee
 - Workplace Health and Safety Committee.

Senior workforce services personnel are members of the following committees/interest groups:

- Queensland Health People and Culture Executive

- Queensland Health Workplace Health and Safety Advisory Committee
- Queensland Health Safety and Wellbeing Safety Management System Development Group
- Chair/Member Facility/Service Workforce Committee
- Member of the Australian Human Resources Institute
- EB8 Implementation Group
- Nurses and Midwives EB Implementation Group
- Chair Consultative Forums.

Monitoring workforce performance

Metro South Health continues to refine its workforce indicator reporting arrangements with the current focus on MOHRI occupied FTE v actual paid FTE, sick leave and absenteeism, overtime FTE, external workforce usage, and excess leave accruals.

Metro South Health has also developed professional scorecards with key workforce data measured on a monthly basis. These scorecards are in place across all facilities for the purpose of monitoring trends and taking corrective action if required.

Occupational health and safety

Metro South Health is currently covered by two WorkCover policies; one for Princess Alexandra Hospital and the other for the remainder of the health service. Both policies continue to perform well in comparison with industry standards. Metro South Health continues its focus on early return to work policies and strategies.

WorkCover has advised that the premium rate effective from 1 July 2014 is as follows:

	2013/14	2014/15
PA Hospital	.732	.680
Southside	1.199	.744
Industry rate	1.297	1.087

Ongoing improvements will result in significant premium savings.

Workforce planning, engagement and performance

Metro South Health has developed a comprehensive workforce strategy to provide direction for its commitment to attract and retain a workforce of skilled health professionals, to support the service's role as a leader in health care delivery and ensure it is placed in a strong position to meet further challenges.

The Metro South Health *Strategic Workforce Plan 2012–2017* is a five-year plan that provides a vision for the health service to promote systematic improvement in our health workforce and reliable information to support the addressing of immediate and future health workforce needs. It focuses on responding to changes to support the requirements in service delivery and also expanding the capacity of the workforce. The plan is strategically aligned to Metro South Health's vision, priorities and objectives.

Workforce planning

An independent audit report acknowledged that Metro South Health has progressed its workforce planning in response to significant reforms, reflecting that the work undertaken reflected the focus on the establishment of the health service. The report also acknowledged that there is an opportunity as the strategic direction of the organisation develops. A number of recommendations including the following have now been accepted:

- consider capital and asset planning in future strategic workforce planning
- integrate health service plans for all clinical streams.
- enhance capture of workforce data to make detailed forward planning projections of workforce requirements
- establish a HHS Workforce Committee to oversee implementation of strategic workforce planning initiatives.

Workforce engagement

Metro South Health's most valuable asset is our workforce and it functions best in a positive organisational culture. Engaged employees share the same values as the organisation, know how to do their work and understand how their work contributes to the success of the organisation.

Workforce engagement strategy

PAVE the way is Metro South Health's new workforce engagement strategy. It is a critical tool to ensure that all employees are equipped with the skills, resources and knowledge to work with the organisation to achieve our goals.



The strategy was developed following a review of the existing literature, analysis of staff culture surveys and a formal consultation process.

PAVE the way aims to:

- create a flexible workplace able to grow and change in response to the rapidly changing health environment
- facilitate the involvement of the workforce in planning, leadership, decision-making and reform
- develop a workforce culture aligned to government health targets and able to develop and maintain community confidence
- support the continuous improvement of workforce capacity and capability.

Alignment of workforce and organisational values provides a strong underlying theme to each of the priority areas:

- business literacy
- management and leadership
- workforce management systems
- communication
- capability development
- workforce planning and innovative workforce models.

To drive real change within Metro South Health, three PAVE action groups were established; each with a particular focus:

Action group 1: Business literacy and communication

Action group 2: Leadership, management and capability development

Action group 3: Workforce management systems, workforce planning and innovative workforce models

Action group members were selected for their demonstrated leadership in workforce culture. They have strong networks with other staff and use their formal and informal connections to engage with people.

Since a formal orientation in April 2014, the action groups have met regularly to develop strategies and implement them across Metro South Health.

2013–14 Highlights



After three months, PAVE the way has already resulted in the following actions:

- new communication strategies that promote a Metro South Health identity, target the whole workforce and make use of both formal (branded e-bulletin, all staff emails) and informal media (consultation hub, facebook, ideas hub, staff stories)
- exploration of ways to talk and learn about values that will improve workforce culture including staff stories, person-centred care and values-based practice
- review of current management and leadership programs with a view to developing and making available a Metro South Health program
- exploration of ways to build trust within and between all levels of the organisation
- development of a clear set of capabilities for all categories and levels of staff
- review of current recruitment practices and development of innovative ways to ensure there is alignment between the worker, the role, the workforce plan and the workplace culture.

Flexible working arrangements

Metro South Health has adopted, developed and implemented a range of policies and procedures to promote flexible working arrangements for staff of all categories and levels. These include:

- flexible and robust recruitment and selection
- shift work allowances and penalties
- telecommuting
- special leave
- carers leave
- bereavement leave
- parental leave
- long service leave
- time off in lieu
- annual/recreation leave
- overtime
- sick leave
- fatigue leave following weekends and/or rostered days off
- learning and development initiatives
- the Study and Research Assistance Scheme
- professional development packages for doctors, nurses and health practitioners
- conference leave arrangements.

Promotion of these policies occurs through the following avenues:

- role descriptions
- consultative forums
- orientation and induction
- professional development and appraisal
- workforce services unit
- staff forums
- relevant meetings and committees
- promotion via intranet sites and communication publications.

In addition, all new staff undertake a detailed orientation program which outlines these activities, opportunities and entitlements.

Performance management

Metro South Health has developed a responsive performance management framework that is articulated and confirmed at the point of engagement and remains a feature of the employment cycle.

The Executive Management Team has identified key performance indicators negotiated with the Health Service

Chief Executive and regularly reviewed.

Performance management and development of staff is undertaken at the workplace level on a regular basis. Plans include generic provisions and those relevant to the category of staff. These plans are industrially compliant and regularly reviewed.

Alignment to financial and strategic planning

Metro South has, and will continue to, review and reform various areas of the organisation as an initial step to realign the workforce to meet our financial and service requirements. This process assists to effectively achieve right sizing of the organisation by examining efficiency opportunities and preparing the organisation for contestability where appropriate.

Key reforms completed in 2013–2014 include:

Security Services review

The Security Services review led to a major restructure of the workforce and outsourcing of security services to an external provider.

Central Referral Hub and Oral Health Hub

The Central Referral Hub and Oral Health Hub are a single point of access for referrals to:

- specialist outpatient services
- allied health outpatient services
- oral health services (adult and paediatric emergency, general paediatric and vouchers)
- community health
- Metro South Health@Home.

This reform has streamlined and standardised referral processes including triage, specialist outpatient waitlist validation, auditing and appointment scheduling. It was implemented to ensure improved patient access to the right service at the right time with alternative pathway options for patient choice.

A specialist team has been established. This team consists of 38.3 full-time equivalent employees, five nursing staff, 31.3 administrative officers, and 2 health practitioners.

Finance Services and Oral Health Services reviews

The Finance Services and Oral Health Services reviews lead to the establishment of new service structures, commencement of service consolidation and corresponding workforce realignment.

Theatre utilisation

Theatre utilisation at Logan Hospital and Redland Hospital was reviewed, leading to improvements in theatre scheduling, theatre practices, staffing models and service distribution.

Workforce Engagement Strategy

PAVE the way is Metro South Health's workforce engagement strategy. It was developed to improve workforce engagement and culture, and to ensure all employees are equipped with the skills, resources and knowledge to help Metro South Health achieve its goals.

Transit Lounge Development at PA Hospital

In 2013, the PA Hospital reviewed the Transit Lounge and identified the opportunity to improve the patient experience, as well as to streamline the transition of patients for discharge out of ward beds, so that new patients can be allocated to a bed as soon as possible.

In 2014, internal and external stakeholder engagement was undertaken to design its redevelopment and relocation. The Transit Lounge is a major part of PA Hospital's patient flow strategy.

Metro South Health@Home

Metro South Health@Home coordinates and consolidates hospital substitution and avoidance programs across Metro South Health. It aims to operate with a single point of access for all services, which will facilitate accountability and authority to flow patients to the right service at the right time. It emerged as a way of addressing concerns identified with existing home and community based services including:

- duplication or overlap of services
- gaps in service delivery, due to either service eligibility, capacity or availability
- efficiency and productivity of services
- medical governance
- transparency of access to services and understanding of the funding, admission and discharge criteria.

GPLO program

The General Practice and Outpatient Liaison Officer (GPLO) program was established to improve the interface between the hospital (outpatient departments) and primary health care. To achieve this, input into planning and development of services is sought at a local level to improve the entire patient journey. The program is staffed by general practitioners and nurses who collectively aim to improve specialist outpatients services by enhancing:

- appropriate clinical pathways between primary and secondary settings
- transitional care: clinical handover and discharge from hospital
- collaboration and integration of services between sectors
- communication and care planning
- ongoing improvement of resources and tools to assist decision making.

Radiology Services

A workforce redesign is currently underway for Radiology Services.

Partnership Opportunity Program

The Partnership Opportunity Program is a targeted business engagement strategy which provides a forum for the broader health care network to identify and discuss partnerships that will contribute to the delivery of better services. The program aims to:

- improve efficiency of hospital and health services through the development and implementation of partnerships with the broader public, private and not for profit sectors
- assess opportunities for future partnerships and the benefits to be derived from these partnerships.

Early retirement, redundancy and retrenchment

During 2013–2014, 63 employees received redundancy packages at a cost of \$3,577,866. Employees who do not accept an offer of a redundancy are offered case management for a set period of time, where reasonable attempts are made to find alternative employment placements. At the conclusion of this period, and where it is deemed that continued attempts of ongoing placement are no longer appropriate, employees yet to be placed are terminated and paid a retrenchment package. However, during the period, no Metro South Health employees received retrenchment packages.

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General information

The Metro South Hospital and Health Service was established on the 1 July 2012 as a 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:

Garden City Office Park—Building 5
2404 Logan Road
Eight Mile Plains Q 4113

A description of the nature of Metro South Health’s operations and its principal activities is included in the notes to the financial statements.

For information in relation to Metro South Health’s financial statements:

Visit the Metro South Health website:
www.health.qld.gov.au/metrosouth

or email: MD05-MetroSouthHSD@health.qld.gov.au

Amounts shown in these financial statements may not add to the correct subtotals or totals due to rounding.

Metro South Health
Statement of Comprehensive Income
 For the year ended 30 June 2014

	Notes	2014 \$'000	2013 \$'000
Income from continuing operations			
User charges and fees	4	1,790,325	1,742,065
Grants and other contributions	5	40,207	42,891
Other revenue	6	15,483	18,042
Total revenue		1,846,015	1,802,998
Gains on disposal or re-measurement of assets	7	573	143
Total income from continuing operations		1,846,588	1,803,141
Expenses from continuing operations			
Employee expenses	8	2,122	2,075
Health service employee expenses	9	1,244,654	1,260,411
Supplies and services	10	495,924	441,375
Grants and subsidies	11	4,918	5,695
Depreciation and amortisation	12	61,895	63,214
Impairment losses	13	2,802	3,266
Revaluation decrement	14	-	772
Other expenses	15	8,479	6,344
Total expenses from continuing operations		1,820,794	1,783,152
Operating result for the year		25,794	19,989
Other comprehensive income			
<i>Items that will not be reclassified subsequently to operating result</i>			
Increase in asset revaluation surplus	25	4,347	32,354
Total other comprehensive income		4,347	32,354
Total comprehensive income		30,141	52,343

The accompanying notes form part of these statements.

Metro South Health
Statement of Financial Position
 As at 30 June 2014

	Notes	2014 \$'000	2013 \$'000
Current assets			
Cash and cash equivalents	16	170,710	81,687
Receivables	17	26,858	49,780
Inventories	18	13,773	12,638
Other assets	19	4,191	1,372
Total current assets		215,532	145,477
Non-current assets			
Intangible assets	20	477	570
Property, plant and equipment	21	1,081,818	1,061,771
Total non-current assets		1,082,295	1,062,341
Total assets		1,297,827	1,207,818
Current liabilities			
Payables	22	142,530	105,907
Accrued employee benefits	23	37	91
Unearned revenue	24	1,923	577
Total current liabilities		144,490	106,575
Total liabilities		144,490	106,575
Net assets		1,153,337	1,101,243
Equity			
Contributed equity	2(t)	1,070,853	1,048,900
Accumulated surplus/(deficit)		45,783	19,989
Asset revaluation surplus	25	36,701	32,354
Total equity		1,153,337	1,101,243

The accompanying notes form part of these statements.

Metro South Health
Statement of Changes in Equity
 For the year ended 30 June 2014

	Notes	Accumulated surplus/(deficit) \$'000	Asset revaluation surplus \$'000	Contributed equity \$'000	Total equity \$'000
Balance at 1 July 2012		-	-	-	-
Operating result from continuing operations		19,989	-	-	19,989
<i>Other comprehensive income</i>					
Increase in asset revaluation surplus	25	-	32,354	-	32,354
Total comprehensive income for the year		19,989	32,354	-	52,343
<i>Transactions with owners as owners</i>					
Net transfers in from other Queensland Government entities*	2(t)	-	-	1,052,557	1,052,557
Equity injections	2(t)	-	-	29,297	29,297
Equity withdrawals	2(t)	-	-	(63,214)	(63,214)
Equity asset transfers	2(t)	-	-	30,260	30,260
Net transactions with owners as owners		-	-	1,048,900	1,048,900
Balance as at 30 June 2013		19,989	32,354	1,048,900	1,101,243

*Net assets transferred from the Department of Health pursuant to the *Hospital and Health Board Act 2011*. Refer Note 2(t).

