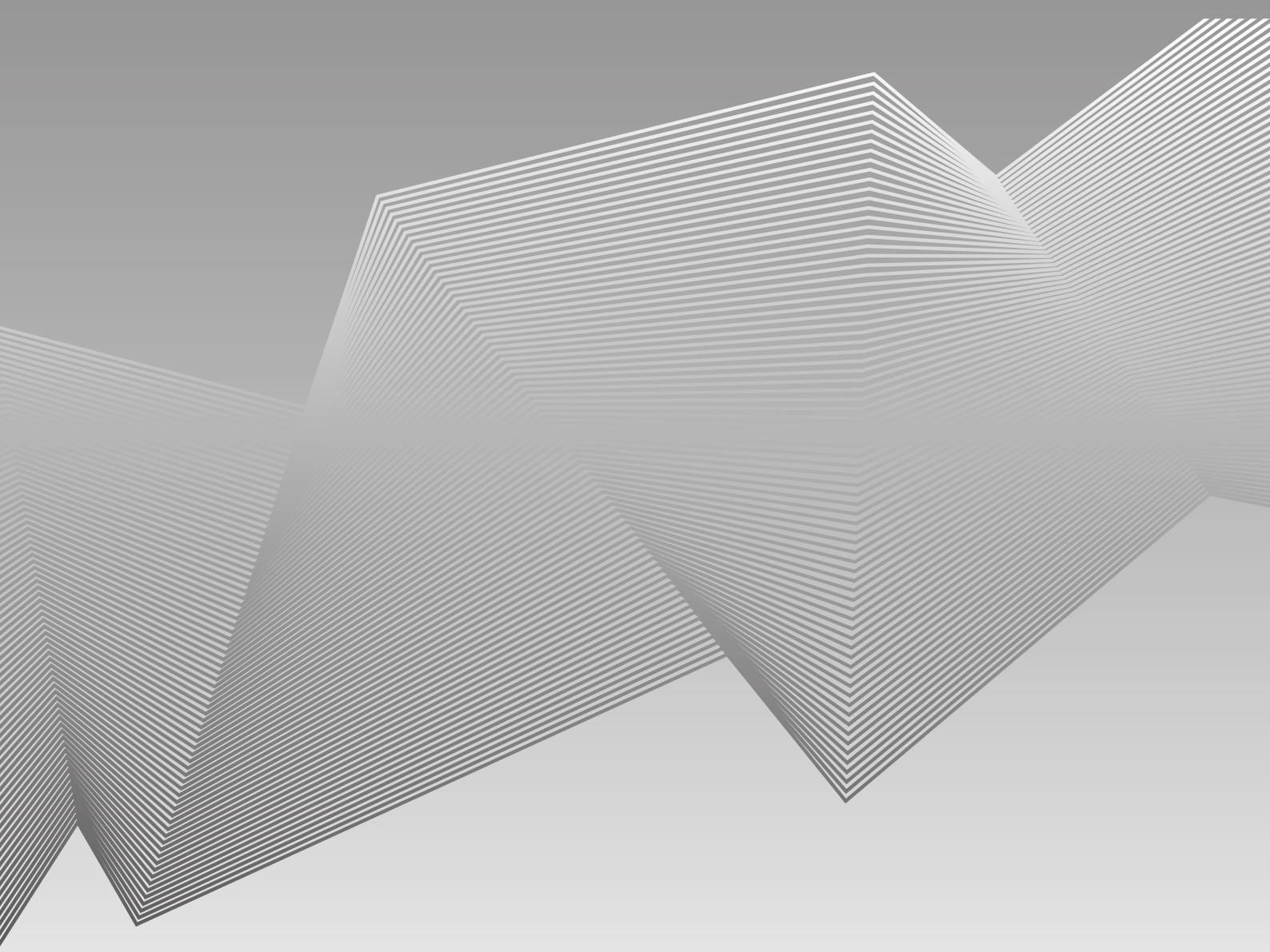


**Metro South Hospital
and Health Service**

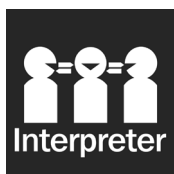
**ANNUAL
REPORT
2020–2021**



Information about consultancies, overseas travel, and the Queensland language services policy is available at the Queensland Government Open Data website www.data.qld.gov.au.

This report, including the Other Reporting Requirements, can be viewed on Metro South Health's website at www.metrosouth.health.qld.gov.au/about-us/publications/annual-report. Hard copies of the Annual Report are available by phoning the Office of the Chief Executive, Metro South Health, on 07 3176 8057. Alternatively, you can request a copy by emailing metrosouthcorro@health.qld.gov.au.

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



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Acknowledgement of the Traditional Owners

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

Recognition of Australian South Sea Islanders

Metro South Health formally recognises the Australian South Sea Islanders as a distinct cultural group within our geographical boundaries. Metro South Health is committed to fulfilling the *Queensland Government Recognition Statement for 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.

27 September 2021

The Honourable Yvette D'Ath MP
Minister for Health and Ambulance Services
GPO Box 48
Brisbane QLD 4001

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2020–2021 and financial statements for Metro South Hospital and Health Service.

I certify that this Annual Report complies with:

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

A checklist outlining the annual reporting requirements can be found on page 93 of this Annual Report.

Yours sincerely



Ms Janine Walker AM
Chair
Metro South Hospital and Health Board

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Statement on Queensland Government objectives for the community

Metro South Health contributes to the Queensland Government's objectives for the community by delivering services for the community that are high quality, sustainable, diverse and flexible to changing needs.

Safeguarding our health

During the unprecedented pandemic, Metro South Health has successfully changed the way it delivers health services to ensure a world-class public health pandemic response, as well as continued, timely access to specialised health services. Through the provision of COVID-19 vaccination and screening clinics, contact tracing, and treatment services across our hospitals and community, Metro South Health continues to respond to the changing needs of the evolving pandemic. Simultaneously, the increased use of Telehealth and telephone consultations, virtual patient monitoring, community-based care, and hygiene protocols ensures the continued provision of equitable access to excellent care while minimising the spread of infection.

Backing our frontline services

Maintaining and developing our exceptional workforce is key to delivering great value care in collaboration with others. With a workforce consisting of 14,000 employees, Metro South Health is one of Queensland's largest employers. Metro South Health is committed to investing in the skills and diversity of its workforce, flexible working arrangements, supporting current and future leaders, and improving opportunities for women, Aboriginal and Torres Strait Islander people, people from multicultural backgrounds, and people with disabilities.

Building Queensland

The Government has committed significant investment in planned new facilities to be delivered throughout the Metro South region over the coming years—including the Redland and Logan Hospital expansions and the Satellite Hospital program.

Metro South Health has benefitted from investment programs under the *Queensland's COVID-19 Economic Recovery Plan - Unite and Recover* including:

- \$1.3 billion COVID-19 response package to expand fever clinics, increase hospital capacity, establish contact tracing and testing capability and deliver the COVID-19 vaccination program.
- \$979 million for the Building Better Hospitals program, increasing capacity in areas of major population growth.
- \$265 million for the Satellite Hospitals program across South East Queensland.

Queensland Government State Infrastructure Plan—Capital Program 2020 update

The Capital Program update provides point in time data and assurance of a pipeline of committed work. It prioritises infrastructure investment and delivery to support economic and employment growth, providing visibility of the infrastructure investment strategy and a delivery program across 10 infrastructure classes.

This financial year, \$718 million is allocated to the statewide health capital program, with a total indicative allocation of \$1.053 billion to December 2021.

Metro South Health projects in the Capital Program 2020 update

Project	Total estimated cost (\$M)	Estimated expenditure to 30-06-2020 (\$M)	FY 2020-2021 (\$M)
Building Better Hospitals – Logan Hospital Expansion	460.871	10.876	20.000
Building Better Hospitals - Logan Hospital Maternity Services Upgrade	15.600	0.299	5.119
Logan Hospital Maternity Access Road	3.048	0.380	2.668
Logan Hospital Multi-level Carpark	61.920	0.863	20.886
Metro South - Health Technology Equipment	Ongoing		10.364
Metro South - Minor Capital Projects and Acquisitions	Ongoing		11.086
Princess Alexandra Hospital Cladding Project	45.545	20.851	10.800
Redland Hospital Multi-level Carpark	50.172	0.207	6.900

Satellite Hospitals Better Care, Closer To Home

The Queensland Government committed \$265 million to deliver seven Satellite Hospitals across South East Queensland. These facilities will provide residents better access to health care in their local community, so they can access these services closer to home and in a more convenient setting without having to travel to a major hospital. The Satellite Hospitals are also intended to free up capacity at our major hospitals and help to ensure our health system continues to keep pace with growing demand.

Funding has been committed for two Satellite Hospitals in Metro South Health:

- \$40 million for the Redland Satellite Hospital.
- \$37.5 million for the Brisbane South Satellite Hospital.

Planning is currently underway for the Metro South Health Satellite Hospitals.

Care4Qld Strategy

On 11 May 2021, the State Government announced an initial \$100 million funding boost to tackle unprecedented demand in Queensland's public hospitals.

Metro South Health received \$16,593,181 from the \$100 million Care4Qld Phase 1 package, which includes:

- \$7.1 million for an additional 26 beds at Queen Elizabeth II Jubilee Hospital.
- \$1,716,981 to permanently expand Hospital in the Home services which were temporarily established as part of our COVID-19 response.
- \$1,136.287 to permanently expand Residential Aged Care Support Services which were temporarily established as part of our COVID-19 response.
- \$1.5 million to pilot targeted expansions of post-acute services (including physiotherapists, occupational therapists etc) to support faster and safe discharge from hospital.
- \$616,805 to support appropriate discharge of long stay patients from hospital and ensuring they receive continued care in the right setting.
- \$435,000 to expand our mental health co-responder model by an additional four teams each year over the next three years.
- \$1,146,944 reinvestment in successful programs delivered through the Care in the Right Setting Funding Program, including the Rapid Paediatric Sepsis Pathway.
- \$2.5 million for 'winter bed' funding to strengthen existing strategies to improve Emergency Department and Inpatient Hospital Flow.
- \$400,000 to expand operational hours and support new models of care in the transit care areas.

Hospital and Health Boards (Health Equity Strategies) Amendment Regulation 2021

On 30 April 2021, the *Hospital and Health Boards Act 2011* was amended to require all Hospital and Health Services (Services) to develop and publish “a strategy (a health equity strategy) to achieve, and to specify the Service’s activities to achieve, health equity for Aboriginal people and Torres Strait Islander people in the provision of health services by the Service.”

The associated regulation outlines who must be consulted in the development and review of the health equity strategies including:

- Aboriginal and Torres Strait Islander members of staff of the Service
- Aboriginal and Torres Strait Islander consumers of health services delivered by the Service
- Aboriginal and Torres Strait Islander members of the community within the Service’s health service area
- traditional custodians and native title holders of land and waters in the Service’s health service area
- the implementation stakeholders for the strategy.

Metro South Health will develop and publish a health equity strategy within 12 months of the amended regulation.

From the Chair and Chief Executive

Metro South Health recognises and pays respect to the traditional custodians of the land and waters—the Yugambeh, Quandamooka, Jaggera, Ugarapul and Turrbal peoples—and to Elders, past, present and emerging.

This annual report outlines the strategic objectives that Metro South Health has identified to deliver on its purpose of *Quality Healthcare Every Day* and attain our vision *To Be Australia's Exemplar Public Healthcare Service*. Metro South Health's strategic objectives are aligned with the Queensland Government objectives for the community as detailed in *Unite and Recover—Queensland's Economic Recovery Plan*.

In 2020-2021, Metro South Health continued to respond to the COVID-19, whilst delivering public healthcare to our growing, aging and diverse community. Throughout the COVID-19 pandemic, our staff have shown dedication, compassion and professionalism to be there for our patients. Whether it's providing cleaning services, performing hundreds of tests in fever clinics, delivering vaccinations, working in our community centres, our kitchens, caring for COVID-positive patients in hospital wards and intensive care, or providing essential care to women, their babies and their partners – our staff consistently put the interests and needs of others ahead of their own.

At Metro South Health, we are busier than we have ever been. More patients are presenting to Metro South Health emergency departments, we are performing record numbers of elective surgery each week, performing more endoscopies, providing more maternity care in the community, leading Queensland in cancer research, and expanding our services – all whilst responding to the global pandemic.

Metro South Health values the significant efforts of our staff. Our staff are essential to the health and wellbeing of our patients and our community. Whether working in a hospital or community setting – our staff make significant contributions to our world-class healthcare system as researchers, health leaders and educators. We have an engaged and skilled workforce at Metro South Health, and our strategic plan objectives are about developing our workforce whilst using evidence from research to innovate and collaborate, and being responsible in our use of resources to deliver excellent care to our patients and the community.

Metro South Health is fortunate that the Government has significantly invested in planned new facilities to be delivered throughout our health service over the coming years to meet the needs of our growing community, including the Redland and Logan Hospital expansions, which continued to progress in 2020-2021, with further details available in this report.

We thank all our staff at Metro South Health for all that they do to provide such compassionate and exceptional care to our patients and community.

Janine Walker AM
Chair
Metro South Hospital and Health Service Board

Dr Peter Bristow
Health Service Chief Executive
Metro South Hospital and Health Service

About us

Metro South Health is an independent, statutory body, governed by the Metro South Hospital and Health Board, which is accountable to the Queensland Minister for Health and Ambulance Services. Metro South Health became a Hospital and Health Service (HHS) on 1 July 2012. Under the *Hospital and Health Boards Act 2011*, it is the principal provider of public health services for the community within its geographical area. Under the *Hospital and Health Boards Act 2011*, the Queensland Department of Health is responsible for the overall management of the public health system including statewide planning, and monitoring the performance of Hospital and Health Services. A formal Service Agreement is in place between the Department of Health and Metro South Health that identifies the health services Metro South Health will provide, funding arrangements for those services, and targets and performance indicators to ensure outputs and outcomes are achieved.

Metro South Health is one of 16 Hospital and Health Services in Queensland and serves an estimated resident population of almost 1.2 million people, 23 per cent of Queensland's population. It employs more than 13,500 full-time equivalent (FTE) employees and has an annual operating revenues of \$2.776 billion. The health service's catchment spans 3,856 square kilometres and covers the area from the Brisbane River in the north to Redland City in the east, south to Logan City and the eastern portion of the Scenic Rim to the border of New South Wales. Metro South Health is the major provider of public healthcare in the Brisbane south side, Logan, Redlands and Scenic Rim regions including teaching, research and other services as outlined in its Service Agreement with the Department of Health. It provides these services through five hospitals; several community health centres and oral health facilities. The Service Agreement is negotiated annually with the Department of Health and is publicly available at www.publications.qld.gov.au/dataset/metro-south-hhs-service-agreements.

Our hospitals

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

Major community health centres

- Beenleigh Community Health Centre
- Browns Plains Community Health Centre
- Eight Mile Plains Community Health Centre
- Inala Community Health Centre
- Logan Central Community Health Centre
- Logan Central Community Mental Health Centre
- Logan Healthcare Centre, Meadowbrook
- Marie Rose Centre, Dunwich
- Redland Health Service Centre, Cleveland
- Southern Queensland Centre of Excellence, Inala
- Woolloongabba Community Health Centre
- Wynnum-Manly Community Health Centre (Gundu-Pa).

Specialty services:

- acute medical
- acute surgical
- addiction and mental health
- acquired brain injury
- cancer services
- cardiology
- emergency medicine
- gastroenterology
- obstetrics and gynaecology
- older persons
- paediatrics
- palliative care
- rehabilitation
- renal
- spinal injury
- trauma
- transplantation.

Strategic direction

New strategic plan 2021-2025

In June 2021, Metro South Health published a new strategic plan for the period 2021-2025, which can be found at: www.metrosouth.health.qld.gov.au/about-us/strategy/strategic-plan.

Strategic Plan 2019-2023

The Annual Report 2020-2021 corresponds with Metro South Health's Strategic Plan 2019-2023 which carefully monitors achievements against targets, aspirations and strategies for quality care for the community.

The *Metro South Health Strategic Plan 2019-2023* (reviewed/updated 2021) has four key objectives:

1. Person-centred care
 - Consumers will shape how, when and where we deliver services.
2. Connecting care
 - Consumers' healthcare journeys will be seamless from wellness, through illness, rehabilitation, end-of-life and death.
3. Quality care
 - Consumers will receive quality, reliable and evidence-based healthcare focused on improving health outcomes.
4. Sustainable care
 - Consumers will be cared for by capable and committed people in facilities that support contemporary models of care.

Vision, purpose, values

Our vision

Health and wellbeing for all in the community.

Our purpose

Partnering to deliver care for the Metro South Health community, training the workforce for the future and researching and innovating delivery of health care for the future.

Our values – ICARE²

Metro South Health has adopted a set of organisational values that provide the framework for how we deliver care.

They are:

- Integrity – We are authentic, truthful and transparent, and strive for equity for all.
- Compassion – We care for one another and ourselves with empathy, kindness and support.
- Accountability – We are accountable for our decisions, actions and behaviours.
- Respect – We foster an environment of safety, civility, and inclusion.
- Engagement – We are one team working together to achieve our best outcomes.
- Excellence – We empower each other and inspire innovation to deliver excellence.

We will respect, protect and promote human rights in our decision-making and actions.

Priorities

Metro South Health continues to prioritise its efforts towards meeting key challenges and opportunities by:

- transforming models of care to increase efficiency and address growing service demand and changing consumer expectations

- optimising the use of available infrastructure and workforce capacity and capability to address service demand growth within the challenging fiscal environment
- investing in the growth of health services and infrastructure based on clear, evidence-based need
- balancing investment between addressing current service demand—with a focus on emergency department and elective surgery access—and prevention and early intervention initiatives for longer-term benefit
- adapting our services to effectively respond to the COVID-19 pandemic to keep our patients, staff and community safe and well
- increasing our effective use of technology to deliver better patient outcomes, enable connected care and improve efficiency
- providing person-centred healthcare in the community, outside the hospital walls, together with service partners and the community
- collaborating with and co-designing solutions by unlocking the potential of the diverse workforce and broader healthcare community.

In 2021-2022, we will particularly prioritise:

- expanding hospital capacity through major infrastructure projects, as well as innovative service models and partnerships
- ensuring timely access to publicly funded emergency department and elective surgery services
- maintaining service capacity and capability to ensure ongoing effective COVID-19 response
- providing care in the right setting through appropriate expansion and embedding of service models for virtual care, post-acute care, home-based care, and residential aged care support
- partnering with key stakeholders and community to significantly improve health equity for Aboriginal and Torres Strait Islander peoples
- developing integrated and preventative primary and community care pathways to significantly improve health outcomes for people with – or at high risk of – chronic disease.

Aboriginal and Torres Strait Islander Health

Health profile of the Aboriginal and Torres Strait Islander people population

The Australian Government Closing the Gap report 2020 concluded that while on almost every measure, there has been progress, achieving parity in life expectancy and closing the gap in life expectancy within a generation is not on track to be met by 2031. The shared view among Aboriginal and Torres Strait Islander peoples, the broader Australian community and Australian governments is we must do better.

Queensland Health's Closing the Gap performance report 2018 reported while some progress has been made to improve outcomes with respect to life expectancy, child mortality, educational achievement, employment and early childhood education, only three of the seven current targets were on track during the ten-year anniversary in 2018.

In August 2020, the *Hospital and Health Boards Act 2011* was amended requiring Hospital and Health Services to develop and implement Health Equity Strategies for Aboriginal and Torres Strait Islander Peoples.

This Health Equity Strategy, in partnership with the Queensland Aboriginal and Islander Health Council, will replace the Close the Gap Plan and implement new approaches to eliminate the avoidable, unjust and unfair health inequities experienced by many Aboriginal and Torres Strait Islander peoples.

Aboriginal and Torres Strait Islander people profile and performance

In 2020-2021, 17,387 (5.7 per cent) Aboriginal and Torres Strait Islander people presented to a Metro South Health facility for emergency acute care.

- Logan Hospital accounted for 42 per cent of the total Aboriginal and Torres Strait Islander emergency presentations, followed by Princess Alexandra Hospital with 21.4 per cent.

- Of these emergency presentations, 10.9 per cent came from other HHS regions including West Moreton, Gold Coast, North West, Cairns, Townsville, Torres and Cape Peninsula.

