

ANNUAL REPORT 2023–2024

**Metro North Hospital
and Health Service**



ISSN: 2202-6258

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Information about consultancies, overseas travel, and the Queensland language services policy is available at the Queensland Government Open Data website (<https://data.qld.gov.au>). Metro North Hospital and Health Service (Metro North Health) has no data to report on consultancies in 2023–2024.

Accessibility

Public Availability

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

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

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Interpreter Services Statement

Metro North Health 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 3647 9702 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.

Metro North Health recognises the importance of the natural environment and our responsibility to minimise our impact on it. We aim to reduce consumption of resources and make use of recycling initiatives wherever practical.

Acknowledgement to Traditional Owners

We acknowledge the Traditional Owners of the land on which we work and live, the Turrbal, Ugarapul, Jinibara and Kabi Kabi people. We pay our respects to their Elders, past, present, and emerging, and extend our gratitude for their enduring connection to this land.

We also wish to acknowledge the Aboriginal and Torres Strait Islander staff of Metro North Health. Your presence, contributions, and perspectives are deeply valued and integral to our community and work. We recognise the rich cultural heritage and ongoing contributions you bring, and we are committed to supporting and honouring this within our organisation.

Metro North Health is proud to recognise the cultural diversity of our workforce. May we continue to work together with respect and understanding, fostering a supportive environment for all our consumers and their families.

Recognition of Australian South Sea Islanders

Metro North Health formally recognises the Australian South Sea Islanders as a distinct cultural group within our geographical boundaries.

Metro North Health is committed to fulfilling the Queensland Government Recognition Statement Australian South Sea Islander Community to ensure that present and future generations of Australian South Sea Islanders have equality of opportunity to participate in and contribute to the economic, social, political and cultural life of the State.

Health Equity

Metro North Health is committed to providing equity of access to high quality health care services and building relationships based on inclusion with Aboriginal and Torres Strait Islander peoples and their communities and remains committed to achieve life expectancy parity for Aboriginal peoples and Torres Strait Islander peoples by 2031.



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Metro North Hospital and Health Board**

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

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2023-2024 and financial statements for Metro 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 2019*; and
- The detailed requirements set out in the *Annual Report Requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements is provided at page 84 of this annual report.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Bernard Curran', written in a cursive style.

Bernard Curran
Chair
Metro North Hospital and Health Board

03 / 09 / 2024

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Government objectives for the community

Metro North Hospital and Health Service (Metro North Health) supports the Queensland Government's objectives for the community:

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

From the Board Chair and Chief Executive

During 2023-2024, Metro North Health helped 2,280,556 patients across our hospital and health services.

We saw 381,232 emergency department presentations and we provided 53,508 emergency and elective surgeries. We also delivered 1,790,548 outpatient occasions of service and 8,241 babies were born in our hospitals. We treated 2,210 patients through the Hospital in the Home program and provided 11,064 mental health occasions of care. We continued to treat people closer to home, with 95,843 telehealth appointments, and expanded our virtual care services, reducing the cost of travel and the impact on patients and families. A total of 36,009 patients presented for treatment at our new satellite hospitals in Caboolture and Kallangur.

This growth in demand was met with an investment in care of \$4.32 billion, an increase from the \$4 billion investment the previous year. Our careful management of resources delivered a modest surplus of \$1.56 million.

Frontline and frontline support staff continue to grow. During the year our total workforce reached 24,336 employees and we welcomed 176 new medical interns, 552 graduate nurses and 39 graduate midwives, 50 allied health cadets, 34 new Aboriginal and Torres Strait Islander cadets, and 39 Deadly Start Trainees to Metro North Health.

Our hospitals, community and oral health services, and mental health services were successfully accredited against the National Safety and Quality Health Care Standards short notice assessment model, providing confidence to our communities of the high quality care provided every day. Our residential aged care facilities and facilities and services for people living with a disability continued to be accredited under Australian Government standards.

Our staff and clinical councils remain strong avenues for staff wellbeing and improving safety and quality across Metro North Health. Councils have focused on staff wellness, engagement and cultural initiatives and have also contributed to the development of our strategic plan, workforce reform and implementation of clinical and operational priorities to improve patient care. Councils continue to be instrumental in supporting research and innovation across Metro North Health.

Implementation of the *Health Equity Strategy 2022-2025* is on track with a range of important initiatives underway. Metro North Health is working closely with its South East Queensland partner health organisations and also supporting hospital and health services across Queensland to implement and scale up programs and services to achieve health equity by 2031 for Aboriginal and Torres Strait Islander peoples. A key priority to achieving health equity is ensuring the continued commitment and dedication to co-design with our valuable Elders and community. We can all continue to learn and improve from Elders and share in their wisdom.

Metro North Health maintained our strong partnership with the Brisbane North PHN including the joint Health Alliance. The QUT Metro North Nursing and Midwifery Academy strengthened relationships with university partners and provided support to graduate nurses and midwives and those doing research. Metro North Health continued to deliver through the Oral Health Alliance and Surgical, Treatment and Rehabilitation Service (STARS) Education and Research Alliance. The Herston Health Precinct partners continue to work together. Metro North Health also undertook significant community and stakeholder engagement and consultation in relation to health equity and the new satellite hospitals.

This has been a significant year for capital projects, with both Caboolture Satellite Hospital and Kallangur Satellite Hospital opening in August and December, respectively, with Bribie Island Satellite Hospital opened in July 2024. Additionally, the \$352.9 million Caboolture Hospital redevelopment delivered the new five storey Clinical Services Building in November 2023 which includes a new and expanded emergency department, palliative care unit, intensive care unit, operating theatres, cardiac care unit, specialised chest pain assessment unit, and two medical wards, with capacity for a future 20-bed rehabilitation unit. The redevelopment also delivered a \$46.6 million six level multistorey carpark which opened in October 2023.

Metro North Health is also continuing work on the new The Prince Charles Hospital (TPCH) multistorey carpark which will add 1,500 spaces to the campus, a new TPCH Mental Health Crisis Stabilisation Facility which will provide six beds and six chairs, collocation of community mental health services at Wharf St, Spring Hill, upgrades to the Halwyn residential disability care centre, upgrades to Coinda and Zillmere Ashworth House, and lift upgrades at TPCH and RBWH. Works commenced at TPCH for the \$360 million expansion, starting with expanding the short-stay unit, and Redcliffe Hospital's \$1.06 billion expansion.

Green Metro North Health Sustainability Strategy has delivered an impressive range of initiatives to decarbonise Metro North health and build climate resilience including decreasing our waste sent to landfill by 195 tonnes and increasing recycling by 293 tonnes.

The launch of the *Disability Services Action Plan 2024-2029*, co-designed with staff and consumers, sets out Metro North Health's commitment to improve the healthcare we provide for people with a disability, ensures that people with a disability are an integral part of the Metro North workforce and makes our physical environments accessible to all staff, patients, and consumers in the communities we serve.

With around 11 per cent of Australians identifying as LGBTIQ+, we proudly launched *Pride in Metro North*. Our workforce is representative of our community and by celebrating our diversity and differences, we create an environment where everyone feels safe to be themselves at work, or when visiting or receiving care in our services.

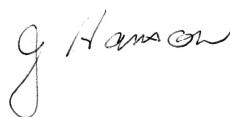
Our research output continues to go from strength to strength. We announced four new Metro North Health Clinician Research Fellowship recipients in the fields of early psychosis, chronic kidney disease precision medicine and cancer immunotherapy. Everyday clinician researchers across Metro North are making an impact and transforming clinical care. We cannot do this without our university research partners and the support of the RBWH Foundation and The Common Good. Their tireless fundraising and philanthropic support is contributing to medical research breakthroughs and helping our communities live healthier for longer.

2023-2024 farewelled seven former board members, including Chair Jim McGowan AM, who collectively contributed 46 years of service. We welcomed six new board members.

During a year of extraordinary achievements, we commend the commitment and dedication of each and every staff member of Metro North Health.



Bernard Curran
Board Chair



Adjunct Professor Jackie Hanson
Chief Executive

About us

Established on 1 July 2012, Metro North Health is an independent statutory body overseen by a local Hospital and Health Board under the *Hospital and Health Boards Act 2011 (Qld)*. The *Metro North Health Strategic Plan 2020-2024* (the Strategic Plan) outlines our future direction to 2024. This is the final year to report on the Strategic Plan.

Strategic direction

The Strategic Plan contributes to the Queensland Government's objectives for the community through many initiatives, including:

- continuing to keep Queenslanders safe as we learn to live with COVID-19 and ensure all Queenslanders can access world-class healthcare no matter where they live.
- minimising risk through planning for continuity of service delivery to back our frontline services.
- implementing the *Green Metro North Sustainability Strategy 2021-2026* to protect the environment.
- prioritising health equity for Aboriginal and Torres Strait Islander peoples to honour and embrace our rich and ancient cultural history.

The strategies in the Strategic Plan contribute to *MN32#NEXTCARE The Future of Health* (MN32) which sets out Metro North Health's roadmap to 2032 where we deliver world-leading care across a range of specialty and integrated health services to improve the lives of Queenslanders.

The Strategic Plan aligns to the priorities of HEALTHQ32 with a focus on partnering across the health sector to deliver high-quality and safe healthcare and enable more care options delivered in the community, closer to home.

Through the directions of the Strategic Plan, Metro North Health has a demonstrated and ongoing commitment to respect, protect and promote human rights for everyone, everywhere, every day.

Vision, Purpose, Values

Vision

Excellent healthcare, working together, strong and healthy communities.

Purpose

Together with our community and partners, deliver services informed by research and innovation to improve the health outcomes of our community.

Values

The Metro North Health values reflect the Queensland Government values of Customers first, Ideas into action, Unleash potential, Be courageous, and Empower people.

Our values and behaviours will hold us to account to our community and to ourselves.

Our values are:

- Respect
- Teamwork
- Compassion
- High performance
- Integrity.

Priorities

The Strategic Plan comprises four objectives:

- To always put people first.
- To improve health equity, access, quality, safety and health outcomes.
- To deliver value-based health services through a culture of research, education, learning and innovation.

- To be accountable for delivery of sustainable services, high performance and excellent patient outcomes.

The Strategic Plan demonstrates Metro North Health's commitment to improving health outcomes for Aboriginal and Torres Strait Islander peoples and measures progress against the Health Equity Strategy 2022-2025.

Our efforts are aligned to the six key reform areas of the 2020-25 National Health Reform Agreement as well as other key Commonwealth and State government priorities such as Closing the Gap and HEALTHQ32 vision.

The Strategic Plan objectives will be achieved by the delivery of the following specific strategies:

To always put people first

- Listen to consumers, their carers, staff and partners and involve them in organisational development, governance and decision-making.
- Provide our staff with support, education, training and development opportunities.
- Provide physically and psychologically safe and healthy workplaces and care environments underpinned by a system of fair and ethical decision making for staff and patients.
- Optimise the diversity of our workforce with a focus on those transitioning into and out of the workforce.
- Develop leadership capabilities of our workforce.

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

- Develop services close to home with a networked approach to evidence-based service delivery that supports equitable care and continuity of care across and within primary, community, and hospital care.
- Develop strategic partnerships that translate to operational impact.
- Create system capacity through workforce, infrastructure, technology, service development and redesign.
- Build capability to assess patients cultural, social and physical needs, and partner with other sectors for a holistic response.
- Implement integrated digital solutions across Metro North Health.
- Minimise risk by planning for continuity of service delivery.

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

- Implement sustainable models of care that provide services in the community and/or home and reduce avoidable demand for hospital services.
- Embed conversations in health in service delivery to empower a diversity of consumers as partners in their health care.
- Leverage strategic collaborations to generate new knowledge through research, evaluating what others have learnt and actively bringing this knowledge into practice.

- Create an environment that promotes innovative approaches to support our people in continuous improvement and organisational learning.
- Collaborate with partners to identify the future workforce and to respond to changing clinical placement requirements.

To be accountable for delivery of sustainable services, high performance and excellent patient outcomes

- Deliver models of service delivery that make most effective use of available and future resources including redirecting investment where evidence supports new or alternative practices.
- Embed a culture of transparency and clinical accountability.
- Embed robust governance processes over programs and projects to attain best possible outcomes.
- Embed a culture of striving to achieve or exceed our Service Agreement Performance Measures.
- Work with our partners to ensure an appropriate balance in health investment between prevention, management and treatment.

Aboriginal and Torres Strait Islander Health

The *Metro North Health Equity Strategy 2022-2025* describes our commitment to drive health equity, eliminate institutional racism across the public health system and achieve life expectancy parity for Aboriginal peoples and Torres Strait Islander peoples by 2031.

The *Metro North Health Equity Strategy 2022-2025* provides this pathway for cultural change and consists of five key priority areas (KPA):

- Actively eliminate racial discrimination and institutional racism within the service.
- Increasing access to healthcare services.
- Delivering sustainable, culturally safe, and responsive healthcare services.
- Influencing the social, cultural, and economic determinants of health.
- Working with First Nations peoples, communities, and organisations to design, deliver, monitor and review health services.

Performance snapshot

- *Discharge against medical advice rates* improved slightly from 2.7 per cent to 2.64 per cent, indicating improved trust in medical care and the impact of strategies to make Metro North Health a culturally safe organisation.
- *Failure to attend rate* reduced to 9.9 per cent from 10.3 per cent, a notable drop demonstrating improved patient engagement and accessibility of services.
- *Did not wait rate* reduced from 5.5 per cent to 4.6 per cent, indicating efficiency and

patient satisfaction with implemented initiatives to improve wait times.

- 619 Aboriginal and Torres Strait Islander babies were born in Metro North Health, with around 90 per cent of babies of healthy birthweight (>2499 grams), showcasing the impact of successful maternal health initiatives implemented by Metro North Health with our health sector partners.
- The percentage of Aboriginal and Torres Strait Islander patients presenting to Minor Injury and Illness Clinics at Satellite Hospitals out of all patients comprised:
 - 11 per cent (1,918) Caboolture Satellite Hospital
 - 7 per cent (931) Kallangur Satellite Hospital.

KPA 1 – Actively eliminate racial discrimination and institutional racism within the service:

- Metro North Health Statement of Commitment launched in 2023 and is supported by five Directorate Reconciliation Action Plans. Other areas are actively working to develop action plans.
- One of the first Hospital and Health Services in Queensland to formally acknowledge the use of stolen wages to develop its organisation, memorialised with a permanent apology plaque at Redcliffe Hospital.
- Commemorated National Close the Gap Day on 21 March 2024, with a series of events across its facilities, highlighting efforts to achieve health equity for Aboriginal and Torres Strait Islander peoples. A special gathering honoured Metro North Health staff and partnership organisations dedicated to closing the gap in health outcomes.

KPA 2 – Increasing access to healthcare services:

- State-wide roll-out of the Better Together Medication Program.
- Expansion of Deadly Feet which is improving clinical pathways and outcomes for Aboriginal and Torres Strait Islander patients at risk of, or with foot disease, through early detection, risk modification and intervention:
 - Four established service sites in Queensland – Redcliffe Hospital, Caboolture MATSICHS, Cherbourg CRAICCHS, and Galangoor Duwalami Hervey Bay.
 - 308 referrals received since April 2023.
 - 220 Aboriginal and Torres Strait Islander people screened opportunistically for foot disease.
 - 73 patients referred to Deadly Feet for formal review with full clinical team.
 - 72 per cent of patients attended their Deadly Feet appointments.
- Agreements in place with the Institute of Urban Indigenous Health to deliver:
 - Women’s Business Shares Pathways
 - Cardiac Rehabilitation
 - Specialist Pain Assistance
 - Allied Health (Adult) post operative rehabilitation

- Urban Indigenous Respiratory Outreach Clinics (UROC)
 - Deadly Feet
 - Heart Outreach Program for Health Equity (HOPE)
 - Pulmonary Rehabilitation.
- The Women’s Business Shared Pathway operates in multiple locations across Metro North Health catchment including Morayfield, Deception Bay, Pine Rivers, and Nundah. Since 2020, 409 Aboriginal and or Torres Strait Islander women have accessed the service.
 - The Sistas Shawl initiative has supported 850 Aboriginal and/or Torres Strait Islander women accessing Breast Screen clinics on the Northside, providing a sense of safety and comfort when screening.
 - The Strong Start to Life team has created culturally safe spaces in Nundah and Deception Bay for Aboriginal and or Torres Strait Islander women and families to engage with Ngarrama Maternity Services to access antenatal and postnatal support.

KPA 3 – Delivering sustainable, culturally safe and responsive healthcare services:

- A new policy has been established to ensure culturally safe and responsive support for Aboriginal and Torres Strait Islander patients.
- Letter of Intent was created between Metro North Health and Koobara Kindergarten and Pre-prep Aboriginal and Torres Strait Islander Corporation. This partnership will foster collaboration and support for early childhood development.
- A Letter of Intent between Metro North Health and Kurbingui Youth Development Service was established. This focuses on youth development services and creating opportunities.

KPA 4 – Influencing the social, cultural and economic determinants of health:

- Murrumba Steering Committee, established to co-design workforce initiatives includes 54 Aboriginal and Torres Strait Islander workforce members and allies.
- 24 Aboriginal and Torres Strait Islander employees participated in the Aboriginal and Torres Strait Islander Leadership program, fostering future leaders within the community.
- The Metro North Health Talent Portal was launched with 19 work-ready candidates and four candidates successfully placed to date. The portal is bridging employment opportunities available in the health system.
- Metro North Health Deadly Start saw 25 students on track to complete the program, which demonstrates the organisation’s commitment and progress to enable work opportunities to Aboriginal and Torres Strait Islander communities.
- The Social and Emotional Wellbeing Program Model of Care was launched at the annual Aboriginal and Torres Strait Islander Staff Wellness Expo. The program has already engaged 190 staff, 79 of whom identify as Aboriginal and Torres Strait Islander peoples.
- Metro North Cadetship Program saw 14 cadets successfully progressing and on track to complete the program.

KPA 5 – Working with First Nations peoples, communities, and organisations to design, deliver, monitor, and review health services:

- Metro North Health, in partnership with the Kabi Kabi Peoples Aboriginal Corporation, successfully unveiled the Traditional co-names of Bribie Island (Yarun), Caboolture (Kabul), and Kallangur (Kalangoor) Satellite Hospitals. This significant milestone honours local

culture and recognises Aboriginal and Torres Strait Islander peoples as the First Peoples, reflecting the Queensland Government's commitment to acknowledging shared history with these communities.

- *Our Better Together – Our Health, Our Way* social media presence has grown significantly, with Facebook gaining 686 new followers and 20.9K engagement interactions, Instagram adding 108 new followers and 1.1K content interactions, and LinkedIn seeing an increase of 283 new followers and 2,462 engagement interactions.
- The Health Equity Community Consultation Day held in April was attended by over 200 Elders, community members and staff, including other partners and key stakeholders. The day served as a platform for meaningful discussions and collaborative engagement.
- The Health Equity Showcase held in June saw over 200 people in attendance, with the day highlighting key ongoing efforts and achievements.

Our community-based and hospital-based services

Metro North Health 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.

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.

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

- Royal Brisbane and Women's Hospital (RBWH) and The Prince Charles Hospital (TPCH): 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: major community hospitals providing a comprehensive range of services.
- Kilcoy Hospital: a regional community hospital.
- Surgical, Treatment and Rehabilitation Service (STARS): a 100-bed public health facility located at Herston.
- Satellite hospitals in the communities of Caboolture (Kabul) and Kallangur (Kalangoor) which provide local residents minor injuries and illness clinic, oral health services, medical imaging and Aboriginal and Torres Strait Islander Health Hub. Kidney Health Services and the Healthy Ageing Assessment and Rehabilitation Team is provided at Kalangoor while Kabul offers sleep services and consultation as well as Older Persons Mental Health Services and Caboolture Adult Mental Health Services.
- Virtual Emergency Department, available 7 days a week for people needing urgent non-life threatening care which will expand statewide from July 2024.
- Mental health, community, and oral health services: provided from many sites including hospitals, community health centres, residential and extended care facilities, mobile service teams and the Oral Health Centre School of Dentistry in partnership with The University of Queensland (UQ).
- A dedicated public health unit focused on preventing disease, illness and injury and promoting health and wellbeing across the community.
- Woodford Correctional Centre: provides offender health services.

