

Children's Health Queensland  
Hospital and Health Service

2018–2019  
ANNUAL  
REPORT



#### Feedback

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#### Open data

Information about consultancies, overseas travel, and the Queensland language services policy is available at the Queensland Government Open Data website ([qld.gov.au/data](http://qld.gov.au/data)).

#### Interpreter service statement

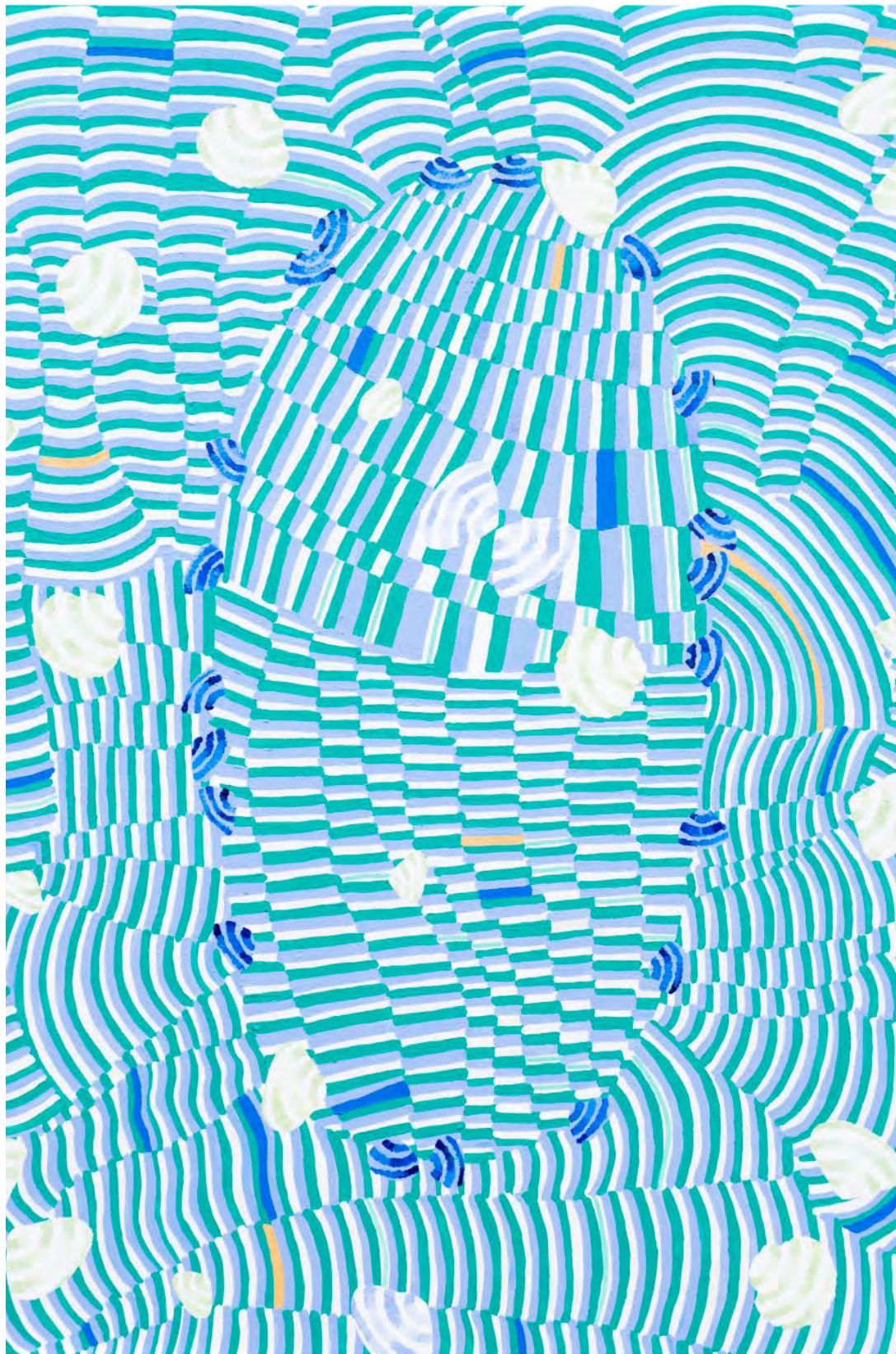
The Queensland Government is committed



to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty understanding this report, you can contact us on 07 3068 3365 and we will arrange an interpreter to effectively communicate the report to you.

#### Photography

© Children's Health Queensland Hospital and Health Service, Queensland Government. Aboriginal and Torres Strait Islander people are advised that this publication may contain words, names, images and descriptions of people who have passed away.



## Acknowledgment to Traditional Owners

Children's Health Queensland pays respect to the traditional custodians of the lands on which we walk, work, talk and live. We also acknowledge and pay our respect to Aboriginal and Torres Strait Islander Elders past, present and future.

## Recognition of Australian South Sea Islanders

Children's Health Queensland recognises the Australian South Sea Islanders as a distinct cultural group within our geographical boundaries. Children's Health Queensland is committed to fulfilling the Queensland Government Recognition Statement for Australian South Sea Islander Community to ensure that present and future generations of Australian South Sea Islanders have equality of opportunity to participate in and contribute to the economic, social, political and cultural life of the State.

## Letter of compliance

10 September 2019

The Honorable Steven Miles MP  
Minister for Health and Minister for Ambulance Services  
Brisbane QLD 4000

Dear Minister Miles,

I am pleased to submit for presentation to the Parliament the Annual Report 2018-2019 and financial statements for Children's Health Queensland 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 on page 96 of this annual report.

Yours sincerely  
David Gow



Chair, Children's Health Queensland Hospital and Health Board

Artwork pictured left: *Healing rock vessel #3, 2018* | Medium: Synthetic polymer on canvas  
Artist: Elisa Jane Carmichael | Collection: Children's Health Queensland  
Image courtesy of the artist and Onespace Gallery | Photo: Louis Lim

Healing rock holds pockets of bodies of water. These pockets are vessels holding stories and life. Washing in and out. Like woven vessels the rock pools hold knowledge of the past and memories. They hold the stories of the tides changing. The water changes over time but the vessels remain with the spirit of healing rock.

Elisa Jane Carmichael is a Ngughi woman from Quandamooka Country (Moreton/Moorgumpin and Stradbroke Island/Minjerribah, Queensland) who creates across a breadth of media, including painting, weaving, textile design and fashion using acrylic paints, natural fibres, found and synthetic materials. Elisa is very passionate about nurturing and preserving her strong connection to the sand and sea, Yoolooburabee. Her practice visually explores the beauty of nature and surrounding environment, drawing inspiration from her cultural identity and heritage.

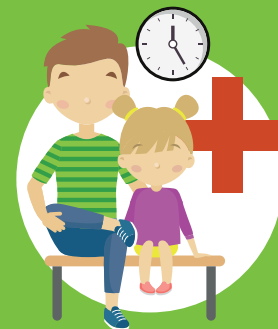
# At a glance 2018-19



**72,204**  
emergency presentations  
compared to 72,094 in 2017-18



**3,806**  
emergency surgeries  
compared to 4,307 in 2017-18



**20** minutes  
median wait time  
for emergency treatment  
compared to 28 minutes in 2017-18



**8,343**  
elective surgeries  
compared to 7,607 in 2017-18



**62** days  
median wait time  
for elective surgery  
compared to 64 days in 2017-18



**0** elective surgery  
patients waiting  
outside recommended wait  
times by June 30 2019



**290,977**  
outpatient occasions  
of service  
compared to 287,300 in 2017-18



**3,329**  
telehealth services  
compared to 3,609 in 2017-18



**298** hospital  
in the home admissions  
compared to 266 in 2017-18

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# Statement on Queensland Government objectives for the community

The Queensland Government's *Our Future State: Advancing Queensland's Priorities* is a clear plan to advance Queensland – both now and into the future. While Children's Health Queensland contributes to the priorities of 'Be a responsive government' and 'Keep Queenslanders healthy', we naturally play a central role in supporting the 'Give all our children a great start' priority by:

- increasing the number of babies born healthier;
- increasing childhood immunisation rates, and
- improving wellbeing prior to starting school.

Ensuring children receive the best possible start in life and flourish as part of a healthy, vibrant society is our ethical, social and economic responsibility.

We are committed to improving the health and wellbeing of children and young people, particularly those from vulnerable communities and families, by delivering quality front-line services and building safe, caring and connected communities.



**Nothing is more important than doing our best to ensure the next generation of Queenslanders are healthy, resilient and ready to be productive members of society.**

The *Children's Health Queensland Strategic Plan 2016-2020* (see Appendices page 90) also supports the 10-year strategy for health in Queensland, *My health, Queensland's future: Advancing health 2026*. The vision is that by 2026 Queenslanders will be among the healthiest in the world. Five principles underpin this vision, direction and strategic agenda: Sustainability, Compassion, Inclusion, Excellence and Empowerment.

## Principles outlined in *My health, Queensland's future: Advancing health 2026*

<b>1</b>	<b>Sustainability</b>	We will ensure available resources are used efficiently and effectively for current and future generations.
<b>2</b>	<b>Compassion</b>	We will apply the highest ethical standards, recognising the worth and dignity of the whole person and respecting and valuing our patients, consumers, families, carers and health workers.
<b>3</b>	<b>Inclusion</b>	We will respond to the needs of all Queenslanders and ensure that, regardless of circumstances, we deliver the most appropriate care and service with the aim of achieving better health for all.
<b>4</b>	<b>Excellence</b>	We will deliver appropriate, timely, high-quality and evidence-based care, supported by innovation, research and the application of best practice to improve outcomes.
<b>5</b>	<b>Empowerment</b>	We recognise that our healthcare system is stronger when consumers are at the heart of everything we do, and they can make informed decisions.



# Message from the Board Chair

It is my pleasure to present the Children's Health Queensland Hospital and Health Service Annual Report 2018-19.

In the past year we have made significant progress on our ongoing commitment to provide safe, high-quality and accessible healthcare to children, young people and their families.

With a continued focus on our strategic priorities of child and family-centred care, partnerships, people and performance, our workforce has embraced innovation and an integrated care approach to optimise the reach and impact of our specialist services.

We were particularly proud to launch our *Children's Health and Wellbeing Services Plan 2018-2028*, and the *Aboriginal and Torres Strait Islander Health and Wellbeing Services Plan 2018-2023* this year. Together, these are our blueprint for identifying and responding to the changing needs of Queensland children and young people.

We know there is a broad set of indicators linked to health and wellbeing outcomes for children and young people, including where they live and their access to material basics and quality health and education services. As the peak provider of paediatric healthcare in Queensland, we are using population-health data to inform how we respond to the needs of individual communities and partner with consumers, other hospital and health services, and other agencies to customise and innovate service delivery.

Throughout 2018-19, we laid the foundations for several projects and initiatives that will allow us to build a healthier tomorrow for all Queensland kids, while continuing to deliver timely

and appropriate healthcare that meets the needs of today.

For example, as part of the Queensland Government's Specialist Outpatient Strategy, we led the development of statewide paediatric clinical prioritisation guidelines, designed to give children more consistent and equitable access to specialist medical and surgical services. We also launched a statewide sepsis screening tool to improve the identification and treatment of children with sepsis and ensure a consistent approach to care.

This is all part of Children's Health Queensland's role in leading the planning and delivery of paediatric services across the state to support families in accessing quality care as close to home as possible.

We established the Access QCH program to improve timely access to appropriate care and have already seen positive impacts across the hospital, particularly for oncology patients and their families (see page 18). The hospital has also achieved pilot site status for the American College of Surgeons' National Surgical Quality Improvement Program, which provides us with access to world-leading quality and improvement data and analysis capability.

We have made significant progress on planning for a new inpatient ward at the Queensland Children's Hospital. The \$20 million project will deliver up to 30 extra beds, including six additional oncology beds.

In another measure of our world-class capabilities, Children's Health Queensland became the only designated Project ECHO® SuperHub in the South Pacific region, enabling us to further extend the reach of our important work in educating and building the capacity of health professionals in rural, remote and under-served regions (see page 13).