Metro South performance targets at 30 June 2021:

- Indigenous Status, Non-Completion rate – 0.38 per cent (Target <1 per cent)
- Indigenous 28 Day Unplanned Readmission rate – 14.2 per cent
- Indigenous Specialist Outpatient FTA rate – 10 per cent
- Indigenous Discharge Against Medical Advice rate – 3.8 per cent (Target <1 per cent)
- Indigenous Potentially Preventable Hospitalisations (Diabetes – Related) – 3.1 per cent (Target <2.3 per cent)

Metro South Health has over 250 Aboriginal and/or Torres Strait Islander staff, representing 1.5 per cent, working in various clinical, administrative, and operational roles including Aboriginal and Torres Strait Islander Hospital Liaison Services, Nurse Navigators, Chronic Disease Service, Addiction and Mental Health, Better Cardiac Care, Sexual Health, Renal and Kidney transplant support services and women's and children's service. These services are dedicated to improving the health and lives of all Aboriginal and Torres Strait Islander people in our region through a range of culturally appropriate and culturally safe services.

COVID-19 response

During the 2020-2021 period, the COVID-19 pandemic significantly impacted Metro South communities and services. Metro South Health developed specific response programs to support Aboriginal and Torres Strait Islander communities including:

- Specific language and cultural resources and community communications about the pandemic, preventative measures, government restrictions and directions
- Messaging and supports to access COVID-19 testing including a mobile testing service
- Rapid pandemic response plans for culturally appropriate containment of community clusters and outbreaks
- Specific resource packs including hygiene packs and emergency supplies
- Specific roles to enhance emergency department access, maternity care, mental health care and end-of-life care
- Outreach vaccination clinics to increase the uptake of COVID-19 vaccinations within staff and community cohorts
- Increasing access to Telehealth/hospital liaison and outreach health services to maintain critical services during the pandemic:
 - » Telehealth equipment implemented at Macleay Island State School, Burringilly, Yulu-Burri-Ba, Dunwich and Inala Wangarra to support access to usual healthcare.
 - » Support for Midwifery Group Practice to provide in-home antenatal care for high risk and complex cases.
 - » Program support reported:
 - 260 occasions of service for smoking cessation
 - 350 occasions of service for community integration
 - 75 occasions of service for Healthy Hearing
- Increased After Hours Hospital Liaison Officer support to Logan Hospital Emergency Department for predominantly mental health (26 per cent) and cultural support.

Specific Initiatives

Princess Alexandra Hospital celebrates Indigenous culture with Yarning Circle launch

Princess Alexandra Hospital celebrated NAIDOC Week in November 2020 with the official opening of its new Yarning Circle, a special space for Aboriginal and Torres Strait Islander peoples to share experiences and wisdom, and to connect and heal.

Cultural Safety in Emergency Departments

The Transforming Emergency Departments Towards Cultural Safety initiative was introduced at Logan, Redland and Princess Alexandra Hospitals to improve clinical processes, referral pathways and the patient experience for Aboriginal and Torres Strait Islander peoples experiencing a suicidal crisis.

Aboriginal and Torres Strait Islander Maternity Hub

As part of the Logan Maternity Community Hubs implementation, the dedicated Aboriginal and Torres Strait Islander Hub, Jajumbora, advanced the partnership model focussing on traditional birthing practices involving, grandmothers, mothers, aunts and sisters to care for and support women and their babies from conception to birth.

Workforce – Aboriginal and Torres Strait Islander Pathways to Inclusion Strategy

In May 2021, Metro South Health established a new Director of Aboriginal and Torres Strait Islander Health role. A key priority of the role is to establish and maintain strategic relationships with internal and external stakeholders to support the development and implementation of whole of government initiatives in partnership with government, non-government and community sector agencies who deliver services to Aboriginal and Torres Strait Islander peoples throughout Metro South Health communities.

Princess Alexandra Hospital kidney project bridging the gap for Indigenous Queenslanders

The number of Indigenous patients receiving a kidney transplant in Queensland in the past five years has doubled thanks to a kidney support initiative at the Princess Alexandra Hospital. The Nephrology Department has implemented a number of specific cultural initiatives to make kidney support more accessible for Queensland's Aboriginal and Torres Strait Islander population resulting in a year-on-year doubling of Indigenous transplant numbers. One of the new interventions from the past year is the employment of an Aboriginal and Torres Strait Islander Kidney Support health worker, to work alongside clinicians in the delivery of culturally appropriate information that is easy to understand.

Our community and hospital-based services

Services delivered in the community

We deliver a range of essential services close to our community members' homes, including:

- Aboriginal and Torres Strait Islander health
- community addiction and mental health services
- BreastScreen Queensland
- chronic disease management
- community rehabilitation
- hospital avoidance and substitution services
- maternity
- offender health
- oral health
- palliative care
- persistent pain
- refugee health
- residential aged care.

Statewide services

Princess Alexandra Hospital is a major tertiary facility that is renowned for its work in liver transplantation, renal transplantation, spinal injury management, brain injury rehabilitation and skull base surgery. Metro South Health also operates the statewide Medical Aids Subsidy Scheme, which provides funding for medical aids and equipment to eligible Queenslanders.

Education and research

Metro South Health is committed to strong undergraduate and postgraduate teaching programs in medicine, nursing and allied health, with linkages to the University of Queensland, Queensland University of Technology, Griffith University, and several other academic institutions. Metro South Health is internationally recognised as a leader in biomedical and clinical research, and Princess Alexandra Hospital is home to the Translational Research Institute—a world-class medical research facility housing more than 700 researchers from four of the country's pinnacle institutions. The Hopkins Centre: Research for Rehabilitation and Resilience is a joint initiative of Griffith University, Metro South Health and the Motor Accident Insurance Commission. The centre is leading the way in interdisciplinary applied research that examines disability and rehabilitation practices, services and systems. These centres of research, along with Brisbane Diamantina Health Partners, of which Metro South Health is a member, play an important role in promoting the transfer of knowledge to improve clinical outcomes and patient experience.

Our communities

Metro South Health is the most populated HHS in Queensland. The current resident population estimated by the Queensland Government Statistician's Office indicates 1,214,551 people lived in the catchment at 30 June 2021. This amounts to 23 per cent of the total estimated Queensland population, and by 2031, this is expected to grow to 1,408,909 residents.

The region's population is also forecast to continue to age, like the rest of the Australian population, due to increasing life expectancy at birth, the current population age structure and relatively low levels of fertility. The number of residents currently aged 65 and over is 170,761. Between 2019 and 2031, the number of residents aged 65 years and over is projected to grow by 52 per cent or 81,567 people.

Metro South Health is one of the most culturally and linguistically diverse populations in Queensland. Diversifying care to meet the needs of an estimated 20 per cent non-English speaking resident population within the catchment is a significant focus for the health service.

The health of Queenslanders 2020 report shows among the adults of Metro South Health's geographical region:

- 58 per cent report they are overweight or obese
- 92 per cent report consuming fewer than the recommended serve of vegetables (five serves per day)
- 10 per cent smoke daily
- 33 per cent report undertaking less than the recommended level of exercise, and 10 per cent no activity at all
- 18 per cent report drinking at risky levels.

The leading causes of burden of disease in Metro South Health are cancer, mental health disorders, cardiovascular disease and neurological disorders. Males account for about half of the Metro South Health population but experience more than half of the total disease burden (51.7 per cent). Men had a significantly greater burden of disease for cancer, cardiovascular disease, intentional and unintentional injuries and alcohol dependence.

Car parking concessions

Princess Alexandra Hospital provides a number of car parking concessions for patients, carers and visitors experiencing financial hardship, or who are required to attend the hospital frequently. During 2020-2021, a total of 27,464 car parking concessions were provided which discounted parking costs by \$82,896.20.

Targets and challenges

Metro South Health is one of the busiest and most highly accessed health services in Australia. Our community continues to increase, which means the demand for healthcare services continues to grow. The health service is the major provider of public health services on the southside of Brisbane, where we serve an estimated population of 1.1 million people—23 per cent of Queensland's population. The 2020–2021 financial year saw an added impact on the demand on our services because of the COVID-19 pandemic.

Risks

Service demand is projected to increase at a greater rate than funding growth. We must improve our efficiency to ensure we are able to meet the demands of the community within the fiscal environment.

- A new Hospital in the Home service from Redland Hospital is now providing delirium patients with vital care. The program has been developed to enable the geriatric team to assess suitable patients who could be well managed and medically monitored in the community. These are very vulnerable patients and often hospital is not the ideal environment for an elderly and confused person. They are susceptible to falls and fractures and all the noises can be confusing and overwhelming.
- Logan Hospital's ReACH program has changed the lives of more than 155 patients over the past 12 months by providing them with expert medical care in their homes and freeing up hospital beds for those acutely unwell. The eight-bed Rehabilitation with Activity at Home service provides intensive rehabilitation to patients in their own home under the Hospital in the Home inpatient model of care. This approach provides patients with the opportunity to focus on person centred goals that are realistic, relevant, and meaningful within their own home. The ReACH service is in line with evidence-based practice that most patients, specifically after cerebrovascular incidents or the elderly after any surgery, do better in their own environments. This service frees up valuable inpatient rehabilitation beds for patients that require increased levels of care.

The ability to easily expand existing infrastructure is limited and will create unsustainable capacity constraints. Metro South Health must enhance health service capacity by optimising the use of available infrastructure and workforce capability.

- Two combined clinics commenced this year as part of the Connecting Care for Complex Chronic Disease (4CD) project within the Logan Healthcare Centre at Griffith University. The Cardiology/Diabetes clinic and Renal/Diabetes clinic are already making a difference to patients by not having to attend multiple appointments. The clinics operate with General Practitioners, community staff and hospital staff working together in an integrated care model to provide care for patients with complex chronic disease. This is a holistic model of care for patients of Logan Hospital and provides an alternative approach to the traditional patient management framework.

Failing to innovate and adapt to future needs is a significant risk. Metro South Health must balance our efforts between addressing current service demands and investing in innovation and preventative initiatives for longer-term benefit.

- Six surgical teams at Princess Alexandra Hospital have embraced innovation in a mammoth surgery that has saved a Queensland mother, from a life without speech, eating and mobility. A successful 20-hour surgery involving Anaesthetics, Ear, Nose and Throat, Upper Gastrointestinal, Orthopaedic, Plastic, and Cardiac surgeons, has solved significant complications in her neck. Faced with the reality that the patient, a woman in her 40's, may be tube fed for the rest of her life, Princess Alexandra Hospital surgeons teamed up to find a surgical solution using 3D-printing, innovation and collaboration to maintain the integrity of her throat function. With the help of Metro South Health's Australian Centre for Complex Integrated Surgical Solutions, the team of specialist surgeons planned and completed an extremely complicated, very precise surgery in a matter of weeks.

Opportunities

As the most culturally diverse catchment in Queensland, Metro South Health ensures investment into priority communities who experience poor health outcomes and difficulties getting the services they need. These include Aboriginal and Torres Strait Islander peoples, multicultural communities particularly in the Logan catchment,

people with a disability, and newly arrived people with a refugee background. Person-centred care approaches and targeted programs have shown measurable success in addressing this challenge.

- Following its success at Queen Elizabeth II Jubilee Hospital, the Language Badge Project officially commenced at Princess Alexandra Hospital and across Metro South Health. Over 50 staff across both the Surgical Care Unit and Division of Cancer Services at Princess Alexandra Hospital are now wearing their badge proudly with one staff member representing five different languages including English. Patients coming through the Surgical Care Unit are of a multicultural background with around four patients each day requiring an interpreter for admission. The project has assisted the Unit by decreasing the concerns of patients and their family through improved communication. Cancer Services has also joined the project with over 30 languages now represented throughout the division.
- Addressing domestic and family violence across the Metro South Community is a new focus thanks to partnerships with key government agencies as well as advocacy groups including the Centre for Women. A new specialist social worker based at Logan Hospital is helping our workforce identify and respond to domestic and family violence across Metro South Health. As part of this approach, staff have been trained, to improve patient and community outcomes for those people who were experiencing, or were at risk of experiencing domestic and family violence, and the referral pathways for women and children. This role works across Metro South Health and has a particular focus on vulnerable communities such as Aboriginal and Torres Strait Islander women, culturally and linguistically diverse communities and women living with a disability.

Challenges

The COVID-19 pandemic has presented unprecedented challenges for health systems. Metro South Health must optimise processes, procedures and capability to effectively respond to emerging and evolving public health threats.

- On 24 February 2021, the launch of the second of six Pfizer vaccination centres in Queensland at Princess Alexandra Hospital was a key milestone for Brisbane in responding to COVID-19. Metro South Health was very pleased to deliver the first COVID-19 vaccines in Brisbane as part of the response to the pandemic. The hub commenced with prioritising the vaccination of people who are the highest risk such as hotel quarantine staff, border protection staff and also workers in the hospital who manage positive COVID-19 patients, as set out in the Commonwealth guidelines.
- Staff fatigue throughout the management of the pandemic is a key challenge. Queen Elizabeth II Jubilee Hospital Emergency Department's Wellness Interest Group stepped out to address some of causes and were recognised as leaders in wellness when they won the 2020 Australasian College for Emergency Medicine Wellbeing Award. The Emergency Department committee formed three years ago with the aim of imbedding a wellness culture within the Emergency Department. The group was nominated for prioritising staff wellbeing and making it an integral part of how the Queen Elizabeth II Jubilee Hospital Emergency Department does business.

Environmental factors

- Princess Alexandra Hospital sustainability heroes are taking action: representatives across Princess Alexandra Hospital are addressing waste that contributes to landfill as well as single use plastics with multiple activities across the campus as part of the ongoing war on waste. A Respiratory scientist was awarded 2021's sustainability hero award for her team's passionate and systematic approach to sorting waste items into recycling bundles to reduce general waste in their high volume single-use-plastic clinical area. Her approach included higher level discussions with suppliers to move to more sustainable products moving forward.

Governance

Our people

Board membership

The Board is comprised of 10 members appointed by the Governor in Council on the recommendation of the Minister pursuant to the Act.

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

The Board is responsible for setting strategic direction, establishing goals and objectives for executive management, monitoring the performance of the organisation in line with current government health policies and directives, and where necessary taking actions to improve performance.

The key responsibilities of the Board include:

- review and approve strategies, goals, annual budgets, and financial plans as designed by the HHS in response to community and stakeholder input
- monitor financial performance on a regular basis
- monitor operational performance on a regular basis including compliance with clinical standards
- ensure that risk management systems are in place to cover all the organisation's key risk areas including operational, financial, environmental and asset related risks
- ensure that Metro South Health has policies and procedures to satisfy its legal and ethical responsibilities
- report to and communicate with Government on the financial and operational performance of the organisation.

The Board reports to the Minister for Health and Ambulance Services. The functions of the Board are:

- to oversee and manage the HHS
- to ensure that the services provided by the HHS comply with the requirements of the Act and the objectives of the HHS.

Board and committee activities

The Board and Committee activities and major achievements in 2020-2021 include the development, monitoring and advising on the:

- Logan Hospital Expansion Project
- Redland Hospital Expansion Project
- continuing oversight of the Metro South Health COVID-19 response
- approval of a new Financial Delegations Framework
- consideration and Endorsement of the Annual Financial Statement
- oversight of the Legislative Compliance Program
- oversight of the Risk Reporting Framework
- oversight of the development of an Aboriginal and Torres Strait Islander Health Dashboard
- oversight of Capital Works and Assets Infrastructure
- endorsement of the Metro South Health Strategic Plan 2021-2025.

Board and committee member attendance for 2020-2021

Board member	Board	Executive	Finance	Audit and Risk	Safety and Quality	Aboriginal and Torres Strait Islander Health Access	Capital Works and Assests
No. scheduled meetings	11	4	5	6	6	3	6
Ms Janine Walker AM	11	4	5	6	-	-	-
Dr Marion Tower	10	4	-	-	6	-	4
Mr Peter Dowling AM (Term ended 17 May 21)	8	3	5	6	-	-	-
Mr Brett Bundock	10	4	-	-	4	-	6
Mr Colin Cassidy PSM (Term commenced 18 May 21)	2	1	-	-	-	-	-
Ms Helen Darch	11	4	5	6	6	-	-
Adjunct Professor Iyla Davies OAM	11	4	5	6	6	-	-
Ms Donisha Duff	10	4	-	-	5	3	-
Associate Professor Helen Benham	11	4	3	4	6	-	-
Professor Eleanor Milligan	10	4	-	-	5	3	-
Mr Michael Goss	10	4	4	5	-	-	6

Remuneration of Board Members

Total Board expenses, including allowance and employer superannuation expenses incurred by Metro South Health, are disclosed in the Financial Statements section at the end of this Annual Report. There was a total cost of \$686.88 in out-of-pocket expenses for Board members during 2020-2021.

Role of the Board Chair

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

The Chair of the Board's responsibilities are:

- maintain a regular dialogue with the Health Service Chief Executive (HSCE)
- monitor the performance of the Board and individual members and promote the on-going effectiveness and development of the Board
- manage the evaluation and performance of the HSCE and the Board
- inform the Minister about significant issues and events.

Board members (at 30 June 2021)

Ms Janine Walker AM

Appointed 18 May 2016. Current Term: 18 May 2021 to 31 March 2024

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

Janine previously held senior management positions including Human Resources Director for Griffith University

and Princess Alexandra Hospital, Director of Industrial Relations for the Department of Health, and Industrial Director and General Secretary of the Queensland Public Sector Union.

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

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

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

Associate Professor Helen Benham

Appointed 18 May 2019. Current Term: 18 May 2019 to 31 March 2022

Dr Helen Benham is a senior staff specialist Rheumatologist at the Princess Alexandra Hospital, Director of Clinical Translation at the Translational Research Institute, and an Associate Professor with the University of Queensland. Helen is chair of Arthritis Queensland. She holds a Bachelor of Medicine and Surgery (Hons), Bachelor of Applied Science (Podiatry), a PhD from the University of Queensland, is a Fellow of the Royal Australasian College of Physicians and a graduate of the Australian Institute of Company Directors.

Mr Brett Bundock

Appointed 18 May 2018. Current Term: 18 May 2021 to 31 March 2024

Brett Bundock is one of the Asia Pacific region's most influential contributors to the geospatial technology industry. He is a company director with a spatial industry career spanning more than three decades, across four continents.

He is currently the Group Managing Director for Esri Australia, Esri South Asia and Boustead Geospatial Technologies and is also an active contributor to various community and industry groups.

Mr Colin Cassidy PSM

Appointed 18 May 2021. Current Term: 18 May 2021 to 31 March 2024

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

In January 2020, Colin was recognised in the Australian Honours System and was awarded the Public Service Medal for his outstanding public service to economic development, corporate services, and town planning in Queensland.

Ms Helen Darch

Appointed 18 May 2017. Current Term: 18 May 2020 to 31 March 2024

Helen Darch is a prominent consultant with wide-ranging experience across a variety of industry sectors. She established and is the Managing Director of the Nedhurst Consulting Group in Brisbane. Prior to this she was a partner at Niche Consultants; Group Manager, Corporate Communication at Rowland Communication Group; and a consultant at SMS Management and Technology.

She has extensive governance, strategic planning, strategic communication, and change management experience, and has consulted widely in the education, health, government, not-for-profit and resources sectors.

Helen is currently a Director on the Multicap Board, an Ordinary Commissioner of the Crime and Corruption Commission. Prior to this she was Chair of the Domino's Give for Good Pty Ltd Board; Chair of Cerebral Palsy

League, Queensland Board; Deputy Chair, Children's Hospital Foundation, and interim Chair of the Children's Health Research Alliance, an initiative of the Children's Hospital Foundation and Children's Health Queensland.

Adjunct Professor Iyla Davies OAM

Appointed 18 May 2017. Current Term: 18 May 2020 to 31 March 2024

Iyla Davies is a lawyer who practised in family law and personal injuries litigation before becoming a law academic for more than 20 years, specialising in mediation and dispute resolution.

She is currently the Chair of the All Hallows' School Board and an Adjunct Professor in the School of Law, University of Queensland.

Iyla has previously held a number of community leadership roles as National and Queensland President of Relationships Australia, Director of Legal Aid Queensland, National President of University Colleges Australia, Member of the Specialist Accreditation Board, Queensland Law Society and a Director of Mercy Community Services. In addition, she has held senior university positions as Assistant Dean, International, Commercial and Community Engagement in the Faculty of Law, Queensland University of Technology and as Head of College and Chief Executive Officer of the Women's College within University of Queensland.

Iyla holds a Bachelor of Laws (Hons) and a Master of Laws. She has been awarded the Medal of the Order of Australia and is also a Fellow of the Australian Institute of Company Directors.

Mr Peter Dowling AM

Appointed 29 June 2012. Current Term: 18 May 2019 to 17 May 2021

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

Peter has several other board and audit and risk committee appointments.

He is a Director of TAFE Queensland and Lexon Insurance and is Chair or a member of a number of State and Local Government Audit Committees. Peter is also the Queensland Honorary Consul for Botswana.

Mr Dowling, after the expiration of his term with Metro South Health, was appointed to the Board of Gold Coast Hospital and Health Service.

