ANNUAL REPORT 2016–2017

Metro North Hospital and Health Service

Queensland Government

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Accessibility

Public Availability

Where possible, readers are encouraged to download the report online at: www.health.qld.gov.au/metronorth

Where this is not possible, printed copies are available using one of the contact options below:

Physical Address: Level 14, Block 7, RBWH Campus HERSTON Qld 4029
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General Phone: 07 3646 8111
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Interpreter Services Statement

Metro North Hospital and Health Service is committed to providing accessible services to the community from culturally and linguistically diverse backgrounds.

If you have difficulty in understanding the annual report, please contact us on 07 3646 8111 and we will arrange an interpreter to communicate the report to you effectively.

Information Security

This document has been security classified using the Queensland Government Information Security Classification Framework (QGISCF) as UNCLASSIFIED – FINAL VERSION and will be managed according to the requirements of the QGISCF.

Letter of Compliance

Queensland Government

Metro North
Hospital and Health Service

4 September 2017

The Honourable Cameron Dick MP
Minister for Health and
Minister for Ambulance Services
GPO Box 48
BRISBANE QLD 4001

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2016-17 and Financial Statements for Metro North 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 at page 110 of this annual report.

Yours sincerely

Dr Robert Stable AM
Chair
Metro North Hospital and Health Board

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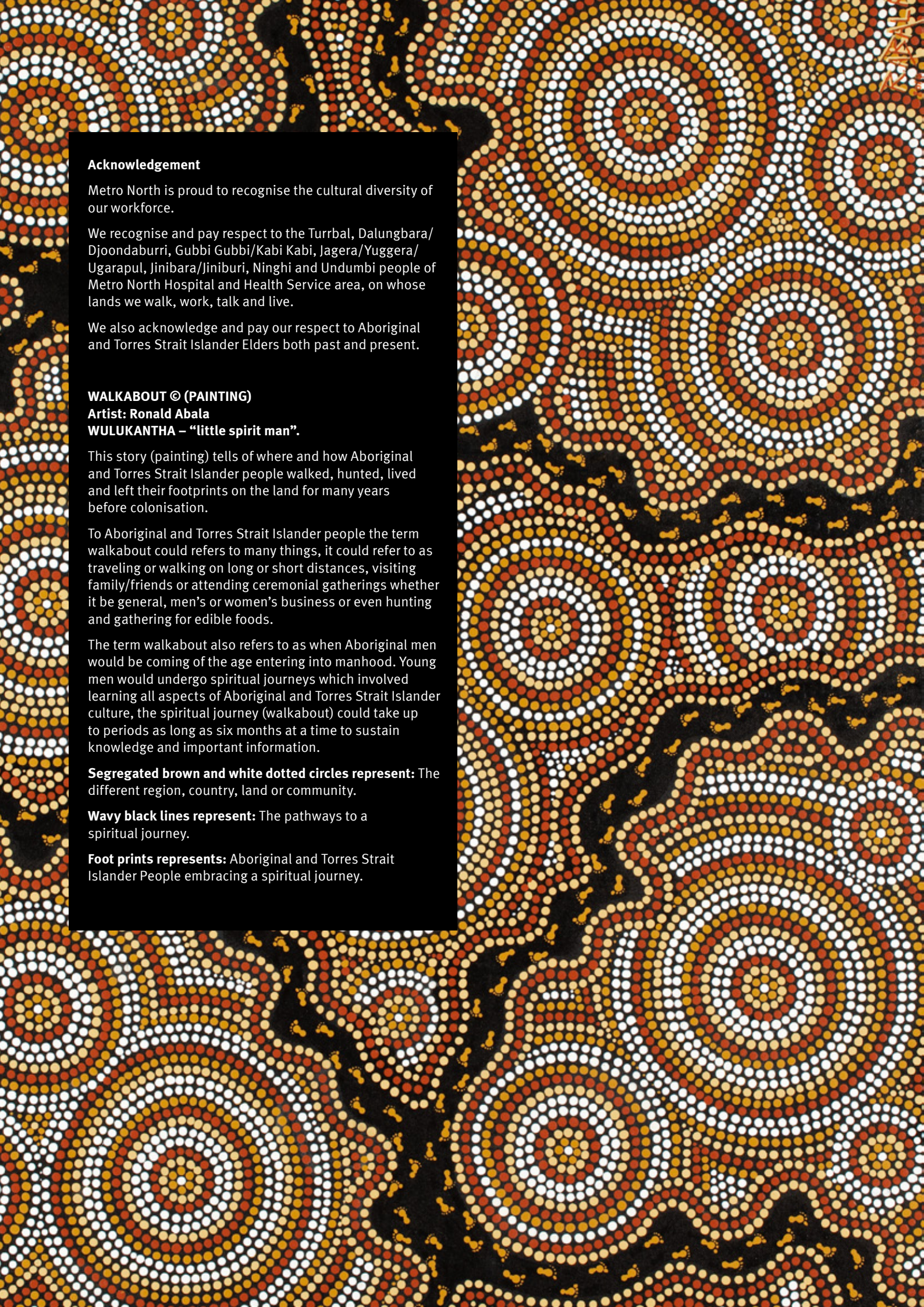

Acknowledgement

Metro North is proud to recognise the cultural diversity of our workforce.

We recognise and pay respect to the Turrbal, Dalungbara/ Djoondaburri, Gubbi Gubbi/Kabi Kabi, Jagera/Yuggera/ Ugarapul, Jinibara/Jiniburi, Ninghi and Undumbi people of Metro North Hospital and Health Service area, on whose lands we walk, work, talk and live.

We also acknowledge and pay our respect to Aboriginal and Torres Strait Islander Elders both past and present.

WALKABOUT © (PAINTING)
Artist: Ronald Abala
WULUKANTHA – "little spirit man".

This story (painting) tells of where and how Aboriginal and Torres Strait Islander people walked, hunted, lived and left their footprints on the land for many years before colonisation.

To Aboriginal and Torres Strait Islander people the term walkabout could refers to many things, it could refer to as traveling or walking on long or short distances, visiting family/friends or attending ceremonial gatherings whether it be general, men's or women's business or even hunting and gathering for edible foods.

The term walkabout also refers to as when Aboriginal men would be coming of the age entering into manhood. Young men would undergo spiritual journeys which involved learning all aspects of Aboriginal and Torres Strait Islander culture, the spiritual journey (walkabout) could take up to periods as long as six months at a time to sustain knowledge and important information.

Segregated brown and white dotted circles represent: The different region, country, land or community.

Wavy black lines represent: The pathways to a spiritual journey.

Foot prints represents: Aboriginal and Torres Strait Islander People embracing a spiritual journey.

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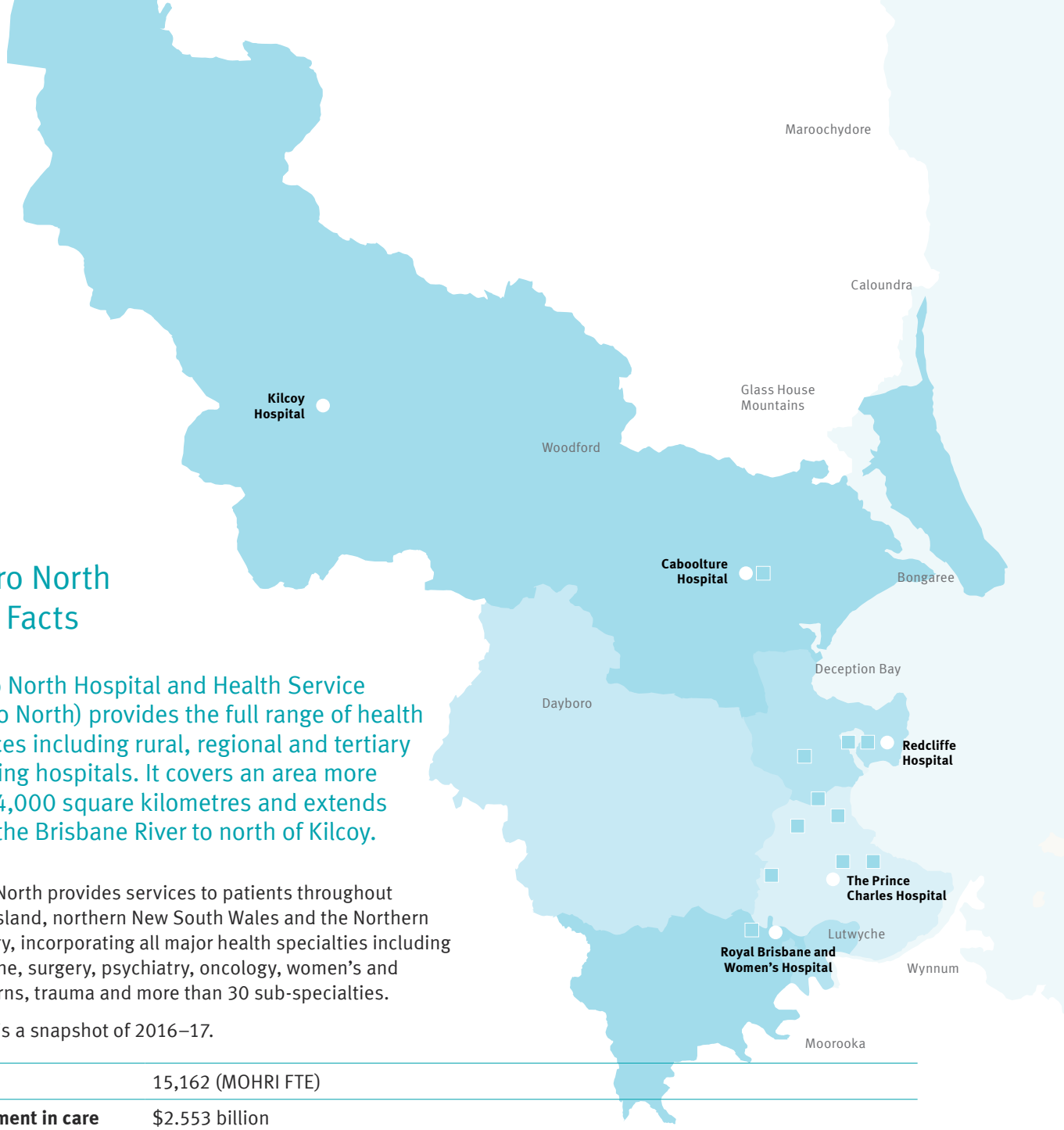


Metro North Fast Facts

Metro North Hospital and Health Service (Metro North) provides the full range of health services including rural, regional and tertiary teaching hospitals. It covers an area more than 4,000 square kilometres and extends from the Brisbane River to north of Kilcoy.

Metro North provides services to patients throughout Queensland, northern New South Wales and the Northern Territory, incorporating all major health specialties including medicine, surgery, psychiatry, oncology, women's and newborns, trauma and more than 30 sub-specialties.

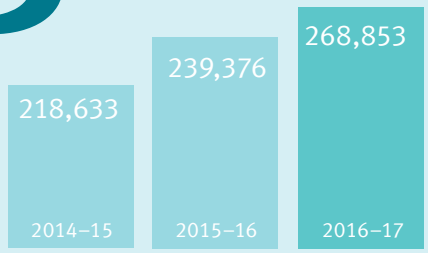
Below is a snapshot of 2016–17.

Staff	15,162 (MOHRI FTE)
Investment in care	$2.553 billion
Sites	5 hospitals with 2,354 available beds, 14 community, Indigenous and subacute service locations, 27 oral health facilities and 14 mental health facilities
Hospital admissions	268,853 people admitted
Ambulance arrivals	98,483 ambulance arrivals handled by our emergency departments
Emergency	283,628 attendances
Outpatient services	987,080 people received care as outpatients
Surgical operations	49,288 elective and emergency operations performed
Children	16,433 children under age 18 were admitted to Metro North wards and units
Births	8,390 babies born at our facilities
Mental health	409,205 contacts
Community health	161,269 hours of direct primary care
X-ray and ultrasound	317,992 x-ray and ultrasound attendances
Dental	701,436 weighted occasions of service
Breastscreens	42,674 breastscreens performed

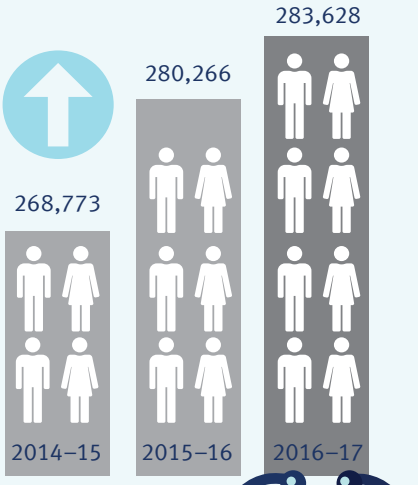
■ *community health centres/facilities*

6.7%
INCREASE IN SURGICAL ACTIVITY

12.3%



MORE HOSPITAL ADMISSIONS



INCREASE OF
3,362
ED
PRESENTATIONS

3,659 MORE AMBULANCE ARRIVALS

8,390
BABIES BORN
IN OUR HOSPITALS

4.1% INCREASE

12.2%
INCREASE IN HOSPITAL ACTIVITY

ZERO LONG WAITS
IN EAR, NOSE AND THROAT
OUTPATIENTS

Message from the Board Chair and Acting Chief Executive

As Queensland's largest hospital and health service, Metro North Hospital and Health Service (HHS) continues to provide high quality healthcare in response to increasing demand for health services. Our people are committed to working together with compassion, respect and integrity to provide services that are relevant, efficient and focused on achieving the best possible outcome for our patients.

In 2016–17, there was more than 12 per cent growth in both admissions and activity across our hospitals and community based services. To address additional community need for acute inpatient care, we have opened new wards at Caboolture and Redcliffe Hospitals and commenced an interim care service at Zillmere as a short term alternative to staying in hospital for patients awaiting a residential aged care placement.

Our Chief Executive Ken Whelan retired in June after two years with Metro North. In addition to supporting innovation and leading organisation culture change, Ken's passion for staff and patient safety was a key factor in driving changes in our HHS to reduce violence against health workers.

Throughout 2016–17, we continued to work with our colleagues across Queensland to reduce occupational violence and improve the safety of patients and staff in healthcare facilities.

A state-wide Occupational Violence Implementation Committee, led by Metro North, has enabled a variety of measures to be rolled out including increased CCTV, support for victims, better reporting and body-worn cameras for security officers.

As the number of older people in our catchment grows, Metro North is focusing on ways to better care for frail older patients. We know that for a variety of reasons this group is more likely to stay longer in hospital and to decondition while they are in our care. As part of our Year of the Frail Older Person, our hospitals, teams and service lines are implementing initiatives aimed at reducing length of stay and changing our approach to frail older patients.

Despite an increase of 95,111 services delivered to outpatients in the past year, we have successfully reduced the number of patients waiting longer than clinically recommended times by 42 per cent. Through the commitment of many people across our health service, we have reduced specialist outpatient long waits from 32,576 in August 2014 to 7225 at 30 June 2017. We have also expanded our telehealth services to include Holter monitoring and exercise stress testing in regional areas.

"Our people are committed to working together with compassion, respect and integrity to provide services that are relevant, efficient and focused on achieving the best possible outcome for our patients."

The commitment of our staff also helped us to achieve many of the goals in our *Health Service Strategy 2015-2020* ahead of schedule which provided the opportunity to refresh the strategy. During the year we also worked with our Clinical Streams and Directorates to develop a range of clinical plans and strategies including the Cancer Care Services plan, Palliative Care plan, and strategic plans for our hospitals. Our Research Stream developed the first *Metro North Research Strategy 2017–2022* and *Research Snapshot 2016*.

In partnership with the Brisbane North PHN we have conducted a joint Health Needs Analysis and developed a plan to address the healthcare needs of older people in the northern Brisbane area. We also launched the Metro North HHS and Brisbane North PHN Health Alliance to better connect care across the healthcare spectrum.

We have worked to deliver increased services more efficiently. At our largest hospital, Royal Brisbane and Women's Hospital, we have adopted a national Choosing Wisely program to empower staff and patients to ask questions about whether the perceived standard tests and treatments are required in order to minimise unnecessary procedures and reduce the amount of time patients wait for results. Similar initiatives have been implemented in other services.

The Patient Access Coordination Hub (PACH) has proved a success in its first year, particularly in improving Patient Off-Stretcher Time in our Emergency Departments. As a centralised logistics hub, PACH has enabled a whole-of-system view which gives senior decision makers a better understanding of where bottlenecks are likely to happen so preventative measures can be taken. The team works in partnership with Queensland Ambulance Service, Retrieval Services Queensland, the Brisbane North PHN, and other Hospital and Health Services. The PACH model will be implemented in other HHSs across Queensland.

Our milestones in 2016–17 included the 150th anniversary of the Royal Brisbane and Women's Hospital; the launch of our partnership with the Queensland University of Technology for the Herston Biofabrication Institute; completing our first accreditation for the whole of Community, Indigenous and Subacute Services; starting work on the 10-year $1.1B Herston Quarter Redevelopment Project; opening the new Ward 3B at Caboolture Hospital; celebrating 70 years of healthcare at Brighton Health Campus; signing our Oral Health partnership with the University of Queensland; refurbishment of the Moreton Bay Integrated Care Centre to allow relocation of services to increase inpatient capacity at Redcliffe Hospital; redevelopment at Kilcoy Hospital to allow for new and expanded services; and starting construction on the *step up step down* mental health facility at Nundah.

Dr Robert Stable AM
Chair
Metro North Hospital and Health Board

Mr Shaun Drummond
Acting Chief Executive
Metro North Hospital and Health Service

About our health service

Established on 1 July 2012 Metro North Hospital and Health Service is an independent statutory body overseen by a local Hospital and Health Board under the *Hospital and Health Boards Act 2011* (Qld).


Metro North Hospital and Health Service Putting people first

Strategic Plan 2016–2020

Foreword

This Strategic Plan outlines our future direction for the next four years including our contribution to the Government's objectives for the community.

Metro North Hospital and Health Service (MNHHS) will deliver responsive, integrated, connected and quality frontline services to strengthen the delivery of public health care for the people and communities we serve. Our services will be of high quality and support equity of access and health outcomes for all, particularly those who are most disadvantaged. Our definition of quality is founded on the individual person's experience with their care, and that of their family and support networks.

A focus on people will enable us to improve the patient experience, support and develop our staff and work with our partners to better connect care and improve outcomes.

Dr Robert Stable AM
Chair
Hospital and Health Board

Ken Whelan
Chief Executive
Hospital and Health Service

Vision

Changing the face of health care through compassion, commitment, innovation and connection.

Purpose

Create, connect and apply knowledge to deliver high quality health services.

Values

Respect

Teamwork

Compassion

High performance

Integrity

Queensland Government

Metro North Hospital and Health Service delivers responsive, integrated, and connected care to local communities and provides specialty services for patients throughout Queensland, northern New South Wales and the Northern Territory. Our clinical services incorporate all major health specialties including medicine, surgery, psychiatry, oncology, women's and newborns, trauma and more than 30 sub-specialties.

Vision

Changing the face of health care through compassion, commitment, innovation and connection.

OBJECTIVE 1

To always put people first.

OBJECTIVE 2

To improve health equity, access, quality, safety and health outcomes.

OBJECTIVE 3

To deliver value based health services through a culture of research, education, learning and innovation.

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IMPROVING ACCESS

EXPANDING SERVICES IN MORETON BAY REGION

A new 32-bed adult inpatient ward has opened at Caboolture Hospital.

Caboolture and Kilcoy Hospitals Executive Director Dr Lance Le Ray said the $13.39 million investment would increase bed capacity from 233 to 265 and allow the hospital to treat an additional 2,500 adult patients every year.

Included in the $13.39 million Ward 3B project is a secure Gentlemen and Ladies Ageing with Dignity or GLAD unit that will provide more personal and individual care to elderly patients with conditions like dementia.

The new ward will also cover a range of adult specialties, including coronary and cardiac care, and general medicine, and has seen 30 new doctors, nurses, allied health and support staff join the healthcare ranks locally.

It is one of several infrastructure projects underway at the hospital.

Construction has begun on a $7.121 million state-of-the-art adult and children's specialist outpatient department that will include 30 consultation rooms and separate adult, children's and antenatal patients waiting and appointment areas.

The new outpatient department will allow the hospital to deliver around 70,000 adult, children and antenatal appointments each year.

Work should be completed by the end of 2017.

A 300 space car park and separate all-weather emergency access for ambulances to the hospital's Emergency Department is also being built.

Investing in acute and inpatient services for Caboolture is a priority in the Metro North Health Service Strategy.

IMPROVING ACCESS

INCREASING COMMUNITY-BASED MENTAL HEALTH SUPPORT

An artist's impression of Nundah House.

Metro North Mental Health (MNMH) is increasing its support and recovery services with a community-managed facility at Nundah opening later this year.

Construction of the $5 million purpose-built 10-bed prevention and recovery care facility began in January and is expected to be operational by the end of 2017.

Nundah House is based on a 'step up step down' model of care that supports the transition between inpatient care and community services for adults with mental illness. It will offer flexible, recovery-focused care, closer to home and to family and friends who can offer support.

The facility will be staffed by a mix of clinical and non-clinical staff 24 hours a day, seven days a week.

MNMH will provide specialist clinical care, while a partner NGO will provide non-clinical, psychosocial rehabilitation services within the 'step up step down' setting.

The care model aligns with Metro North's Health Service Strategy to provide innovative alternatives to hospital admission.

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A comprehensive and diverse range of health services are delivered from:

- The Royal Brisbane and Women's and The Prince Charles Hospitals are tertiary/quaternary referral facilities, providing advanced levels of healthcare which are highly specialised, such as heart and lung transplantation, genetic health and burns treatment.
- Redcliffe and Caboolture Hospitals are major community hospitals providing a comprehensive range of services across the care continuum.
- Kilcoy Hospital is a regional community hospital.
- Mental Health, Oral Health, and Community, Indigenous and Subacute Services are provided from many sites including hospitals, community health centres, residential and extended care facilities and mobile service teams.
- A dedicated Public Health Unit focused on preventing disease, illness and injury and promoting health and wellbeing across the community.
- Woodford Correctional Centre, which provides offender health services.
- The state-wide Clinical Skills Development Centre is one of the world's largest providers of healthcare simulation.

The Strategic Plan 2016–20 outlines how we will meet the needs of our growing population over the duration of the plan.

PUTTING PEOPLE FIRST

KEEPING PATIENTS AND FAMILIES CONNECTED

Our patients and visitors are among the first in the state accessing free WiFi at a hospital campus.

At Royal Brisbane and Women's Hospital, Redcliffe Hospital and The Prince Charles Hospital people can go online in seconds using their smart phone or device without having to access their own data.

Travis Pearson, who leads the WiFi implementation project, said the roll out had significantly improved connectivity and communication which is vitally important in this digital era.

He said inpatients especially could feel isolated from the outside world when receiving treatment.

Being able to connect to the Internet for free allows them and their loved ones to stay connected and informed on what's happening both with their treatment and at home.

"Just like at cafes, people can go online in seconds," Mr Pearson said.

"The feedback has been fantastic and we're really proud we've been able to provide this technology."

Consumer advocate and cystic fibrosis patient Doug Porter knows how comforting and powerful 'instant contact' can be.

"Hospital can be a very lonely and boring place, especially when you're there for hours and often weeks on end," Mr Porter said.

"Having access to free WiFi means I can connect with family and friends on social media without having to use my data.

"This has been awesome and I know other patients are really happy to have this available."

Caboolture and Kilcoy Hospitals will receive free WiFi in July 2017.

IMPROVING HEALTH OUTCOMES

PACH REDUCES OFF-STRETCHER TIME IN ED

As part of our winter 2016 bed management strategy, Metro North Hospital and Health Service established the Patient Access Coordination Hub (PACH).

This Australian-first 'logistics centre' provided the first Hospital and Health Service (HHS) wide view of patient flow, enabling clinicians and managers to identify bottlenecks and delays to patient care in near real time and develop strategies to address them.

PACH celebrated its first anniversary in May 2017. The clinician-led unit is staffed for 12 hours a day, seven days a week, with experienced nursing directors and a medical director providing oversight of all incoming patients to Metro North's five hospitals and extensive community services.

PACH Medical Director Dr Elizabeth Rushbrook said the biggest achievement in the first year is enhancement to the ability of facilities to manage demands for emergency and elective admissions, demonstrated by a significant and sustained reduction of the number of Level Three escalations raised across all facilities within Metro North.

"A Level Three escalation is called when the measured Patient Off-Stretch Time remains greater than 30 minutes and the hospital has undertaken all measures within its control to maintain emergency access yet severe restrictions to service remain," Dr Rushbrook said.

"At that point, disaster-like response is enacted and executive level actions enact a whole of HHS response to maximise capacity. With the PACH model, we have senior decision makers proactively working the issues well before escalation occurs."

Prior to PACH coming on line, there were between 70 to 100 Level Three escalations per month across Metro North. That number more than halved in only a few months of PACH operation and has remained stable at the new lower levels for the remainder of the year. This sustained impact despite ongoing growth in emergency hospital presentations is a direct result of enabling hospital and ambulance staff to work together to address holdups.

Dr Rushbrook said PACH's comprehensive and near real time view of the HHS system allows clinicians to make informed decisions to resolve or avoid bottlenecks and delays.

"In our first year, we've had a positive impact on Emergency Department crowding which can lead to adverse patient outcomes and reduced quality," Dr Rushbrook said.

"We're able to prompt action earlier and support clinicians on the ground to address issues on the go."

PACH received the award for innovation in the 2016 Metro North Staff Excellence Awards and was joint winner in the Connecting Health Care category at the Queensland Health Awards for Excellence.

Government's objectives for the community

Metro North Hospital and Health Service has focused our efforts on contributing to the Queensland Government's objectives for the community.

Delivering quality frontline services

Quality frontline services are realised across Metro North with all services successfully achieving Australian Council on Health Care Standards accreditation.

Services to our patients and community continued to improve with frontline staff increasing by 4.1 per cent or 619 people.

The Because We Care video was released, which acknowledged the small moments that make a difference to our patients every day.

Access to health services is also improving through collaborative initiatives such as the Metro North Hospital and Health Service and Brisbane North PHN Health Alliance. The Alliance provides for better connection across the healthcare spectrum to ensure people across the North Brisbane and Moreton Bay region receive the right care, in the right place, at the right time.

Building safe, caring and connected communities

Metro North engagement with consumers and the community is guided by *Connecting for Health 2016–2018*, a strategy that outlines our commitment to inclusive engagement, involvement and partnership with consumers and the community.

Removing sugary drinks off the menu at Caboolture (part of the *Enabling A Better Choice strategy*), demonstrated the great work of staff and the local community to make people feel better and improve the food options provided to staff, patients and visitors. The Brighton Healthy Ageing Expo held on 19 August focused on enhancing the quality of life for older people, their families and carers by connecting local residents to service providers and community organisations.

Metro North continued to implement initiatives to reduce domestic and family violence with 200 staff completing Domestic Family Violence Training and a research study of the RBWH Emergency Department social work service, the only 24/7 service in the country.