	Notes	Accumulated surplus/(deficit) \$'000	Asset revaluation surplus \$'000	Contributed equity \$'000	Total equity \$'000
Balance at 1 July 2013		19,989	32,354	1,048,900	1,101,243
Operating result from continuing operations		25,794	-	-	25,794
<i>Other comprehensive income</i>					
Increase in asset revaluation surplus	25	-	4,347	-	4,347
Total comprehensive income for the year		25,794	4,347	-	30,141
<i>Transactions with owners as owners</i>					
Equity injections	2(t)	-	-	36,845	36,845
Equity withdrawals	2(t)	-	-	(61,836)	(61,836)
Equity asset transfers	2(t)	-	-	46,944	46,944
Net transactions with owners as owners		-	-	21,953	21,953
Balance as at 30 June 2014		45,783	36,701	1,070,853	1,153,337

The accompanying notes form part of these statements.

Metro South Health
Statement of Cash Flows
 For the year ended 30 June 2014

	Notes	2014 \$'000	2013 \$'000
Cash flows from operating activities			
<i>Inflows</i>			
User charges and fees		1,751,119	1,673,516
Grants and other contributions		40,177	42,891
Interest received		1,099	1,102
GST collected from customers		4,344	4,178
GST input tax credits from Australian Taxation Office *		24,162	19,121
Other		14,207	16,674
<i>Outflows</i>			
Employee expenses		(2,085)	(1,984)
Health service employee expenses		(1,274,404)	(1,232,180)
Supplies and services		(431,193)	(423,008)
Grants and subsidies		(4,918)	(5,759)
GST paid to suppliers		(25,273)	(21,686)
GST remitted to Australian Taxation Office*		(4,394)	(3,545)
Other		(6,581)	(5,377)
Net cash provided by (used in) operating activities	26	86,260	63,943
Cash flows from investing activities			
<i>Inflows</i>			
Sales of property, plant and equipment		1,370	517
<i>Outflows</i>			
Payments for property, plant and equipment		(32,665)	(38,587)
Payments for intangibles		(175)	-
Prepayment for plant and equipment		(2,611)	-
Net cash provided by (used in) investing activities		(34,081)	(38,070)
Cash flows from financing activities			
<i>Inflows</i>			
Cash transfer 1 July 2012**		-	26,517
Equity injections	2(t)	36,844	29,297
Net cash provided by (used in) financing activities		36,844	55,814
Net increase/(decrease) in cash and cash equivalents		89,023	81,687
Cash and cash equivalents at the beginning of the financial year		81,687	-
Cash and cash equivalents at the end of the financial year	16	170,710	81,687

*The GST transactions with the Australian Taxation Office are lodged and managed via the Department of Health.

** Cash transferred pursuant to the *Hospital and Health Board Act 2011*. Refer to Note 2(t).

The accompanying notes form part of these statements.

Metro South Health

Notes to the Financial Statements

For the year ended 30 June 2014

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Metro South Health
Notes to the Financial Statements
 For the year ended 30 June 2014

1 Objectives and strategic priorities of Metro South Health

Metro South Health was established as an independent statutory body on 1 July 2012. Metro South Health is governed by a Hospital and Health Board that is accountable to the community and the Queensland Minister for Health for its performance.

Metro South Health is responsible for the delivery of public hospital services and other health services within its geographical catchment. It comprises five main hospitals on Brisbane's south side: Princess Alexandra Hospital, Queen Elizabeth II Jubilee (QEII) Hospital, Logan Hospital, Beaudesert Hospital and Redland Hospital. Metro South Health also operates a number of community health centres and primary health care centres.

Metro South Health's key objectives for 2013-14 were:

- Improving services for patients
- Focusing resources on frontline services
- Ensuring accountability and confidence in the health system.

These principal themes inform and guide the planning, coordination and delivery of services throughout Metro South Health.

Metro South Health is primarily funded by the Department of Health on behalf of the State and Australian Government through health service funding and by Australian Government grants. Metro South Health also provides health services on a fee-for-service basis, mainly for private inpatient care.

2 Summary of significant accounting policies

(a) Statement of compliance

Metro South Health has prepared these financial statements in compliance with section 43 of the *Financial and Performance Management Standard 2009*.

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations. In addition, the financial statements comply with *Queensland Treasury and Trade's Minimum Reporting Requirements for the year ending 30 June 2014*, and other authoritative pronouncements.

With respect to compliance with Australian Accounting Standards and Interpretations, Metro South Health has applied those requirements applicable to a not-for profit entity, as Metro South Health is a not-for-profit entity. Except where stated, the historical cost convention is used.

(b) 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. The major activities of Metro South Health are disclosed in Note 3.

(c) Trust and agency transactions and balances

Patient Fiduciary Fund transactions

Metro South Health undertakes patient fiduciary fund transactions as trustee. These funds are received and held on behalf of patients with the hospital having no discretion over these funds. As such they are not part of Metro South Health assets recognised in the financial statements. Patient funds are not controlled by Metro South Health but trust activities are included in the annual audit performed by the Auditor-General of Queensland and disclosed in Note 31(a).

Agency transactions- Right of Private Practice (RoPP) scheme

Under the Australian Government's National Health Reform Agreement with the states and territories, patient choice is facilitated by the right of private practice (RoPP) scheme, which provides for senior medical officers (SMOs) who are employed in the public health system to also treat those patients who come into the public system and elect to be treated as private patients. The Queensland RoPP scheme was

Metro South Health
Notes to the Financial Statements
 For the year ended 30 June 2014

approved to capture privately insured patients receiving treatment as public patients in a cost neutral manner; and also to assist in the recruitment and retention of full time specialist staff in the public hospital system. Public patients were not to be affected adversely by the introduction of scheme options.

The scheme has two major variants referred to as Option A and Option B. Under Option A, SMOs receive a private practice allowance as well as a base salary. In exchange for being paid this allowance, these SMOs assign all the private practice revenue they generate to the hospital and health service (HHS) facility where they are working. This revenue is recognised monthly when invoices are raised. In turn, the HHS fully absorbs the direct and indirect costs (facility, administrative and other overheads) associated with these services including, for example, the cost of billing and collection of revenue. This scheme is also referred to as the 'assignment' model.

The other major scheme variant is Option B, which allows SMOs to retain a proportion of the private fees they earn, with the balance being paid into a trust account for the HHS facility to apply to research by, and education of, all staff at the facility referred to as SERTA funds. This revenue is recognised monthly when invoices are raised. The HHS recovers a facility charge and administration fee from each participating SMO to defray the overhead costs of service provision. This scheme variant is also referred to as the 'retention and revenue sharing' model. Within Option B there is another variant called Option R, which is a variation available only for radiologists, but has all the characteristics of Option B.

Metro South Health acts in an agency role in respect of the transactions and balances of the Private Practice (RoPP) bank accounts. Transactions relating to Option B revenue are managed in an agency capacity in relation to the portion SMOs retain of the private fees they earn. The overhead cost incurred by Metro South Health in its agency capacity is recovered as incurred and recognised as controlled revenue in Metro South Health's accounts. The balance remaining of the earnings after distribution and overhead recoveries are paid to General Trust SERTA funds. At balance date any monies remaining in the RoPP bank accounts that represent Metro South Health's revenue is accrued as revenue in Metro South Health's accounts. As such, the right of 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 and disclosed in Note 31(b).

(d) User charges and fees

User charges and fees controlled by Metro South Health are recognised as revenues when earned and can be measured reliably with a sufficient degree of certainty. User charges and fees are controlled by Metro South Health where they can be deployed for the achievement of Metro South Health's objectives.

User charges and fees controlled by Metro South Health primarily comprises Department of Health funding, hospital fees (private patients), reimbursement of pharmaceutical benefits, sales of goods and services and rental income. There has been a change in the recognition of Department of Health funding from grants and other contributions in 2012-13 to user charges and fees in the current financial year. Refer Note 2(x) for details.

The funding from the Department of Health is provided predominantly for specific public health services purchased by the Department from Metro South Health in accordance with a service agreement between the Department of Health 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 Note 3 for more information on this funding arrangement. 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 income will not continue, particularly as the current agreement covers the period from 1 July 2013 to 30 June 2016.

The funding from the Department of Health is received fortnightly in advance. At the end of the financial year, a financial adjustment may be required where the level of services provided is above or below the agreed level.

Revenue recognition for other user charges and fees is based on either invoicing for related goods, services and/or the recognition of accrued revenue.

(e) Grants and other contributions

Grants, contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which Metro South Health obtains control over them. This includes amounts received from the Australian Government for programs that have not been fully completed at the end of the financial year.

Metro South Health

Notes to the Financial Statements

For the year ended 30 June 2014

Contributed assets are recognised at their fair value. Contributions of services are recognised only if the services would be purchased if they had not been donated and a fair value can be determined reliably. Where this is the case, an equal amount is recognised as revenue and expense.

Metro South Health receives corporate services support from the Department of Health for no direct cost. Corporate services received include payroll services, accounts payable services and taxation services. As the fair value of these services is unable to be estimated reliably, no associated revenue and expense is recognised in Metro South Health's Statement of Comprehensive Income.

(f) Special payments

Special payments include ex-gratia expenditure and other expenditure that Metro South Health is not contractually or legally obliged to make to other parties. In compliance with *Financial and Performance Management Standard 2009*, Metro South Health maintains a register setting out details of all special payments greater than \$5,000. The total of special payments (including those of \$5,000 or less) is disclosed separately within other expenses in Note 15. However, descriptions of the nature of special payments are only provided for special payments greater than \$5,000.

(g) Cash and cash equivalents

For the purpose of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked as at 30 June as well as deposits at call with financial institutions. Refer to Note 30 for restricted assets.

In accordance with 31(2) of the *Statutory Bodies Financial Arrangements Act 1982*, Metro South Health obtained approval from Queensland Treasury and Trade for a bank overdraft facility on its main operating bank account. This arrangement forms part of the whole-of-government banking arrangements with the Commonwealth Bank of Australia and allows Metro South Health access to the whole-of-government debit facility up to its approved limit. Refer to Note 34(d).

(h) Receivables

Trade debtors are recognised at the amounts due at the time of sale or service delivery. Trade receivables are generally settled within 30-120 days, while other receivables may take longer than twelve months relating to workers compensation claims.

The collectability of receivables is assessed periodically with provision being made for impairment. All known bad debts are written off when identified. Increases in the allowance for impairment are based on loss events disclosed in Note 34(c).

(i) Inventories

Inventories consist mainly of medical supplies held for distribution in Metro South Health hospitals. Inventories are measured at weighted average cost adjusted for obsolescence. Unless material, inventories do not include supplies held ready for use in the wards and are expensed on issue from Metro South Health's main storage facilities.

Consignment inventory

Supplies may be held on site under arrangements with external suppliers. The terms of consumption of these goods are outlined in the agreement with the relevant supplier. The goods do not form part of the inventory holding of Metro South Health and are not included in the financial statements. The value of these goods is charged and expensed by Metro South Health in the period they are consumed.

Metro South Health
Notes to the Financial Statements
 For the year ended 30 June 2014

(j) Property, plant and equipment

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 on acquisition.

Class	Threshold
Buildings*	\$10,000
Land	\$1
Plant and Equipment	\$5,000

*Land improvements are included with buildings

Property, plant and equipment assets are initially recorded at actual cost. Actual cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use, including architect's fees and engineering design fees but excluding training costs which are expensed as incurred. Items or components that form an integral part of an asset are recognised as a single (functional) asset.

Where assets are received for no consideration from another Queensland Government entity (whether as a result of a machinery of government change or other involuntary transfer), 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, other than from an involuntary transfer from another Queensland Government entity, are initially recognised at their fair value at the date of acquisition in accordance with AASB 116 *Property, Plant and Equipment*.

On 1 July 2012, the Minister for Health approved the transfer of land and buildings via a three year concurrent lease (representing its right to use the assets) to Metro South Health from the Department of Health. AASB 17 *Leased assets* is not applicable, as under the terms of the lease no consideration in the form of a lease or residual payment by Metro South Health is required, therefore failing to meet the criteria in section 4 of this standard for recognition.

While the Department of Health retains legal ownership, effective control of these assets was transferred to Metro South Health. Under the terms of the lease the hospital and health service has full exposure to the risks and rewards of asset ownership.

Metro South Health has the full right of use and managerial control of land and building assets and is responsible for their maintenance. The Department of Health generates no economic benefits from these assets. In accordance with the definition of control under Australian Accounting Standards, Metro South Health recognises the value of these assets in the Statement of Financial Position.

Revaluations of property, plant and equipment

Land and buildings are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment*, AASB 13 *Fair Value Measurement* and Queensland Treasury and Trade's *Non-Current Asset Policies for the Queensland Public Sector*. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and impairment losses where applicable.

In respect of the abovementioned asset classes, the costs of items acquired during the financial year has been judged by management of Metro South Health to materially represent their fair value at the end of the reporting period.

Plant and equipment is measured at cost in accordance with Queensland Treasury and Trade's *Non-Current Asset Policies for the Queensland Public Sector*. The carrying amounts for plant and equipment at cost should not materially differ from their fair value.

Included in the class of plant and equipment are artworks valued at \$6,800. These items are not depreciated as their value is not expected to diminish with time. Artwork assets form part of the plant and equipment class and are not disclosed separately as they are not considered material to the total assets held. Metro South Health does not have any heritage buildings.

Land is measured at fair value each year using independent revaluations, desktop market revaluations or indexation by the State Valuation Service within the Department of Natural Resources and Mines. Independent revaluations are performed with sufficient regularity to ensure assets are carried at fair value.