Adjunct Associate Professor Donisha Duff

Appointed 18 May 2016. Current Term: 18 May 2021 to 31 March 2024

Donisha Duff has a background in health policy, planning and management with a particular focus on Aboriginal and Torres Strait Islander Health. She has over 20 years' experience in health and Indigenous affairs working in the Federal government, Queensland Health, Australian Indigenous Doctors' Association, the National Aboriginal Community Controlled Health Organisation (NACCHO), Kidney Health Australia and as Advisor (Indigenous Health) to the former Minister for Indigenous Health, Warren Snowdon MP. She is currently the Chief Operations Officer at The Institute for Urban Indigenous Health (IUIH). She is Adjunct Associate Professor with Kurongkurl Katitjin, Centre for Indigenous Australian Education and Research at Edith Cowan University.

Her other board and committee appointments include: Chairperson of the Stars Foundation Limited, and Member of the RAP Advisory Committee for TAFE QLD.

Donisha is an Aboriginal and Torres Strait Islander woman from Thursday Island in the Torres Strait. She has familial links with Moa and Badu Islands (Torres Strait) and is a Yadhaigana/ Wuthathi Aboriginal traditional owner (Cape York).

Mr Michael Goss

Appointed 18 May 2020. Current Term: 18 May 2020 to 31 March 2024

Michael Goss joined the Board with over 30 years' experience as a lawyer in large and mid-tier Australian firms. Michael has practiced primarily in commercial law, agribusiness, banking, and residential aged care. He is currently a board member for aged care provider Beaumont Care and a board member for Queensland Rail.

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

Professor Eleanor Milligan

Appointed 18 May 2019. Current Term: 18 May 2019 to 31 March 2022

Professor Eleanor Milligan is a leader in healthcare ethics, with extensive experience on committees and boards in many facets of health.

Eleanor has more than 25 years' experience across a range of sectors including healthcare ethics, education and professional regulation, and a strong academic background with studies in Philosophy, Education and Science.

Dr Marion Tower

Appointed 29 June 2012. Current Term: 18 May 2021 to 31 March 2024

Dr Marion Tower is a registered nurse and an academic. She is currently the Head of Nursing at the University of Queensland's School of Nursing, Midwifery and Social Work. Marion is also a Senior Fellow of the Higher Education Academy and a Fellow of the Institute of Teaching and Learning Innovation at University of Queensland. She has a PhD from Griffith University which focussed on the health and healthcare needs of women affected by domestic violence and a Master of Nursing (Women's Health) from Queensland University of Technology. Her nursing Honours degree focussed on quality of care in residential aged care for people with dementia.

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

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

Our committees

The Board has established six committees to assist in carrying out its functions and responsibilities. The committees are:

- Executive Committee
- Finance Committee
- Audit and Risk Committee
- Safety and Quality Committee
- Aboriginal and Torres Strait Islander Health Access Committee
- Capital Works and Assets Committee.

The Committees are chaired by Board members and are supported by the HSCE or other members of Metro South Health Executive team. The Executive Committee is an advisory committee to the Board. The Executive Committee functions under the authority of the Board in accordance with s32B of the Act. The Executive Committee is established to support the Board by:

- working with the HSCE to progress strategic issues identified by the Board
- strengthening the relationship between the Board and the HSCE to ensure accountability in the delivery of services by the HHS
- developing strategic Service Plans for the HHS and monitor their implementation

- developing key engagement strategies and protocols and monitor their implementation
- performing any other functions required by the Board or prescribed by regulation.

Executive Committee

The Executive Committee meets quarterly, or as determined by the Board. Committee members: Ms Janine Walker (AM) Chair, Associate Professor Helen Benham, Mr Brett Bundock, Mr Colin Cassidy PSM (commenced 18 May 2021), Ms Helen Darch, Adjunct Professor Iyla Davies (OAM), Mr Peter Dowling (AM) (Finished 18 May 2021), Ms Donisha Duff, Mr Michael Goss, Professor Eleanor Milligan, Dr Marion Tower.

Finance Committee

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

- assessing Metro South Health's budget and ensuring the budgets are:
 - » consistent with the organisational objectives of Metro South Health
 - » appropriate having regard to Metro South Health funding
- monitoring Metro South Health cash flow, having regard to the revenue and expenditure of Metro South Health
- monitoring the financial and operating performance of Metro South Health
- monitoring the adequacy of Metro South Health's financial systems, having regard to its operational requirements and obligations under the *Financial Accountability Act 2019* (FAA19)
- assessing financial risks or concerns that impact, or may impact, on the financial performance and reporting obligations of Metro South Health, and how Metro South Health is managing the risks or concerns
- assessing the Service's complex or unusual financial transactions
- assessing any material deviation from the Service's budget
- any other function given to the committee by the Board
- identify risks and mitigating strategies associated with all decisions made
- implement processes to enable the committee to identify, monitor and manage critical risks as they relate to the functions of the committee.

Committee members: Mr Peter Dowling (AM) Chair (term expired 17 May 2021), Ms Janine Walker (AM), Mr Michael Goss, Ms Helen Darch, Adjunct Professor Iyla Davies (OAM), Associate Professor Helen Benham (resigned 4 February 2021) and Mr Colin Cassidy (PSM) (term commenced 18 May 2021).

Audit and Risk Committee

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

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

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

- assessing the adequacy of Metro South Health financial statements, having regard to the following:
 - » the appropriateness of the accounting practices used
 - » compliance with prescribed accounting standards under the FAA 2019
 - » external audits of Metro South Health financial statements
 - » information provided by Metro South Health about the accuracy and completeness of the financial statements

- monitoring Metro South Health compliance with its obligation to establish and maintain an internal control structure and systems of risk management under the FAA 2019, including:
 - » Whether Metro South Health has appropriate policies and procedures in place and
 - » Whether Metro South Health is complying with the policies and procedures
- monitoring and advising the Board about the Service's internal audit function
- overseeing Metro South Health liaison with the Queensland Audit Office in relation to Metro South Health proposed audit strategies and plans
- assessing external audit reports and assessing the adequacy of action taken by management because of the reports
- monitoring the adequacy of Metro South Health's management of legal and compliance risks and internal compliance systems, including the effectiveness of the systems in monitoring compliance by Metro South Health with relevant laws and government policies
- evaluation and approval of the Internal Audit Charter, Internal Audit Strategic and Annual Audit Plans through Internal Audit, oversight and appraisal of Metro South Health financial operational reporting processes
- monitoring the effectiveness of Metro South Health's performance information and compliance with the performance management framework and performance reporting requirements
- assessing Metro South Health complex or unusual transactions or series of transactions, or any material deviation from the Metro South Health budget
- reviewing the risk management framework for identifying, monitoring and managing significant business risks, including fraud
- liaising with management to ensure there is a common understanding of the key risks to the agency
- assessing and contributing to the audit planning process relating to risks and threats to Metro South Health
- reviewing effectiveness of Metro South Health processes for identifying and escalating risks, particularly strategic risks.

Committee members: Mr Peter Dowling (AM) – Chair (term expired 17 May 2021), Ms Janine Walker (AM), Mr Michael Goss, Ms Helen Darch, Adjunct Professor Iyla Davies (OAM), Associate Professor Helen Benham (resigned: 4 February 2021) and Mr Colin Cassidy (PSM) (term commenced 18 May 2021).

Safety and Quality Committee

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

- minimising preventable patient harm
- reducing unjustified variation in clinical care
- improving the experience of patients and carers of the HHS in receiving health services
- complying with national and state strategies, policies, agreements and standards relevant to promoting consultation with health consumers and members of the community about the provision of health services by the HHS
- monitoring the HHS governance arrangements relating to the safety and quality of health services, including by monitoring compliance with the HHS policies and plans about safety and quality
- promoting improvements in the safety and quality of health services provided by the HHS
- monitoring the safety and quality of health services being provided by the HHS using appropriate indicators developed by the HHS
- any other function given to the committee by the HHS Board
- identify risks and mitigating strategies associated with all decisions made
- implement processes to enable the committee to identify, monitor and manage critical risks as they relate to the functions of the committee.

Committee members: Dr Marion Tower – Chair, Ms Helen Darch, Adjunct Professor Iyla Davies (OAM), Ms Donisha Duff, Dr Helen Benham, Mr Brett Bundock and Professor Eleanor Milligan.

Aboriginal and Torres Strait Islander Health Access Committee

The Board established the Aboriginal and Torres Strait Islander Health Access Committee. The Committee assists the Board on matters relating to:

- improved health outcomes for the Aboriginal and Torres Strait Islander community
- areas where access to health services can be simplified and streamlined to ensure equitable and accessible health services for the Aboriginal and Torres Strait Islander community
- improved reporting and monitoring of identified key performance indicators for access to and health outcomes for Aboriginal and Torres Strait Islander peoples.

Committee members: Ms Donisha Duff – Chair, and Professor Eleanor Milligan.

Capital Works and Assets Committee

The Board has established the Capital Works and Assets Committee. The Committee assists the Board on matters relating to the strategic direction and leadership of Metro South Health on infrastructure and asset management issues, and advises and makes recommendations to the Board on matters relating to the capital works and assets.

Committee members: Mr Brett Bundock – Chair, Mr Michael Goss, Dr Marion Tower and Mr Christopher Edwards.

Executive management

Role of the Health Service Chief Executive

The Board appoints the HSCE and delegates the operation of Metro South Health to the HSCE.

The HSCE responsibilities are:

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

Dr Peter Bristow

Health Service Chief Executive

Dr Peter Bristow is a values-based leader who believes strongly in the mission of Metro South Health to deliver quality health care to our patients, their families and our community.

Prior to commencing as the HSCE for Metro South Health, Peter was the Chief Executive Officer for Health Support Queensland, where he was responsible for a wide range of diagnostic, scientific, clinical and payroll services to enable the delivery of frontline healthcare across Queensland. While in this role, he was a part of the Department of Health Leadership Team.

Peter has also held the positions of HSCE for Darling Downs HHS and HSCE of Townsville HHS. From 2015 to 2017 he was Chair of the Health Service Chief Executive Forum and has also previously worked as Director of Intensive Care and Executive Director of Medical Services at Toowoomba Hospital.

He trained and worked as an intensive care physician at Liverpool Hospital in Sydney before moving to the Alfred

Hospital in Melbourne. He is a fellow of the Royal Australasian College of Physicians, Fellow of the College of Intensive Care Medicine, Fellow of the Australian and New Zealand College of Medical Administrators, and a Graduate of the Australian Institute of Company Directors. Peter also holds a Graduate Certificate in Management.

Nicola Dymond

Chief Operating Officer

Nicola Dymond is a senior health executive with extensive international experience, having trained as a Registered Nurse, Midwife and Health Visitor in the United Kingdom, where she held numerous professional and operational executive roles, including as the Chief Executive Officer of a Primary Care Trust. Nicola has also worked as Chief Operating Officer for Hamad Medical Corporation Qatar and as the National Director for the Continuing Care and System Integration Strategy at Ministry of Health Qatar.

She joined Metro South Health from Tasmania where she had been working as the statewide Chief Operating Officer for the Tasmanian Health Service, where amongst other duties she was focused on incorporating quality, safety and clinical network agendas for the state.

Nicola has a strong focus on service development and quality improvement across the operational business and supporting large scale change initiatives through effective partnership engagement. She holds memberships to the Institute of Healthcare Improvement, the International Society for Quality in Healthcare, and has a Master of Business Administration in both improvement science and service excellence, with a focus on organisational culture.

Mr Robert Mackway-Jones

Chief Finance Officer

Robert Mackway-Jones has 25 years of health sector experience across the Australian and New Zealand health environments. His senior leadership roles include various Chief Finance Officer roles in New Zealand from 2001, and from June 2013 with Metro South Health.

From 2010–2013 he led the health needs assessment, strategic planning, funding, and contracting for health services for the Southern District Health Board in New Zealand while concurrently fulfilling its Chief Finance Officer role. His background also includes time spent in the agricultural and ICT sectors.

Kay Toshach

Chief Infrastructure and Assets Officer

Kay Toshach has a background in physiotherapy and worked as a senior clinician in Queensland and the United Kingdom's National Health Service before pursuing an interest in health service planning, change management and corporate governance.

Her current role includes responsibility for critical planning and partnership development activities to support the design and delivery of major new service and infrastructure programs.

Dr Susan O'Dwyer

Executive Director, Medical Services

Dr Susan O'Dwyer has worked in various medical administration roles at facilities across Queensland since 2001. Her experience includes a seven-year period at the Department of Health with responsibilities for medical workforce, education, and training.

Susan has a long-standing involvement with the Australian Medical Council, including accreditation activities for international medical graduate pathways, pre-vocational accreditation, and specialist college accreditation.

Susan is a Censor with the Royal Australasian College of Medical Administrators and a member of the Medical Board of Australia. Susan was previously Chair of the Queensland Board of the Medical Board of Australia. These professional roles complement Susan's role with Metro South Health as the professional lead for medical practitioners.

Veronica Casey AM

Executive Director, Nursing and Midwifery

Veronica Casey has held nursing executive leadership positions in Queensland Health since 1998. She worked in nursing director roles at The Prince Charles Hospital, the Royal Brisbane Hospital and the Royal Women's Hospital prior to her appointment as Executive Director, Nursing Services at Princess Alexandra Hospital, and subsequently her current role as Executive Director, Nursing and Midwifery for Metro South Health.

During her time at Princess Alexandra Hospital, Veronica was instrumental in helping the hospital achieve re-designation under the Magnet® credentialing program, and the introduction of the Nurse Sensitive Indicator performance monitoring system. In 2010, she was appointed as one of three inaugural international commissioners for the American Nurses Credentialing Centre. Veronica was appointed as a Board member on the Nursing and Midwifery Board of Australia in May 2014.

Anne Coccetti

A/Executive Director, Allied Health

In 2019-2020, Anne Coccetti was the Acting Executive Director of Allied Health for Metro South Health. In February 2018 Anne was appointed as Director of Allied Health for Logan and Beaudesert Hospitals. Prior to that appointment, Anne was the Director of Speech Pathology and Audiology at Logan Hospital from 2010. She is currently acting as Executive Director of Bayside Health Service, a part of Metro South Health.

While working at Logan Hospital, Anne was involved in the service planning for the Logan Hospital redevelopment including the Emergency Department expansion, introduction of the inpatient rehabilitation unit and the introduction of the Integrated Specialist ENT service.

Anne has more than 25 years' experience in health service and hospital management, clinical service re-design and service development, including 13 years at New South Wales Health.

Anne has a keen interest in service development, innovative models of care, the identification of opportunities to improve the patient journey and person-centred care within health. She is also involved in several research projects to evaluate innovative service delivery models including allied health, extended scope of practice, and delegation models.

Anne's qualifications include a Bachelor of Speech Pathology (Hons 1a) and a Graduate Diploma in Business Administration.

Chris Thorburn

Executive Director, Governance

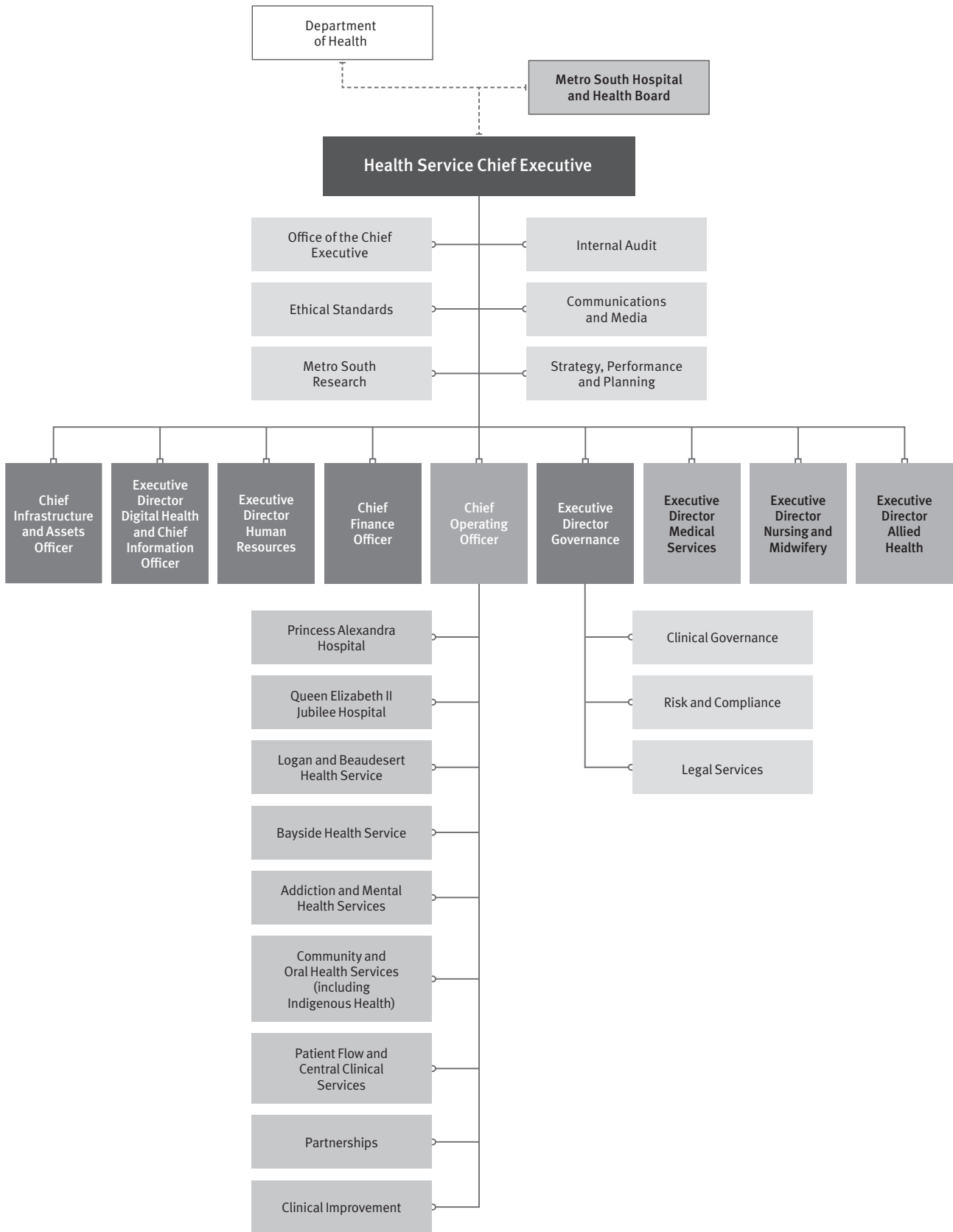
Chris Thorburn's career in senior and executive health management spans more than 25 years. During this period, she has managed large, diverse, acute and community health services, mental health services and health facilities.

Chris's qualifications include a Bachelor of Social Work and a Master of Business Administration. She is a Fellow of the Institute of Managers and Leaders and a Graduate of the Australian Institute of Company Directors.

Chris has held various senior leadership positions including District Manager (CEO equivalent); Local Health Network Chief Operating Officer; Executive Director of Mental Health and Executive Director of Corporate Governance and Strategy. While in these positions, she has led significant system and service redesign processes, as well as components of national reform projects. She has extensive experience in initiating, planning, and implementing projects and reviews in complex environments across a range of inpatient and community service functions.

Prior to commencing as Executive Director, Governance Metro South Health, Chris worked in different executive roles within Metro North HHS and Health Support Queensland.

Organisational structure



Organisational structure and workforce profile

Hospital and Health Board

The Board is responsible for setting the overall strategic direction, establishing goals and objectives for the health service, and monitoring the organisation in line with government health policies and directives. The Board reports to the Minister the Honourable Yvette D'Ath MP.

Metro South Health Executive

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

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

Workforce profile

Metro South Health employs 13,961 full-time equivalent (FTE) employees across multiple hospital and community facilities and services.

Other key workforce statistics include:

- 73 per cent of our employees are female
- 38 per cent of our employees work part-time
- 19.93 per cent of our employees identify as coming from a non-English speaking background
- 215 employees identify as Aboriginal or Torres Strait Islander, representing 1.54 per cent of our workforce as at 17 June 2021.

Table 1: More doctors and nurses*

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Medical staff ^a	1,662	1,714	1,773	1,865	1,882
Nursing staff ^a	5,485	5,776	5,870	6,176	6,071
Allied Health staff ^a	1,843	1,917	1,917	2,030	2,344

Table 2: Greater diversity in our workforce*

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Persons identifying as being First Nations ^b	125	149	179	224	216

Note: * Workforce is measured in MOHRI – Full-Time Equivalent (FTE). Data presented reflects the most recent pay cycle at year's end. Data presented is to Jun-21.