- The statewide Clinical Skills Development Service is one of the world's largest providers of healthcare simulation training.
- Health support services to Norfolk Island as part of a formal Intergovernmental Agreement between the Commonwealth and Queensland governments.

Metro North Health delivers a number of statewide services which require a high degree of specialisation and complexity:

- Adult Burns Service Clinical Statewide Service
- Queensland Eating Disorder Service (adults) Clinical Statewide Service
- Clinical Genetics Clinical Statewide Service
- Heart Transplant (adults) Clinical Statewide Service
- Lung Transplant (adults) Clinical Statewide Service
- Hospital Alcohol and Drug Services (adults) Clinical Statewide Service
- NeoRESQ Retrieval Services (Neonates) Clinical Statewide Service
- CAR-T cell service (adults) Clinical Statewide Service
- Queensland – The Radiopharmaceutical Centre of Excellence (Q-TRACE) Statewide Clinical Support Service
- Pelvic exenteration (PE) surgery.

In addition to statewide services, the RBWH hosts the Queensland Adult Specialist Immunisation Service (QASIS) which provides vaccination advised to Queenslanders over 16 years of age with complex medical conditions as well as those who have experienced or are at risk of an adverse event following immunisation.

Metro North Health issued 29,720 car parking passes in 2023-2024 to patients and their families and carers valued at \$344,871.45 under the *Hospital Car Parking – Patient and Carer Car Parking Concessions Standard*.

Targets and challenges

With health services delivered to a catchment population of more than 1 million people, Metro North Health is the largest health service in Australia. Our footprint extends across Queensland, northern New South Wales, and the Northern Territory for several critical clinical services in these communities.

The following key opportunities are outlined in our Strategic Plan:

- More networked care across the health continuum and across sectors to increase effective, integrated and sustainable out-of-hospital care models with partners.
- Harness innovation and learnings arising from the COVID-19 pandemic.
- Optimising staff potential including their ability to be adaptable and respond to change.
- Lead efforts in achieving health equity for Aboriginal and Torres Strait Islander peoples.
- Increased commitment to education, training and research.

- Provide leadership, creativity and agility to influence innovative service delivery across the broader health network.
- Embed environmental sustainability in everything we do.
- Optimise planned infrastructure investment to meet community needs.

Our greatest challenges continue to be:

Assets and infrastructure – ensuring that buildings and clinical equipment are fit for purpose and support the delivery of high-quality healthcare to our community, given a context of population growth, greater acuity, funding restraints and ageing infrastructure and increasing costs of infrastructure supply.

The capital expansion program across Metro North Health delivered new facilities for Caboolture, Redcliffe, and Kallangur as well as commencement of works at The Prince Charles Hospital for a new multistory car park and mental health crisis stabilisation unit.

Activity demand pressures – Queensland, nationally and globally is experiencing unprecedented and sustained increased demand. Mental Health, NDIS, residential aged care (RAC), and a diminishing primary care sector are major contributing factors.

Planned care recovery is necessary across all procedural and ambulatory settings – ensuring that our models of care within the hospital and health service and across the health care continuum are centred on the patient.

We are responding to this demand by better access to virtual and other modalities, and by collaborating with our health partners across health care system. The opening of the Caboolture and Kallangur Satellite Hospitals is providing alternatives to the emergency department for these local communities.

Future workforce – Metro North Health’s capital expansion over the next six years will see us needing a significant injection of additional clinical staff and non-clinical roles. We are competing with other health services across Queensland, nationally and internationally for staff. We are committed to exploring the structure and design of workforce models to meet community expectations. We are exploring models of care which are future designed, build capability, and reflect the populations we serve.

These complex issues are not unique to Metro North Health; hospital and health services across Australia and globally are also grappling with these same challenges. These are challenges which cannot be wholly solved within the hospital and health service itself. It requires collaborative efforts over the short and long term from all levels of government, private, NGO, community, and research sectors.

Governance

Our people

Board membership

The Metro North Health Board (the board) is appointed by the Governor in Council on the recommendation of the Minister for Health, Mental Health and Ambulance Services and Minister for Women 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 2023 (Qld)*.

The functions of the board include:

- Developing the strategic direction and priorities for the operation of Metro North Health.
- Monitoring compliance and performance.
- Ensuring safety and quality systems are in place which are focused 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 comprises independent members, strengthening local decision-making and accountability for health policies, programs, and services within Metro North Health. Each board member 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 2023-2024, the appointments of seven board members concluded on 31 March 2024 comprising Board Chair Jim McGowan AM, Deputy Chair Dr Kim Forrester and board members Bonny Barry, Geoff Hardy, Professor Mary-Louise Fleming, Neil Roberts, and Dr Robert Franz. Six new board members were appointed on 1 April 2024 including Aimee McVeigh, the Honourable Jane Prentice, Linda Lavarch, Dr Poya (PJ) Sobhanian, Dr Peter Aitken, and Dr Shea Spierings. Continuing Board member Bernard Curran was appointed as Chair from 1 April 2024. Board members Adrian Carson AM and Nera Komaric were reappointed, and Dr Melissa Cairns remained as a continuing board member.

A schedule of board member attendance at board and statutory committee meetings for 2023-2024 is available on page 19.

Board meetings for 2023-2024 were held in-person at locations including Redcliffe Hospital, RBWH, STARS, Caboolture Hospital, TPCH, Nundah Community Health Centre, Kilcoy Hospital, and the heritage-listed Edith Cavell building located in the Herston Health Precinct.

The board held consumer engagement sessions at each board meeting to hear feedback from patients, health consumers and community members. The board also visited clinical and non-clinical areas and engaged with staff during board meetings at all facilities.

Chairs and members of government bodies (whether they are paid or unpaid) are eligible to be reimbursed for reasonable out-of-pocket-expenses including domestic travel, accommodation costs, motor vehicle allowances and meals. Out- of-pocket expenses incurred by the board in 2023-2024 are provided on page 58.

Board committees¹

The following legislated committees support the functions of the board, each operating 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 Health. 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 healthcare protocol and works with the Chief Executive in responding to critical

¹ From 1 April 2024.

and emergent issues.

Committee membership: Bernard Curran (Chair), Dr Melissa Cairns, Dr PJ Sobhanian and Dr Peter Aitken.

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 Health.

Committee membership: Dr Melissa Cairns (Chair), Bernard Curran, Linda Lavarch, Dr Peter Aitken, and Dr Shea Spierings.

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 2019*.

The committee observed the terms of its charter and had due regard to the *Queensland Treasury Audit Committee Guidelines*.

Committee membership: Dr PJ Sobhanian (Chair), Adrian Carson AM, Bernard Curran, Honourable Jane Prentice, and Dr Melissa Cairns.

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 Health.

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: Dr Peter Aitken (Chair), Aimee McVeigh, Bernard Curran, Nera Komaric, and Dr PJ Sobhanian.

Hospital Foundations

In accordance with the *Hospital Foundations Act 2018*, the Chair or a representative of the Chair is a member of the Hospital and Health Service Hospital Foundation. As at 30 June 2024, Nera Komaric represents the board on TPCF Foundation (The Common Good), and the Honourable Jane Prentice on the RBWH Foundation.

Other (non-legislated committees)

Board First Nations Health Equity Committee

The role of the Board First Nations Health Equity Committee is to support the board by:

- Monitoring the implementation of the *Metro North Health Equity Strategy 2022-2025*.

- Meeting the requirements set out in the *Hospital and Health Boards Act 2011* and *Hospital and Health Boards Regulation 2023* for achieving health equity for First Nations peoples.

Committee membership: Adrian Carson AM (Chair), Bernard Curran, and Dr Shea Spierings.

Health Alliance Joint Board Committee

The role of the Health Alliance Joint Board Committee is to work collaboratively across Metro North Health and Brisbane North PHN boards to address the health needs of our population by building on the strength of our entire primary, secondary, and tertiary health network.

Metro North Health **committee members:** Bernard Curran, Linda Lavarch and Dr Melissa Cairns.

Board Community Advisory Committee

The committee enables representatives of the community served by Metro North Health to collaborate with the board and executive on strategic issues to improve healthcare access, consumer experiences and outcomes. The aim of the committee is to:

- Establish collaborative relationships between the Board and communities served by Metro North Health.
- Share information and insights about healthcare provision at the right time and in the right place.
- Work together to problem-solve sustainable solutions to complex health challenges.

The committee includes representatives from community partner organisations and consumers representing Aboriginal and/or Torres Strait Islander peoples, people living with disabilities, culturally and linguistically diverse communities or people from refugee and asylum-seeking backgrounds, young people, carers, people who are homeless or vulnerably housed, LGBTIQ+ people, older people, people living in rural or remote communities.

Committee membership: Aimee McVeigh (Chair²) and Nera Komaric.

Table 1 Government bodies reporting

Name of Government body Metro North Hospital and Health Service					
Act or instrument	Hospital and Health Boards Act 2011				
Functions	Reported throughout the Annual Report				
Achievements	Reported throughout the Annual Report				
Financial reporting	Refer to p.45 of Annual Report				
REMUNERATION					
Position	Name	Meetings/session attendance	Approved annual, sessional or daily fee	Approved sub-committee fees if applicable	Actual fees received
Chair	Bernard Curran	24 (11 Board / 13 Committee)	\$85,714 pa	\$4,000 pa Committee Chair \$3,000 pa Committee Member	\$27,000 (Chair) \$45,000 (Member)

² From 1 April 2024.

Board Member	Adrian Carson AM	15 (10 Board / 5 Committee)	\$44,503 pa	\$3,000 pa Committee Member	\$57,000
Board Member	Aimee McVeigh	6 (4 Board / 2 Committee)	\$44,503 pa	\$3,000 pa Committee Member	\$13,000
Board Member	Hon Jane Prentice	5 (4 Board / 1 Committee)	\$44,503 pa	\$3,000 pa Committee Member	\$13,000
Board Member	Linda Lavarch	6 (4 Board / 2 Committee)	\$44,503 pa	\$3,000 pa Committee Member	\$13,000
Board Member	Dr Meg Cairns	22 (12 Board / 10 Committee)	\$44,503 pa	\$4,000 pa Committee Chair \$3,000 pa Committee Member	\$60,000
Board Member	Nera Komaric	14 (8 Board / 6 Committee)	\$44,503 pa	\$3,000 pa Committee Member	\$58,000
Board Member	Dr Peter Aitken	9 (4 Board / 5 Committee)	\$44,503 pa	\$4,000 pa Committee Chair \$3,000 pa Committee Member	\$21,000
Board Member	Dr Poya (PJ) Sobhanian	8 (4 Board / 4 Committee)	\$44,503 pa	\$4,000 pa Committee Chair \$3,000 pa Committee Member	\$15,000
Board Member	Dr Shea Spierings	5 (4 Board / 1 Committee)	\$44,503 pa	\$3,000 pa Committee Member	\$13,000

Executive management

The board appoints the Health Service Chief Executive (HSCE), noting that the appointment is not effective until approved by the Minister under section 33 (2) of the *Hospital and Health Boards Act 2011*. The board delegates the administrative function of Metro North Health 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 Health.
- Providing strategic leadership and direction for the delivery of public sector health services in the hospital and health service.
- Promoting the effective and efficient use of available resources in the delivery of public sector health services in the hospital and health service.
- 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.

Executive team

Chief Executive, Adjunct Professor Jackie Hanson BNSc

Jackie has extensive leadership experience in executive, strategic and senior operational roles spanning more than 20 years across public health systems in Queensland and South Australia. Through strong leadership and influence, Jackie has led successful transformations within South Australia in her role as the CEO of Northern Adelaide Public Health Network. As Executive Director Operations and Chief Operating Officer at Sunshine Coast Hospital and Health Service, she has also made significant achievements strengthening staff engagement and redesigning care.

Throughout her career, from the bedside to Chief Executive, Jackie's commitment has remained focussed on increasing access and equity particularly for Aboriginal and Torres Strait Islander peoples, ensuring high quality safe services and improving patient outcomes and experience through the healthcare system, research, innovation, and partnerships both nationally and internationally across a wide range of sectors.

Jackie is a respected leader with a collaborative style and people focused approach which strongly aligns with the Metro North Health values of Respect, Integrity, Compassion, High Performance and Teamwork. She is a registered nurse, and holds a Bachelor in Nursing Science.

Chief Operating Officer, Adjunct Professor Jane Hancock MBA (Health), BEd (Nursing), DipAppSc (Nursing Education), GAICD, ANZSOG (EFP)

Jane provides effective executive leadership, direction, and strategy to the leads of all Metro North Health clinical and operational services to optimise the provision of quality health care and continuously improve clinical and business outcomes. Services include Public Health, Mental Health, Community and Oral Health and the directorates of RBWH, TPCH, STARS, CKW, Redcliffe and the satellite hospitals located in the communities of Kallangur, Caboolture, and Bribie Island.

Jane is strongly committed to value-based health care and the role of culture, strategy, measurement, and funding to deliver positive outcomes that matter to patients. Jane has a deep understanding of service delivery in metropolitan and rural and remote Queensland. Jane enjoys supporting and working in partnership with all members of the healthcare team and is committed to working in partnership to address the health inequalities and inequities that exist for many Aboriginal and Torres Strait Islander peoples.

Jane was educated as a registered nurse and specialised in adult and paediatric critical care. Jane has an MBA (Health), Bachelor Education (Nursing). Dip App Science (Nursing) and is currently studying an Executive Masters Public Administration. Jane is a non-Executive Director of the Leukaemia Foundation Board Australia and is a Graduate Institute of Company Directors (GAICD).

Chief Finance and Corporate Officer, Alister Whitta B.Bus (Accounting), Grad Dip ACG, FCPA, AGIA, ACG

Alister has extensive financial and corporate management experience in executive roles over the past 12 years, most recently as the Senior Finance Director, Princess Alexandra Hospital. He holds a Bachelor of Business from the Queensland University of Technology (QUT) and a Graduate Diploma in Applied Corporate Governance. Alister is a Fellow of CPA Australia (FCPA) and a member of the Governance Institute of Australia.

Alister has previously held roles with Metro South Health, Princess Alexandra Hospital, The Prince Charles Hospital and Department of Community Safety. He was also responsible for establishing

the statutory, financial management reporting and financial governance systems of Metro South Hospital and Health Service as the interim CFO.

He leads the development of Metro North Health's financial strategy and the management of financial risks and opportunities. His portfolio includes Business Advisory, Financial Control, Health Funding and Analysis, Legal Services, Health Information Policy, and Governance.

Executive Director Clinical Governance, Adjunct Associate Professor, Grant Carey-Ide, RN, EMPA

Grant provides strategic leadership, direction, and day to day management of Metro North Health's governance, quality and risk functions to optimise quality health care, statutory and policy compliance and continuously improving business outcomes.

Grant is an experienced health leader, having worked across three Australian jurisdictions. He is a registered nurse by profession and holds an Executive Masters degree in Public Administration. He has worked across acute, community and mental health settings, and is passionately committed to patient safety and the quality-of-care health services provide, as well as the achievement of health equity for First Nation peoples.

He provides strategic leadership for clinical governance, patient safety, quality improvement, risk, and compliance management as well as the Clinical Skills Development Service.

Acting Executive Director Clinical Services, Executive Director Cancer Care Services, Associate Professor Glen Kennedy, MBSS (hons), FRACP, FRCPA

Associate Professor Glen Kennedy is a haematologist who specialises in the treatment of malignant haematological disorders including bone marrow and stem cell transplantation. He is actively involved in clinical and translational research and has authored/co-authored more than 130 articles in peer-reviewed journals.

Glen is responsible for monitoring and strategically directing the performance of Metro North Health's clinical streams, including provision of data sets to help understand issues and opportunities for clinical performance across Metro North Health. Clinical Services is also responsible for the Metro North Health Office of Research.

Clinical Services work with the Primary Health Networks (PHN) around community programs and partnerships. Clinical Services also manages the development, implementation and reporting of clinical projects and models of care across Metro North Health, as well as innovation programs and ideas via Helix Hub and relevant parties.

Chief Digital Health Officer Dr Jason Brown BDS (Hons) MBBS FRACS

Dr Jason Brown is a burns and general surgeon, the Director of the Stuart Pegg Adult Burns Centre, and the Chief Digital Health Officer, RBWH.

He has been delivering health outcomes across Queensland for over 25 years, 14 of those at the RBWH. He is passionate about delivering innovative, person-centred healthcare and optimal patient outcomes. Jason is a Fellow of the Royal Australasian College of Surgeons and a member of the Australasian Institute of Digital Health.

He is also currently the clinical lead for the Burns Program at Herston Biofabrication Institute (HBI), where he leads a diverse team that implements innovative, safe, and optimal recovery solutions for injured burns patients.

Jason leads *Digital Metro North* which implements the HHS's strategic ICT initiatives and oversees the functions of data, analytics, and application development; clinical informatics, training and adoption; Queensland Digital Academy; portfolio services; digital operations; governance and strategic initiatives.

Chief People and Culture Officer, Raelene Burke (acting) MBA, PSMC

Raelene leads the People and Culture directorate for Metro North Health which provides a comprehensive range of enabling services to support our workforce and ensure a safe, supportive working environment. A key priority is the recruitment, development and retention of a high performing and diverse workforce and to foster a healthy, safe, and inclusive work environment that maximises individual and organisational potential.

Raelene provides strategic and operational leadership of recruitment and advisory services, workplace relations, health and safety, systems and reporting, organisational development strategy and programs, health workforce reform and transformation, and business improvement.

In both public and private sector (Northern Territory, Queensland, ACT), Raelene has undertaken a range of consultancies involving all aspects of contemporary human resource management, in addition to being a former senior executive in Northern Territory Health and Queensland Health.

Executive Director Strategy, Planning, Assets, Infrastructure and Strategic Developments

Kate Copeland AM BPhy, BBus (Health Admin), GradCert Health Economics, FACHSM

Kate has more than 25 years' experience in the health infrastructure sector, including statewide health services planning and leading major projects in high profile and complex health infrastructure projects within the public sector.

With oversight of \$3 billion of capital assets and \$2 billion of capital projects, her portfolio includes Strategy and Planning, Consumer and Community Engagement, Building Engineering and Maintenance Services (BEMS), Property Services, Asset Management, Infrastructure Planning and Capital Projects (IPCP), across six hospitals and multiple community facilities.

Kate was recognised in the 2021 Queen's Birthday awards as a Member of the Order of Australia in the General Division (AM) for significant services to the health infrastructure planning and management.

Executive Director Aboriginal and Torres Strait Islander Health Sherry Holzapfel BNur, MMid, MAppMgt

Sherry Holzapfel is a proud Yidinji woman from the Atherton Tablelands and has cultural bloodline connections with the Kuku-Thaypan tribe from Laura, the Gungarri tribe from Mitchell and the Butchulla tribe from K'gari (Fraser Island).

Sherry has over 25 years of extensive health experience, working in a variety of roles including health worker, registered nurse and midwife, management and senior leadership roles within Queensland Health and the Aboriginal community-controlled primary health care sector. Sherry's priority is community and clients. She demonstrates daily that their voices, lived experience and stories are heard. Sherry listens and learns with her community and follows through by ensuring better health outcomes, improved access, and the delivery of culturally appropriate services.

Sherry led the implementation of the Metro North Health Equity Strategy which made history as the first strategy of its kind launched across the state. She worked in true co-design and consultation with the community and stakeholders and remains committed to achieving life expectancy parity for Aboriginal peoples and Torres Strait Islander peoples by 2031.