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CULTURE OF RESEARCH

WORLD-FIRST TRIAL OF NEW HEART DEVICE BRINGS RENEWED HEALTH TO PATIENTS

The Prince Charles Hospital (TPCH) has participated in a world-first trial of a new heart device that could mean improved health for patients with life affecting heart conditions.

TPCH is one of two sites in Australia and among a handful worldwide to trial the Tendyne Bioprosthetic Mitral Valve. This valve is used to treat patients with severe mitral regurgitation, a condition in which the heart's mitral valve does not close properly.

The program is being led by a team headed by cardiac surgeon Dr Andrew Clarke and Director of Cardiology Professor Darren Walters.

The Tendyne valve is designed to replace a diseased, damaged or malfunctioning mitral valve. The valve is inserted via a small incision in the bottom of the heart. Special instruments are inserted into the left lower chamber of the heart and the Tendyne valve is positioned within the natural mitral valve. The procedure lasts about one and a half hours.

"This device has the potential to offer a safe and effective solution for patients who are not suitable candidates for open heart mitral valve surgery due to the high risks involved," Prof Walters said. "Previously, open heart surgery was the only option for these patients.

"The procedure is particularly beneficial for many older patients, who are not as physically robust and, therefore, unable to endure invasive surgeries."

Pictured: *TPCH's Cardiology Clinical Research Centre Nurse Manager Maricel Roxas with patient Blanche Bradley, of Gympie, who is one of 14 patients nationwide to undergo the percutaneous mitral valve replacement with this device.*

IMPROVING ACCESS

MBICC INCREASES CHRONIC DISEASE CARE AT REDCLIFFE

An $8.1m refurbishment of the Moreton Bay Integrated Care Centre (MBICC) within the Redcliffe Hospital precinct is on track to deliver more specialist health services to the local community.

The changes will allow enhanced treatment of patients, closer to home, especially those requiring long term care for conditions such as kidney disease and cancer.

The relocated Kidney Health Service on level 1 will include 14 dialysis chairs, two isolation rooms, consultation and outpatient clinic rooms, as well as patient education and self-management facilities. This will boost the provision of acute, outpatient, dialysis, and pre- and post- transplantation care.

Level 4 will house Cancer Care Services, including 16 treatment beds, outpatient consultation clinic rooms, procedure room, wig library and patient education facilities. On level 3, overflow Cancer Care and Kidney Health Services will cater for ancillary services of the departments' treatment areas.

Both services will benefit by being located in an integrated primary care centre, with the recognised importance of maintaining strong links with the patient's general practitioner and community health services such as pharmacy and allied health.

Relocation of these services away from the Redcliffe Hospital main tower block will allow for refurbishment within that facility to accommodate a further 26 acute hospital beds once the move to MBICC is complete.

Staff and consumer engagement was a vital component of the planned relocation. With nearly 10,000 consultations and 7,500 supportive care treatments across the two units last financial year, staff and patient input through numerous community groups, support networks, and consumer advocates has ensured an important sense of ownership as their contribution is fulfilled.

The Metro North Health Service Strategy identified enhanced cancer care services in Redcliffe and North Lakes as a priority focus area.

MODEL OF CARE REDUCES SURGICAL STAYS

PUTTING PEOPLE FIRST

The Surgical Short Stay (SSS) unit has been in full effect at the Royal Brisbane and Women's Hospital (RBWH) since the beginning of 2017, and Surgical and Perioperative Services Nursing Director Sue Cadigan can already see improvements in the system.

The Surgical Short Stay unit team at RBWH.

SSS has a simple premise: surgical patients who are expected to stay in the hospital for more than 23 hours, but less than three days, are placed in the specific 19-bed ward.

Ms Cadigan said the model had already over-delivered on expectations, with an overall reduction service line wide in the average length of stay by half a day to exactly three days.

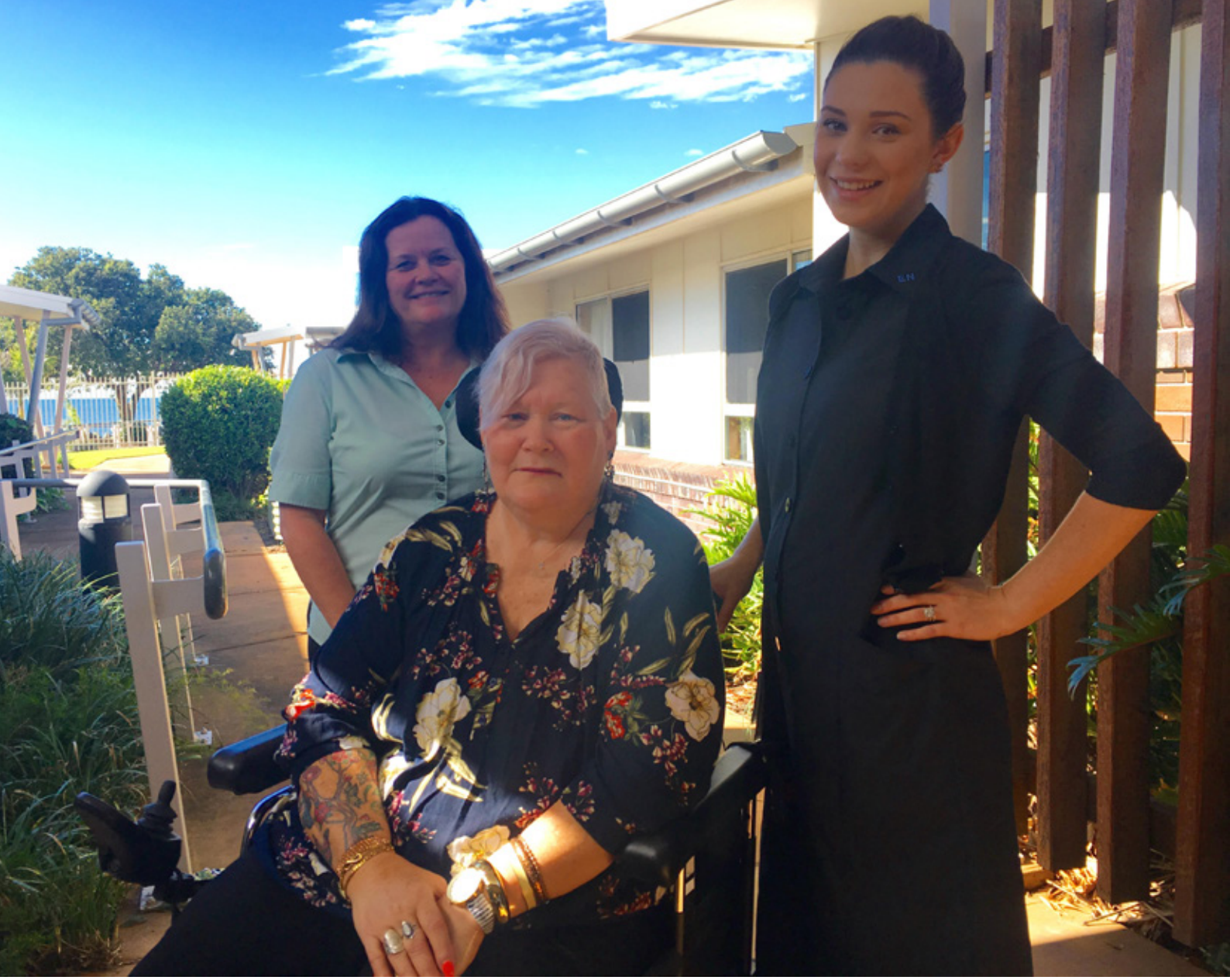
"The model means all staff are focused on what the goals of care are for the patient within the timeframe. Plus, really importantly for patients, this means that they don't experience any care delays," she said.

"It supports the rest of the hospital as well. If we are able to reduce our length of stay for patients, in a reasonable way that is appropriate, we are able to be more responsive to other areas like the Emergency Department."

The success of SSS has even supported the service line direction of increasing numbers of operating lists so that more patients are undergoing their operations within clinically appropriate timeframes.

Traditionally, an increase in patients moving through the operating rooms would normally be associated with the requirement for additional beds, but the implementation of SSS has allowed this to happen within RBWH's existing capacity.

> *"The model means all staff are focused on what the goals of care are for the patient within the timeframe.*



Gannet House resident Gail with nursing staff Sandra Collins and Stephanie Mochrie

GANNET HOUSE MODEL OF CARE PROVIDES SPECIALISED AGED CARE

PUTTING PEOPLE FIRST

Gannet House staff are embracing a new model of care as they tend to more residents.

Located on Brighton Health Campus, Gannet House provides permanent residential aged care as part of Community, Indigenous and Subacute Services (CISS).

Uncertainty over the future of the service placed a hold on admissions in recent years, however opening the facility to its full 40-bed capacity as of mid-last year has spelled a new era for the service.

Residents are now admitted according to new community-centred admission criteria developed by CISS project officer Kate Schultz.

"We wanted to establish admission criteria to help determine a model of care that reflected the community value of operating aged care services at Brighton, so we conducted a needs analysis of the community to determine what wasn't already being provided in the local aged care space," she said.

"Once we'd identified that specialised aged care was lacking, we changed the model of service delivery to focus on acceptance of community members with a high level of acuity requiring specialised aged care.

"We also focused on developing criteria that enabled local community members to be admitted to the facility while ensuring their continued engagement with and connection to their local community."

IMPROVING ACCESS

DENTAL ALLIANCE EXPANDS ORAL HEALTH SERVICES

An Alliance between Metro North Hospital and Health Service and The University of Queensland (UQ) is delivering benefits for public dental patients and future generations of dentists and dental specialists.

The Alliance, which began in January 2017, has integrated clinical services, education and research at the state-of-the-art Oral Health Centre at Herston.

The State Government has supported the integration at Herston of adult and specialist services previously provided in Turbot Street with funding of $3.1million.

The Alliance has allowed Metro North Oral Health Services (MNOHS) to more than double in size by acquiring an additional 165 dental chairs as well as surgeries designed specifically for special needs patients and a theatre suite. This increased capacity will facilitate another 60,000 patient appointments annually.

The Oral Health Centre at Herston.

The Oral Health Centre provides general dental services such as x-rays, fillings and extractions in addition to specialist services including prosthodontics, paedodontics, orthodontics, and periodontics.

The Centre also will boost research and teaching opportunities at one of the nation's most advanced tertiary dental facilities.

As part of the Alliance undergraduate dental students are training under the supervision of experienced dental practitioners and patients will have greater access to specialists through UQ's postgraduate clinical training programs.

It also gives MNOHS the ability to develop and capitalise on evidence-based practice, lead clinical redesign and public oral health sector policy development.

The Alliance further strengthens the Herston Health Precinct as the country's premier health and knowledge precinct.

IMPROVING OUTCOMES

CASE STUDY

QCAT PARTNERSHIPS REDUCES LONG-STAYS

A Queensland-first partnership between Metro North Hospital and Health Service (Metro North) and Queensland Civil and Administrative Tribunal (QCAT) is providing better outcomes for a cohort of vulnerable patients.

The Queensland Health-funded and Metro North-led QCAT Guardianship Process Improvement initiative has significantly shortened the time spent in hospital for more than 180 inpatients who require the appointment of a guardian to assist with their healthcare and financial decisions.

Metro North Executive Director of Organisational Development, Strategy and Implementation Luke Worth said the program is connecting inpatients to legal services previously only offered outside a hospital setting faster.

"In the past, some clinically cleared patients have had to wait three months or more before having a guardian or administrator appointed at a QCAT hearing. Last year, patients across Metro North waited an average of 66 days for a hearing. Thanks to this initiative, they're now waiting an average of 25 days," Mr Worth said.

"This means patients spend less time waiting in hospital beds when they're clinically ready to be discharged. It also means that thousands more bed days are now available for other ill patients who need them."

Mr Worth said the group of patients needing access to QCAT are predominately frail and elderly with around one-third having a diagnosis of dementia or other cognitive impairment related to illnesses such as stroke.

"We know from the trial, two-thirds of these patients are 65 years of age or older so getting them to the most appropriate care environment more quickly makes a big difference to their quality of life," Mr Worth said.

With support from Queensland Health's Clinical Excellence Division, the partnership has been extended until September 2017 and has been expanded to include inpatients from West Moreton Hospital and Health Service.

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Efforts to reduce occupational violence in hospitals and health facilities continued, with initiatives including the introduction of body-worn cameras, community awareness campaigns and signage, partnerships with Queensland Police Service to assist emergency department staff in identifying and mitigating potential risks, and supporting staff who have been impacted by workplace violence.

Protecting the environment

Metro North is committed to delivering health services which minimise the impact on the environment. Our 2016-17 $85M capital investment program is delivered with the environment in mind. Each hospital has a policy and plan in place for clinical and waste management. We also recycle a huge proportion of our waste such as 60 tonnes of cardboard per month. The RBWH is the first hospital in Queensland to actively recycle PVC waste from operating theatres with PVC recycling bins placed in 22 operating theatres to collect used face masks, surgical tubes and fluid bags. This initiative is expanding to TPCH.

Our energy conservation practices have helped reduce our usage by 22% and we have implemented a dialysis water recycling program, which uses previously discarded water for our cleaning services.

Creating jobs and a diverse economy

Metro North employs more than 15,162 full time equivalent employees and over 18,000 headcount making it one of Queensland's largest employers. In 2016–17 Metro North welcomed:

- 162 medical interns who commenced their careers as doctors with a Metro North Hospital and Health Service hospital
- expansion of the executive leadership program to participants from other hospital and health services. Nearly 1800 staff also participated in leadership development programs.
- the establishment of new diversity metrics to make the organisation a more inclusive workplace and inform our attraction and retention strategies
- the launch of Australia's first biofabrication research institute in partnership with Queensland University of Technology. The institute will work closely with clinicians, patients and researchers to manufacture patient-specific tissue to replace or patch broken bones or cartilage and in the longer term new organs for transplantation.

CULTURE OF INNOVATION

PARTNERS IN HEALTHY CONVERSATIONS

The Royal Brisbane and Women's Hospital (RBWH) is challenging the status quo around healthcare delivery by partnering with Choosing Wisely Australia—a global initiative promoting better conversations about appropriate use of medical tests, treatments and procedures.

Royal Brisbane and Women's Hospital Choosing Wisely Clinical Lead Jessica Toleman.

Hospitals are intimidating places and it's easy for patients to assume they have to have every test and treatment their doctor suggests. For clinicians, it's easy to fall into the habit of ordering tests and requesting treatments simply because they can.

RBWH Choosing Wisely Clinical Lead Jessica Toleman said that sometimes a forgotten element of good healthcare is the conversation between a patient and their doctor about the 'why' behind their tests and treatment.

"Choosing Wisely is two-fold: it's about inviting patients to talk to their doctor about tests and treatment options, and prompting clinicians to ensure the procedures they're undertaking are necessary and add value to the outcome and experience for their patients," Ms Toleman said.

"The initiative is driving intra-health conversations across RBWH and a strong integrated approach to patient care, which is benefiting both the patient and the organisation," she said.

"Already we're seeing a reduction in duplicated care as well as better communication between different specialities.

"There is always room to grow and innovate, and Choosing Wisely is challenging us to pioneer new processes, and improve on making informed healthcare decisions."

Since partnering in November 2016, Choosing Wisely has gained serious momentum across RBWH with more than 130 initiatives being implemented across the hospital.

Caitlin Lock, Quality Improvement Project Officer, is working on one of the initiatives in the Emergency Department and sees the benefits that Choosing Wisely will reap for RBWH.

"By reducing low-value care, like 'just in case' tests and procedures, our healthcare providers can focus on delivering care that improves the outcome for our patients."

RBWH is one of seven healthcare facilities in Australia participating in Choosing Wisely and joins facilities from approximately 20 countries.

Government priorities

Metro North is supporting key Government priorities including:

- the $1.1B Herston Quarter project which will rejuvenate the area around the former Royal Children's Hospital and deliver a 132-bed public Specialist Rehabilitation and Ambulatory Care Centre;
- *Advance Queensland* through the partnership with Queensland University of Technology for a new Biofabrication Institute at the world-class Herston Health Precinct;
- Chairing the Occupational Violence Oversight Committee which has supported the roll-out of initiatives in Metro North and across the state to make Queensland hospitals safer for staff, patients and their families;
- Preparing for the National Disability Insurance Scheme (NDIS) by working with services, patients and families;
- Supporting initiatives to eliminate domestic and family violence such as a 24/7 social work service at the RBWH which treated 132 patients in 2016 who presented specifically as victims of domestic violence. Across Metro North, 200 staff have completed Domestic Family Violence Training;
- Metro North's objectives and strategic priorities are guided by the National Health Reform Agreement and the vision and 10-year strategy for health in Queensland – *My health, Queensland's future: Advancing health 2026*.

Key directions of the strategy, which underpin Metro North strategic priorities are:

- Promoting wellbeing
- Delivering healthcare
- Connecting healthcare
- Pursuing innovation

Metro North objectives and strategic priorities

Significant progress occurred in 2016–17 toward implementing the *Metro North Health Service Strategy 2015–2020*. The strategy has a five-year outlook, setting out how Metro North will achieve its Strategic Plan objectives. Particular focus is given to supporting investment in responsive and integrated services for identified priority areas to strengthen the delivery of public healthcare. Models of care will support equity of access and outcomes for all patients, particularly those who are disadvantaged. Priority areas identified in the strategy are:

- increasing capacity for our services to support population growth
- supporting mental health needs of our communities
- supporting rehabilitation needs of our communities

other service priorities including:

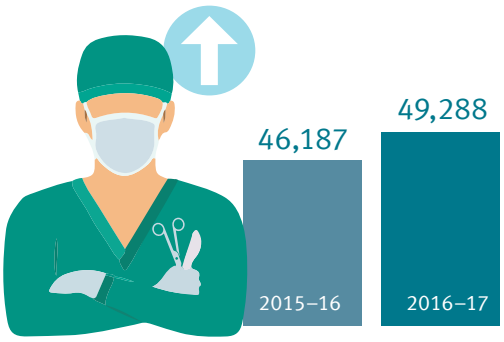
– children's health services

– stroke services

– statewide and regional services

- work in partnership to better connect care across the system.

Continued on page 27 ›



49,288

ELECTIVE AND EMERGENCY OPERATIONS PERFORMED

IMPROVING OUTCOMES

HEALTH SERVICE STRATEGY REFRESHED

As a result of making significant progress towards achieving priority actions, Metro North Hospital and Health Service has refreshed our *Health Service Strategy 2015–2020*.

The previous five prioritised strategies have been refreshed to four focus areas of:

- living healthy and well in our local communities;
- delivering person-centred, connected and integrated care;
- effective delivery of healthcare to address growing population health needs; and
- responsive holistic healthcare that meets the specific needs of vulnerable groups.

These focus areas are supported by specific strategies and measurable success factors to ensure Metro North's population of more than 900,000 residents have equitable access to healthcare.

The strategy is aligned with Metro North's Strategic Plan 2017-2021 and was refreshed through extensive consultation with staff, consumers, community and healthcare partners. It identifies the increased demand for Metro North's services, with a population that is growing, ageing, and with almost half of adults in the catchment living with a chronic health condition.

Health Service Strategy priority actions already achieved include:

- Increased bed capacity in Caboolture, Redcliffe and The Prince Charles Hospitals, with work commenced on the specialist rehabilitation and ambulatory care centre in the Herston Quarter, and a new ward for Caboolture Hospital.
- Implementation of a mental health frequent emergency attendee management project to support people with mental illness and social support needs to access support through partner organisations.
- Establishment of a telehealth portal to support patients accessing care in regional Queensland.
- Joint renal and genetics clinics for patients with genetic or inherited forms of kidney disease.
- Establishment of a statewide epilepsy service at Royal Brisbane and Women's Hospital.
- Development of a joint needs assessment for the Brisbane North catchment in partnership with the Brisbane North PHN.
- Reduction in specialist outpatient waiting lists.
- Increased consumer participation through consumer advisory roles and other opportunities.

PREPARING FOR THE NDIS

IMPROVING EQUITY

The National Disability Insurance Scheme is Australia's largest social reform since the introduction of Medicare. The NDIS will provide people with a disability the opportunity to choose their care and support providers.

Metro North NDIS Transition Council Chair, Mark Butterworth said preparation across Metro North began in early 2016.

"The NDIS has a phased roll out in line with Local Government Areas, so Metro North services have a number of transition dates, depending where their patients are located. Some of our state-wide services are already interacting regularly with the NDIS and participants," Mr Butterworth said.

Metro North's population catchment falls across three Local Government Areas which will transition on different dates over the next 18 months: Somerset (July 2017), Brisbane (July 2018) and Moreton Bay (January 2019).

"We have appointed a dedicated project officer who has been working with the Metro North NDIS Council to help our staff prepare," Mr Butterworth said.

Preparation for the NDIS has included working with families and residents of Halwyn Centre and Jacana Acquired Brain Injury service to develop personalised participation plans, and providing a series of educational workshops to help other staff across Metro North understand how the NDIS could be relevant to their day-to-day work.

To date, more than 200 staff have attended NDIS information sessions and overall 98 per cent report that the training has enabled them to learn something new that will assist in educating others about the NDIS.

"We have worked very closely with those staff and clients who will be immediately affected by the NDIS to help them make the most of the opportunities it presents," Mr Butterworth said.

"We're also talking to healthcare providers in other states where the NDIS is already in place to learn what we can about how and where care participants may interact with our services to ensure we are fully prepared to support them."

To date, more than 200 staff have attended NDIS information sessions and overall 98 per cent report that the training has enabled them to learn something new that will assist in educating others about the NDIS.

#ndisready

IMPROVING OUTCOMES

WORKING TOGETHER TO IMPROVE OUTCOMES FOR OLDER PEOPLE

The Royal Brisbane and Women's Hospital (RBWH) uses a number of innovative and world-leading system improvements in order to streamline and improve existing processes or systems.

Adjunct Professor Alison Mudge and members of the Eat Walk Engage team.

Among the RBWH's standout stars are Eat Walk Engage, designed to improve the health outcomes of the elderly during hospitalisation, and Working Together to Connect Care (WTTCC), which is designed to decrease the amount of return emergency department (ED) presentations by providing focused community support and integrating health services.

Eat Walk Engage was developed by Adjunct Professor Alison Mudge to improve how we deliver hospital care for older people.

The program is a systematic approach to reducing common serious complications, such as delirium and deconditioning, which are more common with older age and frailty. It directly complements an ongoing commitment from Metro North Hospital and Health Service to improving outcomes for the frail and elderly.

In collaboration with QUT and other partners, the CHERISH study is collecting data on more than 1000 older patients admitted to wards at Caboolture, The Prince Charles, RBWH and Nambour hospitals to evaluate the Eat Walk Engage program, and will be completed this year.

Meanwhile, the WTTCC program is rapidly making progress on its primary goals of achieving positive, patient-centred and directed community outcomes and decreasing the number of return ED presentations.

A 33 per cent decrease in ED presentations has been recorded for these patients, using data taken five months prior to the program's commencement and five months following commencement, creating an estimated 1023 hours of ED time available for other patients.

Metro North Executive Director of Organisational Development, Strategy and Implementation Luke Worth said the hospital's system improvement success came down to one thing—the staff.

"We have people here who are exceptional, and they are constantly looking for ways in which they can improve what they do," he said.

"There are a lot of reasons to look at system improvement. What I love about this place is that this is an organisation with momentum for wanting to do the right thing by the patient."

CULTURE OF INNOVATION

$1.1B INVESTMENT FOR HERSTON HEALTH PRECINCT

The $1.1 billion mixed-use Herston Quarter redevelopment will be delivered in stages over the next 10 years. Construction of a 132-bed specialised public rehabilitation facility will be among the first projects delivered.

March 2017 marked the beginning of a new era for the Herston Health Precinct with the commencement of the $1.1 billion mixed-use Herston Quarter redevelopment.

Herston Quarter will transform into a new health, wellbeing and mixed-use precinct that will deliver new public and private health facilities, allied health care related activities and generate new jobs. The masterplan complements the world-class health, research and education facilities available within the Herston Health Precinct.

Herston Quarter will be delivered in stages over 10 years.

Site services and enabling works commenced in 2017 that will enable the demolition of the former Royal Children's Hospital and construction of a new 132-bed specialised public rehabilitation facility.

Australian Unity was announced as the preferred developer to deliver the Herston Quarter project in August 2016 with Metro North Hospital and Health Service (Metro North) entering into a Development Agreement with Australian Unity in February 2017 to lead the implementation of the project. This partnership with Australian Unity generates investment from the private sector and will be delivered at no net cost to the Queensland Government.

In November 2016, Herston Quarter was declared a Priority Development Area by the Queensland Government. This will enable streamlined planning and development approvals and fast-track the redevelopment project.

A governance framework for the project was established in early 2017 that involves representation from across Metro North, Australian Unity, State agencies, Herston Health Precinct partners and community stakeholders.

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Key achievements for 2016-17:

Active implementation of the *Health Service Strategy 2015–2020* has resulted in:

- Caboolture Hospital expansion, including construction of a 32-bed adult inpatient ward, administration and service areas;
- integration of University of Queensland Oral Health Centre and Metro North Oral Health Services;
- introduction of a 'step up step down' model of care for mental health services;
- increase inpatient acute-bed capacity at Redcliffe Hospital by relocating cancer care and renal services to the Moreton Bay Integrated Care Centre;
- launch of a new medical outreach service (partnership with Brisbane North PHN) to help elderly aged care residents in The Prince Charles Hospital catchment avoid unnecessary trips to the emergency department;
- expansion of the RBWH Milk Bank to Caboolture Hospital;
- launch of Australia's first biofabrication research institute in the world-class Herston Health Precinct, in partnership with Queensland University of Technology;
- reducing emergency department overcrowding across all Metro North hospital through the Patient Access Coordination Hub.

1060L

OF DONATED BREAST MILK PASTEURISED

INCREASE OF 300L FROM LAST YEAR

CULTURE OF LEARNING

ONLINE TOOL SUPPORTS NEW PARENTS

2017 has been a big year for the Royal Brisbane and Women's Hospital's (RBWH) GLOW team.

Not only have they celebrated their first anniversary, seen more than 3000 patients use their resource, but also received the Value the Customer award at the eHealth Awards.

GLOW is an online learning resource for pregnant women and families.

Co-creator and RBWH midwife Libby Ryan said that since launching in mid-2016, 3409 women had enrolled in the GLOW program.

"We have helped to fill a gap in the market and our patients can't get enough of it," Ms Ryan said.

With technology use at an all-time high and our spare time at an all-time low, GLOW provides mums-to-be with all the information they need, and is an alternative to face-to-face pre-natal classes.

"Many of our GLOW users are first-time mums who are still working. Their time is limited but they're still looking for all the same information," Libby said.

"We found that many women were turning to the internet, which isn't always a reliable source of information.

"GLOW was created by dedicated and passionate clinical staff for women and their families."

Plans are already underway for 'GLOW Plus' to support families with premature babies.