Metro South Health

Notes to the Financial Statements

For the year ended 30 June 2014

In 2013-14 Metro South Health engaged the State Valuation Service (SVS) to provide indices for all land holdings as at 30 June 2014. Indices are based on actual market movements for each local government area issued by the Valuer-General. An individual factor change per property has been developed from review of market transactions, having regard to the review of land values undertaken for each local government area. SVS provides assurance of the robustness of the indices, validity and appropriateness for application to the relevant asset.

Buildings are measured at fair value by applying either a revised estimate of individual asset's depreciated replacement cost or interim indices which approximate movement in market prices for labour and other key resource inputs as well as changes in design standards at the reporting date. These estimates are developed by independent quantity surveyors.

In 2013-14 Metro South Health engaged Davis Langdon Australia Pty Ltd (Davis Langdon) to value 67 buildings which were not valued in 2012-13. This achieved 96 per cent valuation coverage of the building portfolio across 2012-13 and 2013-14.

The fair values reported by Metro South Health are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs. Refer Note 2(l) Fair value measurement.

Where assets have not been specifically appraised in the reporting period, their previous revaluations are materially kept up-to-date via an assessment by Davis Langdon confirming their fair value at balance date and as required provide indices to apply to relevant buildings. Where there are assets valued by an independent valuer and by indices they will also be tested for reasonableness by comparing the results of assets valued by indices to the results of similar assets valued by independent valuation and also analysing the trend of changes in values over time.

Each financial year, the Board approves the valuation method undertaken on recommendation by the CFO. Revaluation using independent valuers is undertaken at least once every five years. However, if particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where applicable, regardless of the timing of the last specific appraisal. The result of the revaluation is reviewed by the CFO and approved by the Board.

Assets under construction are not revalued until they are ready for use. Construction of major health infrastructure is managed by the Department of Health. Upon practical completion of a project, assets under construction are assessed at fair value by the Department of Health through the engagement of an independent valuer prior to the transfer of those assets to Metro South Health via an equity adjustment. Refer Note 21 for more details.

Reflecting the specialised nature of health service buildings and on hospital-site residential facilities, fair value is determined using depreciated replacement cost methodology, due to there not being an active market for such facilities. Depreciated replacement cost is determined as the replacement cost less the cost to bring an asset to current standards. The methodology applied by the valuer is a financial simulation lieu of a market based measurement as these assets cannot be bought and sold on the open market.

In determining the replacement cost of each building, the estimated replacement cost of the asset, or the likely cost of construction including fees and on costs if tendered on the valuation date, is assessed. This is based on historical and current construction contracts. Assets are priced using Brisbane rates with published industry benchmark location indices. Revaluations are then compared and assessed against current construction contracts for reasonableness. The valuation assumes that a replacement building will replace the current function of the building with a building of the same form (size and shape) but built to meet current design standards. The key measurement quantities used in the determination of the replacement cost are:

- Gross floor area
- Number of floors
- Girth of the building
- Height of the building
- Number of lifts and staircases.

Estimates of area were obtained by measuring floor areas from Project Services e-Plan room or drawings from Metro South Health. Refurbishment costs have been derived from specific projects and are therefore indicative of actual costs.

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The 'cost to bring to current standards' is the estimated cost of refurbishing the asset to bring it to current standards and a new condition. This estimated cost is linked to the condition assessment rating of the building evaluated by the quantity surveyor during site inspection. The condition rating is also determined using asset condition data provided by Metro South Health, information from asset managers and previous reports and inspection photographs (where available) to show the change in condition over time.

The following table outlines the condition assessment rating applied to each building which assists the valuer in determining the current depreciated replacement cost.

Category	Condition	Description
1	Very good condition	Only normal maintenance required
2	Minor defects only	Minor maintenance required
3	Maintenance required to return the building to accepted level of service	Significant maintenance required (up to 50% of capital replacement cost)
4	Requires renewal	Complete renewal of the internal fit out and engineering services required (up to 70% of capital replacement cost)
5	Asset unserviceable	Complete asset replacement required

These condition ratings are linked to the cost to bring the asset to current standards.

The standard life of a health facility is generally 30 years and is adjusted for those assets where assets generally have longer lives, such as residences. Estimates of remaining life are based on the assumption that the asset remains in its current function and will be maintained. No allowance has been provided for significant refurbishment works in our estimate of remaining life as any refurbishment should extend the life of the asset. Buildings have been valued on the basis that there is no residual value.

Revaluation increments are credited to the asset revaluation surplus of the appropriate class, except to the extent they reverse 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.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimated remaining useful life.

Materiality concepts under AASB 1031 *Materiality* are considered in determining whether the difference between the carrying amount and the fair value of the asset is material.

Depreciation

Property, plant and equipment are depreciated on a straight-line basis. Annual depreciation is based on fair values and Metro South Health's assessments of the remaining useful life of individual assets.

Land is not depreciated as it has an unlimited useful life.

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity. Service delivery capacity relates to when construction is complete and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are reclassified to the relevant classes within property, plant and equipment.

Any expenditure that increases the originally assessed or service potential of an asset is capitalised and depreciated over the remaining useful life of the asset. Major spares purchased specifically for particular assets are capitalised and depreciated on the same basis as the asset to which they relate. The depreciable amount of improvements to or on leasehold property is allocated progressively over the shorter of the estimated useful lives of the improvements or the unexpired period of the lease. The unexpired period of the leases includes 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. Refer Note 21.

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Notes to the Financial Statements
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For each class of depreciable assets, the following depreciation rates were used:

<u>Class</u>	<u>Depreciation rates</u>
Buildings	2.5% - 3.33%
Plant and equipment	5.0% - 20.0%

Leased property, plant and equipment

Operating lease payments represent the pattern of benefits derived from the leased assets and is expensed in the period in which they are incurred.

Metro South Health had no assets subject to finance lease at the reporting date.

Impairment of non-current assets

All non-current and intangible assets are assessed for indicators of impairment on an annual basis in accordance with AASB 136 *Impairment of Assets*. If an indicator of impairment exists, Metro South Health determines the asset's recoverable amount (higher of value in use and fair value less costs to sell). Any amount by which the asset's carrying amount exceeds the recoverable amount is considered an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount, in which case the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(k) Intangible assets

Intangible assets are only recognised if they satisfy recognition criteria in accordance with AASB 138 *Intangible Assets*. Intangible assets are recorded at cost, which is consideration plus costs incidental to the acquisition, less accumulated amortisation and impairment losses. An intangible asset is recognised only if its cost is equal to or greater than \$100,000. Internally generated software cost includes all direct costs associated with development of that software. All other costs, including research activities, are expensed as incurred.

Intangible assets are amortised on a straight-line basis over their estimated useful life with a residual value of zero. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

Software is amortised from the time of acquisition or, in respect of internally developed software, from the time the asset is completed and held ready for use. The amortisation rates for Metro South Health's software are between 10 per cent and 20 per cent.

(l) Fair value measurement

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

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 residential dwellings.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets being valued. Significant unobservable inputs used by Metro South Health include, but are not limited to:

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- subjective adjustments made to observable data to take account of the specialised nature of health service buildings and on hospital-site residential facilities, including historical and current construction contracts (and/or estimates of such costs) and
- assessments of physical condition and remaining useful life.

Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets.

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 and liabilities of Metro South Health for which fair value is measured or 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.

None of Metro South Health's valuations of assets are eligible for categorisation into level 1 of the fair value hierarchy. As 2013-14 is the first year of application of AASB 13 by Metro South Health, there were no transfers of assets between fair value hierarchy levels during the period. Specific fair value information about Metro South Health's property, plant and equipment is disclosed in Note 21.

(m) Provision of public infrastructure by other entities

The Department of Health, prior to the establishment of Metro South Health, 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 an agreed period of time, ownership of the facility will pass to Metro South Health (refer Note 32). Arrangements of this type are known as Public Private Partnerships (PPP).

Although the land on which the facility has been constructed remains an asset of Metro South Health, Metro South Health does not control the facility associated with the arrangement. Therefore this facility is not recorded as an asset. Metro South Health receives rights under the arrangement, including:

- rights to receive the facility at the end of the contractual terms; and
- rights to receive cash flows in accordance with the respective contractual arrangements.

The arrangement was structured to minimise risk exposure for the Department of Health and Metro South Health.

(n) Collocation arrangements

There is a contractual arrangement with a private sector entity for the operation of a private health facility for a period of time on land controlled by Metro South Health. After an agreed period of 55 years, ownership of the facility will pass to Metro South Health.

As a concession contract, Metro South Health does not recognise the facility as an asset. For details on this arrangement refer Note 33.

(o) Payables

Payables are recognised for amounts to be paid in the future for goods and services received. Trade creditors are measured at the nominal amount, at agreed purchase/contract price, gross of applicable trade and other discounts. The amounts are unsecured and are generally settled in accordance with the vendors' terms and conditions typically within 30 days.

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(p) Financial instruments

Recognition

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. 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.

Classification

Financial instruments are classified and measured as follows:

- cash and cash equivalents: held at fair value through profit or loss,
- receivables: held at amortised cost,
- payables: held at amortised cost.

Metro South Health does not enter into transactions for speculative purposes, or hedging. Apart from cash and cash equivalents, Metro South Health holds no financial assets classified at fair value through profit or loss.

Other disclosures relating to the measurement and financial risk management of other financial instruments are included in Note 34.

(q) Employee benefits

Metro South Health employment arrangements are in accordance with the *Hospital and Health Boards Act 2011* (HHBA). Part five of the HHBA outlines the conditions for the health service employees continued to be employed by the Department of Health and health executives directly engaged by the hospital and health services. The information below outlines the terms relevant to these arrangements.

Health service employees

In accordance with HHBA section 67, the employees of the Department of Health are referred to as health service employees. Pursuant to section 80 of the HHBA they remain employees of the Department of Health and are taken to be employed by Metro South Health on the same terms, conditions and entitlements.

Under this arrangement:

- the health service employees remain as Department of Health employees.
- Metro South Health is responsible for the day-to-day management of these Department of Health employees.
- Metro South Health reimburses the Department of Health for the salaries, on-costs and other employee-related expenses (payroll tax and workers' compensation premium) relating to these Department of Health employees. These reimbursements are shown under Note 9.

Health executives

Health executives are directly engaged in the service of Metro South Health in accordance with section 70 of the HHBA. The basis of employment for health executives is in accordance with section 74 of the HHBA.

The information detailed below relates specifically to these directly engaged employees only.

Employer superannuation contributions, annual leave levies and long service leave levies are regarded as employee benefits. Payroll tax, workers compensation insurance are consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Wages, salaries, and sick leave

Wages and salaries due but unpaid at reporting date are recognised 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.

Payroll tax is paid as a consequence of employing employees but is not counted as part of the employee's total remuneration package and recognised separately as employee related expense.

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Prior history indicates that on average sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Annual leave and long service leave

Metro South Health participates in the Annual Leave Central Scheme (ALCS) and the Long Service Leave Scheme (LSLS).

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 currently facilitated by the Department of Health.

No provision for annual leave or long service leave is recognised in the Metro South Health's financial statements, as the liability for these schemes 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*.

Superannuation

Employer superannuation contributions are paid to QSuper, the superannuation scheme for Queensland Government employees, at rates determined by the Treasurer on the advice of the State Actuary. Contributions are expensed in the period in which they are payable and Metro South Health's obligation is limited to its contribution to QSuper.

The QSuper scheme has defined benefit and defined contribution categories. 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*.

Metro South Health complies with *The Superannuation Guarantee (Administration Act) 1992* (Superannuation Guarantee) which requires Metro South Health to provide a minimum superannuation cover for all eligible employees. Metro South Health contributes to the nominated superannuation fund of Board members at the minimum level of superannuation cover under the Superannuation Guarantee at 9.25 per cent (2013: 9 per cent) of their earnings base. Contributions are expensed in the period in which they are paid or payable. Metro South Health's obligation is limited to its contribution to the superannuation fund. Therefore no liability is recognised for accruing superannuation benefits in Metro South Health's financial statements.

Key management personnel and remuneration expenses

Key management personnel and remuneration expenses disclosures are made in accordance with section 5 of the *Financial Reporting Requirements for Queensland Government Agencies* issued by Queensland Treasury and Trade. Refer to Note 35 for the disclosures on key management personnel and remuneration.

(r) Insurance

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. Refer to Note 10.

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.

(s) Services received free of charge or for nominal value

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. When this is the case, an equal amount is recognised as revenue and an expense.

(t) Contributed equity

Non-reciprocal transfers of assets and liabilities between wholly-owned Queensland Public Sector entities as a result of machinery of government changes are adjusted to contributed equity in accordance with Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

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Transactions with owners as owners include equity injections for non-current asset acquisitions, non-cash equity withdrawals as a contribution towards the capital works program undertaken by the Department of Health on behalf of Metro South Health and non-current asset transfers between Metro South Health, the Department of Health and other Hospital and Health Services.

Transfer of net asset balances

As at 1 July 2012, net asset balances of \$1,052.6 million were transferred from the Department of Health to Metro South Health. This was executed via a transfer notice signed by the Minister for Health, designating that the transfer be recognised as a contribution by owners through equity.

(u) 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.

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. However, all entities are responsible for the payment or receipt of any GST for their own transactions. As such, GST credits receivable from and payable to the Australian Taxation Office (ATO) are recognised and accrued. Refer to Note 17.

(v) Issuance of financial statements

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 Finance Officer, Metro South Health, at the date of signing the Management Certificate.

(w) 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 amount of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

- Receivables- allowance for impairment: Note 17
- Property, plant and equipment valuation: Note 21
- Depreciation and amortisation: Note 12, Note 20 and Note 21

(x) Voluntary change in accounting policy

Metro South Health has made a voluntary change in accounting policy for the recognition of funding provided by the Department of Health under a service agreement between the Department and Metro South Health. The service agreement specifies those public health services purchased by the Department from Metro South Health.