Sherry holds a Bachelor of Nursing and a Master of Midwifery from the University of Southern Queensland (USQ) and a Master of Applied Management at University of Newcastle. She was awarded the 2021 USQ Alumni of the Year for Health and Wellbeing.

Dr Liz Rushbrook, Chief Medical Officer CSC, MBBS, MHA, FRACMA, RANR

Dr Liz Rushbrook is a specialist medical administrator who graduated Medicine from The University of Queensland in 1994. She has extensive medical and military experience and is a fellow of the Royal Australasian College of Medical Administrators.

Liz initially worked as a young doctor in Queensland before serving in the Royal Australian Navy. She rose steadily through the Navy ranks as a Medical Officer to Commodore, serving ashore and afloat before returning to Queensland in 2016. She is passionate about emergency and disaster management, business continuity, medical workforce wellbeing, and management and clinical governance.

Liz separately serves as a Member and Director of the Australian Medical Council (Member with experience as a Senior Executive of an Australian Public Hospital) and as a Director (and Chair) of Disaster Relief Australia.

Chief Nursing and Midwifery Officer Adjunct Professor Alanna Geary RN BN MHSc FACN

Adjunct Professor Alanna Geary has a nursing and midwifery career spanning more than 30 years and has worked in various specialties at the Royal Brisbane and Women's Hospital including surgery, intensive care, orthopaedics, general medicine, and infection control.

Alanna provides service management and professional leadership for nurses and midwives across Metro North Health in the areas of workforce planning, strategic direction and innovation, professional education and workforce development, the Patient Access and Coordination Hub (PACH), and the Queensland University of Technology (QUT) and Metro North Health Nursing and Midwifery Research and Academy.

Alanna holds a Masters of Health Science, and is Adjunct Professor at University of Queensland and Adjunct Associate Professor at Queensland University of Technology and Griffith University.

Mark Butterworth, Chief Allied Health Practitioner GradDipBA, DipAppSc, AssocDip Medical Radiography

Mark Butterworth is a radiographer and nuclear medicine scientist.

Mark provides professional, strategic direction and operational influence to oversee the successful delivery of complex transformational and change programs within allied health to ensure optimal patient care and outcomes. He sponsors the Collaborative for Allied Health Research, Learning and Innovation (CAHRLI) for over 35 allied health professions and roles.

Mark has the executive portfolio for improving the health outcomes for people living with a disability and culturally and linguistically diverse community.

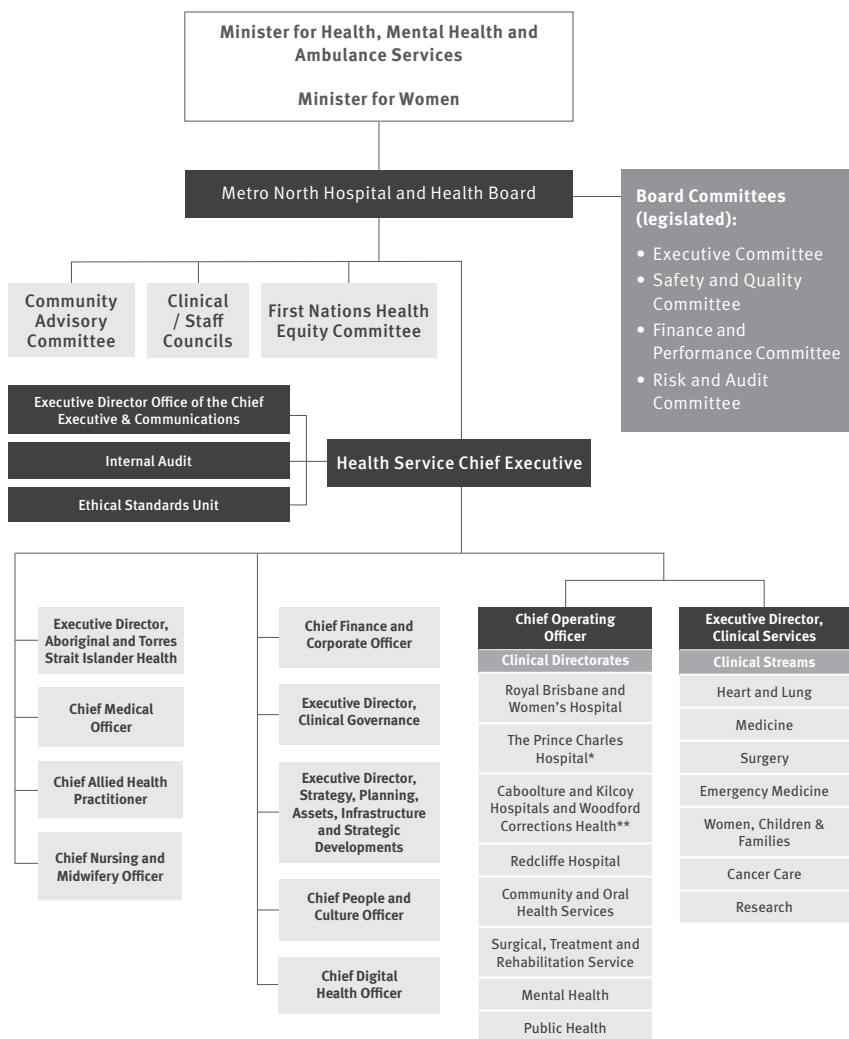
Vivienne Hased, Executive Director Office of the Chief Executive and Communications

Vivienne has extensive experience in the Queensland public sector, leading small teams across a range of departments. Her versatility and proven ability in problem solving, planning, and capacity for network building are coupled with an extensive knowledge of the Queensland and Australian health systems.

Vivienne is committed to increasing operational performance and high-quality outcomes through strategic reform, business improvement, and effective collaboration and engagement with stakeholders. She provides strategic advice and leadership in the development and implementation of Metro North Health’s priorities, challenges, and opportunities.

Vivienne has qualifications in public sector management.

Organisation structure



* Governance of Kallangur (Kalangoor) Satellite Hospital (TPCH)
 ** Governance of Bribie Island (Yarun) Satellite Hospital and Caboolture (Kabul) Satellite Hospital

Workforce Profile

The Metro North Health workforce comprises 19,726 full time equivalent employees and a headcount of 24,336 people. Over 95% of the workforce is in frontline or frontline support roles.

Table 2: Total Staffing

Headcount	24,336
Paid FTE	19,726.91

Table 3: Occupation Types by FTE

	%
Corporate	4.78%
Frontline & Frontline Support	95.22%

Table 4: Appointment Type by FTE

	%
Permanent	75.88%
Temporary	20.64%
Casual	3.34%
Contract	0.15%

Table 5: Employment Status by Headcount

	%
Full-time	47.07%
Part-time	46.91%
Casual	6.03%

Table 6: Gender

	Headcount	%
Woman	18,042	74.14%
Man	6,252	25.69%
Non Binary	42	0.17%

Table 7: Diversity target group data

Diversity Groups	Headcount	%
Woman	18,042	74.14%
Aboriginal Peoples and Torres Strait Islander Peoples	467	1.92%
People with disability	590	2.42%
Culturally and Linguistically Diverse – Speak a language at home other than English	4098	16.84%

Table 8: Target group data for Women in Leadership Roles

Group	Headcount	%
Senior Officers (classified and s122 equivalent combined)	36	60%
Senior Executive Service and Chief Executives (classified and s122 equivalent combined)	16	53.33%

Strategic Workforce planning and performance

The *Metro North Health Strategic Workforce Plan 2020-2025* was developed in accordance with the Australian Council on Healthcare Standards 13 Workforce Planning and Management, Queensland Government's Performance Management Framework and the EQUiP National program. The Plan continues to guide workforce strategy activities across Metro North Health, including the progression and refinement of the Metro North Health Workforce Reform Roadmap.

Key achievements for 2023-2024

- Launched Metro North Health's first Aboriginal and Torres Strait Islander Leadership Program to empower Aboriginal and Torres Strait Islander staff, nurturing their leadership potential and fostering professional growth, and achieving a balance between culture, community, and staff roles.
- Continued to deliver targeted initiatives to improve accessibility to employment opportunities for Aboriginal and/or Torres Strait Islander peoples as part of the Metro North Health Equity Strategy implementation. Examples of initiatives which use a co-design approach include:
 - Launched a dedicated talent portal and email account.
 - Contacted unsuccessful candidates from Identified advertised roles to seek their interest in future roles.
 - Established the Murrumba working group comprising Aboriginal and Torres Strait Islander staff and non-Aboriginal and Torres Strait Islander staff. The group meets fortnightly and is driving initiatives such as the talent portal to increase the attraction and retention of Identified staff.
 - Reviewed the Health Equity Recruitment intranet page to insure information targeted line managed education and awareness of health equity employment initiatives.
- Implemented the Queensland Government *Preventing & Responding to Sexual Harassment Directive* including the Chief Executive Statement of Commitment and the development of staff training.
- Supported the orientation of 39 Deadly Start trainees and the graduation of 25 students. Metro North Health also supported the statewide expansion of the Deadly Start Program in other hospital and health services.
- Developed the *Metro North Health Managing Psychosocial Risks in the Workplace* in consultation with subject matter experts, working parties, elected health and safety representatives and industrial partners. The three components of the framework are prevent, protect and promote and support.
 - Completed an organisational-level psychosocial risk assessments and facility/directorate assessments have identified hazards, review current controls and interventions, and developed action plans for improvement opportunities.
 - Resources added to the Health and Safety staff intranet page and online training modules developed and targeted education delivered to line managers.
- Stage 3 of the Integrated Workforce Management (IWFM) rostering system for all nursing and midwifery staff was successfully implemented in April 2024.
- Appointed a director of workforce reform coordination position to work with operational and professional leads to drive current and planned workforce reform initiatives.

Early retirement, redundancy and retrenchment

No redundancy or retrenchment packages were paid during the period. There were seven employees granted ill health retirement during the year pursuant to Section 107, of the *Public Sector Act 2022 (Qld)*.

Our risk management

Metro North Health's risk management system aligns with the Australian/New Zealand Standard ISO31000:2018 on risk management principles and guidelines, and the National Safety and Quality Health Service Standards Clinical Governance Standard.

Metro North Health is committed to a philosophy and culture that values open, fair, and equitable behaviours, and that encourages staff to proactively manage risk. The board's risk appetite statement identifies a very low appetite for taking risks associated with activities that may negatively impact both the quality and safety of care provided and clinical outcomes for patients across the entire care continuum (community care, outpatient, inpatient and aged care).

The Plan identifies five overarching strategic risks:

Health Service Resourcing: Increasing pressure on available funding and own source revenue with increased cost of supply (labour and non-labour) as a result of COVID-19 may impact ability to respond to service demand and community needs and expectations.

Adaptability: Failure to embed an organisational culture that is responsive and adaptable to change will impact on the organisation's ability to respond to external forces, including a pandemic, and capitalise on opportunities when presented.

System and Partner Dependencies: Lack of relationships and interfaces across the system may not be adequately managed to deliver the most effective, efficient, and sustainable health services.

Digital Transformation and Cyber Security: Failure to successfully execute digital transformation would adversely impact patient outcomes, service delivery, research and clinical partnerships, and organisational viability. Inadequate processes to prevent and/or respond to cyber threats may result in loss or corruption of sensitive information and cause critical service disruption compromising patient care and organisational performance.

Asset and Infrastructure: Ageing infrastructure with inadequate funding may lead to Metro North Health carrying an increasing liability for building asset performance resulting in impacts on clinical service delivery.

Metro North Health's directorates and support services are responsible for identifying and managing operational risks. In addition to oversight of strategic risks, the board also monitors organisational and operational risks and ensures that appropriate action is taken by management to remove risks where possible, while managing and reducing inherent risks to a tolerable level aligned to the board's declared risk appetite.

Key achievements for 2023–2024

- The board reviewed the risk appetite statement for Metro North Health to reflect the importance of co-design with marginalised and diverse cultural groups in patient centred care, emphasis on psychosocial wellbeing of staff, and addition of digital innovation criteria to explore the ethical use of AI to improve outcomes for patients.

- The board endorsed the strategic risks which are regularly reviewed to ensure that risks that have a potential to impact the achievement of Metro North Health's strategic objectives are identified and managed effectively.
- Metro North Health's annual review of risk management activity provided a comprehensive overview of the current risk profile to assist with the identification of possible gaps in risk coverage.
- Internal audit of the organisation's risk management framework was undertaken to assess risk management maturity.
- Metro North Health continues to improve its risk management system through various monitoring mechanisms and risk management workshops to ensure effective governance oversight and aggregate risk exposure is understood, managed, and monitored.
- Metro North Health has developed a suite of online training resources, with additional resources developed to specifically support Managers and Executives, to empower employees to undertake risk management activities in a consistent and controlled manner aligned to the *ISO31000:2018 Principles*.
- Ensuring the Metro North Health audit program continued to focus on risks associated with the organisation's move to various digital platforms and ongoing cyber risks including IT cybersecurity governance and the review of management's progress to build the Information Security Management System Framework. Ongoing monitoring of the ieMR rollout across Metro North facilities at Redcliffe Hospital and the Satellite Hospitals.

Ministerial Direction

The *Hospital and Health Boards Act 2011* requires annual reports to state each direction given by the Minister to the HHS during the financial year and the action taken by the HHS as a result of the direction. During the 2023-2024 period, one direction was given to Metro North Health in relation to a Crisis Care Process. As a result, Metro North Health took the following action:

- Clinical Care Pathway commences within 10 minutes for any person who discloses a sexual assault during a presentation or is presented by an officer of the Queensland Police Service as a victim of a sexual assault.

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 Queensland 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 defensible 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. The audit team adopts a broad mix of clinical and non-clinical audits that considers compliance requirements and operational and efficiency-based audits to inform business process improvements. 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. The firm provides 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 2023–2024

During the period, Internal Audit finalised³ 11 internal audits (another five audits are at various stages of progress) covering both clinical and non-clinical risk areas including:

- Health Equity Strategy – review of measurement and reporting processes
- Review of medical credentialing processes
- Working from home arrangements
- Review of committee practices
- Adequacy of security and access to high-risk areas
- Review of IT data governance
- Research – review of data storage practices
- Compliance with Information security management system and essential eight requirements
- Review of MNH's risk management framework
- Review of staff overtime payments and monitoring controls
- Follow-up review: Management of Clinical Root Cause Analysis and Human Error and Patient Safety recommendations.

During the reporting period, Internal Audit responded to ongoing requests from the organisation for general audit advice on policy, frameworks, required controls and consideration of management risks.

External scrutiny

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

National Safety and Quality Health Service (NSQHS) Standards

Throughout 2023, all Metro North Health acute hospitals, mental health services and community and oral health services, with the exception of STARS which is yet to undertake assessment, were successfully assessed under the short notice model of accreditation against the National Safety and Quality Healthcare Standards (NSQHS) by the Australian Council on Healthcare Standards (ACHS) with all Directorates receiving overwhelmingly positive feedback and achieving re-accreditation.

Aged Care Quality Standards

Metro North Health has two residential aged care facilities, Cooina House (a 60-bed facility at Redcliffe) and Gannet House (a 40-bed facility at Brighton). Both facilities are subject to

³ Finalised – Audit report has been considered and approved for release by 30 June 2024 by the Chief Executive and Risk and Audit Committee.

assessment against the Aged Care Quality Standards by the Aged Care Quality and Safety Commission. Cooinda is accredited until October 2024 and Gannet House is accredited until November 2025.

Australian Government National Standards for Disability Services

Metro North Health's Halwyn Centre provides permanent residential care and respite care for clients with both intellectual and physical disabilities. The Rehabilitation Engineering Centre (REC) at STARS is the only professional engineer-led service of its kind in Queensland and one of only a few in Australia and works to improve the quality of life of Queenslanders with disabilities. The REC is a registered NDIS provider and provides advice, builds or modifies assistive technology and mobility equipment to suit patients' personal needs.

The Metro North Health Behavioural Emergency Response Team (BERT) is an interdisciplinary outreach and crisis response team, which works collaboratively alongside the person who has an intellectual and/or neurodevelopmental disability with complex and challenging behaviour and their carers/service providers to better manage their behaviours and primary health needs. The BERT Service operates as a single point of contact for communication, engagement, education, and coordination of client care for parents and carers, disability service care staff, local hospital clinicians (including emergency department and ward clinicians and NDIS leads), Queensland Ambulance Service officers, GPs, National Disability Insurance Agency (NDIA) and the Queensland Police Service.

The Halwyn Centre, REC and BERT services are subject to external accreditation under the Australian Government National Standards for Disability Services. On 30 November 2023, these services underwent National Disability Insurance Scheme (NDIS) certification against the NDIS Practice Standards by the AQC Group to contribute to MNH's re-registration as NDIS providers with the NDIS Commission.

External reviews

In July 2023, the external review into the care relating to Case WT concluded, and review findings were released. The review made 14 key recommendations and six additional recommendations relating to paediatric emergency services, staffing and resources, staff training and education, complaints processes including governance, monitoring and reporting and recommendations specific to referral, access and provision of Aboriginal and/or Torres Strait Islander cultural support.

In August 2023, following the review findings and recommendations made in relation to Case WT, the Metro North Health Chief Operating Officer commissioned an external review of Paediatric Care at Caboolture Hospital which is due for completion in early 2024-2025. The review was commissioned to independently consider the treatment and care of paediatric patients at Caboolture Hospital and make recommendations in relation to service delivery and organisational improvements to ensure that the current and future models of service delivery across the continuum of care, including the emergency department and inpatient services, are optimised for the Caboolture community.

In April 2024, a follow-up review in relation to the Redcliffe Hospital Maternity Services Assessment was undertaken with the aim of assessing progress on the recommendations from the initial assessment undertaken in February 2023.

The follow-up review confirmed that there has been progress towards recommendations made with 22 of the 37 recommendations completed and considerable progress made towards the remaining 15. The follow-up review report noted that there has been good progress in the 12 months since the initial review with work continuing in areas that require longer term action.

In May 2024, an independent Part 9 service review under the *Hospital and Health Boards Act 2011* into the mental health adult inpatient unit at TPOCH was commissioned and is set to conclude early in the 2024-2025 fiscal year.

Auditor-General reports

In 2023-2024, a Parliamentary report tabled by the Auditor-General broadly considered the financial audit results of Queensland health entities including Metro North Health. The report was:

- Health 2023 (Report 6: 2023-24).

In addition, several other audits were undertaken by the Auditor-General during the year that referenced the health sector, good public sector governance or noted risk areas for agencies to address going forward. The following reports were used by Metro North Health to further inform its service delivery:

- Improving asset management in local government (Report 2: 2023-24)
- 2023 status of Auditor-General's recommendations (Report 3: 2023-24)
- Major projects 2023 (Report 7: 2023-24)
- Minimising gambling harm (Report 9: 2023-24)
- State entities 2023 (Report 11: 2023-24).

The recommendations contained within the Auditor-General's reports were considered by key stakeholders and action was taken to implement them, where appropriate.

Information systems and record keeping

As a State Government agency, Metro North Health is required to meet the requirements of the *Public Records Act 2002 (Qld)*, as well as the Records Governance Policy, standards and specifications issued by Queensland State Archives (QSA). Metro North Health recognises the value of corporate (non-clinical) records as they provide evidence of business activities, decisions and transactions and provide a foundation for accountability and transparency.

The Metro North Health Corporate Records policy sets out the requirements of recordkeeping practices that all staff must adhere to. The policy, together with advice and guidance on the Corporate Information Management Team (CIMT) intranet site, has been developed to support good recordkeeping practices and help ensure that Metro North Health is meeting its legislative requirements.

Metro North Health's approved corporate recordkeeping system is Content Manager. This system is managed in partnership by the eHealth Queensland eDRMS Platform and CIMT. In 2023-2024 there were 560,965 records saved into Content Manager (this includes both folders and documents) by staff across Metro North Health.

In October 2023, Content Manager was upgraded to version 10.1. This was a project in conjunction with the Department of Health and other hospital and health services across Queensland. The upgrade sustained our operational efficiency, ensuring access to vendor support crucial for sound ICT governance.