Source: ^a DSS Employee Analysis, ^b Queensland Health MOHRI, DSS Employee Analysis

Strategic workforce planning and performance

Leadership, capability, and culture

Metro South Health has continued to focus on a values-based cultural transformation in 2020-2021.

- The Leadership, Culture and Capability Collaborative was formed under the authority and delegations of the Executive Strategic Governance Committee, providing a collaborative Metro South Health approach to excellence in leadership, culture and capability across the health service. Committee members include inter-professional education and program leads from across all directorates.
- Following the determination of our Metro South Health ICARE² values in 2019-2020, a Values Program has been developed, endorsed and commenced for 2021-2022 to embed ICARE² as 'the way we do things around here'. This program aims to entrench ICARE² values in all processes and procedures to continuously facilitate values-based decision-making, conversations and talent management.

- A new Metro South Health middle management leadership development program was developed and trialled (65 participants completed). This four-day program complements the existing 'Sailing into Supervision' early management development program (two-day program), as well as a range of online (30+ courses) and face-to-face (18+ courses) training for managers, developed and/or delivered by the Metro South Health Organisational Development team.
- An Executive Development Program was also initiated, procured and commenced to build the capability and strategic thinking of the Metro South Health Senior Leadership Team.
- The whole-of-government Working for Queensland survey was successfully promoted and conducted in 2020 with an increased response rate from 8 per cent (in 2019) to 27 per cent, or 4,670 responses. Metro South Health saw an increase across all key survey measures compared to the 2019 survey, most notably a 7 per cent increase in agency engagement (62 per cent engaged) and an 8 per cent increase in favourable perceptions of organisational leadership. Except for workload and health, which scored 2 per cent lower, Metro South Health is equal to or ahead of the Queensland public health system on all measured factors.
- Employee engagement action planning has been developed in response to the Working for Queensland survey results and is monitored and reported quarterly. Reporting indicates the progress of each directorate in implementing initiatives to improve engagement and create an ICARE² values-based culture. Organisational Development support is also provided to 'hot spot' teams experiencing poor performance, conflict and/or low engagement.
- Significant work has been undertaken to prepare for a whole-of-organisation transition in learning management system in September 2021. The new learning management system will provide improved reporting and usability, improving user experience for mandatory and non-mandatory training and professional development.

First Nation peoples workforce strategy

In continuing its Pathways to Inclusion, as a part of the Metro South Health Aboriginal and Torres Strait Islander Workforce Strategy, Metro South Health partnered with Queensland and Commonwealth government agencies and JobActive providers on a traineeship program for Aboriginal and Torres Strait Islander people leading to ongoing employment opportunities within the health service.

Under the strategy, Aboriginal and Torres Strait Islander trainees have continued to be engaged in Metro South Health Operational Services roles, representing 3.5 per cent of that workforce group in operational roles.

Metro South Indigenous representation has been stable at around 1.5 per cent Indigenous employment over the past 12 months.

The health service has also appointed a Director of Aboriginal and Torres Strait Islander Health to further contribute to Metro South Health's continued focus on Indigenous workforce development and other strategies to close the gap.

Health, safety and wellness

Metro South Health continued to implement the Metro South Health Safety and Wellness Strategy. Key achievements during 2020-2021 include:

- participation of 941 employees in the self-funded Fitness Passport gym/pool membership program (as at 30 June 2021)
- adoption of Maybo work-related violence and aggression prevention training across the health service
- the Help's at Hand Employee Support Network of Mental Health First Aid trained officers to support employees.

Other significant work included:

- a fatigue self-assessment was conducted for various cohorts across Metro South Health resulting in risk assessments and guidelines which outline how the work areas will manage their local fatigue profile and avoid fatigue where possible
- inclusion of a new Employee Assistance Provider, Benestar. Benestar has joined Metro South Health, providing further access to psychological support and a suite of proactive interventions for staff.

Workforce pandemic preparedness planning

The focus for workforce safety needed to change as part of the COVID-19 pandemic response. Numerous adjustments to normal business were required:

- rapid response to remote working directions
- online COVID-19 safety assessments were developed
- protective barriers for staff installed
- new procedures implemented and SharePoint sites developed to protect, communicate and guide our staff during the pandemic
- fit testing program boosted as follows:
 - » 5423 workers fit tested for respiratory protection masks as at 30 June 2021
 - » ten fit test machines purchased to support the fit testing requirements
 - » an ongoing staffing resource is in place to manage this program into the future
- COVID-19 vaccinations provided to frontline healthcare workers as of 30 June 2021:
 - » Department of Health records indicate 49,317 frontline health care workers (group 1A) had received a vaccination:
 - 29,161 had received a first dose
 - 20,173 had received a second dose

The key focus of staff safety and wellbeing continued to be at the forefront of planning and operational activities and included a transition from focusing on outbreak response processes to staff support, flexible work arrangements, fit testing, and COVID-19 vaccination. This included:

- Communication and promotion of health and wellbeing support pathways including partnership with Benestar who offer employee counselling, manager support and crisis support.
- Communication of staff leave entitlements and implementation of a centralised process to ensure staff who are directed to quarantine or who are unwell with viral symptoms have access to special leave entitlements where appropriate.
- Flexible work arrangements have been encouraged and supported to better equip our workforce to maintain non-frontline service and support in the event of COVID-19 outbreaks or local area lockdowns.

COVID-19 vaccination

In line with the Commonwealth and Australian Government National COVID-19 Vaccination Rollout Plan, Metro South Health in conjunction with the Queensland Government and Queensland Health have stood up a COVID-19 Vaccination Program that prioritised the vaccination of priority groups within our community including staff on the frontline of Metro South Health's COVID-19 response. As of 30 June 2021, Metro South Health has administered 96,211 doses of vaccine.

Community vaccination clinics have been established and will be an ongoing focus, including a vaccination centre run by Metro South Health at the Brisbane Convention and Exhibition Centre. These clinics require a significant temporary workforce to ensure service demands and community expectations are met. Recruitment strategies have been employed to minimise the impact on the workforce of existing facilities and the subsequent impact this would have on current service activity levels.

Across Metro South Health, there has been a collaborative approach to resourcing and operational support to the Metro South Health, Health Emergency Operations Centre and COVID-19 Vaccination Program. Engagement with both internal and external stakeholders has contributed to Metro South Health's ability to rapidly respond to the evolving nature of the pandemic response while keeping staff and consumer safety and wellbeing as a primary objective.

Early retirement, redundancy and retrenchment

No redundancy, early retirement or retrenchment packages were paid during the 2020–2021 period.

Our risk management

Internal audit

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The internal audit activity contributes to the effectiveness and efficiency of governance, risk management and control processes within Metro South Health.

The function operates under a Board-approved charter consistent with the International Professional Practices Framework.

Internal Audit is independent of management. The Head of Internal Audit reports directly to the Board Audit and Risk Committee on the effective, efficient and economical operation of the function and has well developed systems to monitor performance. Internal Audit has no direct authority or responsibility for the activities which it audits or reviews. To ensure objectivity of the Internal Audit function, Internal Audit staff do not develop or install systems and procedures, nor are they engaged directly in any other activity which Internal Audit would normally review or appraise.

The Internal Audit function operates with due regard to Queensland Treasury Audit Committee Guidelines. The Internal Audit unit has a central role in improving operational processes and financial practices by:

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

The Strategic and Annual Internal Audit Plan, approved by the Board Audit and Risk Committee, directs the unit's activities and provides a framework for its effective operation. A risk-based planning approach is used to develop audit plans, including considering Metro South Health risk registers and consulting with internal stakeholders and the Queensland Audit Office (QAO).

Metro South Health risk registers are regularly reviewed for changes in the organisational risk profile and potential impacts on planned audits and areas of Internal Audit focus. Audit reports include recommendations to address deficiencies in risk treatment and all audit reports are reviewed by the Audit and Risk Committee.

Internal Audit achievements during 2020–2021 include:

- refinement of processes over the follow-up of outstanding audit issues
- ongoing collaboration with our co-source partner (PricewaterhouseCoopers for 2020-2021 financial year) to improve efficiency and development of in house knowledge and skills
- continual refinement of auditing techniques.

External scrutiny, information systems and record keeping

Metro South Health's operations are subject to regular scrutiny from external oversight bodies. These include QAO, Australian Council on Healthcare Standards as part of accreditation under the National Standards on Safety and Quality in Healthcare, Office of the Health Ombudsman, intern training accreditation, medical colleges, National Association of Testing Authorities and others such as Magnet by the American Nurses Credentialing Center.

QAO audit

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

- Implementation of S/4 HANA
- Planning for sustainable health services in Queensland
- Effectiveness of audit committees in state government entities
- Queensland Health's new finance and supply chain management system
- Health 2020
- State Entities 2020
- State finances 2020.

The recommendations contained within these reports are considered and action taken to implement the recommendations or address the issues raised, where considered appropriate by management.

Risk management

The Act 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 2020-2021 period, no directions were given by the Minister to Metro South Health.

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

Metro South Health has a risk management policy and integrated risk management framework based on the Australian/New Zealand ISO Standard 31000:2018 for risk management. The policy and framework outline the health service's intent, roles and responsibilities and implementation requirements. All accountability areas are responsible for implementing the policy and framework and developing and maintaining risk registers.

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

Key accountability bodies within the risk framework are:

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

An Executive Risk and Compliance Committee has been established to actively oversee risk management.

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

Queensland Public Service ethics

The *Public Sector Ethics Act 1994* defines Metro South Health as a public service agency. The Code of Conduct for the Queensland Public Service applies to all employees of Metro South Health (including those provided by the Department of Health); and the health service is committed to upholding the values and standards of conduct developed under the *Public Sector Ethics Act 1994*, which consists of four core aspirational principles:

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

Metro South Health adopted a set of Values that define the organisation in 2020. They are Integrity, Compassion, Accountability, Respect, Engagement and Excellence (ICARE²).

All Metro South Health employees are required to undertake training in the Code of Conduct for the Queensland Public Service during their induction and following any change to the document. They are also required to undertake training to raise awareness and a positive workplace culture and to reduce inappropriate workplace behaviours such as bullying, harassment and discrimination, along with training on ethics, fraud, and conflicts of interest.

Employees can readily access the following training throughout the year on the Code of Conduct:

- orientation sessions
- intranet-based modules through Leap Online
- digital training modules via computer.

Corrupt conduct

The Ethical Standards Unit is the central point within Metro South Health to receive, assess and refer allegations that raise a reasonable suspicion of corrupt conduct under section 15(1) and 15(2) of the *Crime and Corruption Act 2001* to the Crime and Corruption Commission (CCC) as required under the Directions issued to Metro South Health by the CCC. The Ethical Standards Unit is also responsible for co-ordinating, managing, reviewing, and investigating major, complex, and sensitive matters assessed as raising a reasonable suspicion of corrupt conduct and Public Interest Disclosures. The unit enables the HSCE to fulfil the legislated obligations under the *Crime and Corruption Act 2001*.

Metro South Health is committed to preventing fraud, misconduct and corruption and has a zero-tolerance approach to such behaviour, which can take away vital resources from our health service and undermine public confidence in our work.

Metro South Health encourages employees to be aware of information about corrupt conduct, public interest disclosures, bullying, harassment or sexual harassment and processes for reporting or making a complaint of suspected corrupt conduct, including fraud.

Metro South Health has current policy and procedures relating to:

- reporting corrupt conduct
- public interest disclosures
- employee complaints
- use of social media
- workplace conduct – ethics, integrity, and accountability
- workplace harassment, sexual harassment, and bullying
- anti-discrimination and vilification
- management of conflicts of interest
- gifts and benefits
- employees to notify supervisor if charged with or convicted of an indictable offence
- access to patient information in electronic systems.

Human Rights Act

Actions taken to further the objects of the Human Rights Act

The *Human Rights Act 2019 (HRA)* came into force on 1 January 2020. Since the introduction of the *HRA*, Metro South Health has made and continues to make a concerted effort to develop a culture that respects, protects, and promotes the human rights of staff, volunteers, people who access Metro South Health services and all who reside in the Metro South Health area.

In the 2020-2021 financial year, further implementation work has been carried out namely in the form of assistance with the development of policies, procedures, and work instructions to ensure compliance with the *HRA*. The Metro South Health values also embody and promote a workplace which is cognisant of its obligations under the *HRA*.

Many resources have been made available to staff including information about the purpose of the *HRA*, guides and checklists for policy reviews and decision making, links to videos and other resources which have been developed by the Queensland Human Rights Commission.

Additionally, fact sheets for staff about each of the human rights and how these rights can be impacted in the Metro South Health environment have been developed.

Human rights complaints and outcomes

In the 2020-2021 financial year, Metro South Health received 539 customer complaints relevant to the *HRA*. Additionally, one staff complaint was recorded for this reporting period. Although most of the complainants did not specifically identify the *HRA* as having been breached, staff at Metro South Health identified the relevance of certain human rights because of the training they had received.

Some of the rights alleged to have been infringed by Metro South Health in the relevant reporting period were in relation to the following rights contained in the *HRA*:

- recognition and equality before the law
- right to life
- freedom of movement
- privacy and reputation
- protection of families and children
- right to health services.

Most complaints made in this reporting period were resolved at a local level, with five complaints escalated to the Queensland Human Rights Commission (QHRC); two were discontinued and three remain ongoing. The complaints that were resolved at the local level were by way of either:

- further explanation of the reasoning behind the decision; or
- issuing an apology; or
- business improvement (i.e., the review of a procedure, staff training or education, service improvement etc).

The consumer feedback policy and procedures recognise the need to comply with the *HRA*. The Consumer Feedback Procedure has been co-designed with consumers and multicultural and disability advocates to better meet the diverse needs of the community. Consumer Liaison Officers have participated in additional training to assist them in recognising the rights of others. Consumer Liaison Officers also seek regular advice from the Metro South Health Legal Services Team with any queries regarding the application of the *HRA* to specific complaints.

Human rights in a time of COVID-19

In the 2020-2021 financial year Metro South Health continued to play an essential role in the government's efforts to protect and support Queenslanders throughout a pandemic. From a human rights perspective Metro South Health acted and made decisions which protected the human rights of its staff and patients and the wider community.

For Metro South Health, the rights of staff, particularly front-line workers, and their safety has been of paramount consideration. Staff have been provided with the opportunity to, where possible, work from home during the

pandemic. A vulnerable staff register was established to keep staff at highest risk from COVID-19 safe. A regime of fit testing and fit checking of Personal Protective Equipment has also been undertaken at Metro South Health to ensure staff are properly protected if they need to treat COVID-19 positive patients. This fit testing regime was designed and implemented with the *HRA* in mind to ensure our staff are protected from the COVID-19 virus.

The Board, Executive and staff were mindful of the *HRA* when making decisions which affected Queenslanders and did so in a manner to minimise the limitations on people's human rights and ensure their rights were protected and respected as much as possible.

Metro South Health understands the importance of human rights and will continue to prioritise human rights and build a culture within Metro South Health to respect and protect all in the community.

Confidential information

Section 160 of 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 by the HSCE. The HSCE did not authorise the disclosure of confidential information during the 2020-2021 reporting period.

Performance

Progress against strategic objectives

Metro South Health developed a new strategic plan in 2021 which applies from 1 July 2021. Through the 2020-2021 financial year, we continued to monitor progress towards the achievement of the strategic objectives in the previous plan, using the following performance thresholds for each indicator of success:

- Performing
- Performance flag
- Not performing
- Under development.

Metro South Health is committed towards a balanced scorecard approach to performance measurement, encompassing innovative quantitative and qualitative indicators of success. As such, the measurement mechanisms for some indicators of success are “under development” with our service partners and consumers.

As at 30 June 2021, Metro South Health reported the following progress against its strategic objectives:

Indicator of success (IOS)	2020-2021 progress
Person-centred care	
P1 Improved performance in consumer-reported experience measures	Performing
P2 Improved performance in consumer-reported outcome measures	Under development
P3 Acknowledgement and recognition of high standards in person-centred care	Performing
P4 High consumer, carer and community-reported satisfaction with system-level partnering arrangements	Under development
Connecting care	
C1 All health service plans for clinical streams and facilities are developed via an integrated process and identify service transformation priorities to better connect care	Performing
C2 Reduction in percentage of outlier bed days in acute care designated beds for specific care types	Performance flag ¹
C3 High partner-reported satisfaction with service partnering arrangements	Under development
Quality care	
Q1 Improved performance against Safety and Quality Scorecard metrics (aligned to the National Standards on Safety and Quality in Healthcare)	Performing
Q2 Metro South Health Research Strategy and Metro South Health Education Strategy developed and implemented	Performing
Q3 Reduction in Potentially Preventable Hospitalisations as a percentage of all hospital admissions	Performance flag ²
Q4 Develop and implement strategies to improve health equity for First Nations people, people with disabilities and multicultural communities	Under development

Indicator of success (IOS)	2020-2021 progress
Sustainable care	
S1 Demonstrated performance against digital health metrics	Under development
S2 Meet service activity Queensland Weighted Activity Unit (QWAU) targets	Performing
S3 Balanced end of financial year operating position	Performing
S4 Demonstrated performance against workforce capability metrics	Under development
S5 Reduced deficit in hospital beds and bed alternatives compared to need	Performing
S6 Demonstrated performance against environmental sustainability measures.	Under development

Explanatory notes:

¹ While Metro South Health was able to achieve a reduction in outlier bed days in 2020-2021 compared to 2019-2020, it was not able to meet the target of >10 per cent reduction on the previous year. This is directly related to the growth in admitted activity (2.93 per cent) being greater than the growth in inpatient bed capacity (0 per cent).

² Significant reductions in Potentially Preventable Hospitalisations have been achieved across Metro South Health in 2020-2021 compared to 2019-2020. Despite these improvements, the theoretical Potentially Preventable Hospitalisations continue across Metro South Health, especially Diabetes related complications and Chronic Obstructive Pulmonary Disease. Several strategies are currently being implemented across Metro South Health to better manage the care of patients with these conditions, to potentially reduce hospital presentations. However, the benefits realisation of these strategies is expected to be seen in subsequent reporting periods.

Princess Alexandra Hospital renovations

The Queensland Spinal Injuries Unit is a 40-bed unit servicing all of Queensland. It provides a unique service being the only spinal injuries unit in Australia that provides acute care, primary rehabilitation, transitional rehabilitation, outpatient services and outreach services from the one facility. The Queensland Government invested \$1.85 million to upgrade the Princess Alexandra Hospital Spinal Injury Unit. The upgrade provided a much-needed refurbishment to bathrooms and other facilities, including a new sensory garden, dining area, contemporary amenities, entertainment and skills development area, improving patient experience and enabling patients to return to their home sooner.

Princess Alexandra Hospital sustainability

The Princess Alexandra Hospital introduced several sustainability and environmental initiatives, which include:

- recycling of the 17,500m² of aluminium cladding product removed from the exterior of the hospital
- introduction of sugar-cane kidney dishes replacing over 680,000 single use plastic consumables each year
- combined recycling – 637,481kg in 2018-2019, 524,995kg in 2019-2020, 799,686kg in 2020-2021 (3,396,944kg recycled since 2016-2017)
- education programs.

The Princess Alexandra Hospital has introduced initiatives throughout the campus to save biowaste from landfill. This includes composting of flowers from the wards and coffee grinds from campus cafes, and the introduction of a new food waste dehydrator in 2020 converting thousands of kilograms of food waste into soil and saving the hospital about \$50,000 a year.

Redland Hospital expansion

Planning is underway for a \$62 million Stage 1 expansion of Redland Hospital which includes a new Intensive Care Unit, a 32-bed ward and the refurbishment of several existing areas in the hospital. Stage 1 is in the planning phase and is jointly funded by the Queensland Government (\$32 million) and the Australian Government (\$30 million).

Redland Hospital multi-level car park

Easier and more secure parking is in sight at Redland Hospital, with construction starting on the hospital's new \$50.5 million multi-level car park in June 2021. When it opens in 2022, the new multi-level car park will provide

easier and more secure car parking at Redland Hospital including more than 1000 parking spaces, safety features including lighting, CCTV, and duress points on each level, and end-of-trip facilities for active transport including bike spaces, showers and lockers.

Redland Hospital paediatric services

In the second half of 2020, Redland Hospital established new paediatric surgical services which were only previously available to paediatric patients in the city. The hospital worked closely with the Queensland Children's Hospital (QCH) to establish the new surgical list, which means that children can receive surgeries such as hernia repairs, ingrown toenails, circumcisions, appendectomies and other lump and bump repairs, closer to home.

Logan Hospital expansion

Logan is one of the fastest growing regions in the state with more than 70,000 people expected to move to the area within the next decade. To assist Logan Hospital to continue to provide high-quality healthcare services for our community, the hospital needs to grow. The Queensland Government has invested more than half a billion dollars in the Logan Hospital expansion—a suite of projects designed to increase capacity, add new services and improve facilities for patients, visitors and staff.