We also prioritised the delivery of community-based services. This year, we led the establishment and operation of Yarrabilba Family and Community

Place (see page 14), and commissioning began on an Australian-first adolescent extended treatment centre for young people experiencing severe and complex mental illness, which is due to open at Cherside in 2020.

Children, young people and their families across the Greater Brisbane area are also benefitting from our new programs such as Navigate Your Health for children in care, Healthy Kids, Healthy Families and the right@home home-visiting service for new parents. Each of these initiatives are the product of collaboration with our valued partners across government and non-government sectors.

I also want to recognise the extraordinary program of paediatric research and innovation occurring every day at Children's Health Queensland to improve health outcomes for children everywhere. This work is made possible through our partners in the Centre for Children's Health Research and further afield, and further cements our organisation as a leader in paediatric care and research on the world stage.

On behalf of the Board, I must acknowledge the extraordinary contribution of Fionnagh Dougan as Chief Executive for the past four-and-a-half years. Fionnagh has now returned to her home country of New Zealand, however her legacy of championing excellence in child healthcare services will endure.

And finally, I must thank our dedicated and talented staff for their unwavering commitment to providing life-changing care for children and young people.

I look forward to seeing more of this great work in 2019-20, as we continue to take every opportunity to improve the health and wellbeing of all Queensland children.

**David Gow**  
Chair

# Section 1: About us

## 1.1 Strategic direction

Our *Strategic Plan 2016-2020* (reviewed 2019) describes how we will lead life-changing care for children and young people – for a healthier tomorrow. It outlines our vision, commitment, values, objectives and describes how we measure our success against broader Queensland Government strategies and goals. The five-year plan was approved by our Board in March

2019 and has been implemented across our operations through operational business plans.

Our four overarching strategic goals are:

- Child and family-centred care
- Performance
- Partnerships
- People

Our Health Service Chief Executive reports to the Board on a regular

basis against the organisation's achievements towards these goals. Reporting includes the progress of principal activities and reporting risks, challenges and opportunities.

View the *Children's Health Queensland Strategic Plan 2016–2020* (2019 update) at [www.childrens.health.qld.gov.au/wp-content/uploads/PDF/our-strategies/chq-strat-plan-16-20.pdf](http://www.childrens.health.qld.gov.au/wp-content/uploads/PDF/our-strategies/chq-strat-plan-16-20.pdf)



**Child and family-centred care:** We will place the child and family at the heart of all we do.



**Performance:** We will deliver sustainable, high-value health services driven by continuous improvement, creativity and innovation.



**Partnerships:** We will work collaboratively with partners to improve service coordination and integration, and optimise child and young person health outcomes across Children's Health Queensland and statewide.



**People:** We will create an inspirational workplace where people want to work and learn, where contributions are valued and staff come to work with a purpose and leave with a sense of pride.

## Agency role and functions

Children's Health Queensland Hospital and Health Service is an independent, statutory body, governed by the Children's Health Queensland Hospital and Health Board, which is accountable to the local community and the Queensland Minister for Health and Minister for Ambulance Services.

Established on 1 July 2012 under the *Hospital and Health Boards Act 2011 (Qld)*, Children's Health Queensland is Queensland's only statewide specialist

hospital and health service responsible for the provision of public paediatric health services.

Under the *Hospital and Health Boards Act 2011*, the Queensland Department of Health is responsible for the overall management of the public health system including statewide planning and monitoring the performance of hospital and health services.

A formal *Service Agreement* is in place

between the Department of Health and Children's Health Queensland that identifies the healthcare, teaching, research and other services that Children's Health Queensland will provide; funding arrangements for those services, and targets and performance indicators to ensure outputs and outcomes are achieved.

This service agreement is negotiated annually and available publicly at <http://bit.ly/2blPVwf>



## 1.2 Vision, commitment and values

Everything we do at Children’s Health Queensland is guided by our vision, our commitment and our values.

### Our vision

Leading life-changing care for children and young people – for a healthier tomorrow.

### Our commitment

To offer the best: safe, expert, accessible child and family-centred care for children and young people.

### Our values

**Respect:** teamwork, listening, support  
*‘We listen to others’*

**Integrity:** trust, honesty, accountability  
*‘We do the right thing’*

**Care:** compassion, safety, excellence  
*‘We look after each other’*

**Imagination:** creativity, innovation, research  
*‘We dream big’*



## Queensland Public Service values

Children’s Health Queensland’s core values of Respect, Integrity, Care and Imagination work in parallel and are aligned with the five Queensland Public Service values of Customers first, Ideas into action, Unleash potential, Be Courageous and Empower people.



### Customers first

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



### Ideas into action

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



### Unleash potential

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



### Be courageous

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



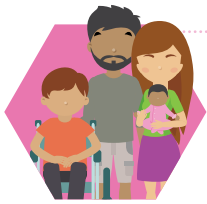
### Empower people

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

# Section 1: About us

## 1.3 Priorities

We continued to make significant progress towards implementing our *Strategic Plan 2016-2020* in the past year. In 2019, we reviewed the strategy to ensure it continued to align with the changing needs of our population and operating environment. The updated strategy maintains focus on our four strategic priorities:



### Child- and family-centred care

- Ensure services are consistently delivered in child- and family-friendly and supportive environments.
- Facilitate an integrated system of specialised care for children, through service models that support continuity of care and care close to home, and respond to local needs and service capability.
- Continuously undertake comprehensive health service planning and reviews to support future services, and influence statewide policy and plans for child and youth health services.



### Performance

- Develop and implement an Excellence Framework which defines aspiration, benchmarks current performance against industry leaders and drives game-changing improvement.
- Develop and implement an evidence-based evaluation framework for health service innovation to assess and prioritise redesign and improvement investments.
- Deliver business intelligence and data analytics capabilities which enable us to efficiently achieve service agreement targets, identify areas for performance improvement and support research outcomes.



### Partnerships

- Work with public and primary health agencies to promote wellbeing of children by encouraging further development of protection, promotion, prevention and early intervention services.
- Work with partners in other sectors (e.g. education, housing) to address the determinants of child and youth health outcomes.
- Strengthen emphasis on improving Aboriginal and Torres Strait Islander child and family access and outcomes, including working with Aboriginal community-controlled health organisations and community leaders to eliminate barriers to access, and grow our Indigenous workforce.



### People

- Optimise organisational culture to facilitate high levels of employee engagement that enables high performance.
- Implement people processes, practices and systems that enable people-related matters to be managed in a timely and effective manner, through support by a business partnering model.
- Develop interdisciplinary models to maximise opportunities for innovative practice and professional development across our organisation.

## Turning our vision into meaningful health delivery and improved outcomes

In November 2018, we launched the *Children's Health Queensland Children's Health and Wellbeing Services Plan 2018-2028*, our 10-year vision for the future of clinical services for children and young people.

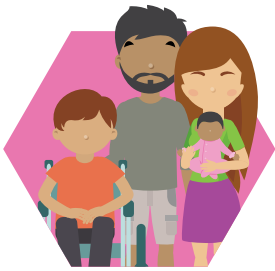
We developed the complementary *Aboriginal and Torres Strait Islander Health and Wellbeing Plan 2018-2023* in parallel, to ensure our five key health service directions were optimised for the health and wellbeing of Indigenous children and young people.

These are:

- 1: Promoting wellbeing and health equity
- 2: Improving health service design and integration
- 3: Evolving service models
- 4: Delivering services closer to home
- 5: Pursuing innovation

Both plans can be viewed at: <https://www.childrens.health.qld.gov.au/chq/about-us/strategies-plans/>





Outcomes 2018-19

## Child and family-centred care

- ✓ Established a Family-Centred Care Committee as Children's Health Queensland's peak consumer governance committee. This is part of our ongoing progression towards achieving Person-Centred Care Certification through Planetree International.
- ✓ Children's Health Queensland's Eating Disorders Program has embedded the use of video teleconferencing to provide family-based treatment to children and young people in rural, regional and remote communities (see page 15).
- ✓ Launched the Healthy Kids, Healthy Families Program, a mobile support and education model in the Logan area to provide culturally-tailored, community-based sessions on health, nutrition and physical activity (see page 17).
- ✓ Expanded Queensland's only paediatric apheresis service at the Queensland Children's Hospital (providing plasma exchange treatments) to include red cell exchange treatments for haematology patients with sickle cell disease.
- ✓ Launched a trial of targeted 'pop-up' child health clinics in 13 locations, including primary schools, across South East Queensland to improve access to developmental assessments and other child health services.
- ✓ Launched the right@home program in the Logan, Beenleigh and Browns Plains areas in April 2019. The home-visiting service offers parents a minimum of 25 home visits with a child health nurse to improve prenatal care, parent-child attachment and the family environment (see page 20).
- ✓ Established an Indigenous Program Coordinator role within the Queensland Centre for Perinatal and Infant Mental Health to enhance its capacity to provide culturally safe and culturally competent care for Aboriginal and Torres Strait Islander families.
- ✓ Embedded a new approach to preparing patients and families for CT scans without a general anaesthetic. This change achieved a successful scan in 86 per cent of cases during the six-month trial period (see page 15).
- ✓ Appointed Queensland's first paediatric nurse practitioner for inflammatory bowel disease (IBD) in May 2019 to enhance the service delivery and care provided to IBD patients and families at the Queensland Children's Hospital.
- ✓ Expansion of targeted hearing clinics pilot to Caboolture to improve access to hearing assessments for children experiencing developmental delays, hearing loss and learning behavioural/developmental delays.
- ✓ Dedication of a public memorial artwork at Herston, Brisbane in honour of children and young people who died at the former Royal Children's Hospital. The sculpture '*And on the third day flowering plants sprung from the earth*' by Torres Strait Islander artist Brian Robinson, was jointly commissioned by Children's Health Queensland and Metro North Hospital Health Service. The piece references healing gardens and the everlasting love parents have for their children.
- ✓ Construction of the new \$41.3 million purpose-built Adolescent Extended Treatment Centre in Chermside, Brisbane, began at the end of 2018. Children's Health Queensland is leading the commissioning of the centre and will lead service delivery when it opens in 2020.

# Section 1: About us



## Outcomes 2018-19 Performance

- ✓ Launch of the *Children's Health and Wellbeing Services Plan 2018-2028* (see page 8), a 10-year vision for the future of clinical services for children and young people.
- ✓ Launch of the *Aboriginal and Torres Strait Islander Health and Wellbeing Services Plan 2018-2023* (see page 21), a blueprint for meeting the changing needs of Indigenous children and young people over the next five years.
- ✓ Achievement of International Organization for Standardization (ISO) certification for Quality Management Systems Requirements (ISO 9001:2015) in October 2018. Our Quality Management System ensures quality and consistency in the delivery of care to patients and families.
- ✓ University of New Mexico's Health Sciences Center awarded Children's Health Queensland ECHO® SuperHub™ status in recognition of its high-quality achievements in implementing Project ECHO® across Queensland (see page 13).
- ✓ Queensland Children's Hospital appointed as a pilot site for the American College of Surgeons' National Surgical Quality Improvement Program (ACS NSQIP) in January 2019.
- ✓ Established Access QCH, an evidence-based and clinically-led improvement program that aims to improve timely access to appropriate care at the Queensland Children's Hospital (see page 18).
- ✓ Developed a population health intelligence dashboard, that brings together more than 35 data sets from multiple government agencies to profile the health and wellbeing of children at a population level. Insights are being shared to support more informed health services planning and ensure efforts are focused on communities that need it most.
- ✓ Developed and implemented statewide paediatric Clinical Prioritisation Criteria (CPC) guidelines designed to give children and young people across Queensland more equitable access to specialist medical and surgical services. The CPC Project forms part of the Queensland Government's *Specialist Outpatient Strategy: Improving the journey by 2020*.
- ✓ Commenced implementation of *Children's Health Queensland's Research Strategy 2018-2025*. The strategy outlines four research priorities (primary and secondary preventative health measures, better treatments and improving health service delivery) and a roadmap for building research capability.
- ✓ Queensland Children's Hospital's orthopaedic surgery department established a world-first paediatric-focused anterior cruciate ligament (ACL) injury registry to support vital research into long-term outcomes after ACL injury.
- ✓ Development and implementation of a screening tool at Queensland Children's Hospital to identify children at highest risk of developing post-traumatic stress disorder (PTSD) after an injury. The tool has been validated by the Centre for Children's Burns and Trauma Research.
- ✓ Developed and implemented the Queensland Paediatric Sepsis Pathway screening tool to improve the identification and treatment of children with sepsis. This tool meets the recommendations of the National Action Plan on sepsis for Australia (see page 16).
- ✓ Hosted the inaugural Arts Health Network Queensland forum at the Queensland Children's Hospital in October to showcase work being done statewide to foster the health benefits of arts participation.
- ✓ Led the development of enhanced statewide guidelines to enable emergency, mental health and paediatric medical ward staff across Queensland to make best-practice clinical decisions when treating children and young people.