A key focus of the CIMT is increasing awareness of corporate recordkeeping obligations and information policy across Metro North Health in both administrative and health community teams. In November 2023, a Corporate Information Management module was developed for Metro North Health's online learning system TMS. Four animated training videos were also developed and uploaded onto the CIMT Intranet site on the following topics:

- Corporate Records Management
- Naming Conventions
- Retention & Disposal
- Where to save Corporate Records.

A Corporate Information Management survey was conducted from 28 May to 29 June with 180 staff completing the survey. The purpose of the survey was to better understand the current state of information management (non-clinical records) at Metro North Health. The results of the survey will assist the CIMT to understand how staff are currently storing, managing, and accessing records and information, and to identify the gaps, inefficiencies and opportunities for improvement based on the feedback gathered.

In June 2024, Metro North Health participated as a pilot agency in QSA's Digital Archive program for transferring records to their digital archive. The purpose of the program is to preserve Metro North Health's permanent value born-digital records that will benefit present and future generations.

CEO Attestation of IS18:2018 (ISMS) information security risk

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

Queensland Public Sector ethics

Metro North Health continues 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. The Code of Conduct for the Queensland Public Service, which is based on these four legislative principles, applies to all Queensland Health staff, including Metro North Health.

In the 2023-2024 reporting period, it was mandatory to complete code of conduct training on an annual basis to remain compliant. As at 30 June 2024, a total of 19,657 staff** (83.9 per cent) were compliant with the Code of Conduct online training course, which provides education on workplace bullying, sexual harassment and discrimination, ethics, integrity, and accountability.

On 30 June 2024, 1,202 (80.9 per cent) of current line managers were compliant with this training.

** The Metro North Talent Management System (TMS) records the number of staff who have completed training. The total number is based on the number of active accounts.

Our Human Rights Commitment

Metro North Health recognises that respecting, protecting and promoting human rights enables individuals to enjoy healthy lives and is critical to the role we perform in our community as a provider of public health services.

The *Human Rights Act 2019* (Qld) continues to positively shape the way that Metro North Health delivers excellent patient-centred care and high-quality health services. We are committed to

promoting the human rights of all individuals in our organisation by the way we operate and deliver health services every day and continue to develop our organisation capability.

During this reporting period, Metro North Health has demonstrated progress developing its human rights culture and capability by the way we incorporate human rights into our actions and decisions. When assessing human rights complaints, we have an opportunity to reflect on whether a relevant operation or policy adequately protects and promotes the human rights of those impacted.

Key achievements for 2023–2024

- Continuing to resolve complaints with a genuine consideration of the human rights impacted by actions or decisions which have been made by the health service.
- Building our commitment to health equity and cultural safety across the organisation as set out in the *Metro North Health Equity Strategy 2022-2025* and continuing to offer Health Equity Training programs.
- Continuing to embed consideration of human rights in all our policies and procedures across the health service to ensure compatibility with and protection and promotion of human rights occurs. An example of includes the publication of the *Reducing violence in the workplace through prevention and proactive management* Policy.
- Significantly reduced the number of human rights complaints and partnering with consumers to demonstrate respect, integrity and compassion, and Metro North Health’s commitment to put values in action, put people first and resolve complaints at the earliest possible opportunity.
- Continuing to provide training and education to staff through access to online training through the Metro North Health Training Management System and the Queensland Health iLearn training system and face to face information presentations.

Metro North Health continues to build our organisational capability in the human rights culture across all facilities and services. We will develop and continue to review policies, programs, procedures, practices and service delivery to ensure that decisions and actions are compatible with human rights and ensure that human rights are central to the work we do.

Number of complaints received which were assessed as having a human rights component		29*
Outcome of the complaints	<ul style="list-style-type: none"> • 5 complaints were resolved between the organisation and the complainant at the frontline. • 21 complaints were resolved internally after engaging with the consumer and staff within the health service. • 1 complaint remains open and unresolved. • 1 complaint was made to the QHRC which was accepted as a complaint under the <i>Human Rights Act 2019</i> (Qld) and referred to the Queensland Industrial Relations Commission which is ongoing. • 1 complaint was made to the Queensland Human Rights Commission and was accepted as a complaint under the <i>Human Rights Act 2019</i> (Qld) and has not yet progressed to conciliation 	

* This number includes human rights complaints and was compiled based on data received from across the health service.

Confidential information

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

During the 2023-2024 reporting period, four disclosures of confidential information were authorised to assist with:

- An external review of paediatric care at Caboolture Hospital
- An external review into the care of a mental health consumer
- A benchmarking activity of clinical services at The Prince Charles Hospital
- An external review in relation to a cardiology consumer.

Performance

Non-financial performance

Key Performance Indicators (KPIs) – achievements

Progress in 2023-2024 toward achieving the four objectives of the Strategic Plan is outlined below.

Objective 1 – To always put people first.

KPI: All Directorates demonstrate at least three codesign initiatives with consumers for organisational development per annum.

Progress in 2023-2024

- Listen to consumers, their carers, staff and partners and involve them in organisational development, governance and decision making.
- Across the seven directorates⁴, there has been an increase in co-design initiatives commenced or progressed (84 initiatives compared to 61 in the previous reporting period).

KPI: Demonstrated action to patient survey and other feedback results.

Progress in 2023-2024

Six monthly report on PREMS⁵ and patient compliments and complaints which enables Metro North Health to learn from themes, trends and areas of change.

Examples of how feedback is actioned:

Kallangur Satellite Hospital

- Changed the waiting room layout in the Minor Injury & Illness Clinic to improve access for wheelchairs to the Kidney Services door and provided seating for patients waiting to be triaged.
- Consumer feedback resulted in handing out activity packs for children in the waiting room.
- Kidney Health patients waiting area changed location to separate at risk Kidney Health patients from Minor Injury & Illness patients who often have infectious illnesses.

⁴ Directorates refers to the five hospitals, mental health services, and community and oral health services.

⁵ PREMS – patient reported experience measures.

TPCH

- QR code introduced on TPCH Pharmacy prescription backings to allow mobile access to reliable, up-to-date consumer medicines information.

RBWH

- Introduced the RBWH ED Patient Portal to help patients and visitors access key information via their mobile phones during their visit.
- The eight links within the navigation menu are: department map, parking and transport, patient journey map, identifying the RBWH ED team via scrub colour codes, discharge information, alternatives to ED, MyStay@RBWH, and patient feedback.

KPI: Improved staff engagement and satisfaction results by 5 per cent each survey (every two years).

Progress in 2023-2024

Metro North Health undertakes the Have Your Say staff survey every two years. Results for the next survey will be reported in the next annual report.

KPI: Demonstrated action to staff engagement survey results for every service/business unit across Metro North Health.

Progress in 2023-2024

Developed and implemented a Metro North wide action plan in response to Have Your Say staff survey results.

Have Your Say (HYS) actions groups have driven the following initiatives:

Wellbeing Program – supporting people through unplanned leave

- Campaigns raising awareness of flexible work arrangements and attendance culture.
- Exploring benchmarking of absenteeism data.
- Amalgamating current resources into practical guides.
- Building a manager onboarding module aimed at building trust and conversation skills.

Professional Development Planning (PDP)

- PDP rebrand process through a Metro North-wide poll.
- Finalising topics for user guides and microlearning programs.
- Selecting a platform for a new system with seamless updates and user-friendly reporting dashboards.

Career Development – Operational and Administration Career Pathways

- Job shadowing and tailored training and development programs for administration and operational staff.

Visible Leadership – leading by example

- Co-designed key leadership principles, aligned with the upcoming Capability Framework Update, to be incorporated into leader PDPs, feedback mechanisms, and improvement initiatives.
-

KPI: Comparable Metro North service/workforce diversity compared to Metro North population diversity.

Progress in 2023-2024

- Aboriginal and Torres Strait Islander peoples comprise 1.9 per cent of the Metro North Health workforce compared to 2.6 per cent in the catchment. The number of employees has increased by 19.5 per cent since the previous year.
 - People from culturally and linguistically diverse backgrounds comprise 16.8 per cent of the Metro North Health workforce compared to 12 per cent in Queensland.
 - People with a disability comprise 2.4 per cent of the Metro North Health workforce compared to 19.1 per cent in Queensland.
 - Metro North Health submitted the first *Metro North Health Equity and Diversity Audit Report* which was requested by the Office of Special Commissioner, Equity and Diversity (OSC).
-

Objective 2 – To improve health equity, access, quality, safety and health outcomes.

KPI: Increased access to local services for Caboolture and Redcliffe residents with:

- 60 per cent of admitted services provided close to home each year.
 - 75 per cent of outpatient services provided close to home or via telehealth.
-

Progress in 2023-2024

Continue to develop services close to home with a networked approach to evidence-based service delivery that supports equitable care and continuity of care across and within primary, community, and hospital care.

- 56.4 per cent of services are delivered locally for adults and children at Redcliffe Hospital and 55.6 per cent at Caboolture Hospital.
 - 88.7 per cent of outpatient services provided close to home or via telehealth across Metro North will be 65.2 per cent in Caboolture Hospital and 69.3 per cent in Redcliffe Hospital.
-

KPI: Implementation of Metro North Health Equity Strategy in partnership with community.

Progress in 2023-2024

- Support for all directorates to develop local health equity implementation plans.
 - Health Equity Showcases held in December and April with attendees from community, stakeholders and staff. Message in a can activity during community engagement showcases sought real-time feedback and reflection from participants.
 - Aboriginal and Torres Strait Islander Social and Emotional Staff Wellness Expo held which provided key information and support for social and emotional wellbeing.
-

KPI: ieMR implementation for Metro North initiated by 2024.

Progress in 2023-2024

- The five-year program of work for the ieMR rollout across Metro North has commenced, with Enterprise Scheduling Management (ESM) Projects finalised, Tranche 1 Satellite Hospitals opening as digital facilities, and Redcliffe Hospital going live with the ieMR in the 2023-2024 financial year.
 - All sites will be implemented by 2027.
-

Objective 3 – To deliver value-based health services through a culture of research, education, learning and innovation.

KPI: Increase patient participation in Metro North Health clinical trials and clinical research by 10 per cent each year.

Progress 2023-2024

- The Metro North Research Strategy 2023-2027 identifies clinical trials as a key priority requiring investment across the Queensland health sector.
- Our research output is transforming clinical care with 1383 journal articles published in the past 12 months and \$307 million in NHMRC and MRFF grants awarded over the last decade.
- Metro North has a strong track record of conducting high quality clinical trials as a part of local, national and international collaborative research.
- In 2023, Metro North authorised 349 Site-Specific Assessment (SSA) applications, of which 116 (33 per cent) were clinical trials. Of those clinical trials, 68 per cent were drug trials, 10 per cent were device trials, and 22 per cent were other clinical trials.
- Across three Metro North Cancer Care departments, Haematology & Bone Marrow Transplant, Medical Oncology, Radiation Oncology, and Redcliffe Hospital (general trials), a total of 263 patients were consented across 60 clinical trials.
- Metro North is working with Queensland Health to procure a statewide Clinical Trials Management (CTMS) solution that will better enable Metro North to readily demonstrate compliance with the National Clinical Trials Governance Framework (NCTGF) and support the conduct and management of high-quality clinical trials in Metro North.

KPI: Increase the percentage of new Senior Medical Officer (SMO) appointments with a higher degree towards a target of 50 per cent.

Progress 2023-2024

The percentage of new SMO appointments with additional higher qualifications at Australian Qualification Framework Level 8 (or equivalent) or higher was 48.3 per cent.

This represents an increase from 2022-2023 performance 37 per cent which was attributed global market challenges caused by COVID.

This year's qualifications included:

- 20 bachelor's degrees with honours
- 39 master's degrees
- 10 PHDs
- 10 additional fellowships.

KPI: At least 90 percent of inpatients indicate “yes definitely” to being involved as much as desired in treatment and care decisions.

- There was an 18 per cent (13,518) response rate across Metro North inpatient facilities for the inpatient PREMs survey in 2023-2024. This compares favourably to the 16 per cent response rate across Queensland for the same period.
-

-
- 80 per cent of responses answered “yes, definitely” to being involved as much as desired in treatment and care decisions compared to 79 per cent in the previous year. Results vary amongst Metro North hospitals ranging from 76 per cent at Caboolture Hospital to 89 per cent at STARS.
 - Some areas are trialing new ways to promote to consumers ways to give feedback such as a feedback placemat trailed at Caboolture Hospital’s Ward 2A. It is provided on each food tray and encourages people to provide feedback. It has resulted in an increase in feedback, especially compliments. This is being rolled out across other wards.
 - The Alcohol and Drug Service has co-designed the Change and Safety Plan regarding treatment planning with members of the ADS Client Advisory Committee.
 - At RBWH, a Patient Goals of Care Project in inpatient areas raised awareness across clinical teams of the importance of identifying patient goals as part of patient centred care and shared decision making.
-

KPI: Implementation of the *Green Metro North Sustainability Strategy 2021-2026*.

Progress 2023-2024

- Decommissioned reticulated Nitrous Oxide from TPCH, an Australian hospital first.
 - Metro North is participating in the pilot of the Australian Commission on Safety and Quality in Healthcare’s new hospital accreditation module for Environmental Sustainability and Climate Change.
 - Commenced an Urban Greening Plan including current design of an Indigenous Healing Garden as a first project of this plan.
 - Transition to a fully electric vehicle fleet ahead of schedule.
 - STARS has become the first hospital in the country to receive a 5 Star Green Star Performance rating by the Green Building Council of Australia for excellence in building operations.
 - Public website and a staff intranet are regularly updated with Green Metro North news to increase staff and public visibility of this work.
-

Objective 4: To be accountable for delivery of sustainable services, high performance and excellent patient outcomes.

KPI: Achieve sustainable positive financial results.

Progress 2023-2024

- Metro North Health achieved a balanced financial position of \$1.56 million for the year ended 30 June 2024.
-

KPI: All project documentation will include an evaluation framework.

Progress 2023-2024

- The Metro North Health Evaluation Framework continues to be used across the HHS by all project teams. Examples include evaluation of Connected Community Pathways and Rapid Access Services projects.
 - The HELIX Hub (Healthcare Excellence through Leading Innovation and Collaboration) is supporting evaluations across the health service to further embed the framework.
-

- The HELIX Hub supports service improvement and provides opportunities for learning, sharing and promoting ideas across the HHS.

KPI: The achievement of our Service Agreement Performance Measures.

Progress 2023-2024

- Metro North Health continued to focus on performance recovery.
- Metro North Health saw a 12.4 per cent increase in emergency department presentations (including satellite hospital).
- There was an increase of 8,146 patients presenting to Emergency via QAS; however, Patient Off Stretcher Time (POST) data improved. The improvements in POST in Metro North Health is contributed to by the POST initiatives to increase staffing in both Treat in Turn (TIN) and Medical Flow Commander roles. Medical Flow Commanders work in conjunction with the TIN roles to optimise front loading in Emergency Departments, ensuring early senior review and decision making occurs.
- Metro North Health also saw an increase of 18 per cent non-admitted telehealth occasions of service and performed 31,586 elective surgeries (an increase of 307 from the year prior).
- Whilst demand continues to exceed capacity, Metro North Health continues to deliver high quality care for community, working towards fulfilling all KPIs established by the Service Agreement.

Performance

Metro North Health is responsible for providing public hospital and health services including medical, surgical, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical and clinical support services, as well as community health and oral health services.

Performance in 2023-2024 is outlined in the table below.

Metro North Hospital and Health Service	2023–2024 Target	2023–2024 Actual
Effectiveness measures		
Percentage of emergency department patients seen within recommended timeframes		
• Category 1 (within 2 minutes)	100%	100%
• Category 2 (within 10 minutes)	80%	68%
• Category 3 (within 30 minutes)	75%	56%
• Category 4 (within 60 minutes)	70%	73%
• Category 5 (within 120 minutes)	70%	91%
Percentage of emergency department attendances who depart within 4 hours of their arrival in the department	>80%	51%

Metro North Hospital and Health Service	2023–2024 Target	2023–2024 Actual
Percentage of elective surgery patients treated within the clinically recommended times <ul style="list-style-type: none"> • Category 1 (30 days) • Category 2 (90 days)¹ • Category 3 (365 days)¹ 	>98%	90% 86% 94%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days ²	≤1.0	0.8
Rate of community mental health follow up within 1–7 days following discharge from an acute mental health inpatient unit ^{3,4}	>65%	58.0%
Proportion of re-admissions to acute psychiatric care within 28 days of discharge ⁴	<12%	7.0%
Percentage of specialist outpatients waiting within clinically recommended times ⁵ <ul style="list-style-type: none"> • Category 1 (30 days) • Category 2 (90 days)⁶ • Category 3 (365 days)⁶ 	56%	56% 51% 84%
Percentage of specialist outpatients seen within clinically recommended times <ul style="list-style-type: none"> • Category 1 (30 days) • Category 2 (90 days)⁶ • Category 3 (365 days)⁶ 	81%	73% 51% 77%
Median wait time for treatment in emergency departments (minutes) ⁷	..	22
Median wait time for elective surgery treatment (days)	..	41
Efficiency measure		
Average cost per weighted activity unit for Activity Based Funding facilities ⁸	\$5,553	\$6,070
Other measures		
Number of elective surgery patients treated within clinically recommended times <ul style="list-style-type: none"> • Category 1 (30 days) • Category 2 (90 days)¹ • Category 3 (365 days)¹ 	11,807	11,488 10,101 6,663
Number of Telehealth outpatients service events ⁹	72,000	96,356
Total weighted activity units (WAU) ¹⁰ <ul style="list-style-type: none"> • Acute Inpatients • Outpatients • Sub-acute • Emergency Department • Mental Health • Prevention and Primary Care 	307,331 110,979 31,040 66,225 34,679 7,895	315,753 116,380 35,232 54,919 31,840 9,183
Ambulatory mental health service contact duration (hours) ⁴	>171,919	121,891

Metro North Hospital and Health Service	2023–2024 Target	2023–2024 Actual
Staffing ¹¹	18,965	19,726

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

Financial summary

For the year ended 30 June 2024

Metro North Health achieved a surplus of \$1.56 million for the year ending 30 June 2024.

Metro North Health has delivered on healthcare activity requirements under the Service Agreement with the Department of Health.

Revenue and expenditure

Metro North Health's income is derived from two major sources:

- Department of Health funding for public health services (including Commonwealth contributions)
- own source revenue.

Total revenue was \$4.314 billion, which is an increase of \$328 million (8.23 per cent) from the prior year.

- Activity-based funding for hospital services represented 72.07 per cent (\$3.109 billion) of total revenue.
- Block and other Department of Health funding represented 16.51 per cent (\$712.1 million) of total revenue.
- Own source revenue represented 7.57 per cent (\$326.4 million) of total revenue.
- Total expenses were \$4.312 billion, averaging at \$11.8 million a day for providing public health services. Total expenditure increased by \$327.4 million (8.22 per cent) from last financial year.

Assets and liabilities

Metro North Health's asset base amounts to \$3.093 billion, with 73.3 per cent or \$2.267 billion of this invested in property, plant and equipment. The right to use the STARS building for the current 20-year term of the lease represents \$379.3 million, with the remaining balance (\$446.5 million) held in cash, receivables, inventory, intangibles and prepayments.

Metro North Health's liabilities total \$809.6 million consisting of payables, employee benefits and \$407.8 million lease liability related to STARS. Total equity, at 30 June 2024, was \$2.283 billion (prior year \$2.090 billion).

Financial outlook

Metro North Health has an operating budget of \$4.414 billion for 2024-2025, which is an increase on prior year revenue of \$418.3 million.

A number of significant capital projects will be continuing in 2024-2025 including, the finalisation of the Caboolture hospital redevelopment, including selected refurbishment of the existing hospital building, which includes establishment of a new chemotherapy service and the construction of the cancer care service at Bribie Island Satellite Hospital.