In 2012-13 the Department of Health provided this funding as grant payments but for 2013-14 has determined that the payment is not of a grants nature but rather is procurement of public health services. Specific public health services are received by the department under a service agreement and the department has determined that it receives approximately equal value for the payment provided, and directly receives an intended benefit.

To align with this basis of funding provided by the Department of Health under a service agreement, Metro South Health recognized \$1,652 million funding as user charges revenue for 2013-14 rather than as grants revenue which occurred in 2012-13. The main affect is that the revenue is now recognised under the criteria detailed in AASB 118 *Revenue* for 2013-14, rather than under AASB 1004 *Contributions* in 2012-13. The revenue recognition criteria are described in Note 2(d) and Note 2(e). Further affect is that Department of Health funding receivable of \$0.73 million recognised as trade debtors in 2013-14 rather than as grants receivable which occurred in 2012-13.

This change in accounting policy has been applied retrospectively with the affect that Grants and other contributions revenue for 2012-13 has reduced by \$1,632 million and User charges and fees revenue has

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increased by the same amount and Trade Debtors increased by \$31.201 million and Grants receivable is reduced by the same amount resulting in no disclosure as grants receivable in the comparatives. Refer to Note 4 and Note 17.

(y) Rounding and comparatives

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where the amount is \$500 or less, to zero unless the 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. Refer Note 4 and Note 2(x). This revision does not affect the timing of revenue recognition and has no impact on the treatment of GST.

(z) New and revised accounting standards

Metro South Health had one voluntarily change of accounting policies during 2013-14 for the recognition of funding provided by the Department of Health under a service agreement between the Department and Metro South Health. The service agreement specifies those public health services purchased by the Department from Metro South Health. Refer Note 2(x).

Metro South Health is not permitted to early adopt accounting standard unless approved by Queensland Treasury and Trade. Consequently, Metro South Health has not applied any Australian Accounting Standards and Interpretations that have been issued but not yet effective. Metro South Health applies standards and interpretations in accordance with their respective commencement dates.

There is only one Australian Accounting Standard where changes are applicable for the first time from 2013-14 that have had a significant impact on Metro South Health financial statements. The changes are those arising from AASB 13 *Fair Value Measurement* and explained as follows.

- *AASB 13 Fair Value Measurement* became effective from reporting period beginning on or after 1 January 2013. AASB 13 sets out a new definition of 'fair value' as well as new principles to be applied when determining the fair value of assets and liabilities. The new requirements apply to all of Metro South Health's assets that are measured and disclosed at fair value and/or another measurement based on fair value. The impacts of AASB13 relate to the fair value measurement methodologies used and financial statement disclosure made in respect of such assets.

Metro South Health reviewed its fair value methodologies (including instructions to valuers, data used and assumptions made) for all items of property, plant and equipment measured at fair value to assess whether those methodologies comply with AASB 13. There were no changes made to the valuation methodologies but more detailed valuation reports were provided by the valuers to support fair value.

AASB 13 required an increased amount of information to be disclosed in relation to fair value measurements for both assets and liabilities. For those fair value measurements of assets and liabilities that substantially are based on data that is not 'observable' (ie. accessible outside Metro South Health), the amount of information disclosed has significantly increased. Note 2(l) Fair value explains some of the principles underpinning the additional fair value information disclosed. Most of this additional information is set out in Note 21 Property, plant and equipment and Note 2(j).

- *AASB 119 Employee benefits – revised version* became effective for reporting periods beginning on or after 1 January 2013. Given Metro South Health's circumstances, the only implications for Metro South Health were the revised concept of 'termination benefits' and the revised recognition criteria for termination benefit liabilities. If termination benefits meet the timeframe criteria for 'short term employee benefits' they will be measured in accordance with AASB 119 requirements for "short term employee benefits". Otherwise termination benefits need to be measured in accordance with AASB 119 requirements for 'other long-term employee benefits'. Under the revised standard, the recognition and measurement of employer obligations for 'other long-term benefits' will need to be accounted for according to most of the requirements for defined benefit plans.

The revised AASB 119 includes changed criteria for accounting for employee benefits as 'short-term employee benefits'. However, as Metro South Health is a member of the Queensland Government central schemes for annual leave and long service leave this change in criteria has no impact on Metro South Health's financial statements as the employer liability is held by the central scheme. The revised standard also includes changed requirements for the measurement of employer liabilities/assets arising from defined benefit plans, and the measurement and presentation of changes in such liabilities and

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assets. Metro South Health makes employer superannuation contributions only to the Qsuper defined benefit plan, and the corresponding Qsuper employer benefit obligation is held by the State. Therefore, those changes to AASB119 will have no impact on Metro South Health.

- *AASB 1053 Application of Tiers of Australian Accounting Standards* became effective from reporting periods beginning on or after 1 July 2013. *AASB 1053* establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two Tiers of reporting requirements:
 - Australian Accounting Standards – commonly referred to as ‘Tier 1’, and
 - Australian Accounting Standards – Reduced Disclosure Requirements- commonly referred to as ‘Tier 2’.

Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable. Metro South Health is required to report under the Tier 1 requirements. The only difference between Tier 1 and Tier 2 requirements is that Tier 2 requires fewer disclosures than Tier 1.

Pursuant to AASB 1053 public sector entities like Metro South Health may adopt Tier 2 requirements for their general purpose financial statements. However, AASB 1053 acknowledges the power of a regulator to require application of the Tier 1 requirements. In the case of Metro South Health, Queensland Treasury and Trade is the regulator. Queensland Treasury and Trade has advised its policy decision to require adoption of Tier 1 reporting by all Queensland government departments and statutory bodies (including Metro South Health) that are consolidated into the whole-of-Government financial statements. Therefore, the release of AASB 1053 and associated amending standards has had no impact on Metro South Health.

At the date of authorisation of the financial report, the expected impacts of new or amended Australian Accounting Standards with future commencement date are as set out below.

- *AASB 1055 Budgetary Reporting* applies from reporting periods beginning on or after 1 July 2014. Metro South Health will need to include in its 2014-15 financial statements the original budgeted figures from the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows as published in the 2014-15 Queensland Government’s Service Delivery Statements. The budgeted figures will need to be presented consistently with the corresponding (actuals) financial statements and will be accompanied by explanations of major variances between the actual amounts and the corresponding original budgeted figures.
- *AASB 1031 Materiality* will be effectively withdrawn from reporting periods beginning on or after 1 January 2014. Consequently the only guidance about materiality available in accounting pronouncements will be in AASB 101, AASB 108 and the Framework for the Preparation and Presentation of Financial statements. Queensland Treasury and Trade will determine whether the guidance left in accounting pronouncements is sufficient and will include guidance as required in the 2014-15 Financial Reporting Requirements.

The following new and revised Australian Accounting Standards apply as from reporting periods beginning on or after 1 January 2014:

- *AASB 10 Consolidated Financial Statements*;
- *AASB 11 Joint Arrangements*;
- *AASB 12 Disclosure of Interests in Other Entities*;
- *AASB 127 (revised) Separate Financial Statements*;
- *AASB 128 (revised) Investments in Associates and Joint Ventures*;
- *AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 1023 & 1038 and Interpretations 5, 9, 16 & 17]*;
- *AASB 2013-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities - Control and Structured Entities*.
- AASB 10 redefines and clarifies the concept of control of another entity, and is the basis for determining which entities should be consolidated into an entity’s financial statements. AASB 2013-8 applies the various principles in AASB 10 for determining whether a not-for-profit entity controls another entity. On the basis on those accounting standards, Metro South Health has reviewed the

- nature of its relationships with entities that Metro South Health is connected with to determine the impact of AASB 2013-8. Currently Metro South Health does not have control over any other entities.
- AASB 11 deals with the concept of joint control and sets out new principles for determining the type of joint arrangement that exist, which in turn dictates the accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement. Metro South Health has assessed its arrangements with other entities to determine whether a joint arrangement exists in terms of AASB 11. Based on present arrangements, no joint arrangements exist. However, if a joint arrangement does arise in the future, Metro South Health will need to follow the relevant accounting treatment specified in either AASB 11 or the revised AASB 128, depending on the nature of the joint arrangement.
 - AASB 9 Financial Instruments and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9(December 2010) [AASB 1, 3, 4, 5, 7, 101, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12,19 & 127] will become effective for reporting periods beginning on or after 1 January 2017. The main impacts of these standards on Metro South Health are that they will change the requirements for the classification, measurement and disclosures associated with Metro South Health's financial assets. Under the new requirements, financial assets will be more simply classified according to whether they are measured at amortised cost or fair value. Pursuant to AASB 9, financial assets can only be measured at amortised cost if two conditions are met. One of these conditions is that the asset must be held within a business model whose objective is to hold assets in order to collect contractual cash flows. The other condition is that the contractual terms of the asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. The only financial asset currently disclosed at amortised cost is receivables and as they are short term in nature, the carrying amount is expected to be a reasonable approximate of fair value so the impact of this standard is minimal.

All other Australian accounting standards and interpretations with new or future commencement dates are either not applicable to Metro South Health's activities, or have no material impact on the Metro South Health.

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3 Major activities and services

Health services funding

Funding is provided to Metro South Health in accordance with a service agreement between Metro South Health and the Department of Health (DOH). The service agreement specifies the public hospital, health and other services to be provided by Metro South Health and the funding to be provided by the Department of Health purchasing these services. The current service agreement covers the period from 1 July 2013 to 30 June 2016.

The Department of Health receives its revenue for funding Hospital and Health Services from the Queensland government and the Commonwealth government. Metro South Health is predominantly funded by activity based funding and some specific services are funded by block funding. The activity based funding represents an agreed number of activity units to be delivered on an agreed efficient price for these units and block funding represents funding for specific public health care activities.

Major services

Metro South Health delivers a full suite of speciality health services, including:

Inpatient

Metro South Health delivers a range of speciality inpatient services, including in-hospital and telehealth services. These services include:

- medical inpatient services such as Cardiology, Gastroenterology, Gynaecology, Oncology, Obstetrics, Renal Dialysis, Neurology and Respiratory
- surgical inpatient services such as Cardiac, Colorectal, Neurosurgery, Orthopaedics, Transplant, Vascular and Plastic and Reconstructive Surgery.

Metro South Health's critical care services provide multidisciplinary care to a wide variety of critically ill patients in a highly technological environment. Critical care units within Metro South Health include intensive care units, trauma units and special care nurseries.

Outpatient

Outpatient services are one facet of the non-admitted services that Metro South Health provides. These services include; Medical, Surgical, Maternity, Transplant, Renal Medicine and Dialysis, Chemotherapy and Medical and Radiation Oncology.

Emergency Department

Four of Metro South Health's major hospitals house an emergency department, Princess Alexandra, Logan, Redland and QEII hospitals.

Sub-acute

Sub-acute patients are patients that do not require further complex assessment or stabilisation. Metro South Health provides the following sub-acute services: geriatric evaluation and management, rehabilitation, palliative care and maintenance services.

Mental Health

Metro South Health provides mental health care to the largest culturally and linguistically diverse population in the state, and regions that have some of the highest population growth. Services offered are community mental health services, inpatient services and acute care services which may be undertaken in the home, in GP surgeries or in emergency departments.

Block funded facilities and services

Block funded facilities include Beaudesert Hospital and Wynnum Health Centre and the Marie Rose Centre.

Block funded services within Metro South Health cover a wide range of services including community health care, intellectual disability services, medical aides and appliances, mental health community services, offender health services, oral health services, population health services, primary health services, residential aged care facilities and research.

	2014 \$'000	2013 \$'000
4 User charges and fees		
Funding for the provision of public health services*		
Activity based funding	1,489,227	1,379,648
Block funding	100,846	189,343
Other	61,835	63,214
	1,651,908	1,632,205
Hospital fees	68,179	63,537
Sale of goods and services	27,706	25,763
Pharmaceutical benefit scheme reimbursements	41,040	19,206
Rental income	1,492	1,354
	1,790,325	1,742,065

*There has been a change in the recognition of funding for the provision of public health services from grants and other contributions in 2012-13 to user charges and fees representing specific services purchased by the Department of Health under a service agreement. The comparatives have been restated with a total impact of \$1,632 million. Refer Note 2(x) Note 2(y).

5 Grants and other contributions

Australian Government grants

Nursing home grants*	6,602	9,050
Other specific purpose recurrent grants**	21,162	21,054
Other specific purpose capital grants***	3,198	2,727
	30,962	32,831
Other grants	8,846	9,448
Donations assets	30	-
Donations other	369	612
	40,207	42,891

*Nursing home grants are Commonwealth funding provided to the Redland Residential Care Services based on the appraisal of each resident's care needs. The funding is provided under the Aged Care Financial Instrument (ACFI) as the mechanism to allocate this Government subsidy.

**Other specific purpose grants include Commonwealth funding of \$12.474 million (2013:\$12.698 million) for Home and Community Care programs such as basic maintenance support, personal care and domestic assistance, continence and dementia services. There is also \$7.447 million (2013: \$7.363 million) for Commonwealth Transition Care Program providing flexible care places under the provisions of the Aged Care Act 1997. The care packages are provided in a community-based or residential setting, and must include at least low intensity therapy and either nursing support or personal care. The remaining other specific purpose Commonwealth grants are funding for the Palliative Toolkit project with the objectives of improving aged care service delivery and promoting healthy ageing, Computed Tomography Study project with the aim to improve the safety and quality of diagnostic imaging services, Indigenous Mums and Bub program with the view of improving health status of Aboriginal and Torres Strait Islander people.