IN 2016 **61%**
OF MOTHERS*
REPORTED NOT SMOKING
‹ 20 WEEKS PREGNANT

67% OF MOTHERS*
REPORTED NOT SMOKING
› 20 WEEKS PREGNANT

IN 2016
60%
OF MOTHERS*
HAD A HEALTH CARE VISIT
DURING THEIR
FIRST TRIMESTER

133,189
PROJECTED INDIGENOUS POPULATION
IN STH EAST QLD BY 2031

* WHO IDENTIFIED AS ABORIGINAL OR TORRES STRAIT ISLANDER

IMPROVING OUTCOMES

CLOSING THE GAP

Metro North is delivering initiatives to address Aboriginal and Torres Strait Islander health outcomes under the *Making Tracks Toward Closing The Gap in Health Outcomes for Indigenous Queenslanders by 2033* framework.

Over 12,000 staff have completed the Aboriginal and Torres Strait Islander Health Unit's (A&TSIHU) Cultural Practice Program, building a more culturally aware workforce.

Since October 2016, all staff members within the A&TSIHU have accessed in real time the Effort Tracker data-reporting tool. The system records on-the-spot accurate, relevant and timely data about Aboriginal and Torres Strait Islander patients' journeys. The system is helping deliver an improved targeted service for Indigenous hospital services, cultural capability, adult and sexual health.

In early 2017, Metro North launched an official procedure to identify Aboriginal and/or Torres Strait Islander patients accessing hospitals and facilities in an effort to close the gap on health outcomes. The procedure sets the direction for Indigenous identification at all levels across Metro North. Correct identification of Indigenous status is fundamental to understanding and measuring personal health needs, service monitoring, evaluation and planning in a culturally appropriate manner.

During National Reconciliation Week (27 May – 3 June), Community, Indigenous and Subacute Services Executive Director Chris Seiboth officially signed the CISS Statement of Commitment to Reconciliation. This is the first step in developing the CISS Reconciliation Action Plan (RAP), a public commitment to undertake practical actions within the health field to contribute to reconciliation. The RAP will be developed over the next 24 months with clear targets and deliverables in regards to workforce development and planning.

In June, the Ngarrama Family Service held an Elders Consultation to present the proposed Ngarrama Family Model of Care. Sixteen Elders from across the region participated, providing feedback and input to the new model of care. More than three-quarters of Elders feel that cultural support is essential to the success of the Model of Care and want the Model of Care to focus on the whole family. The new Model of Care and Ngarrama Family service is on track to be launched by the end of 2017.

IMPROVING EQUITY

IDENTIFICATION CAMPAIGN HELPS CLOSE INDIGENOUS HEALTH GAP

Metro North Hospital and Health Service has introduced an official procedure to identify Aboriginal and/or Torres Strait Islander patients accessing its hospital and facilities to help close the gap on health outcomes.

Indigenous Redcliffe Hospital Service Improvement Officer, Neressa Johnston, encouraged the whole family to identify when accessing a hospital or health service.

Correct identification of Indigenous status is fundamental to understanding and measuring personal health needs, service monitoring, evaluation and planning in a culturally appropriate manner.

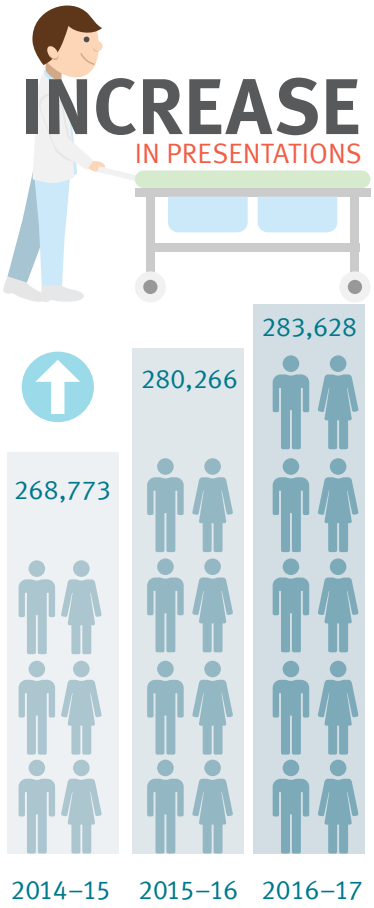
Metro North has clear key performance indicators towards closing the health gap between Aboriginal and Torres Strait Islander and non-Indigenous people accessing its services, including a reduction in the rates of potentially preventable hospitalisation and discharge against medical advice.

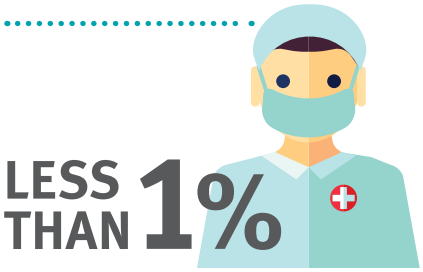
The new procedure enhances data collection systems by supporting the measurements of Indigenous health status and the effectiveness of intervention programs.

Lynn Hoey, a sleep scientist at The Prince Charles Hospital, said it was critical from a health perspective for Indigenous patients to identify to access the appropriate care, health checks and cultural support.

"I'm proud to identify. I've had the growing appreciation that what's in our genes affects our health," she said.

"Now from a health perspective, when somebody asks me the question, are you of Aboriginal and or Torres Strait Islander descent, I always say yes."





LONG WAITS
AT 30 JUNE 2017
WITH AVERAGE OVERDUE DAYS
CAT 2: 31 DAYS | CAT 3: 31 DAYS

Performance highlights

The following is an overview of Metro North's actual performance results for each service standard, with a comparison of target to actual for the financial year.

EMERGENCY

	Notes	2015–16 Actual	2016–17 Target	2016–17 Actual
Service standards[†]				
Percentage of patients attending emergency departments seen within recommended timeframes:				
– Category 1 (within 2 minutes)		99%	100%	99%
– Category 2 (within 10 minutes)		74%	80%	76%
– Category 3 (within 30 minutes)		59%	75%	61%
– Category 4 (within 60 minutes)		77%	70%	77%
– Category 5 (within 120 minutes)		95%	70%	92%
Percentage of emergency department attendances who depart within four hours of their arrival in the department		71%	›80%	68%
Patients treated within four hours of their arrival in the department		196,363	–	189,409
Median wait time for treatment in emergency departments (minutes)		19	20	21

[†] *Excludes manually collected Kilcoy data.*

ELECTIVE SURGERY

Percentage of elective surgery patients treated within clinically recommended times:

– Category 1 (30 days)		95%	≥ 98%	95%
– Category 2 (90 days)		93%	≥ 95%	96%
– Category 3 (365 days)		97%	≥ 95%	97%
Median wait time for elective surgery*		–	25 days	28 days

OUTPATIENTS

The number of outpatients waiting longer than clinically recommended for a specialist outpatient appointment:**

15–16 Actual	16–17 Target	16–17 Actual
12,475 patients	7,500 patients	**7,225 patients**

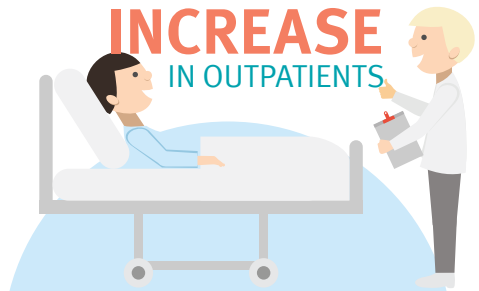
* *New reporting measure*

** *2015–16 actuals adjusted to reflect full specialist outpatients program. Previously reported was a sub-set of specialist outpatients.*

2.8 MILLION HEALTHCARE ACTIVITIES DELIVERED

$4,474
AVERAGE COST PER WAU FOR ACTIVITY BASED FUNDING FACILITIES

32.4%
INCREASE IN OUTPATIENTS



10.4%
INCREASE IN ACUTE INPATIENTS

ACTIVITY AND EFFICIENCY

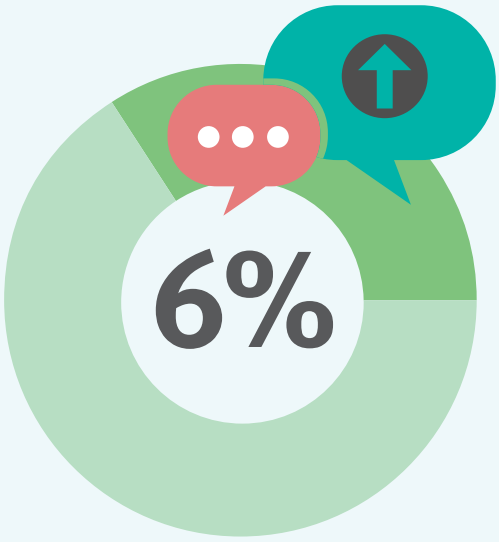
	Notes	2015–16 Actual	2016–17 Target	2016–17 Actual
Total weighted activity units (WAU):	1, 2	394,561	430,013	442,848
– Acute Inpatients		219,150	230,338	241,887
– Outpatients		48,189	67,477	63,824
– Subacute		20,358	18,411	22,061
– Emergency Department		39,028	39,227	39,888
– Mental Health		37,633	30,068	33,966
– Interventions and Procedures		30,202	34,140	31,368
– Prevention and Primary Care		–	10,352	9,854
Average cost per weighted activity unit for Activity Based Funding (ABF) facilities	2	$4,961	$4,580	$4,474
Rate of health care associated *Staphylococcus aureus* (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	3	0.91	Less than 2/10,000 acute public hospital patient days	0.80
Rate of community follow-up within 1–7 days following discharge from an acute mental health inpatient unit		63%	› 65%	62%
Proportion of re-admissions to an acute mental health inpatient unit within 28 days of discharge		14%	‹ 12 %	13%
Ambulatory mental health service contact duration (hours)		151,063	› 163,929	162,971
Complaints resolved within 35 days*		–	80%	89%

** New reporting measure*

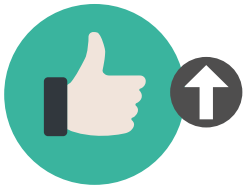
1. All WAU actuals reported under the funding model (phase 19).
2. SDS budget papers set targets at 380,812 (average cost per WAU $4,659). During the financial year additional funding was provided and targets were revised by Queensland Health to 430,013 (average cost per WAU $4,580). Activity by type has also been updated to reflect this.
3. *Staphylococcus aureus* are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with *Staphylococcus aureus* (including MRSA) and are reported as a rate of infection per 10,000 patient days aggregated to HHS level.

Our Safety and Quality performance

The *Metro North Safety and Quality Strategy 2015–2018* commits to deliver the highest quality healthcare experience in true partnership with our patients. Our performance is assessed against National Standards and benchmarked against nationally recognised safety and quality indicators.

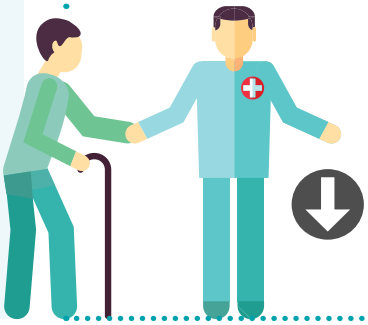


INCREASE IN CONSUMER FEEDBACK



14% INCREASE IN COMPLIMENTS

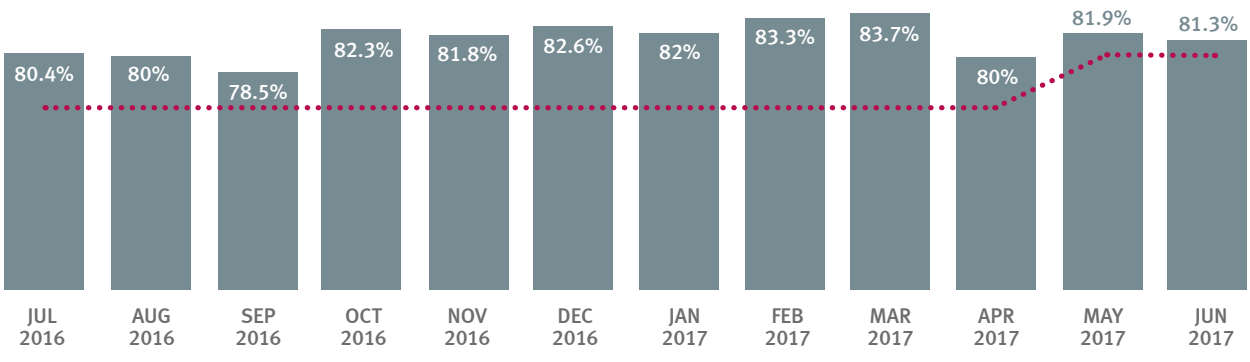
7% REDUCTION IN COMPLAINTS



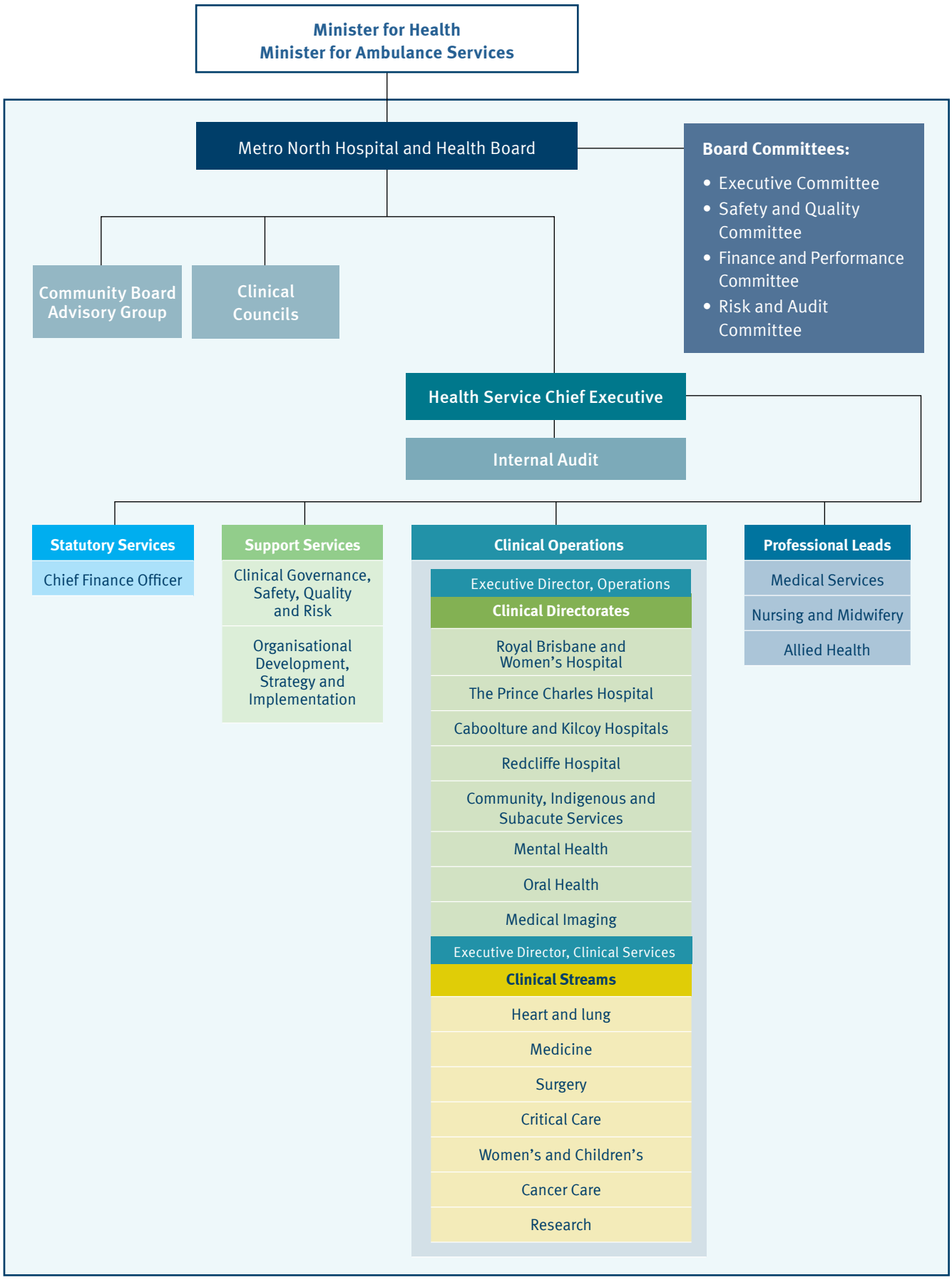
45% REDUCTION IN FALLS
RESULTING IN HARM

HAND HYGIENE RATES CONSISTENTLY EXCEED NATIONAL TARGETS OF 70%*

Hand Hygiene Australia (HHA) increased target to 80% effective from May 2017



Organisational structure



IMPROVING OUTCOMES

CASE STUDY

HEALTHIER CHOICES ON THE MENU AT CABOOLTURE HOSPITAL

Metro North Hospital and Health Board Chair Dr Robert Stable AM joined Caboolture Hospital staff at the reopening of the canteen which now provides a greater variety of healthier food and drink options for sale.

Caboolture Hospital has removed sugar-laden soft drinks and sport drinks from its retail areas as part of an initiative to provide staff, patients and visitors with a greater range of healthier food and drink options.

Metro North Hospital and Health Board Chair Dr Robert Stable AM said hospitals were places you go for healthcare, so stopping the sale of unhealthy sugar-loaded drinks made perfect sense.

"As a hospital, we're about making people feel better and improving the food options we provide to staff, patients and visitors can make a big difference to everyone's health," Dr Stable said.

The removal of sugary drinks from sale is supported by more options in the hospital's canteen and vending machines.

Director of Allied Health and Service Partnerships at Caboolture Hospital Donna Ward said the hospital is proud of the efforts made by staff to embrace their own health and well being.

"Not only are Caboolture staff more active through our Fit Fab Cab exercise program, they are now better informed with food labelling throughout the hospital from green to red," Ms Ward said.

"We are pleased the canteen now stocks a variety of wholesome foods from salads to stir-fries and the vending machines have healthier snacks and drinks.

"We are committed to working beside our staff and local community to improve the overall health journey."

The initiative is part of a broader Enabling A Better Choice program that is progressively rolling out across Metro North facilities in 2017.

IMPROVING EQUITY

BETTER HEALTH OUTCOMES FOR VULNERABLE PEOPLE

The Indigenous sexual health team, based at Pine Rivers Community Health Centre, is reaching marginalised communities through an outreach program across North Brisbane.

Indigenous Sexual Health team members, Ronald, Kim and Dene, with New Farm Neighbourhood Centre Coordinator Jenny.

The team regularly visits community centres and areas where potentially high risk people reside, providing culturally appropriate access, sexual health education, prevention services and referral pathways for screening.

Program Manager Ronald Abala said target groups are Aboriginal and Torres Strait Islander people across Metro North, especially at-risk youth (15-29 years), homeless people, injecting drug users and sex industry workers.

“We are able to provide education, either in a group setting or one-to-one,” Mr Abala said.

Demand for the service has grown over the years and the team has been able to look at innovative ways of reaching those at risk.

“One of the more successful programs is our art workshop held in Aspley. We are able to promote holistic health and promote discussion around sexual health issues in a relaxed and safe environment,” Mr Abala said.

The team also visits New Farm Neighbourhood Centre on a weekly basis. The centre provides an open house program during the week offering meals, washing and shower access, art classes and internet facilities.

IMPROVING OUTCOMES

LONG STAY REHAB PATIENTS DISCHARGED TO COMMUNITY

The Jacana Acquired Brain Injury (ABI) centre in Bracken Ridge is discharging more clients back into the community than ever before, with multidisciplinary, goal-focused rehabilitation and early discharge planning among the initiatives driving strong results.

Community, Indigenous and Subacute Services Director of Nursing Andy Carter said the number of clients being discharged to be with their loved ones had grown significantly over recent years and was still rising.

"Six years ago, we were discharging about two or three clients a year into the community, but recently we've jumped to about 10 to 13 clients and last year, we discharged 16," he said.

More than half of the clients admitted to Jacana between 2013-16 were admitted less than six months from injury. However despite the significant effort required to rehabilitate these often severely injured clients, 32 of the 43 admissions to the service in this time have now been discharged.

Mr Carter credits this success to the hard work of Jacana's specialised multidisciplinary, goal-focused team, as well as ensuring a clear delineation between where a client's rehabilitation pathway stops and their community pathway begins.

"Now discharge planning occurs early in the piece while the client is still in the rehabilitation phase, so by the time they are close to the end of their rehab, the staff have prescribed all the equipment that is required and have all the services in place so they are able to facilitate discharge in a timely manner," he said.

"Having a multidisciplinary team working towards the goals of the clients and their families is an integral part of the rehabilitation phase, and the Jacana team give their clients every opportunity to achieve their goals and celebrate even the smallest achievements.

"The end result is that these clients are achieving goals that were thought to be unachievable in the acute setting."

"Having a multidisciplinary team working towards the goals of the clients and their families is an integral part of the rehabilitation phase, and the Jacana team give their clients every opportunity to achieve their goals and celebrate even the smallest achievements."

Metro North Board back row (l-r): Professor Mary-Louise Fleming, Mr Mike Gilmour, Professor Helen Edwards, Mr Geoff Hardy, Ms Bonny Barry, Dr Margaret Steinberg. Front row (l-r): Mr Adrian Carson, Professor Robert Stable (Chair), Dr Kim Forrester, Associate Professor Cliff Pollard.

The Board

The Board is appointed by the Governor in Council on the recommendation of the State Minister for Health and Minister for Ambulance Services and is responsible for the governance activities of the organisation, deriving its authority from the *Hospital and Health Boards Act 2011 (Qld)* and the *Hospital and Health Boards Regulation 2012 (Qld)*.

The functions of the Board include:

- Developing the strategic direction and priorities for the operation of Metro North
- Monitoring compliance and performance
- Ensuring safety and quality systems are in place which are focussed on the patient experience, quality outcomes, evidence-based practice, education and research
- Developing plans, strategies and budgets to ensure the accountable provision of health services
- Ensuring risk management systems are in place and overseeing the operation of systems for compliance and risk management reporting to stakeholders
- Establishing and maintaining effective systems to ensure that the health services meet the needs of the community.

The Board are all independent members, strengthening local decision making and accountability for health policies, programs and services within Metro North. Each of the Board Members brings a wealth of experience and knowledge in public, private and not-for-profit sectors with a range of clinical, health and business experience.

During the reporting period, terms of office of four members expired on 17 May 2017 with all four members reappointed by the Governor in Council. These members are Ms Bonny Barry, Mr Mike Gilmour, Mr Geoff Hardy and Professor Mary-Louise Fleming. During the reporting period, Mr Philip Davies resigned office. Mr Adrian Carson was appointed to the Board in May 2017.

A schedule of Board Member attendance at Board and Committee meetings for 2016–17 is available in Appendix 2.

Board meetings are held at Metro North facilities including RBWH, TPCH, North Lakes Health Precinct, Kilcoy Hospital, Caboolture Hospital, Redcliffe Hospital and Brighton Health Campus.

The following committees support the functions of the Board, each operates with terms of reference describing the purpose, role, responsibilities, composition, structure and membership.

Executive Committee

The role of the Executive Committee is to support the Board by working with the Chief Executive to progress strategic issues and ensure accountability in the delivery of services within Metro North. The committee oversees the development of the Strategic Plan and monitors performance, the development of the clinician, consumer and community engagement strategies and the primary health care protocol, and works with the Chief Executive in responding to critical and emergent issues.

All Board Members are members of the Executive Committee.

Safety and Quality Committee

The role of the Safety and Quality Committee is to provide strategic leadership in relation to clinical governance. The committee oversees the safety, quality and effectiveness of health services and monitors compliance with plans and strategies, while promoting improvement and innovation for the safety and quality of services within Metro North.

Committee membership: Dr Kim Forrester (Chair), Dr Robert Stable AM, Associate Professor Cliff Pollard AM, Dr Margaret Steinberg AM, and Professor Mary-Louise Fleming.

Finance and Performance Committee

The role of the Finance and Performance Committee is to oversee the financial performance, systems, risk and requirements of Metro North. The committee reviews the financial strategy, financial policies, annual operating plans and capital budgets, cash flows and business plans to ensure alignment with key strategic priorities and performance objectives.

Committee membership: Mike Gilmour (Chair), Bonny Barry, Geoff Hardy and Professor Helen Edwards OAM

Risk and Audit Committee

The role of the Risk and Audit Committee is to oversee the internal and external audit function and matters relating to risk and compliance for financial, accounting and legislative requirements. The committee provides independent assurance and assistance to the Board on the risk, control and compliance frameworks and 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*.

Committee membership: Geoff Hardy (Chair), Dr Kim Forrester and Mike Gilmour.

PUTTING PEOPLE FIRST

CASE STUDY

EXPANDING QUEENSLAND'S SPECIALIST REHABILITATION SERVICES

A key component of the Herston Quarter redevelopment will be the addition of a new public health facility—a state-of-the-art specialist rehabilitation and ambulatory care centre valued at over $300 million.

This centre will complement existing Metro North Hospital and Health Service facilities at Herston through the provision of modern infrastructure to support the future growth and expansion of Metro North's delivery of health services.

The 132-bed health facility will comprise 100 rehabilitation beds, special purpose rehabilitation support areas and a surgical and endoscopic centre with a 32-bed surgical impatient unit, seven operating theatres, three endoscopy rooms and recovery spaces. The facility will be future-proofed through the construction of two additional floors to accommodate the future growth and expansion of health services.

From early 2017, Metro North embarked on a comprehensive engagement and design process to progress various elements of the clinical design for the new facility to deliver improved patient outcomes and to inform best practice models of health service delivery.

Engagement included consultation with approximately 200 clinical and non-clinical stakeholders, including consumers, across 19 functional user groups. This engagement was supported by a roadshow involving the presentation of the design to other Metro North facilities and staff associations. The first phase of the clinical design process for the new facility was completed in May 2017 with the second phase, of the three-phase process, commencing in June 2017.

The specialist rehabilitation and ambulatory care centre will be the first health facility to be delivered in Herston Quarter. It is anticipated to be completed in late 2020 and operational in 2021.

CULTURE OF INNOVATION

BLUE ROOM BOOSTS ENDOSCOPY NUMBERS

More Queenslanders than ever before will now have access to specialist endoscopy services at the Royal Brisbane and Women's Hospital (RBWH).

A new blue procedure room will increase the number of endoscopies by almost 50 per cent to more than 9000.

RBWH Director of Gastroenterology and Hepatology Dr Mark Appleyard said the 'Blue Room' is a brand new theatre capable of handling additional and more complex procedures than the current two.

"More complex interventional and diagnostic gastroenterology services are possible with the room's blue walls providing a high contrast to the pink tissues being examined," Dr Appleyard said.

"This service expansion includes an automated sterilising system as well as an equipment tracking and drying room to improve safety. At the push of a button the room is automatically set up to the surgeon's requirements which saves time between procedures.