## Outcomes 2018-19

# Partnerships

- ✓ Opened the Yarrabilba Family and Community Place in October 2018. The facility aims to provide inclusive and flexible health, education and social services in a safe and supportive environment (see page 14).
- ✓ Received more than 500 referrals to Navigate Your Health, a two-year pilot initiative that aims to improve health outcomes of children and young people in care (see page 20).
- ✓ Commenced a 12-month trial of free bedside kindergarten sessions for eligible patients and siblings in the Queensland Children's Hospital, in partnership with the Queensland Department of Education and eKindy Queensland.
- ✓ Children's Health Queensland clinicians worked collaboratively with Metro South Hospital and Health Service to establish paediatric diabetes outpatient clinics at Logan and Redland hospitals, enabling local families to access a quality service closer to home.
- ✓ Piloted inpatient ward orientation at the Queensland Children's Hospital in partnership with the Children's Hospital Foundation to improve the hospital orientation experience for families (see page 18).
- ✓ Children's Health Queensland was a key contributor to the whole-of-government *Giving all our Children a Great Start Roadmap* in 2018 (led by the Department of Education) and has been designated as the lead delivery agency on several activities for implementation in 2019-20.
- ✓ Fostered strategic partnerships to support collaborative paediatric service planning and delivery with nine Hospital and Health Services in Queensland, as well as three emergency transportation services (Retrieval Services Queensland, Queensland Ambulance Service and the Royal Flying Doctor Service).
- ✓ Established and strengthened the Children's Health Queensland Community Collaborative, a network of more than 45 non-government organisations and charities with a shared focus on improving the health and wellbeing of children and young people.
- ✓ Children's Health Queensland partnered with Starlight Children's Foundation to launch Starlight's Healthier Futures Initiative in Queensland. The Starlight Captains work alongside the Deadly Ears outreach clinicians in Cherbourg and Mornington Island, creating positive experiences for Indigenous children and young people while they have vital health assessments and intervention.
- ✓ Launched the 'Future Stories' research project, using virtual reality technology to help children with chronic conditions create digital imaginary worlds for enjoyment and distraction. The project is a partnership between the Children's Health Queensland's Arts in Health Program, Palliative Care service, and Griffith University.
- ✓ Children's Health Queensland, in partnership with the Starlight Children's Foundation and Little Lives, welcomed Rick Giudotti, the founder of Positive Exposure, to the Queensland Children's Hospital in June 2019 for a series of photography shoots with patients and a public lecture promoting the beauty of diversity (see page 19).
- ✓ Children's Health Queensland participated in the Advancing International Knowledge Exchange (AIKE) with the Shanghai Health Commission, to develop linkages between Queensland and Shanghai hospitals in clinical and research areas.
- ✓ Children's Health Queensland partnered with the UQ Business School to develop an Innovation Framework, including exploration of innovation measures, an industry scan and stakeholder consultation.

# Section 1: About us



## Outcomes 2018-19

### People

- ✓ Developed and launched the *Children's Health Queensland Clinician Engagement Strategy 2018-2020*, which outlines Children's Health Queensland's approach to partnering with clinical staff to amplify their voice and include their active contribution and influence across the organisation.
- ✓ Established Children's Health Queensland's Clinical Council as a new leadership forum to engage with, empower and represent clinicians on issues of strategic significance, as well as act in an advisory role to the organisation. The inaugural meeting was held in May 2019.
- ✓ Endorsement of an Inter-professional Education and Inter-professional Practice Framework 2018-2022, a commitment to developing an engaged inter-professional workforce and culture of collaboration.
- ✓ Delivered Children's Health Queensland's inaugural Interprofessional Practice and Education Symposium to showcase the achievements of Queensland staff and how they learn and work together.
- ✓ Supported 54 clinical leaders to attend statewide leadership development programs hosted by Clinical Excellence Queensland. This included 30 participants in the Manage4Improvement program.
- ✓ Opened the Staff Wellbeing Centre at the Queensland Children's Hospital, recognising that children and families benefit when we prioritise the care and wellbeing of our staff (see page 43).
- ✓ Expansion of the Staff Wellbeing Program to include onsite counselling support services through the Employee Assistance Program.
- ✓ Implementation of the Children's Health Queensland Workforce Planning Framework which sets the direction for the establishment of workforce planning, supported by best-practice workforce planning methodologies and tools.
- ✓ Facilitated an Aboriginal and Torres Strait Islander Infant, Child, Youth and Families seminar series to support and enhance the cultural understanding of Child and Youth Mental Health Service staff working with Aboriginal and Torres Strait Islander families.
- ✓ Implemented the Integrated Workforce Management Solution, a single, organisation-wide digital people management system to streamline people management processes.
- ✓ Recognised the extraordinary achievements of Children's Health Queensland staff at our annual Excellence Awards. These awards align with our organisational values and strategic priorities, celebrating individuals and teams who have contributed significantly to our vision of leading life-changing care for children and young people (see page 38).
- ✓ Implemented *myHR*, a digital employee self-service and manager self-service payroll solution that provides better, faster and easier access to real-time payroll and human resources information.
- ✓ Continued to strengthen medical, nursing, allied health and corporate education, training and development activities to ensure Children's Health Queensland has a skilled, highly engaged workforce across all professions (see page 40).
- ✓ Outperformed both the Queensland Health and the Queensland Public Sector average on all ten factors in the 2018 Working for Queensland employee opinion survey (see page 37).

## Outcomes 2018-19

### Children's Health Queensland awarded ECHO® SuperHub status

The University of New Mexico awarded Children's Health Queensland ECHO® SuperHub™ status in April 2019 in recognition of our high-quality achievements in implementing Project ECHO® across Queensland.

ECHO® (Extension for Community Healthcare Outcomes) is a revolutionary model of teaching and knowledge sharing, in which front-line health professionals in rural, remote and under-served areas receive support from tertiary-based specialists via online, interactive education and case-based learning.

The goal is to 'move medical knowledge, not patients' so all Queensland children and young people receive the right care, in the right place, at the right time – regardless of where they live.

As an ECHO® SuperHub, Children's Health Queensland now has the capacity to train other organisations in the model, so they can in turn improve the quality of care in the communities they serve.

Children's Health Queensland currently offers seven educational series covering paediatric persistent pain, childhood overweight and obesity, behavioural and mental health, type 1 diabetes, clubfoot and other foot anomalies, attention deficit hyperactivity disorder (ADHD) and refugee health.

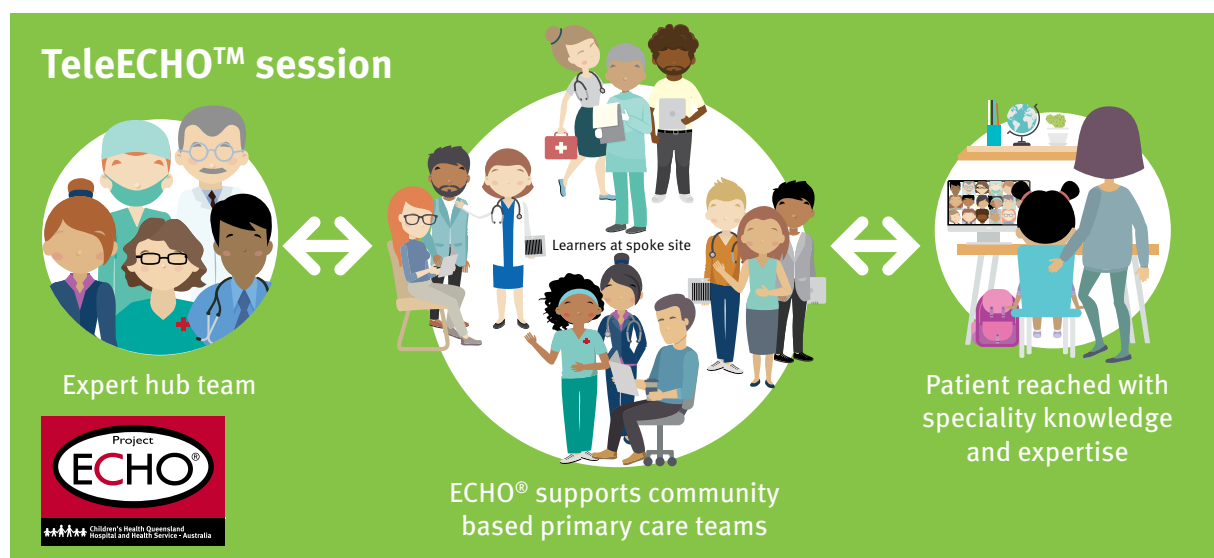
Children's Health Queensland's designation as an ECHO® SuperHub sees it join a prestigious community of only 12 ECHO® SuperHubs globally, and is the only designated ECHO® SuperHub in the South Pacific region.

Minister for Health and Minister for Ambulance Services Steven Miles said Children's Health Queensland's use of the Project ECHO model™ to date had been key in helping Queensland deliver better health outcomes for rural and remote communities.

"Project ECHO® allows for collaborative and mentoring opportunities to share best practices, undertake research and improve health outcomes in local communities across Queensland and internationally," Mr Miles said.

In 2018-19, the Project ECHO® team delivered 154 educational sessions to more than 2,000 participants across Australia.

For more information, [www.childrens.health.qld.gov.au/chq/health-professionals/integrated-care/project-echo/](http://www.childrens.health.qld.gov.au/chq/health-professionals/integrated-care/project-echo/)



# Section 1: About us

## Yarrabilba hub supporting the health and learning of local families

On 8 October 2018, Children’s Health Queensland opened the Family and Community Place in Yarrabilba, to provide local families with access to support and services to give their children the best possible start in life.

Since that time, more than 10,000 people have passed through the doors of the \$3.6 million centre and the numbers are increasing every month.

Situated in one of Queensland’s fastest growing master-planned

communities, the Yarrabilba Family and Community Place was established in response to population health data that indicated high levels of aggregated social risk for children living in Yarrabilba and surrounds.

The purpose-built integrated community facility, located on the grounds of the Yarrabilba State School, offers educational, social and health-related activities for the community, particularly those with young children.

This includes child health and immunisation clinics, the Queensland Government’s early learning and literacy program First 5 Forever, facilitated playgroups, a toy and puzzle library, book exchange and supported employment programs.

It offers regular visits from child health nurses, Justices of the Peace, and officers from The Registry of Births, Deaths, Marriages and Divorces.

Construction of the hub was funded by the Queensland Government, while the Community Hub and Partnerships (CHaPS) program brought together industry, government and community groups to deliver services.

Children’s Health Queensland managed the centre and coordinated the delivery of programs and services for the first year to establish it in the community.

By co-locating services and providing programs that support early childhood and health development, we are helping families in one of the state’s fastest-growing communities give their children the best start in life.

**‘This community space is so welcoming, open and very friendly. From just having general conversation with other families and the staff here and joining in with playgroup activities, I’ve seen a huge change in my mental health and my family’s happiness.’** *Kim*





## Enhanced care for young people living with eating disorders

Eating disorders are a growing concern for children, young people and families in Queensland.