*** Other specific purpose capital grants are Commonwealth funding in accordance with the 2010 Radiation Oncology Program Grants Guidelines. This is funding for radiation oncology equipment replacement and refurbishment to improve patient access and ensuring the highest level of quality and safety of radiation therapy services.

6 Other revenue

Interest	1,099	1,102
Health service employee expense recoveries*	13,249	15,720
General Recoveries	398	530
Other	737	690
	15,483	18,042

*Health service employee expenses are recovered for services provided to external parties not including the Department of Health or other Hospital and Health Services.

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	2014 \$'000	2013 \$'000
7 Gains on disposal or re-measurement of assets		
Gains on sale of property, plant and equipment	519	143
Revaluation decrement reversal – land*	54	-
	<u>573</u>	<u>143</u>

*The asset revaluation surplus represents the net effect of upwards or downwards revaluations of assets to fair value. There was a previous revaluation decrement in respect of the same class of assets and so the current revaluation increment has been recognised as a reversal of the prior revaluation decrement in the Statement of Comprehensive Income. Refer to Note 14 and Note 21.

8 Employee expenses*

Employee benefits		
Wages and salaries	1,807	1,577
Employer superannuation contributions	165	161
Annual leave levy/expense	130	139
Long service leave levy/expense	28	27
Termination benefits	-	140
	<u>2,130</u>	<u>2,044</u>
Employee related expenses		
Payroll tax	(8)	29
Other employee related expenses	-	2
	<u>2,122</u>	<u>2,075</u>

	30 June 2014	30 June 2013
Number of employees**	7	6

*Employee expenses represent the cost of engaging board members and the employment of health executives who are employed directly by Metro South Health. Refer to Note 2(q) and Note 35.

**The number of employees as at 30 June includes full-time and part-time employees measured on a full-time equivalent basis (reflecting Minimum Obligatory Human Resource Information (MOHRI)). The number of employees does not include the chair, deputy chair of the board or the board members.

9 Health service employee expenses

Health service employee expenses*	1,228,095	1,244,154
Health service employee related expenses**	12,656	12,350
Other health service employees related expenses	3,903	3,907
	<u>1,244,654</u>	<u>1,260,411</u>

	30 June 2014	30 June 2013
Number of health service employees ***	11,084	10,469

*Health service employee expenses represent the cost of Department of Health employees contracted to Metro South Health to provide public health services. As established under the *Hospital and Health Boards Act 2011*, the department is the employer for all health service employees (excluding persons appointed as Health Executive) and recovers all employee expenses and associated on-costs from Metro South Health.

**Health service employee related expenses include \$12.551 million (2013:\$12.09 million) of workers' compensation insurance premium and \$0.104 million (2013:\$0.260 million) fringe benefit tax.

***The number of health service employees as at 30 June, includes both full-time and part-time employees, measured on a full time equivalent basis (reflecting Minimum Obligatory Human Resource Information (MOHRI)). Please also refer to Note 2(q).

	2014	2013
	\$'000	\$'000
10 Supplies and services		
Consultants and contractors	13,090	10,278
Electricity and other energy	12,986	11,498
Patient travel	1,344	1,742
Other travel	2,419	2,657
Water	2,320	2,242
Building services	1,676	1,039
Computer services	12,541	7,994
Motor vehicles	961	1,062
Communications	16,039	15,749
Repairs and maintenance	30,851	28,104
Expenses relating to capital works	5,382	2,602
Operating lease rentals	13,562	14,102
Insurance payment to the Department of Health*	15,930	13,274
Drugs	69,554	67,779
Inter entity hospital and health service supplies and services	14,032	17,593
Clinical supplies and services	243,368	208,335
Catering and domestic supplies	30,469	28,038
Other	9,400	7,287
	495,924	441,375

*Includes Queensland Government Insurance Fund (QGIF) Ref Note 2(r).

11 Grants and subsidies

Home and community health services	1,367	1,801
Medical research programs	3,551	3,894
	4,918	5,695

12 Depreciation and amortisation

Buildings	34,320	38,800
Plant and equipment	27,307	24,098
Software purchased	103	201
Software internally generated	165	115
	61,895	63,214

13 Impairment losses

Impairment losses on receivables*	809	1,256
Bad debts written off	1,993	2,010
	2,802	3,266

* Refer to Notes 17 and 34(c).

14 Revaluation decrement

Land*	-	772
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*The asset revaluation surplus represents the net effect of upwards or downwards revaluations of assets to fair value. The decrement, not being the reversal of a previous revaluation increment in respect of the same class of assets, has been recognised in the Statement of Comprehensive Income. Refer to Note 7 and Note 21.

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	2014	2013
	\$'000	\$'000
15 Other expenses		
External audit fees*	363	250
Other audit fees	321	196
Bank fees	75	63
Insurance	105	74
Inventory written off	210	103
Intangible asset written off	-	71
Losses from the disposal of non-current assets	1,691	669
Losses		
Public monies	-	1
Special payments		
Donations/gifts	-	1
Ex-gratia payments**	63	29
Other legal costs	1,213	1,097
Journals and subscriptions	320	261
Advertising	259	200
Interpreter fees	3,732	3,211
Other	127	118
	8,479	6,344

*Total audit fees paid to the Queensland Audit Office for the 2013-14 financial year are estimated to be \$0.305 million (2013: \$0.315 million). There are no non-audit services included in this amount.

** Metro South Health made 23 (2013: 24) ex-gratia payments for less than \$5,000 to patients for their lost property whilst in hospital care. In 2013-14. There were two payments in excess of \$5,000 to patients. Payment of \$18,000 for additional medical costs incurred as a result of burn injuries incurred whilst in hospital and payment of \$24,323 for failure to provide radiation treatment for a cancer patient. In 2012-13 there was one payment made for \$5,600 to a patient's spouse to support travel and accommodation due to hardship.

16 Cash and cash equivalents

Cash at bank and on hand	140,575	53,466
24 hour call deposits	30,135	28,221
	170,710	81,687

Metro South Health's bank accounts are grouped within the whole-of-government set-off arrangement with Queensland Treasury Corporation. 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 earns interest at a rate of 2.45 per cent (2013:2.70 per cent). In addition, General Trust funds in excess of monthly operational requirements are deposited at call with Queensland Treasury Corporation and earn interest at a rate of 3.28 per cent (2013: 3.44 per cent). Refer to Note 30 and Note 34.

17 Receivables

Trade debtors*	29,178	52,452
Less: Allowance for impairment**	(5,413)	(4,604)
	23,765	47,848
GST input tax credits receivable	3,676	2,565
GST payable	(583)	(633)
Net receivable	26,858	49,780

*There was a reclassification of grants receivable to trade debtors in line with reclassification of grant revenue to user charges and fees. The impact is \$0.730 million (2013: \$31.201 million). Refer Note 2(x).

**Refer Note 34(c) for analysis of movements in the impairment loss.

	2014 \$'000	2013 \$'000
18 Inventories		
<i>Inventories held for distribution:</i>		
Medical supplies	13,093	12,036
Catering and domestic	351	311
Engineering	262	216
Other	67	75
	13,773	12,638
19 Other assets		
Prepayment for plant and equipment	2,611	-
Other prepayment	1,580	1,372
	4,191	1,372
20 Intangible assets		
Software purchased		
At cost	5,782	5,782
Less: Accumulated amortisation	(5,620)	(5,517)
	162	265
Software internally generated		
At cost	1,997	1,997
Less: Accumulated amortisation	(1,857)	(1,692)
	140	305
Software work in progress	175	-
Total Intangible assets	477	570

Intangible assets reconciliation

	Software purchased '000	Software internally generated '000	Software work in progress '000	Total '000
Carrying amount as at 1 July 2013	265	305	-	570
Acquisitions	-	-	175	175
Amortisation charge for the year	(103)	(165)	-	(268)
Carrying amount as at 30 June 2014	162	140	175	477

Metro South Health
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Intangible assets reconciliation (continued)

	Software purchased	Software internally generated	Software work in progress	Total
	'000	'000	'000	'000
Carrying amount as at 1 July 2012	-	-	-	-
Transfers in from other Queensland Government entity*	466	420	71	957
Intangible asset written-off recognised in operating result	-	-	(71)	(71)
Amortisation charge for the year	(201)	(115)	-	(316)
Carrying amount as at 30 June 2013	265	305	-	570

* Net assets transferred pursuant to the *Hospital and Health Boards Act 2011* to Metro South Health from the Department of Health. Refer to Note 2(t).

	2014 \$'000	2013 \$'000
21 Property, plant and equipment		
Land		
At fair value	223,340	223,242
Buildings		
At fair value	1,322,147	1,259,792
Less: Accumulated depreciation	(603,662)	(557,960)
	718,485	701,832
Plant and equipment		
At cost	271,364	257,943
Less: Accumulated depreciation	(140,381)	(127,296)
	130,983	130,647
Capital works in progress		
At cost	9,010	6,050
Total property, plant and equipment	1,081,818	1,061,771

Land

Land is measured at fair value by indexation using indices provided by the State Valuation Service (SVS) within the Department of Natural Resources and Mines. The effective date of the valuation is 30 June 2014. Management has assessed the indices provided by SVS as appropriate for Metro South Health and has endorsed the use of the indices.

The fair value of land was based on publicly available data on sales of similar land in nearby localities. SVS surmised that application of their indices, which are market based, are observable inputs developed from publicly available sales evidence and market transactions data and therefore these inputs fall into level 2 within the fair value hierarchy. 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/road frontage and access and any significant restrictions. The extent of the adjustments made varies in significance for each parcel of land. Refer to the reconciliation table later in this note for information about the fair value classification of Metro South Health's land.

The State Valuation Service valuation team for 2013-14 comprised of the following registered valuers:

Matthew Woodbridge Regd Valuer No. 1827

Dan Moran Regd Valuer No. 2414

Pat Murphy Regd Valuer No. 3657

The land valuations for 2013-14 resulted in a net increment of \$0.054 million (2013: decrement of \$0.772 million) to the carrying amount of land. The increment is reversing 2012-13 decrement charged as a gain to the Statement of Comprehensive Income. Refer to Note 2(j), Note 7 and Note 14.

21 Property, plant and equipment (continued)

Buildings

An independent valuation was performed over two financial years for 96 per cent or 86 buildings of Metro South Health's building portfolio. A total of 65 buildings (9 per cent of the total portfolio) were valued in 2013-14 by Davis Langdon with LMW Hegney subcontracted to perform market valuation for 2 buildings. The valuers have also reviewed the buildings valued in 2012-13 and confirmed that no indexation is required for these buildings as they are at fair value at balance date. The effective date of the valuation and the review of the buildings valued at 2012-13 was 30 June 2014. Refer to Note 2(j) and Note 25.

The Davis Langdon valuation team for 2013-14 comprised of:

Damien Hirst – BSc(Hons) Quantity Surveying AAIQS

Calvin Ling – B.App.Sc(Hons) Quantity Surveying AAIQS

Dwayne Beeton - BSC(QS), Dip Construction Economics MRICS

The LMW Hegney valuers in 2013-14 were:

Mike Henderson-AAPI CPV 1804

Brendan Coonan-AAPI CPV 2315

The independent valuation in 2013-14 resulted in a net increment to the building portfolio of \$4.347 million (2013: \$32.354 million) in the asset revaluation surplus. This is an increase of 0.61 per cent to the value of buildings as at 30 June 2014. Refer to Note 25.

In 2013-14 under a designation of transfer by the Minister for Health, Metro South Health received \$44.953 million (2013: \$30.13 million) of asset under construction upon practical completion which were commissioned to Metro South Health buildings. Fair value assessment of these transfers in 2013-14 has been conducted by Davis Langdon prior to the equity transfer from the Department of Health. In 2012-13 Metro South Health included these assets after transfer as part of the valuation of buildings in that financial year. Refer Note 2(j) Revaluation and Note 2(t).

Plant and equipment

Metro South Health has plant and equipment with an original cost of \$0.677 million (2013: \$1.50 million) or 0.25 per cent (2013: 0.6 per cent) of total plant and equipment gross value and a written down value of zero still being used in the provision of services. These assets are expected to be replaced in future financial years.

Transfer of assets

In 2013-14 there were the following asset transfers between Metro South Health and Department of Health (DOH) or other Hospital and Health Services in accordance with the Designation of Transfer notice:

- Land and building to Children's Health \$ 2.611 million
- Land and plant and equipment from the Department of Health \$4.597 million

The land and buildings that are transferred to Children's Health were initially transferred to Metro South Health in 2012-13 from the Department of Health. In 2013-14 it was identified that these assets are used by Children's Health and Metro South Health has no control over the use of these assets they were transferred to Children's Health with effective date 1 July 2013.

The transfer of assets from the Department of Health was part of the transfer of Queensland Breast Screen Services and Queensland Tuberculosis Services. Refer Note 2(j).

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21 Property, plant and equipment (continued)

Property, plant and equipment reconciliation

	Land*	Buildings**	Plant and equipment	Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
	Level 2	Level 3			
Carrying amount as at 1 July 2013	223,242	701,832	130,647	6,050	1,061,771
Acquisitions	-	588	26,604	5,474	32,666
Donation received	-	-	30	-	30
Disposals	-	-	(2,153)	-	(2,153)
Donation made	-	-	(32)	-	(32)
Transfers in/(out) from other Queensland Government entities***	44	44,348	2,552	-	46,944
Transfers between asset classes	-	2,098	416	(2,514)	-
Transfers recognised in operating surplus/(deficit)	-	(408)	226	-	(182)
Revaluation increments to asset revaluation surplus****	-	4,347	-	-	4,347
Revaluation decrements reversal to comprehensive income*****	54	-	-	-	54
Depreciation charge for the year	-	(34,320)	(27,307)	-	(61,627)
Carrying amount as at 30 June 2014	223,340	718,485	130,983	9,010	1,081,818

* Land level 2 assets are land with active market.

