

# ANNUAL REPORT 2023–2024

**South West  
Hospital and Health Service**



#### **Open data**

Information about consultancies and the Queensland language services policy is available at the Queensland Government Open Data website (<https://www.data.qld.gov.au>). South West HHS has no Open Data to report on Overseas Travel.

#### **Public availability statement**

An electronic copy of this report is available at [www.southwest.health.qld.gov.au](http://www.southwest.health.qld.gov.au). Hard copies of the annual report are available by phoning the Board Governance Officer on 07 4505 1544.

Alternatively, you can request a copy by emailing [SWHHS\\_Board@health.qld.gov.au](mailto:SWHHS_Board@health.qld.gov.au).

#### **Interpreter service statement**



The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds.

If you have difficulty in understanding the annual report, you can contact us on telephone (07) 4505 1544 and we will arrange an interpreter to effectively communicate the report to you.

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#### **Attribution**

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

## Acknowledgement of Traditional Custodians

South West Hospital and Health Service pays respect to the First Nations people of the land on which all our services are located – their spirits, their ancestors, and their Elders, past and present – for their resilience, determination, cultural knowledge and wisdom.

We recognise it takes the strength and courage of current and future generations, both First Nations and non-Indigenous people, to work together for equality, recognition and holistic health advancement for First Nations people.

We reflect on the past and give hope for the future. We genuinely aspire to represent, advocate for and promote the needs of all First Nations people of South West Queensland.

We commit to walk together on our shared journey to health equity and create healthy communities in South West Queensland.

The lands and waters within the South West Hospital and Health Service region encompass the following Traditional Owner groups:

Location / facility	Traditional Owners
Augathella	Bidjara people ( <i>Bid-jara</i> )
Bollon	Kooma people ( <i>Coo-ma</i> )
Charleville	Bidjara people ( <i>Bid-jara</i> )
Cunnamulla	Kunja people ( <i>Koun-yah</i> ) with other interests
Dirranbandi	Yuwaalaraay / Euahlayi people ( <i>You-wal-a-ray / You-al-e-i</i> )
Eromanga	Boonthamurra people ( <i>Boon-tha-murra</i> )
Eulo	Budjiti people ( <i>Bud-ji-ti</i> )
Injune	Bidjara people ( <i>Bid-jara</i> )
Mitchell	Gunggarri people ( <i>Gon-gari</i> )
Morven	Bidjara people ( <i>Bid-jara</i> )
Mungindi	Kamilaroi people ( <i>Car-milla-roy</i> )
Quilpie	Mardigan ( <i>Mar-d-gan</i> ) Boonthamurra ( <i>Boon-tha-murra</i> ) and Wongkumara ( <i>Wong-kum-ara</i> ) people, with other interests
Roma	Mandandanji people ( <i>Mand-an-dand-gee</i> )
St George	Kooma people ( <i>Koo-ma</i> ) (with Kamilaroi, Mandandanji, Bigambul and Gunggarri interests)
Surat	Mandandanji people ( <i>Mand-an-dand-gee</i> )
Thargomindah	Kullilli people ( <i>Cool-lee-lar</i> )
Wallumbilla	Mandandanji people ( <i>Mand-an-dand-gee</i> )
Waroona	Bidjara people ( <i>Bid-jara</i> )
Westhaven	Mandandanji people ( <i>Mand-an-dand-gee</i> )

South West Hospital and Health Service deeply respects and recognises that First Nations people within their respective communities each have their own unique languages, beliefs, cultural practices, traditions and diversity.

We also acknowledge a range of collective terms reflect the unique identity of Aboriginal people and Torres Strait Islander peoples. The primary term used in this document is First Nations people.

## Letter of compliance

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

4 September 2024

Dear Minister

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

I certify that this Annual Report complies with:

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

A checklist outlining the annual reporting requirements is provided at pages 81-82 of this annual report.

Yours sincerely



**Karen Riethmuller Tully**  
Chair  
South West Hospital and Health Board

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## Statement on Queensland Government objectives for the community

The South West Hospital and Health Service (HHS) is committed to a healthier and more equitable future for all South West Queenslanders.

Working closely with our partners for the benefit of the communities we are privileged to serve, key achievements detailed within this annual report demonstrate progression of the *South West HHS Strategic Plan 2022-2026* and our wider contribution towards the Queensland Government's broader objectives for the community, including:

- *Good jobs*: through designing and implementing responsive workforce models that optimise scope of practice, capacity and workforce quality to deliver safe, effective and sustainable care to our communities – and provide opportunities for our staff and teams where people can flourish and grow.
- *Better services*: through building and delivering a highly integrated local network across the care continuum for all populations and communities in a sustainable manner.
- *Great lifestyle*: through working with our partners and local communities to close the gap on health inequalities for all, and ensuring care we provide is always person-centred.

## From the Chair and Chief Executive

We are pleased to present South West Hospital and Health Service's (HHS) Annual Report for the 2023-2024 Financial Year.

This report is dedicated to the ongoing commitment and dedication of all staff and teams working across the South West – and also our valued partners and local communities – as we continue to work together to ensure the provision of safe, effective, responsible and sustainable rural and remote health services that people trust and value.

Throughout the year, and as detailed in the following pages, there have been many key achievements and performance outcomes as we collectively continued our journey of progressing the *South West Hospital and Health Service Strategic Plan 2022-2026*.

### Our communities

Meeting the needs of the communities we are privileged to serve is our fundamental core purpose and, covering a region equivalent to 17 per cent of Queensland, supporting individual needs, aspirations and expectations in a realistic, sustainable, safe and compassionate manner remains central to our person-centred care approach.

The healthcare ecosystem is complex, and moving throughout communities in South West Queensland and connecting with people is an important contributor to being able to govern inclusively and strongly. It is only by doing this that, collectively, we can identify and grasp opportunities for further improvement and reform to improve health outcomes.

Through our dedicated network of 16 Community Advisory Networks (CAN) across each of our local communities which – alongside a service-wide Mental Health CAN – comprise over 100 participants, and through dedicated wider community meetings between Board members and the Health Service Chief Executive, we continue to welcome frank feedback on issues which are going well and / or require further attention and guidance on how best to provide services to them.

During these discussions, we have also been able to share wider insights across a range of challenges and other considerations which impact service provision and, in the resulting spirit of shared understanding, work together with our staff to develop appropriate and sustainable local responses that address concerns in partnership.

For all that you do, and your selfless enthusiasm and commitment towards advancing the needs of your local communities, we would like to thank all CAN chairs and members throughout the South West – and everyone who has either taken time throughout the year to participate in events hosted by the HHS or our partners to provide valuable feedback on services.

### Our teams

Workforce attraction, recruitment and retention remains amongst the most significant issues affecting the sustainable provision of quality health and aged care, and these issues are particularly amplified within a rural and remote context.

Through a range of local and statewide approaches, South West HHS remains committed to ensuring we proactively prioritise and support staff wellbeing, so that high-quality care can continue to be delivered for the benefit of residents and visitors alike.

In particular, we strive to collectively develop appropriate and locally sourced solutions that will effectively support us to 'grow our own' clinical workforce for the future, with a range of

initiatives to generate a forward pipeline for much needed medical, nursing and midwifery and allied health positions that also provides opportunities for people to remain closer to home.

A new workforce strategy and supporting implementation plan, designed by and for our workforce during the reporting period to 2026, will also build on existing foundations for staff and teams to further create and sustain a safe and culturally sensitive workplace for patients and each other.

A key early achievement was the launch of a *Culture Compass* Employee Experience Survey, codesigned by staff, to strengthen existing organisational culture and enhance overall employee experience.

Between 26 February and 18 March 2024, an impressive 68 per cent of colleagues submitted their views and insights, with attributes relating to workplace safety and gender equity amongst the highest scoring measures.

Improvement-focused conversations are currently taking place within workplace teams, and we look forward to seeing the implementation of measures in the coming twelve months which will further strengthen our organisational culture.

### **Our resources**

During the reporting period, South West HHS continued to provide effective care in a responsible and sustainable manner and, for the financial year ahead, the Board has signed a service delivery agreement with Queensland Health for \$218 million, which is an increase of \$19.3 million on last year's budget.

Funded through a combination of State and Commonwealth initiatives, or supplemented through reinvestment of Board retained earnings, infrastructure upgrades for the continuing benefit of local communities and staff also continue to be progressed.

Key achievements during the reporting period include:

- Completion of new community and allied health buildings at Charleville and St George Hospitals, as well as the ongoing replacement of the existing Morven Community Clinic, through the Queensland government's *Building Rural and Remote Health Program*.
- Completion of safe decontamination of the 'old' Roma Hospital site, where a new administration block will be constructed to expand the existing campus by relocating a demountable office building currently installed at the Queen Elizabeth II Hospital in Brisbane, as well as providing additional car parking for staff and visitors to both the Roma Hospital and adjacent Westhaven Residential Aged Care Facility.
- Refurbishment of an existing inpatient ward within the Cunnamulla Multipurpose Health Service (MPHS) to provide additional aged care beds, ancillary rooms and to also create a sensory garden for the benefit of residents and their visitors.
- Improvements to Augathella, Injune and Surat MPHSs to provide an additional two aged care beds per site, in addition to other layout improvements, and air conditioning and ventilation system upgrades across a range of other locations.
- Reconfiguration of existing residence and redundant medical practice buildings to provide much needed ensuite bedrooms and shared common areas for Mungindi MPHS staff.
- Progression of additional accommodation solutions across a range of locations including Augathella, Injune, Quilpie, St George, Surat and Thargomindah, to both



support our staff and assist in relieving wider pressures on available rentals within respective communities.

These initiatives are vital to ensure communities receive care closer to home, in addition to helping encourage recruitment and retention of staff as well as supporting local employment and wider business benefits during construction.

We will also continue to advocate for the needs of our communities to ensure more fit for purpose infrastructure and financial supports that ensure more equitable service provision for the years ahead.

As a leading employer in the region, and with healthcare being a significant contributor towards existing impacts, we also take our broader corporate and environmental responsibilities for future generations seriously, as demonstrated by being the first HHS across Queensland to undertake a detailed risk assessment workshop facilitated by Queensland Health into the particular climate risks we face as a wider community.

Informed by staff, partner and community input, South West HHS's first *Climate Sustainability Plan* was published in May 2024 and maps out how South West HHS will further contribute towards the Queensland Government's 2030 renewable energy and emission reduction goals and 2050 net zero emission target through a range of pragmatic and practical measures in the years ahead.

### **Our services**

At South West HHS, delivering excellent patient care is at the heart of everything we do. In partnership with our patients and their families, we are committed to taking actions that improve the safety and quality of our services – as we see it as our duty to ensure everyone receives safe, personalised care every time.

The HHS successfully undertook organisational wide reaccreditation against *National Safety and Quality Health Service Standards* between 30 October to 3 November 2023. For the first time, this process was undertaken unannounced, with visiting assessors reporting evidence of meeting industry standards and a collective focus on compassionate, safe and person centred-care across all of our facilities.

With our two residential aged care facilities and nine general practices also remaining accredited against respective standards, South West HHS continues its focus on being 'accreditation ready every day' in advance of its next organisational wide review in 2027.

During the reporting period, a new quality and safety strategy was developed which provided an ideal opportunity for our staff and communities to review existing service provision and identify a range of forward actions in the pursuit of continuously improving patient outcomes, whilst continuing to build a reputation as an organisation in which our people can flourish and grow.

### **First Nations Health Equity**

Informed by *Our Way – Together*, South West HHS's *First Nations Health Equity Strategy 2022-2025* a supporting implementation plan was formally launched at a vibrant public event hosted at the Cunnamulla Shire Hall on 24 July 2023.

The implementation plan, developed through further co-design and engagement with local communities, staff, and partners – including our Aboriginal Community Controlled Health Organisation partners – details 38 foundational commitments alongside realistic timelines

towards achieving meaningful health equity and actively eliminating historical racial discrimination and institutional racism.

Ongoing oversight of the implementation plan and development of future commitments is being overseen by a First Nations Health Equity Committee, reporting directly to the South West Hospital and Health Board, which met for the first time in December 2023 and is subsequently meeting on a quarterly basis.

Closing the Gap in health outcomes requires a collective effort across the entire health system, workforce and primary and community health care sector. Working in genuine partnership, and standing shoulder to shoulder with our partners and communities, we are committed to continuing our journey to achieve Health Equity, *Our Way – Together*.

### **Our performance**

Through the dedication and hard work of all South West staff and teams, the HHS has once again delivered strong outcomes across its service targets.

Although many challenges were encountered throughout the year – including on occasion the need to stand up Incident Management Teams in response to weather events and other emergent issues – our collective achievements, are only possible because of your tireless commitment, goodwill and dedication.

No matter where you are located and the role you play – we sincerely thank you for all your care and dedication to keep our communities safe.

### **Forward look**

As we reflect on the year's achievements, and how far the organisation has come since establishment in 2012, we also recognise the ongoing complexities and dynamics of an aging population, impact of chronic diseases and a legacy of historical inequities due to the tyranny of distance upon local health outcomes.

With recent welcome additions to our Board and Executive Team, and with further plans to attract and retain colleagues across all levels and locations in a sustainable manner, there will be lots of inspiring opportunities for staff and local communities to further support the continued evolution of our services and capability based on current and future population health needs, including preventative care approaches and primary care services.

Key to this will be progression of a Joint Needs Health Assessment with Western Queensland Primary Health Network and other partners, reviewing and addressing data sharing barriers with our partners and progression of First Nations Health Equity, quality and safety, climate sustainability and digital strategy commitments alongside other locally based health promotion services and workforce uplift opportunities.

We therefore look forward to celebrating further advances and key achievements in the years ahead, and commend those detailed within the following annual report as we continue our journey of ensuring a fit for purpose hospital and health service that people trust and value and enhancing our capability and capacity to further grow and improve overall care in a sustainable way.

**Karen Riethmuller Tully**  
**Chair**  
**South West Hospital and Health Board**

**Rebecca Greenway**  
**Acting Health Service Chief Executive**  
**South West Hospital and Health Service**

## About us

Commencing service on 1 July 2012, the South West Hospital and Health Service (South West HHS) is an independent statutory body overseen by a local Hospital and Health Board in accordance with the *Hospital and Health Boards Act 2011 (Qld)*.

As one of 16 Hospital and Health Services (HHS) across Queensland, and working closely with our valued partners and communities, we deliver person-centred care to over 26,000 people across the six Local Government Areas of the Balonne, Bulloo, Murweh, Paroo and Quilpie Shire Councils, and the Maranoa Regional Council.

Across a catchment area of 319,000 square kilometres – or 17 per cent of Queensland – quality public health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services are delivered from three hospitals at Charleville, Roma and St George.

Care is also provided across eight multipurpose health services (MPHS) at Augathella, Cunnamulla, Dirranbandi, Injune, Mitchell, Mungindi, Quilpie and Surat, and four community clinics at Bollon, Morven, Thargomindah and Wallumbilla.

We also manage nine general practices, located within towns served by our MPHS, and two residential aged care facilities at Westhaven in Roma, and Waroona in Charleville.

We strive to be a trusted and valued leader in the delivery of health services to rural and remote communities and work closely with a range of valued partners to provide safe, effective, responsible and sustainable rural and remote health services.

These include:

- Local Aboriginal Community Controlled Health Organisations (ACCHO) partners – the Charleville and Western Areas Aboriginal and Torres Strait Islander Community Health Limited (CWAATSICH), the Cunnamulla Aboriginal Corporation for Health (CACH), Goondir Health Services and also the Surat Aboriginal Corporation
- The Western Queensland Primary Health Network, and the Nukal Murra Alliance
- Southern Queensland Rural Health, and tertiary education partners including the University of Queensland and the University of Southern Queensland
- Our Community Advisory Networks
- The Darling Downs Public Health Unit
- The Royal Flying Doctor Service
- Local government, education providers and Queensland Emergency Service colleagues (Ambulance, Police and Fire, in addition to State Emergency Service teams)
- State and Commonwealth departments of health and associated programs
- Neighbouring and statewide HHSs and other statewide entities, including Health and Wellbeing Queensland, Health Consumers Queensland and the Queensland Mental Health Commission.

## Strategic direction

Informed by the Australian Statistical Geography Standard and Modified Monash Model, the regions of Roma and Balonne are classified as remote, with all other regions of the HHS as very remote.

The entire South West region is also identified nationally as being a:

- *Distribution Priority Area*, where people do not have enough access to doctors, based on the needs of the community.
- *District of Workforce Shortage*, whereby people have limited access to eight key specialist medical practitioners (Anaesthetics; Cardiology; Diagnostic Radiology; General Surgery; Obstetrics and Gynaecology; Ophthalmology; Medical Oncology and Psychiatry).

Despite these challenges, South West HHS has continued to successfully deliver key strategic objectives in accordance with the *South West HHS Strategic Plan 2022-2026*<sup>1</sup> whilst providing high quality, timely, accessible and safe services in a sustainable manner in accordance with its Service Agreement, Service Delivery Statement and other obligations.

## Vision, purpose, values

South West HHS's interactions with communities, colleagues and partners, local decision making processes – and the delivery of services – reflect our Board's strategic direction, as follows:

- **Our vision:** to be a trusted and valued leader in the delivery of health services to rural and remote communities.
- **Our purpose:** to provide safe, effective, responsible and sustainable rural and remote health services that people trust and value.
- **Our values:** Quality, Compassion, Accountability, Engagement, Adaptability.

## Priorities

In accordance with the *Financial and Performance Management Standard 2019*, the South West HHS strategic plan is reviewed annually to ensure continued emphasis on the Board's key areas of focus across the four domains of Our communities, Our teams, Our resources, and Our services.

During the reporting period, the strategic plan was updated to place greater emphasis on the importance of partnership working, the first 2,000 days and inclusion of a new Climate Strategy and Environmental Sustainability Action Plan as key drivers of our strategic direction. These updates will take effect from 1 July 2024.

In addition, a new Disability Strategy, Quality and Safety Strategy, Digital Strategy and Workforce Strategy Implementation Plan were also developed to further guide progression of our services<sup>2</sup>.

## Aboriginal and Torres Strait Islander Health

With approximately 13 per cent of residents identifying as First Nations people, South West HHS fully supports the importance and priority of achieving health equity for First Nations peoples by way of reshaping the Queensland Health system so that everybody has the same opportunity to reach their full health potential.

As evidenced by the ongoing efforts outlined in our Health Equity Strategy, *Our Way – Together* and supporting Implementation Plan<sup>3</sup> progressive steps continue to be taken

<sup>1</sup> <https://www.southwest.health.qld.gov.au/about-us/publications-and-reporting/strategic-plan-2022-2026>

<sup>2</sup> <https://www.southwest.health.qld.gov.au/about-us/publications-and-reporting>

<sup>3</sup> <http://www.southwest.health.qld.gov.au/about-us/publications-and-reporting/health-equity-strategy>

alongside our key partners, our communities and our staff towards achieving genuine health equity and actively eliminating historical racial discrimination and institutional racism.

A key initial achievement in the reporting period was the formal commencement of a new First Nations Health Equity Committee, comprising representatives of our ACCHO partners: CACH, CWAATSICH and Goondir Health Services, the WQPHN and – on behalf of South West HHS – the Board Chair and a member of the Board who identifies as a First Nations person, the Health Service Chief Executive, Executive Director Aboriginal and Torres Strait Islander Health and Engagement (who Chairs the meeting) and the Executive Director Primary and Community Care.

With the committee meeting for the first time on 1 December 2023, quarterly progress reports against Implementation Plan progression – and a supporting performance summary regarding a range of key health outcome measures – are provided as standing agenda items, with an annual progress report also intended to be made public for the wider transparency of key achievements to date.

In addition to the establishment of the committee, and working alongside a range of partners, key community events and other initiatives included:

- *A Growing Deadly Families: First 2,000 Days* event was successfully hosted in Charleville which served as a catalyst for meaningful purpose and action, reaffirming the community's commitment to fostering positive change for First Nations families.
- Introducing a new complaints reporting process to capture instances of racism and / or institutionalised racism.
- Commencing co-design of a South West HHS Elimination of Racial Discrimination and Institutional Racism Policy, which will be further progressed for Board approval.
- Alongside our partners, commencing a comprehensive review of the current patient travel model and administration.
- Existing Memoranda of Understanding between South West HHS and our key partners were reviewed.
- Through local co-design and partnership, we also further strengthened our health system response to Domestic and Family Violence in a culturally appropriate manner.
- South West was also the first HHS to host a dedicated two-day *First Nations Leadership Program*, delivered alongside our local ACCHO partners. This groundbreaking initiative has been established to support and develop First Nations colleagues to integrate the worlds in which they work and live, and transform their health system from within.
- A new statewide First Nations Subsidy Program was introduced, granting fee-free subsidy for emergency department prescriptions and hospital discharge Pharmaceutical Benefits Scheme medications.
- The South West HHS Aboriginal and Torres Strait Islander Leadership Advisory Council developed 'fast five' communications and updated profiles, to further break down barriers and promote the work of our teams.
- Through ongoing staff messaging and social media, a range of cultural dates of significance continued to be recognised and several First Nations colleagues and teams were celebrated as monthly # *SWSpirit* recipients – including the Cunnamulla and Charleville First Nations Fail to Attend Team which, alongside Darling Downs Health colleagues, was also shortlisted for the *Queensland Health Awards for Excellence 2024* within the Partnering with Consumers category.