Metro North Health will also work with community and partners on the planning, design and delivery for Redcliffe hospital expansion, The Prince Charles Hospital expansion including the new multistorey car park, and the Queensland Cancer Centre.

Deferred maintenance

Deferred maintenance is a common building maintenance strategy utilised by public and private sector industries. All Queensland Health entities comply with the *Queensland Government Building Policy Framework – Growth and Renewal and Building Policy Guideline* which require the reporting of deferred maintenance.

The Building Policy Guideline defines deferred maintenance as all maintenance work that has not been conducted within a financial year and is deemed necessary to bring the condition of the building to a required standard or acceptable level of risk. Deferred maintenance is the maintenance work that is postponed to a future budget cycle, or until funds become available. It excludes work earmarked in anticipation of a level of deterioration that did not occur (e.g. forecast repainting).

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

As of 30 June 2024, Metro North Health had reported deferred maintenance of \$481 million.

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

- Focus HHS minor capital budget of \$2.5 million annually to replace highest priority end-of-life building components.
- Continue to seek assistance from the Sustaining Capital Program.
- Undertake regular review of asset conditions and updates the estimate of deferred maintenance on a rolling three-year program.
- Maintains a register of deferred maintenance including lifecycle replacement issues.
- Annual Maintenance and Management Plan which outlines the planned maintenance activities, both capital and operating expenditure, for the current year and the forward two-year program.

Metro North Hospital and Health Service

Financial Statements – 30 June 2024

Metro North Hospital and Health Service

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Metro North Hospital and Health Service
Statement of comprehensive income
for the year ended 30 June 2024

	Notes	2024 Actual \$'000	2024 Budget \$'000	Budget Variance \$'000	2023 Actual \$'000
Income					
User charges and fees	A1-1	326,442	347,932	(21,490)	335,408
Funding for the provision of public health services	A1-2	3,821,047	3,583,921	237,126	3,528,668
Grants and other contributions	A1-3	30,243	24,085	6,158	26,364
Goods and services received below fair value	A1-4	30,810	26,944	3,866	28,162
Other revenue	A1-5	105,483	11,995	93,488	67,444
Total Revenue		4,314,025	3,994,877	319,148	3,986,046
Gain/(loss) on disposal/re-measurement of assets		(631)	728	(1,359)	867
Total income		4,313,394	3,995,605	317,789	3,986,913
Expenses					
Employee expenses	A2-1	528,763	482,796	(45,967)	475,182
Health service employee expenses	A2-2	2,541,601	2,364,969	(176,632)	2,370,651
Supplies and services	A3-1	1,027,278	935,479	(91,799)	935,325
Grants and subsidies		3,558	783	(2,775)	2,784
Interest on lease liabilities		7,426	8,498	1,072	7,789
Depreciation and amortisation	B3,B6	180,775	171,840	(8,935)	171,262
Impairment losses		9,781	8,161	(1,620)	5,690
Other expenses	A3-2	12,649	23,079	10,430	15,733
Total expenses		4,311,831	3,995,605	(316,226)	3,984,416
Operating result		1,563	-	1,563	2,497
Other comprehensive income					
<i>Items that will not be reclassified subsequently to operating result</i>					
Increase/(Decrease) in asset revaluation surplus	B5-1	94,733	-	94,733	196,798
Total other comprehensive income		94,733	-	94,733	196,798
Total comprehensive income		96,296	-	96,296	199,295

*An explanation of major variances is included at Note F1

Metro North Hospital and Health Service
Statement of financial position
as at 30 June 2024

	Notes	2024 Actual \$'000	2024 Budget \$'000	Budget Variance \$'000	2023 Actual \$'000
Current assets					
Cash and cash equivalents	B1	274,635	210,491	64,144	300,546
Receivables	B2-1	119,905	86,163	33,742	143,904
Inventories		28,716	24,401	4,315	26,481
Prepayments		15,636	14,881	755	15,891
Total current assets		438,892	335,936	102,956	486,822
Non-current assets					
Property, plant and equipment	B3-1	2,267,101	1,793,050	474,051	2,058,868
Right-of-use assets	B6-1	379,313	378,934	379	404,339
Intangible assets		7,404	5,413	1,991	11,630
Prepayments		232	495	(263)	544
Total non-current assets		2,654,050	2,177,892	476,158	2,475,381
Total assets		3,092,942	2,513,828	579,114	2,962,203
Current liabilities					
Payables	B4-1	333,755	276,803	56,952	367,661
Lease liabilities	B6-2	25,169	27,086	(1,917)	20,074
Accrued employee benefits		17,640	28,025	(10,385)	37,960
Contract liabilities		48,463	5,376	43,087	36,643
Total current liabilities		425,027	337,290	87,737	462,338
Non-current liabilities					
Lease liabilities	B6-2	382,590	369,000	13,590	407,246
Other liabilities		1,954	3,148	(1,194)	2,551
Total non-current liabilities		384,544	372,148	12,396	409,797
Total liabilities		809,571	709,438	100,133	872,135
Net assets		2,283,371	1,804,390	478,981	2,090,068
Equity					
Contributed equity		1,257,056	1,085,999		1,160,050
Accumulated surplus/(deficit)		190,681	174,287		189,117
Asset revaluation surplus	B5-1	835,634	544,104		740,901
Total equity		2,283,371	1,804,390	478,981	2,090,068

*An explanation of major variances is included at Note F2

Metro North Hospital and Health Service
Statement of changes in equity
for the year ended 30 June 2024

	Accumulated surplus / (deficit) \$'000	Asset revaluation surplus \$'000	Contributed equity \$'000	Total equity \$'000
Balance as at 1 July 2022	186,620	544,103	1,109,557	1,840,280
Operating result for the year	2,497	-	-	2,497
Other comprehensive income				
Increase/(Decrease) in asset revaluation surplus	-	196,798	-	196,798
Total comprehensive income for the year	2,497	196,798	-	199,295
Transactions with owners:				
Equity injections - minor capital funding	-	-	214,914	214,914
Equity withdrawals - depreciation and amortisation	-	-	(170,246)	(170,246)
Non-appropriated equity asset injections/(withdrawals)	-	-	5,825	5,825
Net transactions with owners	-	-	50,493	50,493
Balance at 30 June 2023	189,117	740,901	1,160,050	2,090,068
Balance as at 1 July 2023	189,117	740,901	1,160,050	2,090,068
Operating result for the year	1,563	-	-	1,563
Other comprehensive income				
Increase/(Decrease) in asset revaluation surplus	-	94,733	-	94,733
Total comprehensive income for the year	1,563	94,733	-	96,296
Transactions with owners:				
Equity injections - minor capital funding	-	-	192,519	192,519
Equity withdrawals - depreciation and amortisation	-	-	(180,776)	(180,776)
Non-appropriated equity asset injections/(withdrawals)	-	-	85,263	85,263
Net transactions with owners	-	-	97,006	97,006
Balance at 30 June 2024	190,680	835,634	1,257,056	2,283,370

Metro North Hospital and Health Service
Statement of cash flows
for the year ended 30 June 2024

	2024 Actual \$'000	2024 Budget \$'000	Budget Variance \$'000	2023 Actual \$'000
Cash flows from operating activities				
<i>Inflows</i>				
User charges and fees	344,372	343,011	1,361	355,012
Funding for the provision of public health services	3,672,860	3,583,921	88,939	3,306,770
Grants and other contributions	30,387	24,085	6,302	26,364
Interest received	2,246	986	1,260	1,328
Other revenue	76,776	4,438	72,338	47,577
GST received	6,846	-	6,846	6,290
GST input tax credits from ATO	71,048	39,723	31,325	68,869
<i>Outflows</i>				
Employee expenses	(3,090,684)	(2,874,964)	(215,720)	(2,824,675)
Supplies and services	(1,033,435)	(889,951)	(143,484)	(836,983)
Grants and subsidies	(3,560)	(783)	(2,777)	(2,784)
Interest payments on lease liabilities	(7,426)	(8,498)	1,072	(7,789)
Other expenses	(12,274)	(23,079)	10,805	(15,293)
GST paid	(70,234)	(39,749)	(30,485)	(69,168)
GST remitted to ATO	(6,881)	-	(6,881)	(6,476)
Net cash from/(used by) operating activities	(19,959)	159,140	(179,099)	49,042
Cash flows from investing activities				
<i>Inflows</i>				
Sales of property, plant and equipment	1,897	686	1,211	956
<i>Outflows</i>				
Payments for property, plant and equipment	(179,993)	(7,345)	(172,648)	(222,566)
Payments for intangible assets	(363)	-	(363)	(1,357)
Net cash from/(used by) investing activities	(178,459)	(6,659)	(171,800)	(222,967)
Cash flows from financing activities				
<i>Inflows</i>				
Equity transferred	192,519	22,448	170,071	214,914
<i>Outflows</i>				
Lease payments	(20,013)	(26,948)	6,935	(19,423)
Equity withdrawals	-	(171,840)	171,840	-
Net cash from/(used by) financing activities	172,506	(176,340)	348,846	195,491
Net increase/(decrease) in cash and cash equivalents	(25,912)	(23,859)	(2,053)	21,566
Cash and cash equivalents at the beginning of the financial year	300,546	234,350	66,196	278,980
Cash and cash equivalents at the end of the financial year	274,635	210,491	64,144	300,546

*An explanation of major variances is included at Note F3

Metro North Hospital and Health Service
Statement of cash flows
for the year ended 30 June 2024

NOTES TO THE STATEMENT OF CASH FLOWS

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

	2024	2023
	\$'000	\$'000
Surplus/(deficit) for the year	1,563	2,497
Adjustments for:		
Non-cash equity withdrawal - depreciation funding	(180,776)	(170,246)
Depreciation and amortisation expense	180,775	171,262
Write-on of Property, plant and equipment previously not recognised	(1,481)	-
Impairment loss	12,338	6,025
Net losses on disposal of property, plant and equipment	631	(866)
Changes in assets and liabilities:		
(Increase)/decrease in trade receivables	10,882	(57,392)
(Increase)/decrease in GST receivables	779	(485)
(Increase)/decrease in inventories	(2,235)	(2,490)
(Increase)/decrease in prepayments	567	(1,632)
Increase/(decrease) in payables	(35,244)	115,893
Increase/(decrease) in accrued salaries and wages	(20,422)	21,359
Increase/(decrease) in contract liabilities and unearned revenue	11,223	31,048
Increase/(decrease) in other employee benefits	102	433
Increase/(decrease) in funding payable	1,339	(65,730)
Increase/(decrease) in provisions	-	(634)
Net cash from/(used by) operating activities	(19,959)	49,042

CF-2 Non-Cash investing and financing activities

	Opening balance	New leases/borrowings	Interest expense	Cash repayments	Closing balance
	\$'000	\$'000	\$'000	\$'000	\$'000
2024					
Lease liabilities	427,320	452	7,426	(27,439)	407,759
2023					
Lease liabilities	446,585	158	7,789	(27,212)	427,320

Metro North Hospital and Health Service

Notes to the financial statements

for the year ended 30 June 2024

BASIS OF FINANCIAL STATEMENT PREPARATION

GENERAL INFORMATION

Metro North Hospital and Health Service (Metro North) was established on 1 July 2012, as a not-for-profit statutory body under the *Hospital and Health Boards Act 2011* (Qld). Metro North is responsible for providing public sector health services in the area assigned under the *Hospital and Health Boards Regulation 2023* (Qld).

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

The head office and principal place of business of Metro North 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 Metro North's website at: <https://www.health.qld.gov.au/metronorth/about/contact-us>

STATEMENT OF COMPLIANCE

Metro North has prepared these financial statements in compliance with section 62(1) of the *Financial Accountability Act 2009* (Qld) and section 39 of the *Financial and Performance Management Standard 2019* (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 Financial Reporting Requirements* for Queensland Government Agencies for reporting period beginning after 1 July 2023 and other authoritative pronouncements.

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

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. Some totals may not add due to rounding.

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 Metro North does not have the right at the end of the reporting period 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 Metro North Hospital and Health Board and the Health Service Chief Executive and the Chief Finance and Corporate Officer at the date of signing the Management Certificate.

Metro North Hospital and Health Service

Notes to the financial statements

for the year ended 30 June 2024

SECTION A

NOTES ABOUT OUR FINANCIAL PERFORMANCE

A1 REVENUE

A1-1: User charges and fees

	2024	2023
	\$'000	\$'000
Revenue from contracts with customers		
Hospital fees	141,074	124,645
Pharmaceutical Benefits Scheme	151,294	174,510
Sales of goods and services	34,074	36,253
Total	326,442	335,408

Accounting policy – User charges and fees

Revenue from contracts with customers is recognised when Metro North transfers control over a good or service to the customer or third-party beneficiary. Revenue from hospital fees and the sales of services is comprised of private healthcare services, research and training services respectively. Services are provided over time, with customers simultaneously receiving and consuming the benefits provided during that period. Metro North does not invoice for services rendered until the end of the service delivery period and recognises revenue progressively as the services are provided each month and a contract asset representing its right to consideration for services delivered but not yet billed.

Revenue from sales of goods and pharmaceutical benefit scheme comprises the sale of retail and pharmacy products and is recognised on transfer of the goods to the customer, which is the sole performance obligation.

A1-2: Funding for the provision of public health services

	2024	2023
	\$'000	\$'000
National Health Reform		
Revenue from contract with customers		
Activity based funding	3,108,978	2,829,897
Total revenue from contracts with customers	3,108,978	2,829,897
Block funding	291,764	278,357
Depreciation funding	180,776	170,246
Other funding	239,529	250,168
Total revenue from other funding public health services	712,069	698,771
Total	3,821,047	3,528,668

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

Cash from the Department of Health is received fortnightly for State payments and monthly for Commonwealth payments and is recognised as revenue as the performance obligations under the service level agreement are discharged. Commonwealth funding to Metro North in 2024 was \$1.3B (2023: \$1.2B).

Activity-based funding

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. Ordinarily, activity-based funding is recognised as public health services are delivered. At the end of the financial year, an agreed technical adjustment between the Department of Health and Metro North may be required for the level of services performed above or below the agreed levels, which may result in a receivable or unearned revenue. This technical adjustment process is undertaken annually according to the provisions of the service level agreement and ensures that the revenue recognised in each financial year reflects Metro North's delivery of health services.

Block funding

Block funding is not based on levels of public care activity. It is received for services agreed in the service agreement. Block funding does not have sufficiently specific performance obligations whereby MNHHS can determine and assign transaction prices. Accordingly, it is recognised as revenue on receipt.

Depreciation funding

The service agreement between the Department of Health and Metro North dictates that depreciation and amortisation charges that are incurred by Metro North 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, \$180.8M in 2024 (2023: \$170.2M).

Other funding

Other funding includes services that are either funded by agreements other than National Health Reform Agreement or the sole responsibility of Queensland Government. This includes Public Health, Alcohol Tobacco and Other Drugs, Aged Care programs such as Residential Aged Care,

Metro North Hospital and Health Service

Notes to the financial statements

for the year ended 30 June 2024

A1 REVENUE (continued)

Aged Care Assessment Program and Transition Care Program, Offender Health Services, Patient Transport, Disability Residential Care Services, and some Community Health Programs. Receipts are recognised up-front as revenue in accordance with AASB 1058.

Revenue is recognised as a receivable in Note B2 for any technical adjustments to the Service Agreement made at year end. Revenue amounts are recognised as a payable (refund) in Note B4 for unspent funds.

A1-3: Grants and other contributions

Accounting policy – Grants and other contributions

Grants, contributions and donations are non-exchange transactions where Metro North does not directly give approximately equal value to the grantor. Where the agreement is enforceable and contains sufficiently specific performance obligations for Metro North to transfer goods or services to a third-party on the grantor's behalf, the transaction is accounted for under AASB 15 *Revenue from Contracts with Customers*. In this case, revenue is initially deferred (as a contract liability) and recognised as or when the performance obligations are satisfied.

Otherwise, the grant or contribution is accounted for under AASB 1058 *Income of Not-for-Profit Entities*, whereby revenue is recognised upon receipt of the grant funding, except for special purpose capital grants received to construct or acquire non-financial assets to be controlled by Metro North. Special purpose capital grants are recognised as a contract liability when received, and subsequently recognised progressively as revenue as Metro North satisfies its obligations under the grant through construction or acquisition of the asset.

Grants and other contributions recognised as revenue from contracts with customers

Metro North receives specific purpose recurrent grants for the provision of Transition Care Services, Organ and Tissue Donation and Transplantation Services under Commonwealth funding programs. It also receives Commonwealth funding under grants and other contributions for the provision of residential aged care services under Commonwealth nursing home benefit funding \$12.4M (2023: \$9.4M). These agreements require Metro North to provide an agreed level of care to a specified number of eligible patients with funding determined based on services provided. Revenue is initially deferred as a contract liability and recognised as or when the performance obligations are satisfied.

Donations

This revenue stream consists of donations, gifts and bequests of cash or non-current assets for the purposes of benefiting the patient experience, staff education or research. Use of these funds is restricted and any unspent money is held separately until it is expended for the above purposes. Refer to Note D3 for details.

Other grants

Metro North receives a number of grants from government, industry and community entities. These grants include contributions from the Motor Accident Insurance Commission (MAIC) \$2.0M (2023: \$2.0M) to support research at the jointly funded Trauma Institute and the Commonwealth Department of Health Radiation Oncology Health Program Grants (ROHPG) program \$1.4M (2023: \$1.1M).

A1-4: Services received below fair value

Accounting policy – Services received below fair 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 expense.

During 2023-2024, Metro North received services below fair value from the Department of Health in the form of payroll, accounts payable and banking services. These services are essential to Metro North's operations and would have been procured if they were not received for free. The fair value of these services amounted to \$30.8M in 2024 (2023: \$28.2M). An equal amount to services received below fair value revenue is recognised as other expenses. Refer to Note A3-1 for the corresponding disclosure.

Metro North also receives services from volunteers who greet, direct and escort hospital patients and visitors, provide basic administrative support and assistance with role playing for some clinical skills development programs. While greatly appreciated, these donated services are not recognised because their fair value has been assessed as immaterial and they would not have been purchased if they had not been donated.

A1-5: Other revenue

	2024	2023
	\$'000	\$'000
Health service employee expense recoveries	22,883	20,038
Rental income	7,086	6,363
Other recoveries	46,908	21,159
National disability insurance scheme	7,470	7,007
Other revenue	21,136	12,877
Total	105,483	67,444

Accounting policy – Health service employee expense recoveries and other recoveries

Recovery income is received as reimbursement of goods, services or staff provided by Metro North to other hospital and health services and government agencies. Revenue is recognised on a gross basis at cost (i.e. no margin attached) when or as the good or service is transferred to the other entity under AASB 15 *Revenue from Contracts with Customers*.

Metro North Hospital and Health Service

Notes to the financial statements

for the year ended 30 June 2024

A2 EMPLOYEE EXPENSES

A2-1: Employee expenses

	2024	2023
	\$'000	\$'000
Employee benefits		
Wages and salaries	361,427	350,916
Annual leave levy	53,983	46,289
Employer superannuation contributions	54,497	30,090
Long service leave levy	10,542	9,165
Termination benefits	1,291	924
Employee related expenses		
Workers' compensation premium	27,229	20,398
Other employee related expenses	19,794	17,400
Total	528,763	475,182

	2024	2023
	No.	No.
Full-Time Equivalent Employees	991	963
Total	991	963

Accounting policy – Employee benefits

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

Workers' compensation insurance is a consequence of employing employees and is 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 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 Metro North 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 schemes quarterly in arrears. Non-vesting employee benefits, such as sick leave, are recognised as an expense when taken.