Key projects to be delivered as part of the expansion program include:

- Multi-level car park
- Logan Maternity refurbishment
- Logan Hospital expansion project
- Several critical infrastructure upgrades delivered under Priority Capital Program (PCP) funding.

Logan Hospital multi-level car park

During 2020-2021, construction commenced on a new multi-level car park for Logan Hospital. When the \$61.92 million project is complete, there will be more than 2000 car parks available on or adjacent to the hospital site—significantly increasing car parking capacity ahead of the remainder of the expansion program.

The project includes a new, eight-level, 1500-space car park; sustainability initiatives including solar panels and rainwater tanks; enhanced safety and security features; and an elevated linkway providing access directly into the main hospital buildings.

The car park's exterior façade was developed and designed in collaboration with local artists and chosen by the local community to ensure it reflected the Logan community. It features a native Banksia tree and represents Logan as a family; bringing together the many people and cultures in Logan who are sharing their journey through life.

Logan Maternity refurbishment project

In 2020-2021 construction commenced on an \$18.875 million refurbishment and expansion of Logan Hospital's Maternity Service. The project will expand the hospital's maternity inpatient unit, birthing suites and special care nursery, to provide contemporary maternity care for our local community, close to home.

The project is being delivered in a staged approach—with the first stage, the construction of a new Maternity Inpatient Unit, on track to be completed in late 2021. The new inpatient unit will feature an additional six beds, bringing the total to 36 beds, with a mix of single and double rooms with ensuites.

Future stages will deliver an additional five birthing suites and 10 special care cots. Birthing pools will also be installed allowing women to access water immersion for labour and birth for the first time. The refurbished facilities will open as they are completed between 2021 and 2023.

Logan Hospital expansion project

The detailed design for the \$460 million Logan Hospital expansion project was finalised this financial year. The \$460 million project will deliver an additional 206 beds and treatment spaces, in addition to major refurbishments across existing clinical and support areas of the hospital. Construction on the expansion project is on track to commence in late 2021.

Service standards

Metro South Health is responsible for providing public hospital and other health services, including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatients, mental health, critical care and clinical support services.

Emergency Departments

In 2020-2021, 100 per cent of all Category 1 patients were seen within recommended timeframes; Category, 4 and 5 patients were all seen within recommended timeframes, however, Category 2 remained below the 80 per cent target at 64 per cent, and Category 3 below the 75 per cent target at 66 per cent. These measures are in line with previous years based on high levels of demand in these categories, particularly at Logan and Redlands Hospitals where expansion projects are underway to increase hospital capacity and improve patient flow. The impact of COVID-19 protocols on Emergency Department processes also contributed to length of stay.

Elective surgery

In 2020-2021, elective surgery had to be postponed and rescheduled during the year due to COVID-19 cases in the community and lockdowns.

Specialist outpatients

Metro South Health saw 75 per cent of category one specialist outpatients within clinically recommended timeframes, which is in line with the target set by the Department of Health. This included 24,140 outpatient appointments delivered in virtual clinics via Telehealth during the COVID-19 pandemic.

Safety and quality

Metro South Health aims to providing safe, high-quality healthcare for patients, staff, and visitors always. To stop the spread of COVID-19, Metro South Health implemented fever clinics across the region and introduced visitor restrictions when directed by the Chief Health Officer.

This approach to safety includes constant vigilance around hospital-acquired infection rates. The Department of Health target rate for healthcare-associated *Staphylococcus aureus* bacteraemia infection is fewer than two per 10,000 occupied bed days. During 2020-2021, Metro South Health rates were well below the target rate with one infection per 10,000 occupied bed days. Metro South Health will continue to work to reduce healthcare associated infections.

Value for money

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

The cost per WAU for Activity Based Funding facilities in Metro South Health in 2020-2021 was \$4,978, which was higher than the previous year, and slightly higher than the Department of Health target of \$4,958.

The information below outlines Metro South Health's performance against the other key service standards defined in the Service Delivery Statement and Service Agreement with the Department of Health.

Table 3: Service delivery statement

Service standards	2020-2021 target	2020-2021 actual
Effectiveness measures		
Percentage of emergency department patients seen within recommended timeframes ¹ :		
Category 1 (within 2 minutes)	100%	100%
Category 2 (within 10 minutes)	80%	64%
Category 3 (within 30 minutes)	75%	66%
Category 4 (within 60 minutes)	70%	79%
Category 5 (within 120 minutes)	70%	95%
Percentage of emergency department attendances who depart within four hours of their arrival in the department ¹	>80%	64%
Percentage of elective surgery patients treated within clinically recommended times ² :		
Category 1 (30 days)	>98%	99%
Category 2 (90 days) ³	..	87%
Category 3 (365 days) ³	..	78%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days ⁴	<2	1.0
Rate of community mental health follow up within 1-7 days following discharge from an acute mental health inpatient unit ⁵	>65%	59.7%
Proportion of readmissions to acute psychiatric care within 28 days of discharge ⁶	<12%	13.5%
Percentage of specialist outpatients waiting within clinically recommended times ⁷ :		
Category 1 (30 days)	45%	57%
Category 2 (90 days) ⁸	..	45%
Category 3 (365 days) ⁸	..	87%
Percentage of specialist outpatients seen within clinically recommended times ⁹ :		
Category 1 (30 days)	75%	75%
Category 2 (90 days) ⁸	..	54%
Category 3 (365 days) ⁸	..	75%
Median wait time for treatment in emergency departments (minutes) ¹	..	14
Median wait time for elective surgery treatment (days) ²	..	34
Efficiency measure		
Average cost per weighted activity unit for Activity Based Funding facilities ¹⁰	\$4,958	\$4,978
Other measures		
Number of elective surgery patients treated withing clinically recommended times ² :		
Category 1 (30 days)	9,105	10,053
Category 2 (90 days) ³	..	10,329
Category 3 (365 days) ³	..	4,522
Number of Telehealth outpatient occasions of service events ¹¹	11,750	24,140
Total weighted activity units (WAU's) ¹²		
Acute inpatient	237,175	233,686
Outpatients	70,909	82,020
Sub-acute	30,132	30,526
Emergency Department	46,949	46,632
Mental Health	29,514	27,330
Prevention and Primary Care	9,258	8,574
Ambulatory mental health service contact duration (hours) ⁵	>174,933	165,668
Staffing ¹³	13,968	14,069

Explanatory notes:

- ¹ During the rapid response to the COVID-19 pandemic, facilities utilised existing systems to manage presentations at fever clinics. In some cases, the management of these clinics was closely related to the management of the emergency department meaning that some fever clinic activity was managed via the emergency department systems. As a result, the 2020-2021 Actual includes some fever clinic activity.
- ² In preparation for COVID-19 and consistent with the National Cabinet decision, Queensland Health temporarily suspended non-urgent elective surgery in 2019-2020. This has impacted the treat in time performance and has continued to impact performance during 2020-2021 as the system worked to reduce the volume of patients waiting longer than clinically recommended.
- ³ Given the System's focus on reducing the volume of patients waiting longer than clinically recommended for elective surgery, and the continual impacts to services as a result of responding to COVID-19, treated in time performance targets for category 2 and 3 patients are not applicable for 2020-2021.
- ⁴ Staphylococcus aureus (including MRSA) bloodstream (SAB) infections Actual rate is based on data reported between 1 January 2020 and 31 December 2020.
- ⁵ Mental Health measures reported as at 22 August 2021.
- ⁶ Mental Health readmissions 2020-2021 Actual is for the period 1 July 2020 to 31 May 2021.
- ⁷ Waiting within clinically recommended time is a point in time performance report and was impacted by preparing for COVID-19 in 2019-2020.
- ⁸ Given the System's focus on reducing the volume of patients waiting longer than clinically recommended for specialist outpatients, and the continual service impacts as a result of responding to COVID-19, seen in time performance targets for category 2 and 3 patients are not applicable for 2020-2021.
- ⁹ As a result of preparing for COVID-19, the seen in time performance was impacted in 2019-2020. This impact has continued throughout 2020-2021 as the system has worked to address provision of care to those patients waiting longer than clinically recommended.
- ¹⁰ The 2020-2021 Target varies from the published 2020-2021 Service Delivery Statement due to a change in the WAU phase. All measures are reported in QWAU Phase Q23. The variation in difference of Cost per WAU to target is a result of the additional costs of the COVID-19 pandemic. Data reported as at 23 August 2021.
- ¹¹ Telehealth data reported as at 23 August 2021.
- ¹² The 2020-2021 Target varies from the published 2020-2021 Service Delivery Statement due to a change in the WAU phase. All measures are reported in QWAU Phase Q23. As HHSs have operational discretion to respond to service demands and deliver activity across services streams to meet the needs of the community, variation to target can occur. Data reported as at 23 August 2021.
- ¹³ 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.

Financial summary

Metro South Health’s operational result is a surplus of \$1.052 million for the year ending 30 June 2021, with revenue of \$2.77 billion.

In 2020–2021 Metro South Health has continued to deliver increased services and provide safe and quality services to its population base. The 2020–2021 year continued to be significantly impacted by the COVID-19 pandemic. This disrupted normal service provision and required a reduced range of services periodically while Metro South Health responded to the pandemic. Aside from the service delivery interruption, significant additional costs were incurred however specific COVID-19 funding was provided and enabled Metro South Health to achieve a surplus for the financial year.

Revenue and expenditure

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

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

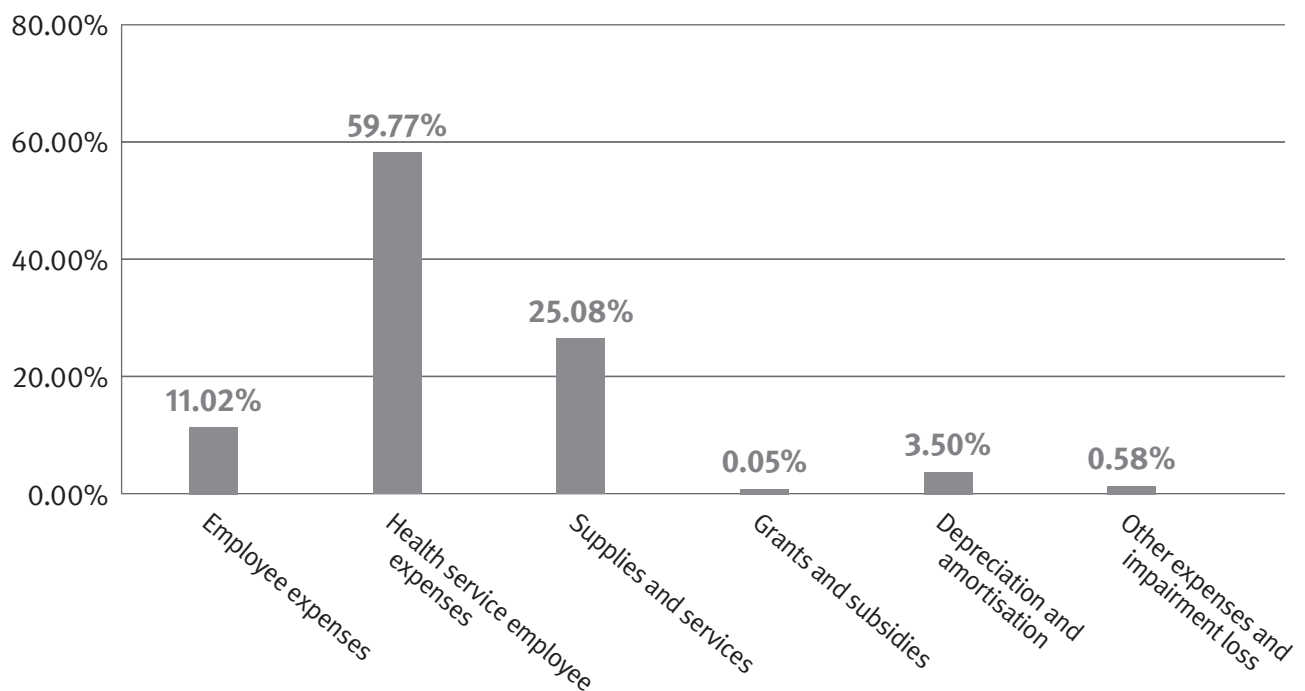
Metro South Health’s total income was \$2.77 billion, which is an increase of \$101.97 million (3.8 per cent) from 2019–2020:

- the activity-based funding for hospital services was 75.36 per cent or \$2.09 billion
- COVID-19 funding was 2.84 per cent or \$78.9 million
- block and other Department of Health funding was 10.35 per cent or \$286.959 million
- Commonwealth grants and other grants funding was 1.97 per cent or \$54.55 million
- own source revenue was 8.93 per cent or \$247.643 million
- other revenue was 0.55 per cent or \$15.16 million.

The total expenses were \$2.77 billion, averaging at \$7.595 million a day for providing public health services. Total expenditure increased by \$91.352 million (3.4 per cent) from last financial year.

Major areas of expenditure are shown in the following graph.

Graph 1: Expenses 2020–2021



Assets and liabilities

Metro South Health's asset base amounts to \$1.472 billion. 87.5 per cent or \$1.287 billion of this is invested in property, plant and equipment, service concession building, intangible and right-of-use assets. The remaining balance of \$184.447 million is held in cash, receivables, inventory, contract assets and other assets. Metro South Health's liabilities total \$238.406 million and consist of payables, employee benefits, contract liabilities, other liabilities and lease liabilities, leaving an equity base of \$1.233 billion.

Anticipated maintenance

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

Anticipated maintenance is defined as maintenance that is necessary to prevent the deterioration of an asset or its function, but which has not been carried out. Some anticipated maintenance activities can be postponed without immediately having a noticeable effect on the functionality of the building. All anticipated 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 2021, Metro South Health had reported anticipated maintenance of \$126 million which was a decrease of \$24.4 million compared to the prior year. This consists of \$32.86 million in funded anticipated maintenance and \$93.16 million in unfunded anticipated maintenance.

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

1. ongoing risk assessment and condition assessment reviews
2. target available maintenance funding based on the risk assessment
3. seeking priority capital funding assistance.

Financial statements

For the year ended 30 June 2021

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General Information

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

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

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

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

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

Metro South Health
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2021

	Notes	2021 Actual \$'000	2021 Original Budget \$'000	Budget Variance \$'000	2020 Actual \$'000
Income from continuing operations					
Funding for public health services	A1-1	2,455,750	2,389,847	65,903	2,373,070
User charges and fees	A1-2	247,643	228,849	18,794	240,171
Grants and other contributions	A1-3	54,550	50,977	3,573	53,093
Other revenue	A1-4	14,152	1,483	12,669	4,591
Total revenue		2,772,095	2,671,156	100,939	2,670,925
Gain on disposal or re-measurement of assets		1,010	-	1,010	207
Total income from continuing operations		2,773,105	2,671,156	101,949	2,671,132
Expenses from continuing operations					
Employee expenses	A2-1	305,460	291,742	13,718	1,828,415
Health service employee expenses	A2-2	1,656,816	1,600,156	56,660	65,915
Supplies and services	A2-3	695,341	652,386	42,955	683,592
Grants and subsidies	A2-4	1,507	712	795	2,847
Interest on lease liabilities	B12	419	265	154	343
Depreciation and amortisation	B6,B12	96,924	91,476	5,448	85,599
Impairment losses		5,275	1,711	3,564	4,859
Other expenses	A2-5	10,311	32,708	(22,397)	8,951
Total expenses from continuing operations		2,772,053	2,671,156	100,897	2,680,521
Operating result for the year		1,052	-	1,052	(9,389)
Other comprehensive income					
<i>Items that will not be reclassified subsequently to operating result</i>					
Increase in asset revaluation surplus	B13	(3,085)	-	(3,085)	23,956
Total other comprehensive income		(3,085)	-	(3,085)	23,956
Total comprehensive income		(2,033)	-	(2,033)	14,567

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

The accompanying notes form part of these financial statements.

Metro South Health
STATEMENT OF FINANCIAL POSITION
As at 30 June 2021

	Notes	2021 Actual \$'000	2020 Actual \$'000
Assets			
Current assets			
Cash and cash equivalents	B1	86,437	53,578
Receivables	B2	38,470	35,988
Contract assets	B3	26,885	15,661
Inventories	B4	22,695	20,695
Other assets	B5	9,960	3,473
Total current assets		184,447	129,395
Non-current assets			
Intangibles		482	731
Property, plant and equipment	B6	1,247,140	1,227,776
Service concession assets	B7	26,829	27,947
Right-of-use assets	B12	12,506	14,276
Total non-current assets		1,286,957	1,270,730
Total assets		1,471,404	1,400,125
Liabilities			
Current liabilities			
Payables	B8	171,764	139,201
Accrued employee benefits	B9	3,455	13,562
Contract liabilities	B10	35,993	1,187
Lease liabilities	B12	2,417	2,082
Other liabilities	B11	1,352	1,350
Total current liabilities		214,981	157,382
Non-current liabilities			
Lease liabilities	B12	11,020	12,563
Other liabilities	B11	12,405	13,567
Total non-current liabilities		23,425	26,130
Total liabilities		238,406	183,512
Net assets		1,232,998	1,216,613
Equity			
Contributed equity	B14	1,000,125	981,707
Accumulated surplus/(deficit)		(515)	(1,567)
Asset revaluation surplus	B13	233,388	236,473
Total equity		1,232,998	1,216,613

Metro South Health was not required to include a budgeted statement of financial position in the original published Service Delivery Statement tabled in Parliament for the 2020-21 financial year.
The accompanying notes form part of these financial statements.

Metro South Health
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2021

	Notes	Accumulated surplus/(deficit) \$'000	Asset revaluation surplus \$'000	Contributed equity \$'000	Total equity \$'000
Balance at 1 July 2019		(5,955)	212,517	1,018,194	1,224,756
Changes in accounting policy AASB 16 first time recognised 2019-20		605	-	-	605
Changes in accounting policy AASB 1059 retrospectively recognised 2020-21	B7,E6	13,172	-	-	13,172
Net effect of changes in accounting policies		13,777	-	-	13,777
Operating result from continuing operations		(9,389)	-	-	(9,389)
Other comprehensive income for the year					
Increase in asset revaluation surplus	B13	-	23,956	-	23,956
Total comprehensive income for the year		4,388	23,956	-	28,344
Transactions with owners as owners:					
Equity asset transfers	B14	-	-	(1,382)	(1,382)
Equity injections	B14	-	-	49,376	49,376
Equity withdrawals	B14	-	-	(84,481)	(84,481)
Net transactions with owners as owners		-	-	(36,487)	(36,487)
Balance at 30 June 2020		(1,567)	236,473	981,707	1,216,613
	Notes	Accumulated surplus/(deficit) \$'000	Asset revaluation surplus \$'000	Contributed equity \$'000	Total equity \$'000
Balance at 1 July 2020		(1,567)	236,473	981,707	1,216,613
Operating result from continuing operations		1,052	-	-	1,052
Other comprehensive income for the year					
Increase in asset revaluation surplus	B13	-	(3,085)	-	(3,085)
Total comprehensive income for the year		1,052	(3,085)	-	(2,033)
Transactions with owners as owners:					
Equity asset transfers	B14	-	-	16,466	16,466
Equity injections	B14	-	-	97,758	97,758
Equity withdrawals	B14	-	-	(95,806)	(95,806)
Net transactions with owners as owners		-	-	18,418	18,418
Balance at 30 June 2021		(515)	233,388	1,000,125	1,232,998

The accompanying notes form part of these financial statements.

Metro South Health
STATEMENT OF CASH FLOWS
For the year ended 30 June 2021

	Notes	2021 Actual \$'000	2020 Actual \$'000
Cash flows from operating activities			
<i>Inflows:</i>			
Funding for public health services		2,383,804	2,288,589
User charges and fees		240,069	233,869
Grants and other contributions		31,436	33,711
Interest received		193	394
GST input tax credits from ATO		40,823	38,579
GST collected from customers		6,808	6,256
Other receipts		12,463	2,724
<i>Outflows:</i>			
Employee expenses		(315,567)	(1,889,155)
Health service employee expenses		(1,709,969)	-
Supplies and services		(594,695)	(650,485)
Grants and subsidies		(1,507)	(2,847)
GST paid to suppliers		(41,623)	(38,590)
GST remitted to ATO		(6,716)	(6,204)
Other		(9,890)	(8,210)
Net cash provided by operating activities		35,629	8,631
Cash flows from investing activities			
<i>Inflows:</i>			
Sale of property, plant and equipment		1,216	495
<i>Outflows:</i>			
Payments for property, plant and equipment		(99,220)	(52,689)
Net cash provided by investing activities		(98,004)	(52,194)
Cash flows from financing activities			
<i>Inflows:</i>			
Equity injections	B14	97,758	49,376
<i>Outflows:</i>			
Lease payments		(2,524)	(2,045)
Net cash provided by financing activities		95,234	47,331
Net increase/(decrease) in cash and cash equivalents		32,859	3,768
Cash and cash equivalents at the beginning of the financial year		53,578	49,810
Cash and cash equivalents at the end of the financial year	B1	86,437	53,578

Metro South Health was not required to include a budgeted statement of cash flows in the original published Service Delivery Statement tabled in Parliament for the 2020-21 financial year.
The accompanying notes form part of these financial statements.