In the past three years, more than 400 young Queenslanders have been referred to Children's Health Queensland's specialist Eating Disorders Program, with the number of referrals increasing annually.

To ensure a consistent quality of care and treatment for children requiring hospital admission, regardless of where they present, the Eating Disorders Program has led the development of enhanced statewide assessment and management guidelines.

These guidelines assist emergency, mental health and paediatric medical wards across Queensland to make best-practice decisions in the placement and management

of children and young people with diagnosed eating disorders.

The guidelines were developed after a review of international research guiding decision-making, consultation with national and international partners regarding best-practice, and involved extensive consultation over a two-year period with key stakeholders across the state.

The guidelines have been endorsed by the Mental Health Alcohol and Other Drugs State-wide Clinical Network and will be circulated to Hospital and Health Services across Queensland in the first quarter of 2019-20.

The Eating Disorders Program, delivered through our Child and Youth Mental Health Service, is the only stand-alone specialist eating disorder service for children and adolescents in Queensland.

The clinic is based in Greenslopes, Brisbane, but supports children, young people and their families across Queensland through telehealth consultations and video-conferencing to provide treatment close to home whenever possible.

In 2018-19, the program has embedded the use of video teleconferencing to provide family-based treatment (FBT) to children and young people in rural, regional and remote communities.

This followed a two-year pilot project, involving 25 families across seven hospital and health services, which showed that FBT by video-conferencing produced similar outcomes to face-to-face services.

Telehealth services have also been expanded to include second opinion assessment, complex case review, consultation and supervision.

## Improved preparation reduces need for general anaesthetic for scans

Anxiety and fear about computed tomography (CT) scans commonly results in unsuccessful scans and ultimately the need for children to be scanned under a general anaesthetic. This usually creates a longer wait time for a scan due to high demand for general anaesthetic (GA) slots.

To address this issue, our radiography unit implemented a new approach to preparing patients and families, offering enhanced choice over how and when the scan takes place. Eligible patients and their families are offered the chance to

choose a day and time that would best suit their child's needs.

Typically with young children, it is just before a scheduled feed and/or nap. Upon arrival, parents are shown to a quiet room to feed and settle their child. When ready, they are quietly brought into the dark CT room.

Older children can choose which colour is projected onto the scanner and offered practice runs until they feel like they can get through the scan. They also have the option of watching videos on phones or tablets held by parents during the scan.

If a child is struggling, the family is given the option of coming back later to try again. This technique has proven very successful, with a more than 90 per cent success rate upon return.

During a six-month trial, the new approach saw a success rate of 86 per cent. Since full implementation, the wait times for GA scans have also been halved (from 59 days to 31 days).

Similar projects are now under way across the medical imaging department to ensure we provide the best possible experience for patients and families.

# Section 1: About us

## New paediatric sepsis pathway launched

Sepsis (also known as blood poisoning) is among the leading causes of death in infants and children.

While sepsis can affect individuals of any age, young children are at greater risk for sepsis and have much greater susceptibility to severe disease compared to adults.

Every year in Australia and New Zealand, about 500 children require life-support treatment because of sepsis leading to organ failure. Sadly, about one in 10 of these children do not survive – representing an average of about one death per week.

In a bid to reduce sepsis mortality and morbidity in Queensland, Children’s

Health Queensland clinicians have played a leading role in the development of a statewide Paediatric Sepsis Pathway, in partnership with Clinical Excellence Queensland, to support the early recognition and treatment of the infection.

The pathway represents best-practice and provides evidence-based guidelines to support emergency department nursing and medical clinicians at point of care, to deliver standardised, time-critical care to paediatric patients with sepsis.

Sepsis can be difficult to diagnose because symptoms can mimic other conditions, such as the flu, but quick

recognition and treatment can help save lives and prevent permanent disability.

The pathway includes a sepsis recognition and screening tool, treatment bundle, and antibiotic prescribing and administration guidelines to assist clinicians in screening and recognising sepsis earlier and initiating treatment in line with international best-practice guidelines.

The pathway was launched at the Queensland Children’s Hospital in April 2019 and is being trialled in several tertiary and secondary hospitals and rural and remote health facilities statewide.

### Mia Wilkinson

What at first seemed like a case of gastro quickly escalated to a life-threatening battle with sepsis for four-year-old Mia in 2017.

“Mia was checked over and they initially thought it was just a case of influenza B, so they advised us to take her home and let her rest,” Mia’s Mum Amy said.

However, Mia’s condition deteriorated over the next 24 hours and when Amy noticed a light purple rash on her legs, she returned to the Queensland Children’s Hospital where Mia was diagnosed with sepsis.

Mia was put on life support and spent six days in the intensive care unit, and another nine weeks recovering in the ward. However,



sepsis had done a lot of damage to her hands and feet, and she required amputations below both the elbows and knees.

Today, Mia is a happy and bubbly six-year-old who continues to

amaze all who know her with what she has achieved since her battle with sepsis, including mastering her arm and leg prosthetics.

Her parents, Peter and Amy, are also helping raise awareness of the signs and symptoms of sepsis as part of the Queensland Adult and Paediatric Sepsis Collaborative, a group of clinicians and consumers dedicated to improving awareness, early identification and treatment of sepsis among healthcare professionals and the public.

“Early recognition and management of sepsis saves lives,” Amy said. “A parent knows their child best. If your child or family member is more unwell than you have ever seen them, go back to the hospital if you’re still worried and ask, could it be sepsis?”

## Community education program leads to healthier families in Logan

Logan, Beenleigh and Brown Plains children struggling with obesity are getting the help they need to live a healthier life, thanks to a community-based family education program.

The Healthy Kids, Healthy Families Program, delivered by Children's Health Queensland's award-winning Good Start program, is a mobile support and education model that provides culturally-tailored, home-based sessions on health, nutrition and physical activity.

Multicultural health coaches deliver eight weekly sessions relating to healthy foods and drinks, physical activity, screen time and positive parenting practices.

The program was launched in July 2018, following the success of the Healthy Kids Hub clinics, which were introduced in 2017-18 as part of the Queensland Government's \$10 million Logan

Community Health Action Plan, to help tackle childhood obesity in the Logan area.

Queensland has the highest rates of obesity in the country with around 27.5 per cent of children and 64.9 per cent of adults diagnosed as overweight or obese.

If left untreated, childhood obesity can not only impact a child's emotional state but lead to serious health issues including hypertension, type 2 diabetes and cardiovascular complications.

Early detection and access to support and education is the key to tackling childhood obesity and changing a child's future.

Eighty-nine per cent of children and 100 per cent of adult participants were categorised as overweight or obese before commencing the program.

In total, 231 sessions were delivered to Maori and Pacific Islander families in the Logan area in 2018-19, resulting in increased vegetable consumption and decreased discretionary food intake in 75 per cent of participating families.

This translated into 54 per cent of children demonstrating a decrease in body mass index, which will improve health outcomes among this vulnerable population.

Families have also reported their children are sleeping better, have more energy, are less tired at school and are motivated to change.

Children's Health Queensland aims to expand the Healthy Kids Clinics and Healthy Kids Program to target obesity in other vulnerable populations across the state, including Aboriginal and Torres Strait Islander children and families.



# Section 1: About us

## Orientation program empowers families with what they ‘need to know’

Newly admitted patients and families are receiving a personalised welcome and orientation to the Queensland Children’s Hospital, thanks to a new partnership with the Children’s Hospital Foundation (CHF).

The inpatient ward orientation initiative sees CHF volunteers visiting families, usually the day after admission, to talk them through the services, facilities and support available to them during their stay.

This informal interaction provides an opportunity to connect with families, tailor their orientation information to their needs and to reinforce key patient safety and quality messaging around Ryan’s Rule, the Australian Charter of Healthcare Rights and ways to provide feedback.

The project was initiated following a Planetree report in 2017 which highlighted inpatient orientation

experience for families as an area for improvement. It also aligns with our longstanding strategic priority of providing child- and family-centred care at every occasion.

Two wards at the hospital were initially selected to pilot the new service for two hours, three days per week. Feedback from families to date has been overwhelmingly

positive, and surveys have shown that communication and awareness of key services and processes has improved. The new service is now being rolled out to a further six wards at Queensland Children’s Hospital.

Between March and May 2019, 255 families received a personal welcome and orientation by a CHF volunteer.



## Improving timely access to the right care

Queensland children and their families are benefitting from better access to the care they need at the Queensland Children’s Hospital under our new Access QCH clinically-led service improvement program.

The evidence-based project is one of the first initiatives undertaken to implement our 10-year clinical services plan, the *Children’s Health and Wellbeing Services Plan 2018-2028* (see page 8).

Taking a systemic approach to improving access across the hospital, the program comprises projects in oncology, emergency, Hospital in the Home (HITH), general paediatrics and the operating theatres.

By June 2019, the Access QCH oncology project had delivered:

- no chemotherapy delays due to bed unavailability since October 2018.
- a saving of bed days through trials of an outpatient department model.

- a re-configuration of cohorts of patients in the hospital and upskilling of nursing staff to enable a second home ward location, with a consistent quality of care and patient experience, for oncology children and families.

In 2019-20, the program will progress improvement projects in HITH (including implementation of a direct referral pathway from emergency), general paediatrics, operating theatres and the emergency department.

## Photography shoot gives children some Positive Exposure

Queensland Children’s Hospital welcomed Rick Guidotti, award-winning photographer and founder of charity Positive Exposure, in June for a photography shoot with patients and a public lecture promoting the beauty of diversity.

For the past 20 years, Positive Exposure has utilised the arts, film and narratives to present the humanity and dignity of individuals living with genetic, physical, behavioural and intellectual differences.

The charity’s call to action is ‘Change How You See, See How You Change’.

Collaborating with other non-government organisations, hospitals,

medical schools, educational institutions, advocacy groups and communities, Positive Exposure aims to promote a more inclusive and compassionate world where all differences are understood, embraced and celebrated.

Children’s Health Queensland’s Arts in Health program is fortunate to already have some of Rick’s work on display in the Queensland Children’s Hospital, but this marked his first official visit.

His photographic subjects on the day included Mahalia (pictured below) and 14-year-old Shayla (top right).

A selection of the portraits taken during Rick’s visit will be unveiled



at a special exhibition in the community gallery of the Queensland Children’s Hospital in 2020.

The project was made possible through partnerships with Starlight Children’s Foundation, Little Lives, and the Centre for Clinical Trials in Rare Neurodevelopmental Disorders.



# Section 1: About us

## 500 children in care on track to a healthier future

More than 500 children and young people in the Greater Brisbane area have benefited in the first 12 months of an innovative two-year trial focused on improving health outcomes for children in care.

The Australian-first 'Navigate Your Health' care model was established to give children in care, who commonly fall behind in immunisation schedules and other basic healthcare checks, the best possible start in life.

The trial is being jointly delivered in Brisbane by Children's Health Queensland, the Department of Child Safety, Youth and Women, and the Brisbane Aboriginal and Torres Strait Islander Community Health Service.

Four dedicated 'Health Navigators' are monitoring participants in the trial and coordinating their care to ensure they receive timely health and developmental assessments and, if needed, referrals to appropriate healthcare services.

A comprehensive tailored health management plan is developed for every child and young person to ensure they receive the care and services they need, including vision and hearing assessments, vaccination catch-ups, mental health services and oral health check-ups.

The program aims to strengthen partnerships and communication between everyone involved in a child's care to ensure they received

integrated care across the social and healthcare continuum.

The trial has to date received overwhelmingly positive feedback from participating children, parents, carers and health professionals.

Importantly, it has also given us a much greater understanding of the health needs of children and young people in care.

Every community in Queensland could benefit from this program, and we look forward to working with our partners to expand the trial into other areas in coming years.

Planning is also under way to develop a referral pathway that improves access to healthcare for young people in the youth justice system.

## Home visiting program gives kids the best possible start

One in four Queensland children are vulnerable to delays in their physical, social, emotional, language and communication development.

This developmental vulnerability in children is often the result of socioeconomic and psychological adversity in early life, with rates among four- and five-year-olds almost three times higher in some areas.