Employer superannuation contributions are paid to the Government Division of the Australian Retirement Trust (formerly Queensland Government's QSuper fund), or an alternative employee-nominated choice of superannuation fund, for all employees and include superannuation contributions to self-managed superannuation funds. Australian Retirement Trust is the default superannuation scheme for Queensland Government employees. The Australian Retirement Trust scheme has defined contribution and defined benefit categories, where the rates for the latter are determined by the Treasurer on the advice of the State Actuary. Contributions are expensed in the period in which they are paid, or payable and Metro North's obligation is limited to the value of those contributions paid.

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: Health service employee expenses

	2024	2023
	\$'000	\$'000
Health service employee expenses	2,541,601	2,370,651
Total	2,541,601	2,370,651

	2024	2023
	No.	No.
Full-Time Equivalent Health Service Contract Labour	18,752	17,620

Accounting policy – Health service employee expenses

Effective 15 June 2020, all non-executive employees of Metro North (i.e. other than senior executives, senior medical officers and visiting medical officers) became employees of the Director – General, Queensland Health. Salary and wages and associated expenses for these staff are the responsibility of the Department of Health and as such are reported in those financial statements.

The Department of Health on-charges the cost of employing these staff to Metro North through health service employee expenses. Any amounts due to the Department of Health but not yet paid at year end are recognised as payables of Metro North.

Metro North Hospital and Health Service

Notes to the financial statements

for the year ended 30 June 2024

A2 EMPLOYEE EXPENSES (continued)

A2-3 Key management personnel disclosures

Metro North's responsible Minister is identified as part of its key management personnel. The Minister responsible for the financial year was the Honourable Shannon Fentiman, the Minister for Health, Mental Health and Ambulance Services and Minister for Women, 18 May 2023 - current.

The following details for non-Ministerial key management personnel reflect those Metro North positions that had authority and responsibility for planning, directing and controlling activities during 2023-24 and 2022-23, further information about these positions can be found in the Annual Report.

Position	Position Responsibility
Board	
Non-executive Board Chair	Provide strategic leadership, guidance and effective oversight of management, operations and financial performance.
Non-executive Deputy Board Chair	Provide strategic leadership, guidance and effective oversight of management, operations and financial performance
Non-executive Board Member	Provide strategic leadership, guidance and effective oversight of management, operations and financial performance.
Executive Management	
Chief Executive	Responsible for the strategic direction and the efficient, effective and economic administration of the Health Service.
Chief Operating Officer	Responsible for providing operational leadership, direction and day to day management, including infrastructure of Metro North to optimise quality health care and business outcomes.
Executive Director, Strategy, Planning, Assets, Infrastructure and Strategic Developments	Responsible for strategically leading the development of Metro North's core health service strategy and planning, consumer engagement and infrastructure functions in the context of Metro North Health.
Chief Finance and Corporate Officer	Responsible for development and execution of strategy and full accountability with respect to financial stewardship, management of the asset portfolio, legal, information technology, commercial matters and procurement.
Chief People and Culture Officer	Responsible for recruitment, development and retention of a high performing and diverse workforce. Foster a healthy, safe and inclusive work environment that maximises individual and organisational potential.
Executive Director Clinical Services	Responsible for monitoring and strategically directing the budgetary and activity performance of Metro North'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 as an entity.
Executive Director, Clinical Governance, Safety, Quality and Risk	Provide strategic leadership, direction and day to day management of Metro North's governance, quality and risk functions to optimise quality health care, statutory and policy compliance and continuously improving business outcomes.

Remuneration policy

Minister remuneration

Metro North does not incur any expense in relation to the Minister. The majority of Ministerial entitlements are paid by the Legislative Assembly, with remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as key management personnel of the Queensland Government, aggregate remuneration expenses for all Ministers are disclosed in the Queensland Whole of Government Consolidated Financial Statements, which are published as part of the Report on State Finances.

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 Queensland 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), that if the person's employment as a health executive continues to the end of the term, a further contract may be entered into, the person's functions and any performance criteria as well as the person's classification level and remuneration entitlements.

Metro North Hospital and Health Service
Notes to the financial statements
for the year ended 30 June 2024

A2 EMPLOYEE EXPENSES (continued)

Remuneration packages for key executive management personnel comprise of 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 2023-24 financial year (2023: \$nil).

Board remuneration

Name	Short term employee expenses		Post-employment benefits	Total Expenses
	Monetary expenses	Non-monetary expenses		
	\$'000	\$'000	\$'000	\$'000
2023-24				
Non-executive Board Chair Mr Bernard Curran (01/04/2024) ¹	24	-	3	27
Mr Jim McGowan (18/05/2020) ²	74		12	86
Non-executive Deputy Board Chair Dr Kim Forrester (18/05/2013) ²	41	-	6	47
Non-executive Board Member Mr Adrian Carson (18/05/2017)	50	-	7	57
Mr Bernard Curran (18/05/2018) ¹	39		6	45
Dr Melissa (Meg) Cairns (01/04/2022)	52		8	60
Ms Nermina (Nera) Komaric (18/05/2021)	51		7	58
Aimee McVeigh (01/04/2024)	12		1	13
Hon. Jane Prentice (01/04/2024)	12		1	13
Linda Lavarch (01/04/2024)	12		1	13
Dr Peter Aitken (01/04/2024)	13	6	2	21
Dr Poya John Sobhanian (01/04/2024)	13		2	15
Dr Shea Spierings (01/04/2024)	12		1	13
Ms Bonny Barry (18/05/2016) ²	38	-	6	44
Mr Geoff Hardy (18/05/2016) ²	39	-	6	45
Professor Mary-Louise Fleming (18/05/2016) ²	40	-	7	47
Mr Neil Roberts (18/05/2019) ²	38	-	6	44
Dr Robert Franz (18/05/2019) ²	38	-	6	44
Total Remuneration	598	6	88	692

¹ On 1 April 2024 Mr Bernard Curran commenced as Non-executive Board Chair. Mr Bernard Curran has been a Non-executive Board member from 18 May 2018.

² The Board term for Jim McGowan, Dr Kim Forrester, Mr Geoff Hardy, Ms Bonny Barry, Professor Mary-Louise Fleming, Mr Neil Roberts and Dr Robert Franz, ceased on 31 March 2024.

Metro North has reimbursed board members a total of \$204.55 (2023: \$4,723.54) for out-of-pocket expenses incurred whilst travelling on approved board business including attendance at board meetings.

Metro North Hospital and Health Service

Notes to the financial statements

for the year ended 30 June 2024

A2 EMPLOYEE EXPENSES (continued)

Board remuneration

Name	Short term employee expenses		Post-employment benefits	Total Expenses
	Monetary expenses	Non-monetary expenses		
	\$'000	\$'000	\$'000	\$'000
2022-23				
Non-executive Board Chair Mr Jim McGowan AM (18/05/2020)	95	-	10	105
Non-executive Deputy Board Chair Dr Kim Forrester (18/05/2013)	52	-	5	57
Non-executive Board Member Mr Adrian Carson (18/05/2017)	48	-	5	53
Mr Bernard Curran (18/05/2018)	49	-	5	54
Ms Bonny Barry (18/05/2016)	48	-	5	53
Mr Geoff Hardy (18/05/2016)	49	-	5	54
Professor Mary-Louise Fleming (18/05/2016)	51	-	5	56
Dr Melissa (Meg) Cairns (01/04/2022)	48	-	5	53
Mr Neil Roberts (18/05/2019)	48	-	5	53
Ms Nermina (Nera) Komaric (18/05/2021)	48	-	5	53
Dr Robert Franz (18/05/2019)	48	-	5	53
Total Remuneration	584	-	60	644

Executive 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
2023-24						
Health Service Chief Executive (To 30/06/2024)	417	-	10	56	-	483
Chief Operating Officer (To 30/06/2024) ²	330	-	8	43	-	381
Chief Operating Officer (Acting) (17/07/2023 - 20/08/2023)	32		1	8		41
Chief Operating Officer (Acting) (11/03/2024 - 19/03/2024; 24/04/2024 - 26/05/2024)	42	-	1	5	-	48
Executive Director, Strategy, Planning, Assets, Infrastructure and Strategic Developments (To 30/06/2024)	260	1	6	35	-	302
Chief Finance and Corporate Officer (To 30/06/2024)	270	-	6	36	-	312
Chief People & Culture Officer (To 19/08/2023) ¹	115	-	2	14	131	262
Chief People & Culture Officer (Acting) (19/02/2024 - 30/06/2024) ¹	87	22	2	10	-	121
Executive Director Clinical Services (Acting) (To 30/06/2024)	612		13	85		710
Executive Director, Clinical Governance, Safety, Quality and Risk (To 30/06/2024)	231		5	28		264
Total	2,396	23	54	320	131	2,924

¹The Chief People and Culture officer position was vacant between 20/08/2023 and 18/02/2024

²Includes salaries and wages whilst relieving as Health Service Chief Executive between 24/04/2024 to 09/06/24 whilst Chief Executive was on leave.

Metro North Hospital and Health Service

Notes to the financial statements

for the year ended 30 June 2024

A2 EMPLOYEE EXPENSES (continued)

Executive 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
2022-23						
Health Service Chief Executive (To 30/06/2023)	441	-	11	45	-	497
Chief Operating Officer (To 30/06/2023) ¹	289	-	6	29	-	324
Chief Operating Officer (Acting) (03/06/2022 – 03/07/2022; 25/07/2022 – 10/08/2022)	18	-	-	1	-	19
Executive Director, Strategy, Planning, Assets (To 30/06/2023)	235	-	5	22	-	262
Chief Finance and Corporate Officer (To 30/06/2023)	251	-	6	24	-	281
Chief People & Culture Officer (From 01/08/2022)	199	-	5	20	-	224
Executive Director Clinical Services (Acting) (To 30/06/2023)	551	-	12	39	-	602
Executive Director Safety and Quality (To 30/06/2023)	213	-	5	22	-	240
Executive Director Safety and Quality (Acting) (12/12/2022 – 29/01/2023)	26	-	-	2	-	28
Executive Director Safety and Quality (Acting) (17/04/2023 – 30/06/2023)	35	-	1	3	-	39
Total	2,258	-	51	207	-	2,516

¹Includes employee expenses whilst relieving as Health Service Chief Executive for short periods in 22/23 whilst the Chief Executive was on leave.

Metro North Hospital and Health Service

Notes to the financial statements

for the year ended 30 June 2024

A3 OTHER EXPENSES

A3-1: Supplies and services

	2024	2023
	\$'000	\$'000
Clinical supplies and services	259,384	231,124
Drugs	201,749	218,725
Pathology, blood and parts	131,734	119,504
Catering and domestic supplies	69,494	54,534
Repairs and maintenance	60,352	52,944
Communications	54,071	39,991
Computer services	38,788	30,369
Insurance	31,662	28,704
Consultants and contractors - clinical	21,436	19,889
Electricity and other energy	19,369	19,312
Professional Services	22,045	18,811
Fee for Service (Private Health Providers)	11,620	12,872
Facility management fee	8,875	8,486
Building services	7,246	7,326
Patient travel	8,285	7,266
Rental expenses	8,632	6,594
Consultants and contractors - non-clinical	11,013	5,925
Minor works including plant and equipment	5,822	5,818
Services received below fair value	30,810	28,162
Other	24,891	18,969
Total	1,027,278	935,325

Accounting policy – Goods and services received below fair value

During 2023-24 Metro North received services below fair value from the Department of Health in the form of payroll, accounts payable and banking services. Under AASB 1058 *Income of Not-for-Profit Entities* contributions of goods and services are recognised only if the goods or services would have been purchased if they had not been donated and their fair value can be measured reliably.

Metro North satisfied both requirements and therefore the fair value of the services received is recognised as revenue with a corresponding expense in the financial statements.

Refer to Note A1-4 for disclosure of the corresponding income recognised for services received below fair value.

Accounting policy – Insurance

Metro North 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 2023-24 financial year are \$367,830 (2023: \$334,600). There are no non-audit services included in this amount.

Special payments

Special payments include ex-gratia expenditure and other expenditure that Metro North is not contractually or legally obligated to make, under a contract or otherwise, to other parties. In compliance with the *Financial and Performance Management Standard 2019* (Qld), Metro North maintains a register setting out the details of all reportable 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 2023-24, ex-gratia payments of \$1,043,560 (2023: \$320,171) were made, consisting of reportable payments totalling \$995,307 (2023: \$265,005) and a number of smaller non-reportable payments consisting of compensation for the loss of or damage to patients' personal belongings and reimbursement of medical expenses. Reportable payments ranging from \$5,000 to \$690,000 were made to 8 individuals relating to out of court settlements, patient medical claims and financial assistance.

Metro North Hospital and Health Service

Notes to the financial statements

for the year ended 30 June 2024

SECTION B

NOTES ABOUT OUR FINANCIAL POSITION

B1 CASH AND CASH EQUIVALENTS

	2024	2023
	\$'000	\$'000
Cash at bank and on hand	236,188	265,847
Cash on deposit	38,447	34,699
Total	274,635	300,546

Cash on deposit represents cash contributions from external entities and other benefactors in the form of gifts, bequests, donations and legacies 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 4.82% (2023: 4.24%).

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 received but not yet banked at reporting date as well as deposits at call with financial institutions. Metro North'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 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

	2024	2023
	\$'000	\$'000
Trade receivables	74,984	79,093
Less: Allowance for impairment	(6,877)	(9,433)
Accrued Interest and Other	23	278
Trade receivables (net of allowance for impairment)	68,130	69,938
GST receivable	6,884	7,698
GST payable	(641)	(676)
	6,243	7,022
Funding public health services	45,532	66,944
Total	119,905	143,904

Movements in the allowance for impairment loss

Balance at beginning of the year	9,433	9,769
Amounts written off during the year	(8,221)	(6,025)
Increase/(decrease) in allowance recognised in operating result	5,665	5,689
Total	6,877	9,433

Metro North Hospital and Health Service
Notes to the financial statements
for the year ended 30 June 2024

B2 RECEIVABLES (continued)

B2-2: Impairment of receivables

	Gross receivables	Loss rate	Expected credit losses
	\$'000		\$'000
2024			
Trade receivables			
Current	20,875	-	-
1 to 30 days overdue	12,119	2%	264
31 to 60 days overdue	8,270	1%	120
61 to 90 days overdue	5,487	2%	124
> 90 days overdue	28,233	23%	6,371
Total	74,984		6,879

	Gross receivables	Loss rate	Expected credit losses
	\$'000		\$'000
2023			
Trade receivables			
Current	22,323		-
1 to 30 days overdue	8,448	4%	300
31 to 60 days overdue	4,787	4%	202
61 to 90 days overdue	5,192	4%	223
> 90 days overdue	38,343	23%	8,708
Total	79,093		9,433

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 Statement of comprehensive income when collected.

Trade receivables are due for settlement within 30 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 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.

The loss allowance for trade and other debtors reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking information. Economic changes impacting Metro North's debtors and relevant industry data form part of the impairment assessment. Metro North uses a provision matrix to measure the expected credit losses on trade and other debtors. Loss rates are calculated separately for groupings of customers with similar revenue profiles and historical loss patterns experienced on past revenue transactions. Consideration is given to reasonable and supportable forward-looking information and related business processes that may impact the future recovery of those receivables and may result in an adjustment to the historical loss rates for the affected customer groupings if the impact is expected to be material.

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.

Where there is no reasonable expectation of recovering an amount owed by a debtor, the debt is written-off by directly reducing the receivable against the loss allowance. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss. The amount of impairment losses recognised for receivables is disclosed above.

Disclosure – Receivables

At 30 June 2024, \$8.9M of non-contract receivables were included in the receivables balance.

Metro North Hospital and Health Service
Notes to the financial statements
for the year ended 30 June 2024

B3 PROPERTY PLANT AND EQUIPMENT

B3-1: Property, plant and equipment - Balances and reconciliations of carrying amount

	Land Level 2* \$'000	Buildings Level 3** \$'000	Buildings Level 2** \$'000	Plant and equipment *** \$'000	Capital works in progress \$'000	Total \$'000
2024						
Gross	448,925	3,448,353	-	550,522	496,174	4,943,974
Less: Accumulated depreciation	-	(2,359,125)	-	(317,747)	-	(2,676,872)
Carrying amount at 30 June 2024	448,925	1,089,228	-	232,775	496,174	2,267,102

Represented by movements in carrying amount:

Carrying amount at 1 July 2023	440,983	1,024,012	394	241,404	352,075	2,058,868
Transfers in from other Queensland Government entities	9,710	70,929	-	4,624	-	85,263
Acquisitions	-	803	-	35,058	144,132	179,993
Recognition of assets not previously recognised	-	1,481	-	-	-	1,481
Disposals	(1,536)	(98)	-	(894)	-	(2,528)
Transfers between classes #	-	427	(394)	-	(33)	-
Net revaluation increments	(232)	94,965	-	-	-	94,733
Depreciation expense	-	(103,291)	-	(47,417)	-	(150,708)
Carrying amount at 30 June 2024	448,925	1,089,228	-	232,775	496,174	2,267,102

	Land Level 2* \$'000	Buildings Level 3** \$'000	Buildings Level 2* \$'000	Plant and equipment *** \$'000	Capital works in progress \$'000	Total \$'000
2023						
Gross	440,983	3,047,811	1,091	539,081	352,075	4,381,041
Less: Accumulated depreciation	-	(2,023,799)	(697)	(297,677)	-	(2,322,173)
Carrying amount at 30 June 2023	440,983	1,024,012	394	241,404	352,075	2,058,868

Represented by movements in carrying amount:

Carrying amount at 1 July 2022	380,674	969,830	423	229,073	195,094	1,775,094
Transfers in from other Queensland Government entities	-	4,744	-	801	-	5,545
Acquisitions	-	3,869	-	56,734	161,963	222,566
Donated assets	-	-	-	(100)	-	(100)
Transfers between classes #	-	4,982	-	-	(4,982)	-
Net revaluation increments	60,309	136,490	-	-	-	196,799
Depreciation expense	-	(95,903)	(29)	(45,104)	-	(141,036)
Carrying amount at 30 June 2023	440,983	1,024,012	394	241,404	352,075	2,058,868

*Level 2 land assets comprise land with observable inputs in an active market. Level 2 building assets are buildings with an active market.

**Level 3 building assets are special purpose built with limited alternative uses and/or substantial customisation e.g. hospitals where unobservable inputs are more significant to determining fair value.

***Plant and equipment is held at cost, except for Heritage and Cultural assets which are held at fair value are valued at \$0.98M (2023: \$0.98M).

Transfers represent capitalisation of commissioned assets during the year.

Metro North Hospital and Health Service
Notes to the financial statements
for the year ended 30 June 2024

B3 PROPERTY PLANT AND EQUIPMENT (continued)

B3-2 Accounting policies – Recognition

Capitalisation and recognition thresholds

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds and with a useful life of more than one year are recognised for financial reporting purposes 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 are included with buildings.

Items with a lesser value are expensed in the year of acquisition.

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

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.

Acquisition

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*.

B3-3: Accounting policies - Measurement

Measurement at historical cost

Plant and equipment is measured at cost net of accumulated depreciation and accumulated impairment losses in accordance with Queensland Treasury's *Non-Current Asset Policies for the Queensland Public Sector*.

Measurement of fair value

Land and buildings are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment*, AASB 13 *Fair Value Measurement* and Queensland Treasury's *Non-Current Asset Policies for the Queensland Public Sector*.

The 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.

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. The current use of the asset is deemed to be the highest and best use.

Fair value inputs

Fair values reported by Metro North 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 relevant publicly available data, for example, published sales data for land.

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

Significant unobservable inputs used by Metro North 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 cost estimates; and
- Cost estimates of construction on cost for preliminaries, professional fees and risk; and
- Assessments of physical condition and remaining useful life.

Metro North Hospital and Health Service
Notes to the financial statements
for the year ended 30 June 2024

B3 PROPERTY PLANT AND EQUIPMENT (continued)

B3-3: Accounting policies – Measurement (continued)

Fair value measurement hierarchy

This note explains the judgements and estimates made in determining the fair values of land and buildings that are recognised and measured at fair value in the financial statements. Metro North classify inputs to fair value into three levels prescribed under AASB 13 *Fair Value Measurement*.