## Our community-based and hospital-based services

Alongside our partners, and across our diverse and dispersed communities, South West HHS continued to focus on the provision of a wide range of health prevention and promotion activities throughout the reporting period.

In addition to other initiatives provided within this annual report, key service highlights throughout the reporting period included:

- The South West's first cardiac radiology service was introduced at Roma Hospital, with the new service being delivered as part of an agreement with Roma Diagnostic Imaging, allowing South West residents to have cardiac CT scans closer to home.
- Continued partnership with health service providers, consumers, carers, community stakeholders and our workforce to codesign a more culturally appropriate mental health strategy through the *3 Seeds* Project – and through statewide *Better Care Together* funding – progressed appointment of a range of key additional positions, providing improved quality of care and service options for South West communities.
- Through statewide Palliative Care Reform funding, four additional full-time specialist positions – a Nurse Practitioner, Senior Occupational Therapist, Advanced Health Worker, and Administration Officer – were also successfully integrated into our service, enhancing the overall care model transitioning services from a crises-based model to one that actively engages with patient care goals and their palliative and end-of-life journeys.
- A new e-prescription service was introduced, to provide more convenient access to medications.
- Aligning with national principles, steps were also taken to reaffirm the importance of promoting the safety, wellbeing, and the rights of every child and young person in our care as a Child Safe Organisation.
- In continued support of patient quality and safety, a range of improved positive measures were noted through an annual staff patient safety survey, held between 3 and 28 June 2024. In particular, the overall rating of staff recommendations for a friend or relative to be treated in their unit / work area increased from 78 per cent in 2022 to 94 per cent in 2024.
- A new Western Digital Health Team was established in partnership between Queensland's three western Hospital and Health Services (North West, Central West and South West) and eHealth Queensland.
- The South West HHS Executive Leadership Team – alongside Directors of Nursing, Primary and Community Care Service Directors and other colleagues – embarked on a series of discussions reflecting a range of national Aged Care Reform considerations.
- Through our HOPE, Healthy Communities, Tackling Regional Adversity through Connected Communities, Healthy Ageing and Domestic and Family Violence teams – and their extended partners – we continued to host and participate in a vast range of community focussed health promotion initiatives, effectively resulting in at least one event being held every 1.5 days during the reporting period across the South West.

## Car parking

South West HHS continues to provide free car parking for the convenience of patients, their families and visitors and our staff. Consequently, there were no requirements to issue car parking concessions during the reporting period.

## Strategic risks, opportunities and challenges

Key challenges throughout the reporting period have continued to be influenced by the wider implications of workforce shortages within a competitive market, which are also exacerbated by South West's rural and remote context and, at times, 'provider of last resort' status.

Wherever possible, pressures to service delivery were mitigated through reallocation of South West HHS employees, the provision of locum or agency staff and / or through virtual care provision. In conjunction with our partners, we also continued to focus on local opportunities for proactive engagement with our communities to further strengthen health innovation, service improvement and grow our own workforce opportunities.

Wider strategic risks and opportunities continue to be closely monitored by our Board which, during the reporting period, also reviewed its Risk Appetite Statement.

Initial steps were also taken alongside the Western Queensland Primary Health Network and our Central West and North West HHS partners to commence a Joint Regional Health Needs Assessment. This project seeks to build on respective knowledge and outcomes from HHS Local Area Needs Assessments which were originally published in 2022 and – by leveraging local partner relationships, staff input and community insights – further improve awareness of the health and service needs of our communities.

Completion is anticipated during the first half of the 2024-2025 reporting period, and will further inform local and system wide planning and local advocacy towards addressing historic health inequalities and outcomes across Federal, State and Local levels of government.

## Governance

### Our people

#### Board membership

Appointed by the Governor in Council upon the recommendation of the Minister for Health, Mental Health and Ambulance Services and Minister for Women, the South West Hospital and Health Board (the Board) is the independent and locally-controlled governing body of the South West HHS.

The Governor in Council approves remuneration arrangements for the Board Chair and Members, with annual fees paid by the South West HHS consistent with the *Remuneration procedures for part-time chairs and members of Queensland Government bodies*, maintained by the Department of the Premier and Cabinet, namely \$68,243 for the Chair and \$35,055 for Members.

In accordance with this government procedure, annual fees are also paid per statutory committee membership (\$2,000) or committee chair role (\$2,500).

As at 30 June 2024, the South West Hospital and Health Board comprised the following ten members:

- **Ms Karen Tully (Chair)**  
*Originally appointed: 18 May 2017*  
*Current term: 1 April 2024 to 31 March 2026*

Karen is an experienced company director who has served with numerous regional, state and national boards. She is Chair of the Executive Committee.

- **Ms Jan Chambers (Deputy Chair)**

*Originally appointed: 18 May 2019*

*Current term: 1 April 2022 to 31 March 2026*

*Current term: Deputy Chair: 10 November 2022 to 31 March 2026*

Jan has extensive previous experience in local government. She has previously served as a Councillor at Booringa and Maranoa Regional Councils, and as Deputy Mayor at Maranoa Regional Council, between 2016 and 2020.

- **Ms Claire Alexander (Member)**

*Originally appointed: 26 June 2015*

*Current term: 1 April 2024 to 31 March 2026*

Claire has extensive experience in financial management in private and public sectors. As a certified practising accountant, she is a strategic financial consultant serving a number of local governments. Claire is also the Chair of the Board's Audit and Risk Committee.

- **Mr Ethan Capewell (Member)**

*Originally appointed: 1 April 2024*

*Current term: 1 April 2024 to 31 March 2028*

Ethan is a proud Indigenous man from around the Cunnamulla area. Ethan has experience working for Aboriginal Medical Services and a strong passion towards a diverse and accessible approach to preventative and manageable health initiatives.

- **Mr Ray Chandler (Member)**

*Originally appointed: 18 May 2017*

*Current term: 1 April 2022 to 31 March 2026*

Ray has over 30 years of experience in executive, corporate services, finance, human resource, infrastructure, project and operations management roles. Ray is also the Chair of the Board's Finance Committee.

- **Dr Tonia de Bruin (Member)**

*Originally appointed: 1 April 2024*

*Current term: 1 April 2024 to 31 March 2028*

Tonia is an experienced senior manager with a wealth of knowledge in data, analytics, performance, reporting, evaluation, ethics and research.

- **The Honourable Paul Lucas (Member)**

*Originally appointed: 1 April 2024*

*Current term: 1 April 2024 to 31 March 2028*

Paul is a practising Solicitor, qualified Urban Planner and professional company director. He was a Minister in the Queensland State Government for 11 years, holding numerous portfolios, including Deputy Premier and Minister for Health.



- **Bruce Scott OAM (Member)**  
*Originally appointed: 10 June 2021*  
*Current term: 1 April 2024 to 31 March 2026*

Bruce has previously spent 28 years serving in local government, public sector and not-for-profit boards and as an advisor to the National Emergency and Management Agency. For his services to the local government and community, Bruce was recognised in the Queen's Birthday Order of Australia Honours List.

- **Dr Mark Waters (Member)**  
*Originally appointed: 18 May 2020*  
*Current term: 1 April 2024 to 31 March 2028*

Mark is a medical practitioner with a wealth of medical and managerial skills and experience and is also the Chair of the Board's Safety and Quality Committee.

- **Alison Zappala (Member)**  
*Originally appointed: 1 April 2024*  
*Current term: 1 April 2024 to 31 March 2028*

Alison is a registered nurse and works within the human services sector having experience in clinical leadership, governance and driving improved performance outcomes in the Home Care, Residential Aged Care and Retirement Living sectors.

During the reporting period, the following members retired from the Board upon expiry of their respective terms of appointment:

- **Ms Kerry Crumblin (Member)**  
*Originally appointed: 18 May 2020*  
*Current term: 18 May 2020 to 31 March 2024*

Kerry is a descendant of the Mardigan Mob from around the Quilpie area. She is also the Chief Executive Officer at Cunnamulla Aboriginal Corporation for Health, where she was the foundation chair.

- **Chris Hamilton (Member)**  
*Originally appointed: 10 June 2021*  
*Current term: 10 June 2021 to 31 March 2024*

Chris is currently Chief Executive Officer, RESQ Plus, an employment services and community development organisation servicing Western Queensland. He is also a Director of Jobs Australia, RSL Australia and RSL Queensland. Chris has previously served in the Australian Army and Army Reserve.

**Table 1: Government bodies (statutory bodies and other entities)**

<b>South West Hospital and Health Board</b>					
Act or instrument	<i>Hospital and Health Boards Act 2011</i>				
Functions	<p>The Board is responsible for setting and providing oversight of South West HHS's strategic direction, ensuring quality healthcare services are provided, compliance and performance are routinely monitored, financial performance is achieved, effective systems are maintained and - through meaningful community, staff and partner engagement - that collaboration is informed by local needs, the Queensland government's objectives for the community, wider statewide health policies and applicable directives and national standards.</p> <p>The Board is also responsible for appointing the Health Service Chief Executive (HSCE) and has delegated to the HSCE – including any person serving in that position on an acting basis – applicable powers and functions which it may lawfully delegate, save those reserved to the Board.</p>				
Achievements	As detailed within this annual report				
Financial reporting	Not exempted from audit by the Auditor-General. Transactions of the entity are accounted for in the financial statements.				
<b>Remuneration</b>					
Position	Name	Meetings / sessions attendance	Approved annual, sessional or daily fee	Approved sub-committee fees	Actual fees received*
Chair	Ms Karen Tully	28 (11 Board, 17 Committee)	\$68,243 per annum (p.a.)	\$2,500 p.a per Committee Chair / \$2,000 p.a. per Committee member	\$78,238
Deputy Chair	Ms Jan Chambers	20 (9 Board, 11 Committee)	\$35,055 p.a.	\$2,000 p.a. per Committee Member	\$43,334
Member	Ms Claire Alexander	21 (10 Board, 11 Committee)	\$35,055 p.a.	\$2,500 p.a per Committee Chair / \$2,000 p.a. per Committee member	\$41,653
Member	Mr Ray Chandler	24 (11 Board, 13 Committee)	\$35,055 p.a.	\$2,500 p.a per Committee Chair / \$2,000 p.a. per Committee member	\$44,495
Member	Ms Kerry Crumblin <sup>^</sup>	12 (7 Board, 5 Committee)	\$35,055 p.a.	\$2,000 p.a. per Committee member	\$29,191
Member	Dr Mark Waters	18 (10 Board, 8 Committee)	\$35,055 p.a.	\$2,500 p.a per Committee Chair / \$2,000 p.a. per Committee member	\$36,311
Member	Mr Chris Hamilton <sup>^</sup>	14 (8 Board, 6 Committee)	\$35,055 p.a.	\$2,000 p.a. per Committee member	\$29,191
Member	Mr Bruce Scott	20 (11 Board, 9 Committee)	\$35,055 p.a.	\$2,000 p.a. per Committee member	\$40,429
Member	Mr Ethan Capewell <sup>#</sup>	5 (3 Board, 2 Committee)	\$35,055 p.a.	\$2,000 p.a. per Committee member	\$9,548
Member	Dr Tonia de Bruin <sup>#</sup>	5 (3 Board, 2 Committee)	\$35,055 p.a.	\$2,000 p.a. per Committee member	\$9,500
Member	The Honourable Paul Lucas <sup>#</sup>	4 (3 Board, 1 Committee)	\$35,055 p.a.	\$2,000 p.a. per Committee member	\$9,117
Member	Ms Alison Zappala <sup>#</sup>	4 (3 Board, 1 Committee)	\$35,055 p.a.	\$2,000 p.a. per Committee member	\$9,117
No. scheduled meetings	39 (11 Board meetings, 28 Committee meetings)				
Total out of pocket expenses	Several Board members were reimbursed for travel and other out-of-pocket expenses during 2023-2024. The total value reimbursed was \$19,880.				

\* Actual fees received include travel reimbursement

<sup>^</sup> Retired from Board effective 31 March 2024

<sup>#</sup> Commenced effective 1 April 2024

## Board Committees

In accordance with the *Hospital and Health Boards Act 2011* and *Hospital and Health Boards Regulation 2012*, prescribed Board Committees are established to support discharge of governance responsibilities in a transparent and effective manner.

Each Committee comprises individual Board members and, where applicable, non-voting South West HHS members to advise and make recommendations about matters within the scope of the Board's functions, as detailed within respective terms of reference.

The following prescribed committees were operational as at 30 June 2024:

- **Executive Committee** (Chair: Karen Tully)

The role of the Executive Committee is to support the Board by working with the HSCE to progress strategic issues and ensure accountability across South West HHS services.

The Committee oversees development, and monitors progress of, the South West HHS Strategic Plan, clinician, consumer and community engagement strategies and primary healthcare protocol. The Committee also works with the HSCE in monitoring performance against service level agreements and responding to critical and emergent issues.

During the reporting period, the Executive Committee received bi-annual updates against a range of strategic documents, reviewed progress against South West HHS's Operational Plan for the 2023-2024 financial year and monitored key performance indicators within the South West HHS's Service Agreement with the Department of Health<sup>4</sup>.

- **Audit and Risk Committee** (Chair: Claire Alexander)

The role of the Risk and Audit Committee is to oversee the internal and external audit function and matters relating to risk and compliance for financial, accounting and legislative requirements.

The Committee provides independent assurance and assistance to the board on the risk, control and compliance frameworks and external accountability responsibilities as prescribed in the *Financial Accountability Act 2009*, *Auditor-General Act 2009*, *Financial Accountability Regulation 2009* and *Financial and Performance Management Standard 2019*.

During the reporting period, the Audit and Risk Committee operated within its terms of reference with due regard to Queensland Treasury's Audit Committee Guidelines, monitoring audit and compliance obligations and strategic risks. The Committee also monitored contract, procurement and fraud reporting.

- **Finance Committee** (Chair: Ray Chandler)

The role of the Finance Committee is to oversee the financial performance, systems, risk and requirements of South West HHS.

The Committee reviews the financial strategy, financial policies, annual operating plans and capital budgets, cash flows and business plans to ensure alignment with key strategic priorities and performance objectives.

During the reporting period, the Finance Committee reviewed a range of standing reports

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<sup>4</sup> <https://www.publications.qld.gov.au/dataset/south-west-hhs-service-agreements>

in relation to Capital Infrastructure and the progression of the existing Service Agreement with the Department of Health to 30 June 2024 and development of the subsequent Service Agreement for the period 2024-2025.

The Committee also endorsed the Annual Budget, Capital Budget and Budget Principles, as well as Financial Delegations. Quarterly reporting in relation to financial risk and financial management were also considered in addition to other reports relevant to the Committee's functions.

- **Safety and Quality Committee** (Chair: Dr Mark Waters)

The role of the Safety and Quality Committee is to provide strategic leadership in relation to clinical governance.

The Committee oversees the safety, quality and effectiveness of health services and monitors compliance with plans and strategies, while promoting continual improvement and innovation for the safety and quality of services across South West HHS.

During the reporting period, the Safety and Quality Committee continued to review consumer feedback and a range of safety and quality performance and systems reports.

Annual governance reports were tabled to provide assurance that the criteria of the eight National Safety and Quality Health Service Standards were met. Clinical risks and other reporting, in accordance with an annual schedule of safety and quality reporting, were also considered in addition to other matters relevant to the Committee's functions.

## Board attendance

The Board routinely meets monthly, except for December and, wherever possible, rotates meetings around South West communities. Virtual meetings were held where Board members were unable to travel.

A summary of each Board meeting is published online for the information of staff, community and wider stakeholders<sup>5</sup>.

**Table 2: Board and Prescribed Committee participation, 2023-2024**

		Karen Tully	Jan Chambers	Claire Alexander	Ray Chandler	Kerry Crumblin <sup>^</sup>	Mark Waters	Chris Hamilton <sup>^</sup>	Bruce Scott
Board		11/11	9/11	10/11	11/11	7/8	10/11	8/8	11/11
Committee	Executive	4/4	4/4	4/4	4/4	-	4/4	-	-
	Audit and Risk	5/5	1/1	5/5	5/5	3/3	-	-	5/5
	Finance	4/4	3/4	-	4/4	-	-	3/3	4/4
	Safety and Quality	4/4	3/4	4/4	-	2/3	4/4	3/3	-

		Ethan Capewell <sup>#</sup>	Tonia de Bruin <sup>#</sup>	Paul Lucas <sup>#</sup>	Alison Zappala <sup>#</sup>
Board		3/3	3/3	3/3	3/3
Committee	Executive	-	-	-	-
	Audit and Risk	-	1/1	-	-
	Finance	-	-	1/1	-
	Safety and Quality	1/1	1/1	-	1/1

<sup>^</sup> Retired from Board effective 31 March 2024  
<sup>#</sup> Commenced effective 1 April 2024

<sup>5</sup> <https://www.southwest.health.qld.gov.au/about-us/who-we-are/our-board/board-meeting-summaries>

## **Executive management**

Overseen by the HSCE, the South West HHS Executive Leadership Team (ELT) is responsible for the day-to-day management and delivery of hospital and health services across the South West, all of whom are committed to working alongside our partners – and supporting our staff and teams – to improve healthcare quality, safety and equity for our communities.

Portfolios managed by our ELT are both challenging and rewarding. They demand significant effort and skill, but also provides a huge sense of accomplishment and fulfillment in shaping service delivery, promoting partnership working and meeting the needs of the rural and remote communities we serve.

As at 30 June 2024, the ELT comprised:

- **Health Service Chief Executive (HSCE)**

**Dr Anthony Brown**

Anthony joined South West HHS in August 2021 and has previously practiced as a rural generalist doctor for more than 30 years in rural and remote Australia. He has previously managed his own private GP practice, been on numerous boards and worked in Medical Administration as a Medical Superintendent, a Director of Medical Services and an Executive Director of Medical Services.

The HSCE is responsible for the day-to-day management of the health service, and operationalising the Board's strategic objectives and direction.

- **Executive Director Finance, Infrastructure and Corporate Services (EDFICS)**

**Ms Linda Patmore**

Linda joined South West HHS in May 2023. With over 20 years' experience in senior roles within the Queensland public health system she brings a variety of leadership, management, and technical skills across the full range of financial services.

The EDFICS is responsible for our Finance, Infrastructure and Corporate Services portfolio, which includes: Building, Engineering and Maintenance Services; Finance; ICT; Infrastructure and Asset Management, and Revenue Services.

- **Executive Director Medical Services and Clinical Governance (EDMSCG)**

**Dr Carl de Wet**

With a strong commitment to healthcare innovation and improvement, Carl joined South West HHS in November 2023. He brings more than 20 years of extensive healthcare experience, including as the previous Clinical Director of Specialist Medical Services for the Gold Coast HHS and Primary Care Lead for Queensland's state-wide response to COVID-19.

The EDMSCG is the is the Medical Professional Lead responsible for all our medical services including: the Flying Specialist Service; clinical governance; research, and support services including Pharmacy, Radiology, and Pathology.

- **Executive Director Nursing and Midwifery Services (EDNMS)**

**Mr Chris Small**

Chris joined the ELT in 2009, having previously served as Director of Nursing and Facility Manager of the Mitchell Multipurpose Health Service from 2001.

The EDNMS is the Nursing and Midwifery Professional Lead responsible for our Nursing

and Midwifery Services portfolio, which includes: acute services and access to tertiary services; aged care; human design and person-driven care and also multipurpose health services.

- **Executive Director People and Culture (EDPAC)**

- **Ms Katie Eckersley**

- Katie joined the ELT in October 2022, bringing significant leadership experience working in organisations with a focus on enabling the delivery of exceptional health care and service performance.

- The EDPAC is responsible for our workforce portfolio, which includes: Education, Training and Development; Human Resource management; Organisational Development; Recruitment Services and Work Health and Safety.

- **Executive Director Primary and Community Care (EDPCC)**

- **Ms Rebecca Greenway**

- Rebecca joined the ELT in 2020, having previously held several senior leadership roles across several domains. These roles included the Director of Nursing at Morven Primary Health Clinic and at Augathella Multipurpose Health Services. Rebecca also was the Service Director of Primary and Community Care in Charleville and most recently acted as the Health Incident Controller, leading South West HHS's operational and strategic response to COVID-19.

- During the reporting period, Rebecca has also served as the Acting Health Service Chief Executive.

- The EDPAC is responsible for managing, and improving primary care services in the region, in addition to shaping healthcare policy, guiding teams and fostering a patient centered approach. Operational responsibilities include: Community and Allied Health Services; Mental Health and Alcohol and Other Drugs Services; Healthy Aging; Oral Health; and Primary Care - including General Practice services.

- **Executive Director Allied Health (EDAH)**

- **Ms Helen Wassman**

- Helen joined the ELT in 2020, bringing with her over 30 years of experience as a distinguished senior occupational therapist and healthcare leader. Her extensive background encompasses acute, sub-acute, and community healthcare settings, where she has demonstrated exceptional skill in developing, implementing, and managing innovative models of care. Helen excels in fostering strong partnerships within the health sector and the community, aiming to enhance access to value-based health and wellness services for rural and remote communities.

- The EDAH oversees a diverse portfolio that includes: the Domestic and Family Violence program; Healthy Communities and HOPE programs; Telehealth and Connected Care; and Allied Health Interprofessional Clinical Education and Training and Workforce Planning. The EDAH is also the Allied Health Professional Lead.

- **Executive Director Aboriginal and Torres Strait Islander Health and Engagement (EDATSIHE)**

- **Ms Shelley Lawton**

- With a passion to transform the security of our communities and build health equity and prosperity for future generations, Shelley is a proud Aboriginal and Torres Strait Islander woman born in Charleville, a descendant of the Bidjara and Nwaigi people who joined

the ELT in January 2024.