These children are likely to continue to fall further behind at school and experience more disadvantage as they grow older but with the right support, change is possible.

In response to this, Children's Health Queensland collaborated with local maternity hospitals, general practitioners and other key community stakeholders, to implement the right@home program in April 2019 in the Logan, Beenleigh and Browns Plains areas.

right@home is an evidence-based targeted and sustained home-visiting program specifically designed to build parents' capacity to provide safe, responsive care and a home environment that supports children's learning.

Parents receive a minimum of 25 home visits from a trained child health nurse. The support aims to improve prenatal care, parent-child attachment and the family environment.

The program supports mothers to adopt healthy behaviours during pregnancy, improve the wellbeing and health of babies and toddlers, and prompts parents to immunise on time.

In its first two months, right@home received more than 50 referrals to the service. For more information, see [www.childrens.health.qld.gov.au/service-right-at-home/](http://www.childrens.health.qld.gov.au/service-right-at-home/)



# 1.4 Aboriginal and Torres Strait Islander Health

## Aboriginal and Torres Strait Islander Health and Wellbeing Services Plan 2018-2023

Aboriginal and Torres Strait Islander children do not always enjoy the same opportunities and health and wellbeing outcomes as non-Indigenous Australians. We know there is still a long way to go in ‘closing the gap’ in health and development inequality between Indigenous and non-Indigenous children, and Children’s Health Queensland is committed to strengthening our work in this area.

In line with this commitment, we have published the Children’s Health Queensland *Aboriginal and Torres Strait Islander Health and Wellbeing Services Plan 2018-2023*, our blueprint for meeting the unique and changing needs of Aboriginal and Torres Strait Islander children and young people over the next five years.

Our overarching goal is to ensure Aboriginal and Torres Strait Islander children and their families have access to high-quality clinical healthcare which prioritises their cultural, emotional and spiritual needs.

Importantly, the plan reinforces that Aboriginal and Torres Strait Islander health is everyone’s business. Our vision of a healthier tomorrow for all children and young people requires strategies that address the social and cultural determinants of health, as well as health service delivery that is oriented around the needs of children, young people and families and is designed and delivered in partnership with them.

Developed in parallel with the *Children’s Health and Wellbeing Services Plan 2018-2028*, the *Aboriginal and Torres Strait Islander Health and Wellbeing*

*Services Plan 2018-2023* includes our organisation’s five key health service directions:

1. Promoting wellbeing and health equity
2. Improving service design and integration
3. Evolving service models
4. Delivering services closer to home
5. Pursuing innovation.

**‘Aboriginal and Torres Strait Islander children are the youngest people from the longest living cultures in the world with rich traditions, lore and customs that have been passed down from generation to generation. They grow up with a strong connection to family, community and country, and are the future of their culture and the carriers and keepers of their stories.’**

We support Queensland Health’s *Aboriginal and Torres Strait Islander Health Workforce Strategic Framework 2016-2026*, which identifies six key priorities for building a strong workforce to deliver a healthy future for Queensland’s Indigenous communities: growth; collaboration; partnerships; leadership and planning; university health graduates; and culturally safe and competent health services.

Creating a strong Aboriginal and Torres Strait Islander workforce is a fundamental enabler to support our clinical services to deliver the directions and strategies in the plan and enhance our cultural competency.

Similarly, guidance from our Aboriginal and Torres Strait Islander staff and nominated leads, including the members of our Making Tracks Committee, is key to the effective implementation of the plan.



# Section 1: About us

## Artwork promises a bright future

This year, Children’s Health Queensland proudly revealed the latest addition to the Queensland Children’s Hospital art collection, *The Glad Tomorrow* by celebrated Indigenous artist Tony Albert (pictured below).

The Queensland Children’s Hospital has a unique architecture which uses the tree as a symbol for healing. *The Glad Tomorrow* brings this idea to life by referencing the *Ficus macrophylla*, the Moreton Bay fig, which possesses a remarkable ability to rejuvenate. This tree’s buttress root is used by Indigenous people for carving boomerangs and shields and for ceremonial purposes.

*The Glad Tomorrow* is the hospital’s largest Indigenous commission to date and features a constellation of cross-boomerangs flowing around a column near the hospital’s Raymond Terrace

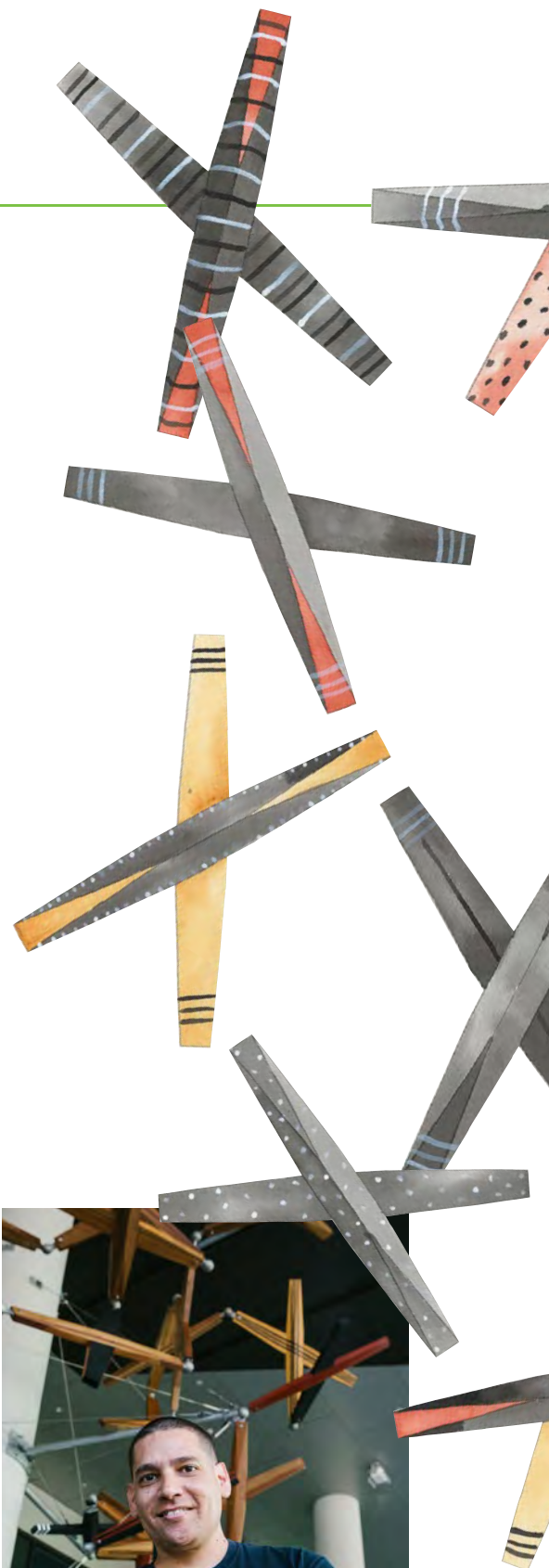
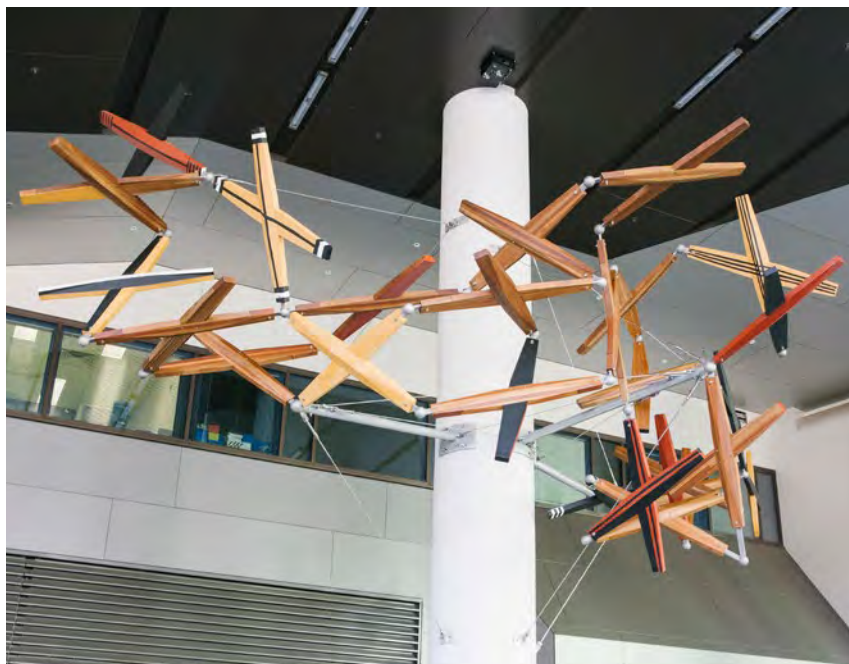
entrance. The cross-boomerang is a unique symbol of protection that comes from the artist’s family country in the rainforests of North Queensland and welcomes children and their families and friends into the building.

Mr Albert said: "I like the idea that this motif will welcome children, their families and friends into the hospital. *The Glad Tomorrow* also makes reference to a floating galaxy, with each cross-boomerang representing a star high up in the night sky. Please wish upon a star for the health and future of all our children."

### *The Glad Tomorrow 2014-2018*

By Tony Albert, Girramay, Yidniji and Kuku Yalandij people

*"To our children's children, The glad tomorrow"* From 'A Song of Hope' by Oodgeroo Noonuccal 1974





## Assessment protocol improves hearing diagnosis in 0-4 year olds

Early diagnosis of hearing loss associated with otitis media (or middle-ear disease) is crucial for appropriate, timely and coordinated management, including surgery and/or fitting of hearing aids.

However, standard behavioural assessment of hearing in children under four in rural and remote settings is challenging as most community centres do not have the specialist equipment or staff required to conduct behavioural testing on very young children.

In 2016-17, for example, the rate of hearing diagnosis in children up to four years old in communities serviced by our Aboriginal and Torres Strait Islander children's ear health program, Deadly Ears, was approximately 47 per cent, largely because children were too young for testing via standard behavioural pure tone audiometry or play audiometry.

To help increase diagnosis rates in this age group, Deadly Ears trialled an innovative community-based audiological assessment protocol in 2018-19 in the communities of Cherbourg, Palm Island and Woorabinda.

The project included creating a protocol and clinical task instructions for assisted play audiometry and community visual reinforcement audiometry (VRA), as well as developing resources and equipment to conduct community VRA that was portable, engaging and flexible enough to be set-up in a variety of clinic spaces.

The protocol and equipment were trialled in eight clinical visits across the three communities.

In total, 97 children participated in the trial over eight clinical visits and improved rates of hearing diagnosis were experienced across all three communities.

Overall, a diagnosis was obtained for 60 per cent of all children aged 0-4 (32 per cent of children aged 0-2, 81 per cent of children aged 3-4).

Based on the success of this trial, the assessment protocol and portable VRA equipment is now part of the standard audiology test battery for all Deadly Ears clinics.

The new protocol not only supports earlier diagnosis and management of hearing difficulties, but has also improved the ability of Deadly Ears to assess a young child's hearing status in their home community without the need to travel to a specialist diagnostic hearing centre.



## Coordinator role enhances mental health services

Aboriginal and Torres Strait Islander families across Queensland will benefit from more culturally safe perinatal and infant mental health care following the appointment of a dedicated position to the Queensland Centre for Perinatal and Infant Mental Health.

The new Aboriginal and Torres Strait Islander Perinatal and Infant Mental Health Statewide Coordinator is

responsible for enhancing the capacity of clinicians to offer culturally safe and culturally competent care for families, in the context of broader healthcare and social support systems. This includes providing cultural consultation on existing clinical resources and programs, supporting clients through the 0-4 Child and Youth Mental Health Service and the e-Perinatal and Infant Mental Health telehealth service, as well as ensuring a culturally safe

and welcoming clinical environment for families. The new role is also responsible for improving engagement with Aboriginal and Torres Strait Islander services across Queensland.

Over the next 12 months, there will be a focus on identifying and developing clinical resources and programs that are appropriate and helpful for Aboriginal and Torres Strait Islander families.