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's valuations are eligible for categorisation into level 1 of the fair value hierarchy.

Assets with a fair value of \$394K previously recognised in the Level 2 fair value hierarchy were valued using the same methodology as the Level 3 Buildings during the period and transferred to Level 3 leaving no remaining buildings categorised as Level 2.

Asset category	Fair value hierarchy	Details
<i>Land</i>	Level 2	Fair value of land is based on publicly available data on recent sales of similar land in nearby localities. Adjustments were made to the sales data to take into account the location of the land, its size, street/road frontage and access and any significant restrictions. Land is measured at fair value utilising either independent revaluation or applying an interim revaluation methodology using an appropriate index.
<i>Buildings – Non-health service delivery</i>	Level 2	Non-health service delivery buildings are measured at the value that reflects the likely exit price in the principal market for an asset of this type, with valuations based on recent sales in the relevant areas.
<i>Buildings – Health service delivery (special purpose)</i>	Level 3	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.

Valuation methodology

In 2021-22 Metro North returned to a rolling revaluation process, where the fair values of all buildings are comprehensively reviewed at least every five years. The current rolling program was completed in 2023-24.

Metro North has engaged AECOM to independently assess and determine fair value for all Buildings and Land Improvement assets, while Land will continue to be independently assessed and fair value determined on a rolling five-year valuation program conducted by McGees Property in consultation with AECOM for 2023-24. Any assets held at fair value that are not selected for independent assessment in the current year will continue to be revalued on an annual basis using the appropriate and relevant indices provided by independent experts.

Key judgement:

The key assumption in using the current replacement cost for the valuation of specialised buildings is determining a replacement cost of a modern-day equivalent. The methodology makes a further adjustment to total estimated life taking into consideration physical and technical obsolescence impacting on the remaining useful life to arrive at a current replacement cost via straight-line depreciation. The valuations were prepared on a componentised basis by rolling up building elements into eight specialised building components to be individually reflected in the asset register as sub-assets of a primary building asset. A componentisation Framework was developed in consultation with AECOM in 2023-24 for Building and Land Improvement assets to serve as a guide, outlining the elements to be captured under each component, thereby streamlining the valuation process.

To estimate the replacement costs of each component, each element was quantified. The measurement of each element uses 'key quantities' including 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 floors.

These key quantities have been measured from drawings and verified via an onsite inspection taking into account managements instructions to replace, upgrade or maintain these buildings. Furthermore, during the valuation process Metro North agreed on the useful lives with the valuer with reference to the current buildings condition and potential funding available in the future.

Use of indices

Indices used for land assets were supplied by McGees Property with reference to notional apportionment of where the market is seeing growth, land sales, the ability and cost to develop land, and the expected return on development for the Brisbane and surrounding Southeast Queensland areas. The indices used for building assets were provided by the independent valuer based on local construction prices for the Brisbane and surrounding Southeast Queensland areas.

Use of comprehensive valuations

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.

Metro North Hospital and Health Service
Notes to the financial statements
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B3 PROPERTY PLANT AND EQUIPMENT (continued)

B3-3: Accounting policies – Measurement (continued)

Results of valuation

In 2023-24, land valuation was reviewed by McGees Property which recommended an indexation movement of \$2.97M equating to a cumulative percentage change of 0.67%. As the recommended change was less than 5% of the reported asset balances and no indicators exist that the asset class has experienced a significant and volatile change in value since the last revaluation, Metro North have not revalued Land in 2023-24 in accordance with the requirements of the Non-Current Asset Policies for the Queensland Public Sector. Prior to the review undertaken by McGees Property Metro North sold a piece of land in Auchenflower to the Department of Housing, Local Government, Planning and Public Works. Prior to disposal, the property was required to be comprehensively revalued, resulting in a decrement of \$0.23M leaving a Revaluation Surplus for Land as at 30 June 2024 of \$128.5M (2023: \$60.3M increment).

The second tranche of the new rolling revaluation program for special purpose buildings (level 3), were comprehensively revalued in 2023-24 resulting in an increment of \$32M. The valuation of all buildings not comprehensively revalued in 2023-24 (excluding heritage listed and new builds) were considered via indexation resulting in an indexation movement of 9.5% a \$63M increment (2023: \$42.9M increment), leaving a Revaluation Surplus for Buildings and Site Improvements as at the 30 June 2024 of \$706.7M. The total movement for buildings for 2023-24 was \$95M.

Accounting for changes in fair value

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. In the 2023-24 financial year all revaluation amounts were adjusted against the existing revaluation surplus for the asset class and did not impact on the net operating result.

Metro North has adopted the gross method of reporting assets. This method restates separately the gross amount and related accumulated depreciation of the assets comprising the class of revalued assets (current replacement cost). Accumulated depreciation is restated proportionally in accordance with the independent advice of the appointed valuer.

B3-4: Accounting policies - Depreciation

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

Buildings are recognised via componentisation and depreciated on a straight-line basis, using the remaining useful lives of the building's components. This process provides more reliable and relevant information to users of the financial statements and asset managers. Where significant components have materially different lives from the complex asset, the impact may materially affect the depreciation recognised during the financial year.

Plant and Equipment is depreciated on a straight-line basis to reflect the consistent and even consumption of the service potential of these assets over their useful life to Metro North.

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.

Key judgement:

Management estimates the useful lives and residual values of buildings and plant and equipment based on the expected period of time over which economic benefits from the use of the asset will be derived. Management reviews useful life assumptions on an annual basis having considered variables including historical and forecast usage rates, technological advancements and changes in legal and economic conditions. All depreciable assets have a nil residual value.

For each class of depreciable assets, the following depreciation rates represent the range of expected annual depreciation, noting that there will be outliers due to the specific characteristics and service potential of individual assets.

Class	Depreciation rates
Buildings	2.5% - 3.33%
Plant and Equipment	5.0% - 33.33%

B3-5: Accounting policies - Impairment

Impairment assessment

The vast majority of Metro North's buildings are held at current replacement cost under AASB 136 *Impairment of Assets*. As such, the impairment requirements of AASB 136 do not apply to this asset class. For assets measured at cost, no impairment loss was recognised in 2023-24 (2023: \$nil).

Metro North Hospital and Health Service
Notes to the financial statements
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B4 LIABILITIES

B4-1: Payables

	2024 \$'000	2023 \$'000
Trade creditors	296,425	326,270
Other creditors	20,668	26,068
Funding repayable	16,662	15,323
Total	333,755	367,661

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.

Funding repayable represents amounts recognised in the end of year technical adjustment as owing to the Department of Health at the end of each year for services not delivered during the year. Refer to Note A1-2 for further detail on funding of public health services.

B5 EQUITY

B5-1: Asset revaluation surplus

	Land \$'000	Buildings \$'000	Heritage & Cultural Assets \$'000	Total \$'000
Balance 1 July 2023	128,687	611,707	508	740,902
Revaluation increments/(decrements)	(232)	94,965	-	94,733
Balance 30 June 2024	128,455	706,672	508	835,635

	Land \$'000	Buildings \$'000	Heritage & Cultural Assets \$'000	Total \$'000
Balance 1 July 2022	68,378	475,217	508	544,103
Revaluation increments/(decrements)	60,309	136,490	-	196,799
Balance 30 June 2023	128,687	611,707	508	740,902

*Heritage and Cultural Assets are included within Plant and Equipment B3-1 Property Plant and Equipment

Accounting policy – Revaluation surplus

The asset revaluation surplus represents the net effect of revaluation movements in assets. Refer to Note B3 for full disclosure.

Metro North Hospital and Health Service
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B6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

B6-1: Right-of-use assets

2024	Land and buildings	Plant and equipment	Total
	\$'000	\$'000	\$'000
Cost	455,385	28,241	483,626
Less: Accumulated depreciation	(83,400)	(20,913)	(104,313)
Carrying amount at 30 June 2024	371,985	7,328	379,313

Represented by movement in carrying amount:

Carrying amount at 1 July 2023	394,547	9,792	404,339
Additions	452	-	452
Depreciation	(23,014)	(2,464)	(25,478)
Carrying amount at 30 June 2024	371,985	7,328	379,313

2023	Land and buildings	Plant and equipment	Total
	\$'000	\$'000	\$'000
Cost	454,933	28,241	483,174
Less: Accumulated amortisation	(60,386)	(18,449)	(78,835)
Carrying amount at 30 June 2023	394,547	9,792	404,339

Represented by movement in carrying amount:

Carrying amount at 1 July 2022	417,333	12,490	429,823
Additions	76	82	158
Depreciation	(22,862)	(2,780)	(25,642)
Carrying amount at 30 June 2023	394,547	9,792	404,339

B6-2: Lease liabilities

	2024	2023
	\$'000	\$'000
Current		
Lease liabilities	25,169	20,074
Total current	25,169	20,074
Non-current		
Lease liabilities	382,590	407,246
Total non-current	382,590	407,246
Total	407,759	427,320

Accounting policy – Leases as a lessee

Right-of-use assets

Metro North measures right-of-use assets from concessionary leases at cost on initial recognition, and measures all right-of-use assets at cost subsequent to initial recognition. Metro North has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets.

The lease payments are recognised as expenses on a straight-line basis over the lease term. An asset is considered low value where it is expected to cost less than \$10,000 when new.

Where a contract contains both a lease and material non-lease components such as asset maintenance services, Metro North allocates the contractual payments to each component on the basis of their stand-alone prices. However, for leases of plant and equipment, Metro North has elected not to separate lease and non-lease components and instead accounts for them as a single lease component.

When measuring the lease liability, Metro North uses its incremental borrowing rate as the discount rate where the interest rate implicit in the lease cannot be readily determined. To determine the incremental borrowing rate, Metro North uses loan rates provided by Queensland Treasury Corporation that correspond to the commencement date and term of the lease.

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B6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

(i) *Details of leasing arrangements as lessee*

Category/class of lease arrangement	Description of arrangement
Plant and equipment leases	Metro North leases a number of medical equipment items located at STARS. These leases generally have a 7 year term.
Buildings	Metro North leases the STARS building from Australian Unity. The initial term of the lease is 20 years with an option to extend this lease by two periods of 10 years each (up to 40 years in total). At 30 June 2024 Metro North is not reasonably certain that either of the options will be exercised so the lease is accounted for based on the initial 20 year term. Under the agreement Australian Unity also provides service and maintenance on the building. The amounts paid for these services are not included in the value of the lease. Metro North also leases office accommodation from private sector providers where alternative premises are not available.

(ii) *Office accommodation and motor vehicles*

The Queensland Government Accommodation Office (QGAO) within the Department of Housing, Local Government, Planning and Public Works provides Metro North with access to office accommodation under a government-wide framework. QFleet within the Department of Energy and Climate provides Metro North with access to motor vehicles under a similar government wide framework. These arrangements are categorised as procurement of services rather than as leases because QGAO and QFleet have substantive substitution rights over the assets. The related service expenses are included as "Rental expenses" in Note A3-1.

Surgical, Treatment and Rehabilitation Service (STARS) lease

Located at the former Royal Children's Hospital site at Herston, the Herston Quarter is being developed under a consortium led by Australian Unity.

Australian Unity's scope of work includes the construction of a new hospital "STARS", which was delivered under a public-private partnership lease arrangement with Metro North. The building provides an approximate 35,000 sqm facility which includes 100 rehabilitation beds, special purpose rehabilitation support areas, and a surgical and endoscopic centre with a thirty-two-bed surgical inpatient room, seven operating theatres, three endoscopy rooms and recovery spaces.

The land on which STARS is constructed is owned by Metro North and leased to Australian Unity for 99 years.

Commercial acceptance by Metro North of the STARS building occurred on 4th November 2020, at which time the parties entered into a lease for an initial 20-year period, with an option to extend this lease by two periods of 10 years (40 years in total). At the commencement date, the lease liability was calculated as the present value of the future lease repayments, discounted using the QTC fixed rate loan interest rate at that date for the period which aligns with the length of the lease agreement.

Additional operating leases have been entered for equipment relating to the operation of STARS.

The total undiscounted estimated future cash outflows relating to the cost of leasing including the STARS building and related equipment items are shown below:

	2024	2023
	\$'000	\$'000
Outflows		
Not later than 1 year	27,883	27,500
Later than 1 year but not later than 5 years	109,254	110,437
Later than 5 years but not later than 10 years	138,454	136,408
Later than 10 years	190,818	219,340
Total estimated cash outflows	466,409	493,685

Other contractual expenditure commitments relating to the operation of STARS are as follows:

	2024	2023
	\$'000	\$'000
Outflows		
Not later than 1 year	9,000	7,982
Later than 1 year but not later than 5 years	42,792	41,699
Later than 5 years but not later than 10 years	78,161	74,769
Later than 10 years	153,609	167,094
Total estimated cash outflows	283,562	291,544

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B7 PUBLIC PRIVATE PARTNERSHIPS

Metro North does not have any arrangements that fall within the scope of AASB 1059 *Service Concession Arrangements*.

Metro North has some arrangements that fall within the definition of Public Private Partnerships (PPPs) as outlined in Queensland Treasury's *Financial Reporting Requirements*.

Facility	Counterparty	Term of Agreement	Commencement Date
RBWH Butterfield Street Car Park	International Parking Group Pty Limited	30 years	January 1998
STARS	Australian Unity	20 years + 2 x 10 year extension options	November 2020

RBWH Butterfield Street Car Park

A \$2.5M up-front payment for rent 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 exceed particular targets, were also assigned under the same Deed of Assignment to The Royal Brisbane and Women's Hospital Foundation

In September 2023 a Deed of Variation was entered, in which Metro North was assigned the contractual rights and obligations to receive the cashflows. In accordance with the agreement, the revenue is then transferred to Royal Brisbane and Women's Hospital Foundation.

Under this agreement, the Department of Health and Metro North staff are entitled to concessional rates when using the car park.

The building is recognised as a non-current asset in Note B3 and as shown in Note B7-1 below. Metro North has also recognised unearned revenue in relation to this agreement. Metro North incurs depreciation expense in relation to this building which is offset by depreciation funding from the Department of Health. Metro North does not retain any cash revenue in relation to this car park, however the unwinding of unearned revenue representing the progressive recognition of the fair value of the asset is accounted for as non-cash revenue as shown in Note B7-2 below.

STARS

As outlined in Note B6, Metro North has entered into an agreement with a consortium led by Australian Unity for the construction of the STARS facility.

This arrangement is recognised as a lease and accounted for in accordance with AASB 16 *Leases*. Disclosure, including Metro North's commitment to make future lease and other payments to the private sector entity are outlined in Note B6. Metro North has the option to purchase the STARS facility at market value at the expiration of the initial 20 year lease and each of the two 10 year options (if exercised). Metro North does not hold any ownership interest in the building unless or until it purchases it from the private sector entity.

All public health services provided at STARS are under the direction and control of Metro North.

The Prince Charles Hospital Car Park

In prior years there was an arrangement in relation to The Prince Charles Hospital Car Park that fell within the definition of Public Private Partnerships (PPPs) as outlined in Queensland Treasury's *Financial Reporting Requirements*. On 29 October 2022 the lease to the private sector operator ceased and Metro North assumed operational responsibility for the carpark.

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Notes to the financial statements
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B7 PUBLIC PRIVATE PARTNERSHIPS (continued)

B7-1 PPPs AASB 1059

Some PPPs are not service concession arrangements within the scope of AASB 1059. Other accounting standards and policies apply to these arrangements and are described for each arrangement below.

B7-1: PPPs outside AASB 1059

	2024 \$'000	2023 \$'000
Assets		
Buildings		
RBWH Butterfield Street Car Park	28,400	12,777
Total Assets	28,400	12,777
Liabilities		
Unearned revenue		
RBWH Butterfield Street Car Park	2,551	3,147
Total Liabilities	2,551	3,147

B7-2 Operating statement impact

The operating statement impact for each material public private partnership arrangement is as follows.

B7-2: Operating statement impact

	Butterfield St \$'000	TPCH \$'000	Total \$'000
2023-24			
Revenue			
Depreciation funding	1,400	-	1,400
Amortisation of unearned revenue	597	-	597
Expenses			
Depreciation expenses	(1,400)	-	(1,400)
Net impact on operating result	597	-	597
2022-23			
Revenue			
Depreciation funding	2,565	661	3,226
Amortisation of unearned revenue	597	92	689
Expenses			
Depreciation expenses	(2,565)	(661)	(3,226)
Net impact on operating result	597	92	689

Metro North Hospital and Health Service
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SECTION C

NOTES ABOUT RISKS AND OTHER ACCOUNTING UNCERTAINTIES

C1 FINANCIAL RISK DISCLOSURES

C1-1: Financial instrument categories

Metro North has the following categories of financial assets and financial liabilities

Category	Notes	2024 \$'000	2023 \$'000
Financial assets			
Cash and cash equivalents	B1	274,635	300,546
Receivables	B2-1	119,905	143,904
Total		394,540	444,450
Financial liabilities			
Lease liabilities	B6-2	407,759	427,320
Payables	B4-1	333,755	367,661
Total		741,514	794,981

Accounting policy – Financial instruments

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

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

C1-2 Financial risk management

Metro North'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 Goods and Services Tax (GST). No collateral is held as security and no credit enhancements relate to financial assets held by Metro North.

There are no significant concentrations of credit risk.

(b) Liquidity risk

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

Metro North 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 \$39.5M (2023: \$39.5M) 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 2024.

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

Category	2024 \$'000	< 1 year \$'000	1 – 5 years \$'000	> 5 years \$'000	2023 \$'000	< 1 year \$'000	1 – 5 years \$'000	> 5 years \$'000
Payables	333,755	333,755	-	-	367,661	367,661		
Lease liabilities	466,409	27,883	109,254	329,272	493,685	27,500	110,437	355,748
Total	800,164	361,638	109,254	329,272	861,346	395,161	110,437	355,748

(c) Interest rate risk

Metro North has interest rate exposure on its 24-hour call deposits however there is no risk on its cash deposits.

Metro North 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.

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C2 COMMITMENTS

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:

	2024 \$'000	2023 \$'000
Buildings		
Not later than 1 year	97,149	14,198
Later than 1 year but not later than 5 years	51	43,508
Later than 5 years	-	-
Total estimated cash outflows	97,200	57,706

Plant and equipment		
Not later than 1 year	10,151	73,696
Later than 1 year but not later than 5 years		1,237
Later than 5 years	-	-
Total estimated cash outflows	10,151	74,933

C3 CONTINGENCIES

As at 30 June 2024, the following cases were filed in the courts naming the State of Queensland acting through Metro North as defendant:

	2024 Number of cases	2023 Number of cases
Federal Court	2	3
Supreme Court	24	19
District Court	9	7
Magistrates Court	1	2
Tribunals, commissions and boards	6	2
Total	42	33

(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's maximum exposure is limited to an excess per insurance event up to \$20,000. The majority of the above litigation is covered within Metro North's QGIF policy such that Metro North's net exposure is not expected to be 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) and recorded through the Contingency Management System.

C4 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN ACCOUNTING POLICY

Accounting standards applied for the first time

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

Accounting standards early adopted

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

Metro North Hospital and Health Service
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C5 JOINT ARRANGEMENTS

Metro North has joint control over two arrangements: Herston Imaging Research Facility (HIRF) and the Oral Health Centre (OHC). Both arrangements have been assessed as joint operations.

HIRF is located in Herston, Brisbane, on land that is owned by Metro North. This alliance agreement is with the University of Queensland (UQ), the Council of the Queensland Institute of Medical Research (QIMR) and Queensland University of Technology (QUT).

The OHC is located in Herston, Brisbane, on land owned by UQ, with whom Metro North has an alliance agreement.

The joint arrangements had no contingent liabilities or capital commitments as at 30 June 2023 and 2024.