** Building level 3 assets are special purpose built buildings with no active market.

***Transfers in are from the Department of Health and includes transfer of assets due to transfer of services and commissioning of work in progress assets as part of Queensland Health's Capital Acquisition Plan. Transfers are also including other asset transfers as listed above.

**** Refer above and Note 25.

***** Refer above and Note 7.

	Land	Buildings	Plant and equipment	Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount as at 1 July 2012	-	-	-	-	-
Acquisitions	-	4,699	28,265	5,623	38,587
Donation received	-	-	4	-	4
Disposals	-	-	(1,115)	-	(1,115)
Transfers in as at 1 July 2012 from the Department of Health as at 1 July 2012*	224,014	673,933	126,268	924	1,025,139
Transfers in from other Queensland Government entities**	-	29,372	888	-	30,260
Transfer between asset classes	-	274	435	(497)	212
Revaluation increments to asset revaluation surplus***	-	32,354	-	-	32,354
Revaluation decrements to comprehensive income****	(772)	-	-	-	(772)
Depreciation charge for the year	-	(38,800)	(24,098)	-	(62,898)
Carrying amount as at 30 June 2013	223,242	701,832	130,647	6,050	1,061,771

* Net assets received /transferred in as at 1 July 2012 pursuant to the *Hospital and Health Boards Act 2011* to Metro South Health from the Department of Health. Refer to Note 2(t).

** Transfers in are from the Department of Health and includes transfer of assets due to transfer of services and commissioning of work in progress assets managed by the Department of Health as part of Queensland Health's Capital Acquisition Plan.

*** Refer above and Note 25.

**** Refer above and Note 14.

21 Property, plant and equipment (continued)

Level 3 significant valuation inputs and relationship to fair value

The fair value of health service site buildings is computed by quantity surveyors. The methodology is known as the Depreciation Replacement Cost valuation technique. The following table highlights the key unobservable (Level 3) inputs assessed during the valuation process and the relationship to the estimated fair value.

Description	Significant unobservable inputs	Unobservable inputs quantitative measures ranges used in valuations	Unobservable inputs - general effect on fair value measurement
Buildings- Health services facilities (fair value \$718.485 million)	Replacement cost estimate	Buildings \$0.70 million to \$726.9 million	Replacement cost is based on tender pricing and historical building cost data. An increase in the estimated replacement cost would increase the fair value of the assets. A decrease in the estimated replacement cost would reduce the fair value of the assets.
	Remaining lives estimates	7 years to 33 years	The remaining useful lives are based on industry benchmarks. An increase in the estimated remaining useful lives would increase the fair value of the assets. A decrease in the estimated remaining useful lives would reduce the fair value of the assets.
	Cost to bring to current standards	Buildings \$ Nil to \$217.913 million	Costs to bring to current standards are based on tender pricing and historical building cost data. An increase in the estimated costs to bring to current standards would reduce the fair value of the assets. A decrease in the estimated costs to bring to current standards would increase the fair value of the assets.
	Condition rating	1 to 3 (max 5 in the model)	The condition rating is based on the physical state of the assets. An improvement in the condition rating (possible high of 1) would increase the fair value of the assets. A decline in the condition rating (possible low of 5) would reduce the fair value of the assets.

For further information:

Usage of alternative quantitative values (higher or lower) for each unobservable input that are reasonable in the circumstances as at the revaluation date would not result in material changes in the reported fair value.

The condition rating of an asset is used as a mechanism to determine the cost to bring to current standards and also to estimate the remaining life.

There are no other direct or significant relationships between the unobservable inputs which materially impact fair value.

	2014 \$'000	2013 \$'000
22 Payables		
Trade creditors	24,940	18,703
Accrued expenses	34,480	25,181
Department of Health payables*	82,963	61,872
Other creditors	147	151
	142,530	105,907

*Department of Health payables are due to outstanding payments for payroll and other fee for service charges.

23 Accrued employee benefits

Salaries and wages accrued	37	91
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Metro South Health
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	2014 \$'000	2013 \$'000
24 Unearned revenue		
Unearned other revenue*	<u>1,923</u>	<u>577</u>

* Unearned revenue represents revenue received in advance for hospital services yet to be delivered at year end.

25 Asset revaluation surplus by class

Buildings

Balance at the beginning of the financial year*	32,354	-
Revaluation increment	4,347	32,354
Balance at the end of the financial year	<u>36,701</u>	<u>32,354</u>

*The asset revaluation surplus represents the net effect of revaluation movements in assets. Refer to Note 21.

26 Reconciliation of operating result to net cash flows from operating activities

Operating result from continuing operations	25,794	19,989
<i>Non-cash items:</i>		
Depreciation/amortisation expense	61,895	63,214
Funding for depreciation, amortisation	(61,835)	(63,214)
Assets written (on)/off	183	(177)
Inventory written off	-	103
Net loss on sale of property, plant and equipment	783	526
Revaluation decrement reversal to comprehensive income	(54)	-
Revaluation decrement to comprehensive income	-	772
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in trade and payroll receivables	24,084	(2,610)
(Increase)/decrease in GST input tax credits receivable	(1,162)	(1,932)
(Increase)/decrease in inventories	(1,135)	(199)
(Increase)/decrease in prepayments	(208)	(117)
Increase/(decrease) in unearned revenue	1,346	541
Increase/(decrease) in accrued health service employees expenses	(29,829)	28,139
Increase/(decrease) in payables	66,398	18,908
Net cash generated by operating activities	<u>86,260</u>	<u>63,943</u>

27 Non-cash financing and investing activities

Assets and liabilities received or transferred by Metro South Health are set out in the Statement of Changes in Equity.

28 Commitments

(a) Non-cancellable operating leases*

Commitments under operating leases at reporting date are inclusive of anticipated GST and are payable as follows:

	2014 \$'000	2013 \$'000
Not later than one year	539	1,344
Later than one year and not later than five years	1,746	2,374
Later than five years	-	150
	<u>2,285</u>	<u>3,868</u>

*Metro South Health has non-cancellable operating leases relating predominantly to office, car park and clinical services accommodation and medical equipment. Lease payments are generally fixed, but with escalation clauses on which contingent rentals are determined. No lease arrangements contain restrictions on financing or other leasing activities.

28 Commitments (continued)

(b) Capital expenditure and other expenditure commitments

Material classes of capital and other expenditure commitments inclusive of anticipated GST, contracted for at reporting date but not recognised in the accounts are payable as follows:

	2014 \$'000	2013 \$'000
Capital works	6,671	2,188
Supplies	5,292	27,466
Repairs and maintenance	13,088	10,445
Employment	3,101	4,259
	28,152	44,358
Not later than one year	17,779	28,716
Later than one year and not later than five years	10,062	15,642
Later than five years	311	-
	28,152	44,358

(c) Grants and other contributions

Grants and contribution commitments inclusive of anticipated GST, committed to provide at reporting date, but not recognised in the accounts are payable as follows:

Not later than one year	6,257	3,543
Later than one year and not later than five years	5,349	2,159
	11,606	5,702

29 Contingencies

(a) Litigation in progress

	2014 cases	2013 cases
Cases have been filed with the courts as follows:		
Supreme Court	5	2
District Court	-	1
Magistrates Court	1	1
Tribunals, commissions and boards	6	5
	12	9

Health litigation is underwritten by the Queensland Government Insurance Fund (QGIF). Metro South Health's liability in this area is limited to an excess per insurance event. At reporting date it is not possible to make a reliable estimate of the excess payable in respect of litigation before the court. Refer to Note 2(r).

The introduction of the *Personal Injuries Proceedings Act 2002* has resulted in fewer cases appearing before the courts. These matters are usually resolved at the pre-proceedings stage.

As of 30 June 2014, there were 60 claims (2013: 62 claims) managed by QGIF, some of which may never be litigated or result in payments to claim. The maximum exposure to Metro South Health under this policy is up to \$20,000 for each insurable event. During 2013-14 there were 6 complaints (2013: 3) managed by Metro South Health solicitors. Three of these complaints carried from 2012-13 and were finalised in 2013-14.

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30 Restricted assets

Metro South Health receives cash contributions primarily from private practice clinicians 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 for stipulated purposes. This money is controlled by Metro South Health and forms part of the cash and cash equivalents balance, however it is restricted in nature as it can only be used for the specific purpose. Refer Note 16.

At 30 June 2014, amounts of \$30.904 million (2013:\$30.056 million) in general trust and \$3.577 million (2013:\$1.183 million) for research projects are set aside for the specified purposes underlying the contribution.

31 Agency and fiduciary trust transactions and balances

Metro South Health acts in a custodial role in respect of these transactions and balances. As such, they are not recognised in the financial statements, but are disclosed below for information purposes.

(a) Fiduciary trust transactions

	2014 \$'000	2013 \$'000
Fiduciary trust receipts and payments		
Receipts	2,898	4,277
Payments	3,004	4,378
Increase/(decrease) in net patient trust assets	(106)	(101)
Decrease in net refundable deposits	(2)	(9)
Fiduciary trust assets		
Current assets		
Cash		
Patient trust funds	432	538
Other refundable deposits	10	12
Total current assets	442	550

(b) Agency right of private practice transactions and balances

	2014 \$'000	2013 \$'000
Right of private practice receipts and payments		
Receipts		
Private practice receipts	46,784	44,824
Total receipts	46,784	44,824
Payments		
Payments to doctors	12,156	10,991
Payments to Metro South Health for recoverable costs	24,110	22,435
Payments to Metro South Health general trust for SERTA*	6,865	7,429
Other payments**	4,079	3,617
Total payments	47,210	44,472
Increase/(decrease) in net right of private practice assets	(426)	352

* Study, education and research trust account (SERTA) funds are generated by doctors reaching the ceiling allowable under the option B arrangements. The allocation of these funds is managed by a Specialists' Advisory Committee.

** Payments relating to the receipts on behalf of other Queensland Health entities such as Pathology Services, Medical Imaging, Children Services, refund to Medicare and or Private Insurance. Refer to Note 2(c).

Right of private practice assets

Current assets		
Cash*	1,272	1,698
Total current assets	1,272	1,698

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

32 Arrangements for the provision of public infrastructure by other entities

Public Private Partnership (PPP) arrangements operating for all or part of the financial year are as follows. Refer to Note 2(m). The PPP is a Build-Own-Operate-Transfer (BOOT) arrangement.

Facility	Counterparty	Term of Agreement	Commencement Date
The Princess Alexandra Hospital Multi Storey Car Park	International Parking Group Pty Limited	25 years	February 2008

The Princess Alexandra Hospital Multi Storey Car Park

The developer has constructed a 1,403 space multi storey car park on site at the hospital. Rental of \$0.295 million per annum escalated for CPI annually will be received from the car park operator up to February 2033. The developer operates and maintains the facility at its sole cost and risk. Metro South Health staff is entitled to concessional rates when using the car park.

Assets

As at 30 June 2014, Metro South Health does not have legal title to properties under its control. Metro South Health does not control the facility and therefore it is not recognised as an asset of the agency. The land where the facility has been constructed is recognised as Metro South Health's land, subject to an operating lease under a lease agreement with the Department of Health. The recognised value of the entire land asset at Princess Alexandra Hospital (PAH) is \$22.1 million. The portion dedicated to the PAH Multi Storey Car Park is 33.4% with an estimated value of \$7.4 million. Refer Note 2(j).

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.

	2014 \$'000	2013 \$'000
<i>Revenues</i>		
Revenues recognised in relation to these arrangements:		
User charges and fees *	343	342

*This represents the actual rental payments for the multi-story car park.

PPP arrangements of Metro South Health cash flows (indicative)*

The Princess Alexandra Hospital multi storey car park	2014 \$'000	2013 \$'000
Up to 1 year	363	353
More than 1 year but less than 5 years	1,567	1,520
More than 5 years but less than 10 years	2,238	2,170
Later than 10 years	4,707	5,175
Net indicative cash flow	8,875	9,218

*The indicative cash flow is the undiscounted annual rental payments of \$0.295 million for the term of the agreement escalated annually by CPI at a rate of 3 per cent.

Metro South Health
Notes to the Financial Statements
 For the year ended 30 June 2014

33 Collocation arrangements

Collocation arrangements operating for all or part of the financial year are as follows. Refer to Note 2(n).

Facility	Counterparty	Term of Agreement	Commencement Date
Redlands Private Hospital	Sister of Mercy	25 years + 30 years	August 1999

Collocation agreement with Redland Private Hospital

In accordance with the Collocation Agreement, in 2013-14 Metro South Health recognised \$0.292 million (2013:\$0.287 million) revenue. During 2013-14 the collocation agreement and related contracts were reviewed and resulted in an Extension and Variation Deed of the collocation agreement with the original term of the agreement extended to 55 years.

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.

Assets

Metro South Health does not control the facility and therefore it is not recognised as an asset of the agency. The land where the Redland Private Hospital was constructed is approximately 9 per cent of the Redland Hospital land recognised at a total value of \$8.776 million.

34 Financial instruments

(a) Categorisation of financial instruments

Metro South Health has the following categories of financial assets and financial liabilities:

	2014 \$'000	2013 \$'000
Financial assets		
Cash and cash equivalents	170,710	81,687
Receivables	26,858	49,780
	<u>197,568</u>	<u>131,467</u>
Financial liabilities		
Payables	<u>142,530</u>	<u>105,907</u>

(b) 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.