Prior to this, and through her strong connections with Aboriginal and Torres Strait Islander communities across the South West, Shelley served as Health Equity Senior Indigenous Program Manager, responsible for the co-design and development of *Our Way – Together*, South West HHS's First Nations Health Equity Strategy and supporting Implementation Plan.

The EDATSIHE provides leadership and support for the delivery of culturally safe and informed health services for First Nations people, communities and staff across the South West and also coordinates health outcome, investment and program reporting towards *Close the Gap* initiatives, in addition to supporting the rollout of *Our Way – Together* commitments across South West HHS teams.

- **Chief Information Officer (CIO)**

- **Ms Helen Murray**

- Helen has had a passion for digital enablement of healthcare for over 25 years. With a solid track record in delivery, Helen was instrumental in transforming digital connectivity throughout remote Queensland. She has held multiple senior roles in Government and private industry after spending several years with NHS Scotland.

- Originally from the Western Downs, Helen is a practising Registered Nurse of over 30 years, holds a Graduate Certificate of Information Technology and is a Graduate of the Australian Institute of Company Directors.

- The CIO, Rural and Remote role holds the strategic and operational ICT and Digital Health portfolio for North West, Central West and South West Hospital and Health Services.

- **Executive Director Governance, Strategy and Performance (EDGSP)**

- **Mr Leigh Burton**

- Leigh, who commenced as EDGSP in January 2024 having previously served as Acting EDAH during the reporting period, is a highly experienced Physiotherapist who has worked in both clinical and in managerial roles across four rural and remote Hospital and Health Services.

- The EDGSP is responsible for our strategy, performance and governance portfolio, which includes: Strategy planning; Corporate support; Governance, Risk and Compliance as well as integrated performance and data analytics. The EDGSP also serves as the Chief Operating Officer and Administration Professional Lead.

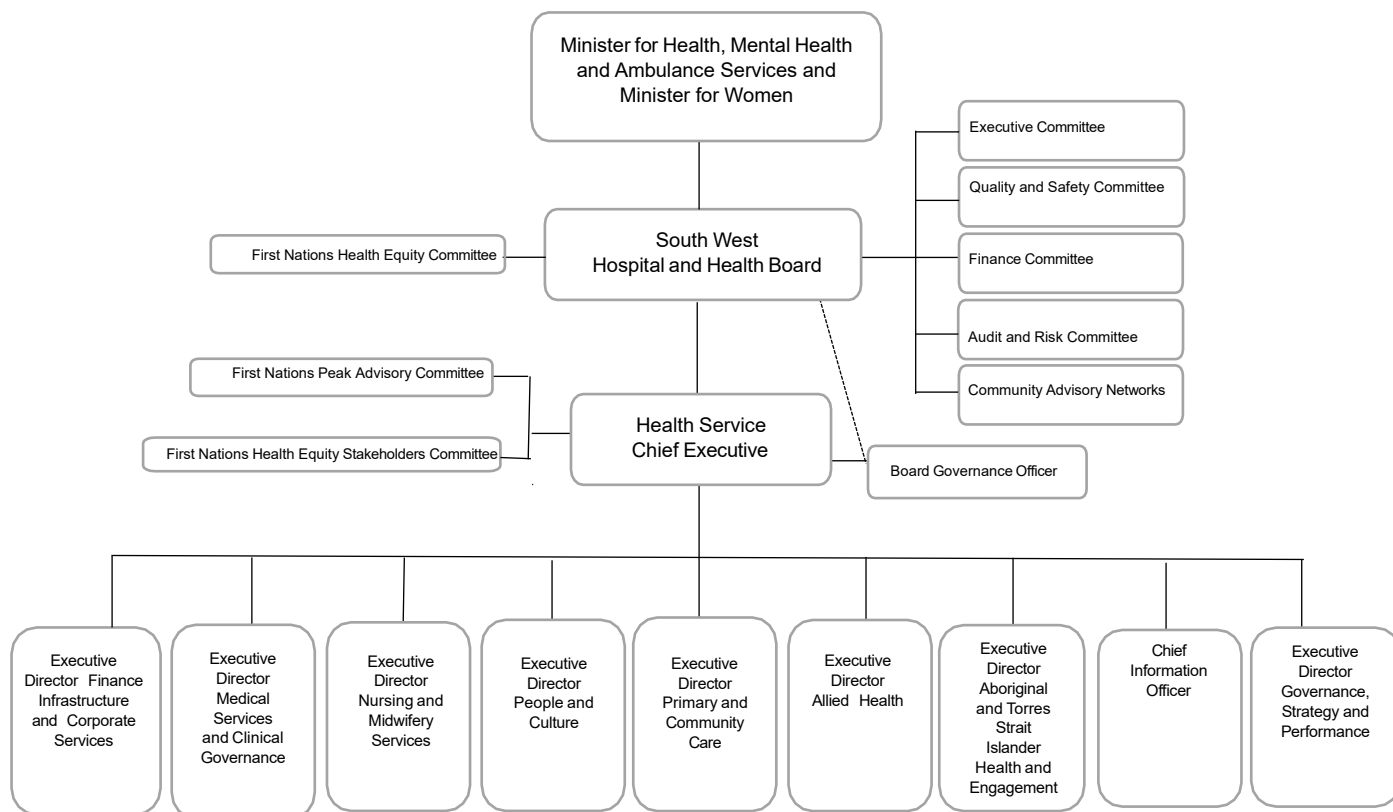
## **Organisational structure and workforce profile**

Following completion of a Business Case for Change, originally initiated on 24 May 2023, the following changes were made to the Executive Leadership Team during the reporting period, in addition to formalising a range of other existing operational arrangements:

1. The Executive Director Strategy Performance and Governance position was renamed Executive Director Governance Strategy and Performance, with selected functions transferring from the HSCE and EDNMS into this new portfolio.
2. The Director of Aboriginal and Torres Strait Islander Health and Engagement position was renamed Executive Director Aboriginal and Torres Strait Islander Health and Engagement.

As at 30 June 2024, the organisational structure of the South West HHS was as follows:

**Figure 1:** South West HHS Organisational Structure, 30 June 2024



### Strategic workforce planning and performance

Healthcare is first and foremost a people business and – driven by our vision to be a trusted and valued leader in the delivery of health services to rural and remote communities – our people matter.

The quality of care and service we deliver is dependent on us having the right people with the right skills in the right place at the right time, while also ensuring our workplaces promote safe work practices and employee health and wellbeing opportunities. Therefore, proactive workforce planning, and ensuring that we are able to attract and retain a highly skilled workforce, is essential.

Throughout the reporting period, South West HHS continued to invest in our workforce engagement with a focus on health, safety and wellbeing. Our *Workforce Strategy 2023-2026* was introduced in July 2023 and, with the benefit of staff input, has been further supplemented with a supporting Implementation Plan to address the following key priorities:

1. *Planning for our future:* anticipating and adapting to changes and trends, and emerging models of health service delivery.
2. *Growing our own:* attracting, retaining and developing people with the necessary skills and capabilities to meet our communities’ healthcare needs.
3. *Supporting our people:* to reach their full potential through meaningful experiences, learning opportunities and professional development pathways.



Through these three priority areas, a total of 13 actions have been identified for completion by 2025-2026. Consultation and collaboration with our staff will continue to be a key element of the work undertaken to deliver these actions.

### Culture Compass

One of our key Workforce Strategy and Implementation Plan commitments, and a significant organisation wide achievement during the reporting period, was the successful co-design and implementation of South West HHS’s inaugural Culture Compass staff experience survey.

The survey, which ran between 26 February and 18 March 2024, generated a response rate of 68 per cent, or 703 staff.

With local teams currently reviewing results and generating action plans for further implementation, it was pleasing that amongst our highest scoring attributes were positive responses regarding workforce safety and gender equity and that 65 per cent of respondents answered that, yes, South West HHS is a truly great place to work.

Results of our first survey will serve as a benchmark to track ongoing improvements and areas of focus, with future surveys intended to be run every two years.

### Workforce profile

As at 30 June 2024, South West HHS employed a workforce of 1,054 headcount, or 886.89 Full Time Equivalent (FTE).

Our staff and teams comprise skilled and committed medical, nursing, midwifery, primary care and allied and community health professionals – supported by dedicated operational and administrative teams across our healthcare facilities and corporate office locations.

We value the diversity of our workforce across all groups and are committed to further growing and supporting a workforce that best reflects the communities we serve, as detailed in the following tables:

**Table 3:** South West MOHRI Data – June Quarter 2024 (active/paid employees only)

Total Staffing	Number
Headcount	1,054
Paid FTE	886.89

Occupation Type by FTE	Percentage
Corporate	9.01%
Frontline and Frontline Support	90.99%

Appointment Type by FTE	Percentage
Permanent	79.27%
Temporary	15.64%
Casual	4.75%
Contract	0.34%

Employment Status by Headcount	Percentage
Full-time	56.26%
Part-time	36.05%
Casual	7.69%

**Figure 2: Gender**

Gender	Headcount	Percentage
Woman	900	85.39%
Man	152	14.42%
Non-binary	<5	0.19%

**Figure 3: Diversity target group data**

Diversity Groups	Headcount	Percentage
Women	900	85.39%
Aboriginal Peoples and Torres Strait Islander Peoples	68	6.45%
People with disability	25	2.37%
Culturally and Linguistically Diverse – Speak a language at home other than English <sup>^</sup>	59	5.60%

<sup>^</sup> This includes Aboriginal and Torres Strait Islander languages or Australian South Sea Islander languages spoken at home.

**Figure 4: Target group data for Women in Leadership Roles**

Group	Headcount	Percentage
Senior Officers (classified and s122 equivalent combined)	1	100%
Senior Executive Service and Chief Executives (classified and s122 equivalent combined)	2	50%

The ongoing building of cultural capacity and supporting increasing diversity of our workforce are key Workforce Strategy commitments, including:

- Development of a new First Nations Workforce Strategy that includes a dedicated career and development pathway.
- Introducing further programs and support for upskilling opportunities of our staff, including providing culturally safe and appropriate workplaces and services.
- Seeking further opportunities to develop innovative and sustainable ‘grow our own’ initiatives with a rural and remote context.
- Embracing a new approach to measuring and strengthening workforce engagement and organisational culture.

To further support our commitment to building an inclusive workplace, the *South West Equity and Diversity Action Plan 2024 – 2026* was finalised in June 2024. This Action Plan was developed from the findings of our 2024 Equity and Diversity Audit Report and focuses on key challenges to providing equitable access and positive employment experiences for our staff. It identifies four key priority areas:

The Workplace	<ul style="list-style-type: none"> <li>• Create inclusive and supportive workplace cultures, which instill a sense of belonging for all employees.</li> <li>• Build strong support mechanisms for employees.</li> <li>• Develop leadership and career opportunities</li> </ul>
People	<ul style="list-style-type: none"> <li>• Grow capability for collection of data to better understand diversity within South West HHS.</li> </ul>
Recruitment	<ul style="list-style-type: none"> <li>• Identify and dismantle barriers to recruitment of a diverse workforce.</li> <li>• Attract quality employees to achieve outstanding healthcare services for our South West communities</li> </ul>
Training and Capability	<ul style="list-style-type: none"> <li>• Build awareness and understanding of diversity within the workplace and its benefits.</li> </ul>

The Action Plan will be reviewed and updated regularly to ensure it continues to reflect findings from future audits and other sources of information regarding diversity within South West HHS.

A forthcoming South West HHS Disability Strategy will also provide further opportunities to support existing colleagues and ensure a more proactive focus on how best to attract, recruit, retain and grow our workforce in an inclusive manner.

### **Early retirement, redundancy and retrenchment**

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

### **Planning for our future workforce**

Within the context of high demand for appropriately trained clinical staff, South West HHS continues to build on our valued partnerships with universities, vocational and educational training providers to generate a sustainable pathway for our clinicians of the future. This includes providing opportunities for those looking to enhance their career prospects with a rural and remote adventure.

In partnership with Southern Queensland Rural Health (SQRH), and wider tertiary education providers:

- We welcomed a record total of 44 nursing and midwifery graduates who commenced in two cohorts during August 2023 and February 2024. Following review, the 12 month program is now aligned with an endorsed graduate certificate level by Central Queensland University.
- Our first cohort of 36 Darling Downs-South West Medical Pathway students commenced studies at the University of Queensland and University of Southern Queensland.
- Our end-to-end nursing program with SQRH and the University of Southern Queensland continues to grow, and is currently supporting 20 Charleville based students to complete Bachelors of Nursing. Of these, four are currently at Year Three in their studies and, in total, seven students identify as First Nations people.

Other education based programs include:

- The *Deadly Start* program which provides lifelong learning and key skills as a foundation for further training within the healthcare sector. Four school based Year 11 trainees have recently completed Cert II studies in Health Support Services and are progressing towards their Cert III Health Services Assistance.
- Continuation of the successful *Rural Immersion Placement Program – Allied Health (RIPPAH)* initiative, a wrap-around clinical education initiative for students looking to experience opportunities to get to know our South West communities.

Continuation of these initiatives, and others to be introduced in the year ahead, reflect a rural and remote focus that supports people to live, work and remain closer to home and personal connections, and are vital in ensuring a sustainable forward supply of quality graduates that will meet contemporary workforce demands and community needs.

They also supplement a range of positively received recent innovations – developed in partnership with staff and communities – to manage existing frontline workforce pressures, minimise unsustainable agency and locum reliance and empower our staff with the confidence to work within their scope of practice as part of a supportive,

multidisciplinary team. These include:

- Measures to provide doctor outreach from our larger hospitals to local facilities.
- Recruitment of community-based Nurse Practitioners to work within medical teams.
- Effective use of virtual General Practitioner appointments.
- Utilisation of Telehealth Emergency Medical Support Unit support and retrieval services when managing emergency presentations.

Further enhancements to assist attract and retain clinical staff include:

- Expanded *Remote Area Nursing Incentive Package* (RANIP) payments, approved in June 2024, to support staff at eligible sites.
- Utilising the *Queensland Health Workforce Attraction Incentive Scheme* – originally introduced in July 2023 for eligible healthcare workers – with approximately 60 staff commencing across a range of disciplines and locations during the reporting period.

### **Employee health, safety and wellbeing**

A healthy workplace is a shared responsibility, and we are committed to ensuring appropriate workplace safety, and management of employee health and wellbeing, in line with the *Work Health and Safety Act 2011* and the requirements of the *Workers' Compensation and Rehabilitation Act 2003*.

Regardless of their role, everyone working within the South West HHS has an important part to play in continuing to keep our communities and each other safe – and one of the many strengths of our organisation is our ability to stand together in times of difficulty.

Included within the Strategic Workforce Plan, are commitments to further promote safe work practices and employee health and wellbeing, with a focus on mental health and psychological safety, to:

- minimise potential disruptions to staffing levels associated with psychosocial injuries
- support staff engagement, satisfaction and productivity
- reduce absenteeism
- aid the attraction and retention of staff with required skills and qualifications to provide the very best of service to our patients and community.

Feedback and insights from Culture Compass Survey responses, and other place based innovations, will also shape local action planning and inform sustainable workforce requirements for the future.

A targeted focus on reducing occupational violence incidents through improving security and identifying safety vulnerabilities across our 18 facilities occurred during the reporting period with an external review commissioned and undertaken.

The review provided recommendations for remedial actions and ongoing improvements which have been further risk assessed and accepted by the Health Service Executive. Dedicated resources have been allocated to ensure recommendations are progressed and completed within 'risk status' appropriate timeframes.

In addition to the external review, South West HHS's People & Culture team have initiated a review of the Health Service's Safety Management System (SMS) to incorporate recent legislative Work Health Safety (WHS) legislative amendment and to ensure it continues to meet the needs of the Health Service and its WHS due diligence responsibilities. A

relaunch of the SMS is anticipated late 2024.

South West HHS also continues to review, develop and implement processes and tools to further support the implementation of the Code of Practice on managing the risk of psychosocial hazards at work including:

- A review of South West HHS's fatigue risk and management processes, resulting in the publishing of revised procedure to provide a structured risk management framework with a focus on identifying and managing fatigue risks and hazards within the workplace. A key component of this work was the development and publication of a suite of tools and guides designed to assist and support both employees and line managers.
- Development of a series of short, 'easy access' guides designed to support line managers with practical tips on a range of topics. These guides have been published on the South West HHS intranet page for easy reference.

### **Industrial and employee relations framework**

South West HHS is committed to continuing ongoing, constructive and respectful partnerships with unions that represent our workforce and recognises union representatives as supportive advocates in the satisfactory resolution of workplace issues.

A series of regular consultative forums within South West HHS continue to be held. These include the Hospital and Health Consultative Forum, local consultative forums and Nursing & Midwifery consultative forums.

In support of engagement and collaboration in the timely resolution of industrial matters, local consultative forums continue to provide a mechanism for discussing local operational matters in parallel to overarching Health Service Consultative Forum meetings that focus on HHS-wide initiatives or other matters of a more strategic nature in addition to serving as an escalation pathway where this may be required.

During the reporting period, the People & Culture team also coordinated enterprise bargaining activities for South West HHS staff as part of the statewide finalisation of a new enterprise agreement for the Aboriginal & Torres Strait Islander Health Workforce.

### **Other staff engagement forums**

To progress wider commitments towards continuously improving engagement and active partnerships with our workforce, implementation of the South West HHS *Clinician and Employee Engagement Strategy 2022-2026* continued during the reporting period<sup>6</sup>.

In terms of South West HHS's peak internal staff engagement forums:

- The South West HHS Administration Network Forum continues to meet monthly online.
- Our Aboriginal and Torres Strait Islander Leadership Advisory Council (ATSILAC) also continues to meet on a regular basis.
- Leaders Connect meetings continue on bi-monthly on rotation between Roma and Charleville and online for those unable to travel. Following completion of recent construction works, Leaders Connect will also be hosted in St George in the year ahead.
- Our Clinical Council will be formally reconvened during 2024-2025, under new Terms of Reference.

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<sup>6</sup> <https://www.southwest.health.qld.gov.au/about-us/publications-and-reporting/clinician-and-employee-strategy-2022-2026>

Through our annual Staff Awards for Excellence ceremony, ATSilac and Clinical Council members also continue to select recipients of dedicated *Deadly Achiever* and *Clinical Excellence* awards – which also provides all South West staff with the opportunity to nominate colleagues and teams across a range of categories related to our core values and other special categories, in addition to a monthly peer nominated #SWSpirit appreciation.

A monthly Virtual Town Hall continues to provide the HSCE, staff and teams with opportunities to showcase new programs of work, promote health and wellbeing initiatives and share other key information and updates.

Key messages, recognition of days and events of significance and other key achievements are also circulated by way of daily safety briefing, HSCE, other ELT and Board Chair emails, a weekly eNews bulletin and regular *Pulse* community magazine<sup>7</sup>.

At any time – and anonymously if preferred – staff can also submit questions, feedback, compliments or concerns via an online *Ask Executive* portal, with responses shared via eNews or other appropriate communication channel.

## Open data

South West HHS has Open Data to report on Queensland Language Services Policy and Consultancies. The data can be found on the Queensland Government Open Data Portal at <https://www.data.qld.gov.au/>.

South West HHS has no Open Data to report on Overseas Travel.

## Our risk management

Identifying, managing and responding to risk is integral to South West HHS's every day activities and is the responsibility of all staff. We approach risk with a comprehensive, integrated and coordinated methodology to enable successful risk management of both challenges and opportunities.

Our risk management system aligns with the Australian/New Zealand *ISO 31000:2018 Risk Management Principles and Guidelines* to guide and influence our approach to the management of risk and, through the day-to-day organisational efforts, our risk management culture continues to mature.

The *South West HHS Risk Management Framework* comprises various components including a Risk Management Policy, Risk Appetite Statement and associated risk procedure and risk register, and delivery of risk management training and presentations.

Key principles within the framework are that:

- 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 Board Audit and Risk Committee.
- The Board Audit and Risk Committee oversees assurance of the health service's risk management framework, internal control structure and systems effectiveness for monitoring compliance with relevant laws, regulations and government policies.
- The Board Safety and Quality Committee assists the Board Audit and Risk

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<sup>7</sup> [https://www.southwest.health.qld.gov.au/data/assets/pdf\\_file/0029/298703/Pulse-Newsletter-May-June-2024.pdf](https://www.southwest.health.qld.gov.au/data/assets/pdf_file/0029/298703/Pulse-Newsletter-May-June-2024.pdf)

Committee in fulfilling oversight responsibilities by monitoring and ensuring appropriate arrangements are in place for measuring and monitoring clinical quality and the health and safety of patients, service users, visitors, staff and volunteers.

- The Board Finance Committee assists the Board Audit and Risk Committee in fulfilling their oversight responsibilities by assessing financial risks or concerns that impact, or may impact, on the financial performance and reporting obligations of the HHS, and how the HHS is managing these risks or concerns.

Identified risks are also routinely reported through the abovementioned Board Committees and internal Tier 1 Executive and Tier 2 Management Committees.

### **Risk Management Activities**

The 2023-2024 Financial year saw a considerable program of risk review and maturity activity. In February 2024, the Board's Audit and Risk Committee reviewed South West HHS's Strategic Risk profile to ensure that existing risks remain within accepted risk levels and that risk controls, treatments and actions remained effective in mitigating these risks.