The new procedure room has blue tempered glass walls and 'kick bars' for staff to exit the room without using their hands. A fully integrated digital system includes a touch panel to control equipment, communication devices, lighting and sounds.

Dr Appleyard said one of the features of the state-of-the-art equipment provided increased scope to expand training and research options.

"The 'Blue Room' is equipped with cameras and videoconferencing equipment capable of broadcasting procedures to students around the globe. Conversely our surgeons will benefit from teachers interstate or overseas being able to dial into complex procedures to help with training," Dr Appleyard said.

The gastroenterology redevelopment project included delivering the 'blue room' by 30 June for the first patient on 1 July.

Professor Robert Stable AM
MBBS, DUniv (QUT), MHP, FRACGP, FAICD, FCHSM (Hon)

Board Chair

Professor Stable's 47 year career in health has included roles as a rural and remote General Practitioner, a Flying Doctor, Hospital Medical Superintendent and Chief Executive, Director-General of the Queensland Department of Health, Member and Chair of the Australian Health Ministers' Advisory Council, Vice-Chancellor and President of Bond University and Non-Executive Board Director/Member.

He holds other Board appointments as Chair and Director of Health Workforce Queensland, and Director of the Royal Flying Doctor Service – Queensland Section, Rural Health Workforce Australia, and North and West Remote (Primary) Health.

He is a Fellow of the Royal Australian College of General Practitioners (FRACGP), the Australian Institute of Company Directors (FAICD) and the Australian College of Health Service Management (FCHSM (Hon)), has an honorary Doctorate from the Queensland University of Technology (DUniv), a Master of Health Planning (MHP) degree from the University of New South Wales and an undergraduate degree in Medicine (MBBS) from the University of Queensland.

Professor Stable was appointed a Member of the Order of Australia in 2013 and awarded a Centenary Medal in 2001. He was conferred the honour of Emeritus Professor by the Council of Bond University in 2003.

Dr Kim Forrester
RN, BA, LLB, LLM (Advanced), PhD, Member AICD

Deputy Chair* and Chair, Safety and Quality Committee

Dr Kim Forrester is a registered nurse and barrister at law. Her clinical background includes intensive and coronary care nursing. She is a member of the Australian College of Nursing and established the Masters in Emergency Nursing program at Griffith University where she was also a foundation academic in the School of Medicine. Dr Forrester is an Associate Professor in the Faculty of Health Sciences and Medicine at Bond University.

As a barrister, Dr Forrester's areas of legal practice include coroner's inquests, professional regulation and child protection. She held the position of Assistant Commissioner (legal) on the Queensland Health Quality and Complaints Commission from 2006 to 2009, and is a member of the Queensland Law Society's Elder Law Committee and Health and Disability Law Committee. She publishes extensively in the area of health law including as editor of the Nursing Column in the *Journal of Law and Medicine*, and co-author of *Essentials of Law for Health Professionals*, *Australian Pharmacy Law and Practice* and *Essentials of Law for Medical Practitioners*.

* *Governor in Council approved the appointment of Dr Kim Forrester as Deputy Chair on 26 August 2016.*

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NEW BREAST MILK DONORS

IN 2016–17 (INCREASE BY 20 FROM LAST YEAR)

Mr Mike Gilmour*
Dip Acctg, MBA, GradDipACG, FCPA, FAICD, FGIA JP (Qual)

Chair, Finance and Performance Committee

Mr Gilmour has over 40 years' experience as a senior finance and commercial executive. His past executive healthcare appointments include Uniting Healthcare Queensland, a private hospital group (The Wesley Hospital Auchenflower, St Andrews War Memorial Hospital, The Sunshine Coast Private Hospital, etc), and the Royal Flying Doctor Service Queensland. Mr Gilmour has significant experience in governance, having held many appointments as a non-executive director, which currently include: Isis Central Sugar Mill Ltd, Open Minds Australia Ltd (Chair) and Aviation Australia Pty Ltd. He is a member of the CPA Australia Disciplinary Tribunal.

Mr Gilmour's past governance appointments include: inaugural Chair of the Metro North Brisbane Medicare Local; Director of South East Alliance of General Practice; Chair Southbank Institute of Technology and Chair Metropolitan South Institute of TAFE; Director Centre for Rural and Remote Mental Health; Company Secretary and financial advisor to the Palm Island Community Company; and Director of Sugar Research Australia. He is a former President of the Queensland Division of CPA Australia.

Mr Geoff Hardy*
B Bus (Econ), Dip HA, Grad Dip Commerce (Mkt), MAICD, AFCHSM

Chair, Risk and Audit Committee

Mr Geoff Hardy's extensive career in healthcare management has spanned over 30 years, including operational roles at Royal North Shore Hospital, Westmead, and the Royal Women's Hospital in Melbourne. After a period as Chief Executive at one of Ramsay Healthcare's facilities, he established and ran their Malaysian subsidiary working closely with the Malaysian Ministry of Health in the planning of several major new facilities.

In addition to a period as a consultant to healthcare organisations in Queensland, Mr Hardy has also worked as CEO of two Brisbane law firms and was Global Leader for a commercial advisory practice providing strategic and commercial advice to government clients around the world.

In recent years he has worked more broadly as an advisor to governments and private sector clients on significant infrastructure projects in the transport, health care and resources sectors, and is currently AECOM's Infrastructure Advisory Leader for Australia & New Zealand and their market sector lead for Healthcare and Transaction Advisory.

* *The Board approved on 5 July 2016 that Mike Gilmour chair the Finance and Performance Committee and Geoff Hardy chair the Risk and Audit Committee.*

CASE STUDY

IMPROVING HEALTH OUTCOMES

INTERIM CARE SERVICE DECREASES LENGTH OF STAY

The introduction of an Interim Care service at Zillmere has resulted in patients spending a total 3700 less days in hospital while awaiting a nursing home placement.

Interim Care originally commenced as part of the 2016 Metro North Winter Bed Strategy, designed as a temporary suitable care alternative to hospital, specifically for older patients, to help relieve the increased pressure faced by acute settings over flu season.

Older patients in hospital beds awaiting placement in a nursing home were identified as a suitable population for whom to investigate alternative care options. Changes to aged care within Metro North also provided an opportunity for a vacant facility at Zillmere to be recommissioned to provide this care.

Project lead Kate Schultz, of Community, Indigenous and Subacute Services, said the interim care service had exceeded expectations and now had permanent funding.

"Fast forward 12 months and Interim Care is now a successful, 32-bed capacity service caring for those who no longer require care in a hospital but are unable to return to their own home and need support to move to an aged care home," she said.

"Not only has it contributed to reducing pressure on the acute sector, it has also offered a pleasant, safe and suitable environment that provides the necessary support and resources to properly care for patients in that interim period until alternative accommodation can be found."

The service is now also taking on up to three complex care management cases, after a streamlining of process within Interim Care resulted in clients now being settled into their new environments on average about nine days earlier than first planned.

Associate Professor Cliff Pollard AM
BD, MB BS QLD, FRACS, FRCS Edin, FACS

Member and representative on the Royal Brisbane and Women's Hospital Foundation Board

Associate Professor Cliff Pollard is a retired general surgeon. He completed his surgical training in Queensland and obtained post-Fellowship experience in the United Kingdom. Dr Pollard has been the staff surgeon and visiting medical officer at Redcliffe Hospital, prior to moving to the Royal Brisbane and Women's Hospital in 2008 as the Director of the Trauma Service. He retired in 2012.

Dr Pollard has a major interest in all aspects of trauma management in both pre-hospital and hospital environments and he has presented widely on the topic both nationally and internationally. As a member of the Royal Australian Army Medical Corps, he deployed to Bougainville and East Timor. Dr Pollard is a member of the Royal Australasian College of Surgeons (RACS) National and Queensland Trauma Committees; the State Trauma Clinical Network; the Australian Trauma Registry Executive and Steering Committee; and the Department of Transport Serious Injury Expert Panel.

A former examiner in general surgery for the Royal Australasian College of Surgeons, Dr Pollard also teaches anatomy in the Advanced Surgical Anatomy Course in the School of Medicine at The University of Queensland. Dr Pollard is also involved in research activities including the Brisbane Diamantina Health Partnership Trauma, Critical Care and Recovery Stream and Queensland University of Technology CARRS-Q.

Ms Bonny Barry
RN BNsg Member AICD

Member and representative on The Prince Charles Hospital Foundation Board

Ms Bonny Barry is a Registered Nurse with over 28 years' experience in community, hospice, hospital and clinic settings in Queensland and Victoria.

Ms Barry was the Professional Officer for Aged Care and Private Hospitals for the Queensland Nurses Union for six years. From 2001, she was State Member for Aspley for eight years, and served on several parliamentary committees including Chair of Caucus, Chair of Health Estimates, and the Assistant Minister for Education, Training and the Arts from 2006 to 2009.

More recently, Ms Barry has worked for the private sector before returning to nursing in 2012. She is co-author of *The Nature of Decision Making of the Terminally Ill*.

Professor Helen Edwards OAM
DipApSc, BA, BA (Hons), PhD, FACN, FAAN, MAICD

Member

Professor Edwards is a Registered Nurse and Registered Psychologist. She is currently the Assistant Dean (International and Engagement) for the Faculty of Health, Queensland University of Technology, and a member of the Institute of Health and Biomedical Innovation.

Professor Edwards has 40 years of experience in higher education and health sectors and has served on several state, national and international committees. She is a Board Member of the Australian Nursing and Midwifery Accreditation Council and has served on three retirement village boards. She also is a current member of the NHMRC Ethics Committee. Professor Edwards is internationally recognised for her research in wound management, ageing and chronic disease. She was involved in establishing the Wound Management Innovation Cooperative Research Centre which is the largest wound research initiative globally. It focuses on development of cost-effective and practical wound therapies, diagnostics and interventions.

Dr Margaret Steinberg AM
PhD (Child Health and Education), MPhty (Research), BPhty (Hons), Dip Phty, University of Queensland

Member and Board Sponsor, Community Board Advisory Group (CBAG)

Dr Margaret Steinberg has expertise in governance and ethical decision making, as well as experience as a clinician, health administrator, academic and director of public, private and third sector organisations. She is a former Commissioner of the Criminal Justice and Crime and Misconduct Commissions and Chair of their Audit and Governance Committees. She was Foundation Deputy President of the Guardianship and Administration Tribunal, Assistant Commissioner of the Health Quality and Complaints Commission and Chair of its Consumer Advisory Committee.

Dr Steinberg holds a PhD in Child Health and Education and a Masters of Physiotherapy. Her work has been recognised through a Churchill Fellowship (in early intervention), an NHMRC/ PHRDC Travelling Fellowship (in telemedicine/telecommunications and health), and a World Health Organisation study (in HIV/AIDS).

In 2003, Dr Steinberg was made a Member of the Order of Australia in recognition of her service to public health and welfare policy through research in the areas of ageing, disability and social justice.

Professor Mary-Louise Fleming
BEd (QUT), MA (Ohio), PhD (Qld), Member AICD

Member and Deputy Chair, Community Board Advisory Group

Professor Mary-Louise Fleming is Head, Corporate Education in the Faculty of Health at the Queensland University of Technology. She has experience in teaching and research in higher education, public health and health promotion for over 30 years.

Her research activity focuses on evaluation research and translational research for the World Health Organization, both Commonwealth and Queensland Governments, as well as consultancy projects for Queensland Health and the not-for-profit sector. Professor Fleming has co-authored two books on health promotion and public health, and contributed to several other books.

Professor Fleming is a member of the Queensland Government Ministerial Oversight Committee, *Advancing Health 2026,* a Board member of Wesley Medical Research Institute and a member of the Strategic Planning Committee. Her appointments have included Health Promotion Queensland; Board of the Wesley Research Institute; Board of Governors St Andrew's Hospital; National Heart Foundation; the Queensland Cancer Fund and Chair of the Quality Management Committee for Breastscreen Queensland. She has an active consultancy practice involving reports on policy and practice for single health issues, policy development and implementation, and reviews and evaluation of numerous projects and programs.

Mr Adrian Carson
GCertHServMgt

Member

Mr Adrian Carson joined Metro North in May 2017 and has almost 25 years' experience in Aboriginal and Torres Strait Islander health. As the current CEO of the Institute for Urban and Indigenous Health, Mr Carson plays a leading role in the coordination of planning, development and delivery of comprehensive primary healthcare and integrated social support services to Aboriginal and Torres Strait Islander communities across South East Queensland. He has worked as CEO of Queensland Aboriginal and Islander Health Council (QAIHC), the peak body for the Aboriginal and Torres Strait Islander Community Controlled Health Sector in Queensland, and has previously worked with both Queensland and Australian Governments. Mr Carson is currently completing a MBA and holds directorships of QAIHC, and the National Aboriginal Community Controlled Health Organisation (NACCHO).

IMPROVING OUTCOMES

CELEBRATING 20 YEARS OF LUNG TRANSPLANTATION

The Queensland Lung Transplant Service (QLTS) has given 400 Queenslanders a second chance at life in its first 20 years.

Based at The Prince Charles Hospital, QLTS supports lung and heart-lung transplant patients from northern New South Wales to Darwin.

QLTS Director Associate Professor Peter Hopkins said the team is at the forefront of major technological advancements.

"We're the centre in Australia, in fact in Australasia, with the most experience in performing triple organ transplants, which was unthinkable for this hospital when I first started here. We've done seven of those in the last 13 years," Dr Hopkins said.

Dr Hopkins said it was rewarding to be part of an incredible team that helped transform the lives of so many people.

"One of our most impressive accomplishments was that we've helped four female transplant patients deliver four healthy babies. Not only has it saved the life of one patient but it's allowed them to have their own children," he said.

Dr Hopkins said another major breakthrough was bringing XVIVO perfusion technology to Australia which allows more donor organs to be transplanted.

"Our transplant numbers per annum have increased over a 12 year period from 10 to 12 per year to 36 to 40 and there's no sign of it plateauing," Dr Hopkins said.

"I'd like to acknowledge donors and their families because without them we wouldn't be in a position to pass on such an amazing and enduring gift."

CELEBRATING STAFF EXCELLENCE

Achievements, innovation and high performance across our health service were recognised at the second annual Metro North Hospital and Health Service Staff Excellence Awards.

The awards reflect the extraordinary talent that exists within Metro North and recognise excellence either individually, in teams, or through partnerships across all facilities, services and streams, and with community partners.

The 2016 Awards attracted more than 170 nominees across nine categories.

Royal Brisbane and Women's Hospital Cancer Care Outpatient Clinic took the award in the Patients as Partners category for its collaborative approach to redesigning the outpatient waiting area, which now has a new colour scheme and artworks as well as information stands and front line clinical staff for patients who need them.

The winners were:

Excellence in Clinical Training and Education
Carmel Fleming, Mental Health

Excellence in Integrated Care
Caboolture Health Care Alliance

Excellence in Performance
Angela Matson, Adult Cystic Fibrosis Centre, The Prince Charles Hospital

Excellence in Training and Education
Taking Time to Care, Redcliffe & Caboolture Education and Training Unit

Innovation
Patient Access Coordination Hub (PACH)

Leadership
Peter Lazzarini, Allied Health Research Collaborative

Patients as Partners
Redesigning and Improving the Patient Experience, Royal Brisbane & Women's Hospital Cancer Care Outpatient Clinic

People Focus
Support for socially disadvantaged, Metro North Oral Health Services

Values in Action
Margaret Cousins, Cardiac Investigations Unit, The Prince Charles Hospital

Executive Management

The Board appoints the Health Service Chief Executive (HSCE) and delegates the administrative function of Metro North HHS to the HSCE and those officers to whom management is delegated. The HSCE's responsibilities are:

- Managing the performance and activity outcomes for Metro North;
- 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.

Health Service Chief Executive

Mr Ken Whelan (retired 23 June 2017)
Mr Shaun Drummond (Acting from 26 June 2017)

Mr Ken Whelan was Chief Executive up to 23 June 2017. Mr Shaun Drummond commenced as acting Chief Executive at this time.

As Acting Chief Executive of Metro North Hospital and Health Service, Shaun Drummond is responsible for the day to day management of Australia's largest public health authority. Prior to his commencement as Acting Chief Executive, Shaun held the role of Executive Director Operations for more than two years. In this role, Shaun has led high profile projects including the Specialist Rehabilitation and Ambulatory Care Centre, the biofabrication partnership with QUT, and the Patient Access Coordination Hub.

Shaun brings extensive health experience from across Australia (Queensland, New South Wales and Victoria) and New Zealand working closely with hospital and health boards.

The following Senior Executive positions support the HSCE in the development and execution of the Metro North strategy as approved by the Board. The list includes the names of incumbents as at 30 June 2017.

Executive Director Operations
Mr Shaun Drummond (up to 23 June 2017)
Dr David Rosengren (Acting from 26 June 2017)

Chief Finance Officer
Mr James Kelaher

Executive Director Clinical Governance, Safety, Quality and Risk
Ms Linda Hardy

Executive Director Clinical Services
Dr Elizabeth Whiting

Executive Director Organisational Development, Strategy and Implementation
Mr Luke Worth

Professional Leads

Executive Director Medical Services
Dr Elizabeth Rushbrook

Executive Director Nursing and Midwifery Services
Adjunct Associate Professor Alanna Geary

Executive Director Allied Health
Mr Mark Butterworth

Directorate Executive Directors

Executive Director Royal Brisbane and Women's Hospital
Dr Amanda Dines

Executive Director The Prince Charles Hospital
Mr Anthony Williams

Executive Director Redcliffe Hospital
Ms Louise Oriti

Executive Director Caboolture and Kilcoy Hospitals
Dr Lance Le Ray

Executive Director Community, Indigenous and Subacute Services
Mr Chris Seiboth

Executive Director Oral Health Services
Mr Andrew McAuliffe

Executive Director Mental Health Services
Associate Professor Brett Emmerson AM

Executive Director Medical Imaging
Associate Professor Noelle Cridland

Clinical Stream Executive Directors

Executive Director Heart and Lung
Professor Darren Walters

Executive Director Medicine
Dr Jeffrey Rowland

Executive Director Surgery
Dr Jason Jenkins

Executive Director Critical Care
Dr Colin Myers

Executive Director Women's and Children's
Ms Tami Photinos

Executive Director Cancer Care
Associate Professor Glen Kennedy

Research

Executive Director Research
Professor Scott Bell

CULTURE OF LEARNING

PEER MENTORING PROGRAM BRINGS REWARDS

It's a match made in heaven for Royal Brisbane and Women's Hospital (RBWH) medical interns with the successful Peer Mentoring Program in full swing.

Featuring increased training and 24/7 access to advice and support, junior doctors are feeling more empowered and skilled than ever to lead future healthcare delivery.

Mentor Dr Devlin Elliott is a huge advocate for the program.

"Mentoring was missing when I was a junior doctor and I know from experience it can be intimidating seeking advice from your superiors," Dr Elliott said.

"To ensure we get good doctors we need to help the next generation. I'm happy to share my learnings and help someone navigate this challenging but rewarding career."

Also reaping the rewards of the program is Dr Elliott's mentee Dr Grace Brownlee.

"Since med school I've always sought advice from those ahead of me; it was a natural progression for me to get involved in the program," Dr Brownlee said.

"I have found the program to be very beneficial but it comes down to the people involved. You get out what you put in, so enthusiasm is key!" she said.

RBWH's Dr Sonia Chanchlani's own experience as a junior doctor inspired her to set up the mentoring program, and also explore the benefits of peer-led mentoring on the psychosocial wellbeing of junior doctors.

Her research won her the 2016 AMA Junior Doctor Research Award.

"The program supports new doctors juggling long hours, high stress as well as providing quality patient care by matching them with experienced peer house officers."

"It's a simple concept but it's had a massive impact on our junior doctors by providing more robust support structures and giving them the tools they need to succeed."

This year, 81 per cent of RBWH interns opted into the program and Dr Chanchlani has been approached by facilities across Australia about the program following its success.

"The program supports new doctors juggling long hours, high stress as well as providing quality patient care by matching them with experienced peer house officers."

Pictured: *Dr Sonia Chanchlani's own experience as a junior doctor led her to establish the mentoring program*

CULTURE OF LEARNING

Metro North Hospital and Health Board Deputy Chair Dr Kim Forrester and Board member Assoc Professor Cliff Pollard AM welcomed some of the 25 new medical interns to The Prince Charles Hospital in January 2017.

TRAINING THE NEXT GENERATION

Metro North Hospital and Health Service welcomed 162 junior doctors to its ranks at the start of 2017.

The interns join 318 nursing and midwifery graduates who have begun work progressively throughout 2016-17 year at facilities across the HHS.

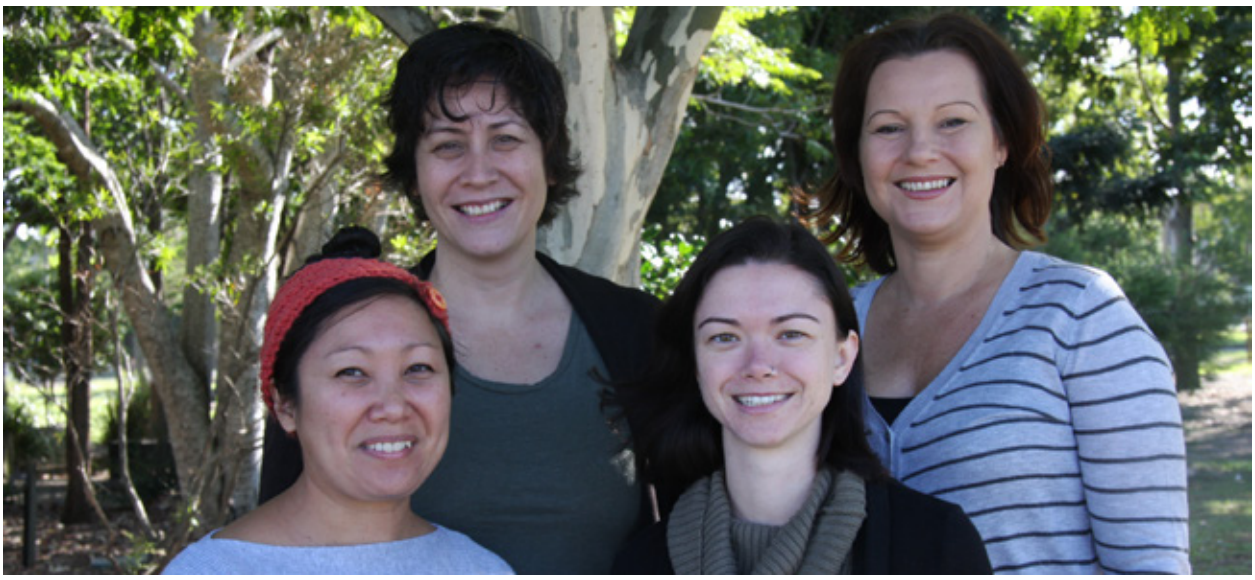
All these graduates have chosen Metro North hospitals and facilities as the place they want to start their careers and take advantage of the opportunities to learn from an outstanding team of medical professionals.

Their preference for our hospitals highlights the national and international standard of our training institutions and research facilities.

PUTTING PEOPLE FIRST

EMPOWERING MENTAL HEALTH RECOVERY AT HOME

The Hospital to Home Program supports people to improve their mental health and ability to live independently in the community, and help prevent hospital admissions, supports early discharge home from hospital and reduces the risk of being readmitted to hospital.



Trisha Suriano, Sue Mahoney, Lisa Gregory and Michelle Dove are members of the intensive home based recovery support service Hospital to Home.

A new program supporting mental health consumers to self-manage their recovery, connect with social networks and minimise feelings of isolation is achieving good results in reducing hospital readmission rates.

The Hospital to Home program (H2H) is an intensive home based recovery support service for people living within The Prince Charles Hospital (TPCH) catchment area. It is supported by the Richmond Fellowship and Metro North Mental Health.

Kellie Prefol, Social Work Professional Lead at TPCH, said H2H addressed a gap in service provision for consumers who did not require inpatient treatment, but who could benefit from additional intensive support in their home environment where both recovery support services and clinical services can be tailored to meet their needs.

“Research consistently demonstrates that the provision of intensive home based recovery support services reduces demand on inpatient services and therefore is a cost effective complimentary service that can contribute to a decreased length of hospital stay and assist with reducing pressure on acute beds,” Kellie said.

“Patients who are in an acute admission ward are referred to H2H as soon as possible so our support workers can spend time with them and develop a rapport, assess their needs from a clinical and non-clinical perspective.”

Since beginning in mid-May 2016, 214 patients have been referred to the program.

Preliminary data indicates a 4% decrease in readmission rates for H2H patients, highlighting the value of supporting suitable patients to stay in the community rather than be admitted to hospital.

Kellie said the amount of support provided by H2H would depend on the person’s need, but generally can be up to six weeks post discharge.

“In broad terms, the support is social and emotional life skills,” she said.

“It may range from building independence and resilience, managing finances or setting up a house, to everyday tasks such as banking, shopping or attending appointments.

“We also link people with resources they need whether it’s recreation opportunities, or employment and education.”

Risk Management and Audit

Metro North's risk management system aligns with the Australian/New Zealand Standard ISO31000:2009 on risk management principles and guidelines and the National Safety and Quality Health Service Standard 1, Governance for Safety and Quality in Health Service Organisations.

Metro North is committed to a philosophy and culture that values open, fair and equitable behaviours, and that encourages staff members to proactively manage risk. The Board has communicated a zero tolerance for preventable patient harm as the key organising principle for all risk identification, assessment, treatment, monitoring and reporting.

For 2016–17, Metro North's strategic plan identified six overarching strategic risks:

- Workforce capability and capacity
- Service demand
- Fragmented healthcare
- Quality and safety of services
- Community confidence
- Asset management and renewal

Metro North's directorates and support services are responsible for identifying and managing operational risks.

Key achievements for 2016-17:

Metro North continues to improve its risk management system with the third annual evaluation identifying the following improvements in relation to how we identify, treat and respond to risk:

- Risk maturity assessed as moving from consistently designed to consistently implemented.
- Risk management is incorporated into day to day decision making and business processes.
- Risks are measured, evaluated and inform continuous improvement.

PUTTING PEOPLE FIRST

MENTAL HEALTH REFORM

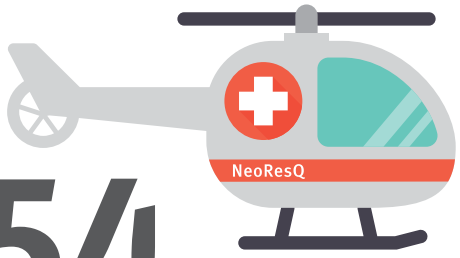
The *Mental Health Act 2016* (MHA) commenced on 5 March 2017, replacing the *Mental Health Act 2000*. Although the documents are similar, the MHA 2016 has improved practices and an increased focus on patient rights.

More than 900 Metro North Mental Health (MNMH) staff completed competency training requirements prior to the Act's implementation, with the new legislation having improved focus on least restrictive practice, capacity in decision making and the following of advance health directives.