Metro South Health
STATEMENT OF CASH FLOWS
For the year ended 30 June 2021

NOTES TO THE STATEMENT OF CASH FLOWS

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

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

	2021	2020
	\$'000	\$'000
Operating result from continuing operations	1,052	(9,389)
<i>Non-cash items:</i>		
Net adjustment due to change in accounting policy	-	605
Depreciation/amortisation expense	96,924	85,599
Depreciation and amortisation funding	(95,806)	(84,481)
Service concession arrangements revenue	(1,163)	(1,163)
Assets written (on)/off	(74)	(378)
Lease interest	419	343
Net (gain)/loss on sale of property, plant and equipment	(795)	60
Services below fair value	23,335	21,121
Donations services below fair value	(23,335)	(21,121)
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(2,201)	14,112
Increase/(decrease) in loss allowance on trade receivables	(282)	1,044
(Increase)/decrease in inventories	(2,000)	(4,056)
(Increase)/decrease in contract assets	(11,224)	(15,661)
(Increase)/decrease in prepayments	(6,487)	749
Increase/(decrease) in contract liabilities and unearned revenue	34,809	304
Increase/(decrease) in accrued employees expenses	(10,107)	(60,740)
Increase/(decrease) in accrued health service employees expenses	(47,830)	-
Increase/(decrease) in payables	80,394	81,683
Net cash provided by (used in) operating activities	35,629	8,631

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

BASIS OF FINANCIAL STATEMENT PREPARATION

Compliance with prescribed requirements

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

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

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

The reporting entity

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

Metro South Health does not have any controlled entities.

Taxation

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

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

Authorisation of financial statements for issue

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

Accounting estimates and judgements

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

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

Metro South Health

Notes to the Financial Statements

For the year ended 30 June 2021

BASIS OF FINANCIAL STATEMENT PREPARATION (CONTINUED)

Currency, rounding and comparatives

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

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

Current and non-current classification

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

Assets are classified as current where their carrying amount is expected to be realised within 12 months after the reporting date.

Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or Metro South Health does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

A NOTES ABOUT FINANCIAL PERFORMANCE

A1 INCOME

NOTE A1-1: FUNDING FOR PUBLIC HEALTH SERVICES

	2021	2020
	\$'000	\$'000
Activity based funding	2,089,921	2,088,856
COVID19 funding	78,870	14,826
Block funding	191,153	184,907
Other funding	95,806	84,481
	<u>2,455,750</u>	<u>2,373,070</u>

Metro South Health's funding is provided predominantly by the Department of Health for specific public health services purchased in accordance with a service agreement. The Australian Government pays its share of the National Health Funding directly to the Department of Health, for on forwarding to the Hospital and Health Services. The Service Agreement is reviewed periodically and updated for changes in activities and prices of services delivered by Metro South Health. Cash funding from the Department of Health is received fortnightly for State payments and monthly for Commonwealth payments and is recognised as revenue as the performance obligations under the service agreement are discharged. Commonwealth funding to Metro South Health in 2021 was \$928.115 million (2020: \$838.238 million).

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

Ordinarily, activity based funding is recognised as public health services are delivered, however due to the impacts of COVID19 activity based funding, was guaranteed by the Commonwealth government for 2019-20 and 2020-21 financial years under the National Health Reform Agreement. As such, the Department of Health will not make adjustments for under delivery against activity based funding targets.

NOTE A1-2: USER CHARGES AND FEES

	2021	2020
	\$'000	\$'000
Revenue from contracts with customers		
Hospital fees	106,251	99,213
Sale of goods and services	49,454	52,203
Pharmaceutical benefit scheme reimbursements	88,531	85,698
Other user charges and fees		
Rental income	3,407	3,057
	<u>247,643</u>	<u>240,171</u>

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

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

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

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

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

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

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

Rental income is recognised under AASB16 Leases accounting standard over the lease term in accordance with the operating lease agreement.

NOTE A1-3: GRANTS AND OTHER CONTRIBUTIONS

	2021	2020
	\$'000	\$'000
Revenue from contracts with customers		
Nursing home grant	6,051	6,358
Home and community care grant	1,295	1,276
Transition care program grant	11,017	9,949
Organ and tissue donation for transplant	2,911	2,967
Other grants - contracts with customers	3,933	3,694
	25,207	24,244
Other grants and contributions		
Other specific purpose grants	2,200	2,555
Other grants	3,245	4,198
Donations services below fair value*	23,335	21,121
Donations assets**	30	68
Donations other	533	907
	54,550	53,093

*Metro South Health receives corporate services support from the Department of Health for no direct cost. Corporate services received would have been purchased if they were not provided by the Department of Health and include payroll services, accounts payable and banking services. The fair value of corporate services received in 2020-21 are estimated by the Department of Health were \$23.335 million (2020: \$21.121 million) for payroll, accounts payable and banking services. An equal amount of expense is recognised as services below fair value, refer Note A2-2.

**Contributed assets recognised at their fair value, refer Note B6.

Grants and contributions are transactions where Metro South Health receives funds to further its objectives. Where an agreement is enforceable and contains sufficiently specific performance obligations for Metro South Health to transfer goods or services to a third-party on the grantor's behalf, the transaction is accounted for under AASB 15 *Revenue from Contracts with Customers*.

In this case, revenue is initially deferred (as a contract liability) and recognised as or when the performance obligations are satisfied. A contract asset representing Metro South Health's right to consideration for services delivered but not yet billed will be raised where applicable.

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

Notes to the Financial Statements

For the year ended 30 June 2021

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

Special purpose capital grants are recognised as unearned revenue when received, and subsequently recognised progressively as revenue as Metro South Health satisfies its obligations under the grant through construction of the asset.

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. When this is the case, an equal amount is recognised as revenue and an expense.

The following provides information about the nature and timing of the satisfaction of performance obligations, significant payment terms, and revenue recognition for Metro South Health's grants and contributions. Under these agreements revenue is recognised in accordance with AASB 15 over time as goods and services provided to patients.

- Nursing home grant is an agreement to provide personal care to approved patients based on agreed level of care.
- Commonwealth Home and Community Care program is an agreement to provide consumables, equipment or assistive technology to enable clients to perform tasks that they would otherwise be unable to do in accordance with an activity workplan.
- Transition Care Program provides patients with care packages in accordance with an approved care plan after hospital stay.
- Organ and Tissue Donation and Transplantation program is to deliver goods and services to improve the availability of the organs and tissues under the Donate Life National Program. Metro South Health also manages the overall DonateLife program of Queensland Health. As at 30 June 2021, a contract asset of \$0.0454 million (2020: \$0.091 million) was recorded as service obligations exceeded funding provided.

Other grants include:

- Specialist Training Programs (STP) to provide eligible trainees appropriate training placement within the specific area of speciality.
- Motor Accident Insurance Commission (MAIC) agreement to facilitate early community integration of people with an acquired brain injury and to provide home based interdisciplinary rehabilitation program.
- The Caring for Aboriginal and Torres Strait Islander program is to support Indigenous Australians to improve the quality of service delivery of palliative care.
- Advanced Care Planning with Residential Aged Care Facilities agreement is to improve capacity and capability to provide quality aged care planning with residents and their families.

As at 30 June 2021, for other grants \$0.275 million (2020: \$0.025 million) contract liabilities has been recorded for services not yet provided.

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

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

- Other specific purpose grants are Commonwealth funded to support the asset replacement of radiation oncology over time within the discretion of the health service and the Indigenous Australians' Health program. Revenue is recognised on receipt of the funds.
- Other grants predominantly fund research, clinical drug trials and clinical education. These grants are not sufficiently specific allowing funds to be used for broad objectives as a result revenue is recognised on receipt of the funds.

Metro South Health received grants from the Commonwealth and State Government for programs that have not been fully completed at the end of the financial year resulting in \$1.701 million (2020: \$1.509 million) unspent funds as at 30 June. Use of these funds is restricted to delivering the programs agreed under the grant agreements, \$0.494 million will be returned and the remainder \$1.207 million has been budgeted to spend on these programs in the 2021-22 financial year.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

NOTE A1-4: OTHER REVENUE

	2021	2020
	\$'000	\$'000
Interest	193	394
Health service employee expense recoveries*	10,610	-
General recoveries	471	792
Service concession arrangements revenue**	1,163	1,163
Other revenue	1,715	2,242
	<u>14,152</u>	<u>4,591</u>

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

**For service concession arrangement information refer to Notes B7 and E6.

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

A2 EXPENSES

NOTE A2-1: EMPLOYEE EXPENSES

	2021	2020
	\$'000	\$'000
Employee benefits		
Wages and salaries*	257,972	1,443,003
Employer superannuation contributions	20,074	156,355
Annual leave levy/expense	19,111	177,298
Long service leave levy/expense	6,188	35,295
Termination benefits	136	1,252
	<u>303,481</u>	<u>1,813,203</u>
Employee related expenses		
Workers compensation premium	1,976	11,058
Other employee related expenses	3	4,154
	<u>305,460</u>	<u>1,828,415</u>

* Wages and salaries in 2020 financial year includes \$9.150 million one-off, pro-rata payments for 7,321 full-time equivalent employees as announced by State Government in September 2019. Refer note A2-2 for 2021 financial year's payment as health service employee expense.

* Wages and salaries in 2020-21 financial year includes \$0. 533 million COVID19 pandemic leave expense taken in the financial year. On 14 September 2020, the Queensland Government awarded health workers two days of special COVID19 pandemic leave based on set eligibility criteria as recognition of the effects of the COVID19 pandemic on staff wellbeing. This leave must be taken within 2 years or eligibility is lost. Refer Note B9.

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

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

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

Employer superannuation contributions are paid to QSuper, the superannuation scheme for Queensland Government employees, at rates determined by the Treasurer on the advice of the State Actuary. The QSuper scheme has defined benefit and defined contribution categories. Contributions are expensed in the period in which they are payable and Metro South Health's obligation is limited to its contribution to QSuper.

Notes to the Financial Statements

For the year ended 30 June 2021

NOTE A2-1: EMPLOYEE EXPENSES (CONTINUED)

The liability for defined benefit is held on a whole-of-government basis and reported in those financial statements pursuant to *AASB 1049 Whole of Government and General Government Sector Financial Reporting*.

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

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

NOTE A2-2: HEALTH SERVICE EMPLOYEE EXPENSES

	2021 \$'000	2020 \$'000
Health service employee expenses*	1,642,796	65,915
Health service employee related workers compensation premium	10,483	-
Other health service employee related expenses	3,537	-
	<u>1,656,816</u>	<u>65,915</u>

FULL TIME EQUIVALENT EMPLOYEES

	30 June 2021	30 June 2020
Number of employees**	692	695
Number of health service employees**	13,377	13,461
	<u>14,069</u>	<u>14,156</u>

* Health service employee expenses in 2021 include \$7.881 million one-off, pro-rata payments for 6,304 full-time equivalent employees as announced by State Government in September 2019. Refer to Note A2-1 for 2020 financial year payment.

*Health service employee expenses include the expense of \$5.097 million for COVID19 pandemic leave for the 2020-21 financial year. On 14 September 2020, the Queensland Government awarded health workers two days of special COVID19 pandemic leave based on set eligibility criteria as recognition of the effects of the COVID19 pandemic on staff wellbeing. This leave must be taken within 2 years or eligibility is lost. Metro South Health paid the entire value of the leave of \$10.4 million to the Department of Health in advance. The leave is expensed in the period in which was taken and the remaining balance recognised as a pre-payment of \$5.323 million to the Department of Health. Refer Note B5.

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

** The number of employees and health service employees as at 30 June includes full-time and part-time employees measured on a full-time equivalent (FTE) basis (reflecting Minimum Obligatory Human Resource Information (MOHRI)). The number of employees does not include the chair, deputy chair or members of the board. The number of employees represent the employees of Metro South Health and health service employees are the non-executive health service employees transferred to the Department of Health from 15 June 2020. See notes below.

Health service employee expenses

From 15 June 2020, all non-executive health service employees in Hospital and Health Services have been employed by the Director-General as system manager of Queensland Health.

A non-executive health service employee is any employee who is not a Senior Health Service Employee (including Senior Medical Officers and Visiting Medical Officers) or a member of the Health Executive Service.

The transfer to the Department of Health as the employer has not changed which Act, Award or EB Agreement that staff are employed under. Employment under the *Hospital and Health Boards Act 2011* continues.

As established under the *Hospital and Health Boards Act 2011*, the Department of Health is the employer for all health service employees (excluding persons appointed as a Health Executive) and recovers all employee expenses and associated on-costs from hospital and health services. Health service employee expenses represent the cost of the Department of Health employees and other contracted staff to the HHS, paid via invoice, to provide public health services. In accordance with the *Hospital and Health Boards Act 2011*, the employees of the Department of Health are referred to as health service employees.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

NOTE A2-2: HEALTH SERVICE EMPLOYEE EXPENSES (CONTINUED)

Under this arrangement:

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

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

NOTE A2-3: SUPPLIES AND SERVICES

	2021	2020
	\$'000	\$'000
Consultants and contractors	13,006	25,089
Electricity and other energy	13,356	13,541
Patient travel	1,128	1,407
Other travel	1,561	1,673
Building services	9,555	10,296
Computer services	22,084	32,764
Motor vehicles	872	1,131
Communications	32,925	30,674
Repairs and maintenance	45,476	46,249
Minor works including plant and equipment	3,461	4,931
Rent expenses*	14,157	13,891
Lease expenses	352	578
Drugs	122,544	115,928
Clinical supplies and services	324,800	295,689
Catering and domestic supplies	31,295	32,302
Insurance payment to the Department of Health**	20,746	19,316
Inter entity hospital and health service supplies and services***	3,460	5,914
Services below fair value****	23,335	21,121
Other	11,228	11,098
	695,341	683,592

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

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

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

**** Metro South Health receives corporate services support from the Department of Health for no direct cost. Corporate services received would have been purchased if they were not provided by the Department of Health and include payroll services, accounts payable and banking services. The fair value of corporate services received in 2020-21 are estimated by the Department of Health were \$23.335 million (2020: \$21.121 million) for payroll, accounts payable and banking services. An equal amount of revenue is recognised as donations services below fair value, refer Note A1-3.

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

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

NOTE A2-4: GRANTS AND SUBSIDIES

	2021	2020
	\$'000	\$'000
Home and community health services	151	189
Medical research and education programs	<u>1,356</u>	<u>2,658</u>
	<u>1,507</u>	<u>2,847</u>

NOTE A2-5: OTHER EXPENSES

	2021	2020
	\$'000	\$'000
External audit fees*	289	329
Other audit fees	99	219
Insurance	172	115
Inventory written off	283	436
Losses from the disposal of non-current assets	212	197
Special payments - ex-gratia payments**	60	34
Other legal costs	803	656
Journals and subscriptions	172	173
Advertising	749	770
Interpreter fees	6,351	5,677
Grants returned	616	3
Other	<u>505</u>	<u>342</u>
	<u>10,311</u>	<u>8,951</u>

*Total audit fees relating to Queensland Audit Office for the 2020-21 financial year are quoted to be \$0.294 million (2020: \$0.329 million). There are no non-audit services included in this amount.

** Metro South Health made 17 (2020: 23) special-ex-gratia payments for less than \$5,000 to patients for their lost property and other compensations whilst in hospital care. In 2020-21 there were 6 payments for and in excess of \$5,000 to 3 staff as a settlement payment (\$22,000) and 3 payments to patients for settlement of clinical complaints (\$26,600) and reimbursement of expenditure (\$5,000). In 2019-20 there were 2 payments for and in excess of \$5,000 to staff as a settlement payment (\$20,000) and to a patient as reimbursement for lost items (\$5,990). In compliance with Financial and Performance Management Standard 2019, Metro South Health maintains a register setting out details of all special payments greater than \$5,000.

B NOTES ABOUT FINANCIAL POSITION

B1 CASH AND CASH EQUIVALENTS

	2021	2020
	\$'000	\$'000
Cash at bank and on hand	63,800	31,434
24 hour call deposits	<u>22,637</u>	<u>22,144</u>
	<u>86,437</u>	<u>53,578</u>

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

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

B1 CASH AND CASH EQUIVALENTS (CONTINUED)

Metro South Health's General Trust funds are operating from Commonwealth Bank of Australia bank accounts. Cash held in these accounts earns interest at a rate of 0.70% (2020: 0.85%). In addition, General Trust funds in excess of monthly operational requirements are deposited at call with QTC and earn interest at a rate of 0.51% (2020: 0.86%). Cash assets include all cash received but not banked as at 30 June as well as deposits at call with financial institutions. Refer to Notes C1 and E3.

B2 RECEIVABLES

	2021	2020
	\$'000	\$'000
Trade debtors	36,664	36,683
Queensland Health debtors	1,990	479
Less: Loss allowance	(4,138)	(4,420)
	34,516	32,742
GST receivable	4,601	3,801
GST payable	(647)	(555)
Net receivable	38,470	35,988

Trade debtors are recognised at the amounts due at the time of sale or service delivery and are generally settled within 30-120 days.

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

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

The closing balance of receivables that are arising from contracts with customers at 30 June 2021 is \$37.995 million (2020: \$35.919 million).

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

	2,021	2020
	\$'000	\$'000
Movements in loss allowance		
Balance at 1 July	4,420	3,376
Increase/(decrease) in allowance recognised in operating result	1,741	3,143
Amounts written off during the year	(2,023)	(2,099)
Balance as at 30 June	4,138	4,420

Financial assets

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

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

B2 RECEIVABLES (CONTINUED)

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

Impairment of receivables

	2021			2020		
	Gross receivables	Loss rate	Expected credit loss	Gross receivables	Loss rate	Expected credit loss
	\$'000	%	\$'000	\$'000	%	\$'000
Trade debtors	26,856	15.41	(4,138)	29,678	14.90	(4,420)
Adjustment to trade debtors*	9,808	-	-	7,005	-	-
Total Trade Debtors	36,664	n/a	(4,138)	36,683	n/a	(4,420)
Queensland Health debtors	1,990	-	-	479	-	-
Total Debtors	38,654	n/a	(4,138)	37,162	n/a	(4,420)

* These receivables raised at 30 June for billing to Medicare for invoices of MediRecords for private practice billing and these invoices are not subject to impairment.

B3 CONTRACT ASSETS

	2021 \$'000	2020 \$'000
Current		
Contract assets	26,885	15,661
	<u>26,885</u>	<u>15,661</u>

Contract assets arise from contracts with customers, and are transferred to receivables when Metro South Health's right to payment becomes unconditional, this usually occurs when the invoice is issued to the customer. Accrued revenue that do not arise from contracts with customers are reported as part of other assets. Refer note B5. Contract assets have been assessed for impairment under AASB9. The loss rate has been assessed as nil and no provision for expected credit loss has been raised.

Significant changes in contract assets balances during the year was an increase of \$11.224 million mainly relates to services provided in accordance with the Service Agreement including COVID19 funding not yet received from the Department of Health.

B4 INVENTORIES

	2021 \$'000	2020 \$'000
Inventories held for distribution		
Medical supplies	16,184	13,929
Pharmaceutical Supplies	5,496	5,907
Catering and domestic	238	187
Engineering	777	672
	<u>22,695</u>	<u>20,695</u>

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

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

B5 OTHER ASSETS

	2021	2020
	\$'000	\$'000
Current		
Prepayments for health service employee expenses*	5,323	-
Prepayments	4,637	3,473
	9,960	3,473

*On 14 September 2020, the Queensland Government awarded health workers two days of special COVID19 pandemic leave based on set eligibility criteria as recognition of the effects of the COVID19 pandemic on staff wellbeing. This leave must be taken within 2 years or eligibility is lost. The leave is expensed in the period in which was taken and the remaining balance recognised as a pre-payment to the Department of Health. Refer Note A2-2.