The Board also reviewed its Risk Management Policy to ensure currency and alignment to relevant standards and contemporary practice which included updating and modernising the South West HHS Risk Appetite Statement. Aligned with the objectives of the South West HHS Strategic Plan, this statement serves as a standalone resource that clearly defines key risk categories for the organisation, the Board's appetite for these categories, and guides operational decision making to align with the Board appetite as far as practicable.

A review of the HHS Compliance Policy also occurred to ensure alignment to *ISO 37301:2021 Compliance Management Systems*, and embed a risk based approach to compliance. This included a review of all documented compliance obligations to confirm compliance risk and inform responsible use of resources in achieving compliance.

South West also became the first HHS across Queensland to undertake a detailed risk assessment into the climate risks faced within the South West Queensland community, which informed the South West Hospital and Health Board implementing two new strategic risks, regarding Adaption to a Changing Climate and Transitional Climate Change Planning, during the reporting period.

### **Internal audit**

South West HHS has an established Internal Audit function in accordance with section 24 of the *Financial and Performance Management Standard 2019*.

The Internal Audit function provides independent, objective assurance to the Executive Team, the Board Audit and Risk Committee, and the Board, on risks and internal controls, providing management with recommendations to further enhance controls and add value.

Internal Audit operates under a Board-approved charter consistent with the International Professional Framework of the Institute of Internal Auditors. Annual and strategic audit plans are informed by the Board's risk management approach, strategic and operational risks, and wider governance processes designed and maintained by management. Following consultation with applicable management and members of the Board Audit and Risk Committee, audit plans are then approved by the Board.

During the reporting period, the following scheduled internal audit was finalised:

- *Business Continuity Management*: to assist South West HHS identify the desired level of business continuity maturity and to provide tailored guidance and recommendations to attain desired maturity levels.

The following three scheduled items, and two additional audits, were also completed and are scheduled to be progressed to the Board's Audit and Risk Committee during the 2024-2025 reporting period:

Scheduled:

- *Medical Consumables*: to assist South West HHS identify and rectify inefficiencies and risks associated with the medical consumable processes, and to ensure compliance with relevant legislative requirements and industry best practices, while promoting cost-effectiveness and patient safety.
- *Asset Management – Medical Devices and Equipment*: to identify if South West HHS's Asset Management processes for medical devices are robust, comply with regulatory requirements and effectively support the health service's operational and clinical objectives.
- *Patient Travel Subsidy Scheme (PTSS)*: to identify if South West HHS operates its PTSS management processes effectively, economically, and efficiently and that the internal control framework governing PTSS management is adequate.

Additional:

- *Roma Hospital Generator Malfunction – Lessons Learned Workshop*: to conduct an in-depth review of the generator malfunction through to the resolution and remediation of the issue to identify weaknesses in current emergency power systems and protocols and develop recommendations for rectifying current issues and improving resilience against similar future occurrences.
- *Information Security Management System (ISMS)*: to provide assurance on the activities and attestation processes for controls that South West HHS is directly responsible for, such as controls relating to non-enterprise solutions and assets that HHSs own and operate, and / or administrative controls related to HHS specific ISMS and governance processes.

South West HHS has opted for an outsourced Internal Audit structure, in which an external provider is contracted for a three year period. During the reporting period, the Board conducted an evaluation of the Internal Auditor to examine performance against key contractual performance indicators and South West HHS Guiding Principles to ensure that the Internal Audit function continues to operate efficiently, effectively, and economically.

## **External scrutiny, information systems and record keeping**

### **External scrutiny**

South West HHS's operations are subject to regular scrutiny from external oversight bodies, which may also include the provision of statewide best practice recommendations and observations to further improve service provision.

The delivery of audits is conducted through an outsourced partnership arrangement using a global consulting firm. This firm provides subject matter experts and leads audits requiring specialist knowledge and skills. Although the firm liaises regularly with the Queensland Audit Office (QAO) it remains independent of the QAO.

An Integrated Recommendations Register is maintained by South West HHS to register,



action and report recommendations resulting from various internal and external high risk and high impact sources, including recommendations from Internal Audit, Clinical Incident Reviews, National Safety and Quality Health Service Accreditation and Work Health and Safety Audits.

During the reporting period, Parliamentary reports tabled by the Auditor-General which broadly considered the performance of South West HHS, and / or where recommendations and lessons learned could be used for continuous internal improvement, included:

- *Reducing serious youth crime* (Report 15:2023-24)
- *Queensland's regions 2023* (Report 14:2023-24)
- *Responding to and recovering from cyber attacks* (Report 12: 2023-24)
- *State entities 2023* (Report 11: 2023-24)
- *Managing Queensland's debt and investments 2023* (Report 10: 2023-24)
- *Local Government 2023* (Report 8: 2023-24)
- *Major Projects 2023* (Report 7: 2023-24)
- *Health 2023* (Report 6: 2023-24)
- *Energy 2023* (Report 5: 2023-24)
- *2023 status of Auditor-General's recommendations* (Report 3: 2023-24)

The recommendations contained within these reports were internally reviewed with appropriate actions taken to implement any applicable recommendations.

There were no significant findings against the South West HHS from State agencies in the reporting period.

### **Information systems and record keeping**

South West HHS is committed to making the best use of its information systems and recordkeeping in a way that promotes public trust in how personal and sensitive information is handled, protected and disclosed.

An internal *Corporate Records Management Procedure* outlines roles and responsibilities for corporate recordkeeping across the organisation with a focus on increasing awareness of corporate recordkeeping obligations across the service.

During quarter four of the reporting period, a review of the *Corporate Records Management Framework* commenced, with a Working Group established to identify and execute assurance and improvement activities to strengthen HHS corporate records management. The review will continue into the 2024-2025 financial year.

### **Privacy and records management**

South West HHS continues to create, receive and manage reliable clinical and business records in support of its legal, community and stakeholder obligations across all levels of the organisation. Business and clinical records are managed in physical and digital formats – both at South West HHS premises and also via offsite storage – in accordance with applicable internal procedures and statewide record governance policies.

Informed by National Privacy Principles contained in the *Information Privacy Act 2009*, respecting and maintaining the privacy of personal information also remains a matter of utmost importance for all staff, which includes meeting the ongoing challenges of cybersecurity and protecting personal data protection in a digital world. Systems are in place to support staff ensure paper records are appropriately stored,

secured from unauthorised access and protected from environmental threats. In addition, internal procedures and work instructions ensure compliance with the *Health Sector (Clinical Records) Retention and Disposal Schedule*.

### **Information security attestation**

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

During the mandatory annual Information Security compliance process, the Health Service Chief Executive attested to the appropriateness of the information security risk management within South West HHS to the Queensland Government Chief Security Information Officer.

### **Queensland public service ethics and values**

South West HHS fully embraces Queensland's public service values – and the ambition to be a high-performing, impartial and productive organisation – that encourages creativity, diversity, accountability and collaboration.

In all that we do, South West HHS also continues to uphold the four fundamental principles of the *Public Sector Ethics Act 1994*, namely: acting with integrity and impartiality; promoting the public good; commitment to the system of government; and serving with accountability and transparency.

In doing so, South West HHS strives to enable our staff to make decisions based on values of compassion and empathy, in partnership, that reflect and which adapt to the expressed needs of communities we serve in a transparent manner as part of a supportive and multidisciplinary team.

As part of orientation and onboarding, new staff are required to undertake statewide Code of Conduct training, with all staff required to re-familiarise themselves through annual mandatory training requirements. Quarterly disclosure of gifts and benefits also continued to be called throughout the reporting period<sup>8</sup>, with all Tier 1 and 2 Committee meetings continuing to provide opportunities for members to disclose any actual or potential conflicts of interest in relation to agenda items.

### **Human rights**

The South West HHS Executive Leadership Team and Board fully respect and seek to protect and promote human rights considerations in all decision-making and actions, including development of both new and scheduled refreshes of South West HHS documentation.

As part of its scheduled annual review of its strategic plan, the Board has also previously reinforced commitments to respect, protect and promote human rights in all aspects of South West HHS's decision making and actions.

In accordance with the provisions of section 97 of the *Human Rights Act 2019*, one complaint was submitted to South West HHS during the reporting period. Following resolution, outcomes subsequently informed updates to internal procedures.

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<sup>8</sup> <https://www.southwest.health.qld.gov.au/about-us/access-to-information/gifts-and-benefits-register>

## Confidential information

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

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

## Ministerial directions

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

During the reporting period, no directions were given by the Minister to South West HHS.

## Performance

### Non-financial performance

Through the dedication and commitment of our staff and teams across dispersed communities, South West HHS continued to ensure major services are provided in a safe, effective and sustainable manner in accordance with key performance indicators during the reporting period.

### Linkage between strategic plan objectives, KPIs and annual report performance reporting

Annual operational plans, service standard key performance indicators, and other key commitments, drive progressive delivery of South West HHS's four-year strategic planning cycle.

Overall, 75 of 86 actions within the *South West HHS Operational Plan 2023-2024* were completed by way of transitioning into business as usual processes, with four actions to be progressed via alternate pathways and a further seven items not fully completed, due to wider external factors.

Through co-design and other partnership working, key deliverables achieved within the reporting period across the four strategic plan domains included:

#### Our communities:

- Progression of *First Nations Health Equity Implementation Plan* commitments, including development of draft First Nations Health Equity performance scorecard, which will continue to evolve informed by feedback from quarterly First Nations Health Equity Committee considerations.
- Progression of South West HHS First Nations Peak Advisory Committee and South West HHS First Nations Stakeholder Committee, to be formally established during the next reporting period.
- Codesign of *South West HHS Climate Sustainability Strategy* and supporting action plan.

#### Our teams:

- Development of Allied Health Workforce Plan and governance framework.
- Through a comprehensive review of Operational Services protocols, progression of

new auditing and standardised duty guides, codesigned with staff and teams.

- Updated Model of Care / Service Delivery templates and guides developed for local use, with pipeline of existing documents scheduled for refresh.
- Co-design of *South West HHS Workforce Strategy Implementation Plan*, and launch of inaugural *Culture Compass* staff experience survey.
- Progression of Year 1 Darling Downs-South West Medical Pathway deliverables, with the first cohort of 36 students commencing studies on 29 January 2024.

Our resources:

- Implementation of a range of Best Practice Roadmap general practice enhancements including enabling of: SMS messaging, ePrescribing, real time prescription and GP Smart Referrals.
- Ongoing performance reporting at Executive, Board and departmental levels to provide effective assurance of shared accountability against South West HHS Service Agreement deliverables.
- Enhanced disaster management and preparedness resources, including use of data, analytics, and intelligence functionalities to improve decision making.
- Co-design of a new three year South West HHS *Safety and Quality Strategy*.

Our services:

- Updated ICT disaster recovery and business continuity documentation delivered to improve resilience and response to technology failures.
- Co-design of a new South West HHS *Digital Strategy*.
- Informed by community and partner engagement, initiation of comprehensive review of the current patient travel model and Patient Travel Subsidy Scheme administration processes.
- Ongoing progression of *3 Seeds* and *Better Care Together* service enhancements including recruitment of additional staff and closer engagement with partners.

An Operational Plan for Financial Year 2024-2025, developed during the reporting period, provides further key objectives to be delivered across the organisation in a sustainable manner during the next reporting period.

**Service Standards**

Overall, South West HHS continued to provide accessible and effective care, which included exceeding Emergency Department treatment times and Elective Surgery volume targets.

**Table 4:** Service Standards 2023-2024

South West Hospital and Health Service	2023–2024 Target	2023–2024 Actual
<b>Effectiveness measures</b>		
Percentage of emergency department patients seen within recommended timeframes		
Category 1 (within 2 minutes)	100%	100%
Category 2 (within 10 minutes)	80%	100%
Category 3 (within 30 minutes)	75%	97%
Category 4 (within 60 minutes)	70%	97%
Category 5 (within 120 minutes)	70%	99%

South West Hospital and Health Service	2023–2024 Target	2023–2024 Actual
Percentage of emergency department attendances who depart within 4 hours of their arrival in the department	>80%	89%
Percentage of elective surgery patients treated within the clinically recommended times		
Category 1 (30 days)	>98%	80%
Category 2 (90 days) <sup>1</sup>	..	94%
Category 3 (365 days) <sup>1</sup>	..	98%
Median wait time for treatment in emergency departments (minutes) <sup>2</sup>	..	3
Median wait time for elective surgery treatment (days)	..	81
<b>Efficiency measure</b>		
Not identified		
<b>Other measures</b>		
Number of elective surgery patients treated within clinically recommended times		
Category 1 (30 days)	127	132
Category 2 (90 days) <sup>1</sup>	..	216
Category 3 (365 days) <sup>1</sup>	..	606
Number of Telehealth outpatients service events <sup>3</sup>	5,534	4,503
Total weighted activity units (WAU) <sup>4</sup>		
Acute Inpatients	5,288	
Outpatients	1,826	
Sub-acute	1,240	
Emergency Department	3,244	
Mental Health	116	6,3352,1829323,235127
Prevention and Primary Care	365	517
Ambulatory mental health service contact duration (hours) <sup>5</sup>	>5,410	3,810
Staffing <sup>6</sup>	843	887

**Notes:**

- 1 Treated in time performance Targets for category 2 and 3 patients are not applicable for 2023–2024 due to the System's focus on reducing the volume of patients waiting longer than clinically recommended for elective surgery. The targets have been reinstated for 2024–2025.
- 2 There is no nationally agreed target for this measure, and the median wait time varies depending on the proportion of patients in each urgency category.
- 3 Telehealth 2023–2024 Actual is as at 20 August 2024.
- 4 All measures are reported in QWAU Phase Q26. The 2023–2024 Actual is based on data available on 19 August 2024. As the Hospital and Health Services have operational discretion to respond to service demands and deliver activity across services streams to meet the needs of the community, variation to the Target can occur.
- 5 Mental Health data is as at 19 August 2024.
- 6 Corporate FTEs are allocated across the service to which they relate. The department participates in a partnership arrangement in the delivery of its services, whereby corporate FTEs are hosted by the department to work across multiple departments. 2023–2024 Actual is for pay period ending 23 June 2024.

In terms of identified variances, based on data above:

- Ensuring all South West Elective Surgical patients received treatment within their clinically recommended timeframes proved challenging during the reporting period.

However, to ensure as many people could be treated as possible, additional surgeries were scheduled during May and June 2024 so that, in total, 13 additional elective

surgeries across all categories were ultimately provided compared to the previous year. This included an additional five of the highest Category 1 patients who were treated within the clinically recommended time of 30 days, with a total of 132 treated against an expected target of 127.

- With the 2023-2024 target originally informed by significantly higher primary care use during COVID-19 levels of service in the first six months of the previous reporting period, the telehealth target for the reporting period was not achieved. This was due in part to a return to more stable, face to face services within communities which had the positive effect of reducing overall demand for telehealth use. However, for comparison, total occasions of service provided during the reporting period was approximately 450 occasions of service higher than the previous five year average.
- Variance in anticipated Emergency Department and Sub-Acute weighted activity units (WAU) was lower than forecast during the reporting period. However, these have been offset by higher service use in other areas with South West HHS exceeding its overall volume target by 1,249 WAU.
- Variance in ambulatory mental health contact hours was primarily due to available mental health workforce availability, which continues to face significant and longstanding statewide challenges. However, total provision during the reporting period represents an increase of 70 hours compared to the previous financial year and demonstrates continuation of a progressive uplift to target which remains unchanged for the 2024-2025 Financial Year.
- South West HHS remains also committed to maintaining a clinically safe and sustainable workforce. Additional staff therefore supplemented our core workforce allocation to ensure effective operational requirements during the reporting period.

## Financial summary

South West HHS achieved an operating surplus of \$4.444 million for the year ending 30 June 2024. This is the eleventh year an operating surplus has been achieved since establishment, while continuing to deliver on agreed major services and meeting and improving key safety and quality performance indicators.

An effective accountability framework, informed by medium to long-term financial modelling, has been established to ensure our service continues to deliver the appropriate level of services to our community, backed by effective and efficient systems and processes.

Our consistent financial performance also demonstrates commitment to delivering sustainable health services to our community. Operating surpluses from prior years are reinvested in capital and other projects to further enhance our service capability and supporting investment opportunities to deliver efficiency and local infrastructure improvements.

## Revenue and expenditure

South West HHS's income is primarily sourced from public health services funding (including State and Commonwealth contributions), own source revenue and grants and other contributions. South West HHS's total income for the 2023-2024 financial year was \$225.275 million, which was an increase of \$23.240 million (11.50 per cent) from 2022-2023 comprising:

- Block funding, activity-based funding, teaching, training and research funding, depreciation funding and general purpose funding for public health services of 87 per cent, or \$195.987 million.
- Australian Government grants and other grants funding for health services totaling 6.7 per cent, or \$15.013 million.
- Own source revenue of 5.7 per cent or \$12.848 million.
- Other revenue of 0.5 per cent, or \$1.121 million.
- Revaluation increment of 0.1 per cent, or \$0.306 million.

Total expenses were \$220.831 million. Total expenditure increased by \$24.507 million (12.5 per cent) from last financial year. Major areas of expenditure are shown in the following table. Compared to last financial year, the most significant increases are in supplies and services which is mainly due to increased Nursing and Medical labour costs of external agencies, driven by internal vacancies and higher than anticipated expenses due to the Consumer Price Index (CPI) outstripping non-labour escalation provided.

**Table 5: Expenses comparison**

	2023-2024	2022-2023	Variance	Variance
	\$'000	\$'000	\$'000	
Employee expenses	16,163	15,805	358	2.3%
Health service employee expenses	112,100	103,286	8,814	8.5%
Supplies and services	71,891	59,324	12,567	21.2%
Depreciation and amortisation	15,632	13,463	2,169	16.1%
Other expenses	5,045	4,446	599	13.5%
<b>Total</b>	<b>220,831</b>	<b>196,324</b>	<b>24,507</b>	<b>12.5%</b>

### Assets and liabilities

South West HHS's asset base amounts to \$342.349 million. Of this 87.7 per cent, or \$300.397 million, is invested in property, plant and equipment. \$41.852 million is held in cash, receivables and inventory.

A breakdown of property, plant and equipment, and a comparison to the previous financial year is shown in the following table:

**Table 6: Property, plant and equipment comparison**

	2023-24	2022-2023	Variance	Variance
	\$'000	\$'000	\$'000	
Land	4,705	4,399	306	7.0%
Buildings	270,887	231,645	39,242	16.9%
Plant and Equipment	16,899	15,946	953	6.0%
Capital Works In Progress	7,906	3,643	4,263	117.0%
<b>Total</b>	<b>300,397</b>	<b>255,633</b>	<b>44,764</b>	<b>17.5%</b>

South West HHS received non-appropriated equity transfers of \$32.612 million from the Department of Health during the financial year ended 30 June 2024 relating to new Allied Health facilities built at St George and Charleville.

South West HHS's current liabilities as at 30 June 2024 were \$19.421 million.

With a cash balance of \$31.074 million, South Wets HHS can meet its short-term financial

commitments.

### **Deferred maintenance**

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

The Building Policy Guideline defines deferred maintenance as all maintenance work that has not been conducted within a financial year and is deemed necessary to bring the condition of the building to a required standard or acceptable level of risk.

Deferred maintenance is the maintenance work that is postponed to a future budget cycle, or until funds become available. It excludes work earmarked in anticipation of a level of deterioration that did not occur (e.g. forecast repainting). All deferred maintenance items are risk assessed to identify any potential impact on users and services and are closely managed to ensure all facilities are safe.

As of 30 June 2024, South West HHS had reported deferred maintenance of \$1.830 million.

Where required, the following strategies are in place to mitigate any risks associated with these items:

- Seek assistance from Priority Capital Program.
- Utilise Minor Capital Works funding.
- Seek assistance from Emergent Works Program, if required.
- Utilise operational maintenance budgets.

### **Future financial outlook**

South West HHS will continue its strategy for investment in clinical service delivery, focusing on the continuing financial sustainability and effectiveness of services.

### **Chief Financial Officer statement**

For the financial year ended 30 June 2024, the Chief Finance Officer provided a statement to the Board and Chief Executive on the HHS's financial internal controls, compliance with prescribed requirements for establishing and keeping the financial accounts and preparation of the financial statements to present a true and fair view.



# **South West Hospital and Health Service**

## **Financial Statements**

**30 June 2024**

**South West Hospital and Health Service**  
**For the year ended 30 June 2024**

**Contents**

Statement of Comprehensive Income  
Statement of Financial Position  
Statement of Changes in Equity  
Statement of Cash Flows  
Notes to the Financial Statements  
Management Certificate  
Independent Auditor's Report

**General Information**

These financial statements cover the South West Hospital and Health Service (South West HHS).

The South West Hospital Health Service was established on 1 July 2012 as a statutory body under the *Hospital and Health Boards Act 2011*.

South West HHS is controlled by the State of Queensland which is the ultimate parent.

The head office and principal place of business of South West HHS is:

44-46 Bungil Street  
Roma QLD 4455

For information in relation to South West HHS' financial statements please visit the website [www.health.qld.gov.au/southwest/](http://www.health.qld.gov.au/southwest/).