The MHA 2016 also appoints new positions—Independent Patient Rights Advisers—who play a key role in advising people of their rights under the Act. Five of these positions have been appointed to MNMH.

To support consumers, carers and other key stakeholders in understanding the changes, more than 1500 individual letters were sent to consumers and their support person and the service delivered 12 information sessions to consumers, carers and non-government organisations.

317,992 X-RAY AND ULTRASOUND ATTENDANCES



54 MORE INFANTS

TRANSPORTED BY NEORESQ

494 INFANTS WERE TRANSPORTED (473 RETRIEVALS) IN 2016–2017

Benjamin Quick from The Lakes College and Jazz Yaldwyn from Southern Cross Catholic College were among 67 Year 10 students who attended the Careers Expo at Redcliffe Hospital.

CULTURE OF LEARNING

ENCOURAGING HEALTHCARE WORKERS OF THE FUTURE

The next generation of healthcare workers got a taste of careers available in the industry at the second annual Redcliffe Hospital Career and Pathways Expo in June.

Year 10 students from eight schools in the Metro North Hospital and Health Service region attended interactive one-hour seminars covering 15 specialty areas within health including nursing, medicine, oral health, pharmacy, medical imaging, pathology, occupation therapy, physiotherapy, health sciences, operational services and administration.

The Hospital's Coordinator of Education and Youth Engagement, Kylie Boccuzzi said students were able to experience and discuss the roles with frontline staff and have a behind the scenes look at the hospital.

"This helped them to understand each service area and they went away with a good idea of what the positions do and the pathway they need to take to pursue their chosen career," she said.

"Health careers are wide and varied and it's not just about becoming a nurse or doctor."

"Students in grade 10 need to know what subjects to choose at school as well as the entry requirements for courses and how they can access these courses."

The Expo was hosted in partnership with the Beacon Foundation.

CULTURE OF INNOVATION

MODERNISING HEALTH FINANCIAL MANAGEMENT ACROSS QUEENSLAND

The Financial System Renewal (FSR) Project is transitioning Queensland health services from the current finance and materials management information system (FAMMIS), to a contemporary business, financial and logistics solution (SAP S/4HANA).

FSR Project subject matter experts at the induction and onboarding sessions.

Metro North Hospital and Health Service Chief Finance Officer James Kelaher is Chair of the FSR Project Board and the Project Executive.

Mr Kelaher said the FSR Project represented a once a generation opportunity to modernise the way finances were run across Queensland Health.

"The project is delivering a contemporary foundational SAP solution on a platform, which is innovative, supports integration and is straightforward to use," he said.

"The S/4HANA solution will meet current and future requirements of the Department of Health (DoH) and all 16 Hospital and Health Services (HHSs)."

Mr Kelaher said the project was on track, having received Governor-in-Council approval in December 2016 to commence and spend $105 million funding allocated in the 2016–17 State Budget.

"Key activities this year included engaging SAP regarding licensing, prototyping, integration, deployment and hosting and receiving a prototype which was evaluated by Subject Matter Experts (SMEs) from the business," he said.

"The project also commenced Fit/Gap activities to confirm adoption of SAP Best Practices."

Mr Kelaher said a major project activity included change management and capability uplift with the aim for all staff to have a consistent base of knowledge.

"We are investing in Queensland Health staff to bring them up to a level which is very contemporary and the benefits expected to be derived from improved, contemporary processes are substantial."

Mr Kelaher said there were more than 350 SMEs contributing to the FSR Project.

"We were very fortunate to receive significant interest from Queensland Health staff all across the state wanting to be involved in the project," he said.

"These highly experienced employees have been authorised to represent every HHS and DoH as well as each key functional area, such as finance, asset management and procurement.

"Metro North has great representation and participation with 32 authorised SMEs contributing to key project activities," he said.

External Scrutiny

The operations of Metro North are subject to regular scrutiny and validation from numerous external agencies.

All Metro North services are currently accredited with the Australian Council on Health care Standards (ACHS) and the Australian Aged Care Quality Agency for aged care services.

The ACHS conducted a Whole of Organisation survey visit for accreditation of hospital and health services in 2017 for the following services:

- Redcliffe Hospital
- Caboolture Hospital
- Woodford Correctional Centre
- Kilcoy Hospital
- Community, Indigenous and Subacute Services
- The Prince Charles Hospital
- Mental Health Services

All services successfully met all Standards and maintained accreditation.

In 2016–2017, Parliamentary reports tabled by the Auditor-General which broadly considered the performance of Metro North included:

- Efficient and effective use of high value medical equipment (Report 10: 2016–17)
- Hospital and Health Services: 2015–16 financial statements (Report 9, 2016–2017)
- Queensland state government:2015–16 results of financial audits (Report 8, 2016–17)

The recommendations contained within these Auditor-General reports were considered and action was taken to implement recommendations or address any issues raised, where appropriate.

CULTURE OF RESEARCH

COMMITTED TO RESEARCH

A new strategy will guide and support researchers across Metro North to further innovative approaches to healthcare.

As part of our commitment to research, the first *Metro North Research Strategy 2017-2022* has been developed in consultation with researchers and clinicians to ensure a meaningful, relevant and useful framework.

The strategy focuses on three themes: diagnostics, therapeutics, and health services. These themes represent both excellence and opportunity to build capacity across Metro North to improve patient outcomes.

In addition, the strategy identifies the key enablers of research—our patients, people, infrastructure, systems and partners. These enablers and themes integrate with the research direction from defining the question, discovering new knowledge, translating research into new ways of working, implementing those ways, and measuring the long term impact on health outcomes for our patients.

The strategy aims to strengthen Metro North's already rich culture of research through clear, consistent and coordinated research principles which will support clinical directorates, streams and professional services to pursue a research agenda embedded within clinical care.

Specific priorities for 2017-22 include providing more patients the opportunity to participate in research; establishing career pathways for researchers; providing research education and training; developing and supporting access to internal and external funding; and fostering new and existing research partnerships and collaborations.

To support the delivery of the strategy, a suite of research policies and procedures are being developed, underpinned by an action plan that will begin implementation in 2017-18. The *Metro North Research Strategy 2017-2022* is available online at https://www.health.qld.gov.au/metronorth/research/research-in-metro-north

The first Metro North Snapshot of Research 2016 has also been published, showcasing examples of research excellence across the HHS. It is available at https://www.health.qld.gov.au/metronorth/research/reports

CULTURE OF RESEARCH

WORLD-LEADING RESEARCHERS RECOGNISED

Metro North has recognised outstanding achievements by some of its best and brightest at the second Annual Research Excellence Awards.

The variety of research happening across Metro North—from evidence-based practice at the bedside, to drug and device trials, through to end-to-end clinical research and knowledge translation—draws on the strengths of our people to improve healthcare at all stages of the patient journey.

Award submissions were up by 37 per cent this year across seven categories including the new Research Support award that received twice the number of submissions as any other category. A special CE Award was also presented.

The Researcher of the Year award was presented to Professor Jeff Lipman. Prof Lipman is a full-time intensivist with research interest in infection management in intensive care and the pharmacokinetics of antibiotic dosage. His research has been instrumental in changing antibiotic prescribing habits worldwide for critically ill patients and he has inspired countless emerging researchers.

The Rising Star Award went to Dr Jonathon Fanning, who has gained international interest for his multi-centre research to identify the characteristics of neurological injury associated with transcatheter aortic valve implantation, including patient and procedural risk factors, and novel strategies for prevention. Dr Fanning has a reputation as a high calibre early career researcher with the potential to improve outcomes for high risk and inoperable patients.

Dr Alka Kothari received the Research Support Award. As Deputy Head of The University of Queensland Northside Clinical School and Staff Specialist in Obstetrics & Gynaecology, Dr Kothari has brought a passion and dedication for research that has led many junior doctors, medical students and other health professionals take their first steps as clinician-researchers. She has mentored junior clinicians in the completion and publication of seven research projects with a further 25 research projects progressing to publication.

Researcher of the Year

- Professor Jeffrey Lipman

Rising Star Award

- Dr Jonathon Fanning

Research Support Award

- Dr Alka Kothari

Discovery and Innovation Research Award

- Translational Osteoarthritis Research Group

Clinical Research Award

- Queensland Centre for Gynaecological Cancer Research, Laparoscopic surgery for endometrial cancer

Complex Health Challenges Research Award

- Obstetric Medicine Research Team

Health Services and Implementation Research Award

- Kidney Supportive Care Program

Chief Executive Award

- Brighton Research Advancement Team

Pictured above: *Metro North's Executive Director of Research Professor Scott Bell (left) with Research Support Award winner Dr Alka Kothari, Researcher of the Year Professor Jeffrey Lipman and Rising Star Award winner Dr Jonathon Fanning.*

Internal Audit

The internal audit function provides an independent and objective assurance and consulting service to management and the Board. The audits undertaken are risk-based and are designed to evaluate and improve the effectiveness of risk management, control and governance processes.

The function operates with due regard to Treasury's Audit Committee Guidelines, a Board approved Charter and contemporary internal audit standards. Overall service delivery and audit operations are aligned with the Institute of Internal Auditors – Australia, International Professional Practices Framework (IPPF). The IPPF provides a proven, professional, ethical and defendable audit framework. This framework supports the delivery of effective, efficient and economical audits.

Annual and strategic audit plans are developed in consideration of the Board's risk management (strategic and operational risks) and governance processes, designed and maintained by management. Following consultation with management and members of the risk and audit committee, the audit plans are approved by the Board.

The delivery of audits is assisted through a co-source partnership arrangement using a global consulting firm and a specialist clinical consultant. These firms provide subject matter experts and lead audits requiring specialist knowledge and skills. Although the function liaises regularly with the Queensland Audit Office (QAO) it remains independent of the QAO.

Key achievements for 2016–17:

During the period, Internal Audit completed eighteen internal audits covering both clinical and non-clinical risk areas including:

- IT cyber security readiness and maturity review
- Succession planning and retention strategies for Metro North staff
- Medication management in operating theatres
- Line manager – payroll responsibilities
- Management of sensitive information – patient records
- Review of end of life care practices and procedures
- Framework for college accreditation across Metro North
- Payroll and expenditure analytics – fraud risk focus
- Access and security controls across Metro North
- Interdisciplinary clinical handover practices

Information systems and record keeping

Metro North is committed to enabling value-based healthcare through appropriate financial, human resource, information, communication and technology related services and systems to deliver connected care to our patients. Metro North is also hosting the Financial System Renewal Project on behalf of all HHSs and the Department of Health which will transition Queensland Health from the current finance and materials management information system (FAMMIS) to the new business, financial and logistics solution (SAP S/4HANA).

Implementation of the electronic Documents and Records Management System and Recordkeeping Strategy has provided Metro North with the platform to drive increased business functionality, streamlined approval processes, enhanced information security and ongoing monitoring and compliance with legislative, business and accountability requirements.

Information disclosures

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 North Hospital and Health Service under this provision in 2016-17:

- Release of relevant census information to the Australian Bureau of Statistics to ensure that there is a complete record of all patients at Queensland Health facilities for the purposes of completing the 2016 Census of Population and Housing.

Open data

Additional annual report disclosures relating to expenditure on consultancy, overseas travel and implementation of the Queensland Language Services Policy are published on the Queensland government's open data website www.data.qld.gov.au

METRO NORTH

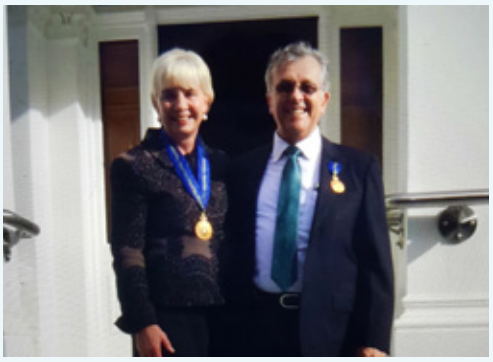
RECYCLES

MORE THAN 1.1 MILLION KG

OF WASTE A YEAR

INCREASING BY AROUND 60,000 KILOS A YEAR FOR THE PAST 3 YEARS

PUTTING PEOPLE FIRST



Dr Liz Kenny AO and Assoc Prof Brett Emmerson AM following their investiture at Government House in May 2017.

AUSTRALIA DAY HONOURS RECOGNISE CONTRIBUTIONS TO MEDICINE

Two of Metro North's most respected clinicians were recognised in the 2017 Australia Day Honours for their significant contributions to medicine.

Internationally-renowned radiation oncologist and Senior Radiation Oncologist at the Royal Brisbane and Women's Hospital, Adjunct Professor Liz Kenny was appointed an Officer (AO) in the General Division.

Executive Director, Metro North Mental Health, Associate Professor Brett Emmerson, was appointed a Member (AM) in the General Division for his work in psychiatry, medical administration and through contributions to mental health groups.

Dr Kenny also was honoured with a Distinguished Fellowship by the Cardiovascular and Interventional Radiological Society of Europe (CIRSE) in September 2016. This Fellowship honours physicians and scientists who have made exceptional contributions to the practice and science of Interventional Radiology.

Clinical Governance

The Board, Chief Executive and management are responsible and accountable for ensuring the systems and processes are in place to support clinicians in providing safe, high quality care, and for clinicians to participate in governance activities. These systems are established to set, monitor and improve the performance of the organisation, and communicate the importance of safe, high quality care to all members of the workforce.

The Metro North clinical governance framework provides an integrated system of governance, risk and compliance across five key areas:

1. Governance and quality improvement systems: delivering quality reliably
2. Clinical practice: clinical effectiveness through measurement of performance
3. Performance and skills management: engaged and effective workforce
4. Incident and complaints management: optimising and standardising processes through organisational learning
5. Patient rights and engagement: consumer participation and partnership

Key achievements for 2016-17:

- The inaugural patient safety and quality forum held in September 2016 involved more than 100 staff as well as community partners and consumers, and provided an opportunity to build participants' understanding and experience redesigning systems to reduce preventable harm and learning from the consumer experience;
- Designed and piloted the Metro North systems and safety improvement model at Caboolture Hospital with consumer partners;
- Third annual patient safety culture survey undertaken, seeking staff opinions to assess safety culture, with nine of the 14 dimensions surveyed showing improvement since the previous year;
- Regular internal reporting on safety and quality commences with the "voice of the patient" which provides an opportunity for the Board and senior executives to hear directly from patients and family about their experiences with the healthcare system;
- Strong consumer feedback in clinical governance with the Community Board Advisory Group (CBAG), the peak consumer engagement body for Metro North, actively reviewing safety and quality performance and working in partnership on improvement initiatives.

283,628
EMERGENCY DEPARTMENT PRESENTATIONS

PUTTING PEOPLE FIRST

MEASURING PATIENT SATISFACTION

Patients at The Prince Charles Hospital can now provide feedback faster following the introduction of patient satisfaction kiosks in busy areas.

The kiosks, which are linked to the hospital's existing patient flow management system, allow patients and visitors to give feedback about various aspects of their hospital experience including decisions about their care, treatment and courtesy from staff, and whether patients would recommend the hospital to friends or family.

TPCH Acting Facility Services Director Amarney Gould said the kiosks provided an additional way of collecting and measuring information about patient experiences.

"The advantage of these kiosks is that we have the ability to alter the questions at any time. This allows us to be responsive to a range of issues that affect the experiences of our patient," Ms Gould said.

The touch screen devices include a scale of satisfaction using emoticons, making them user-friendly. They also allow the patient experience to be reported in real time, at 15 minute intervals and on the patient lounge television screens.

"Consumers can provide a free text comment if they have specific information they need to tell us. They can also leave their name and contact details if they would like to be contacted to discuss their comment in further detail," Ms Gould said.

A popular feature of the kiosks is that consumers can swipe their appointment letter, and have their details automatically uploaded in to the hospital system when they arrive.

Feedback from kiosks is presented monthly to the hospital's Patient Centred Care Committee, where suggestions are considered and implemented where possible.

Our people

Queensland Public Service Values

The core Queensland public service values are demonstrated in the work of Metro North's more than 18,000 staff delivering services from the north of the Brisbane River to the north of Kilcoy.

Customers first – delivering responsive, integrated and connected care to local communities and providing speciality services for patients throughout Queensland, northern New South Wales and the Northern Territory.

Ideas into action – improving healthcare outcomes through innovative programs such as the Support, Explore, Excel & Deliver (SEED) program which is delivering 12 innovative health care projects.

Unleash potential – creating a culture of leadership and innovation across all hospitals and health sites where excellence in patient-centred care is the number one priority.

Be courageous – working with our partners across the healthcare, community, research and government sectors in a collaborative and transparent way to deliver better and more integrated services to patients.

Empower people – delivering excellent care particularly during periods of high demand (eg flu season).

Our workforce 2016–17

Metro North currently employs 15,162 full-time equivalent (FTE) employees and 18,245 headcount to deliver its services across multiple sites, and has experienced a 6 per cent permanent separation rate. The number of full-time equivalent employees has increased by 4.7 per cent since the 2015-16 financial year. The highest percentage growth has been at the Redcliffe Hospital, which reflects increases in service demand across the health service. The tables below display the number of employees by work location and employment stream.

Division Facility

	19-Jun-16	18-Jun-17	Change %	% of Total
Royal Brisbane & Women's Hospital	6,430	6,765	5.2%	44.6%
The Prince Charles Hospital	3,138	3,267	4.1%	21.5%
Redcliffe Hospital	1,516	1,619	6.8%	10.7%
Caboolture Hospital	1,125	1,185	5.3%	7.8%
Kilcoy Hospital	40	41	1.5%	0.3%
Metro North HHS Other	2,229	2,285	2.5%	15.1%
Total MOHRI Occupied FTE	**14,478**	**15,162**	**4.7%**	

Professional Stream

Metro North Workforce Profile	19-Jun-16	18-Jun-17	Change %	% of Total
Managerial and Clerical	2,488	2,660	6.9%	17.5%
Medical incl VMOs	1,913	1,976	3.3%	13.0%
Nursing	6,324	6,512	3.0%	42.9%
Operational	1,634	1,740	6.5%	11.5%
Trade and Artisans	105	113	7.6%	0.7%
Professional and Technical	2,015	2,162	7.3%	14.3%
Total MOHRI Occupied FTE	**14,478**	**15,162**	**4.7%**	

No redundancy packages, early retirement or retrenchment packages were paid during this period.

Sick leave performance in 2016–17 was 3.74 per cent (Target 3.3 per cent) compared to 3.41 per cent in 2015–16.

Ethics and code of conduct

Metro North continued to uphold the principles of the *Public Sector Ethics Act 1994*: Integrity and impartiality; Promoting the public good; Commitment to the system of government; and Accountability and transparency.

All staff employed in Metro North are required to undertake training in the *Code of Conduct for the Queensland Public Service* during their orientation, and re-familiarise themselves with the Code at regular intervals.

The orientation program includes conflict of interest, fraud, and bullying and harassment to ensure all staff have a good understanding of their requirements under the *Code of Conduct for the Queensland Public Service*. Communications relating to the standard of practice are also regularly released.

Other mandatory training for staff includes: Occupational violence prevention orientation; Aboriginal and Torres Strait Islander cultural practice; and *Australian Charter of Health Care Rights* awareness.

PUTTING PEOPLE FIRST

70 YEARS AND STILL GOING STRONG AT BRIGHTON HEALTH CAMPUS

Brighton Health Campus marked its 70th Anniversary in October.

The respected campus has grown and evolved since it first opened in 1946.

Brighton has a history of being innovative and developing models of care and services to provide people and their families with specialised health services that have a strong focus on rehabilitation, transitional and residential care.

Having a broad range of options to support our ageing community is important in terms of providing options and choices for people to remain at home, be supported at home, or transition into residential care for those with complex care needs.

Key achievements for 2016–17:

- Established a diversity strategy with targets for women, people with a disability and Indigenous staff;
- Continued to present positive trends in the reduction of WorkCover claims performance and a significant reduction in total days lost to injuries;
- Development of the Metro North Safety Culture program SHAPE (Safety Has a Place Everywhere). This program intends to change approach to safety and moves Metro North from a reactive approach to a proactive approach;
- Workers compensation measures have improved resulting in faster and more effective return to work outcomes across Metro North. This has been assisted by increased management engagement and standardised injury management processes and systems across Metro North;
- Positive return to work outcomes continue to be demonstrated in the Final Return to Work rate which has increased to 96.51 per cent for 2016–2017. This has been attributed to increased focus on early, safe and sustainable return to work programs;
- Average days to return to work per approved WorkCover claim have been reported as 17.90 which is 2.85 days below the health industry average and a 5 per cent reduction from the previous financial year;
- These improvements have been achieved despite an increase in workers compensation claims since the previous financial year and FTE growth.

Continued on page 62 ›

CASE STUDY

IMPROVING OUTCOMES

HEALTH ALLIANCE TO BRIDGE PRIMARY, HOSPITAL AND COMMUNITY SERVICES GAPS

Public Health specialist Professor Don Matheson is leading an alliance between Metro North and Brisbane North PHN to improve care for our patients.

The Health Alliance recognises that collaboration and integration between primary, tertiary and community health and social support services offer better health outcomes for patients.

Through the Alliance, Metro North will work with the PHN and other parts of the health sector to develop services that provide seamless care throughout the patient journey.

Professor Matheson said the Alliance provided opportunities for Metro North and the Brisbane North PHN to commission services across the continuum to ensure that our patients' healthcare needs are met.

"Our focus is on getting the best outcome for patients and that means making sure everyone involved in their health journey is communicating and putting the patient's needs first," Prof Matheson said.

"For many patients, coming to hospital is not necessary when there are community or home based services available, such as Metro North's community based rehabilitation or other PHN pathways.

"At the end of the day, it's what's important to patients that matters most," he said.

The Health Alliance builds on a history of partnership between Metro North and Brisbane North PHN, including The Pathways Program, which provides GPs with evidence-based localised care pathways for their patients, and the PHN's Team Care Coordination and Staying Healthy, Staying Home programs, which deliver care coordination services to help people remain healthy and at home.

Pictured: *Professor Don Matheson heads the new Health Alliance between Metro North and Brisbane North PHN.*

> *"At the end of the day, it's what's important to patients that matters most."*

CULTURE OF LEARNING

HANDS-ON EXPERIENCE THROUGH HEALTHCARE ACADEMY

A program aimed at encouraging the next generation of healthcare workers has been so successful it has doubled its intake of students in 2017.

Monil Prasad celebrated his graduation from the Caboolture Healthcare Academy with proud grandparents Ramsubha and Kushma Wati Mishra.

The Caboolture Healthcare Academy is a partnership between Caboolture Hospital, local high schools and TAFE Queensland Brisbane (Caboolture Campus).

In its first year, 15 students undertook a Certificate II in Health Support Services through TAFE and accessed on-the-job training at Caboolture Hospital while completing their Year 11 studies, providing them with a unique opportunity to experience first-hand how a hospital operates.

This year, 30 students are participating in the Academy, with the majority of graduates from 2016 continuing on to complete a Certificate III in Health Support Services.

Continued from page 60 ›

- The HR Services' Operational Plan for 2016–17 is focussed on building line manager capability to manage their human resources more effectively at the local level, including early intervention tools and techniques for managing workplace behaviour, and best practice performance and development planning for managers. These were supported with coaching sessions for line managers and education / awareness sessions for team members on these topics;
- Following implementation of the Springboard e-Recruitment system requests to hire are now consistently managed online for 98 per cent of vacancies. In 2016–17, the Metro North Recruitment team received and processed 1390 requests to hire;
- During the 2016–17 financial year, Metro North continued to navigate the industrial environment with minimal industrial disputation reaching the Queensland Industrial Relations Commission. The number and length of suspensions are at their lowest since comprehensive recordkeeping commenced in 2014;
- In March 2017 a new *Industrial Relations Act* for Queensland commenced operation. During 2016–17 all previous employee industrial awards were replaced with four new modern awards relevant to Metro North and four new Enterprise Agreements. All changes have been successfully implemented into Metro North operations.

CULTURE OF LEARNING

FAMILY TRADITION IN HEALTHCARE

Aaron Taylor had only one hospital in mind when it came to beginning his nursing career – The Prince Charles Hospital.

Nurse graduate Aaron Taylor has followed in his mother Barbara's footsteps joining The Prince Charles Hospital's Intensive Care Unit.

He made up his mind when he undertook a clinical placement within the hospital's medical and surgical ward as a second year nursing student.

Aaron enjoyed his clinical placement so much that he sought employment as an Assistant-In-Nursing at TPCH, working in the casual pool through various wards and departments.

Another influence behind Aaron's decision to pursue a career in nursing has been his mother Barbara, who has worked as a nurse in the ICU setting for the last 20 years, seven of which have been at TPCH.

"At TPCH, there is a strong focus on providing quality patient care and achieving great outcomes for patients," Barbara said. "There are opportunities for further learning and development as part of a multidisciplinary team."

Aaron shares his mother's views when it comes to the opportunities that TPCH affords nurses.

"When choosing TPCH, I knew I could obtain high quality continuing education and could build a solid foundation of practice to help progress my clinical skillset and experience," Aaron said.

"Since beginning my time as a Registered Nurse within the ICU, I have been offered a friendly and warm working environment which is conducive to learning and developing a passion for healthcare.

"I am exposed to complex clinical situations, and in my three months here, I have cared for dozens of post-operative cardiac patients and dealt with unique scenarios.

"It helps to know I am surrounded by a safe, passionate workforce of nurses, doctors, and allied health colleagues all dedicated to providing second-to-none patient care," he said.

CULTURE OF INNOVATION

COMMITTED TO EXCELLENCE IN HEALTHCARE

Metro North Hospital and Health Service's innovation and excellence in healthcare delivery was recognised at both the 2016 Premier's Awards for Excellence and the Queensland Health Awards for Excellence.

RBWH's Bronchoscopy Team was Highly Commended in the Innovation category at the Premier's Awards for Excellence.

The Patient Access Coordination Hub team were joint winners in Connecting Healthcare category at the Queensland Health Awards for Excellence.

Health Minister Cameron Dick with Maternity GP Alignment Program representatives at the Queensland Health Awards for Excellence.

The Patient Access Coordination Hub (PACH) was a joint winner in the Connecting Healthcare category at the Queensland Health Awards, while the Maternity GP Alignment Program was Highly Commended for the same category.

PACH is Australia's first healthcare logistics centre, providing a bird's eye view of Metro North's observation of patient demand, patient flow and hospital bed volume across 2300 beds.

The Maternity GP Alignment Program is a joint initiative between Metro North and Brisbane North PHN that provides local GPs with up-to-date information on the latest maternity care and hospital processes within Metro North.

At the Premier's Awards for Excellence, the Royal Brisbane and Women's Hospital's Bronchoscopy Team was Highly Commended in the Innovation category.

The team has led the way in Queensland and wider Australasia to pioneer several new developments which have contributed to the safety and relief from respiratory symptoms. RBWH is the only public facility offering these services, five days a week, to patients from all over the state.

PUTTING PEOPLE FIRST

A ROYAL MILESTONE – 150 YEARS OF CARING FOR OUR COMMUNITY

The Royal Brisbane and Women's Hospital (RBWH) is renowned for its world-leading healthcare, innovation and training.