Risk exposure	Measurement method
Credit risk	Ageing analysis, cash inflows at risk
Liquidity risk	Monitoring of cash flows by active management of accrual accounts
Market risk	Interest rate sensitivity analysis

34 Financial instruments (continued)

(c) Credit risk exposure

Credit risk is the potential for financial loss arising from a counterparty defaulting on its obligations.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment. The carrying amount of receivables represents the maximum exposure to credit risk. As such, receivables are not included in the table below. Refer Note 17.

Credit risk is considered minimal given all Metro South Health deposits are held by the State through Queensland Treasury Corporation.

	2014 \$'000	2013 \$'000
Financial assets		
Cash and cash equivalents	170,710	81,687
	170,710	81,687

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.

Impairment of financial assets

At the end of each reporting period, Metro South Health reviews whether there is objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes financial difficulties of the debtor, changes in debtor credit ratings and current outstanding accounts over 60 days.

The allowance for impairment reflects Metro South Health's assessment of the credit risk associated with receivables balances and is determined based on consideration of objective evidence of impairment, past experience and management judgement. The current year allowance is affected by the following loss events:

- overseas patients treated in public hospitals where the cost was unrecoverable amounting to \$1.194 million (2013: \$0.962 million),
- unrecoverable debts from private patients and businesses \$0.242 million (2013: \$0.371 million).
- unrecoverable third party claim settlements from patients involved in motor vehicle accidents \$0.556 million (2013: \$0.677 million).

Ageing of past due but not impaired as well as impaired financial assets are disclosed in the following tables:

Financial assets past due but not impaired 2013-14

	Overdue \$'000				Total
	Less than 30 days	30-60 days	61-90 days	More than 90 days	
Receivables	5,956	1,362	178	37	7,533

Individually impaired financial assets 2013-14*

	Overdue \$'000				Total
	Less than 30 days	30-60 days	61-90 days	More than 90 days	
Receivables (gross)	1,161	2,307	1,610	7,405	12,483
Allowance for impairment	(36)	(506)	(673)	(4,198)	(5,413)
Carrying amount	1,125	1,801	937	3,207	7,070

Metro South Health
Notes to the Financial Statements
 For the year ended 30 June 2014

34 Financial instruments (continued)

Financial assets past due but not impaired 2012-13

	Overdue \$'000				Total
	Less than 30 days	30-60 days	61-90 days	More than 90 days	
Receivables*	4,646	530	11	44	5,231

*Receivables adjusted for less than 30 days financial assets that not past due and revised from 2012-13.

Individually impaired financial assets 2012-13*

	Overdue \$'000				Total
	Less than 30 days	30-60 days	61-90 days	More than 90 days	
Receivables (gross)	1,102	2,036	1,177	6,125	10,440
Allowance for impairment	(38)	(411)	(432)	(3,723)	(4,604)
Carrying amount	1,064	1,625	745	2,402	5,836

2014	2013
\$'000	\$'000

Movements in the allowance for impairment loss

Balance at 1 July	4,604	-
Transfers in as at 1 July 2012*	-	3,348
Increase in allowance recognised in operating result**	809	1,256
Balance as at 30 June	5,413	4,604

*Refer to Note 2(t) for balances transferred as at 1 July 2012 from the Department of Health.

**Refer to Note 13 and Note 17.

(d) 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 another financial assets.

Metro South Health is exposed to liquidity risk through its trading in the normal course of business. Metro South Health aims to reduce the exposure to liquidity risk by ensuring that sufficient funds are available to meet employee and supplier obligations at all times. Metro South Health has an approved overdraft facility of \$18 million under whole-of-government banking arrangements to manage any short term cash shortfalls.

Liquidity risk 2013-14

	Maturity date			Non-interest bearing	Total	Weighted average rate
	1 year or less	1 to 5 years	More than 5 years			
	\$'000	\$'000	\$'000	\$'000	\$'000	%
Financial assets						
Cash	768	-	-	139,807	140,575	2.45
24 hour call deposits	30,135	-	-	-	30,135	3.28
Receivables	-	-	-	26,858	26,858	
	30,903	-	-	166,665	197,568	
Financial liabilities						
Payables	-	-	-	142,530	142,530	

34 Financial instruments (continued)

Liquidity risk 2012-13

	Maturity date				Total \$'000	Weighted average rate %
	1 year or less	1 to 5 years	More than 5 years	Non-interest bearing		
	\$'000	\$'000	\$'000	\$'000		
Financial assets						
Cash	1,835	-	-	51,631	53,466	2.70
24 hour call deposits	28,221	-	-	-	28,221	3.44
Receivables	-	-	-	49,780	49,780	
	30,056	-	-	101,411	131,467	
Financial liabilities						
Payables	-	-	-	105,907	105,907	

(e) Market risk

Metro South Health has interest rate exposure on the General Trust 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 rate have a minimal effect on the operating result of Metro South Health.

(f) Interest rate sensitivity analysis

The following interest rate sensitivity analysis is showing the outcome on net income if interest rates would change by +/- 1 per cent from the year end rates applicable to Metro South Health financial asset. With all variables held constant, Metro South Health would have a surplus and equity increase/(decrease) of \$0.301 million (2013:\$0.282 million). This is mainly attributable to Metro South Health's exposure to variable interest rates on its investment with Queensland Treasury Corporation.

Financial Instruments	Carrying amount \$'000	2014 Interest rate risk			
		-1% Profit	Equity	+1% Profit	Equity
24 hours call deposits	30,136	(301)	(301)	301	301
Potential impact		(301)	(301)	301	301
Financial Instruments	Carrying amount \$'000	2013 Interest rate risk			
		-1% Profit	Equity	+1% Profit	Equity
24 hours call deposits	28,221	(282)	(282)	282	282
Potential impact		(282)	(282)	282	282

(g) Fair value

Apart from cash and cash equivalents, Metro South Health does not recognise any financial assets at fair value in the Statement of Financial Position.

The fair value of trade receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

Metro South Health
Notes to the Financial Statements
 For the year ended 30 June 2014

35 Key management personnel and remuneration expenses

(a) Key management personnel

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of Metro South Health during 2013-14. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive Management.

Position and name	Responsibilities	Contract classification and appointment authority	Appointment date*
<i>Metro South Hospital and Health Board</i>	The Board decides the objectives, strategies and policies to be followed by Metro South Health 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.	18/05/2012
Chair Terry White AO			29/06/2012
Deputy Chair Peter Dowling AM			29/06/2012
Board Members Dr John Kastrissios			07/09/2012
Lorraine Martin AO			29/06/2012
Professor John Prins			29/06/2012
Dr Marion Tower			29/06/2012
Margo MacGillivray			14/06/2013

Position	Responsibilities	Contract classification and appointment authority	Appointment date* or temporary assignment period
Health Service Chief Executive	This position is the single point of accountability for executive leadership and management of all public hospital and health services in Metro South Health. This position is accountable to the Hospital and Health Board for ensuring that Metro South Health achieves a balance between efficient service delivery and high quality health outcomes.	Section 74 Contract, Hospital and Health Boards Act 2011	6/08/2012
Executive Director, PAH-QEII Health Network	This position provides effective strategic leadership, direction and financial management of the Princess Alexandra Hospital–QEII health network. Ensures the effective delivery of health services consistent with the identified needs of the client group and the approved service profile of these hospitals.	Senior Medical Officer and Resident Medical Officers Award MMO11	5/11/2012 (24/11/2013)**
Acting Executive Director, PAH-QEII Health Network		Hospital Executive Service HES 3.3	25/11/2013 (4/5/2014)**
Executive Director, PAH-QEII Health Network		Senior Medical Officer and Resident Medical Officers Award MMO2-3	5/05/2014
Executive Director, Logan-Bayside Health Network	This position provides effective strategic leadership, direction and financial management of the Logan – Bayside Health Network. Ensures the effective delivery of health services consistent with the identified needs of the client group and the approved service profile of these hospitals.	Hospital Executive Service HES 2.1	4/04/2011 (6/12/2013)
		HES 3.2	7/12/2013

(a) Key management personnel (continued)			
Position	Responsibilities	Contract classification and appointment authority	Appointment date* or temporary assignment period
Executive Director, Addiction and Mental Health Services	This position provides strong clinical and operational leadership and support for the strategic direction and provides high quality service provision as part of an integrated addiction and mental health services, comprising in-patient and community services. The role actively participates in the promotion and development of addiction and mental health.	Senior Medical Officer and Resident Medical Officers Award MMO13	03/12/2007
Executive Director, Clinical Governance	This position provides leadership for Clinical Governance and Patient Safety in Metro South Health. This position ensures the appropriate performance and outcomes of the clinical governance systems across Metro South Health across the domains of compliance, performance and support.	Senior Medical Officer and Resident Medical Officer Award MMO11	29/12/2008
Chief Finance Officer	This position is responsible and accountable for the operation of the financial management system for Metro South Health. It provides strategic advice and leadership of the financial management functions for the Hospital and Health Service.	Hospital Executive Service HES3H	4/06/2013
Executive Director, Corporate Services Metro South Health	This position is the Executive lead for corporate governance, asset management, capital planning and development, procurement management, contracts management, human resource management, operational support services, building engineering and maintenance services, and other ancillary corporate support functions.	Hospital Executive Service HES2 Hospital Executive Service HES3L	23/10/2009 (11/12/2013)** 12/12/2013
Chief Information Officer	This position provides strategic leadership, direction and management across Metro South Health for Informatics, ICT and HIMS, to ensure that the teams develop and execute relevant strategies. Maintains specific information systems and services that maximise the quality, access and use of information across Metro South Health.	Hospital Executive Service HES2L Hospital Executive Service HES2H	13/12/2010 (11/12/2013)** 12/12/2013
Executive Director, Planning, Engagement and Reform	This position provides strategic leadership and innovation in the development and delivery of the following critical functions across Metro South Health – health service planning, engagement, government relations, health reform, media and communications. This position supports the health service Chief Executive in the development and delivery of key strategies, with particular reference to Government and Board priorities. This position is the Board Secretary for the Metro South Hospital and Health Board.	District Senior Officer DSO1 Hospital Executive Service HES2H	28/05/2012 (11/12/2013)** 12/12/2013

Metro South Health
Notes to the Financial Statements
 For the year ended 30 June 2014

(a) Key management personnel (continued)			
Position	Responsibilities	Contract classification and appointment authority	Appointment date* or temporary assignment period
Executive Director, Nursing and Midwifery Services	This position leads the nursing services of Metro South Health, The position maximises the potential of nursing to enhance health outcomes for Metro South Health.	Nurses and Midwives Certified Agreement 2012 Nurse Grade 12	29/07/2007
Executive Director, Medical Services	This position is the principal medical officer for Metro South Health and is responsible for supporting the health service Chief Executive in the planning and management of the health service's clinical services. This position provides professional leadership to all medical officers within Metro South Health.	Senior Medical Officer Award and Resident Medical Officer Award 2012 MS-3	12/11/2012
Executive Director of Allied Health Services	This position provides strategic leadership of Metro South Health allied health workforce and services with particular reference to workforce planning, policy review and development, information management, learning and development, research and education and standards of professional practice, in line with Metro South Health and National Policy and strategic direction.	Health Practitioners Certified Agreement 2011 HP8	05/12/2008

*Key managements' commencement dates reflect their original appointment to the position. Refer to Note 2 (p).

** Date in brackets is the end date in the position

(b) Remuneration expenses

Remuneration policy for Metro South Health's key management personnel is set by as follows:

- Hospital and Health Boards Act 2011 (HHBA)
- Hospital Executive Service Agreement
- Senior and Resident Medical Officer Awards 2012
- Nurses and Midwives Certified Agreement 2012
- Health Practitioners Certified Agreement 2011.

The remuneration and other terms of employment for the key management personnel are specified in employment contracts. The Chief Executive is appointed in accordance with the provisions of section 33 of the HHBA and also appointed as a health executive under section 74 of the HHBA. The other health executives are appointed either in accordance with section 74 of the HHBA or in accordance with the relevant industrial award and agreement as medical practitioner, health practitioner (HP) or nursing executive. For the 2013-14 year, remuneration of key management personnel increased by 2.2 per cent (2013: 2.5 per cent), medical by 3 per cent (2013: 3 per cent) Nursing by 3 per cent (2013: 3 per cent) and HP last increased by 3 per cent from 1 September 2012.

The following disclosure focus on the expenses incurred by Metro South Health during the respective reporting periods, that is attributable to key management positions. Therefore the amounts disclosed reflect expenses recognised in the Statement of Comprehensive Income.

Remuneration expenses for key management personnel comprises the following components:

- 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 during which the employee occupied the specified position.
 - non-monetary benefits consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- Long-term employee benefits include amounts expensed in respect of long service leave entitlements earned.
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- Termination benefits are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

35. Key management personnel and remuneration expenses (continued)

1 July 2013 to 30 June 2014						
Position and name	Short term employee expenses		Long term employee expenses \$'000	Post-employment expenses \$'000	Termination benefits \$'000	Total expenses \$'000
	Monetary expenses \$'000	Non-monetary benefits \$'000				
Chair Terry White AO	74	-	-	6	-	80
Deputy Chair Peter Dowling AM	38	-	-	3	-	41
Board Member Dr John Kastrissios	38	-	-	3	-	41
Board Member Lorraine Martin AO	38	-	-	3	-	41
Board Member Professor John Prins	37	-	-	3	-	40
Board Member Dr Marion Tower	38	-	-	3	-	41
Board Member Margo MacGillivray	39	-	-	3	-	42
Position	Short term employee expenses		Long term employee expenses \$'000	Post-employment expenses \$'000	Termination benefits \$'000	Total expenses \$'000
	Monetary expenses \$'000	Non-monetary benefits \$'000				
Health Service Chief Executive	482	18	10	51	-	561
Executive Director, PAH-QEII Health Network*	422	-	6	24	-	452
Executive Director, Logan-Bayside Health Network	198	-	4	17	-	219
Executive Director, Addiction and Mental Health Services	403	8	8	26	-	445
Executive Director, Clinical Governance	407	-	8	29	-	444
Chief Finance Officer	245	-	5	25	-	275
Executive Director, Corporate Services	207	-	4	18	-	229
Chief Information Officer	193	-	4	18	-	215
Executive Director, Planning, Engagement and Reform	173	-	3	17	-	193
Executive Director, Nursing and Midwifery Services	209	12	4	23	-	248
Executive Director, Medical Services	410	13	8	34	-	465
Executive Director of Allied Health Services	160	-	3	17	-	180

*Represents aggregate expenditure for position.