South West Hospital and Health Service  
Statement of Comprehensive Income  
For the year ended 30 June 2024

	Note	2024 \$'000	Original Budget 2024 \$'000	2023 \$'000	Note 24	Actual vs Budget variance \$'000
<b>Revenue</b>						
User charges	2	12,848	8,992	11,006	a	3,856
Public health services funding	3	195,987	181,855	178,534	b	14,132
Grants and other contributions	4	15,013	7,491	11,118	c	7,522
Revaluation increment		306	-	123		306
Other revenue	5	1,121	392	1,254		729
<b>Total revenue</b>		<b>225,275</b>	<b>198,730</b>	<b>202,035</b>		<b>26,545</b>
<b>Expenses</b>						
Employee expenses	6	16,163	18,672	15,805	d	(2,509)
Health service employee expenses	7	112,100	115,304	103,286	e	(3,204)
Supplies and services	9	71,891	48,536	59,324	f	23,355
Depreciation and amortisation		15,632	14,401	13,463		1,231
Other expenses	10	5,045	1,817	4,446	g	3,228
<b>Total expenses</b>		<b>220,831</b>	<b>198,730</b>	<b>196,324</b>		<b>22,101</b>
<b>Operating result</b>		<b>4,444</b>	<b>-</b>	<b>5,711</b>		<b>4,444</b>
<b>Other comprehensive income</b>						
<i>Items that will not be reclassified subsequently to operating result</i>						
Increase/(decrease) in asset revaluation surplus	16	10,528	-	14,939	h	10,528
<b>Other comprehensive income for the year</b>		<b>10,528</b>	<b>-</b>	<b>14,939</b>		<b>10,528</b>
<b>Total comprehensive income for the year</b>		<b>14,972</b>	<b>-</b>	<b>20,650</b>		<b>14,972</b>

South West Hospital and Health Service  
Statement of Financial Position  
As at 30 June 2024

	Note	2024 \$'000	Original Budget 2024 \$'000	2023 \$'000	Note 24	Actual vs Budget variance \$'000
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	11	31,074	21,771	35,033	i	9,303
Receivables	12	7,897	4,828	4,872	j	3,069
Inventories		2,881	1,942	2,276	k	939
<b>Total current assets</b>		<b>41,852</b>	<b>28,541</b>	<b>42,181</b>		<b>13,311</b>
<b>Non-current assets</b>						
Property, plant and equipment	13	300,397	322,398	255,633	l	(22,001)
Right-of-use assets		100	180	153		(80)
<b>Total non-current assets</b>		<b>300,497</b>	<b>322,578</b>	<b>255,786</b>		<b>(22,081)</b>
<b>Total assets</b>		<b>342,349</b>	<b>351,119</b>	<b>297,967</b>		<b>(8,770)</b>
<b>Liabilities</b>						
<b>Current liabilities</b>						
Payables	14	18,126	16,642	19,704		1,484
Lease liabilities		18	110	60		(92)
Other liabilities	15	1,277	109	1,718	m	1,168
<b>Total current liabilities</b>		<b>19,421</b>	<b>16,861</b>	<b>21,482</b>		<b>2,560</b>
<b>Non-current liabilities</b>						
Lease liabilities		79	151	100		(72)
<b>Total non-current liabilities</b>		<b>79</b>	<b>151</b>	<b>100</b>		<b>(72)</b>
<b>Total liabilities</b>		<b>19,500</b>	<b>17,012</b>	<b>21,582</b>		<b>2,488</b>
<b>Net assets</b>		<b>322,849</b>	<b>334,107</b>	<b>276,385</b>		<b>(11,258)</b>
<b>Equity</b>						
Contributed equity		181,406	197,827	149,914	n	(16,421)
Asset revaluation surplus	16	104,108	107,580	93,580		(3,472)
Retained surplus		37,335	28,700	32,891	o	8,635
<b>Total equity</b>		<b>322,849</b>	<b>334,107</b>	<b>276,385</b>		<b>(11,258)</b>

South West Hospital and Health Service  
Statement of Changes in Equity  
For the year ended 30 June 2024

	Note	Contributed equity \$'000	Asset revaluation surplus \$'000	Retained surplus \$'000	Total equity \$'000
<b>Balance at 1 July 2022</b>		153,336	78,641	27,179	259,156
Operating result for the year		-	-	5,711	5,711
Other comprehensive income for the year		-	14,939	-	14,939
<b>Total comprehensive income for the year</b>		-	14,939	5,711	20,650
<i>Transactions with owners in their capacity as owners:</i>					
Net assets received (transferred via non-appropriated equity transfers)	13	7,042	-	-	7,042
Equity injections (Capital works and funding swaps)	13	3,000	-	-	3,000
Equity withdrawals (Depreciation funding)	3	(13,463)	-	-	(13,463)
<b>Balance at 30 June 2023</b>		<b>149,914</b>	<b>93,580</b>	<b>32,891</b>	<b>276,385</b>

**Net effect of Prior year adjustments**

		Contributed equity \$'000	Asset revaluation surplus \$'000	Retained surplus \$'000	Total equity \$'000
<b>Balance at 1 July 2023</b>		149,914	93,580	32,891	276,385
Operating result for the year		-	-	4,444	4,444
Other comprehensive income for the year		-	10,528	-	10,528
<b>Total comprehensive income for the year</b>		-	<b>10,528</b>	<b>4,444</b>	<b>14,972</b>
<i>Transactions with owners in their capacity as owners:</i>					
Net assets received (transferred via non-appropriated equity transfers)	13	32,612	-	-	32,612
Equity injections (Capital works and funding swaps)	13	14,512	-	-	14,512
Equity withdrawals (Depreciation funding)	3	(15,632)	-	-	(15,632)
<b>Balance at 30 June 2024</b>		<b>181,406</b>	<b>104,108</b>	<b>37,335</b>	<b>322,849</b>

South West Hospital and Health Service  
Statement of Cash Flows  
For the year ended 30 June 2024

	Note	2024 \$'000	Original Budget 2024 \$'000	2023 \$'000	Note 24	Actual vs Budget \$'000
<b>Cash flows from operating activities</b>						
<i>Inflows</i>						
User charges		11,514	8,902	10,230	p	2,612
Public health services funding		178,579	181,855	163,692		(3,276)
Grants and other contributions		13,247	5,691	9,284	q	7,556
GST input tax credits from ATO		6,031	4,695	3,689		1,336
GST collected from customers		215	-	176		215
Other receipts		483	392	1,362		91
<i>Outflows</i>						
Employee expenses		(17,371)	(18,672)	(14,520)		1,301
Health service employee expenses		(113,248)	(115,304)	(101,331)		2,056
Supplies and services		(69,886)	(48,330)	(55,243)	r	(21,556)
GST paid to suppliers		(5,901)	(4,698)	(3,996)		(1,203)
GST remitted to ATO		(215)	-	(176)		(215)
Other payments		(5,004)	(1,436)	(4,140)	s	(3,568)
<b>Net cash from/(used by) operating activities</b>	17	<b>(1,556)</b>	<b>13,095</b>	<b>9,027</b>		<b>(14,651)</b>
<b>Cash flows from investing activities</b>						
<i>Inflows</i>						
Proceeds from sale of property, plant and equipment		92	-	31		92
<i>Outflows</i>						
Payments for property, plant and equipment		(16,947)	(3,356)	(4,909)	t	(13,591)
<b>Net cash from/(used by) investing activities</b>		<b>(16,855)</b>	<b>(3,356)</b>	<b>(4,878)</b>		<b>(13,499)</b>
<b>Cash flows from financing activities</b>						
<i>Inflows</i>						
Equity injections	13	14,512	28	3,000	u	14,484
<i>Outflows</i>						
Equity withdrawals		-	(14,401)	-	v	14,401
Lease payments		(60)	(28)	(93)		(32)
<b>Net cash from/(used by) financing activities</b>		<b>14,452</b>	<b>(14,401)</b>	<b>2,907</b>		<b>28,853</b>
<b>Net increase/(decrease) in cash held</b>		<b>(3,959)</b>	<b>(4,662)</b>	<b>7,056</b>		<b>703</b>
Cash and cash equivalents at the beginning of the financial year		35,033	26,433	27,977		8,600
<b>Cash and cash equivalents at the end of the financial year</b>	11	<b>31,074</b>	<b>21,771</b>	<b>35,033</b>		<b>9,303</b>

The accompanying notes form part of these statements.

South West Hospital and Health Service  
Notes to the financial statements  
For the year ended 30 June 2024

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## **Note 1. Basis for preparation and other accounting policies**

### ***Basis of Financial Statement preparation***

#### **Statement of compliance**

The South West Hospital and Health Service (South West HHS) 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, prepared on an accrual basis (except for the statement of cash flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations. In addition, the financial statements comply with Queensland Treasury's *Minimum Reporting Requirements* for the year ended 30 June 2024, and other authoritative pronouncements.

With respect to compliance with Australian Accounting Standards and Interpretations, as the South West HHS is a not-for-profit statutory body it has applied those requirements applicable to not-for-profit entities.

#### **The reporting entity**

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of South West HHS. South West HHS does not control any other entities (see Note 23 – Associates and Note 25 – Related Party Transactions).

#### **Issuance of Financial Statements**

The financial statements are authorised for issue by the Chair of the South West Hospital and Health Board (SWHHB), the Chief Executive and the Executive Director Finance, Infrastructure and Corporate Services of South West HHS at the date of signing the management certificate.

#### **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. Comparative information has been reclassified where required for consistency with the current year's presentation.

#### **Current/Non-current classification**

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

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

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

#### **Basis of measurement**

Historical cost is used as the measurement basis in this financial report except for the following:

- Land and buildings which are measured at fair value
- Inventories which are measured at the lower of cost and net realisable value, and
- Lease liabilities are recognised at present value of the lease payments during the lease term

#### *Historical Cost*

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

#### *Fair Value*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique. Fair value is determined using one of the following two approaches in South West HHS:

- The market approach uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business; or
- The cost approach reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current replacement cost methodology.

Where fair value is used, the fair value approach is disclosed.



## Note 1. Basis for preparation and other accounting policies (continued)

### Basis of measurement (continued)

#### Present Value

Present value represents the present discounted value of the future net cash inflows that the item is expected to generate (in respect of assets) or the present discounted value of the future net cash outflows expected to settle (in respect of liabilities) in the normal course of business.

#### Net Realisable Value

Net realisable value represents the amount of cash or cash equivalents that could be obtained by selling an asset in an orderly disposal.

### Other accounting policies

#### Administrative arrangements

##### Transfer of assets on practical completion

In 2014-15, the Minister for Health signed an enduring designation of transfer for property, plant and equipment between Hospital and Health Services and the Department of Health. This transfer is recognised through equity when both entities agree in writing to the transfer.

	2024 \$'000	2023 \$'000
Transfer in - practical completion of projects from the Department of Health*	32,612	7,042
	<u>32,612</u>	<u>7,042</u>

\* Construction of major health infrastructure continues to be managed and funded by the Department of Health. Upon practical completion of a project, assets are transferred from the Department of Health to South West HHS. This note relates to transfers (to)/from Department of Health only – transfers to/from departments other than Department of Health are not included.

#### Inventories

Inventories consist mainly of medical supplies held for distribution in hospitals and are provided to public admitted patients free of charge except for pharmaceuticals which are provided at a subsidised rate. Inventories are valued at cost, adjusted where applicable, for any loss of service potential. Cost is assigned on a weighted average cost.

#### Taxation

South West HHS is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation except for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). The Australian Taxation Office has recognised the Queensland Department of Health and the 16 Hospital and Health Services as a single taxation entity for reporting purposes.

#### Objectives

The objectives of South West HHS is to perform the key role in the delivery of quality public health services in South West Queensland. South West HHS works in partnership with staff, local communities and key stakeholders to plan and deliver services that matter most to the people and communities.

For further details please refer the South West HHS website - <https://www.southwest.health.qld.gov.au/about-us/>

#### First year application of new accounting standards or changes in policy

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

#### Future impact of accounting standards not yet effective

All Australian accounting standards and interpretations with future effective dates are either not applicable to South West HHS' activities or have no material impact on South West HHS.

#### Climate Risk Disclosure

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

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

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

**Note 1. Basis for preparation and other accounting policies (continued)**

**Climate Risk Disclosure (continued)**

South West HHS continues to monitor the emergence of material climate-related risks that may impact the financial statements of South West HHS, including those arising under the Queensland Government Climate Action Plan 2020-2030 and other Government publications or directives.

**Note 2. User charges**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue from contracts with customers</b>		
Sale of goods and services	<b>3,032</b>	2,608
Pharmaceutical Benefit Scheme	<b>1,243</b>	1,314
Hospital fees	<b>8,573</b>	7,084
	<b>12,848</b>	11,006

**Significant accounting policies**

Revenue in this category primarily consists of hospital fees, reimbursements of pharmaceutical benefits, charges for private patients and private practice fees.

Revenue is recognised in accordance with AASB 15 *Revenue from Contracts with Customers*, at a point in time when South West HHS 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.

### Note 3. Public health services funding

	2024 \$'000	2023 \$'000
Block funding	88,061	82,314
Activity based funding	28,977	26,222
Health, Teaching, Training & Research funding	1,856	1,910
Depreciation funding	15,632	13,463
General purpose funding	61,461	54,625
	<u>195,987</u>	<u>178,534</u>

#### Significant accounting policies

##### Public health services funding

Funding is provided predominantly from the Department of Health for specific public health services purchased by the Department in accordance with a service agreement. The Australian Government pays its share of national health funding directly to the Department of Health, for on forwarding to South West HHS. The service agreement is reviewed periodically and updated for changes in activities and prices of services delivered by South West HHS. Cash funding from the Department of Health is received fortnightly for State payments and monthly for Commonwealth payments and is recognised as revenue on receipt as the majority of South West HHS' funding is block and not linked to sufficient specific performance obligations. Commonwealth funding to South West HHS in 2024 was \$40.855 million (2023: \$38.693 million).

At the end of the financial year, an agreed technical adjustment between the Department of Health and South West HHS may be required based on services level achieved, which may result in a receivable from or payable to the Department of Health. This technical adjustment process is undertaken annually according to the provisions of the service level agreement and ensures that the revenue recognised in each financial year correctly reflects South West HHS' delivery of health services.

Block funding is provided where the technical requirements for applying Activity based funding (based on a mix and volume of patients treated, with agreed number of activities and state-wide national efficient price) are not able to be satisfied; and there is an absence of economies of scale that means some services would not be financially viable. Block funding, although under an enforceable agreement, does not contain sufficient specific performance obligations and is recognised as revenue when received.

Activity based funding (ABF) is provided according to the type and number of services provided by the Department of Health, multiplied by the Queensland Efficiency Price (QEP) or other prices in the service agreement. ABF is received for inpatients, critical care, sub and non-acute care, emergency department, mental health and outpatients. ABF is identified as having sufficiently specific performance obligations and is accounted for under AASB 15 Revenue from contracts with customers. In this case, revenue is initially deferred (as contract liability) and recognised as, or when, the performance obligation has been satisfied.

Teaching, Training and Research (TTR) funding is allocated to South West HHS via the service agreement. TTR funding is a notional amount top sliced from the total ABF hospital funding pool to recognise the additional costs to hospitals of undertaking teaching and training activities for clinical staff.

Other general-purpose funding supports the provision of a wide range of services for primary and community healthcare and includes other services that fall outside the scope of the National funding model. These are state-funded and do not have specific conditions attached.

Revenue is recognised on receipt of funds under AASB 1058 *Income of Not-for-Profit Entities* where the service agreement, is not enforceable and does not include sufficiently specific performance obligations. This includes block, TTR, depreciation and the majority of other general purpose funding. Where the service agreement is enforceable and contains sufficiently specific performance obligations, and South West HHS transfer goods and services, the transaction is accounted for under AASB 15 *Revenue from Contracts with Customers*, with revenue initially deferred and recognised as revenue when the performance obligations are satisfied.

The service agreement between the Department of Health and South West HHS dictates that the funding provided by the Department for depreciation charges incurred by South West HHS are non-cash revenue. This is achieved monthly through a withdrawal of funds from equity, refer Statement of Changes in Equity.

#### Note 4. Grants and other contributions

	2024 \$'000	2023 \$'000
Australian Government - Nursing home grants	8,449	5,855
Australian Government - Home and community care grants	1,448	1,374
Australian Government - Specific purpose	2,397	1,284
Donations	6	5
Other grants	953	766
Services received at below fair value	1,760	1,834
	<u>15,013</u>	<u>11,118</u>

#### Significant accounting policies

Grants, contributions and donations received arise from non-exchange transactions where South West HHS does not directly give approximately equal value to the grantor.

Grants are recognised on receipt of funds under AASB 1058 *Income of Not-for-Profit Entities* where agreements are not enforceable and do not include sufficiently specific performance obligations. Under AASB 1058 *Income of Not-for-Profit Entities* capital grants received to construct non-financial assets to be controlled by South West HHS are recognised as unearned revenue when received, and subsequently recognised progressively as revenue as South West HHS satisfies its obligations under the grant through construction of the asset. Where agreements are enforceable and contain sufficiently specific performance obligations, and South West HHS transfer goods and services, the transaction is accounted for under AASB 15 *Revenue from Contracts with Customers*, with revenue initially deferred and recognised as revenue when the performance obligations are satisfied.

South West HHS does not have any grants with sufficiently specific performance obligations for the year ended 30 June 2024 (2023: nil) accounted for under AASB 15 *Revenue from Contracts with Customers*.

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

South West HHS receives corporate services support from the Department of Health for no cost. Corporate services received include payroll services, accounts payable services, finance transactional services, taxation services, supply services and information technology services.

#### Note 5. Other revenue

	2024 \$'000	2023 \$'000
Recoveries	875	987
Other	246	267
	<u>1,121</u>	<u>1,254</u>

## Note 6. Employee expenses

	2024 \$'000	2023 \$'000
<b>Employee benefits</b>		
Wages and salaries	12,323	12,572
Annual leave levy	1,468	1,600
Employer superannuation contributions	1,552	858
Long service leave levy	349	297
<b>Employee related expenses</b>		
Workers compensation premium	12	9
Other employee related expenses	459	469
	<u>16,163</u>	<u>15,805</u>
	2024 Staff No.	2023 Staff No.
Number of employees	<u>27.7</u>	<u>26.2</u>

The number of employees includes full-time employees and part-time employees measured on a standard full time equivalent (FTE) basis at 30 June 2024.

### Significant accounting policies

Employees include health executives directly engaged in the service of the South West HHS in accordance with section 70 of the *Hospital and Health Boards Act 2011* (HHBA). The basis of employment for health executives is in accordance with section 74 of the *HHBA*. In addition, South West HHS directly engages senior medical officers who enter into individual contracts with South West HHS.

### Wages and salaries

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

### Workers Compensation

Workers' compensation insurance is a consequence of employing staff but is not counted in an employee's total remuneration package. It is not an employee benefit and is recognised and included as part of Health Service Employee Expenses (Note 7) and not separated between Health Service and Board employees.

### Employee Benefits and On-Costs

#### *Annual leave and long service leave*

Under the Queensland Government's Central Schemes for Annual Leave (ALCS) and Long Service Leave (LSL), levies are paid throughout the year by South West HHS to cover the cost of an employee's annual leave and long service leave entitlements (including leave loading and on-costs).

The 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 scheme quarterly in arrears.

#### **Sick leave**

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

### Recoveries of Employee Expenses

Payments received for South West HHS employees working for other agencies or on secondment are offset against wages and salaries expenses to ensure the reported expenses reflect the actual wages and salaries incurred for employees working for the agency in that financial year.

## Note 6. Employee expenses (continued)

### Superannuation

Employer superannuation contributions are paid to the superannuation fund of the eligible employee's choice. For the defined benefits scheme, contributions are paid at rates determined by the Treasurer on the advice of the State Actuary. Contributions are expensed in the period in which they are paid or payable and the South West HHS obligation is limited to its contribution to the eligible employee's superannuation fund. For defined contribution plans, contributions are made to eligible complying superannuation funds based on the rates specified in the relevant EBA or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

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

## Note 7. Health service employee expenses

	2024 \$'000	2023 \$'000
Department of Health	112,100	103,286
	<u>112,100</u>	<u>103,286</u>

South West HHS through service arrangements with the Department of Health has engaged 766 (2023: 750) standard FTE at 30 June 2024. As well as direct payments to the Department, premium payments made to WorkCover Queensland representing compensation obligations of 2024: \$0.997 million (2023: \$0.580 million) and other employee expenses (including training) of 2024: \$0.830 million (2023: \$0.716 million) are included in this category.

### Significant accounting policies

In accordance with the *Hospital and Health Boards Act 2011*, the employees of the Department of Health are referred to as Health service employees. Under this arrangement:

- The Department provides employees to perform work for the South West HHS and acknowledges and accepts its obligations as the employer of these employees.
- South West HHS is responsible for the day to day management of these departmental employees.
- South West HHS reimburses the Department for the salaries and on-costs of these employees. This is disclosed as Health service employee expense.