In 2017, RBWH celebrates it's 150th anniversary.

The massive Herston campus of today is a far cry from the hospital's very first building. The two storey stone building, surrounded by verandas and designed to accommodate 400 people, opened to patients in 1867.

The hospital treated less than 600 inpatients that year, and medicine was only just beginning to find its modern roots.

Fast forward to 2017, and around 12,000 people walk through RBWH's main entrance each and every day.

From the internationally-renowned Stuart Pegg Adult Burns Centre and our response to crises like the Bali bombings and Ravenshoe tragedy, to establishing Queensland's first public milk bank for premature babies and leading the way in 3D bone and joint printing, RBWH has firmly established itself as a world-leader in healthcare.

The hospital has close to 1000 beds, performs nearly 100 operations per day and sees more than 75,000 people in the emergency department each year.

As we look back on how far the hospital has grown in 150 years, and how medicine has progressed in those 15 decades, it is impossible to imagine how we will grow in the 150 years to come, but we know RBWH will continue to lead the way.

Then and now: Queensland's premier hospital—The Royal Brisbane and Women's Hospital—has had many changes and innovations in healthcare delivery in the past 150 years.

Summary of financial performance
for the year ended 30 June 2017

High Level Profit and Loss

	2017 $'000	2016 $'000
Revenue		
User Charges and fees	249,549	243,992
Funding for the provision of public health services	2,278,474	2,152,035
Grants and Other Contributions	24,944	21,932
Other Revenue	37,961	42,855
Total revenue	**2,590,928**	**2,460,814**
Expenses		
Employee Expenses	1,840,832	1,720,390
Supplies and Services	641,695	637,726
Depreciation and Amortisation	84,816	90,590
Other Expenses	13,350	11,944
Total Expenses	**2,580,693**	**2,460,650**
Operating result from continuing operations	**10,235**	**164**
High Level Balance Sheet		
Assets		
Cash	78,915	73,049
Receivables	84,489	117,867
Property, plant and equipment	1,294,645	1,223,008
Other	41,889	43,407
Total Assets	**1,499,938**	**1,457,331**
Liabilities		
Payables	74,768	78,643
Other	77,460	62,977
Total Liabilities	**152,228**	**141,620**
Net Assets	**1,347,710**	**1,315,711**

Statement of Comprehensive Income
for the year ended 30 June 2017

	Notes	2017 Actual $'000	2017 Budget $'000	Budget Variance $'000	2016 Actual $'000
Income					
User charges and fees	A1-1	249,549	211,430	38,119	243,992
Funding for the provision of public health services	A1-2	2,278,474	2,133,615	144,859	2,152,035
Grants and other contributions		24,944	21,892	3,052	21,932
Other revenue		37,797	35,386	2,411	40,249
Gain on disposal/re-measurement of assets		164	832	(668)	2,606
Total income		**2,590,928**	**2,403,155**	**187,773**	**2,460,814**
Expenses					
Employee expenses	A2-1	1,840,832	1,779,692	(61,140)	1,720,390
Supplies and services	A3-1	641,695	523,820	(117,875)	637,726
Grants and subsidies		1,271	1,786	515	1,607
Depreciation and amortisation	B4/ B5-1	84,816	89,928	5,112	90,590
Impairment losses		5,091	3,592	(1,499)	3,613
Other expenses	A3-2	6,988	4,337	(2,651)	6,724
Total expenses		**2,580,693**	**2,403,155**	**(177,538)**	**2,460,650**
Operating results		10,235	-	10,235	164
Other comprehensive income					
Items that will not be reclassified subsequently to operating result					
Increase in asset revaluation surplus	B7-1	70,990	-	70,990	53,525
Total other comprehensive income		**70,990**	**-**	**70,990**	**53,525**
Total comprehensive income		**81,225**	**-**	**81,225**	**53,689**

Statement of Financial Position
for the year ended 30 June 2017

	Notes	2017 Actual $'000	2017 Budget $'000	Budget Variance $'000	2016 Actual $'000
Current assets					
Cash and cash equivalents	B1	78,915	90,446	(11,531)	73,049
Receivables	B2-1	84,489	42,406	42,083	117,867
Inventories	B3	18,632	19,991	(1,359)	23,424
Other assets		8,391	4,676	3,715	8,852
Total current assets		**190,427**	**157,519**	**32,908**	**223,192**
Non-current assets					
Property, plant and equipment	B5-1	1,294,645	1,201,905	92,740	1,223,008
Intangible assets	B4	14,623	1,703	12,920	11,005
Other assets		243	172	71	126
Total non-current assets		**1,309,511**	**1,203,780**	**105,731**	**1,234,139**
Total assets		**1,499,938**	**1,361,299**	**138,639**	**1,457,331**
Current liabilities					
Payables	B6-1	74,768	69,550	(5,218)	78,643
Accrued employee benefits	A2-1	74,814	65,321	(9,493)	61,682
Unearned revenue		2,646	1,209	(1,437)	1,295
Total current liabilities		**152,228**	**136,080**	**(16,148)**	**141,620**
Total liabilities		**152,228**	**136,080**	**(16,148)**	**141,620**
Net assets		**1,347,710**	**1,225,218**	**122,491**	**1,315,711**
Equity					
Contributed equity		1,121,764	1,109,352	12,412	1,170,990
Accumulated surplus/(deficit)		84,030	69,444	14,586	73,795
Asset revaluation surplus	B7-1	141,916	46,422	95,494	70,926
Total equity		**1,347,710**	**1,225,218**	**122,492**	**1,315,711**

Statement of Changes in Equity
for the year ended 30 June 2017

	Accumulated surplus / (deficit)	Asset revaluation surplus	Contributed equity	Total equity
	$'000	$'000	$'000	$'000
Balance as at 1 July 2015	73,631	17,401	1,200,006	1,291,038
Operating result for the year	164	-	-	164
Other comprehensive income				
Increase in asset revaluation surplus	-	53,525	-	53,525
Total comprehensive income for the year	**164**	**53,525**	**-**	**53,689**
Transactions with owners:				
Equity injections - minor capital funding	-	-	44,630	44,630
Equity withdrawals - depreciation and amortisation	-	-	(90,588)	(90,588)
Non-appropriated equity asset transfers	-	-	16,942	16,942
Net transactions with owners	-	-	(29,016)	(29,016)
Balance at 30 June 2016	**73,795**	**70,926**	**1,170,990**	**1,315,711**
Balance as at 1 July 2016	73,795	70,926	1,170,990	1,315,711
Operating result for the year	10,235	-	-	10,235
Other comprehensive income				
Increase in asset revaluation surplus	-	70,990	-	70,990
Total comprehensive income for the year	**10,235**	**70,990**	**-**	**81,225**
Transactions with owners:				
Equity injections - minor capital funding	-	-	34,899	34,899
Equity withdrawals - depreciation and amortisation	-	-	(84,810)	(84,810)
Non-appropriated equity asset transfers	-	-	685	685
Net transactions with owners	-	-	(49,226)	(49,226)
Balance at 30 June 2017	**84,030**	**141,916**	**1,121,764**	**1,347,710**

The accompanying notes form part of these statements.

Statement of Cash Flows
for the year ended 30 June 2017

	Notes	2017 Actual $'000	2017 Budget $'000	Budget Variance $'000	2016 Actual $'000
Cash flows from operating activities					
Inflows					
User charges and fees		**237,763**	206,428	31,335	226,480
Funding for the provision of public health services		**2,239,508**	2,133,615	105,893	2,019,233
Grants and other contributions		**19,965**	21,892	(1,927)	21,482
Interest received		**714**	667	47	749
Other revenue		**36,199**	34,719	1,480	37,925
GST collected from customers		**5,330**	-	5,330	5,531
GST input tax credits from ATO		**20,494**	39,723	(19,229)	30,372
Outflows					
Employee expenses		**(1,827,700)**	(1,774,450)	(53,250)	(1,723,173)
Supplies and services		**(639,102)**	(524,852)	(114,250)	(627,376)
Grants and subsidies		**(1,671)**	(1,786)	115	(2,007)
Other expenses		**(5,967)**	(4,337)	(1,630)	(5,749)
GST paid to suppliers		**(22,274)**	(39,749)	17,475	(29,508)
GST remitted to ATO		**(5,523)**	-	(5,523)	(5,277)
Net cash from/(used by) operating activities	CF-1	**57,736**	91,870	(34,134)	(51,318)
Cash flows from investing activities					
Inflows					
Sales of property, plant and equipment		**137**	832	(695)	458
Outflows					
Payments for property, plant and equipment		**(77,559)**	(68,989)	(8,570)	(43,614)
Payments for intangible assets		**(9,297)**	-	(9,297)	(8,727)
Net cash (used by) investing activities		**(86,719)**	(68,157)	(18,562)	(51,883)
Cash flows from financing activities					
Inflows					
Equity transferred		**34,849**	(59,268)	94,117	45,883
Net cash from/(used by) financing activities		**34,849**	(59,268)	94,117	45,883
Net increase/(decrease) in cash and cash equivalents		**5,866**	(35,555)	41,421	(57,318)
Cash and cash equivalents at the beginning of the financial year		**73,049**	126,000	(52,951)	130,367
Cash and cash equivalents at the end of the financial year	B1	**78,915**	90,445	(11,530)	73,049

Notes to the statement of cash flow
for the year ended 30 June 2017

CF-1 Reconciliation of surplus to net cash from operating activities

	2017 $'000	2016 $'000
Surplus for the year	**10,235**	164
Adjustments for:		
Non-cash equity withdrawal - depreciation funding	**(84,810)**	(90,588)
Depreciation and amortisation expense	**84,816**	90,590
Property, plant and equipment revaluation (increment)/ decrement	**-**	(1,477)
Impairment loss	**4,815**	3,613
Loss on sale of property, plant and equipment	**604**	206
Assets transferred - non-cash	**(2,231)**	-
Changes in assets and liabilities:		
(Increase)/decrease in trade receivables	**30,536**	(62,512)
(Increase)/decrease in GST receivables	**(1,973)**	1,118
(Increase)/decrease in inventories	**4,792**	(7,842)
(Increase)/decrease in recurrent prepayments	**344**	(4,702)
Increase/(decrease) in payables	**(3,875)**	22,808
Increase/(decrease) in accrued salaries and wages	**11,003**	(4,726)
Increase/(decrease) in unearned revenue	**1,351**	87
Increase/(decrease) in other employee benefits	**2,129**	1,943
Net cash from operating activities	**57,736**	**(51,318)**

Notes to the financial statements
for the year ended 30 June 2017

General information

Metro North Hospital and Health Service was established on 1 July 2012, as a not-for-profit statutory body under the *Hospital and Health Boards Act 2011*. Metro North Hospital and Health Service is responsible for providing primary health, community and public health services in the area assigned under the *Hospital and Health Boards Regulation 2012*.

The Metro North Hospital and Health Service is controlled by the State of Queensland which is the ultimate parent entity.

The head office and principal place of business of the Metro North Hospital and Health Service is:

Level 14, Block 7
Royal Brisbane and Women's Hospital
Herston QLD 4029

For information in relation to the health service please call (07) 3646 8111, email metronorthfeedback@health.qld.gov.au or visit the Metro North Hospital and Health Service website at: https://www.health.qld.gov.au/metronorth/about/contact-us

Statement of compliance

The Metro North Hospital and Health Service has prepared these financial statements in compliance with section 62(1) of the *Financial Accountability Act 2009* (QLD) and section 43 of the *Financial and Performance Management Standard 2009* (QLD).

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's Minimum Reporting Requirements for the year ending 30 June 2017 and other authoritative pronouncements.

With respect to compliance with Australian Accounting Standards and Interpretations, the Metro North Hospital and Health Service has applied those requirements applicable to a not-for profit entity. Except where stated, the historical cost convention is used.

The reporting entity

The financial statements include the value of all income, expenses, assets, liabilities and equity of the Metro North Hospital and Health Service.

Presentation matters

Currency and Rounding

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

Current/Non-current classification

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

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the Metro North Hospital and Health Service does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as 'non-current'.

Authorisation of financial statements for issue

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

SECTION A: NOTES ABOUT OUR FINANCIAL PERFORMANCE

A1: REVENUE

	2017	2016
	$'000	$'000
A1-1: User charges and fees		
Hospital fees	**130,909**	122,581
Sales of good and services	**121,411**	121,411
Total	**249,549**	243,992

Accounting Policy – User Charges and Fees

User charges and fees are recognised as revenue when earned and can be measured reliably with a sufficient degree of certainty. This involves either invoicing for related goods/services and/or the recognition of accrued revenue.

Revenue in this category primarily consists of hospital fees (patients who elect to utilise their private health cover) and sales of goods and services which includes reimbursements of pharmaceutical benefits.

	2017	2016
	$'000	$'000
A1-2: Funding for the provision of public health services		
Activity based funding	1,868,311	1,805,327
Block funding	137,371	141,610
Other	272,792	205,098
Total	**2,278,474**	2,152,035

Accounting policy – Funding for the provision of public health services

Funding is provided predominantly from the Department of Health for specific public health services purchased by the Department in accordance with a service agreement. The Australian Government pays its share of national health funding directly to the Department of Health, for on forwarding to the Hospital and Health Service. The service agreement is reviewed periodically and updated for changes in activities and prices of services delivered by Metro North Hospital and Health Service. Cash funding from the Department of Health is received fortnightly for State payments & monthly for Commonwealth payments and is recognised as revenue on receipt. At end of financial year an agreed technical adjustment between Department of Health and Metro North Hospital and Health Service maybe required for the level of services performed above or below the agreed levels.

The service agreement between the Department of Health and the Metro North Hospital and Health Service dictates that depreciation and amortisation charges that are incurred by the Metro North Hospital and Health Service are funded by the Department of Health via non-cash revenue. This transaction is shown in the statement of changes in equity as an equity withdrawal.

A2: EMPLOYEE EXPENSES

	2017	2016
	$'000	$'000
A2-1: Employee expenses		
Employee benefits		
Wages and salaries	1,454,431	1,364,234
Employer superannuation contributions	152,190	140,133
Annual leave levy	174,603	161,573
Long service leave levy	30,859	28,472
Termination benefits	1,098	1,618
Employee related expenses		
Workers compensation premium	15,260	12,190
Payroll tax	10	4
Other employee related expenses	12,381	12,166
Total	**1,840,832**	**1,720,390**

	2017 No.	2016 No.
Full-Time Equivalent Employees	**15,162**	14,478

Accounting Policy – Employee Benefits

Employer superannuation contributions, annual leave levies and long service leave levies are regarded as employee benefits.

Payroll tax and workers compensation insurance are a consequence of employing employees, and are recognised separately as employee related expenses.

Wages and salaries due but unpaid at reporting date are recognised in the statement of financial position at current salary rates.

As Metro North Hospital and Health Service expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

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

Employer superannuation contributions are paid to QSuper for all employees and include superannuation contributions to a number of self-managed superannuation funds for Board members. QSuper is the superannuation scheme for Queensland Government employees, and the rates are determined by the Treasurer on the advice of the State Actuary. The QSuper scheme has defined benefit and defined contribution categories. Contributions are expensed in the period in which they are paid or payable and the Metro North Hospital and Health Service's obligation is limited to its contribution to QSuper and the self-managed superannuation funds.

The provisions for annual leave and long service leave and the liability for superannuation obligations are reported on a whole-of government basis pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

A2-2: Key Management Personnel Disclosures

As from 2016-17, Metro North Hospital and Health Service's responsible Minister is identified as part of its key management personnel, consistent with additional guidance included in the revised version of AASB 124 Related Party Disclosures. That Minister is the Honorable Cameron Dick MP, Minister for Health and Minister for Ambulance Services.

The following details for non-Ministerial key management personnel reflect those Metro North Hospital and Health Service positions that had authority and responsibility for planning, directing and controlling activities during the current financial year:

Position	Name	Contract classification / appointment authority	Initial appointment date	Resignation/ Cessation date
Non-executive Board Chair Provide strategic leadership, guidance and effective oversight of management, operations and financial performance.	Emeritus Professor Robert Stable AM MBBS, DUniv (QUT), MHP, FRACGP, FAICD, FCHSM (Hon)	Chairperson – *Hospital and Health Boards Act 2011* Section 25 (1) (a) Tenure: 18/05/2016 to 17/05/2020	18/5/2016	
Non-executive Deputy Board Chair Provide strategic leadership, guidance and effective oversight of management, operations and financial performance.	Dr Kim Forrester RN, BA, LLB, LLM (Advanced), PhD, Member AICD, Barrister at Law, Associate Professor, Faculty of Health Science and Medicine Bond University	Board Member – *Hospital and Health Boards Act 2011* Section 23 (1) Tenure: 18/05/2014 to 17/05/2018	18/5/2013	
Non-executive Board Member Provide strategic leadership, guidance and effective oversight of management, operations and financial performance.	Ms Bonny Barry RN, BNsg, Member AICD	Board Member – *Hospital and Health Boards Act 2011* Section 23 (1) Tenure: 18/05/2017 to 17/05/2020	18/5/2016	
	Mr Adrian Carson GCertHServMgt	Board Member – *Hospital and Health Boards Act 2011* Section 23 (1) Tenure: 18/05/2017 to 17/05/2020	18/5/2017	

A2-2: Key management personnel disclosures (continued)

Position	Name	Contract classification / appointment authority	Initial appointment date	Resignation/ Cessation date
	Professor Helen Edwards OAM DipApSc, BA, BA (Hons), PhD, FACN, FAAN, MAICD	Board Member – *Hospital and Health Boards Act 2011* Section 23 (1) Tenure: 18/05/2014 to 17/05/2018	7/9/2012	
	Professor Mary-Louise Fleming BEd (QUT), MA (Ohio), PhD (Qld), Member AICD	Board Member – *Hospital and Health Boards Act 2011* Section 23 (1) Tenure: 18/05/2017 to 17/05/2020	18/5/2016	
	Mr Mike Gilmour Dip Acctg, MBA, GradDipACG, FCPA, FAICD, FGIA JP (Qual)	Board Member – *Hospital and Health Boards Act 2011* Section 23 (1) Tenure: 18/05/2017 to 17/05/2018	18/5/2016	
	Mr Geoff Hardy B Bus (Econ), Dip HA, Grad Dip Commerce (Mkt), MAICD, AFCHSM	Board Member – *Hospital and Health Boards Act 2011* Section 23 (1) Tenure: 18/05/2017 to 17/05/2020	18/5/2016	
	Associate Professor Cliff Pollard AM BD, MB BS QLD, FRACS, FRCS Edin, FACS	Board Member – *Hospital and Health Boards Act 2011* Section 23 (1) Tenure: 18/05/2016 to 17/05/2019	7/9/2012	
	Dr Margaret Steinberg AM PhD (Child Health and Education), MPhty (Research), BPhty (Hons), Dip Phty, University of Queensland	Board Member – *Hospital and Health Boards Act 2011* Section 23 (1) Tenure: 18/05/2014 to 17/05/2018	1/7/2012	

A2-2: Key management personnel disclosures (continued)

Position	Name	Contract classification / appointment authority	Initial appointment date	Resignation/ Cessation date
	Mr Philip Davies MSc, FAICD	Board Member – *Hospital and Health Boards Act 2011* Section 23 (1) Tenure: 18/05/2016 to 17/05/2017	18/5/2016	08/11/2016
Chief Executive Responsible for the strategic direction and the efficient, effective and economic administration of the Health Service.	Mr Ken Whelan	10S24/S70 01, *Hospital and Health Boards Act 2011* Tenure: 13/05/2015 to 12/05/2020	11/05/2015	23/06/17
	Mr Shaun Drummond	Acting/Relieving in higher duties	24/06/17	-
Executive Director, Operations Responsible for providing operational leadership, direction and day to day management, including infrastructure, of the Metro North Hospital and Health Service to optimise quality health care and business outcomes.	Mr Shaun Drummond	HES4, *Hospital and Health Boards Act 2011* Tenure: 03/08/2015 to 02/08/2018	08/12/2014	
	Dr David Rosengren	Acting/Relieving in higher duties	24/06/17	-
Chief Finance Officer Responsible for development and execution of strategy and full accountability with respect to financial stewardship, management of the asset portfolio, legal, information technology, human resources, commercial matters and procurement.	Mr James Kelaher, BA, MBA, FCPA, Member of RMIA, Assoc British Computing Society	HES3, *Hospital and Health Boards Act 2011* Tenure: 12/10/2015 to 11/10/2018	12/10/2015	
Executive Director, Clinical Services Responsible for monitoring and strategically directing the budgetary and activity performance of the Metro North Hospital and Health Service's clinical streams and assist the Health Service Chief Executive and other Executive Directors in effective management of not only the Clinical Streams but also Metro North Hospital and Health Service as an entity.	Dr Elizabeth Whiting, BA, MB BCH BAO, FRACP, FRANZSGM	MMOI4, Medical Officers' (Queensland Health) Certified Agreement (No.4) 2015 Tenure: 01/09/2015 to 30/09/2018	01/09/2014	

A2-2: Key management personnel disclosures (continued)

Position	Name	Contract classification / appointment authority	Initial appointment date	Resignation/ Cessation date
Executive Director, Clinical Governance, Safety, Quality and Risk Provide strategic leadership, direction and day to day management of the Metro North Hospital and Health Service's governance, quality and risk functions to optimise quality health care, statutory and policy compliance and continuously improving business outcomes.	Ms Linda Hardy, RN	HES3, *Hospital and Health Boards Act 2011* Tenure: 29/06/2015 to 28/06/2018	23/03/2015	

Remuneration policy

Minister remuneration

Metro North Hospital and Health Service does not incur any expense in relation to the Minister.

Board

The remuneration of members of the Board is approved by Governor-in-Council as part of the terms of appointment. Each member is entitled to receive a fee, with the exception of appointed public service employees unless otherwise approved by the Government. Members may also be eligible for superannuation payments.

Executive Management

Section 74(1) of the *Hospital and Health Boards Act 2011* provides that each person appointed as a Health Executive must enter into a contract of employment. The Health Service Chief Executive must enter into the contract of employment with the Chair of the Board for the Hospital and Health Service and a Health Executive employed by a Hospital and Health Service must enter into a contract of employment with the Health Service Chief Executive. The contract of employment must state the term of employment (no longer than 5 years per contract), the person's functions and any performance criteria as well as the person's classification level and remuneration entitlements.

Remuneration packages for key executive management personnel comprise the following components:

- Short-term employee benefits which include: ***Monetary benefits*** – consisting of base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the statement of comprehensive income. ***Non-monetary benefits*** – consisting of provision of vehicle and expense payments together with fringe benefits tax applicable to the benefit.
- Long-term employee benefits include long service leave accrued.
- Post-employment benefits include superannuation contributions.
- Redundancy payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu on termination, regardless of the reason for termination.
- There were no performance bonuses paid in the 2016-17 financial year (2016: $nil).

A2-2: Key management personnel disclosures (continued)

Board Remuneration

Name	Short Term Employee Benefits		Post-employment benefits	Total remuneration
	Monetary benefits	Non-monetary benefits		
	$'000	$'000	$'000	$'000
2016-17				
Emeritus Professor Robert Stable AM	93	-	9	102
Dr Kim Forrester	58	-	6	64
Ms Bonny Barry	50	-	5	55
Mr Adrian Carson	4	-	-	4
Professor Helen Edwards OAM	53	-	5	58
Professor Mary-Louise Fleming	51	-	5	56
Mr Mike Gilmour	54	-	5	59
Mr Geoff Hardy	54	-	5	59
Associate Professer Cliff Pollard AM	50	-	5	55
Dr Margaret Steinberg AM	50	-	5	55
Mr Philip Davies	20	-	2	22
Total Remuneration	**537**	**-**	**52**	**589**

The Metro North Hospital and Health Service has reimbursed board members a total of $2,345.21 for out-of-pocket expenses incurred whilst travelling on approved board business including attendance at board meetings.

Name	Short Term Employee Benefits		Post-employment benefits	Total remuneration
	Monetary benefits	Non-monetary benefits		
	$'000	$'000	$'000	$'000
2015-16				
Dr Paul Alexander AO	84	-	9	93
Emeritus Professor Robert Stable AM	7	-	1	8
Mr Vaughan Howell	50	-	5	55
Ms Bonny Barry	4	-	-	4
Mr Philip Davies	4	-	-	4
Professor Helen Edwards OAM	48	-	5	53
Professor Nicholas Fisk	41	-	4	45
Professor Mary-Louise Fleming	5	-	1	6
Dr Kim Forrester	51	-	5	56
Mr Mike Gilmour	4	-	-	4
Mr Geoff Hardy	3	-	-	3
Dr Cliff Pollard AM	46	-	12	58
Mr Leonard Scanlan	19	-	2	21
Dr Margaret Steinberg AM	51	-	5	56
Total Remuneration	**417**	**-**	**49**	**466**

The Metro North Hospital and Health Service has reimbursed board members a total of $83.91 for out-of-pocket expenses incurred whilst travelling on approved board business including attendance at board meetings.