B6 PROPERTY, PLANT AND EQUIPMENT

	2021	2020
	\$'000	\$'000
Land		
At fair value	234,195	240,306
Buildings		
At fair value	2,221,096	1,998,345
Less: Accumulated depreciation	(1,408,858)	(1,161,483)
	812,238	836,862
Plant and equipment		
At cost	358,806	345,088
Less: Accumulated depreciation	(224,765)	(213,842)
	134,041	131,246
Capital works in progress		
At cost	66,666	19,362
Total property, plant and equipment	1,247,140	1,227,776

Recognition thresholds

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

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

Acquisition

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

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

Notes to the Financial Statements

For the year ended 30 June 2021

B6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

Measurement

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

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

Depreciation

Key estimate and judgement: The depreciation rate is determined by application of appropriate useful life to relevant non-current asset classes.

Non-current asset useful lives

Class	Useful life (years)
Buildings (including land improvements)	Between 6 to 88
Plant and equipment	Between 2 to 47

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

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

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

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

Metro South Health's complex assets are its buildings. Complex assets comprise separately identifiable components (or groups of components) of significant value, that require replacement at regular intervals and at different times to other components comprising the complex asset. Components are separately recognised and valued on the same basis as the asset class to which they relate.

Impairment

All non-current assets are assessed annually for indicators of impairment. If an indicator of impairment exists, Metro South Health determines the asset's recoverable amount and if this amount is less than the asset's carrying amount it is considered as an impairment loss. An impairment loss is recognised in accordance with AASB 136 *Impairment of Assets* accounting standard.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

B6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Property, plant and equipment reconciliation	Land* \$'000 Level 2	Land** \$'000 Level 3	Buildings*** \$'000 Level 3	Plant and equipment \$'000	Work in progress \$'000	Total \$'000
Balance at 1 July 2019	123,668	115,750	829,750	141,354	17,689	1,228,211
Acquisitions	158	-	19,688	17,371	15,404	52,621
Donations received	-	-	-	68	-	68
Disposals	-	-	-	(405)	-	(405)
Donations made	-	-	-	(10)	-	(10)
Transfers in/(out) from other						
Queensland Government	1,030	-	4,172	40	-	5,242
Transfers between asset classes	-	-	13,697	34	(13,731)	-
Transfer recognised in operating surplus/(deficit)	-	-	-	228	-	228
Revaluation increments/(decrements) to asset revaluation surplus****	-	(300)	24,256	-	-	23,956
Depreciation charge	-	-	(54,701)	(27,434)	-	(82,135)
Balance at 1 July 2020	124,856	115,450	836,862	131,246	19,362	1,227,776
Acquisitions	-	-	10,846	30,607	57,737	99,190
Donations received	-	-	-	30	-	30
Disposals	-	-	-	(383)	-	(383)
Donations made	-	-	-	(6)	-	(6)
Transfers in/(out) from other						
Queensland Government	-	-	14,876	1,589	-	16,465
Transfers between asset classes	-	-	10,273	160	(10,433)	-
Transfer recognised in operating surplus/(deficit)	-	-	-	45	-	45
Revaluation increments/(decrements) to asset revaluation surplus****	(6,111)	-	3,026	-	-	(3,085)
Depreciation charge	-	-	(63,645)	(29,247)	-	(92,892)
Balance at 30 June 2021	118,745	115,450	812,238	134,041	66,666	1,247,140

* Land level 2 assets are land with active market.

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

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

****Refer Note B13

Fair value measurement and valuation

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

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

Notes to the Financial Statements

For the year ended 30 June 2021

B6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

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

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

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

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

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

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

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

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

The valuation methodology for the independent valuation uses historical and current construction contracts. The replacement cost of each building at date of valuation is determined by taking into account Brisbane location factors and comparing against current construction contracts. The valuation is provided for a replacement building of the same size, shape and functionality that meets current design standards, and is based on estimates of gross floor area, number of floors, building girth and height and existing lifts and staircases.

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

Metro South Health

Notes to the Financial Statements

For the year ended 30 June 2021

B6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

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

Land

Land is measured at fair value each year using independent market valuations or indexation by the State Valuation Service (SVS) within the Department of Resources.

In 2020-21, Metro South Health's land was valued by SVS using independent market valuation. The effective date of the valuation was 30 June 2021. Management, through the Asset Valuation Steering Committee, has assessed the valuation provided by SVS as appropriate for Metro South Health and endorsed the result of the independent valuation.

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

The revaluation of land for 2020-21 resulted in \$6.11 million decrement (2020: \$0.3 million decrement) to the carrying amount of land.

Buildings

In 2020-21 Metro South Health engaged independent experts, Jacobs, to undertake building revaluation in accordance with the fair value methodology. Jacobs performed a comprehensive valuation of 87% of the value of Metro South Health's building portfolio (71 buildings) and provided an index relevant to the remaining 13% of the building portfolio (58 buildings) in order to maintain fair value. These indices are either publicly available, or are derived from market information available, and Jacobs provides assurance of their robustness, validity and appropriateness for application. The effective date of the valuation was 30 June 2021.

The revaluation of buildings for 2020-21 resulted in \$3.026 million increment (2020: \$24.256 million increment) to the fair value of buildings.

B7 PUBLIC PRIVATE PARTNERSHIPS SERVICE CONCESSION ASSETS

	2021 \$'000	2020 \$'000
Service concession assets		
Buildings - gross	41,362	41,362
Buildings - accumulated depreciation	<u>(14,533)</u>	<u>(13,415)</u>
	<u>26,829</u>	<u>27,947</u>

Accounting policies and disclosures – Service concession arrangements

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

Metro South Health
Notes to the Financial Statements
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B7 PUBLIC PRIVATE PARTNERSHIPS SERVICE CONCESSION ASSETS (CONTINUED)

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

Service concession assets and liabilities movement reconciliation

	Note	Buildings \$'000
Service concession assets		
Opening balance at 1 July 2019 on transition to AASB 1059		29,065
Depreciation charge		(1,118)
Balance at 30 June 2020	E6	<u>27,947</u>
Liabilities		
Opening balance at 1 July 2019 on transition to AASB 1059		(15,893)
Amortisation of unearned revenue		1,163
Balance at 30 June 2020	E6	<u>(14,730)</u>
Service concession assets		
Opening balance at 1 July 2020		27,947
Depreciation charge		(1,118)
Balance at 30 June 2021		<u>26,829</u>
Liabilities		
Opening balance at 1 July 2020		(14,730)
Amortisation of unearned revenue		1,163
Balance at 30 June 2021		<u>(13,567)</u>

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

The Princess Alexandra Hospital Multi-Storey Car Park

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

The developer has constructed a 1,403 space multi-storey car park on site at the hospital. The land where the facility has been constructed is recognised as Metro South Health's land. The recognised value of the relevant land parcel at Princess Alexandra Hospital (PAH) is \$27 million. The portion dedicated to the PAH multi-storey car park is 33.4% with an estimated value of \$9 million.

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

Notes to the Financial Statements

For the year ended 30 June 2021

B7 PUBLIC PRIVATE PARTNERSHIPS SERVICE CONCESSION ASSETS (CONTINUED)

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

This liability is amortised as revenue on a straight-line basis over the 25 year concession period, with 12 years remaining at 30 June 2021. Rental of \$0.295 million per annum undiscounted and escalated for CPI annually will be received from the car park operator up to February 2033.

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

	Note	2021 \$'000	2020 \$'000
Revenue			
Rental income*		390	383
Service concession arrangements revenue	A1-4	1,163	1,163
Expenses			
Depreciation expenses	E6	1,118	1,118
Net impact on operating result		<u>435</u>	<u>428</u>

*The rental income was offset by debt waiver for \$0.097 million (2020: 0.097 million) rent relief granted to the private provider due to COVID19.

Estimated future cash flows of the service concession asset

The Princess Alexandra Hospital multi-storey car park	2021 \$'000	2020 \$'000
Cash inflows*		
Not later than 1 year	396	298
Later than 1 year but no later than 5 years	1,709	1,701
Later than 5 year but no later than 10 years	2,411	2,416
Later than 10 years	820	1,357
	<u>5,336</u>	<u>5,772</u>

*The indicative cash flow does not include \$0.097 million in the 2020 financial year cash inflows estimated for no later than 1 year due to rent relief granted to the private provider due to COVID19.

B8 PAYABLES

	2021 \$'000	2020 \$'000
Trade creditors	8,047	40,915
Accrued expenses	40,073	28,051
Department of Health payables	123,644	70,235
	<u>171,764</u>	<u>139,201</u>

Payables are recognised for amounts to be paid in the future for goods and services received. Trade creditors are measured at the nominal amount, at agreed purchase/contract price, gross of applicable trade and other discounts. The amounts are unsecured and are generally settled in accordance with the vendors' terms and conditions, typically within 30 days.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

B9 ACCRUED EMPLOYEE BENEFITS

	2021	2020
	\$'000	\$'000
Salaries and wages accrued	3,237	12,669
Other employee entitlements payable	218	893
	<u>3,455</u>	<u>13,562</u>

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

B10 CONTRACT LIABILITIES

	2021	2020
	\$'000	\$'000
Current		
Contract liabilities	<u>35,993</u>	<u>1,187</u>

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

During the 2020-21 financial year, from the contract liabilities balance of 1 July 2020 \$0.844 million has been recognised as revenue.

Contract liabilities at 30 June 2021 include \$35.993 million which mainly relates to the following revenue in the Service Agreement with the Department of Health where deliverables have not yet been achieved:

- \$27.555 million Planned Care services will be recognised as revenue over the 2021-22 financial year;
- \$3.686 million COVID19 leave backfill funding will be recognised as revenue over the next 2 financial years;
- \$2.616 million Care in the Right Setting programs will be recognised as revenue over the 2021-22 financial year;
- \$1.205 million several health service programs will be recognised as revenue over the 2021-22 financial year.

B11 OTHER LIABILITIES

	2021	2020
	\$'000	\$'000
Current		
Unearned revenue	189	187
Unearned revenue - service concession arrangements	1,163	1,163
	<u>1,352</u>	<u>1,350</u>
Non-current		
Unearned revenue - service concession arrangements	<u>12,405</u>	<u>13,567</u>
	<u>12,405</u>	<u>13,567</u>

*Additional information for service concession arrangements refer Notes B7, E6.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

B12 LEASES

Leases as lessee

Right-of-use assets	2021	2020
	\$'000	\$'000
Buildings at fair value	17,233	16,356
Buildings less accumulated depreciation	<u>(4,727)</u>	<u>(2,080)</u>
	<u>12,506</u>	<u>14,276</u>

Right-of-use assets movement	Buildings at fair value
	\$'000
Balance 1 July 2019	12,006
Additions	4,410
Depreciation charge for the year	(2,080)
Other adjustments	<u>(60)</u>
Balance at 30 June 2020	<u>14,276</u>
Depreciation charge for the year	<u>(2,665)</u>
Other adjustments - remeasurement	<u>895</u>
Balance at 30 June 2021	<u>12,506</u>

	2021	2020
	\$'000	\$'000
Current		
Lease liabilities	2,417	2,082
Non-current		
Lease liabilities	<u>11,020</u>	<u>12,563</u>
	<u>13,437</u>	<u>14,645</u>

Notes to the statement of cash flows - Changes in liabilities arising from financing activities

	2021
	\$'000
Lease liabilities	
Balance at 1 July 2020	14,645
Non-cash movements:	
Lease interest	391
Lease - other non-cash adjustments	803
Cashflows:	
Lease repayments	<u>(2,297)</u>
Balance at 30 June 2021	<u>13,542</u>

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

B12 LEASES (CONTINUED)

Right-of-use assets

Right-of-use assets are initially recognised at cost comprising the following:

- the amount of the initial measurement of the lease liability
- lease payments made at or before the commencement date, less any lease incentives received
- initial direct costs incurred, and
- the initial estimate of restoration costs.

Right-of-use assets are subsequently depreciated over the lease term and be subject to impairment testing on an annual basis.

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

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

Lease liabilities

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

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by Metro South Health under residual value guarantees
- the exercise price of a purchase option that Metro South Health is reasonably certain to exercise
- payments for termination penalties, if the lease term reflects the early termination

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

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

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

Metro South Health leases properties for office, clinical services and residential accommodation in addition to the rental contracts with the Department of Energy and Public Works (DEPW). Metro South Health entered into concessional lease contracts or peppercorn leases for research, clinical services accommodation and car parking. These leases have been assessed as short term or low value leases.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

B12 LEASES (CONTINUED)

Metro South Health has entered into 3 licence agreements with the Transitional Research Institute (TRI) to meet the accommodation needs of Princess Alexandra Hospital. Two licence agreements are expensed over the term of the agreement and the third agreement is at a peppercorn rate.

Metro South Health has identified a number of contracts that contain a lease for equipment including medical equipment and office equipment. Some of these leases are short-term or low value assets. There are a number of contracts meeting the recognition criteria for right-of-use asset where there is a minimum purchase of consumables in lieu of receiving the equipment free of charge. These contracts have been assessed for materiality at their net present value and deemed not material for right-of-use asset recognition. There are also a number of contracts with variable payment based on the usage of consumables. These contracts are recognised as expenses in clinical supplies when incurred.

Office accommodation, employee housing and motor vehicles

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

Amounts recognised in profit or loss for lease expenses

	2021	2020
	\$'000	\$'000
Interest expense on lease liabilities	419	343
Expenses relating to short-term leases (Note A2-3)	352	578
	771	921

Leases as lessor

Metro South Health recognises lease payments from operating leases as income on a straight-line basis over the lease term.

Metro South Health has operating leases providing clinical services, medical research and education facilities. Some of these leases are peppercorn or concessional leases and some operates under a colocation agreement. Refer note E5. Metro South Health also has lease income from leasing retail stores in hospital buildings and a child care centre as well. There are a number of mobile towers housed on hospital sites providing income to the health service.

Lease income from operating leases is reported as rental income in note A1-2. No amounts were recognised in respect of variable lease payments other than CPI-based or market rent reviews.

Metro South Health also has a finance lease with the Translational Research Institute (TRI), transferred from the Department of Health as at 1 July 2014. Under this transfer Metro South Health became the registered owner of the properties on the land transferred from the Department of Health in accordance with a Transfer Notice and as a result Metro South Health became the lessor under which TRI is the lessee with respect to the head building lease to TRI. The finance lease, prior to the transfer was already prepaid to the Department of Health for the full term of the lease resulting in nil value of the lease at the time of transfer. Under AASB 16 the finance lease would be recognised for the value of the outstanding payments which is also nil. The finance lease is until 2043 with another 20 years option. Refer Note E5.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

B12 LEASES (CONTINUED)

Maturity analysis

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

	2021	2020
	\$'000	\$'000
Less than 1 year	99	330
1 to 2 years	1,979	1,978
2 to 3 years	2,045	1,891
3 to 4 years	1,937	1,857
4 to 5 years	1,450	1,750
More than 5 years	16,212	16,537
	23,722	24,343

B13 ASSET REVALUATION SURPLUS

	2021	2020
	\$'000	\$'000
Land		
Balance at the beginning of the financial year	45,977	46,277
Revaluation increment/(decrement)	(6,111)	(300)
Balance at the end of the financial year	39,866	45,977
Buildings		
Balance at the beginning of the financial year	190,496	166,240
Revaluation increment/(decrement)	3,026	24,256
Balance at the end of the financial year	193,522	190,496
Balance at the end of the financial year	233,388	236,473

B14 EQUITY INJECTIONS AND EQUITY WITHDRAWALS

	2021	2020
	\$'000	\$'000
Balance at the beginning of the financial year	981,707	1,018,194
Cash injection for asset acquisitions	97,758	49,376
Equity asset transfers in/(out) from other Queensland Government entities*	16,466	(1,382)
Non-cash withdrawal for funded depreciation**	(95,806)	(84,481)
Balance at the end of the financial year	1,000,125	981,707

*These transfers are in accordance with the Designation of Transfer Notice.

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

C NOTES ABOUT RISK AND OTHER ACCOUNTING UNCERTAINTIES

C₁ FINANCIAL INSTRUMENTS

Categorisation of financial instruments

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

	2021	2020
	\$'000	\$'000
Financial assets		
Cash and cash equivalents	86,437	53,578
Financial assets at amortised cost		
Receivables	<u>38,470</u>	<u>35,988</u>
	<u>124,907</u>	<u>89,566</u>
Financial liabilities at amortised cost		
Payables	171,764	139,201
Lease liabilities	<u>13,437</u>	<u>14,645</u>
	<u>185,201</u>	<u>153,846</u>

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

Financial risk management

Metro South Health is exposed to a variety of financial risks – credit risk, liquidity risk, interest rate risk and market risk.

Financial risk is managed in accordance with Queensland Government and Metro South Health's policies. Metro South Health's policies provide written principles for overall risk management and aim to minimise potential adverse effects of risk events on the financial performance of Metro South Health.

Credit risk

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

Liquidity risk

Liquidity risk refers to the situation when Metro South Health may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets. Liquidity risk is measured through monitoring of cash flows by active management of accrual accounts. Metro South Health liquidity risk is minimal due to an approved (and unused) overdraft facility of \$34 million (2020: \$34 million) under the whole-of-government banking arrangements to manage any short-term cash shortfalls.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

C1 FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk contractual maturity of financial liabilities

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

Liquidity risk contractual maturity of financial liabilities

	Contractual maturity			2021 Total \$'000	Contractual maturity			2020 Total \$'000
	<1 Year \$'000	1-5 Years \$'000	>5 Years \$'000		<1 Year \$'000	1-5 Years \$'000	>5 Years \$'000	
Payables	171,764	-	-	171,764	139,201	-	-	139,201
Lease liabilities	2,417	6,994	4,026	13,437	2,082	8,551	4,012	14,645
	174,181	6,994	4,076	185,201	141,283	8,551	4,012	153,846

Interest rate risk

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

Fair value measurement

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

C2 COMMITMENTS

Capital expenditure commitments

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

	2021 \$'000	2020 \$'000
Not later than one year	80,400	60,455
Later than one year and not later than five years	30,484	32,325
	110,884	92,780

C3 CONTINGENCIES

Litigation in progress

All Metro South Health indemnified medical indemnity and general liability claims have been managed by the Queensland Government Insurance Fund (QGIF). At 30 June 2021, Metro South Health has 18 litigation cases before the courts (2020: 18 cases). There are 115 claims (2020: 132 claims) managed by QGIF, some of which may never be litigated or result in payment of claims. The maximum exposure to Metro South Health under this policy is \$20,000 for each insurable event. Metro South Health's legal advisors, management advisors and management believe it would be misleading to estimate the final amount payable (if any) in respect of litigation before the courts at this time.

Notes to the Financial Statements

For the year ended 30 June 2021

D BUDGET VS ACTUAL COMPARISON

The following provides explanations of major variances between Metro South Health's actual 2020-21 financial results and the original budget published in the 2020-21 *Queensland State Budget Service Delivery Statements of Queensland Health* and presented to Parliament on 1 December 2020.

D1 BUDGET VS ACTUAL COMPARISON – STATEMENT OF COMPREHENSIVE INCOME

Explanation of major variances – Statement of Comprehensive Income

D1-1 Funding for public health services

The \$65.9 million increase includes an additional \$69.8 million of COVID19 funding (including response, management, vaccine, special leave, specific targeted programs). The residual net decrease of \$3.9 million includes a mix of funding adjustments for services including Planned Care, Oral Health, Dialysis, Clot Retrieval, Maternity, Mental Health, Aged Care and the Care in the Right Setting (CaRS) programs.

D1-2 User charges and fees

The \$18.8 million increase is attributable to increased pharmaceutical benefits scheme billings and increased levels of inpatient, outpatient and workcover billings due to increased patient care services.

D1-3 Other revenue

The increase of \$12.7 million is predominantly due to recoveries of salaries and wages of \$10.6 million for health service employee expenses from other agencies due to a change in employment arrangements of non-executive staff to contract employees of health services where in the budget this was an offset to employee expenses. The remaining \$1.16 million is due to service concession revenue recorded first time under AASB 1059 accounting standard.

D1-4 Employee expenses

The increase of \$13.7 million is due to \$10.6 million being recorded as other revenue instead of offset to employee expenses due to a change in employment arrangements of non-executive staff to contract employees of health services. The remaining \$3.1 million is due to increased staff as part of the COVID19 response and activity initiatives.

D1-5 Health service employee employee expenses

The increase of \$56.7 million is due to increased labour costs as part of the COVID19 response and activity initiatives.

D1-6 Supplies and services

Of the \$43 million variance, \$23.3 million relates to services below fair value where the budget is held in other expenses. The residual \$19.7 million of variance is attributable to increased costs across pathology, communications, outsourced clinical services and prosthetics as well as COVID19 responses.

D1-7 Impairment loss

The increase of \$3.6 million is due to \$0.5 million of increased asset and inventory write offs with the residual variation due to increased bad debt write offs partly offsetting the increases in user charges.