**Note 8. Key management personnel disclosures**

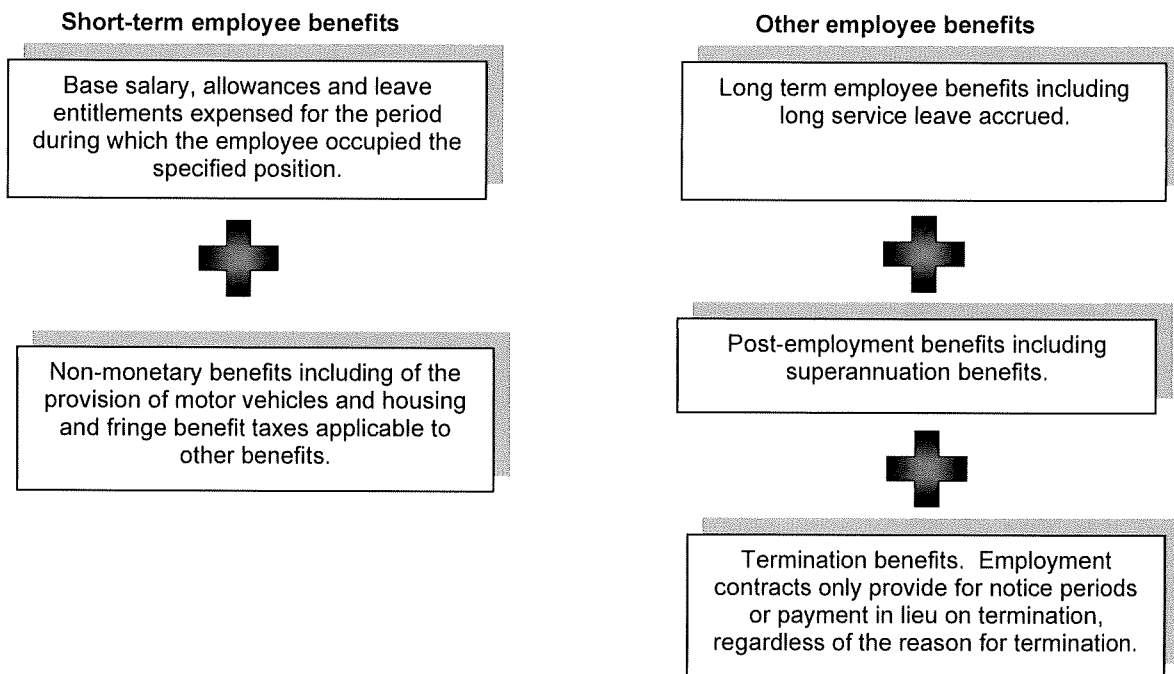
Key management personnel (KMP) include those positions that had authority and responsibility for planning, directing and controlling the activities of South West HHS during the year. South West HHS' responsible Minister is identified as part of South West HHS' key management personnel, consistent with additional guidance included in *AASB 124 Related Party Disclosures*. The responsible Minister for 18 May 2023 – 30 June 2024 being the Minister for Health, Mental Health and Ambulance Services was Hon Shannon Fentiman.

South West HHS has determined that individuals acting in key management positions on a temporary or relieving basis are only considered to be KMP where they acted in the role for greater than four weeks during the year.

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

Remuneration policy for the South West HHS key executive management personnel is set by direct engagement common law employment contracts. The remuneration and other terms of employment for the key executive management personnel are also addressed by these common law employment contracts. The contracts provide for other benefits including motor vehicles and expense payments such as rental or loan repayments. South West HHS does not have any key executive management personnel employed under an arrangement which includes the potential for performance payments.

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



**Ministerial remuneration**

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's *Members' Remuneration Handbook*. South West HHS does not bear any cost of remuneration of the Minister. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's *Report on State Finances*.

## **Note 8. Key management personnel disclosures (continued)**

### **South West HHS key management personnel**

#### **Health Service Chief Executive (HSCE)**

Responsible for the overall leadership and management of the South West HHS to ensure that South West HHS meets its strategic and operational objectives. The HSCE is accountable to the Board for making and implementing decisions about the Hospital and Health Service business within the strategic framework set by the Board.

#### **Executive Director, Finance, Infrastructure and Corporate Services (EDFICS)**

Responsible for management and oversight of the South West HHS finance framework including financial accounting processes, financial risk management, budget and revenue systems, activity measurement and reporting, performance management frameworks and financial corporate governance systems. The EDFICS is also accountable for the promotion of the long-term viability of the Hospital and Health Service and is responsible for infrastructure program planning and delivery.

#### **Executive Director, Medical Services and Clinical Governance (EDMSCG)**

Strategic and professional responsibility for South West HHS medical workforce, and clinical governance. The EDMSCG leads the development and implementation of Hospital and Health Service wide strategies that will ensure the medical workforce is aligned with identified service delivery needs, and an appropriately qualified, competent and credentialed workforce is maintained.

#### **Executive Director, Nursing & Midwifery Services (EDNMS)**

Responsible for strategic and professional leadership of the nursing workforce. The EDNMS leads the development and implementation of Hospital and Health Service wide strategies that will ensure the nursing and midwifery workforce is aligned with identified service delivery needs. The EDNMS ensures an appropriately qualified and competent nursing and midwifery workforce is maintained, leading to the achievement of clinical excellence through education, professional development and research.

#### **Executive Director People and Culture (EDPAC)**

Responsible for leadership of the workforce functions including recruitment, workplace relations, learning and development, work health and safety, workforce culture and capability and workforce planning across the Hospital and Health Service.

#### **Executive Director, Primary and Community Care (EDPCC)**

Provides single point accountability and leadership for the portfolio of Primary and Community Care within the Hospital and Health Service. The position provides high level leadership, strategic direction and advocacy in the professional management of primary and community care services across the Hospital and Health Service, including contribution to state-wide initiatives.

#### **Executive Director Governance, Strategy and Performance (EDGSP) (formerly Executive Director, Strategy, Performance and Governance (EDSPG))**

The Executive Director Strategy, Performance and Governance provides overall leadership and direction for the functions of Strategic Projects, Program Management, Business Intelligence, Reporting and Analytics, Integrated Governance, Risk and Compliance Management, Corporate Performance Management, Internal Audit, Legal Liaison, and Internal and External Communications and Strategic Engagement. The EDSPG is a key member of the Executive Leadership Team (ELT). The role is responsible for the provision of leadership, strategic focus, authoritative and expert advice across a wide range of professional and policy issues to the HSCE, members of the Executive Team, the South West Hospital and Health Board, and other relevant stakeholders.

#### **Executive Director Allied Health (EDAH)**

The Executive Director Allied Health role provides the strategic direction of Allied Health services to facilitate the operational, organisational and cultural change associated with the implementation of innovative approaches to service delivery, data collection and integration and workforce management through development and implementation of the Allied Health Workforce Ten Year Strategy to deliver high level culturally safe services within a model of comprehensive Rural and Remote Health Care. The role is responsible for contributing to the strategic Allied Health service development, governance and credentialing advice.



**Note 8. Key management personnel disclosures (continued)**

Executive Director Aboriginal and Torres Strait Islander Health and Engagement (EDATSIHE) (formerly Director of Aboriginal and Torres Strait Islander Health and Engagement (DATSIHE))

The Executive Director of Aboriginal and Torres Strait Islander Health and Engagement role provides overall leadership and strategic direction on the health pathways aimed at improving the health and well-being of Aboriginal and Torres Strait Islander peoples. Also, to ensure policies, services and programs focus on improving health, social and emotional wellbeing, and resilience, and promote positive health behaviours emphasising the centrality of culture in the health of Aboriginal and Torres Strait Islander people.

Chief Information Officer, Rural and Remote (CIO)

The Chief Information Officer, Rural and Remote, provides a strategic view of Digital Health, Information and Communications Technology (ICT), and is operationally and strategically responsible for the three western hospital and health services. Hosted by eHealth Queensland and funded 50%, the remaining 50% is proportionally on-charged to each of the western hospital and health services.

**Transactions with people/entities related to KMP**

One entity that is controlled by related parties of KMP provided services to South West HHS to an amount of \$891 during the year ended 30 June 2024 (2023: nil). The nature of the services provided included mechanical services. All transactions during the year ended 30 June 2024 between South West HHS and key management personnel, including their related parties and related entities, were in accordance with standard processes and on standard commercial terms and conditions.

Note 8. Key management personnel disclosure (continued) 30 June 2024

Position title Position holder/s*	Term	Short-term benefits (\$'000s)			Other Employee Benefits (\$'000s)			Total
		Monetary expenses	Non-monetary expenses	Long term expenses	Post-employment expenses	Termination benefits		
Health Service Chief Executive (HSCE) Anthony Brown Rebecca Greenway (Acting)	From 30 August 2021 to current From 7-20 August 2023; 4-10 March 2024; 8-21 April 2024	439 34	25 2	10 1	59 2	- -	533 39	
Executive Director Finance, Infrastructure & Corporate Services (EDFICS) Linda Patmore	From 2 May 2023 to current	250	-	5	27	-	282	
Executive Director, Medical Services and Clinical Governance (EDMSCG) Dr Debra Tennett Dr Sonya Kelly (Acting) Dr Carl de Wet	From 18 January 2021 to 31 July 2023 1 August 2023 to 31 October 2023 From 1 November 2023 to current	81 188 325	1 7 20	2 4 7	19 15 34	- - -	103 214 386	
Executive Director Nursing & Midwifery (EDNIMS) Chris Small	From 20 January 2020 to current	251	-	6	31	-	288	
Executive Director People and Culture (EDPAC) Katie Eckersley	From 10 October 2022 to current	196	-	4	21	-	221	
Executive Director, Primary and Community Care (EDPCC) Rebecca Greenway	From 1 November 2022 to current	177	21	4	21	-	223	
Executive Director Governance, Strategy and Performance (EDGSP) (formerly Executive Director, Strategy, Performance and Governance (EDSPG))* Leigh Burton	From 29 January 2024 to current	100	-	2	11	-	113	
Executive Director Allied Health (EDAH) Helen Wassman Leigh Burton (Acting)	From 9 December 2019 to current From 11 April 2023 to 28 January 2024	116 114	- -	2 2	13 14	- -	131 130	
Executive Director Aboriginal and Torres Strait Islander Health and Engagement (EDATSIHE) (formerly Director of Aboriginal and Torres Strait Islander Health and Engagement (DATSIHE)) Jezamay Landers (Acting) Rodney Landers (Acting)	From 17 May 2023 to 8 October 2023 From 30 October 2023 to 22 December 2023	46 29	- -	1 1	6 2	- -	53 32	
Shelley Lawton	From 23 December 2023 to current	82	-	2	9	-	93	
Chief Information Officer, Rural and Remote (CIO) Helen Murray	From 28 May 2018	30	-	-	-	-	30	

Note 8. Key management personnel disclosure (continued) 30 June 2023

Position title Position holder/s*	Term	Short-term benefits (\$'000s)			Other Employee Benefits (\$'000s)				Total
		Monetary expenses	Non-monetary expenses	Long term expenses	Post-employment expenses	Termination benefits			
<b>Health Service Chief Executive (HSCE)</b>									
Anthony Brown Rebecca Greenway (Acting)	From 30 August 2021 to current From 22 July 2022 to 14 August 2022; 13-19 February 2023; 3-23 April 2023	439 41	24 2	10 1	41 3	- -	514 47		
<b>Executive Director Finance, Infrastructure &amp; Corporate Services (EDFICS)</b>									
Samantha Edmonds Jonathan Green (Acting) Linda Patmore	From 7 January 2019 to 10 January 2023 From 11 January 2023 to 1 May 2023 From 2 May 2023 to current	123 79 22	- - -	2 2 -	7 6 2	- - -	132 87 24		
<b>Executive Director, Medical Services and Clinical Governance (EDMSCG)</b>									
Dr Debra Tennett Dr Sonya Kelly (Acting)	From 18 January 2021 to current 12-23 September 2022; 6-26 February 2023	497 57	28 2	11 1	39 3	- -	575 63		
<b>Executive Director Nursing &amp; Midwifery (EDNMS)</b>									
Chris Small	From 20 January 2020 to current	258	-	6	24	-	288		
<b>Executive Director People and Culture (EDPAC)</b>									
Chris Neilsen (Acting) Katie Eckersley	From 7 December 2020 to 2 October 2022 From 10 October 2022 to current	52 135	- -	1 3	5 15	- -	58 153		
<b>Executive Director, Primary and Community Care</b>									
Louisa Duffy (Acting) Rebecca Greenway Sandra Dolan (Acting)	From 27 September 2021 to 30 October 2022 From 1 November 2022 to current 13-19 February 2023; 3-23 April 2023	77 84 23	3 14 2	2 2 -	6 19 2	- - -	88 119 27		
<b>Executive Director Allied Health (EDAH)</b>									
Helen Wassman Annmarie McErlain (Acting) Leigh Burton (Acting)	From 9 December 2019 to current From 13 September 2022 to 30 October 2022 From 11 April 2023 to current	189 21 47	22 - -	4 - 1	20 2 5	- - -	235 23 53		
<b>Director of Aboriginal and Torres Strait Islander Health and Engagement (DATSIHE)**</b>									
Randall Taylor Rodney Landers Jezamay Landers (Acting) Chief Information Officer, Rural and Remote (CIO) Helen Murray	From 28 March 2022 to 5 March 2023 From 26 September 2022 to 23 October 2022 From 17 May 2023 to current From 28 May 2018	100 13 23 29	- - - -	2 - 1 -	11 1 3 -	- - - -	113 14 27 29		

\* The position of Executive Director, Strategy, Performance and Governance (EDSPG) was vacant for the year ended 30 June 2023.

\*\* Randall Taylor was permanently appointed to the position of Director of Aboriginal and Torres Strait Islander Health and Engagement from 28 March 2022 and subsequently took up a secondment with Darling Downs HHS from 6 March 2023. Jezamay Landers was appointed Acting Director of Aboriginal and Torres Strait Islander Health and Engagement from 17 May 2023.

**Note 8. Key management personnel disclosures (continued)**

**Board Remuneration**

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

In accordance with the *Hospital and Health Boards Act 2011*, the Governor in Council appoints Board members, on the recommendation of the Minister, for a period not exceeding 4 years. Board members are paid an annual salary based on their position as well as fees for membership on sub-committees. Remuneration is calculated in accordance with the guidance statement issued by the Department of the Premier and Cabinet.

Composition of the Board and remuneration paid to Board members was as follows:

30 June 2024			Short-term benefits		Post-employment expenses (\$'000)	Total (\$'000)
Appointee	Role	Term	Monetary expenses* (\$'000)	Non-monetary expenses (\$'000)		
Ms Karen Tully <sup>1</sup>	Chairperson	18 May 2020 - 31 March 2026	83	-	11	94
Ms Claire Alexander <sup>2</sup>	Board member	26 June 2015 - 31 March 2026	43	-	6	49
Mr Ray Chandler	Board member	18 May 2017 - 31 March 2026	46	-	6	52
Ms Jan Chambers	Board member	18 May 2019 - 31 March 2026	45	-	6	51
Dr Mark Waters <sup>3</sup>	Board member	18 May 2020 - 31 March 2028	37	-	6	43
Ms Kerry Crumblin <sup>5</sup>	Board member	18 May 2020 - 31 March 2024	29	-	5	34
Mr Bruce Scott OAM <sup>3</sup>	Board member	10 June 2021 - 31 March 2026	41	-	6	47
Brigadier Christopher Hamilton <sup>5</sup>	Board member	10 June 2021 - 31 March 2024	31	-	5	36
Hon Paul Lucas <sup>4</sup>	Board member	1 April 2024 - 31 March 2028	10	-	1	11
Dr Tonia de Bruin <sup>4</sup>	Board member	1 April 2024 - 31 March 2028	10	-	1	11
Ms Alison Zappala <sup>4</sup>	Board member	1 April 2024 - 31 March 2028	10	-	1	11
Mr Ethan Capewell <sup>4</sup>	Board member	1 April 2024 - 31 March 2028	10	-	1	11

\* Monetary expenses include travel reimbursement.

<sup>1</sup> Ms Karen Tully's previous appointment as Chairperson to the South West Hospital and Health Board ended on 17 May 2024. Ms Karen Tully was reappointed as Chairperson to the Board for a further term from 1 April 2024 to 31 March 2026 via the Queensland Government Gazette dated 28 March 2024.

<sup>2</sup> Ms Claire Alexander's previous appointment to the South West Hospital and Health Board ended on 17 May 2024. Ms Claire Alexander was reappointed to the Board for a further term from 1 April 2024 to 31 March 2026 via the Queensland Government Gazette dated 28 March 2024.

<sup>3</sup> Dr Mark Waters & Mr Bruce Scott's previous appointment to the South West Hospital and Health Board ended on 31 March 2024. Dr Mark Waters was reappointed to the Board for a further term from 1 April 2024 to 31 March 2028 & Mr Bruce Scott was reappointed to the Board for a further term from 1 April 2024 to 31 March 2026 via the Queensland Government Gazette dated 28 March 2024.

<sup>4</sup> The Honourable Paul Lucas, Dr Tonia de Bruin, Ms Alison Zappala and Mr Ethan Capewell were appointed to the Board for a term from 1 April 2024 to 31 March 2028 via the Queensland Government Gazette dated 28 March 2024.

<sup>5</sup> Ms Kerry Crumblin and Brigadier Christopher Hamilton's appointments to the Board ended on 31 March 2024 and they were not reappointed.

30 June 2023			Short-term benefits		Post-employment expenses (\$'000)	Total (\$'000)
Appointee	Role	Term	Monetary expenses* (\$'000)	Non-monetary expenses (\$'000)		
Ms Karen Tully	Chairperson	18 May 2020 – 17 May 2024	79	-	8	87
Ms Claire Alexander	Board member	26 June 2015 - 17 May 2024	42	-	4	46
Mr Ray Chandler	Board member	18 May 2017 - 31 March 2026	45	-	4	49
Ms Jan Chambers	Board member	18 May 2019 - 31 March 2026	43	-	4	47
Dr Mark Waters	Board member	18 May 2020 - 31 March 2024	40	-	4	44
Ms Kerry Crumblin	Board member	18 May 2020 - 31 March 2024	39	-	4	43
Mr Bruce Scott OAM	Board member	10 June 2021 - 31 March 2024	43	-	4	47
Brigadier Christopher Hamilton	Board member	10 June 2021 - 31 March 2024	41	-	4	45

\* Monetary expenses include travel reimbursement.

## Note 9. Supplies and services

	2024 \$'000	2023 \$'000
Building services	1,469	1,419
Catering and domestic supplies	1,776	1,553
Clinical supplies and services	8,027	8,417
Communications	1,703	1,737
Computer services	3,251	2,849
Consultants and contractors	21,581	14,638
Electricity and other energy	3,182	2,427
Minor works including plant and equipment	1,211	864
Motor vehicles	333	313
Rental expenses	1,968	1,798
Other travel	3,650	3,085
Pharmaceutical supplies	1,886	2,028
Pathology, blood and parts	3,410	3,009
Patient transport	4,490	4,026
Patient travel	3,841	2,813
Repairs and maintenance	5,982	5,385
Other	4,131	2,963
	<u>71,891</u>	<u>59,324</u>

### Significant accounting policies

For a transaction to be classified as supplies and services, the value of goods or services received by South West HHS 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.

Rental expenses include lease rentals for short term leases, lease of low value assets and/or variable lease payments.

## Note 10. Other expenses

	2024 \$'000	2023 \$'000
Advertising	243	300
Audit fees	342	332
Funding Expenses HHS	1,228	262
Insurance - QGIF	840	823
Insurance - Other	82	72
Inventory written off	86	106
Losses from the disposal of non-current assets	53	69
Legal costs	30	22
Other	381	625
Services received free of charge	1,760	1,834
Special payments - ex-gratia payments	-	1
	<u>5,045</u>	<u>4,446</u>

### Significant accounting policies

The Department of Health insures property and general losses above a \$10,000 threshold through the Queensland Government Insurance Fund (QGIF). Medical indemnity (formerly known as health litigation) payments above a \$20,000 threshold and associated legal fees are also insured through QGIF. For the 2023-24 year, the premium was allocated to each HHS according to the underlying risk of an individual insured party. South West HHS is required to pay the excess of \$10,000 or \$20,000 per event for property and general losses or medical indemnity claims respectively.

Special payments represent ex-gratia payments that South West HHS is not contractually or legally obliged to make to other parties.

Funding expenses HHS reflects the portion of the funding received under the service agreement to be repaid to the Department of Health.

South West HHS maintains a register setting out the details of all special payments. In 2023-24, ex-gratia payments of \$0 (2023: \$712) were made.

Total external audit fees payable to the Queensland Audit Office relating to the 2023-24 financial year were \$170,500 (2023: \$146,615) including out of pocket expenses. There are no non-audit services included in this amount.

## Note 10. Other expenses (continued)

South West HHS outsources its Internal Audit function to an external agency. Internal audit fees for 2023-24 were \$173,147 (2023: \$125,806).

## Note 11. Cash and cash equivalents

	2024 \$'000	2023 \$'000
Interest accounts	7	7
Cash at bank	27,936	31,622
QTC cash funds*	3,131	3,404
	<u>31,074</u>	<u>35,033</u>

\*Refer Note 21 Restricted assets.

South West HHS operating bank accounts are grouped as part of a Whole-of-Government (WoG) banking arrangement, and do not earn interest on surplus funds nor is it charged interest or fees for accessing its approved cash debit facility. Any interest earned on the WoG arrangement accrues to the Consolidated Fund.

General trust bank accounts and term deposits, included in Queensland Treasury Corporation (QTC) cash funds above, do not form part of the WoG banking arrangement and incur fees as well as interest. Cash deposited with QTC earns interest, calculated on a daily basis reflecting market movements in cash funds as determined by QTC. Rates achieved throughout the year range between 4.49% to 5.26% (2023: 1.94% to 4.26%).

### Debt facility

South West HHS has access to a \$2 million debt facility approved by Queensland Treasury which was fully undrawn at 30 June 2024 (2023: \$2 million debt facility, fully undrawn).

### Significant accounting policies

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques received but not banked at 30 June as well as deposits at call with financial institutions and cash debt facility.