A2-2: Key management personnel disclosures (continued)

Other key management personnel remuneration

Position	Short-term employee benefits		Long-term benefits	Post-employment benefits	Termination benefits	Total remuneration
	Monetary benefits	Non-monetary benefits				
	$'000	$'000	$'000	$'000	$'000	$'000
2016-17						
Chief Executive	477	-	9	48	-	534
Executive Director, Operations	293	-	6	31	-	330
Chief Finance Officer	237	-	5	24	-	266
Executive Director, Clinical Services	523	1	10	40	-	574
Executive Director, Clinical Governance, Safety, Quality and Risk	223	1	4	22	-	250
Total	**1,753**	**2**	**34**	**165**	**-**	**1,954**
2015-16						
Chief Executive	479	-	9	48	-	536
Executive Director, Operations	257	13	5	27	-	302
Chief Finance Officer	242	-	4	22	58	326
Executive Director, Clinical Services	511	1	10	38	-	560
Executive Director, Clinical Governance, Safety, Quality and Risk	201	1	4	20	-	226
Total	**1,690**	**15**	**32**	**155**	**58**	**1,950**

A2-2: Key management personnel disclosures (continued)

Other senior management remuneration

Whilst not considered key management personnel in accordance with AASB 124 Related Party Transactions, Metro North Hospital and Health Service has also made the following payments to other senior management:

Position	Short-term employee benefits		Long-term benefits	Post-employment benefits	Termination benefits	Total remuneration
	Monetary benefits	Non-monetary benefits				
	$'000	$'000	$'000	$'000	$'000	$'000
2016-17						
Deputy Executive Director, Operations	453	-	9	30	-	492
Executive Director, Organisational Development, Strategy and Implementation	208	-	4	21	-	233
Executive Director, Royal Brisbane and Women's Hospital	416	1	8	32	-	457
Executive Director, The Prince Charles Hospital	235	-	4	23	-	262
Executive Director, Redcliffe Hospital	229	-	4	23	-	256
Executive Director, Caboolture and Kilcoy Hospitals	524	-	10	39	-	573
Executive Director, Community, Indigenous and Subacute Services	202	-	4	21	-	227
Executive Director, Mental Health	484	1	10	36	-	531
Executive Director, Oral Health	197	-	4	20	-	221
Executive Director, Medical Imaging	234	1	4	22	-	261
Executive Director, Medical Services	515	1	10	37	-	563
Executive Director, Nursing and Midwifery Services	371	-	6	31	-	408
Executive Director, Allied Health	212	1	4	24	-	241
Total	**4,280**	**5**	**81**	**359**	**-**	**4,725**

A2-2: Key management personnel disclosures (continued)

Other senior management remuneration (continued)

Position	Short-term employee benefits		Long-term benefits	Post-employment benefits	Termination benefits	Total remuneration
	Monetary benefits	Non-monetary benefits				
	$'000	$'000	$'000	$'000	$'000	$'000
2015-16						
Executive Director, Organisational Development, Strategy and Implementation	163	-	3	17	-	183
Executive Director, Royal Brisbane and Women's Hospital	413	1	8	33	-	455
Executive Director, The Prince Charles Hospital	199	-	4	20	-	223
Executive Director, Redcliffe Hospital	229	-	4	23	-	256
Executive Director, Caboolture and Kilcoy Hospitals	449	-	9	33	-	491
Executive Director, Community, Indigenous and Subacute Services	225	-	4	18	132	379
Executive Director, Mental Health	475	1	9	35	-	520
Executive Director, Oral Health	187	-	4	19	-	210
Executive Director, Medical Imaging	232	-	4	22	-	258
Executive Director, Medical Services	690	1	13	46	-	750
Executive Director, Nursing and Midwifery Services	251	-	4	23	-	278
Executive Director, Allied Health	219	1	4	20	-	244
Total	**3,732**	**4**	**70**	**309**	**132**	**4,247**

A3: OTHER EXPENSES

A3-1: Supplies and services

	2017 $'000	2016 $'000
Consultants and contractors	**13,753**	19,498
Electricity and other energy	**20,895**	19,104
Patient travel	**10,765**	9,973
Other travel	**4,235**	4,330
Water	**3,528**	3,370
Building services	**2,557**	2,468
Computer services	**11,684**	12,149
Insurance	**21,987**	21,948
Motor vehicles	**727**	867
Communications	**21,035**	20,709
Repairs and maintenance	**41,410**	46,588
Minor works including plant and equipment	**3,874**	3,227
Operating lease rentals	**4,504**	4,134
Drugs	**134,893**	134,067
Clinical supplies and services	**182,455**	179,858
Catering and domestic supplies	**43,130**	42,899
Pathology, blood and parts	**97,772**	98,897
Other	**22,491**	13,640
Total	**641,695**	**637,726**

Accounting policy – 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. Where this is the case, an equal amount is recognised as revenue and an expense.

The Metro North Hospital and Health Service receives corporate services support from the Department of Health for no cost. Corporate services include accounts payable services, payroll services, taxation services, some supply services and information system support services. As the fair value of these services is unable to be estimated reliably, no associated revenue and expense is recognised in the financial statements of Metro North Hospital and Health Service.

Accounting policy – Insurance

Metro North Hospital and Health Service is covered by the Department of Health's insurance policy with the Queensland Government Insurance Fund (QGIF) and pays a fee to the Department of Health as a fee for service arrangement.

QGIF covers property and general losses above a $10,000 threshold and health litigation payments above a $20,000 threshold and associated legal fees. Premiums are calculated by QGIF on a risk assessment basis

A3-2: Other Expenses

Audit expenses

Total audit fees paid or payable to the Queensland Audit Office relating to the 2016-17 financial year are $315,000 (2016:$318,000). There are no non-audit services included in this amount.

Accounting Policy – Special payments

Special payments include ex-gratia expenditure and other expenditure that the Metro North Hospital and Health Service is not contractually or legally obligated to make to other parties. In compliance with the *Financial and Performance Management Standard 2009*, the Metro North Hospital and Health Service maintains a register setting out the details of all special payments greater than $5,000. The total of all special payments (including those of $5,000 or less) is within the category of Other Expenses in the financial statements. In 2016-17, ex-gratia payments of $56,907 (2016:$33,173) were made, consisting of three reportable payments totalling $22,475 (2016:$16,150) and a number of smaller non-reportable payments. One reportable payment totalling $7,852 relates to patient medical claims, one payment of $7,150 was made to a patient for loss of personal property and one payment of $7,473 relating to a settlement with a former employee.

SECTION B: NOTES ABOUT OUR FINANCIAL POSITION

B1: CASH AND CASH EQUIVALENTS

	2017 $'000	2016 $'000
Cash at bank and on hand	53,626	54,164
Cash on deposit	25,289	18,885
Total	**78,915**	**73,049**

Cash on deposit represents cash contributions from external entities and other benefactors in the form of gifts, donations and bequests for specific purposes. These funds are deposited with Queensland Treasury Corporation and set aside for specific purposes underlying the contribution. Cash on deposit is at call and is subject to floating interest rates. The annual effective interest rate is 2.49% (2016: 2.85%).

Accounting policy – 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 at reporting date as well as deposits at call with financial institutions. Metro North Hospital and Health Service's bank account is grouped within the whole-of-government set-off arrangement with the Queensland Treasury Corporation and, as a result, does not earn interest on its surplus funds nor is it charged interest or fees for accessing its approved cash overdraft facility. Interest earned on the aggregate set-off arrangement balance accrues to the consolidated fund.

B2: RECEIVABLES

B2-1: Receivables

	2017 $'000	2016 $'000
Trade receivables (net of allowance for impairment)	**68,828**	58,372
Other receivables	**15,661**	59,495
Total	**84,489**	**117,867**

Movements in the allowance for impairment loss		
Balance at beginning of the year	**8,882**	9,311
Amounts written off during the year	**(4,815)**	(4,043)
Increase/(decrease) in allowance recognised in operating result	**5,091**	3,614
Total	**9,158**	**8,882**

Accounting policy – Receivables

Trade and other receivables are initially recognised at the amount invoiced to customers. Trade and other receivables reflect the amount anticipated to be collected. The collectability of these balances is assessed on an ongoing basis. When there is evidence that an amount will not be collected it is provided for and then written off. If receivables are subsequently recovered the amounts are credited against other expenses in the income statement when collected.

Trade receivables are generally due for settlement within 30-120 days. They are presented as current assets unless collection is not expected for more than twelve months after the reporting date. Due to the short-term nature of the current receivables, their carrying amount is assumed to approximate the amount invoiced. All credit and recovery risk associated with trade receivables has been provided for in the statement of financial position.

Key judgements and estimates - Recoverability of trade receivables

Judgement is required in determining the level of provisioning for customer debts. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, default or delinquency in payments (more than 90 days overdue or more than 120 days in the case where the account is with a health fund), past experience, and management judgement are considered indicators that the trade receivable is impaired.

B2-2: Impairment of receivables

At 30 June, the ageing of both impaired trade receivables and trade receivables past due but not impaired was as follows:

	Past due but not Impaired	Impaired
	$'000	$'000
2017		
Trade Receivables		
Less than 30 days	7,919	967
30 to 60 days	5,519	476
60 to 90 days	4,189	832
Greater than 90 days	13,474	6,883
Total overdue	**30,101**	**9,158**

2016		
Trade Receivables		
Less than 30 days	6,905	705
30 to 60 days	4,954	785
60 to 90 days	4,422	665
Greater than 90 days	13,901	6,727
Total overdue	**30,182**	**8,882**

B3: INVENTORIES

	2017	2016
	$'000	$'000
Medical supplies and equipment	18,200	23,115
Other	432	309
Total	**18,632**	**23,424**

Accounting policy – Inventories

Inventories consist mainly of clinical supplies and pharmaceuticals held for distribution to hospital and health service facilities. Inventories are measured at weighted average cost, adjusted for obsolescence. Unless material, inventories do not include supplies held for ready use in the wards throughout the hospital and health service facilities.

B4: INTANGIBLE ASSETS

2017	Software purchased $'000	Software generated $'000	Software work in progress $'000	Total $'000
Cost	4,131	4,489	12,921	21,541
Less: Accumulated amortisation	(2,627)	(4,291)	-	(6,918)
Carrying amount at 30 June 2017	**1,504**	**198**	**12,921**	**14,623**
Represented by movement in carrying amount:				
Carrying amount at 1 July 2016	2,037	413	8,555	11,005
Additions	137		9,161	9,298
Transfers between classes#	-	-	(4,795)	(4,795)
Amortisation expense	(670)	(215)	-	(885)
Carrying amount at 30 June 2017	**1,504**	**198**	**12,921**	**14,623**

2016	Software purchased $'000	Software generated $'000	Software work in progress $'000	Total $'000
Cost	3,994	5,239	8,555	17,788
Less: Accumulated amortisation	(1,957)	(4,826)	-	(6,783)
Carrying amount at 30 June 2016	**2,037**	**413**	**8,555**	**11,005**
Represented by movement in carrying amount:				
Carrying amount at 1 July 2015	2,520	641	-	3,161
Additions	172	-	8,555	8,727
Amortisation expense	(654)	(229)	-	(883)
Carrying amount at 30 June 2016	**2,038**	**412**	**8,555**	**11,005**

#Transfers represent reclassification from software work in progress to property, plant and equipment during the year.

Accounting policy – Intangibles

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 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. The useful life for the Hospital and Health Service's (HHS's) software is 5 years.

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.

B5: PROPERTY, PLANT AND EQUIPMENT

B5-1: Property, plant and equipment - Balances and reconciliations of carrying amount

2017	Land Level 2* $'000	Buildings Level 3** $'000	Buildings Level 2** $'000	Plant and equipment $'000	Capital works in progress $'000	Total $'000
Gross	365,725	2,264,233	930	356,790	49,182	3,036,860
Less: Accumulated depreciation	-	(1,518,899)	(445)	(222,871)	-	(1,742,215)
Carrying amount at 30 June 2017	**365,725**	**745,334**	**485**	**133,919**	**49,182**	**1,294,645**
Represented by movements in carrying amount:						
Carrying amount at 1 July 2016	365,725	722,782	510	124,875	9,116	1,223,008
Transfers in from other Queensland Government entities	-	518	-	290	-	808
Acquisitions		1,712		30,822	45,025	77,559
Donated assets	-	-	-	2,112	-	2,112
Disposals	-	-	-	(622)	-	(622)
Transfers out to other Queensland Government entities	-	-	-	(74)	-	(74)
Transfers between classes#	-	5,079	-	4,675	(4,959)	4,795
Net revaluation increments	-	70,990	-	-	-	70,990
Depreciation expense	-	(55,747)	(25)	(28,159)	-	(83,931)
Carrying amount at 30 June 2017	**365,725**	**745,334**	**485**	**133,919**	**49,182**	**1,294,645**

B5-1: Property, plant and equipment - Balances and reconciliations of carrying amount (continued)

2016	Land Level 2* $'000	Buildings Level 3** $'000	Buildings Level 2** $'000	Plant and equipment *** $'000	Capital works in progress $'000	Total $'000
Gross	365,725	1,368,917	930	336,405	9,116	2,081,093
Less: Accumulated depreciation	-	(646,135)	(420)	(211,530)	-	(858,085)
Carrying amount at 30 June 2016	**365,725**	**722,782**	**510**	**124,875**	**9,116**	**1,223,008**
Represented by movements in carrying amount:						
Carrying amount at 1 July 2015	318,079	758,162	518	122,070	246	1,199,075
Transfers in from other Queensland Government entities	-	15,293	-	396	-	15,689
Acquisitions	-	1,295	-	33,412	8,907	43,614
Disposals	-	-	-	(665)	-	(665)
Transfers between classes	-	37	-	-	(37)	-
Net revaluation increments	47,646	6,823	16	517	-	55,002
Depreciation expense	-	(58,828)	(24)	(30,855)	-	(89,707)
Carrying amount at 30 June 2016	**365,725**	**722,782**	**510**	**124,875**	**9,116**	**1,223,008**

* Level 2 land assets comprise land with an active market.

** Level 3 building assets are special purpose built and have no active market. Level 2 building assets are buildings with an active market.
Plant and equipment is held at cost except Heritage and Cultural assets which are held at fair value.

Transfers represent a reclassification from software work in progress to property, plant and equipment and capitalisation of commissioned assets during the year.

B5-2: Accounting Policies – Property, Plant and Equipment

Recognition threshold

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 for financial reporting purposes in the year of acquisition. Items with a lesser value are expensed in the year of acquisition.

Class	Threshold
Land	$1
Buildings and Land Improvements*	$10,000
Plant and Equipment	$5,000

**Land improvements undertaken by Metro North Hospital and Health Service are included with buildings.*

Acquisition

Property, plant and equipment are initially recorded at consideration plus any other cost directly incurred in bringing the asset ready to use. Items or components that form an integral part of an asset are recognised as a single (functional) asset.

Where assets are received free of charge from another Queensland Government entity, 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 recognised at their fair value at date of acquisition in accordance with AASB 116 *Property, Plant and Equipment.*

Subsequent measurement

Subsequent expenditure is only capitalised when it is probable that future economic benefits associated with the expenditure will flow to the Metro North Hospital and Health Service. Ongoing repairs and maintenance are expensed as incurred.

Land, buildings and heritage and cultural assets are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment*, AASB 13 *Fair Value Measurement* and Queensland Treasury'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.

Plant and equipment is measured at cost in accordance with Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector.

Key judgement and estimate: The carrying amounts for plant and equipment at cost should not materially differ from their fair value.

Depreciation

Land is not depreciated as it has an unlimited useful life.

Buildings are recognised and depreciated using a weighted average of the remaining useful lives of the building's components. This process does not materially change the depreciation recognised during the financial year. Property, plant and equipment are depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, progressively over its estimated useful life to the Metro North Hospital and Health Service.

Assets under construction (work-in-progress) are not depreciated until they are commissioned or in service.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset.

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. Significant judgement is used in reviewing the useful life of each asset, factors such as asset usage and the rate of technical obsolescence are considered. The depreciation charge will increase where the useful lives are less than previously estimated, or when the asset becomes technically obsolete, abandoned, sold or written off.

For each class of depreciable assets, the following depreciation rates were used:

Class	Depreciation rates
Buildings	2.5% – 3.33%
Plant and equipment	5.0% – 20.0%

Impairment

All non-current and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, Metro North Hospital and Health Service 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. 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.

Impairment indicators were assessed in 2016-17 and identified obsolescence as a primary indicator. The total impairment loss recognised in 2016-17 was $0.05M (2016: $1.54M).

Revaluation of land and buildings at fair value

To ensure the carrying amounts of the land and buildings asset classes reflect their fair value (refer to note B5-4), land and buildings asset classes are revalued on an annual basis. For financial reporting purposes, the revaluation process is managed by the Financial Control Services team with input from the Chief Finance Officer (CFO). The appointment of the independent valuer was undertaken following recommendations to, and endorsement by, the Risk and Audit Committee. The outcome of the annual valuation process is reported to the Metro North Hospital and Health Service Risk and Audit Committee.

The annual valuation process for a class of land or buildings carried at fair value may incorporate either one or both of the following revaluation methodologies: appraisals undertaken by independent professional valuer or use of independent professional indices.

Revaluations using independent professional valuers are undertaken on a rolling three year basis. However, if a class of asset experiences significant and volatile changes in fair value (i.e. where indicators such as property market and construction cost movements suggest that the value of the class of assets may have changed significantly from one reporting period to the next); it is subject to such revaluations in the reporting period.

The valuer supplies the indices used for the various types of assets. Such indices are either publicly available, or are derived from market information available to the valuer. The valuer provides assurance of their robustness, validity and appropriateness for application to the relevant assets.

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

Buildings are revalued using a cost valuation method known as current replacement cost. Accumulated depreciation is adjusted to equal the difference between the gross amount and the carrying amount, after taking into account accumulated impairment losses and changes in remaining useful life, This is generally referred to as the 'gross method'.

B5-3: Valuation of property, plant and equipment including key estimates and judgements

Land

Land is measured at fair value utilising either independent revaluation or applying an interim revaluation methodology, resulting in an index, developed by the State Valuation Service.

The State Valuation Service provides an individual factor change per property derived from the review of market transactions (observable market data). These market movements are determined having regard to the review of land values undertaken for each local government area issued by the Valuer-General Department of Natural Resources and Mines.

During 2016-17, land was considered via indexation, with the exception of the herston campus and the Royal Brisbane Hospital land parcel which was comprehensively valued. The 5 hectare parcel within the Herston campus is subject to commercial redevelopment, however under current zoning, its highest and best use is that of a hospital precinct.

The valuation methodology takes into consideration specific valuation indicators such as location, size, zoning regulations and recent market data.

The land valuation program for 2016-17 resulted in no increase (2016:$47.646M) to the carrying amount of land.

Buildings

An independent valuation of the building portfolio was performed during 2016-17 by independent quantity surveyors AECOM using a combination of comprehensive and desktop valuations. All building assets are being comprehensively revalued over a three year period unless there are signs of volatility in the asset class.

Reflecting the specialised nature of health service buildings and on hospital-site residential facilities, for which there is no active market, fair value is determined using the current replacement cost methodology. The key assumption in using the current replacement cost is determining a replacement cost of a modern day equivalent less an adjustment for obsolescence.

The valuations have been prepared on a componentised basis using twenty-two core building elements. To estimate the replacement costs of each component, each element was quantified. The measurement of each element uses 'key quantities' as noted below.

- Building footprint or Gross floor area (also used as the roof area)
- Girth of the building
- Height of the building
- Number and height of staircases; and
- Number of lifts and number of 'stops'.

B5-3: Valuation of land and buildings (continued)

These key quantities have been measured from drawings and verified via an onsite inspection. Furthermore during the valuation process Metro North Hospital and Health Service agreed the useful lives with the valuer with reference to the current buildings condition and potential funding available in the future.

Change in accounting estimate: The revaluation methodology adopted by the valuer has been refined in 2016-17. The methodology makes an adjustment to the replacement cost of the modern day equivalent building for any utility embodied in the modern substitute that is not present in the existing asset (e.g. mobility support) to give a gross replacement cost that is of comparable utility (the modern equivalent asset). The methodology makes further adjustment to total estimated life taking into consideration physical obsolescence impacting on the remaining useful life to arrive to the current replacement cost via straight line depreciation.

Due to the change in accounting estimate a 'desktop' valuation method was used on the assets that were not comprehensively valued to ensure all special purpose buildings are valued consistently. Metro North Hospital and Health Service's independent quantity surveyors AECOM completed the valuations based on information previously obtained and therefore the buildings were not inspected. Adoption of previously obtained gross floor areas have been used and the remaining useful life of each component has been reassessed and amended where an expected nominal life for a component has been adopted across the entity.

Buildings have been valued on the basis that there is no residual value.

The building valuation program for 2016–17 resulted in a net valuation increase of $70.99M (2016:$6.839M).

B5-4: Valuation of land and buildings

Fair value

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

Fair values reported by Metro North Hospital and Health Service are based on valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs. 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 residual 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 North Hospital and Health Service include, but are not limited to, 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/liabilities.

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.

Fair value hierarchy

All Metro North Hospital and Health Service assets and liabilities 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 and liabilities;
Level 2	represents fair value measurements that are substantially derived from inputs (other than quoted prices included within 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 North Hospital and Health Service's valuations of assets or liabilities are eligible for categorisation into level 1 of the fair value hierarchy. There were no transfers of assets between fair value hierarchy levels during the period.

Categorisation of valuations in the fair value hierarchy is as follows:

- Unrestricted land – level 2 fair value hierarchy
- Buildings – level 2 fair value hierarchy (being non health service delivery buildings that are valued at market value)
- Buildings – level 3 fair value hierarchy (being special purpose health buildings)

Refer to note B5-1 for specific disclosures relating to fair value hierarchy.

Significant capital works, such as a refurbishment across multiple floors in a building, will result in an improved condition assessment and higher current replacement values.

B6: LIABILITIES

B6-1: Payables

	2017	2016
	$'000	$'000
Trade creditors	67,129	72,670
Other creditors	7,639	5,973
Total	**74,768**	**78,643**

Accounting policy – Payables

Payables are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled within the creditor's normal payment terms.

B7: EQUITY

B7-1: Asset revaluation surplus

	Land	Buildings	Heritage & Cultural Assets	Total
	$'000	$'000	$'000	$'000
Balance 1 July 2016	46,169	24,240	517	70,926
Revaluation increments/(decrements)	-	70,990	-	70,990
Balance 30 June 2017	**46,169**	**95,230**	**517**	**141,916**

Accounting Policy – Revaluation Surplus

The asset revaluation surplus represents the net effect of revaluation movements in assets.

SECTION C: NOTES ABOUT RISKS AND OTHER ACCOUNTING UNCERTAINTIES

C1: FINANCIAL RISK DISCLOSURES

C1-1: Financial instrument categories

Metro North Hospital and Health Service has the following categories of financial assets and financial liabilities:

Category	Notes	2017 $'000	2016 $'000
Financial assets			
Cash and cash equivalents	B1	78,915	73,049
Receivables	B2-1	84,489	117,867
Total		**163,404**	**190,916**
Financial liabilities			
Payables	B6-1	74,768	78,643
Total		**74,768**	**78,643**

Accounting policy – Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Metro North Hospital and Health Service becomes a party to the contractual provisions of the financial instrument.

The Metro North Hospital and Health Service holds financial instruments in the form of cash and cash equivalents and receivables (excluding prepayments) and payables.

C1-2: Financial risk management

Metro North Hospital and Health Service's activities expose it to a variety of financial risks – credit risk, liquidity risk and interest rate risk

(a) Credit Risk

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 is equal to the gross carrying amount of the financial asset, inclusive of any allowance for impairment. The carrying amount of financial assets, which are disclosed in more detail in note B2, represents the maximum exposure to credit risk at the reporting date.

No financial assets and financial liabilities have been offset and presented net in the statement of financial position, except for GST. No collateral is held as security and no credit enhancements relate to financial assets held by Metro North Hospital and Health Service.

There are no significant concentrations of credit risk.

(b) Liquidity Risk

Liquidity risk is the risk that Metro North Hospital and Health Service will not have the resources required at a particular time to meet its obligations to settle its financial liabilities.

Metro North Hospital and Health Service is exposed to liquidity risk through its trading in the normal course of business and aims to reduce the exposure to liquidity risk by ensuring that sufficient funds are available to meet employee and supplier obligations at all times. An approved debt facility of $23M under the whole-of-government banking arrangements to manage any short-term cash shortfalls has been established. No funds had been withdrawn against this debt facility as at 30 June 2017.

All financial liabilities are current in nature and will be due and payable within twelve months. As such no discounting of cash flows has been made to these liabilities in the statement of financial position.

(c) Interest Rate Risk

Metro North Hospital and Health Service has interest rate exposure on its 24 hour call deposits however there is no risk on its cash deposits.

Metro North Hospital and Health Service 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 North Hospital and Health Service.

C2: COMMITMENTS

(a) Non-cancellable operating lease commitments

Commitments under operating leases at reporting date are exclusive of anticipated GST and are payable as follows:

	2017 $'000	2016 $'000
No later than 1 year	3,564	1,158
Later than 1 year but no later than 5 years	13,024	3,904
Later than 5 years	-	-
Total	**16,588**	**5,063**

Metro North Hospital and Health Service has non-cancellable operating leases relating predominantly to office and residential accommodation. 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.

(b) Capital expenditure commitments

Material classes of capital expenditure commitments exclusive of anticipated GST, contracted for at reporting date but not recognised in the accounts are payable as follows:

	2017 $'000	2016 $'000
No later than 1 year	34,562	9,491
Later than 1 year but no later than 5 years	-	-
Later than 5 years	-	-
Total	**34,562**	**9,491**

C3: CONTINGENCIES

As at 30 June 2017, the following cases were filed in the courts naming the State of Queensland acting through the Metro North Hospital and Health Service as defendant:

	2017 Number of cases	2016 Number of cases
Supreme Court	**5**	3
District Court	**7**	2
Magistrates Court	**3**	3
Tribunals, commissions and boards	**3**	3
	18	11

(a) Litigation in Progress

It is not possible to make a reliable estimate of the final amount payable, if any, in respect of the litigation before the courts at this time. Health litigation is underwritten by the Queensland Government Insurance Fund (QGIF). Metro North Hospital and Health Service's maximum exposure is limited to an excess per insurance event up to $20,000. The Metro North Hospital and Health Service's net exposure is not material.

(b) Contractual Contingencies

Metro North has entered and received various contractual contingencies through the year, primarily in the form of indemnities. Those indemnities have been given in accordance with the requirements of the *Statutory Bodies Financial Arrangements Act 1982* (Qld).

Metro North notes the particular provision of indemnity in relation to Transfer Duty arising from future transactions in the Herston Quarter redevelopment. Metro North has received a corresponding indemnity in the same amount from the Queensland Treasury.

C4: FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE

A number of new standards, amendments and interpretations are effective for annual reporting periods beginning on or after 1 July 2017, and have not been applied in preparing these financial statements. Metro North Hospital and Health Service has reviewed these standards and interpretations, and with the exception of *AASB 9 Financial Instruments*, *AASB 15 Revenue from Contracts with Customers*, *AASB 1058 Income of Not-for-Profit Entities*, *AASB 16 Leases* and *AASB 1059 Service Concession Arrangements: Grantors*, determined none of these new standards and interpretations materially impact Metro North Hospital and Health Service.

AASB 9 (effective from reporting periods beginning on or after 1 January 2018) proposes a revised framework for the classification and measurement of financial instruments. All financial assets are required to be measured at fair value. It is expected that short-term receivables will continue to be carried at the current carrying value as it is a reasonable approximation of fair value. In addition, AASB 9 requires impairment losses to be determined according to the amount of the lifetime expected credit losses. On initial adoption Metro North Hospital and Health Service will need to determine the expected credit losses for its receivables by comparing the credit risk at that time to the credit risk that existed when those receivables were initially recognised. Metro North Hospital and Health Service will not need to restate comparative figures for financial instruments on adopting AASB 9 from 2018-19. However, changed disclosure requirements will apply from that time. A number of one-off disclosures will be required in the 2018-19 financial statements to explain the impact of adopting AASB 9. Assuming no change in the types of financial instruments that the Health Service enters into, the most likely ongoing disclosure impacts are expected to relate to the credit risk of financial assets subject to impairment.

AASB 15 (effective from reporting periods beginning on or after 1 January 2019) introduces the core principles that an entity recognises revenue to depict the transfer of goods (or services) to customers in amounts that reflect the consideration (payment) which the entity expects to be entitled in exchange for those goods (or services). This standard will supercede AASB 118. Metro North Hospital and Health Service is yet to complete its analysis of existing arrangements for sale of its goods and services, but at this stage does not expect a significant impact on its present accounting practices.

AASB 1058 (effective from reporting periods beginning on or after 1 January 2019) removes the concept of reciprocal and non-reciprocal transactions and replaces it with an assessment of enforceability and performance obligations. This standard will supersede AASB 1004 Contributions. Metro North Hospital and Health Service will complete its analysis of existing arrangements in conjunction with a review of the impact of AASB 15, but at this stage does not expect a significant impact on its present accounting practices.