There is no key management personnel with a remuneration package that includes potential performance payments. There are no related party transactions to report. For further information refer to the Annual Report.

Metro South Health
Notes to the Financial Statements
 For the year ended 30 June 2014

35. Key management personnel and remuneration expenses (continued)

1 July 2012 to 30 June 2013

Position and name	Short term employee expenses		Long term employee expenses \$'000	Post-employment expenses \$'000	Termination benefits \$'000	Total expenses \$'000
	Monetary expenses \$'000	Non-monetary benefits \$'000				
Chair Terry White AO	76	-	-	7	-	83
Deputy Chair Peter Dowling AM	33	-	-	3	-	36
Board Member Dr John Kastrissios	33	-	-	3	-	36
Board Member Lorraine Martin AO	26	-	-	2	-	28
Board Member Professor John Prins	33	-	-	3	-	36
Board Member Dr Marion Tower	33	-	-	2	-	35
Board Member Professor Andrew Wilson	31	-	-	3	-	34

Position	Short term employee expenses		Long term employee expenses \$'000	Post-employment expenses \$'000	Termination benefits \$'000	Total expenses \$'000
	Monetary expenses \$'000	Non-monetary benefits \$'000				
Health Service Chief Executive	482	17	9	39	-	547
Executive Director, PAH- QELI Health Network	258	-	3	19	-	280
Executive Director, Logan-Bayside Health Network	153	-	3	16	-	172
Executive Director, Addiction and Mental Health Services	413	11	4	28	-	456
Executive Director, Clinical Governance	408	-	4	29	-	441
Chief Finance Officer*	260	-	6	29	43	338
Chief Information Officer	171	-	3	16	-	190
Executive Director, Corporate Services	204	-	3	16	-	223
Executive Director, Planning, Engagement and Reform	146	11	3	15	-	175
Executive Director, Medical Services*	377	54	5	31	138	605
Executive Director, Nursing and Midwifery Services	187	13	4	21	-	225
Executive Director of Allied Health Services	162	-	4	18	-	184
Executive Director Community and Public Health Services**	31	-	2	6	141	180

*Represents aggregate expenditure for position

** This position has been abolished

36 Events after the reporting period

There have been the following events that have arisen subsequent to the reporting date that may significantly affect the operation of Metro South Health in future financial years, and/or the results of those operations in future financial years, and/or the state of affairs of Metro South Health in future financial years.

Transfer of prescribed employer function

As established under the Hospital and Health Boards Act 2011 (Act), the Department of Health is currently the employer of all health service employees (except for chief executives and health executive service employees) and recovers all employee expenses and associated on-costs from the Hospital and Health Service (HHS).

Although the Act allows a HHS to be the employer of health service employees, for this to occur the Minister for Health required HHSs to demonstrate their capacity and capability to be the prescribed employer of health service employees, with the HHS holding all authorities and accountabilities for HR functions. HHSs developed a prescribed employer assessment framework to demonstrate their capacity and capability.

On 23 June 2014, the Minister for Health announced that the employment of existing and future staff would become the responsibility of each HHS and that existing employment conditions, including pay arrangements, would remain unchanged. The Department of Health will remain responsible for setting state-wide terms and conditions of employment, including remuneration and classification structures and for negotiating enterprise agreements.

Metro South Health will become the prescribed employer of health service employees from 1 July 2014. There is no material impact for the financial statements as health service employee costs are currently recognised by the HHS.

Senior Medical Officer and Visiting Medical Officer Contracts

Effective 4 August 2014, Senior Medical Officers and Visiting Medical Officers will transition to individual employment contracts. Individual contracts mean senior doctors will have a direct employment relationship with Metro South Health and employment terms and conditions tailored to individual or medical specialty circumstances (within a consistent state-wide framework).

Direct employment relationship will be established between contracted medical officers and Metro South Health and the employee-related costs for contracted Senior Medical Officers and Visiting Medical Officers will be recognised by Metro South Health as an employer from the date the contracts are effective. Non-contracted Senior Medical Officers and Visiting Medical Officers will remain employed under current award arrangements.

Transfer of legal ownership of health service land and building assets to Metro South Health

The control of health services land and buildings transferred to each Hospital and Health Service (HHS) at no cost to the HHS through deed of lease arrangements when HHSs were established on 1 July 2012. The Department of Health retained legal ownership of the health services land and buildings, however the intention was for legal title of the assets to eventually transfer to each HHS.

Due to effective control of the assets transferring to HHSs, these assets are recognised within the financial statements of each HHSs and not within the Department of Health's financial statements.

On 23 June 2014, the Minister for Health announced that the Queensland government had approved the transfer of legal ownership of health services land and buildings to HHSs in a staged process over the next 12 months.

The transfer of legal ownership of land and buildings to Metro South Health will occur from 1 July 2014. There is no material impact for the financial statements as these assets are already controlled and recognised by Metro South Health.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2014

Transfer of housing assets to the Department of Housing and Public Works

As part of a whole-of-Government initiative, management of employee housing assets transitioned to the Department of Housing and Public Works (DHPW) on 1 January 2014. Legal ownership of housing assets will transfer to the DHPW on 1 July 2014.

As at 30 June 2014, Metro South Health held housing assets with a total net book value of \$1.761 million under a Deed of Lease arrangement with the Department of Health. These housing assets initially transferred to Metro South Health at no cost. Effective 1 July 2014, the Deed of Lease arrangement in respect of 4 buildings and associated land (net book value of \$1.189 million) will cease, and the assets will be transferred for no consideration to the Department of Health at their net book value, prior to their transfer to the DHPW. The remaining 2 buildings and associated land (net book value of \$0.573 million) will be retained by Metro South Health under the existing Deed of Lease arrangement.

As this transfer will be designated as a Transaction with Owners, the transfer will be undertaken through Metro South Health's equity account during 2014-15. Therefore, this transaction will have no impact on the Statement of Comprehensive Income in the 2014-15 financial year.

Other matters

No other matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect Metro South Health's operations, the results of those operations, or Metro South Health's state of affairs in future financial years.

Certificate of Metro South Health

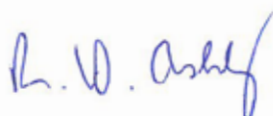
These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 43 of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify 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 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 2014 and of the financial position of Metro South Health at the end of that year; and
- c) these assertions are based on an appropriate system of internal controls and risk management processes being effective, in all material respects, with respect to financial reporting throughout the reporting period.



Terry White AO
BA, DipPharm, FAIM
Chair
Metro South Hospital and
Health Board

18, 8, 2014



Dr Richard Ashby AM
MBBS BHA FRACGP
FACEM FIFEM FRACMA
Chief Executive Officer
Metro South Health

18, 8, 2014



Robert Mackway-Jones
BCom MBA ACA

Chief Finance Officer
Metro South Health

18, 8, 2014

INDEPENDENT AUDITOR'S REPORT

To the Board of Metro South Hospital and Health Service

Report on the Financial Report

I have audited the accompanying financial report of Metro South Hospital and Health Service which comprises the statement of comprehensive income, the statement of financial position as at 30 June 2014, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Chair, Chief Executive Officer and Chief Finance Officer.

The Board's Responsibility 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 prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of Metro South Hospital and Health Service for the financial year 1 July 2013 to 30 June 2014 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



D J OLIVE CPA
as Delegate of the Auditor-General of Queensland



Queensland Audit Office
Brisbane

Glossary of acronyms

ACU	Academic Clinical Unit
AM	Member of the Order of Australia
AO	Order of Australia
ASIS	Alternate Site Infusion Service
Blueprint	Blueprint for better healthcare in Queensland
Board	Metro South Hospital and Health Board
BPA	Best Practice Australia
CARE-PACT	Comprehensive Aged Residential Emergency and Partners in Assessment, Care and Treatment
CHIP	Community Hospital Interface Program
CIO	Chief Information Officer
DOH	Department of Health
ED	Emergency Department
FBT	Fringe Benefits Tax
FTE	Full Time Equivalent
GP	General practitioner
GPLO	General Practice and Outpatient Liaison Officer
GST	Goods and Services Tax
HHS	Hospital and Health Service
HREC	Metro South Health Human Research Ethics Committee
HSCE	Health Service Chief Executive
ICT	Information and communication technology
ieMR	Integrated Electronic Medical Record
LSLS	Long Service Leave Scheme
Metro South Health	Metro South Hospital and Health Service
MM	Met with Merit
MOHRI	Minimum Obligatory Human Resources Information

MSAMHS	Metro South Addiction and Mental Health Services
MSH	Metro South Health
MSHCF	Metro South Health Consultative Forum
MSHHB	Metro South Hospital and Health Board
MSH@Home	Metro South Health@Home
NEAT	National Emergency Access Target
NEST	National Elective Surgery Target
NSQHS	National Safety and Quality Health Service (Standards)
OAM	Medal of the Order of Australia
OOS	Occasions of Service (oral health)
PPP	Public Private Partnerships
PA Hospital, PAH	Princess Alexandra Hospital
PAVE	People Actions Values Empowerment. PAVE the way is Metro South Health's workforce engagement strategy
QAO	Queensland Audit Office
QAS	Queensland Ambulance Service
QEII Hospital QEII	Queen Elizabeth II Jubilee Hospital
RaFT	Recording all Facility Transportation application
RoPP	Right of Private Practice
SERTA	Study, Education and Research Trust Account
SMO	Senior Medical Officer
TRI	Translational Research Institute
UQ	University of Queensland
WAU	Weighted Activity Unit
YTD	Year to Date

Annual report compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> ■ A letter of compliance from the accountable officer or statutory body to the relevant Minister 	ARRs – section 8	p. 2
Accessibility	<ul style="list-style-type: none"> ■ Table of contents ■ Glossary 	ARRs – section 10.1	p. 3 p. 142
	<ul style="list-style-type: none"> ■ Public availability 	ARRs – section 10.2	inside cover
	<ul style="list-style-type: none"> ■ Interpreter service statement 	Queensland Government Language Services Policy ARRs – section 10.3	inside cover
	<ul style="list-style-type: none"> ■ Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 10.4	inside cover
	<ul style="list-style-type: none"> ■ Information licensing 	Queensland Government Enterprise Architecture – Information licensing ARRs – section 10.5	inside cover
General information	<ul style="list-style-type: none"> ■ Introductory Information 	ARRs – section 11.1	pp. 7–11
	<ul style="list-style-type: none"> ■ Agency role and main functions 	ARRs – section 11.2	p. 12
	<ul style="list-style-type: none"> ■ Operating environment 	ARRs – section 11.3	pp. 12–15
	<ul style="list-style-type: none"> ■ Machinery of Government changes 	ARRs – section 11.4	p. 16
Non-financial performance	<ul style="list-style-type: none"> ■ Government objectives for the community 	ARRs – section 12.1	p. 50
	<ul style="list-style-type: none"> ■ Other whole-of-government plans / specific initiatives 	ARRs – section 12.2	p. 51
	<ul style="list-style-type: none"> ■ Agency objectives and performance indicators 	ARRs – section 12.3	pp. 52–76
	<ul style="list-style-type: none"> ■ Agency service areas, service standards and other measures 	ARRs – section 12.4	p. 77
Financial performance	<ul style="list-style-type: none"> ■ Summary of financial performance 	ARRs – section 13.1	pp. 78–80
Governance—management and structure	<ul style="list-style-type: none"> ■ Organisational structure 	ARRs – section 14.1	p. 18
	<ul style="list-style-type: none"> ■ Executive management 	ARRs – section 14.2	pp. 19–27
	<ul style="list-style-type: none"> ■ Related entities 	ARRs – section 14.3	n/a
	<ul style="list-style-type: none"> ■ Boards and committees 	ARRs – section 14.4	pp. 28–41
	<ul style="list-style-type: none"> ■ <i>Public Sector Ethics Act 1994</i> 	<i>Public Sector Ethics Act 1994</i> (section 23 and Schedule) ARRs – section 14.5	p. 42

Governance—risk management and accountability	■ Risk management	ARRs – section 15.1	p. 44
	■ External scrutiny	ARRs – section 15.2	pp. 43–44
	■ Audit committee	ARRs – section 15.3	p. 29
	■ Internal audit	ARRs – section 15.4	p. 45
	■ Public Sector Renewal	ARRs – section 15.5	p. 5
	■ Information systems and recordkeeping	ARRs – section 15.6	pp. 46–47
Governance—human resources	■ Workforce planning, attraction and retention and performance	ARRs – section 16.1	pp. 86–90
	■ Early retirement, redundancy and retrenchment	Directive No.11/12 Early Retirement, Redundancy and Retrenchment ARRs – section 16.2	p. 90
Open Data	■ Open Data	ARRs – section 17	p. 47
Financial statements	■ Certification of financial statements	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 18.1	p. 136
	■ Independent Auditors Report	FAA – section 62 FPMS – section 50 ARRs – section 18.2	pp. 137–138
	■ Remuneration disclosures	Financial Reporting Requirements for Queensland Government Agencies ARRs – section 18.3	pp. 132–133

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2009*

ARRs *Annual report requirements for Queensland Government agencies*