# Section 1: About us

## 1.5 Our community-based and hospital-based services

Children's Health Queensland is dedicated to caring for children and young people from across Queensland and northern New South Wales. We deliver responsive, integrated, high-quality, child- and family-centred care through a network of services and facilities, incorporating the:

- Queensland Children's Hospital
- Child and Youth Community Health Service
- Child and Youth Mental Health Service
- statewide services and programs, including specialist outreach and telehealth services.

A recognised leader in paediatric healthcare, education and research, we deliver a full range of clinical services, tertiary and quaternary care and health promotion programs.



### Queensland Children's Hospital

The Queensland Children's Hospital in South Brisbane is the major specialist paediatric hospital for Queensland and northern New South Wales, and is a centre for teaching and research. Categorised as a level six service under the *Clinical Services Capability Framework for Public and Licensed Private Health Facilities v3.2, 2014*, the Queensland Children's Hospital is responsible for providing general paediatric health services to children and young people in the greater Brisbane metropolitan area, as well as tertiary-level care for the state's sickest and most seriously injured children.

As part of our model of service delivery, we work in partnership with the network of Queensland hospitals to coordinate, when safe and appropriate to do so, the provision of care as close to home as possible for a child and their family.

The Queensland Children's Hospital also delivers statewide paediatric speciality services, including burns, rehabilitation, cardiology and cardiac surgery, cerebral palsy, cystic fibrosis, gastroenterology, oncology, neurology and haemophilia care.

As part of our commitment to sharing knowledge, Children's Health Queensland offers training in a broad range of clinical specialities and provides undergraduate, postgraduate and practitioner-level training in paediatrics.

The Queensland Children's Hospital also plays a significant role in clinical research, undertaking research programs with affiliated universities including The University of Queensland and Queensland University of Technology.

[www.childrens.health.qld.gov.au/qch](http://www.childrens.health.qld.gov.au/qch)



## Child and Youth Community Health Service

The Child and Youth Community Health Service unites a variety of primary health community-based services and specialist statewide programs dedicated to helping children and their families lead healthier lives.

Our multidisciplinary teams deliver a comprehensive range of health promotion, assessment, intervention and treatment services across the continuum of care.

Frontline healthcare is delivered from more than 50 community clinics across greater Brisbane, and via our outreach and statewide services such as Deadly Ears, Good Start, Healthy Hearing, Queensland Hearing Loss Family Support Service and the Ellen Barron Family Centre.

[www.childrens.health.qld.gov.au/chq/our-services/community-health-services/](http://www.childrens.health.qld.gov.au/chq/our-services/community-health-services/)



## Child and Youth Mental Health Service

The Child and Youth Mental Health Service provides comprehensive, collaborative, client and family-centred care for infants, children, young people and families in need of specialised mental health treatment.

We aim to improve the mental health and wellbeing of children and young people and their carer networks using a recovery-focused model.

High priority is placed on collaborative care, consultation, consumer choices and partnering with families and stakeholders to achieve optimal outcomes.

We provide acute and tertiary-level hospital-based care at the Queensland Children's Hospital, community-based care at six clinics across the greater Brisbane metropolitan area, and a range of specialist services (including forensic, eating disorders, perinatal and infant mental health and tele-psychiatry services) across the state.

[www.childrens.health.qld.gov.au/chq/our-services/mental-health-services/](http://www.childrens.health.qld.gov.au/chq/our-services/mental-health-services/)

# Section 1: About us

## 1.6 Targets and challenges

### Operating environment

Children's Health Queensland faces numerous challenges and opportunities in the delivery of health services, both within the Queensland Children's Hospital and across our community services catchment, as well as across the state. Changes to population size and demographics, disease profiles and demand for health services are impacting us. These changes, combined with evolving models of service delivery, policy frameworks and funding mechanisms, as well as advances in research and technology, necessitate a responsive and proactive approach to the planning and delivery of health services. A summary of the external factors that have impacted Children's Health Queensland in 2018-19 is detailed below.

### Population health status and demand

Queensland's population is growing, and this growth will disproportionately affect particular areas. There are an estimated 1.2 million people in Queensland aged 0 to 19 years, accounting for approximately 26 per cent of the total population. Between 2017 and 2027, the Queensland population aged between 0 and 19 years is expected to grow by 191,035 people, or 15 per cent. This growth is not evenly distributed across geographies. Some areas are expected to see high growth in children and young people, such as the West Moreton Hospital and Health Service area which is projected to grow by 44 per cent over the next 10 years, while some rural areas have negative projected growth. Socio-economic disadvantage is also variable across the state, with one in three children and young people in Queensland living in areas classed as being in the top 40 per cent of socioeconomic disadvantage. Variable

growth and relative disadvantage across Queensland poses a challenge to the way we and our network of health service partners plan and deliver sustainable and appropriate services to support equitable health and wellbeing outcomes for children and young people statewide.

### Advancing the health and wellbeing agenda for children and young people

This financial year featured increasing coordination and visibility of priorities for the health and wellbeing of children and young people. Released in November 2018, *Children's Health Queensland's Children's Health and Wellbeing Services Plan 2018-2028* identifies the key health service directions and strategies needed to efficiently and effectively align our services with the needs of the community over the next 10 years. The five strategic directions outlined in this plan have been influenced by statewide health system priorities conveyed in documents such as *My Health, Queensland's Future: Advancing Health 2026* and *A Great Start for Our Children: Statewide Plan for Children and Young People's Health Services to 2026*.

New opportunities have emerged for Children's Health Queensland to engage and lead cross-sector collaborative initiatives to improve the population health status of children and young people, following the announcement of *Our Future State: Advancing Queensland Priorities* (see page 4) in June 2018. The priority areas of focus outlined in this strategy have ignited new energy across government to conceptualise children's health, social and learning needs in a holistic framework.

### Statewide service planning

Planning for paediatric services at local, regional and statewide levels

occurred across Queensland in 2018-19. Statewide projects such as the Paediatric Critical Care Pathway Project and the Paediatric Sepsis Project, sponsored by Clinical Excellence Queensland and hosted by Children's Health Queensland, are under way to enhance consistency and quality of care. There has also been extensive statewide planning for mental health services. The Queensland Mental Health Commission released *Shifting Minds: Queensland Mental Health and Other Drugs Strategic Plan 2018-2023* which advocates for investment in prevention and early intervention mental health and wellbeing services targeting the early years.

Children's Health Queensland is working collaboratively with our health service partners throughout Queensland to support the development of sustainable services closer to home for children and young people. Examples include our involvement in the Gold Coast Paediatric Redesign Project and the Northern Queensland Children's Health Collaborative, as well as the establishment of specific services such as the paediatric diabetes outpatient clinics at Logan and Redlands hospitals in January 2019.

### Infrastructure investment

The endorsement of a Queensland Government strategy for social infrastructure in 2018 acknowledged the importance of social infrastructure in responding to population health needs. The implementation of this strategy will generate opportunities for Children's Health Queensland to engage with the planning, development and implementation of additional community hubs and facilities. The value of social infrastructure has been exemplified by the cross-sector investment in the Yarrabilba Family and Community Place

which was opened by Children's Health Queensland, Community Hubs and Partnerships (CHaPS) and other community partners in October 2018 as an innovative community hub to address the growing population need and social conditions emerging in the local community (see page 14).

### Technology and innovation

Technology advances and innovation are driving change and providing new opportunities to improve outcomes for children and young people. The continued roll out of the integrated electronic Medical Record (ieMR) across Queensland's hospital and health services will support enhanced safety, quality and operational efficiency, as well as providing an opportunity to improve how performance is measured and how data is utilised to enhance patient outcomes and experience.

### Models of service delivery

The three-year national roll out of the National Disability Insurance Scheme (NDIS) was completed on 30 June 2019. By 31 March 2019, more than 46,000 Queenslanders had an approved plan with the NDIS, including more than 17,000 children and young people aged between 0 and 18 years. Twenty-seven per cent of these participants have received support for the first time, and scheme satisfaction rates are rising. In many cases, packages of care funded through the NDIS far exceed the support participants previously received. However, the NDIS is a complex system, and in 2019-20 Children's Health Queensland looks forward to ongoing disability sector reform.

### Workforce demand

With statewide initiatives moving care closer to home as well as out of

hospitals and into the community where it is safe and sustainable to do so, it is important that appropriate workforce capability is available to support this shift. The undersupply of healthcare workers is not just a challenge being faced across Australia but globally, too. The lack of healthcare staff in rural and remote areas is particularly detrimental, as the population in those areas often have worse health outcomes than in more urban centres of Queensland.

### Sustainability

Planning for health system sustainability continued to be a prominent agenda across Queensland in 2018-19, necessitating health services to identify innovative ways to transform and optimise how and where services are delivered. In 2018-19, Children's Health Queensland continued to work with the Department of Health to support delivery of services at an efficient price while maintaining access, quality, safety and continuity of services.

### Strategic opportunities and risks

The below opportunities and risks reflect trends Children's Health Queensland has identified in the medium to long term. Our ability to leverage future opportunities and mitigate risks is vital to meeting our strategic objectives.

#### Opportunities

- Implementing innovative and contemporary systems, processes and models of care to enhance our ability to deliver safe and quality care across the state.
- Continuing to develop collaborative relationships with the Children's Hospital Foundation and academic partners to harness passion and

progress improvements and innovation in healthcare and new discoveries through research.

- Leveraging digital technologies and platforms to facilitate engagement with staff, patients, their families and the community in the design, development and delivery of contemporary care.
- Leveraging Children's Health Queensland's leadership capability to develop effective and collaborative partnerships with other agencies and health care providers across the state to improve access, experience and outcomes for children and their families.

#### Strategic risks

- Innovation – Our ability to pursue innovation and continuous improvement and introduce new strategies is influenced by the health system context.
- Health intelligence – Informed decision making may be impacted by the capacity of business and health intelligence systems.
- Sustainability – Our capacity to meet increased demand for specialist paediatric services due to increasing population and incidence of chronic conditions may be impacted by changes to funding models.
- Health systems – Our ability to deliver safe, quality care for children and young people as close to home as possible may be impacted by system fragmentation.
- Workforce and Leadership – Development of high performing leaders and attraction and retention of staff with specialised knowledge and skills impacts our ability to be responsive to our operating environment to deliver on health service priorities.

# Section 1: About us

## Looking ahead - key activities, projects, goals and initiatives for 2019-20



### Strategic directions

- Operationalise our *Children's Health and Wellbeing Services Plan 2018-2028* and *Aboriginal and Torres Strait Islander Health and Wellbeing Services Plan 2018-2023*.
- Ongoing collaboration with our alliance of health service partners to develop a framework that supports the care of adolescents and young adults, including the transition to adult services.
- Enhance our organisation's role in system-wide leadership activities through cross-sector partnerships, including the opportunity to lead and collaborate across agencies on priorities under the Advancing Queensland's Priorities initiative.
- Operationalise a redesign of our Child Development Service, which focuses on delivering services when and where they are needed.



### Digital

- Ongoing support of the implementation and optimisation of a range of statewide initiatives such as SmartReferrals, ieMR, SurgeryConnect, and the Child Digital Health Record.
- Launch the Patient Online Portal, which will allow patients and their families to better navigate their healthcare by managing their specialist appointments and accessing health-related information from one place.



### Infrastructure

- Commission and open the new Adolescent Extended Treatment Centre (AETC), the first of its kind in Australia, at The Prince Charles Hospital in Chermside in early 2020. The purpose-built centre will have 12 residential beds alongside a 10-place day program delivered in partnership with the Department of Education.
- Design and fit out a new inpatient ward on Level 12 at Queensland Children's Hospital, to better meet current and future demand on inpatient services. The \$20 million expansion project, announced by the Minister for Health and Minister for Ambulance Services in February 2019, will deliver up to 30 extra beds, including six additional oncology beds for Queensland children and young people.



### Workforce

- Progress our *Interprofessional Practice and Education Plan* to further support clinicians in working together with patients, families, carers, and communities to deliver the highest quality of care.
- Continue to invest in a coordinated approach to support and build Children's Health Queensland's leadership pipeline.