AASB 16 Leases (effective from reporting periods beginning on or after 1 January 2019) will result in the recognition of all leases, greater than $5,000 or with a term of 12 months or more (both operating and finance) to be recorded on balance sheet. This standard will supercede AASB 117 Leases. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. Metro North Hospital and Health Service has not yet quantified the impact on the statement of comprehensive income or the statement of financial position of applying AASB 16 to its current leases, including the extent of additional disclosures required.

AASB 1059 Service Concession Arrangements: Grantors (effective from reporting periods beginning on or after 1 January 2019) provides guidance on accounting for arrangements which involve an operator who has constructed or improved infrastructure used to provide a public service and operates and maintains that infrastructure for a specified period of time. Metro North Hospital and Health Service is currently assessing the full impact of this interpretation.

C5: SUBSEQUENT EVENTS

There are no matters or circumstances that have arisen since 30 June 2017 that have significantly affected, or may significantly affect Metro North Hospital and Health Service's operations, the results of those operations, or the HHS's state of affairs in future financial years.

SECTION D: WHAT WE LOOK AFTER ON BEHALF OF THIRD PARTIES

D1: GRANTED PRIVATE PRACTICE

Granted private practice permits Senior Medical Officers (SMOs) and Visiting Medical Officers (VMOs) employed in the public health system to treat individuals who elect to be treated as private patients.

Granted private practice provides the option for SMOs and VMOs to either assign all of their private practice revenue to the HHS (assignment arrangement) and in return receive an allowance, or for SMOs and VMOs to share in the revenue generated from billing patients and to pay service fees to the HHS (retention arrangement).

All monies received for Granted Private Practice are deposited into separate bank accounts that are administered by the Metro North Hospital and Health Service on behalf of the granted private practice SMOs and VMOs. These accounts are not reported in the Metro North Hospital and Health Service statement of financial position.

All assignment option receipts, retention option services fees and service retention fees are included as revenue in the statement of comprehensive income of the Metro North Hospital and Health Service on an accrual basis. The funds are then subsequently transferred from the granted private practice bank accounts into the Metro North Hospital and Health Service operating account and general trust bank account (for the service retention fee portion).

	2017 $'000	2016 $'000
Receipts		
Billings - (SMOs and VMOs)	65,658	63,446
Interest	94	110
Total receipts	**65,752**	**63,556**
Payments		
Payments to medical practitioners	16,559	15,918
Hospital and Health Service recoverable administrative costs	45,363	43,352
Hospital and Health Service education/travel fund	3,731	3,385
Total payments	**65,653**	**62,655**
Closing balance of bank account under a trust fund arrangement not yet disbursed and not restricted cash	**6,068**	**5,969**

D2: FIDUCIARY TRUST TRANSACTIONS AND BALANCES

The Metro North Hospital and Health Service acts in a fiduciary capacity in relation to a number of Patient Trust bank accounts. Consequently, these transactions and balances are not recognised in the financial statements. Although patient funds are not controlled by the HHS, trust activities are included in the audit performed by the Auditor-General of Queensland.

	2017	2016
	$'000	$'000
Opening balance	359	186
Patient trust receipts	5,591	5,055
Patient trust payments	(5,421)	(4,882)
Closing balance (represented by cash)	**529**	**359**

D3: RESTRICTED ASSETS

The Metro North Hospital and Health Services receives cash contributions primarily from private practice clinicians and from external entities providing 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. At 30 June 2017, an amount of $25.6M (2016: $20.7M) in General Trust is set aside for specified purposes defined by the contribution.

SECTION E: OTHER INFORMATION

E1: FIRST YEAR APPLICATION OF NEW STANDARDS OR CHANGE IN ACCOUNTING POLICY

Change in Accounting Policy

Metro North Hospital and Health Service did not voluntarily change any of its accounting policies in 2016-17.

Accounting Standards early adopted for 2016-17

No Australian Accounting Standards have been early adopted for the 2016-17 financial year.

Accounting Standards applied for the first time in 2016–17

AASB 124 *Related Party Disclosures* became effective for the first time in 2016-17. The amendments are of a disclosure nature only and have no impact on the line items in the financial statements. This standard requires note disclosure about the key management personnel remuneration and other related party transactions. In accordance with Queensland Treasury's existing requirements, key management personnel remuneration details have been disclosed in prior years (refer note A2). Related party transactions information for 2016-17 is disclosed in note E2. As this is the first year of application, comparative information is not required.

E2: RELATED PARTY TRANSACTIONS

Transactions with Queensland Government controlled entities

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

The following table summarises significant transactions with Queensland Government controlled entities:

Entity	Note	For the year ending 30 June 2017		At 30 June 2017	
		Revenue received	Expenditure incurred	Asset	Liability
		$'000	$'000	$'000	$'000
Department of Health	(a)	2,295,164	259,035	14,119	23,236
Queensland Treasury Corporation	(b)	421	25	25,288	3

(a) Department of Health

Metro North Hospital and Health Service receives funding in accordance with a service agreement with the Department of Health. The Department of Health receives its revenue from the Queensland Government (majority of funding) and the Commonwealth. Metro North Hospital and Health Services are funded for eligible services through block funding; activity based funding or a combination of both. Activity based funding is based on an agreed number of activities per the service agreement and a state-wide price by which relevant activities are funded. Block funding is not based on levels of public care activity.

The funding from Queensland Health is provided predominantly for specific public health services purchased by Queensland Health from Metro North Hospital and Health Service in accordance with a service agreement between Queensland Health and Metro North Hospital and Health Service. The service agreement is reviewed periodically and updated for changes in activities and prices of services delivered by Hospital and Health Service.

The signed service agreements are published on the Queensland Government website and publicly available.

Queensland Health provides a number of services including, ambulatory services, procurement, payroll, superannuation (QSuper) payments, information technology infrastructure and support as well as accounts payable services. Any expenses paid by Queensland Health on behalf of Metro North Hospital and Health Service for these services are recouped by Queensland Health.

(b) Queensland Treasury Corporation

Metro North Hospital and Health Services have bank accounts with the Queensland Treasury Corporation for general trust monies and receive interest and incur bank fees on these bank accounts.

Other

There are no other individually significant transactions with related parties.

Transactions with other related parties

All transactions in the year ended 30 June 2017 between Metro North Hospital and Health Service and key management personnel, including their related parties were on normal commercial terms and conditions and were immaterial in nature.

E3: TAXATION

The Metro North Hospital and Health Service 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 the Metro North Hospital and Health Service.

The Australian Taxation Office has recognised the Department of Health and sixteen Hospital and Health Services as a single taxation entity for reporting purposes. All FBT and GST reporting to the Commonwealth is managed centrally by the department, with payments/receipts made on behalf of Metro North Hospital and Health Service reimbursed to/from the department on a monthly basis. GST credits receivable from, and GST payable to the ATO, are recognised on this basis.

E4: PROVISION OF PUBLIC INFRASTRUCTURE BY OTHER ENTITIES

Public Private Partnership (PPP) arrangements are a contractual obligation between the Department of Health and the counterparty listed below. These arrangements are located on land that is recognised as an asset in the financial statements of the Metro North Hospital and Health Service (subject to an operating lease with the Department of Health). Public Private Partnership (PPP) arrangements operating for all or part of the financial year are as follows.

Note that all of the following are Build-Own-Operate-Transfer (BOOT) arrangements.

Facility	Counterparty	Term of Agreement	Commencement date
Butterfield Street Car Park	International Parking Group Pty Limited	25 years	January 1998
The Prince Charles Hospital Car Park	International Parking Group Pty Limited	22 years	November 2000
The Prince Charles Hospital Early Education Centre	Queensland Child Care Services Pty Ltd	20 years	April 2007

Butterfield Street Car Park

A $2.5M up-front payment for rental of land on which the car park has been built was received at the commencement of car park operations in January 1998. This amount was transferred to the Royal Brisbane and Women's Hospital Foundation via a Deed of Assignment in June 1998. Rental income of $0.3M plus CPI per annum to January 2019 increasing to $0.6M plus CPI per annum for the remainder of the lease period, as well as other payments when gross car park receipts exceeds particular targets have also been assigned under the same Deed of Assignment to Royal Brisbane and Women's Hospital Foundation. Metro North Hospital and Health Service does not incur any revenue or expenses relating to this car park. Under the agreement, the Department of Health and the Metro North Hospital and Health Service's staff are entitled to concessional rates when using the car park.

The Prince Charles Hospital Car Park

A $1.0M up-front payment for rental of land on which the car park has been built was received at the commencement of car park operations in November 2000. This amount was transferred to The Prince Charles Hospital Foundation via a Deed of Assignment. Rental of $0.05M per annum has also been assigned under the same Deed of Assignment to The Prince Charles Hospital Foundation. Under the agreement, the Department of Health and the Metro North Hospital and Health Service's staff are entitled to concessional rates when using the car park.

The Prince Charles Hospital Early Education Centre

The developer constructed a 150 place early education centre in April 2007 on site at the hospital. The developer operates and maintains the facility at its sole cost and risk. Under the agreement, staff on site are given priority access to child care. Rental of $0.1M per annum is charged for the land and is adjusted for CPI annually. From the 1st July 2014, the rights to the inflows from this arrangement transferred from the Department of Health to the Metro North Hospital and Health Service due to the legal title transfer of land and buildings. The duration of this arrangement is 20 years, expiring in April 2027, with an option to extend by 10 years.

The estimated future cash flows from current arrangements are shown below:

	2017	2016
	$'000	$'000
Inflows		
Not later than 1 year	95	93
Later than 1 year but not later than 5 years	408	400
Later than 5 years but not later than 10 years	582	572
Later than 10 years	-	125
Outflows		
Not later than 1 year	-	-
Later than 1 year but not later than 5 years	-	-
Later than 5 years but not later than 10 years	-	-
Later than 10 years	-	-
Estimated Net Cash Flow	**1,085**	**1,190**

The facility buildings are not recorded as assets by the Metro North Hospital and Health Service; however it does receive rights and incurs obligations under these arrangements, including:

- rights to receive the facility at the end of the contractual terms; and
- rights and obligations to receive cash flows in accordance with the respective contractual arrangements, other than those which are received by the respective Hospital Foundations under a Deed of Assignment.

Herston Quarter

The Herston Quarter is approximately a five-hectare site adjacent to the Royal Brisbane and Women's Hospital. In August 2016 the Premier of Queensland announced the consortium led by Australian Unity as the preferred proponent to redevelop the Herston Quarter over a period of approximately 10 years. On 23 February 2017, Metro North Hospital and Health Service entered into a range of contractual documentation to govern the redevelopment.

Once completed, the precinct will feature the adaptive reuse of the heritage buildings in the Herston Quarter (planned to include student accommodation, childcare and retail); a private hospital; residential aged care; retirement living; a precinct-wide car parking solution; office and residential accommodation.

Work has commenced on the initial stages of the Project, being the diversion of site infrastructure currently providing services to RBWH and preparation for the demolition of the former Royal Children's Hospital.

All building construction costs will be borne by the developer.

Specialist Rehabilitation and Ambulatory Care Centre ("SRACC")

Australian Unity's scope of work also includes the construction of a new specialist rehabilitation and ambulatory care centre ("SRACC"), which is delivered under a public-private-partnership style lease arrangement with Metro North Hospital and Health Service. The building will provide approximately 35,000sqm of facilities which includes 100 rehabilitation beds, special purpose rehabilitation support areas, and a surgical and endoscopic centre with a 32-bed surgical inpatient room, seven operating theatres, three endoscopy rooms and recovery spaces. Work will commence once the preparatory work mentioned above is complete. The SRACC is scheduled to open in late 2020.

The land on which SRACC will be developed is owned by Metro North Hospital and Health Service and will be leased to Australian Unity for 99 years. Upon completion of the SRACC facility, MNHHS will enter into a lease (of an initial 20 year period) to occupy the SRACC and be required to make lease payments for the right to use SRACC over the term of the lease.

At the date of this report, Metro North Hospital and Health Service and Australian Unity have executed the contractual arrangements. These contractual arrangements are subject to a number of conditions which need to be satisfied before the arrangements become fully unconditional.

The estimated future cash outflows for the SRACC relate to the cost of leasing the building once constructed and are shown below.

	2017	2016
	$'000	$'000
Outflows		
Not later than 1 year	-	-
Later than 1 year but not later than 5 years	51,959	-
Later than 5 years but not later than 10 years	158,449	-
Later than 10 years	531,024	-
Total estimated cash outflows	**741,432**	**-**

E5: COLLOCATION ARRANGEMENTS

Collocation arrangements are a contractual obligation between the Metro North Hospital and Health Service and the counterparty listed below. These arrangements are located on land that is recognised as an asset in the financial statements of the Metro North Hospital and Health Service. Collocation arrangements operating for all or part of the financial year are as follows.

Facility	Counterparty	Term of Agreement	Commencement Date
Caboolture Private Hospital*	Affinity Health Ltd	25 years	May 1998
Holy Spirit Northside Private Hospital**	The Holy Spirit Northside Private Hospital Limited	66 years	September 1999
Herston Imaging Research Facility (HIRF)*	The University of Queensland (UQ), The Council of the Queensland Institute of Medical Research (QMIR) and Queensland University of Technology (QUT)	5 years	April 2013

* *There are no inflows to Metro North Hospital and Health Service from the Caboolture Private Hospital and the Herston Imaging Research Facility (HIRF).*

** *Under the terms of the collocation agreement with Holy Spirit Northside Private Hospital, Metro North Hospital and Health Service received a one-off payment of $1.35M on 30 June 2016 under an extension and variation deed. From 1 July 2016, annual rental income of $1.8M indexed for CPI is payable until the expiration of the agreement in November 2065. The estimated rent income (inclusive of CPI increment of 3% per annum) is shown below:*

	2017	2016
	$'000	$'000
Inflows		
Not later than 1 year	**1,854**	1,800
Later than 1 year but not later than 5 years	**7,989**	7,756
Later than 5 years but not later than 10 years	**11,411**	11,079
Later than 10 years	**179,980**	182,399
Total estimated lease income	**201,234**	**203,034**

SECTION F: BUDGET VS ACTUAL COMPARISON

NB: A budget versus actual comparison and explanation of major variances has not been included for the statement of changes in equity, as major variances relating to that statement have been addressed in explanation of major variances in the other statements.

F1: BUDGET VS ACTUAL COMPARISON – STATEMENT OF COMPREHENSIVE INCOME

User charges and fees exceeded the budget of $211M by $38M (18%).

The increase is due to the introduction of a new high cost Hepatitis C drug which resulted in approximately $37M in additional reimbursements in the current financial year. This revenue stream which commenced in March 2016 was not included in the original 2016-17 budget.

Supplies and services expenses exceeded the budget of $523.8M by $117.8M (22%).

The increase is due to an additional 14,244 WAU achieved above the initial department of health target which resulted in an increase in clinical consumables as well as an increase in drug expenditure relating to Hepatitis C drugs ($37M).

Increase in asset revaluation surplus was $71M greater than budget at the end of the financial year.

The increase in the asset revaluation reserve is a result of a comprehensive building revaluation in 2017 and this was not anticipated in the original budget.

F2: BUDGET VS ACTUAL COMPARISON – STATEMENT OF FINANCIAL POSITION

Cash and cash equivalents were $11.5M (13%) less than budget at the end of the financial year.

The decrease in cash is due primarily to timing of activity growth funding receipts.

Receivables were $42M (99%) greater than budget at the end of the financial year.

The original budget did not include accrued revenue of $15.2M Finance System Renewal Project , $11.5M for accrued growth funding from Department of Health, $9.8M in hospital own source revenue and $4.8M in GST receivable.

Intangible Assets $12.9M (759%) higher than budget at the end of the financial year.

This increase in intangible assets relates to expenditure on Information and Technology assets of $12.9M. At the time of 2016-17 budget preparation estimated intangibles capital expenditure was included in property, plant and equipment.

Asset revaluation surplus was $95M (206%) greater than budget at the end of the financial year.

The increase in equity is due primarily to an increase in asset revaluation reserve as a result of comprehensive building revaluations ($71M).

F3 BUDGET VS ACTUAL COMPARISON – STATEMENT OF CASH FLOWS

User Charges and Fees exceed the budget of $206M, by $31M (15%).

The increase is due to the introduction of a new high cost Hepatitis C drug which resulted in approximately $37M in additional reimbursements in the current financial year. This revenue stream which commenced in March 2016 was not included in the original 2016-17 budget.

Cash used for the payment of supplies and services expenses exceeded the budget of $524.8M, by $114M (22%).

The increase is due to an additional 14,244 WAU achieved above the initial department of health target which resulted in an increase in clinical consumables as well as an increase in drug expenditure relating to Hepatitis C drugs ($37M).

Payments for property, plant and equipment and intangible assets were $17.9M (26%) greater than budget for the financial year.

The increase is due to additional investment in the Health Technology Equipment Replacement program ($4.5M), Backlog Maintenance Program ($7.2M), Information Technology assets ($2M) and Ashworth House refurbishment ($1M) which were not included in the original budget.

Cash flow from equity transferred was $94M (159%) higher than budget for the financial year.

Depreciation and amortisation funding of $82.4M is treated as a cash item (equity withdrawal) in the budget, however depreciation and amortisation of $84.8M is a non-cash item and not included in the actual cash flow. The remaining variance is due to equity injections relating to the Health Technology Equipment Replacement program.

Management Certificate

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:

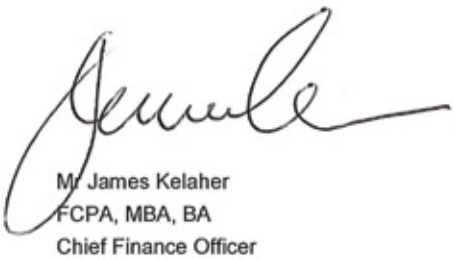
(a) the prescribed requirement for establishing and keeping the accounts have been complied with in all material respects; and

(b) the statements have been drawn up to present a true and fair view, in accordance with the prescribed accounting standards, of the transactions of Metro North Hospital and Health Service for the financial year ended 30 June 2017 and of the financial position of the Health Service at the end of the 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.

Professor Robert Stable AM
Board Chair
Date: 29 August 2017

Mr Shaun Drummond
A/Chief Executive
Date: 29 August 2017



Mr James Kelaher
FCPA, MBA, BA
Chief Finance Officer
Date: 29 August 2017

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To the Board of Metro North Hospital and Health Service

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Metro North Hospital and Health Service. The financial report comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

In my opinion, the financial report:

a) gives a true and fair view of the entity's financial position as at 30 June 2017, and its financial performance and cash flows for the year then ended

b) complies with the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2009* and Australian Accounting Standards.

Basis for opinion

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

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

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

Key audit matters

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

Independent Auditor's Report (continued)

Specialised buildings valuation ($745M)

Key audit matter	How my audit addressed the key audit matter
Buildings were material to Metro North Hospital and Health Service at balance date, and were measured at fair value using the current replacement cost method. Metro North Hospital and Health Service used a comprehensive valuation methodology over its buildings this year. The current replacement cost method comprises: • Gross replacement cost, less • Accumulated depreciation Metro North Hospital and Health Service derived the gross replacement cost of its buildings at balance date using unit prices that required significant judgements for: • identifying the components of buildings with separately identifiable replacement costs • developing a unit rate for each of these components, including: o estimating the current cost for a modern substitute (including locality factors and oncosts), expressed as a rate per unit (e.g. $/square metre) o identifying whether the existing building contains obsolescence or less utility compared to the modern substitute, and if so estimating the adjustment to the unit rate required to reflect this difference. • The measurement of accumulated depreciation involved significant judgements for forecasting the remaining useful lives of building components. The significant judgements required for gross replacement cost and useful lives are also significant for calculating annual depreciation expense.	My procedures included, but were not limited to: • Assessing the adequacy of management's review of the valuation process. • Assessing the appropriateness of the components of buildings used for measuring gross replacement cost with reference to common industry practices • For unit rates associated with buildings that were comprehensively revalued this year: o Assessing the competence, capabilities and objectivity of the experts used to develop the models. o Reviewing the scope and instructions provided to the valuer, and obtaining an understanding of the methodology used and assessing its appropriateness with reference to common industry practices. o On a sample basis, evaluating the relevance, completeness and accuracy of source data used to derive the unit rate of the: ▪ modern substitute (including locality factors and oncosts) ▪ adjustment for excess quality or obsolescence. • Evaluating useful life estimates for reasonableness by: o Reviewing management's annual assessment of useful lives. o At an aggregated level, reviewing asset management plans for consistency between renewal budgets and the gross replacement cost of assets. o Ensuring that no asset still in use has reached or exceeded its useful life. o Enquiring of management about their plans for assets that are nearing the end of their useful life. o Reviewing assets with an inconsistent relationship between condition and remaining useful life. • Where changes in useful lives were identified, evaluating whether they were supported by appropriate evidence.

Refer to Note B5 in the financial report.

Independent Auditor's Report (continued)

Responsibilities of the entity for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Independent Auditor's Report (continued)

From the matters communicated with the Board, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2017:

a) I received all the information and explanations I required.

b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

QUEENSLAND
31 AUG 2017
AUDIT OFFICE

D J OLIVE
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Glossary

ABF	Activity Based Funding
ACHS	The Australian Council on Healthcare Standards
CaPRS	Contracting and Performance Reporting System
CBAG	Community Board Advisory Group
CISS	Community, Indigenous and Subacute Services
CT	Computed tomography
DAFU	Delirium and Falls Unit
ED	Emergency Department
eDRMS	Electronic document and records management system
ES	Elective Surgery
FTE	Full Time Equivalent
GP	General Practitioner
GPLOs	General Practitioner Liaison Officers
HSCE	Health Service Chief Executive
HHS	Hospital and Health Service
ICU	Intensive Care Unit
IPPF	International Professional Practices Framework
IOA	Improving Outpatient Access
LINK	Leading Innovation through Networking and Knowledge sharing
MNHHS	Metro North Hospital and Health Service
MNPHU	Metro North Public Health Unit
MOHRI	Minimum Obligatory Human Resource Information
MRI	Magnetic resonance imaging
MRSA	Methicillin-resistant Staphylococcus aureus
NDIS	National Disability Insurance Scheme
NEAT	National Emergency Access Target
NeoRESQ	Neonatal Retrieval Emergency Service
NICU	Neonatal Intensive Care Unit
NEST	National Elective Surgery Target
PACH	Patient Access Coordination Hub
PET	Positron emission tomography
POST	Patient Off Stretcher Time
QAO	Queensland Audit Office
QCAT	Queensland Civil and Administrative Tribunal
QIMR	Queensland Institute of Medical Research
RAS	Rehabilitation and Acute Stroke Unit
RBWH	Royal Brisbane and Women's Hospital
SEED	Support, Explore, Excel & Deliver
SRACC	Specialist Rehabilitation and Ambulatory Care Centre
TPCH	The Prince Charles Hospital
WAU	Weighted Activity Unit

Board Member meeting attendance 2016–17

NA *Not a member of Committee*

Position & Name	Board	Executive Committee	Safety & Quality Committee	Finance & Performance Committee	Risk & Audit Committee
	(12 meetings)	(4 meetings)	(5 meetings)	(6 meetings)	(5 meetings)
Board Chair – Professor Robert Stable AM	12 of 12	4 of 4	3 of 5	NA	NA
Board Deputy Chair – Dr Kim Forrester	12 of 12	3 of 4	5 of 5	NA	5 of 5
Board Member – Ms Bonny Barry	9 of 12	3 of 4	NA	5 of 6	NA
Board Member – Mr Adrian Carson	1 of 1	1 of 1	NA	NA	NA
Board Member – Mr Philip Davies	4 of 5	1 of 1	NA	NA	1 of 2
Board Member – Professor Helen Edwards OAM	12 of 12	4 of 4	2 of 5	4 of 6	NA
Board Member – Professor Mary-Louise Fleming	11 of 12	3 of 4	5 of 5	NA	NA
Board Member – Mr Mike Gilmour	11 of 12	4 of 4	NA	6 of 6	5 of 5
Board Member – Mr Geoff Hardy	10 of 12	4 of 4	NA	6 of 6	4 of 5
Board Member – Associate Professor Cliff Pollard AM	12 of 12	4 of 4	5 of 5	NA	1 of 1 (attended as proxy)
Board Member – Dr Margaret Steinberg AM	12 of 12	4 of 4	5 of 5	6 of 6	NA

Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	p3
Accessibility	Table of contents	ARRs – section 9.1	p5
	Glossary	ARRs – section 9.1	p108
	Public availability	ARRs – section 9.2	p2
	Interpreter service statement	*Queensland Government Language Services Policy* ARRs – section 9.3	p2
	Copyright notice	*Copyright Act 1968* ARRs – section 9.4	p2
	Information licensing	*QGEA – Information licensing* ARRs – section 9.5	p2
General information	Introductory information	ARRs – section 10.1	p6–7
	Agency role and main functions	ARRs – section 10.2	p10–12
	Operating environment	ARRs – section 10.3	p22–27
Non-financial performance	Government's objectives for the community	ARRs – section 11.1	p15,20
	Other whole-of-government plans / specific initiatives	ARRs – section 11.2	p24,29
	Agency objectives and performance indicators	ARRs – section 11.3	p30–31
	Agency service areas and service standards	ARRs – section 11.4	p22–27
Financial performance	Summary of financial performance	ARRs – section 12.1	p65
Governance – management and structure	Organisational structure	ARRs – section 13.1	p33
	Executive management	ARRs – section 13.2	p44–45
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	NA
	Public Sector Ethics Act 1994	*Public Sector Ethics Act 1994* ARRs – section 13.4	p59
	Queensland public service values	ARRs – section 13.5	p58

Summary of requirement		Basis for requirement	Annual report reference
Governance – risk management and accountability	Risk management	ARRs – section 14.1	p49
	Audit committee	ARRs – section 14.2	p38
	Internal Audit	ARRs – section 14.3	p54
	External Scrutiny	ARRs – section 14.4	p52
	Information systems and record keeping	ARRs – section 14.5	p54
Governance – human resources	Workforce planning and performance	ARRs – section 15.1	p59–62
	Early retirement, redundancy and retrenchment	Directive No. 11/12 *Early Retirement, Redundancy and Retrenchment* Directive No. 16/16 *Early Retirement, Redundancy and Retrenchment (from 20 May 2016)* ARRs – section 15.2	p59
Open Data	Statement advising publication of information	ARRs – section 16	p55
	Consultancies	ARRs – section 33.1	p55
	Overseas travel	ARRs – section 33.2	p55
	Queensland Language Services Policy	ARRs – section 33.3	p55
Financial Statements	Certification of financial statements	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 17.1	p103
	Independent Auditors Report	FAA – section 62 FPMA – section 50 ARRs – section 17.2	p104

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2009*

ARRs Annual report requirements for Queensland Government agencies

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WALKABOUT © (PAINTING)
Artist: Ronald Abala
WULUKANTHA – “little spirit man”.