D1-8 Other expenses

The decrease is due to services below fair value of \$21.1 million included in the budget but in the supplies and services category for the actual expense.

E OTHER INFORMATION

E1 KEY MANAGEMENT PERSONNEL AND REMUNERATION EXPENSES

Details of key management personnel

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

Notes to the Financial Statements

For the year ended 30 June 2021

E1 KEY MANAGEMENT PERSONNEL AND REMUNERATION EXPENSES (CONTINUED)

Key management personnel remuneration policies

Key management personnel remuneration – Minister

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

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

Key management personnel remuneration – Board

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

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

Key management personnel remuneration - Executive Leadership Team (ELT)

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

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

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

Remuneration expenses for key management personnel comprise the following components:

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

Metro South Health
Notes to the Financial Statements
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E1 KEY MANAGEMENT PERSONNEL AND REMUNERATION EXPENSES (CONTINUED)

Remuneration expenses

The following details for non-Ministerial key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of Metro South Health in 2020-21. Further information on key management personnel positions can be found in the body of the Annual Report under the section relating to Executive Management. The following tables contain the expenses incurred by Metro South Health attributable to non-Ministerial KMP during the respective reporting periods. For board positions, the expenses are specific to the individual board member. For executive positions, all expenses incurred by Metro South Health that are attributable to that position are included for the respective reporting period, regardless of the number of personnel filling the position in either substantive or acting capacity. The amounts disclosed are recognised on the same basis as expenses recognised in the Statement of Comprehensive Income.

Metro South Hospital and Health Board

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

Position title Position holder	Short-term employee expenses		Other employee expenses		Total Expenses	
	Monetary expenses \$'000		Post-employment expenses \$'000		\$'000	
	2021	2020	2021	2020	2021	2020
Chair						
Adjunct Professor Janine Walker AM (13 October 2017)	96	96	9	9	105	105
Deputy Chair*						
Dr Marion Tower (4 October 2019 to 17 May 2021)**	44	37	4	3	48	40
Board Members						
Ms Helen Darch (18 May 2017)	56	57	5	5	61	62
Adjunct Professor Iyla Davies OAM (18 May 2017)	60	57	6	5	66	62
Mr Peter Dowling AM (29 June 2012 to 17 May 2021)***	49	56	5	5	54	61
Ms Donisha Duff (18 May 2016)	64	51	6	5	70	56
Mr Paul Venus (18 May 2017 to 17 May 2020)****	-	47	-	4	-	51
Mr Brett Bundock (18 May 2018)	55	51	5	5	60	56
Dr Helen Benham (18 May 2019)	56	57	5	5	61	62
Professor Eleanor Milligan (18 May 2019)	56	51	5	5	61	56
Dr Marion Tower (29 June 2012 to 3 October 2019; 18 May 2021)**	6	13	1	2	7	15
Mr Michael Goss (18 May 2020)	48	5	5	1	53	6
Mr Colin Cassidy PSM (18 May 2021)	6	-	1	-	7	-

*The deputy chair position is vacant from 18 May 2021.

** Dr Marion Tower is a member of the Board since 29 June 2012 and continues to be member of the Board from 18 May 2021. Dr Marion Tower was deputy chair between 16 November 2018 to May 2019 and from 4 October 2019 to 17 May 2021.

***Mr Peter Dowling AM is no longer a Board member since 18 May 2021.

****Mr Paul Venus is no longer a Board member since 18 May 2020.

Notes to the Financial Statements

For the year ended 30 June 2021

E1 KEY MANAGEMENT PERSONNEL AND REMUNERATION EXPENSES (CONTINUED)

Metro South Hospital and Health Service Executives remuneration expenses

Position title Position responsibility	Short term employee expenses		Other employee expenses				Total Expenses	
	Monetary expenses \$'000		Long term employee expenses \$'000		Post-employment expenses \$'000		Total Expenses \$'000	
	2021	2020	2021	2020	2021	2020	2021	2020
Health Service Chief Executive Delegated the operational responsibility to fulfil the Board's objectives and strategies. The Health Service Chief Executive then sub-delegates certain functions to the Executive team and other employees as specified under the various instruments of delegation.	512	524	11	11	52	51	575	586
Chief Finance Officer This position is responsible and accountable for the operation of the financial management system and control environment for Metro South Health. It provides strategic advice and leadership of the financial management functions for the Hospital and Health Service.	251	268	5	6	26	26	282	300
Chief Operating Officer* This position is responsible for directing and managing the five acute hospitals, Addiction and Mental health Services along with Community and Oral health services.	316	256	6	5	32	22	354	283

*This position was established in accordance with Section 74 of the *Hospital and Health Board Act 2011* in the 2019-20 financial year from 6 January 2020.

Metro South Health
Notes to the Financial Statements
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E2 RELATED PARTY TRANSACTIONS

Transactions with Queensland Government Controlled Entities

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

Department of Health

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

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

The signed Service Agreements are published on the Queensland Government website and publicly available.

In addition to the provision of corporate services support (refer to notes A1-3 and A2-3), the Department of Health manages, on behalf of Metro South Health, a range of services including pathology testing, pharmaceutical drugs, clinical supplies, patient transport, technology services and telecommunications. These are provided on a cost recovery basis. In 2020-21, these services totaled \$223.258 million (2020: \$225.995 million).

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

Other Hospital and Health Services

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

Queensland Treasury Corporation

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

Department of Energy and Public Works

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

Transactions with people/entities related to KMP

All transactions in the year ended 30 June 2021 between Metro South Hospital and Health Service and key management personnel, including their related parties, were examined. Transactions were identified with three related entities, which were all on normal commercial terms and conditions and were immaterial in nature.

E3 RESTRICTED ASSETS

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

At 30 June 2021, amounts of \$22.672 million (2020: \$22.326 million) in general trust and \$12.382 million (2020: \$9.336 million) for research projects are set aside for the specified purposes underlying the contribution.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

E4 AGENCY AND FIDUCIARY TRUST TRANSACTIONS AND BALANCES

Fiduciary trust transactions

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

	2021	2020
	\$'000	\$'000
Fiduciary trust receipts and payments		
Receipts	2,800	2,760
Payments	<u>(2,618)</u>	<u>(2,765)</u>
Increase/(decrease) in net patient trust assets	<u>182</u>	<u>(5)</u>
Decrease in net refundable deposits	<u>(7)</u>	<u>-</u>
Fiduciary trust assets		
Current Assets		
Cash		
Patient trust funds	474	285
Other refundable deposits	<u>1</u>	<u>8</u>
Total current assets	<u>475</u>	<u>293</u>

Agency granted private practice transactions and balances

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

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

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

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

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

E4 AGENCY AND FIDUCIARY TRUST TRANSACTIONS AND BALANCES (CONTINUED)

	2021	2020
	\$'000	\$'000
Granted private practice receipts and payments		
Receipts		
Private practice receipts*	60,449	53,567
Interest	25	45
Other receipts*	317	587
Total receipts	60,791	54,199
Payments		
Payments to doctors	13,619	12,826
Payments to Metro South Health for recoverable costs	38,708	36,354
Payments to Metro South Health general trust for SERTA	6,284	5,831
Other payments	568	320
Total payments	59,179	55,331
Increase/(decrease) in net granted private practice assets	1,612	(1,132)

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

	2021	2020
	\$'000	\$'000
Granted private practice assets		
Current assets		
Cash*	6,324	4,712
Total current assets	6,324	4,712

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

E5 CO-LOCATION ARRANGEMENTS

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

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

Metro South Health

Notes to the Financial Statements

For the year ended 30 June 2021

E5 CO-LOCATION ARRANGEMENTS (CONTINUED)

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

Co-location agreement with Mater Private Hospital Redland

In accordance with the Co-location Agreement, in 2020-21 Metro South Health recognised \$0.185 million (2020: \$0.241 million) revenue offset by \$0.055 million rent relief waiver for Q1 of 2020-21 due to COVID19. Metro South Health has not recognised any rights or obligations relating to these facilities other than those associated with land rental and the provision of services under the agreements. Metro South Health has the right to retain the rent in accordance with the Deed of Lease in the Transfer Notice. The land where the Mater Private Hospital Redland was constructed is approximately 9% of the Redland Hospital land recognised at a total value of \$1.26 million. Refer Note B12.

Co-location agreement with Translational Research Institute Pty Ltd

The land where the Translational Research Institute (TRI) was constructed is approximately 12% of the relevant parcels of the Princess Alexandra Hospital land recognised at a total value of \$12.192 million. The land was transferred to Metro South Health as at 1 July 2014 from the Department of Health in accordance with a Transfer Notice. This included the transfer of the finance lease with TRI on the land which was already prepaid to the Department of Health for the full term of the lease prior to the transfer resulting in no value recorded for the finance lease in Metro South Health accounts. Metro South Health does not record revenue from this arrangement. Refer Note B12.

Co-location agreement with University of Queensland – Redland Hospital

The land where the University of Queensland Training Facility was constructed is approximately 0.3% of the relevant parcels of the Redland Hospital land recognised at a total value of \$0.05 million. The lease for the building is between Metro South Health and the University of Queensland and no revenue is recorded from this arrangement. Refer Note B12.

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

The land where the University of Queensland Training Facility was constructed is approximately 0.4% of the relevant parcels of the Queen Elizabeth II Jubilee Hospital land recognised at a total value of \$0.08 million. The lease for the building is between Metro South Health and the University of Queensland and no revenue is recorded from this arrangement. Refer Note B12.

E6 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS

Accounting standards applied for the first time

One new accounting standard with material impact was applied for the first time in 2020-21:

- AASB 1059 Service Concession Arrangements: Grantors

Metro South Health applied AASB 1059 *Service Concession Arrangements: Grantors* for the first time in 2020-21. The nature and effect of changes resulting from the adoption of AASB 1059 are described below.

AASB 1059 applies to grantors in service concession arrangements, which involve an operator:

- providing public services related to a service concession asset on behalf of a grantor; and
- managing at least some of those services under its own discretion, rather than at the direction of the grantor.

Metro South Health
Notes to the Financial Statements
For the year ended 30 June 2021

E6 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS (CONTINUED)

In addition, the grantor must control the asset, which is demonstrated by:

- controlling or regulating:
 - what services the operator must provide with the asset,
 - to whom it must provide them, and
 - at what price; and
- controlling any significant residual interest in the asset at the end of the term of the arrangement.

Metro South Health has one public-private partnership arrangement and that falls within scope of AASB 1059.

Accounting for service concession arrangements under AASB 1059

Service concession asset

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

Liabilities

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

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

Transitional impact

Metro South Health has a contractual arrangement with International Parking Group Pty Limited for the operation of the Princess Alexandra Hospital (PAH) car park – see note B7 for details about this arrangement. The service concession period commenced in February 2008. Under previously applicable accounting standards and Queensland Treasury policies, the hospital car park facilities have not been recognised on balance sheet as it was an economic infrastructure arrangement.

Upon transitioning to AASB 1059, Metro South Health recognised the hospital car park facility as a service concession asset. At the same time, Metro South Health recognised an unearned revenue liability. The asset and liabilities are recognised retrospectively as an adjustment to opening comparative balances at 1 July 2019, with the net difference taken to opening accumulated surplus.

The following table summarises the transitional adjustments on 1 July 2019 as the comparative opening balance relating to the adoption of AASB 1059.

	2019-20
	\$'000
Service concession asset	29,065
Unearned revenue liability	15,893
Accumulated surplus	13,172

Other than the contract with International Parking Group Pty Limited, Metro South Health does not currently have any other arrangements that fall within the scope of AASB 1059.

E7 CLIMATE RISK DISCLOSURE

Climate Risk Assessment

Metro South Health addresses the financial impacts of climate related risks by identifying and monitoring the accounting judgements and estimates that will potentially be affected, including asset useful lives, fair value of assets, provisions or contingent liabilities and changes to future expenses.

Notes to the Financial Statements

For the year ended 30 June 2021

E7 CLIMATE RISK DISCLOSURE (CONTINUED)

Metro South Health has not identified any material climate related risks relevant to the financial report at the reporting date, however, constantly monitors the emergence of such risks under the Queensland Government's Climate Transition Strategy. No adjustments to the carrying value of recorded assets or other adjustments to the amounts recorded in the financial statements were recognised during the financial year.

E8 IMPACT OF COVID19 ON THE FINANCIAL STATEMENTS

The impact of the COVID-19 pandemic is ongoing across the globe with far reaching consequences. Metro South like many health organisations was impacted by COVID19 with significant disruption and reduction to normal service provision as a need to ensure its readiness and capacity to respond to the treatment of COVID19 infected patients and to increase its prevention and public health capacity.

Funding for 2020-21 for COVID19 impacts of \$78.87 million (2020: \$14.8 million) was provided through the COVID19 National Partnership Agreement and for the COVID19 vaccination program rollout. Additionally, the Queensland Government awarded health workers two days of special COVID19 pandemic leave based on a set of eligibility criteria. This leave must be taken within 2 years or eligibility is lost. The entire value of the leave of \$10.4 million for health service employees was paid by Metro South Health to the Department of Health in advance. The leave is expensed in the period when the leave is taken for all employees and the remaining balance for health service employees is treated as prepayment of \$5.323 million to the Department of Health. Refer Notes A2-1, A2-2, B5 and B9. Funding of \$8.1 million was provided for the backfill of frontline staff taking the special leave including \$3.686 million recognised as contract liability representing future year's funding. Refer Note A1-1 and B10.

Metro South Health considered the COVID19 impact for its land and building valuation. State Valuation Services was consulted about the potential impact of COVID19 on Metro South Health's land valuations with advice that there is market uncertainty however, valuations are current at date of valuation based upon information available at the time. The value assessed may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer could not reasonably have been aware of as at the date of valuation). Jacobs was consulted about the potential impact of COVID19 on Metro South Health's building valuations with advice that valuation adjustments are not required with construction prices remaining relatively stable due to economic stimulus measures undertaken in addition to further time required for potential price and indexation data movement to filter through the industry.

CERTIFICATE OF METRO SOUTH HEALTH

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

- a) The prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) The financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Metro South Health for the financial year ended 30 June 2021 and of the financial position of Metro South Health at the end of that year; and

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



Janine Walker AM
Adjunct Professor, BAEd, GradDip Business,
FAHRI, FAIM, MAICD
Chair
Metro South Hospital and Health Board
24 August 2021



Dr Peter Bristow
FRACP, FCICM, FRACMA,
GCM, GAICD
Health Service Chief Executive
Metro South Health
24 August 2021



Robert Mackway-Jones
BCom, MBA, CA
Chief Finance Officer
Metro South Health
24 August 2021

INDEPENDENT AUDITOR'S REPORT

To the Board of Metro South Hospital and Health Service

Report on the audit of the financial report

Opinion

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

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2021, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

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* (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 \$812.2 million

Refer to Note B6

Key audit matter	How my audit procedures addressed this key audit matter
<p>Buildings were material to Metro South Hospital and Health Service at balance date and were measured at fair value using the current replacement cost method. MSHHS performed a comprehensive revaluation over a significant portion of its buildings in the current year. The current replacement cost method comprises:</p> <ul style="list-style-type: none"> gross replacement cost, less accumulated depreciation. <p>Metro South Hospital and Health Service derived the gross replacement cost of its buildings at the 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, 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>Using indexation required:</p> <ul style="list-style-type: none"> Significant judgment in determining the indexation factors that reflected the estimated change, since the previous balance date, in the cost inputs used in developing the gross replacement. Reviewing previous assumptions and judgements used in the determination of fair value in intervening years between the comprehensive valuation to ensure ongoing validity of assumptions and judgements used. <p>The measurement of accumulated depreciation involved significant judgements for forecasting the remaining useful lives of building components.</p>	<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 associated with buildings that were comprehensively revalued this year: <ul style="list-style-type: none"> 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 ensuring 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. <p>Where changes in useful lives were identified, evaluating whether the effective dates of the changes applied for depreciation expense were supported by appropriate evidence.</p>

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of expressing an opinion on the effectiveness of the entity's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Board, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2021:

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

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.



David Toma
as delegate of the Auditor-General

30 August 2021

Queensland Audit Office
Brisbane

Glossary

Acronyms

4CD	Connecting Care for Complex Chronic Disease project
ABF	Activity Based Funding
AM	Member of the Order of Australia
AO	Order of Australia
CCC	Crime and Corruption Commission
CCTV	Closed circuit television
ED	Emergency Department
FAA	<i>Financial Accountability Act 2019</i>
FTE	Full time equivalent
HEAU	Health Equity and Access Unit
HHS	Hospital and Health Service
HRA	<i>Human Rights Act 2019</i>
HSCE	Health Service Chief Executive
ICARE ²	Integrity, Compassion, Accountability, Respect, Engagement, Excellence
ICT	Information and communication technology
ISO	International Organization for Standardization

KPIs	Key Performance Indicators
LEAPOnline	Learning Education and Professional development Online
MOHRI	Minimum Obligatory Human Resource Information
MP	Member of Parliament
MRSA	Methicillin Resistant Staphylococcus aureus
MSH	Metro South Health
MSHHS	Metro South Hospital and Health Service
OAM	Medal of the Order of Australia
PCP	Priority Capital Program
PSM	Public Service Medal
QAO	Queensland Audit Office
QCH	Queensland Children's Hospital
QHRC	Queensland Human Rights Commission
QWAU	Queensland Weighted Activity Unit
SAB	Staphylococcus aureus bloodstream
WAU	Weighted Activity Unit

Glossary

Terms

Activity Based Funding	The funding framework used to fund public health care services delivered across Queensland
Bariatric	A branch of medicine dealing with the study and treatment of obesity
Board	Metro South Hospital and Health Board
Burden of disease	The impact of a health problem as measured by financial cost, mortality, morbidity and other indicators
Clinical Streams	Health specialty areas
Closing the Gap	A government strategy that aims to reduce disadvantage among Aboriginal and Torres Strait Islander people with respect to life expectancy, child mortality, access to early childhood education, educational achievement, and employment outcomes
ICARE ² values	A set of organisational values adopted by Metro South Health that provide the framework for how we deliver care
LEAPOnline	A Learning Management System that brings together training, education and professional development opportunities for Metro South Health staff
Magnet [®]	An international program providing recognition for excellence in nursing care
NAIDOC Week	A week of celebrations held across Australia to celebrate the history, culture and achievements of Aboriginal and Torres Strait Islander peoples
Nurse Navigator	A role in Queensland's public health sector in which highly experienced nurses provide support to patients with complex health conditions
COVID-19	Coronavirus disease (COVID-19) is an infectious disease caused by the SARS-CoV-2 virus.
ReACH	The Rehabilitation with Activity at Home service provides intensive rehabilitation to patients in their own home under the Hospital in the Home inpatient model of care.
S/4 HANA	An enterprise resource planning system with built-in intelligent technologies
Telehealth	The delivery of health services and information using telecommunication technology such as live video and audio links, teleradiology, storing of clinical data and images on a computer for forwarding to another location
Translational research	Translates findings in fundamental research into medical practice and meaningful health outcomes

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 92
	<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 6
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 37
	<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 43
Governance - management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs - section 13.1	p 28
	<ul style="list-style-type: none"> Executive management 	ARRs - section 13.2	p 25
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs - section 13.3	-
	<ul style="list-style-type: none"> Public Sector ethics 	ARRs - section 13.4	p 33
	<ul style="list-style-type: none"> Human rights 	<i>Human Rights Act 1994</i> ARRs - section 13.5	p 35
	<ul style="list-style-type: none"> Queensland public service values 	ARRs - section 13.6	p 11
Governance - risk management and accountability	<ul style="list-style-type: none"> Risk management 	ARRs - section 14.1	p 32
	<ul style="list-style-type: none"> Audit committee 	ARRs - section 14.2	p 33
	<ul style="list-style-type: none"> Internal audit 	ARRs - section 14.3	p 32
	<ul style="list-style-type: none"> External scrutiny 	ARRs - section 14.4	p 32
	<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 32
Governance - human resources	<ul style="list-style-type: none"> Strategic workforce planning and performance 	ARRs - section 15.1	p 29
	<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 31

Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Open data	• Statement advising publication of information	ARRs - section 16	p 31
	• Consultancies	ARRs - section 33.1	p 31
	• Overseas travel	ARRs - section 33.2	p 31
	• Queensland Language Services Policy	ARRs - section 33.3	p 31
Financial statements	• Certification of financial statements	FAA - section 62 FPMS - sections 38, 39 and 46 ARRs - section 17.1	p 86
	• Independent Auditor's Report	FAA - section 62 FPMS - section 46 ARRs - section 17.2	p 87

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2019*

ARRs *Annual report requirements for Queensland Government agencies*

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Metro South Hospital and Health Service

www.metrosouth.health.qld.gov.au