## Note 12. Receivables

	2024 \$'000	2023 \$'000
Trade debtors	1,860	1,485
Payroll receivables	16	15
Loss allowance	(401)	(298)
	<u>1,475</u>	<u>1,202</u>
GST receivables	606	730
GST payable	(13)	(7)
	<u>593</u>	<u>723</u>
Public health services funding	5,141	2,399
Other	688	548
	<u>7,897</u>	<u>4,872</u>

The closing balance of receivables arising from contracts with customers at 30 June 2024 is \$1.489 million (2023: \$1.171 million).

### Significant accounting policies

Receivables are measured at amortised cost which approximates their fair value at reporting date. Trade debtors are recognised at the amount due at the time of sale or service delivery i.e. the agreed purchase/contract price. The recoverability of trade debtors is reviewed on an ongoing basis at an operating unit level. Trade receivables are required to be settled within 30 days (refer Note 18). No interest is charged, and no security is obtained.

The loss allowance for trade and other debtors reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking information, including forecast economic changes expected to impact South West HHS, along with relevant industry and statistical data where applicable.

## Note 12. Receivables (continued)

<i>Movement in the allowance for impairment</i>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Opening balance	298	158
Amounts written off during the year	(92)	(90)
Increase/(Decrease) in allowance recognised in operating result	195	230
Closing balance	<b>401</b>	<b>298</b>

## Note 13. Property, plant and equipment

### Balances and reconciliations of carrying amount

#### 2024

	Land	Buildings	Buildings	Plant and equipment	Capital works in progress	Total
	(Level 2)	(Level 2)	(Level 3)	(at cost)	(at cost)	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross value	4,705	-	425,444	31,850	7,906	469,905
Less: Accumulated depreciation	-	-	(154,557)	(14,951)	-	(169,508)
<b>Carrying amount at 30 June 2024</b>	<b>4,705</b>	<b>-</b>	<b>270,887</b>	<b>16,899</b>	<b>7,906</b>	<b>300,397</b>

#### *Represented by movements in carrying amount:*

Carrying amount at 1 July 2023	4,399	405	231,240	15,946	3,643	255,633
Reclassification between Level 2 & Level 3	-	(405)	405	-	-	-
Acquisitions	-	-	-	3,650	13,297	16,947
Disposals	-	-	-	(59)	-	(59)
Revaluation increments/(decrements)	306	-	10,528	-	-	10,834
Transfers in	-	-	32,612	-	-	32,612
Transfers between classes	-	-	9,010	24	(9,034)	-
Depreciation expense*	-	-	(12,908)	(2,662)	-	(15,570)
<b>Carrying amount at 30 June 2024</b>	<b>4,705</b>	<b>-</b>	<b>270,887</b>	<b>16,899</b>	<b>7,906</b>	<b>300,397</b>

\* Depreciation expense does not equal Depreciation and amortisation presented in the Statement of Comprehensive Income due to the exclusion of amortisation on Right of Use Assets from the Property, plant and equipment note.

#### 2023

	Land	Buildings	Buildings	Plant and equipment	Capital works in progress	Total
	(Level 2)	(Level 2)	(Level 3)	(at cost)	(at cost)	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross value	4,399	405	364,651	30,059	3,643	403,157
Less: Accumulated depreciation	-	-	(133,411)	(14,113)	-	(147,524)
<b>Carrying amount at 30 June 2023</b>	<b>4,399</b>	<b>405</b>	<b>231,240</b>	<b>15,946</b>	<b>3,643</b>	<b>255,633</b>

#### *Represented by movements in carrying amount:*

Carrying amount at 1 July 2021	4,276	497	223,651	11,900	1,657	241,981
Reclassification between Level 2 & Level 3	-	(108)	108	-	-	-
Acquisitions	-	-	-	1,687	3,222	4,909
Disposals	-	-	-	(69)	-	(69)
Revaluation increments/(decrements)	123	41	14,898	-	-	15,062
Transfers in	-	-	2,177	4,943	-	7,120
Transfers between classes	-	-	1,236	-	(1,236)	-
Depreciation expense	-	(25)	(10,830)	(2,515)	-	(13,370)
<b>Carrying amount at 30 June 2023</b>	<b>4,399</b>	<b>405</b>	<b>231,240</b>	<b>15,946</b>	<b>3,643</b>	<b>255,633</b>

## Note 13. Property, plant and equipment (continued)

### Significant accounting policies

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

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

Items below these values are expensed. Land improvements undertaken by South West HHS are included in the building class. South West HHS has an annual maintenance program for its buildings. Expenditure is only added to an asset's carrying amount if it increases the service potential or useful life of the existing asset. Maintenance expenditure that merely restores the original service potential (lost through ordinary wear and tear) is expensed.

### Acquisition of assets

Historical cost is used for the initial recording of all non-current physical asset acquisitions. Historical cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in preparing the assets for use, including architects' fees and engineering design fees. However, any training costs are expensed as incurred. Items or components that form an integral part of an asset are recognised as a single (functional) asset.

Purchases of clinical equipment, furniture and fittings associated with capital works projects are managed by South West HHS. These outlays are funded by the State through the Department of Health as equity injections throughout the year. In 2023-24 the value of these injections was \$14.512 million (2023: \$3.000 million). Refer to Statement of Changes in Equity.

Where assets are received free of charge from another Queensland Government entity (whether as a result of a machinery-of-Government change or other involuntary transfer), the acquisition cost is recognised as the carrying amount in the books of the other agency immediately prior to the transfer. Assets acquired at no cost or for nominal consideration, other than from another Queensland Government entity, are recognised at their fair value at the date of acquisition.

### Measurement using historical cost

Plant and equipment are measured at historical cost net of accumulated depreciation and accumulated impairment losses in accordance with Queensland Treasury's *Non-Current Asset Policies for the Queensland Public Sector* (NCAP). The carrying amounts for plant and equipment at cost do not materially differ from their fair value.

### Measurement using fair value

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

These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and accumulated impairment losses where applicable. Separately identified components of assets are measured on the same basis as the assets to which they relate. In respect of the abovementioned asset classes, the cost of items acquired during the financial year has been judged by management to materially represent their fair value at the end of the reporting period.

### Fair Value Measurement

#### Use of specific appraisals

Revaluations using independent professional valuers or internal expert appraisals 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 fair values reported by South West HHS are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs. Materiality is considered in determining whether the difference between the carrying amount and the fair value of an asset is material (in which case revaluation is warranted).

#### Use of indices

Where assets have not been specifically appraised in the reporting period, their previous valuations are materially kept current via the application of relevant indices. South West HHS ensures that the application of such indices results in a valid estimation of the assets' fair values at reporting date. Independent professional valuers or internal expert appraisers supply the indices used for the various types of assets. Such indices are either publicly available or are derived from market information available to valuers or appraisers. Valuers or appraisers provide assurance of their robustness, validity and appropriateness for application to the relevant assets. Indices used are also tested for reasonableness by applying the indices to a sample of assets, comparing the results to similar assets that have been valued by an independent professional valuer or internal expert, and analysing the trend of changes in values over time. Through this process, which is undertaken annually, management assesses and confirms the relevance and suitability of indices provided by valuers or appraisers based on South West HHS' own particular circumstances.



## **Note 13. Property, plant and equipment (continued)**

### Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability 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.

Observable inputs are publicly available data relevant to the characteristics of the assets being valued, such as published sales data for land and residential dwellings.

Unobservable inputs are data, assumptions and judgements not available publicly, but relevant to the characteristics of the assets being valued. Significant unobservable inputs used by South West HHS include subjective adjustments made to observable data to take account of any specialised nature of the buildings (i.e. primary health care, acute care), including historical and current construction contracts (and/or estimates of such costs), and assessments of technological and external obsolescence and physical deterioration as well as remaining useful life. Inputs used to determine the level rating for land include zoning which may restrict use to health service provision only. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use.

### Fair value hierarchy

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

Level 1: represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;

Level 2: represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and

Level 3: represents fair value measurements that are substantially derived from unobservable inputs

Reflecting the specialised nature of health service buildings, fair value is determined using current replacement cost methodology. Current replacement cost represents the price that would be received for the asset, based on the estimated cost to construct a substitute asset of comparable utility, adjusted for obsolescence. This requires identification of the full cost of a replacement asset, adjusted to take account of the age and obsolescence of the existing asset. The cost of a replacement asset is determined by reference to a modern-day equivalent asset, built to current standards and with modern materials.

Refer to the table *Balances and reconciliation of carrying amount* in this note for disclosure of categories for assets and liabilities measured at fair value. Fair values relating to Buildings to the value of \$0.405 million transferred from level 2 to level 3 during the reporting period. This was due to the application of indices as part of the annual revaluation program.

### **Revaluation of property measured at fair value**

South West HHS' land and buildings are independently and professionally valued. South West HHS also revalue significant, newly commissioned buildings in the same manner to ensure that they are transferred from the Department of Health at fair value.

Land and building values are comprehensively revalued at least every five years. Indices approximating market movement are applied to assets in the intervening periods. This ensure that land balances are materially accurate and represent fair value at reporting date.

### Accounting for changes in fair value

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

For assets revalued using a cost valuation approach (e.g. current replacement cost) - accumulated depreciation is adjusted to equal the difference between the gross amount and carrying amount, after taking into account accumulated impairment losses. This is generally referred to as the 'gross method'.

For assets revalued using a market-based valuation approach - accumulated depreciation and accumulated impairment losses are eliminated against the gross amount of the asset prior to restating for the revaluation. This is generally referred to as the 'net method'.

## Note 13. Property, plant and equipment (continued)

### Impact from valuation program

#### Land

During 2023-24 APV Valuers and Asset Management were engaged to comprehensively value South West HHS' land holdings in Roma and the Charleville region as at 30 June 2024. Indices obtained from APV were applied to the remainder of the land portfolio not subject to a comprehensive revaluation to approximate market growth. The valuation resulted in a revaluation increment to South West HHS' land portfolio as at 30 June 2024 of \$0.306 million which was recognised in the revaluation increment line in the Statement of Comprehensive Income.

#### Buildings

During 2023-24 APV Valuers and Asset Management were engaged to comprehensively value South West HHS' building portfolio in Roma and the Charleville region as at 30 June 2024. Indices obtained from APV were applied to the remainder of the building portfolio not subject to a comprehensive revaluation to approximate market growth in construction pricing. The valuation resulted in a revaluation increment to South West HHS' building portfolio as at 30 June 2024 of \$10.528 million which was recognised in other comprehensive income in the Statement of Comprehensive Income.

### Depreciation

Depreciation (representing a consumption of an asset over time) is calculated on a straight-line basis (equal amount of depreciation charged each year) as that is consistent with the even consumption of service potential of these assets over their useful life to South West HHS. The residual (or scrap) value is assumed to be zero. Annual depreciation is based on the cost or the fair value of the asset and South West HHS' assessment of the remaining useful life of the individual assets (in the case of building assets, individual asset components, as deemed appropriate). Land is not depreciated as it has unlimited useful life. Assets under construction (work in progress) are not depreciated until they are ready for use. These assets are then reclassified to the relevant class within property, plant and equipment.

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

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

Class	Depreciation Rates
Building	0.92% - 4.76%
Plant and Equipment	1.49% - 20.00%

### Indicators of impairment and determining recoverable amount

All property, plant and equipment are assessed for indicators of impairment on an annual basis or, where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed. If an indicator or impairment exists, South West HHS determines the asset's recoverable amount (higher of value in use and fair value less costs of disposal). Any amounts by which the asset's carrying amount exceeds the recoverable amount is considered an impairment loss.

## Note 14. Payables

	2024 \$'000	2023 \$'000
Trade creditors	13,157	12,088
Accrued health service labour - Department of Health	1,942	3,090
Other payables	3,027	4,526
	<u>18,126</u>	<u>19,704</u>

### Significant accounting policies

Trade creditors are recognised for amounts to be paid in the future for goods and services received. Trade creditors are measured at the agreed purchase / contract price, net of applicable trade and other discounts. The amounts are unsecured and normally settled within 30-45 days.

**Note 15. Other liabilities**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Funding for public health services to be returned	<b>1,228</b>	262
Unearned revenue	<b>49</b>	1,456
	<b>1,277</b>	<b>1,718</b>

**Significant accounting policies**

Funding for public health services to be returned reflects the portion of the funding received under the service agreement to be repaid to the Department of Health.

Special purpose capital grants received to construct non-financial assets to be controlled by South West HHS are recognised as unearned revenue when received, and subsequently recognised progressively as revenue as South West HHS satisfies its obligations under the grant through construction of the asset.

Throughout 2021-22, 2022-23 and 2023-24 South West HHS received a total of \$2.400 million in special purpose capital grants from the Commonwealth for upgrades and improvements to the Cunnamulla, Augathella, Surat and Injune multi-purpose services residential care facilities. For the period ending 30 June 2024, \$1.603 million (2023: \$0.797 million) was recognised as revenue in line with project expenditure. This amount was presented as unearned revenue as at 30 June 2023 and in line with AASB 1058 *Income of Not-for-profit Entities* was recognised as revenue as the asset was constructed.

**Note 16. Asset revaluation surplus by class**

2024	Buildings \$'000	Total \$'000
Carrying amount at 1 July 2023	93,580	93,580
Asset revaluation increment/(decrement)	10,528	10,528
<b>Carrying amount at 30 June 2024</b>	<b>104,108</b>	<b>104,108</b>
2023	Buildings \$'000	Total \$'000
Carrying amount at 1 July 2022	78,641	78,641
Asset revaluation increment/(decrement)	14,939	14,939
<b>Carrying amount at 30 June 2023</b>	<b>93,580</b>	<b>93,580</b>

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

**Note 17. Reconciliation of operating result to net cash provided by operating activities**

	2024 \$'000	2023 \$'000
(Deficit)/Surplus for the year	4,444	5,711
Adjustments for:		
Depreciation and amortisation	15,632	13,463
Depreciation funding	(15,632)	(13,463)
Services free of charge	1,760	1,834
Services received below fair value	(1,760)	(1,834)
Revaluation increment	(306)	(123)
Net (gain)/loss on disposal of non-current assets	53	69
Loss allowance	195	230
Other income	(96)	(107)
Changes in assets and liabilities:		
(Increase)/Decrease in receivables	(3,352)	(64)
(Increase)/Decrease in GST receivables	124	(303)
(Increase)/Decrease in inventories	(605)	(342)
Increase/(Decrease) in accounts payable	(430)	3,610
Increase/(Decrease) in accrued contract labour	(1,148)	1,955
Increase/(Decrease) in GST payable	6	(4)
Increase/(Decrease) in unearned revenue	(1,407)	(452)
Increase/(Decrease) in funding payable	966	(1,153)
<b>Net cash from operating activities</b>	<b>(1,556)</b>	<b>9,027</b>

## Note 18. Financial instruments

### Categorisation of financial instruments

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

	Note	2024 \$'000	2023 \$'000
<b>Financial assets measured at amortised cost:</b>			
Cash and cash equivalents	11	31,074	35,033
Receivables	12	7,209	4,324
<b>Total financial assets</b>		<b>38,283</b>	<b>39,357</b>
<b>Financial liabilities measured at amortised cost:</b>			
Payables	14	18,126	19,704
Other liabilities	15	1,228	262
Lease liabilities		100	160
<b>Total financial liabilities</b>		<b>19,454</b>	<b>20,126</b>

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

### Financial risk management

South West HHS activities expose it to a variety of financial risks - credit risk, liquidity risk and market risk. Financial risk management is implemented pursuant to Government and South West HHS policy. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of South West HHS. South West HHS measures risk exposure using a variety of methods as follows:

Risk exposure	Measurement method
Credit risk	Ageing analysis, cash inflows at risk
Liquidity risk	Monitoring the timing of payments to meet employee and supplier obligations as they fall due
Interest risk	Interest rate sensitivity analysis

### Credit risk exposure

Credit risk is the potential for financial loss arising from a counterparty defaulting on its obligations. The maximum exposure to credit risk at reporting date is equal to the gross carrying amount of the financial asset, inclusive of any allowance for impairment.

Credit risk on cash and cash equivalents is considered minimal given all South West HHS deposits are held by the State through the Commonwealth Bank of Australia and Queensland Treasury Corporation.

No collateral is held as security and no credit enhancements relate to financial assets held by South West HHS. In terms of collectability, receivables will be categorised based on the debtor type (i.e. government, private health funds, individuals etc) and the aging of the debts held.

South West HHS applies the *AASB 9 Financial Instruments* simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and incorporates reasonable and supportable forward-looking information, including forecast economic changes expected to impact South West HHS' debtors, along with relevant industry and statistical data where applicable. Throughout the year, South West HHS will assess whether there is evidence that trade receivables (grouped based on shared credit risk characteristics) are impaired. Evidence includes financial difficulties of the debtor, changes in debtor credit ratings and current outstanding accounts over 120 days. The allowance for impairment reflects South West HHS' assessment of the recoverability of receivables and is determined based on historical rates of bad debts (by category) over the past three years and management judgement. Management judgement will include assessments of expected lifetime credit losses, particularly in relation to ineligible debt categories. All known bad debts are written off when identified.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with South West HHS, and a failure to make contractual payments for a period of greater than 120 days past due.

**Note 18. Financial instruments (continued)**

The following table shows the value of South West HHS receivable balance separated into the time categories used by management in the monitoring of credit risk. South West HHS standard credit terms are payment within 30 days from the date of invoice. Any amounts which are less than 30 days from date of invoice are considered current. All amounts which are outstanding for 30 or more days after the date of invoice are considered to be overdue.

	<b>Current</b> <b>Less than 30</b> <b>days</b> <b>(\$'000)</b>	<b>30-60 days</b> <b>(\$'000)</b>	<b>Overdue</b> <b>61-90 days</b> <b>(\$'000)</b>	<b>More than 90</b> <b>days</b> <b>(\$'000)</b>	<b>Total</b> <b>(\$'000)</b>
<b>Financial assets 2024</b>					
Receivables	7,046	177	106	281	7,610
Allowance for impairment	(83)	(18)	(59)	(241)	(401)
<b>Carrying amount</b>	<b>6,963</b>	<b>159</b>	<b>47</b>	<b>40</b>	<b>7,209</b>
2024 Loss rate %					<b>5.26</b>
<b>Financial assets 2023</b>					
Receivables	4,066	154	94	308	4,622
Allowance for impairment	(13)	(26)	(5)	(254)	(298)
<b>Carrying amount</b>	<b>4,053</b>	<b>128</b>	<b>89</b>	<b>54</b>	<b>4,324</b>
2023 Loss rate %					<b>6.45</b>

**Liquidity risk**

Liquidity risk is the risk that South West HHS will not have the resources required at a particular time to meet its obligations to settle its financial liabilities. South West HHS is exposed to liquidity risk through its trading in the normal course of business and aims to reduce the exposure to liquidity risk by ensuring that sufficient funds are always available to meet employee and supplier obligations. All other financial liabilities are current in nature and will be due and payable within twelve months. As such no discounting of cash flows has been made to these liabilities in the Statement of Financial Position.

The overdraft facility available to South West HHS remains undrawn at 30 June 2024 (refer note 11).

**Interest Risk**

South West HHS is exposed to interest rate risk on its cash deposited in interest bearing accounts with Queensland Treasury Corporation. South West HHS does not undertake any hedging in relation to interest rate risk. Changes in interest rate have a minimal effect on the operating result.

## Note 19. Contingencies

### Litigation in progress

As at 30 June 2024, the following cases were filed in the courts naming the State of Queensland acting through the South West Hospital and Health Service as defendant:

	2024 No. of cases	2023 No. of cases
Federal Court	-	-
Supreme Court	1	-
District Court	-	-
Tribunals, commissions and boards	-	1
	<u>1</u>	<u>1</u>

Medical and general litigation is underwritten by the Queensland Government Insurance Fund (QGIF). South West HHS' liability in this area is limited to an excess per insurable event of \$20,000. As at 30 June 2024, South West HHS has five (5) Medical Indemnity and General Liability claims currently managed by QGIF. Some of these claims may never be litigated or result in payments to claimants (excluding initial notices under Personal Injuries Proceedings Act). South West HHS legal advisers and management believe it would be misleading to estimate the final amounts payable (if any) in respect of the litigation before the courts at this time.

## Note 20. Commitments

At 30 June 2024 South West HHS had commenced capital projects with outstanding commitments of \$0.736 million (2023: \$0.402 million). These projects are largely funded by the Commonwealth, the Department of Health through the Priority Capital Program or through retained surplus. These capital projects will be completed during the 2024-25 financial year.

South West HHS leases commercial and residential property from the Department of Housing, Local Government, Planning and Public Works to an annual value of \$0.878 million on an ongoing basis (2023: \$0.827 million).

## Note 21. Restricted assets

Contributions are received from benefactors in the form of gifts, donations and bequests for stipulated purposes. South West HHS also holds Refundable Accommodation Deposits from aged care facility residents which form part of South West HHS cash balance in the QTC cash accounts line item in Note 11 however are refunded to residents when they leave the facility. The refundable deposits liability is included in the other liabilities line item in Note 14. At 30 June 2024 amounts of \$3.131 million (2023: \$3.404 million) were set aside.

South West HHS administers the Cunnamulla Primary Health Care Centre bank account in accordance with the Collaborative Services Agreement with the Cunnamulla Aboriginal Corporation for Health (CACH). The balance of this restricted asset as at 30 June 2024 was \$58,600 (2023: \$72,710). These balances are not recognised in the financial statements.