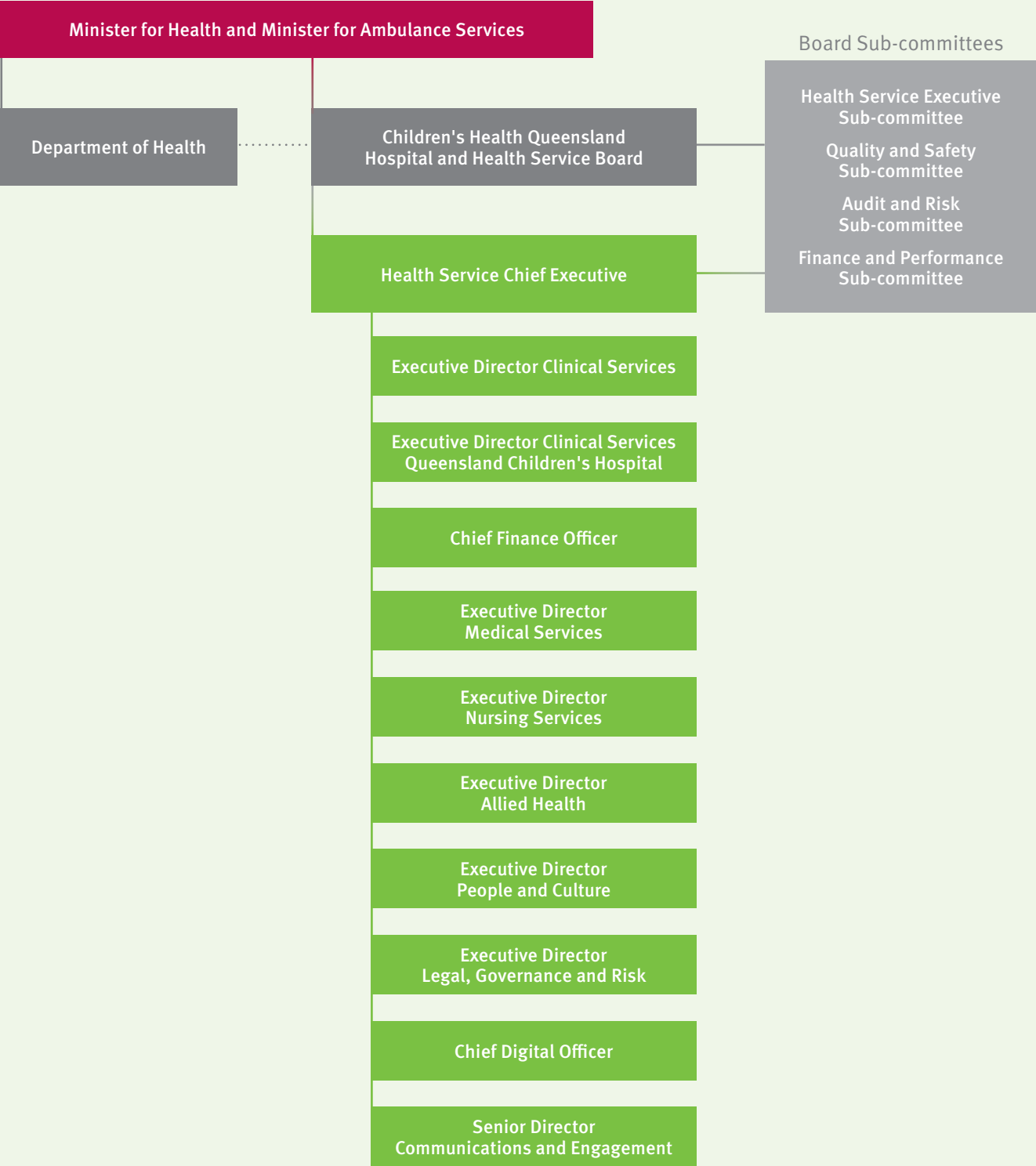
### Safety and Quality

- Continue our progression towards achieving *Person-centred Care Certification*, an international Planetree program for benchmarking and optimising patient-centred care. We are on track to be the first certified paediatric health service in the world.
- Obtain accreditation in June 2020 against the second edition of the *National Safety and Quality Health Service Standards*.
- Mature our Quality Management System, based on the principles outlined in *ISO 9001: Quality Management Systems Requirements*, to optimise continuous quality improvement across Children's Health Queensland.
- Launch the *Children's Health Queensland Improvement and Innovation Framework*, which will support consistent, high-quality implementation of strategic and local priorities at the front line.
- Deliver an integrated performance operating system, through the continued delivery of an access-focused improvement program and the implementation of an integrated system for monitoring activity against strategic and operational goals.

# Section 2: Governance

## 2.1 Our people

### Organisational structure





## Board

The Children's Health Queensland Hospital and Health Service Board is appointed by the Governor in Council on the recommendation of the Minister for Health and Minister for Ambulance Services. The Board is responsible for the governance of Children's Health Queensland, in terms of the *Hospital and Health Boards Act 2011* and *Hospital and Health Boards Regulation 2012*.

### Board appointments

David Gow continued as Chair of the Children's Health Queensland Hospital and Health Board in 2018-19.

Darren Brown, Suzanne Cadigan and Karina Hogan were appointed to the Board in May 2019, and Paul Cooper, Cheryl Herbert and Heather Watson were reappointed as Board Members.

Georgie Somerset, Ross Willims and Dr David Wood are continuing their terms as Board members.

Jane Yacopetti and Dr Leanne Johnston ended their terms in May 2019.

### Meetings

Board meetings were held at Queensland Children's Hospital and a number of Children's Health Queensland community sites on the following dates:

- 5 July 2018
- 2 August 2018
- 6 September 2018
- 4 October 2018
- 1 November 2018
- 6 December 2018
- 7 February 2019
- 7 March 2019
- 4 April 2019
- 2 May 2019
- 6 June 2019

### Children's Health Queensland Hospital and Health Service Board

<b>Act or instrument</b>	<i>Hospital and Health Boards Act 2011</i> and <i>Hospital and Health Boards Regulation 2012</i> .
<b>Functions</b>	<ul style="list-style-type: none"> <li>• oversee Children's Health Queensland Hospital and Health Service, as necessary, including its control and accountability systems</li> <li>• provide input and final approval of Executive's development of organisational strategy and performance objectives, including agreeing the terms of the Service Agreement with the Chief Executive (Director-General) of Queensland Health</li> <li>• review, ratify and monitor systems of risk management and internal control and legal compliance</li> <li>• monitor Health Service Chief Executive's and senior executives' performance (including appointment and termination decisions) and implementation of the Strategic Plan</li> <li>• approve and monitor the progress of minor capital expenditure, capital management, and acquisitions and divestitures</li> <li>• approve and monitor the annual budget and financial and other reporting.</li> </ul>
<b>Financial reporting</b>	The general purpose financial statements of Children's Health Queensland are prepared pursuant to Section 62(1) of the <i>Financial Accountability Act 2009</i> , relevant sections of the <i>Financial and Performance Management Standard 2009</i> and other prescribed requirements (see page 53).
<b>Remuneration</b>	As approved by Governor in Council the CHQ Board Member annual fees are \$75,000 Board Chair, \$40,000 Deputy Chair and Members and additional Committee fees (per statutory committee) \$4,000 Chair and \$3,000 Member.
<b>Total out-of-pocket expenses in 2018-19</b>	\$9,615 (including airfares, mileage and accommodation).
<b>Position</b>	<b>Name</b> <b>Meetings attendance</b>
Board Chair	David Gow 10
Member	Cheryl Herbert 10
Member	Darren Brown <i>Commenced 18/5/19</i> 1
Member	Suzanne Cadigan <i>Commenced 18/5/19</i> 1
Member	Paul Cooper 11
Member	Karina Hogan <i>Commenced 18/5/19</i> 1
Member	Leanne Johnston 10
Member	Georgie Somerset 10
Member	Heather Watson 9
Member	Ross Willims 10
Member	David Wood 9
Member	Jane Yacopetti 9
<b>Total number of scheduled meetings</b>	<b>11</b>

# Section 2: Governance

## Board membership



**David Gow Chair** Commenced: 18/05/2013 | Current term: 11/05/2018 to 17/05/2020

David brings more than 30 years' experience in law, banking and finance, having held senior leadership roles with a multinational bank in Australia and internationally. Since returning to Australia in 2008, David Gow has held a number of non-executive board roles in government and private sector companies, specialising in governance, financial management, and audit and risk management. He also gained extensive knowledge of research commercialisation during his time as a director of University of Queensland Holdings.



**Darren Brown** Commenced: 18/05/2019 | Current term: 18/05/2019 to 17/05/2021

Darren is a highly experienced clinician, with more than 30 years' experience as an ambulance paramedic. Currently based in Far North Queensland, Darren also provides strategic advice to Government in relation to ambulance policy, operations and industrial matters. He has previously held senior departmental positions in the Queensland Government, specialising in stakeholder and workforce representation.



**Suzanne Cadigan** Commenced: 18/05/2019 | Current term: 18/05/2019 to 31/03/2022

Suzanne has vast experience as a registered nurse in both the public and private health sectors, working in a range of clinical and leadership roles in critical care, and surgical, paediatric and emergency nursing. She has served as the Nursing Director of Surgical and Perioperative Services at the Royal Brisbane and Women's Hospital for 12 years. Suzanne is a member of the Queensland Board of the Nursing and Midwifery Board of Australia, a past President of the Queensland Nurses Union and former member of the Queensland Nursing Council.



**Paul Cooper** Commenced: 29/06/2012 | Current term: 18/05/2019 to 17/05/2021

Paul has more than 25 years' experience as an accountant in private practice. He has broad experience in a number of industries with current and former board positions in manufacturing, accounting, education, health and industrial electronics. He is Chairman of the Advanced Manufacturing Growth Centre Ltd, Chairman of Rinstrum Group and Chair of the Queensland Department of Health Audit and Risk Committee. Paul was previously a Director of the Export Council of Australia and CPA Australia Ltd.



**Cheryl Herbert** Commenced: 26/06/2015 | Current term: 18/05/2019 to 17/05/2021

Cheryl has more than 20 years' experience as a chief executive officer and leader within not-for-profit and government health and regulatory organisations. A trained midwife and nurse, she is a fellow of the Australian College of Nursing and the Australian Institute of Company Directors, a board member of Lives Lived Well Pty Ltd and a Director of Guide Dogs Qld Pty Ltd, UnitingCare Qld Pty Ltd and Peachtree Ltd. Cheryl was the founding CEO of the Health Quality and Complaints Commission (HQCC) from 2006 and served as the CEO of Anglicare (formerly St Luke's Nursing Service) for 10 years.



**Karina Hogan** Commenced: 18/05/2019 | Current term: 18/05/2019 to 31/03/2022

Karina has a strong background in media and Indigenous advocacy. In addition to her current role as an ABC journalist, Karina is also Chair of the Brisbane Aboriginal and Torres Strait Islander Community Health Service and a Director on the board of Sisters Inside, which works to improve outcomes for women and children in touch with the criminal justice system.



**Dr Leanne Johnston** Commenced: 29/06/2012 | Term ended: 17/05/2019

Leanne is a paediatric physiotherapist with 20 years' experience across clinical, research, management and education roles. She has worked for 11 years within the Mater Children's, Mater Mother's and Royal Children's hospitals. She has a Doctor of Philosophy and an extensive career in paediatric research, receiving several awards and grants and directing a multidisciplinary program at the Cerebral Palsy League. Now at The University of Queensland, she leads the Paediatric Physiotherapy Program, the multidisciplinary Health Sciences Research Program and chairs the Children's Motor Control Research Collaboration.