Accounting policy – Joint Arrangements

A joint operation is an arrangement whereby the parties (joint operators) that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries. In relation to its interest in joint operations, Metro North recognises its:

- Assets, including its share of any assets held jointly;
- Liabilities, including its share of any liabilities incurred jointly;
- Revenue from the sale of its share of output arising from the joint operation;
- Share of revenue from the sale of output by the joint operation; and
- Expenses, including its share of any expenses incurred jointly.

C6 SUBSEQUENT EVENTS

Bribie Island Satellite Hospital (Yarun) opened on 17 July 2024 with the Minor Injury and Illness clinic, Day Medical Treatment Unit, Mental Health Outpatient Services, Kidney Health Service and Aboriginal and Torres Strait Islander Hub. Remaining services will come online in early 2025 including the cancer care services, specialist allied health clinics (Healthy Ageing and Rehabilitation service), and oral health services. The Property Plant and Equipment is not currently recognised in these statements as will be transferred from Qld Health in 2024-25.

There are no other matters or circumstances that have arisen since 30 June 2024 that have significantly affected, or may significantly affect Metro North's operations, the results of those operations, or its state of affairs in future financial years.

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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 Metro North (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 Metro North (retention arrangement).

All monies received for Granted Private Practice are deposited into separate bank accounts that are administered by Metro North on behalf of the Granted Private Practice SMOs and VMOs. These accounts are not reported in Metro North's 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 Metro North on an accrual basis. The funds are then subsequently transferred from the Granted Private Practice bank accounts into Metro North operating and general trust bank accounts (for the service retention fee portion).

	2024	2023
	\$'000	\$'000
Receipts		
Billings - (SMOs and VMOs)	52,762	53,359
Interest	159	116
Total receipts	52,921	53,475
Payments		
Hospital and Health Service recoverable administrative costs	32,063	34,033
Payments to medical practitioners	17,664	15,480
Hospital and Health Service education/travel fund	3,326	2,960
Total payments	53,053	52,473
Closing balance of bank account under a trust fund arrangement not yet disbursed and not restricted cash	4,438	4,570

D2 FIDUCIARY TRUST TRANSACTIONS AND BALANCES

Metro North 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 Metro North, trust activities are included in the audit performed by the Auditor-General of Queensland.

	2024	2023
	\$'000	\$'000
Patient trust funds		
Opening balance	147	144
Patient trust receipts	7,352	6,276
Patient trust payments	(7,329)	(6,273)
Closing balance (represented by cash)	170	147

D3 RESTRICTED ASSETS

Metro North receives cash contributions primarily from private practice clinicians and external entities for the provision of education, study and research in clinical areas. Contributions are also received from benefactors in the form of gifts, bequests, donations and legacies for specific purposes. At 30 June 2024, an amount of \$38.4M (2023: \$34.6M) in General Trust is set aside for specified purposes defined by the contribution.

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SECTION E

OTHER INFORMATION

E1 RELATED PARTY TRANSACTIONS

Transactions with Queensland Government controlled entities

Metro North 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:

E1-1: Related Party Transactions- Department of Health

	2024	2023
	\$'000	\$'000
Revenue received	3,893,379	3,565,621
Expenditure incurred	2,926,276	2,605,738
Receivables	48,597	68,029
Payables	268,799	259,570

E1-2: Related Party Transactions- Queensland Treasury Corporation

	2024	2023
	\$'000	\$'000
Revenue received	1,756	1,029
Expenditure incurred	44	50
Cash and cash equivalents	38,447	34,699
Payables	4	4

(a) Department of Health

Metro North 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 is funded for eligible services through block funding, activity-based funding or a combination of both. For further details reference should be made to Note A1-2 Funding for the provision of public health services.

The Department of Health provides a number of services including, ambulatory services, procurement, payroll, pharmacy, biomedical technology services, pathology, superannuation (Australian Retirement Trust) payments, information technology infrastructure and support as well as accounts payable services. Any expenses paid by the Department of Health on behalf of Metro North for these services are recouped by the Department of Health.

(b) Queensland Treasury Corporation

Metro North has 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 2024 between Metro North and key management personnel, including their related parties were on commercial terms and conditions and were immaterial in nature.

E2 TAXATION

Metro North is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only Commonwealth taxes recognised by Metro North. All FBT and GST reporting to the Commonwealth is managed centrally by the Department of Health, with payments/receipts made on behalf of Metro North reimbursed to/from the Department of Health on a monthly basis. For example, GST credits receivable from, and GST payable to the ATO, are recognised on this basis.

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

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E3 CLIMATE RISK DISCLOSURE

Whole-of Government Climate-related Reporting

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

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

Climate Risk Assessment – Metro North

Metro North considers climate-related risks when assessing material accounting judgements and estimates used in preparing its financial report. Key estimates and judgements identified include the potential for changes in asset useful lives, changes in the fair value of assets, impairment of assets, the recognition of provisions or the possibility of contingent liabilities.

No adjustments to the carrying value of assets were recognised during the financial year as a result of climate-related risks impacting current accounting estimates and judgements. No other transactions have been recognised during the financial year specifically due to climate-related risks impacting the department.

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

Metro North's climate-related initiatives resulting from the Queensland Climate Transition Strategy and Climate Action Plan 2030 are published on Metro North's website at <https://metronorth.health.qld.gov.au/wp-content/uploads/2021/04/green-mn-sustainability-strategy-21-26.pdf>

Green Metro North Sustainability Strategy 2021–2026

As the largest health service in Australia Metro North is dedicated to reducing our environmental footprint, promoting public and environmental health, and ensuring our service is resilient to climate change. The strategy has five strategic elements: Green Monitoring; Green Partnerships; Green Facilities; Green Initiatives and Green Workforce. Metro North is committed to identifying major sources of waste and energy use and introducing green initiatives to achieve sustainable change, collaboration with other organisations to improve sustainability performance and innovation within the healthcare sector and integrate environmental sustainability and resilience practices with repairs and maintenance programs and future building and plant and infrastructure projects to create a healthier and more sustainable tomorrow.

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SECTION F

BUDGET v ACTUAL COMPARISON

F1 BUDGET VS ACTUAL COMPARISON – STATEMENT OF COMPREHENSIVE INCOME

Funding for the provision of public health services - The increase relates to additional funding provided through amendments to the Service Agreement with the Department of Health (DoH) primarily for enterprise bargaining agreement items including wage increases and additional entitlements, cost of living adjustment (COLA) payments and superannuation top up payments. Additional funding also received for Putting Patients First, Better Care Together and Planned Care initiatives, non-labour escalation, and increased depreciation.

Other Revenue – The increase relates to the reimbursement of non-capital expenditure for the integrated electronic medical records (ieMR) project funded by the Department of Health (DoH), difference in accounting treatment of salary recoveries which are recognised as credits to expenditure in budget but revenue in actuals, and carpark revenue received from the new Caboolture carpark as well as the transfer of Butterfield Street carpark to Metro North management this year.

Employee expenses – Refer below to Health service employee expenses explanation.

Health service employee expenses – The increase primarily relates to enterprise bargaining items including wage increases and additional entitlements, cost of living adjustment (COLA) payments and superannuation top up payments with funding received from the Department of Health (DoH) for these items. Additional funding also received for clinical initiatives such as Planned Care, Better Care Together and Putting Patients First has resulted in increased FTE and labour expenses.

Supplies and Services – The increase relates to growth provided in the year for ieMR with reimbursement from DoH to offset this expense, increased repairs and maintenance expenditure and increased spend in pathology and prosthetic due in part to price increases and expense increases associated with the Royal Brisbane and Women's Hospital working to locally manufacture CAR-T cells. Patients' T-cells are modified to include a chimeric antigen receptor (CAR), which can directly target and kill cancer: a new era in cancer immunotherapy.

F2 BUDGET VS ACTUAL COMPARISON – STATEMENT OF FINANCIAL POSITION

Cash and cash equivalents – The variance to budget is due to cash held for funding deferrals and timing differences in current assets and current liabilities.

Receivables – The variance to budget is due of the recognition of year end accrued funding receivables from the Department of Health including Virtual Emergency Care, Chimeric Antigen Receptor (CAR)-T, and other various amendments.

Property, Plant and Equipment – the main variance relates predominantly to increases in asset revaluation at the end of 2022-23 and during 2023-24. This includes land valuations reviewed by the State Valuation Service in 2022-23 and the second tranche of the new rolling revaluation program for special purpose buildings (level 3) which were comprehensively revalued in 2022-23, as well as an indexation movement of 8.5% for the valuation of all buildings not comprehensively revalued in 2022-23 which have subsequently been comprehensively revalued during 23/24 by AECOM. Also, the fair value of Building assets subject to comprehensive revaluation in 2022-23 were adjusted based on an applicable index of 9.5% recommended by AECOM, the valuers in 2023-24. Valuation increments/decrements are not budgeted for.

Other variances relate to timing differences of major capital projects such as the Caboolture Hospital Redevelopment and the new Prince Charles Car Park.

Payables – The variance to budget is predominantly due to the timing of accounts payable invoices and payments and recognition of year end accrued funding clawbacks and output to equity capital swaps to the Department of Health.

Contract Liabilities - The variance to budget relates to deferrals of revenue from 2023-24 to 2024-25 with the Department of Health where performance obligations have not yet been met.

Total Equity – the variance relates to an increase in asset revaluation reserve as a result of asset revaluation processes at the end of 2022-23 and during 2023-24, increase in accumulated funds due to surpluses in 2022-23 and 2023-24 and increase in contributed equity relating to capital assets transferred relating to projects managed by the Department of Health for Metro North such as Caboolture and Kallangur Satellite Hospitals not included in budget.

F3 BUDGET VS ACTUAL COMPARISON – STATEMENT OF CASH FLOWS

Other Revenue – Refer to Note F1 for further explanation.

Employee expenses – Refer to Note F1 for further explanation.

Supplies and Services – Refer to Note F1 for further explanation.

Payments for property, plant and equipment – The budget recognises only cash outflows for projects funded by Metro North. Metro North pays for all capital purchases and are reimbursed from the Department of Health monthly in arrears for projects that they fund on behalf of Metro North including the Caboolture Hospital redevelopment program, The Prince Charles Hospital carpark, the Health Technology Equipment Replacement program and the Capital Maintenance and Asset Renewal program.

Cash flow from equity transferred – The budget recognises no cash impact for Department of Health funded projects. Metro North pays for all capital and are reimbursed for Department of Health funded projects monthly in arrears.

Cash flow from equity withdrawals - The variance to budget relates to depreciation and amortisation funding being treated as a cash item (equity withdrawal) in the budget, however this has been accounted as a non-cash item in the statement of cash flow.

Metro North Hospital and Health Service
Notes to the financial statements
for the year ended 30 June 2024

Management Certificate

These general purpose financial statements have been prepared pursuant to s62(1) of the *Financial Accountability Act 2009 (Qld)* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with s62(1)(b) of the Act, we certify that in our opinion:

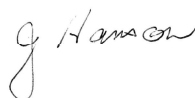
- (a) The prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) The financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Metro North Hospital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

We acknowledge responsibility under s7 and s11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



Digitally signed by
Bernard Curran, Board
Chair Metro North
Health
Date: 2024.08.27
13:03:23 +10'00'

Mr Bernard Curran
Board Chair
Date: 27 August 2024



Digitally signed by Adjunct
Professor Jackie Hanson,
Health Service Chief Executive,
Metro North Health
Date: 2024.08.27 12:58:39
+10'00'

Adjunct Professor Jackie Hanson
Chief Executive
Date: 27 August 2024



Digitally signed by Alister Whitta,
Chief Finance and Corporate
Officer, Metro North Health
Date: 2024.08.27 12:13:00 +10'00'

Mr Alister Whitta
Chief Finance and Corporate Officer
Date: 27 August 2024

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 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the management certificate.

In my opinion, the financial report:

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

Basis for opinion

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

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

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

Key audit matters

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

Valuation of specialised buildings (\$1,089 million)

Refer note B3 in the financial report.

Description	How my audit addressed the key audit matter
<p>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 performed a comprehensive revaluation of 73 building assets across the following locations this year as part of the rolling revaluation program:</p> <ul style="list-style-type: none"> • The Prince Charles Hospital (Chermside) • Kilcoy • Caboolture (excluding the redevelopment). <p>All other buildings were assessed using relevant indices.</p> <p>The current replacement cost method comprises:</p> <ul style="list-style-type: none"> • gross replacement cost, less • accumulated depreciation. <p>Metro North Hospital and Health Service derived the gross replacement cost of its buildings at balance date using unit prices that required significant judgements for:</p> <ul style="list-style-type: none"> • identifying the components of buildings with separately identifiable replacement costs • developing a unit rate for each of these components, including: <ul style="list-style-type: none"> – estimating the current cost for a modern substitute (including locality factors and oncosts), expressed as a rate per unit (e.g. \$/square metre) – identifying whether the existing building contains obsolescence or less utility compared to the modern substitute, and if so estimating the adjustment to the unit rate required to reflect this difference. <p>The measurement of accumulated depreciation involved significant judgements for determining condition and forecasting the remaining useful lives of building components.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant judgements for calculating annual depreciation expense.</p> <p>Using indexation required:</p> <ul style="list-style-type: none"> • significant judgement in determining changes in cost and design factors for each asset type since the previous revaluation • reviewing previous assumptions and judgements used in the last comprehensive valuation to ensure ongoing validity of assumptions and judgements used. 	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • assessing the adequacy of management's review of the valuation process and results • reviewing the scope and instructions provided to the valuer • assessing the appropriateness of the valuation methodology and the underlying assumptions with reference to common industry practices • assessing the appropriateness of the components of buildings used for measuring gross replacement cost with reference to common industry practices • assessing the competence, capabilities and objectivity of the experts used to develop the models • for unit rates, on a sample basis, evaluating the relevance, completeness and accuracy of source data used to derive the unit rate of the: <ul style="list-style-type: none"> – modern substitute (including locality factors and oncosts) – adjustment for excess quality or obsolescence • evaluating the relevance and appropriateness of the indices used for changes in cost inputs by comparing to other relevant external indices • evaluating useful life estimates for reasonableness by: <ul style="list-style-type: none"> – reviewing management's annual assessment of useful lives – at an aggregated level, reviewing asset management plans for consistency between renewal budgets and the gross replacement cost of assets – testing that no building asset still in use has reached or exceeded its useful life – enquiring of management about their plans for assets that are nearing the end of their useful life – reviewing assets with an inconsistent relationship between condition and remaining useful life • where changes in useful lives were identified, evaluating whether the effective dates of the changes applied for depreciation expense were supported by appropriate evidence.

Responsibilities of the entity for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

Report on other legal and regulatory requirements

Statement

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

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

Prescribed requirements scope

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



M Claydon
as delegate of the Auditor-General

30 August 2024

Queensland Audit Office
Brisbane

GLOSSARY

ACHS	The Australian Council on Healthcare Standards	KPA	Key Performance Area
ADS	Alcohol & Drug Service	KPI	Key Performance Indicator
AQC Group	NDIS approved quality auditors	MATSICHS	Moreton Aboriginal and Torres Strait Islander Community Health Service
BERT	Behavioural Emergency Response Team	Metro North Health	Metro North Hospital and Health Service
CAC	Community Advisory Committee	MOHRI	Minimum Obligatory Human Resource Information
CALD	Culturally and linguistically diverse communities	MRSA	Methicillin-resistant Staphylococcus aureus
CIMT	Corporate Information Management Team	NCTGF	National Clinical Trials Governance Framework
COH	Community and Oral Health Directorate		
CRAICCHS	Cherbourg Regional Aboriginal & Islander Community Controlled Health Services	NDIA	National Disability Insurance Agency
CTMS	Clinical Trials Management Solution	NDIS	National Disability Insurance Scheme
ED	Emergency Department	NGO	Non-government organisation
eDRMS	Electronic document and records management system	OECD	Organisation for Economic Cooperation and Development
EQuIP	Evaluation and Quality Improvement Program	PHN	Primary Health Network
ES	Elective Surgery	POST	Patient Off Stretcher Time
ESM	Enterprise Scheduling Management	PREMS	Patient reported experience and outcome measures
FTE	Full Time Equivalent	QAO	Queensland Audit Office
GP	General Practitioner	QAS	Queensland Ambulance Service
HELIX	Healthcare Excellence through Leading Innovation and Collaboration	QASIS	Queensland Adult Specialist Immunisation Service
HOPE	Heart Outreach Program for Health Equity	QGEA	Queensland Government Enterprise Architecture
HSCE	Health Service Chief Executive	QSA	Queensland State Archives
HHS	Hospital and Health Service	QUT	Queensland University of Technology
ICU	Intensive Care Unit	RAUGH	Research Alliance for Urban Goori Health
ieMR	Integrated Electronic Medical Record	REC	Rehabilitation Engineering Centre
IUIH	Institute for Urban Indigenous Health	RBWH	Royal Brisbane and Women's Hospital
IPPF	International Professional Practices Framework	S/4HANA	Queensland Health's finance, business and logistics platform
IWFM	Integrated Workforce Management	SAMP	Strategic Asset Management Plan

SMO	Senior Medical Officer	TIN	Treat in Turn
STARS	Surgical, Treatment and Rehabilitation Service	UQ	The University of Queensland
TMS	Talent Management System	UROC	Urban Indigenous Respiratory Outreach Clinics (UROC)
TPCH	The Prince Charles Hospital	WAU	Weighted Activity Unit

Compliance Checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7	p.4
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1	p.5 p.83
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	p.2
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	p.2
	<ul style="list-style-type: none"> Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 9.4	p.2
	<ul style="list-style-type: none"> Information Licensing 	<i>QGEA – Information Licensing</i> ARRs – section 9.5	p.2
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10	p.8
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community and whole-of-government plans/specific initiatives 	ARRs – section 11.1	p.6
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.2	p.10; p. 35
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.3	p.40
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	p.42
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	p.25
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	p.20
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3	p.19
	<ul style="list-style-type: none"> Public Sector Ethics 	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	p.33

Summary of requirement	Basis for requirement	Annual report reference	
	<ul style="list-style-type: none"> • Human Rights 	<i>Human Rights Act 2019</i> ARRs – section 13.5	p.33
	<ul style="list-style-type: none"> • Queensland public service values 	ARRs – section 13.6	p.9
Governance – risk management and accountability	<ul style="list-style-type: none"> • Risk management 	ARRs – section 14.1	p.28
	<ul style="list-style-type: none"> • Audit committee 	ARRs – section 14.2	p.18
	<ul style="list-style-type: none"> • Internal audit 	ARRs – section 14.3	p.29
	<ul style="list-style-type: none"> • External scrutiny 	ARRs – section 14.4	p.30
	<ul style="list-style-type: none"> • Information systems and recordkeeping 	ARRs – section 14.5	p.32
	<ul style="list-style-type: none"> • Information Security attestation 	ARRs – section 14.6	p.33
Governance – human resources	<ul style="list-style-type: none"> • Strategic workforce planning and performance 	ARRs – section 15.1	p.27
	<ul style="list-style-type: none"> • Early retirement, redundancy and retrenchment 	<i>Directive No.04/18 Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	p.28
Open Data	<ul style="list-style-type: none"> • Statement advising publication of information 	ARRs – section 16	p.2
	<ul style="list-style-type: none"> • Consultancies 	ARRs – section 31.1	https://data.qld.gov.au
	<ul style="list-style-type: none"> • Overseas travel 	ARRs – section 31.2	https://data.qld.gov.au
	<ul style="list-style-type: none"> • Queensland Language Services Policy 	ARRs – section 31.3	https://data.qld.gov.au
Financial statements	<ul style="list-style-type: none"> • Certification of financial statements 	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	p.79
	<ul style="list-style-type: none"> • Independent Auditor's Report 	FAA – section 62 FPMS – section 46 ARRs – section 17.2	p.80

FAA

Financial Accountability Act 2009

FPMS

Financial and Performance Management Standard 2019

ARRs

Annual report requirements for Queensland Government agencies