**Note 22. Fiduciary trust transactions and balances**

	2024 \$'000	2023 \$'000
<b>Patient trust assets opening balance 1 July 2023</b>	<b>133</b>	178
<b>Receipts</b>		
Patient trust receipts	1,409	1,107
<b>Total receipts</b>	<b>1,409</b>	1,107
<b>Payments</b>		
Patient trust related payments	1,406	1,152
<b>Total payments</b>	<b>1,406</b>	1,152
Increase/(decrease) in net patient trust assets	3	(45)
<b>Patient trust assets closing balance 30 June 2024</b>	<b>136</b>	133
<b>Patient trust assets</b>		
Current assets		
Cash at bank and on hand	136	133
<b>Total current assets</b>	<b>136</b>	133

**Significant Accounting Policy**

South West HHS acts in a fiduciary trust capacity in relation to patient trust accounts. Consequently, these transactions and balances are not recognised in the financial statements. Although patient funds are not controlled by South West HHS, trust activities are included in the audit performed annually by the Auditor-General of Queensland.

**Note 23. Associates**

Western Queensland Primary Care Collaborative Limited (WQ PCC) was registered in Australia as a public company limited by guarantee on 22 May 2015. South West HHS is one of fifteen members of WQ PCC. The principal place of business of WQ PCC is Winton, Queensland.

On 12 January 2018 the Constitution of WQ PCC was amended to allow the transition from a public-sector entity to a non-public sector entity to meet the requirements of the WQ PCC funding agreement with the Commonwealth. At this time the Queensland Audit Office were consulted and agreed to the amendment of the Constitution to remove the Auditor-General from auditing WQ PCC.

WQ PCC's principal purpose as a not-for-profit organisation is to empower their people through partnerships in an integrated primary health care system that delivers better health outcomes for the people of Western Queensland. This purpose aligns with the strategic objective of South West HHS to integrate primary and acute care services to support patient wellbeing.

Each member's liability to WQ PCC is limited to \$10. WQ PCC's constitution legally prevents it from paying dividends to the members and prevents the income or property of the company being transferred directly or indirectly to the members. This does not prevent WQ PCC from making loan repayments to South West HHS or reimbursing South West HHS for goods or services delivered to WQ PCC.

South West HHS' interest in WQ PCC is immaterial in terms of the impact on South West HHS' financial performance because it is not entitled to any share of profit or loss or other income of WQ PCC. Accordingly, the carrying amount of South West HHS' investment and subsequent changes in its value due to annual movements in the profit and loss of WQ PCC are not recognised in the financial statements.

South West HHS does not have any contingent liabilities or other exposures associated with its interests in WQ PCC.



## **Note 24. Actual vs Budget comparison**

The original budget has been reclassified to be consistent with the presentation and classification adopted on the financial statements. For the purposes of these comparatives the "Original Budget" refers to the South West HHS budget included as part of the June 2023 Service Delivery Statements (SDS) process which reflected the budget at that point in time. Since then there have been adjustments to funding including, but not limited to:

- Enterprise bargaining agreements
- Deferred funding
- New funding for programs and initiatives per the service agreement

### **Explanations of major variances**

#### **Statement of Comprehensive Income**

a) The \$3.856 (43%) increase in user charges is mainly due to higher Hospital, Residential Aged Care and Multipurpose Health Service Accommodation Fees due to longer than average length of stays (\$1.431 million), Pharmaceutical Benefit Scheme reimbursement driven by higher usage in high-cost drugs (\$0.828 million) and higher reimbursement on non-capital departmental project recoveries.

b) The \$14.132 million (8%) increase in public health service funding is mainly due to additional funding received through amendment windows variations that were not anticipated in advance of the original budget. Amendments included additional program initiatives approved to expand service delivery, funding for the workforce attraction incentive scheme and remote area nursing incentive package and higher than budgeted depreciation funding due to acquisitions and transfers during the financial year.

c) The \$7.522 million (100%) increase in grants and other contributions is mainly due to special purpose capital grants from the Commonwealth for upgrades and improvements to the Cunnamulla, Augathella, Surat and Injune multi-purpose services residential care facilities (\$1.603 million), an unbudgeted \$1.760 million for services received below fair value and the increase in Nursing Home Benefits funding.

d) The \$2.509 million (13%) decrease in employee expenses relates to internal Medical vacancies throughout the year resulting in a lower FTE number compared to budget.

e) The \$3.204 million (3%) decrease in health service employee expenses is due to various internal vacancies, appropriate FTE management and strong financial governance.

f) The \$23.355 million (48%) increase in supplies and services is mainly due to increased Nursing and Medical labour costs on external agencies due to internal vacancies, higher than anticipated aeromedical retrieval services, computers, electricity, drug costs, pathology charges, repairs and maintenance and travel expenses due to CPI outstripping non-labour escalation provided.

g) The \$3.228 million (178%) increase in other expenses is mainly due to an unbudgeted \$1.760 million for services received below fair value and unbudgeted \$1.228 million funding expenses to be repaid to the Department of Health for program funding.

h) The \$10.528 million variance is due to unbudgeted revaluation increments resulting from the 2023-24 building revaluation program. Revaluation increments are a result of increased cost of building materials and labour.

#### **Statement of Financial Position**

i) The \$9.303 (43%) increase in cash and cash equivalents is due to unbudgeted income statement items (income statement commentary).

j) The \$3.069 (64%) increase in receivables is primarily due to unbudgeted funding receivables owed to South West HHS from the Department of Health for the Workforce Attraction Incentive Scheme and Remote Area Nursing Incentive Package.

k) The \$0.939 (48%) increase in inventories is mainly due to the increase in the imprest inventory balance from rapid antigen tests which were provided free of charge in 2022/2023 (\$0.205 million) and increased use of the imprest system along with an increase in moving average prices.

l) The \$22.001 million (9%) decrease in property, plant and equipment is mainly due to the Morven Building Rural and Remote Health Program project and Cunnamulla multi-purpose services residential care project not reaching practical completion in FY24 offset by unbudgeted revaluation increments resulting from the 2023-24 land and building revaluation program.

m) The \$16.421 million (8%) decrease in contributed equity is due to higher than budgeted equity withdrawals for depreciation funding and lower than budgeted net assets received via non-appropriated equity transfers due to delays in the completion of the Morven Community Clinic.

n) The \$1.168 million (1072%) increase in other liabilities is mainly due to an unbudgeted \$1.228 million funding expenses to be repaid to the Department of Health for program funding.

o) The \$8.634 million (30%) increase in retained surplus is due to unbudgeted income statement items. Refer to income statement commentary.

## Note 24. Actual vs Budget comparison (continued)

### Statement of Cash Flows

p) The \$2.612 million (30%) increase in user charges is mainly due to higher Hospital, Residential Aged Care and Multipurpose Health Service Accommodation Fees due to longer than average length of stays (\$1.431 million), Pharmaceutical Benefit Scheme reimbursement driven by higher usage in high-cost drugs (\$0.828 million) and higher reimbursement on non-capital departmental project recoveries.

q) The \$7.556 million (133%) increase in grants and other contributions is mainly due to special purpose capital grants from the Commonwealth for upgrades and improvements to the Cunnamulla, Augathella, Surat and Injune multi-purpose services residential care facilities (\$1.603 million), an unbudgeted \$1.760 million for services received below fair value and the increase in Nursing Home Benefits funding.

r) The \$21.556 million (45%) increase in supplies and services is mainly due to increased Nursing and Medical labour costs on external agencies due to internal vacancies, higher than anticipated aeromedical retrieval services, computers, electricity, drug costs, pathology charges, repairs and maintenance and travel expenses due to CPI outstripping non-labour escalation provided.

s) The \$3.568 million (248%) increase in other payments is mainly due to an unbudgeted \$1.760 million for services received below fair value and unbudgeted \$1.228 million funding expenses to be repaid to the Department of Health for program funding.

t) The \$13.591 million increase in payments for property, plant and equipment relates to \$2.979 million in plant and equipment purchases and \$10.612 million in payments relating to works in progress driven by an increase in project activity and increased construction prices.

u) The \$14.484 million variance relates to the budget recognising no cash impact for Department of Health funded projects. South West HHS actually pays for all capital and are reimbursed for Department of Health funded projects monthly in arrears.

v) The \$14.401 million variance relates to depreciation and amortisation funding being treated as a cash item (equity withdrawal) in the budget, however this has been accounted as a non-cash item in the statement of cash flow.

## Note 25. Related Party Transactions

	2024 \$'000	2023 \$'000
<b>Entity - Department of Health</b>		
Revenue	154,538	139,839
Expenditure	129,540	117,579
Asset	5,257	2,502
Liability	9,263	9,419
<b>Entity - Department of Housing, Local Government, Planning and Public Works</b>		
QBuild project expenditure	14,088	3,299
Expenditure	1,906	1,769
Liability	7	6

### Transactions with people/entities related to Key Management Personnel

See Note 8 for key management personnel disclosure for South West HHS.

### Transactions with Queensland Government controlled entities

South West HHS 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

South West HHS receives funding in accordance with a service agreement with the Department of Health as outlined in Note 3. The Department of Health receives its revenue from the Queensland Government (majority of funding) and the Commonwealth. South West HHS is funded for eligible services through activity based and block funding. The service agreement is reviewed periodically and updated for changes in services delivered by South West HHS.

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

South West HHS, through service arrangements with the Department of Health, has engaged 766 (2023: 750) full time equivalent persons. In 2024, \$112.100 million (2023: \$103.286 million) was paid to the Department for Health service employees. The terms of this arrangement are fully explained in Note 7.

The Department of Health centrally manages, on behalf of South West HHS, a range of services including pathology testing, pharmaceutical drugs, patient transport, telecommunications and technology services. These services are provided on a cost recovery basis. In 2024, these services totalled \$16.212 million (2023: \$14.031 million).

## **Note 25. Related Party Transactions (continued)**

In addition to services provided on a cost recovery basis, the Department of Health also provides a range of corporate support services to South West HHS at no cost as outlined in Note 4. The value of these services in 2024 totalled \$1.760 million (2023: \$1.834 million).

### ***Queensland Treasury Corporation***

South West HHS has accounts with the Queensland Treasury Corporation (QTC) for general trust monies and aged care refundable deposits. South West HHS receives interest on these deposits from QTC as outlined in Note 11.

### ***Department of Housing, Local Government, Planning and Public Works***

South West HHS pays rent to the Department of Housing, Local Government, Planning and Public Works for several properties used for employee accommodation, offices etc. In addition, the Department of Housing, Local Government, Planning and Public Works provides vehicle fleet management services (Qfleet) to South West HHS as outlined in Note 9. South West HHS also engages QBuild for significant capital projects.

### ***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. These transactions are not individually significant.

### ***Other***

Grants are also received from other governments departments and related parties, but they are not individually significant transactions.

### ***Transactions with non-Queensland Government controlled entities***

As disclosed in Note 23, South West HHS is a participant in the Western Queensland Primary Health Network and is a member of Western Queensland Primary Care Collaborative Ltd (WQ PCC).

During the 2023-24 financial year the WQPCC and South West HHS continued the service agreements whereby WQ PCC provided funds for the delivery of a Healthy Ageing program at various locations within the South West HHS area and provision of visiting Physiotherapy services in the communities of Cunnamulla and Wallumbilla. During the year South West HHS received revenue of \$32,543 (2023: \$28,796) for the delivery of physiotherapy services, \$30,000 (2023: \$20,000) for the provision of the Health Care Home program, \$250,000 (2023: \$281,536) for the provision of the Healthy Ageing program and \$175,869 (2023: nil) for the provision of Strengthening Medicare – General Practice Program. There was nil (2023: nil) in amounts receivable and \$49,131 in amounts payable (2023: nil) in relation to these agreements at 30 June 2024.

South West HHS has joint operational control of Southern Queensland Rural Health (SQRH), in collaboration with University of Queensland (UQ), University of Southern Queensland (USQ), and Darling Downs Hospital and Health Service (DDHHS). South West HHS offers placement opportunities for SQRH students across South West HHS facilities.

## **Note 26. Events after the reporting date**

There are no significant matters or circumstances that have arisen since 30 June 2024 that have significantly affected, or may significantly affect South West HHS operations, the results of those operations, or South West HHS state of affairs in future financial years.

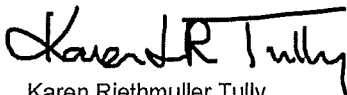
**South West Hospital and Health Service**  
**Financial Statements for the year ended 30 June 2024**

**Certificate of South West Hospital and Health Service**

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 South West Hospital and Health Service for the financial year ended 30 June 2024 and of the financial position of South West Hospital and Health Service at the end of that year.

We acknowledge responsibility under s.7 and s.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.



Karen Riethmuller Tully  
Chair, South West Hospital and Health Board

27/8/24



Rebecca Greenway  
Acting Health Service Chief Executive

27/8/24



Linda Patmore  
Executive Director, Finance, Infrastructure and Corporate Services

27/8/24

## INDEPENDENT AUDITOR'S REPORT

To the Board of South West Hospital and Health Service

### Report on the audit of the financial report

#### Opinion

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

The financial report comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the management certificate.

In my opinion, the financial report:

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

#### Basis for opinion

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

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

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

#### Key audit matters

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

**Specialised buildings valuation (\$270.9 million)**

Refer to Note 13 in the financial report.

Key audit matter	How my audit addressed the key audit matter
<p>Buildings were material to South West Hospital and Health Service at balance date and were measured at fair value using the current replacement cost method.</p> <p>South West Hospital and Health Service performed a comprehensive revaluation of 94 material buildings / site improvements this year as part of the rolling revaluation program. All other buildings were revalued using relevant indices.</p> <p>The current replacement cost method comprises:</p> <ul style="list-style-type: none"> <li>gross replacement cost, less</li> <li>accumulated depreciation.</li> </ul> <p>South West Hospital and Health Service derived the gross replacement cost of its buildings at balance date using unit prices that required significant judgements for:</p> <ul style="list-style-type: none"> <li>identifying the components of buildings with separately identifiable replacement costs</li> <li>developing a unit rate for each of these components, including: <ul style="list-style-type: none"> <li>estimating the current cost for a modern substitute (including locality factors and oncosts), expressed as a rate per unit (e.g. \$/square metre)</li> <li>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.</li> </ul> </li> </ul> <p>The measurement of accumulated depreciation involved significant judgements for determining condition and forecasting the remaining useful lives of building components.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant judgements for calculating annual depreciation expense.</p> <p>Using indexation required:</p> <ul style="list-style-type: none"> <li>significant judgement in determining changes in cost and design factors for each asset type since the previous revaluation</li> <li>reviewing previous assumptions and judgements used in the last comprehensive valuation to ensure ongoing validity of assumptions and judgements used.</li> </ul>	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>assessing the adequacy of management's review of the valuation process and results</li> <li>reviewing the scope and instructions provided to the valuer</li> <li>assessing the appropriateness of the valuation methodology and the underlying assumptions with reference to common industry practices</li> <li>assessing the appropriateness of the components of buildings used for measuring gross replacement cost with reference to common industry practices</li> <li>assessing the competence, capabilities and objectivity of the experts used to develop the models</li> <li>for unit rates, on a sample basis, evaluating the relevance, completeness and accuracy of source data used to derive the unit rate of the: <ul style="list-style-type: none"> <li>modern substitute (including locality factors and oncosts)</li> <li>adjustment for excess quality or obsolescence</li> </ul> </li> <li>evaluating the relevance and appropriateness of the indices used for changes in cost inputs by comparing to other relevant external indices</li> <li>evaluating useful life estimates for reasonableness by: <ul style="list-style-type: none"> <li>reviewing management's annual assessment of useful lives</li> <li>at an aggregated level, reviewing asset management plans for consistency between renewal budgets and the gross replacement cost of assets</li> <li>testing that no building asset still in use has reached or exceeded its useful life</li> <li>enquiring of management about their plans for assets that are nearing the end of their useful life</li> <li>reviewing assets with an inconsistent relationship between condition and remaining useful life</li> </ul> </li> <li>where changes in useful lives were identified, evaluating whether the effective dates of the changes applied for depreciation expense were supported by appropriate evidence.</li> </ul>

## **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.

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

[https://www.auasb.gov.au/auditors\\_responsibilities/ar6.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar6.pdf)

This description forms part of my auditor's report.

## **Report on other legal and regulatory requirements**

### **Statement**

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

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

### **Prescribed requirements scope**

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



Michael Claydon  
as delegate of the Auditor-General

28 August 2024

Queensland Audit Office  
Brisbane

## Glossary

ACCHO	Aboriginal Community Controlled Health Organisation
Acute Care	Care in which the clinical intent or treatment goal is to: <ul style="list-style-type: none"> <li>• manage labour (obstetric)</li> <li>• cure illness or provide definitive treatment of injury</li> <li>• perform surgery</li> <li>• relieve symptoms of illness or injury (excluding palliative care)</li> <li>• reduce severity of an illness or injury</li> <li>• protect against exacerbation and/or complication of an illness and/or injury that could threaten life or normal function perform diagnostic or therapeutic procedures</li> </ul>
Board	The South West Hospital and Health Board
CWAATSICH	Charleville and Western Areas Aboriginal and Torres Strait Islander Community Health
CACH	Cunnamulla Aboriginal Corporation for Health
CAN	Community Advisory Network
CT scan	A computed tomography (CT) scan is a medical imaging technique used to obtain detailed internal images of the body.
FTE	Full-time equivalent staff
GP	General Practitioner
HHS	Hospital and Health Service
HSCE	Health Service Chief Executive
ICT	Information Communication Technology
MOHRI	Minimum obligatory human resource information
Outpatient	Non-admitted health service provided or assessed by an individual at a hospital or health service facility
p.a	Per annum (financial year)
Primary Health Care	The types of services delivered under primary health care are broad ranging and include: health promotion, prevention and screening, early intervention, treatment and management
QAO	Queensland Audit Office
Telehealth	Delivery of health-related services and information via telecommunication technologies
WAU	Weighted Activity Unit



# Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> <li>A letter of compliance from the accountable officer or statutory body to the relevant Minister/s</li> </ul>	ARRs – section 7	4
Accessibility	<ul style="list-style-type: none"> <li>Table of contents</li> <li>Glossary</li> </ul>	ARRs – section 9.1	5 80
	<ul style="list-style-type: none"> <li>Public availability</li> </ul>	ARRs – section 9.2	Inside front cover
	<ul style="list-style-type: none"> <li>Interpreter service statement</li> </ul>	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	
	<ul style="list-style-type: none"> <li>Copyright notice</li> </ul>	<i>Copyright Act 1968</i> ARRs – section 9.4	
	<ul style="list-style-type: none"> <li>Information Licensing</li> </ul>	<i>QGEA – Information Licensing</i> ARRs – section 9.5	
General information	<ul style="list-style-type: none"> <li>Introductory Information</li> </ul>	ARRs – section 10	7-10
Non-financial performance	<ul style="list-style-type: none"> <li>Government’s objectives for the community and whole-of-government plans/specific initiatives</li> </ul>	ARRs – section 11.1	6
	<ul style="list-style-type: none"> <li>Agency objectives and performance indicators</li> </ul>	ARRs – section 11.2	11-14
	<ul style="list-style-type: none"> <li>Agency service areas and service standards</li> </ul>	ARRs – section 11.3	35-38
Financial performance	<ul style="list-style-type: none"> <li>Summary of financial performance</li> </ul>	ARRs – section 12.1	38-40
Governance – management and structure	<ul style="list-style-type: none"> <li>Organisational structure</li> </ul>	ARRs – section 13.1	24
	<ul style="list-style-type: none"> <li>Executive management</li> </ul>	ARRs – section 13.2	21-23
	<ul style="list-style-type: none"> <li>Government bodies (statutory bodies and other entities)</li> </ul>	ARRs – section 13.3	18
	<ul style="list-style-type: none"> <li>Public Sector Ethics</li> </ul>	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	34
	<ul style="list-style-type: none"> <li>Human Rights</li> </ul>	<i>Human Rights Act 2019</i> ARRs – section 13.5	34
	<ul style="list-style-type: none"> <li>Queensland public service values</li> </ul>	ARRs – section 13.6	34
Governance – risk management and accountability	<ul style="list-style-type: none"> <li>Risk management</li> </ul>	ARRs – section 14.1	30-31
	<ul style="list-style-type: none"> <li>Audit committee</li> </ul>	ARRs – section 14.2	19
	<ul style="list-style-type: none"> <li>Internal audit</li> </ul>	ARRs – section 14.3	31-32
	<ul style="list-style-type: none"> <li>External scrutiny</li> </ul>	ARRs – section 14.4	32-33
	<ul style="list-style-type: none"> <li>Information systems and recordkeeping</li> </ul>	ARRs – section 14.5	33
	<ul style="list-style-type: none"> <li>Information Security attestation</li> </ul>	ARRs – section 14.6	34

Summary of requirement		Basis for requirement	Annual report reference
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	24-30
	• Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	27
Open Data	• Statement advising publication of information	ARRs – section 16	Inside front cover
	• Consultancies	ARRs – section 31.1	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
	• Overseas travel	ARRs – section 31.2	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
	• Queensland Language Services Policy	ARRs – section 31.3	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	See page 35 of Financial Statements
	• Independent Auditor’s Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	See pages 36 to 38 of Financial Statements

FAA

*Financial Accountability Act 2009*

FPMS

*Financial and Performance Management Standard 2019*

ARRs

*Annual report requirements for Queensland Government agencies*