**Georgie Somerset** Commenced: 23/08/2013 | Current term: 18/05/2017 to 17/05/2020

Georgie brings extensive experience in consumer and community advocacy for children, young people and families living in rural and regional areas as well as strong Board and strategic governance experience. She is the president of AgForce Queensland, a board member of the ABC and the Royal Flying Doctor Service (Queensland) and chair of the Red Earth Community Foundation South Burnett. A Fellow of the Australian Rural Leadership Foundation and the Australian Institute of Company Directors, Georgie also operates a cattle property with her family in southern Queensland.



**Heather Watson** Commenced: 18/05/2018 | Current term: 18/05/2019 to 17/05/2021

Heather brings more than 30 years' legal and governance experience with the last 10 years specifically across the charitable and nonprofit sector. She has been a partner in legal practices in both regional and metropolitan contexts. Her industry expertise covers aged care, health and community services, affordable housing and Indigenous communities. She has considerable experience in structuring and strategic advice to philanthropic entities.



**Ross Willims** Commenced: 18/05/2014 | Current term: 18/05/2018 to 17/05/2021

Ross has held a number of senior executive positions within both the public and private sector such as Vice President External Affairs BHP Billiton Metallurgical Coal, and Director General of the Queensland Department of Mines and Energy. He has also worked in a range of Commonwealth Government departments. On his retirement from BHP Billiton, Ross was appointed Chairman of the Australian Coal Association and Australian Coal Association Low Emissions Technologies Limited. He was awarded life membership of the Queensland Resources Council in 2011.



**Dr David Wood AM** Commenced: 29/06/2012 | Current term: 18/05/2017 to 17/05/2020

David has more than 20 years' experience in child protection in Queensland. He is a former Chair and Board Member of ACT for Kids (previously known as Abused Child Trust) for 25 years and until recently, Director of Paediatric Health Services at Mater Children's Hospital. David is a well-respected paediatrician who brings significant experience working in Queensland hospitals. As a founding member of the Abused Child Trust he has been instrumental in breaking the cycle of abuse and neglect in Australia through therapy for abused children and their families.



**Jane Yacopetti** Commenced: 18/05/2013 | Term ended: 17/05/2019

Jane has extensive executive management experience in the health sector. She has held a number of senior positions in health management including policy, strategic planning, health service administration and infrastructure planning. A former executive at the Royal Children's Hospital, Jane went on to be Deputy Chief Executive Officer of Mater Health Services from 1998-2000 and the Executive Director of the Queensland Children's Hospital Project from 2009-2011.

# Section 2: Governance

## Executive Leadership Team



### **Fionnagh Dougan** Health Service Chief Executive

Fionnagh has been the Chief Executive of Children's Health Queensland since January 2015. Prior to this, she had overarching responsibility for all hospital, clinical support and community services, in her role as Director of Provider Services, Auckland District Health Board. She is also a former General Manager of Auckland's Starship Children's Hospital where she implemented a service-wide healthcare excellence framework. She has postgraduate qualifications in health management, an honours degree in communication, and has held dual registration and experience as both a mental health and a general nurse. Fionnagh has also been a Director on the Board of Children's Healthcare Australasia since November 2012.



### **Frank Tracey** Executive Director Clinical Services

Frank has more than 30 years' experience working in health systems, a clinical background in nursing and holds advanced qualifications in health, health systems management and organisational governance. His extensive experience in health commissioning and provision in clinical and community settings is complemented by strong managerial and leadership skills, and an applied interest in translational health research.



### **Dominic Tait** Executive Director Clinical Services Queensland Children's Hospital

Dominic is a highly experienced healthcare manager who is passionate about providing quality outcomes. He has held the position of Executive Director for the Queensland Children's Hospital since January 2017. Prior to this, he was the hospital's Divisional Director of Clinical Support. He also served as operations manager across multiple divisions including critical care, surgery and clinical support at the former Royal Children's Hospital between 2012 and 2014. Dominic holds a Bachelor of Physiotherapy, a Master of Business Administration and has worked in clinical paediatric roles both in Australia and the United Kingdom.



### **Alan Fletcher** Chief Finance Officer

Alan has more than 25 years' financial leadership and management experience within the public health sector. He is a member of CPA Australia and has extensive knowledge and experience in key strategic financial and procurement functions, such as financial management and governance. These include the implementation and re-engineering of business processes and financial systems, operational performance management and reporting, procurement, contracts management and logistics, and clinical costing and business analysis.



### **Dr Andrew Hallahan** Executive Director Medical Services (July 2018–February 2019)

Andrew has more than 20 years' experience in paediatric healthcare. As the former Medical Lead Patient Safety for Children's Health Queensland, he co-developed the Queensland Children's Hospital Patient Safety Operating System, an interdisciplinary approach to 24/7 safe care. Andrew also established the Queensland Children's Critical Incident Panel, as a statewide resource to support expert review of children's patient safety events. He is currently the Paediatric Lead for Clinical Excellence Queensland's Patient Safety and Quality Improvement Service. Andrew is currently on secondment at Sunshine Coast Hospital and Health Service, where he is serving as Interim Executive Director of Medical Services



### **Associate Professor Steven McTaggart** Acting Executive Director Medical Services (February–June 2019)

Steven is currently acting as the Executive Director of Medical Services, with a substantive position as the Divisional Director of Medicine at the Queensland Children's Hospital. He has worked in Brisbane as a paediatric nephrologist for almost 20 years and despite currently being in an administrative role he maintains a strong passion for clinical medicine and improving the care of children and families.



**Fiona Allsop Executive Director Nursing Services**

Fiona is a registered nurse with a varied and diverse career, including nursing and operational management experience in both the UK and Australia in a wide range of clinical environments and roles. She has considerable experience in developing clinical governance systems, and working with health services regulators and universities to develop new nursing roles and education pathways. Fiona is accredited by the Virginia Mason Institute to use Lean Leadership principles to design care pathways and improve the patient's experience of healthcare.



**Tania Hobson Executive Director Allied Health**

Tania has a strong clinical background and extensive experience as a strategic and operational manager and professional leader. Tania has a passion for health management, transformative organisational change, consumer and community engagement, and best-practice models of care. Tania holds a Bachelor of Speech Pathology, a Master of Business Administration and is a Fellow of the Australian College of Health Service Managers. Tania is currently completing a PHD, researching consumer engagement in health care, and is the lead executive for consumer engagement at Children's Health Queensland.



**Leigh Goldsmith Executive Director People and Culture**

Leigh has more than 20 years' experience in public, private and consulting sectors leading human resources, people strategy and organisational change. Leigh has worked with executive and senior leaders to build positive workplace culture and leadership that delivers improved business performance and makes a difference. Prior to joining Children's Health Queensland, Leigh was the Executive Director Human Resources and Engagement with Mackay Hospital and Health Service where she led human resources; media and marketing; consumer engagement and the implementation of the Digital Hospital program.



**Lisa Benneworth Executive Director Legal, Governance and Risk**

Lisa has held a range of leadership roles in the public and private sector both nationally and internationally, with more than 16 years' experience as a legal professional. She is highly regarded for her strategic approach and extensive knowledge of the challenges and opportunities relating to healthcare systems. Lisa's portfolio responsibilities include leadership for Children's Health Queensland's quality management system, integrated governance, legal services, enterprise risk management, legislative compliance and internal audit.



**Lisa Knowles Acting Chief Digital Officer**

Lisa has more than 20 years' experience in strategic and operational information management, business intelligence, digital hospital transformation and business service planning in both the public and private sector. Lisa holds advanced qualifications in Health Information Management and is a Certified Health Informatician of Australasia. She has held a number of operational and strategic leadership roles with Children's Health Queensland and is committed to the translation of data into knowledge to improve the health and wellbeing of children and young people.



**Belinda Taylor Senior Director Communications and Engagement**

Belinda is a highly experienced communications, corporate and public affairs professional with a career spanning almost 20 years and across a range of industry sectors. She has delivered strategic communications, media and stakeholder engagement programs across private sector and publicly listed companies, political offices, government agencies and consultancies. She specialises in developing strategy that creates value-based stakeholder partnerships and multi-channelled communication programs.

# Section 2: Governance

## Workforce profile

Children's Health Queensland recognises that our people are our greatest asset. Ongoing investment in our workforce is vital to ensure we can continue to deliver on our core business of providing high-quality care for patients and families. To enable this, our People and Culture unit designs and delivers people strategies and frameworks to build capacity, capability and culture that meets current and future organisational needs. The goal is to provide a professional, collaborative and supportive work environment that meets the needs and developmental expectations of current and prospective staff.

At 30 June 2019, 4,788 people were employed by Children's Health Queensland, equating to 3,954 full-time equivalent (FTE) positions. Our permanent employee retention rate<sup>a</sup> was 94 per cent at 30 June 2019, compared with 93 in 2017-18 and 92 per cent in 2016-17. For the same period, our permanent employee separation rate<sup>b</sup> was 6.1 per cent compared to 6.6 per cent in 2017-18 and 7.7 per cent in 2016-17.

\* Retention rate is calculated by the number of permanent staff employed at the start of the financial year (3,334) who remained employed at the end of the financial year (3,125).

\*\* Separation rate is calculated by the number of permanent staff who left during the year (210) against the number of permanent staff at the end of the year (3,413).

Table 1: More doctors, nurses and allied health professionals\*

Date	2014-15	2015-16	2016-17	2017-18	2018-19
Medical staff <sup>a</sup>	455	480	526	550	560
Nursing staff <sup>a</sup>	1,275	1,456	1,547	1,577	1,616
Allied Health staff <sup>a</sup>	673	715	745	794	822

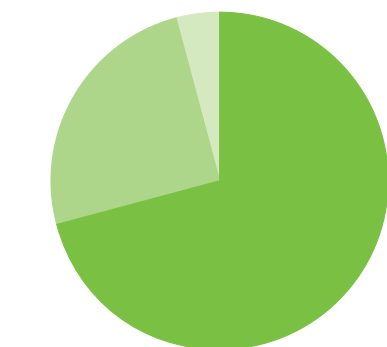
Table 2: Greater diversity in our workforce\*

Date	2014-15	2015-16	2016-17	2017-18	2018-19
Aboriginal and/or Torres Strait Islander staff <sup>b</sup>	31	28	25	35	42

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

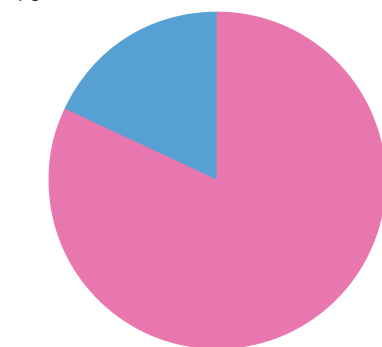
Source: <sup>a</sup> DSS Employee Analysis, <sup>b</sup> Queensland Health MOHRI, DSS Employee Analysis.

Chart 1: Children's Health Queensland employee breakdown



Permanent (71%)  
Temporary (25%)  
Casual (4%)

Chart 2: Children's Health Queensland occupied FTE by gender



Female 3,242.84 (82%)  
Male 710.97 (18%)  
Total employees: 3,953.81 (FTE)

## Organisational changes

### Health Service Chief Executive

Fionnagh Dougan resigned as Chief Executive, effective 28 June 2019.

Frank Tracey appointed as acting Chief Executive, effective 29 June 2019.

### Executive Leadership Team

#### Appointments

- Lisa Knowles appointed Acting Chief Digital Officer on 9 August 2018
- Belinda Taylor appointed Senior Director Communication and Engagement on 12 November 2018.

#### Resignations

- Alastair Sharman resigned as Chief Digital Officer on 8 August 2018.
- Joseph Fitzgerald resigned as Senior Director Communications and Engagement on 18 September 2018.

## Strategic workforce planning and performance

### Workforce planning, attraction and retention

We are committed to ensuring its workforce is capable, committed and supported to ensure we provide the best possible healthcare services to Queensland children and their families.

In 2018-19, we continued to execute the strategies of the Children's Health Queensland People Plan 2016-2020 guided by the organisation's Workforce Planning Framework. This framework sets the direction for the establishment of workforce planning, supported by best-practice workforce planning methodologies and tools. The aim is to integrate workforce planning and workforce considerations into standard strategic and operational business planning processes in the future. These processes will be driven by leaders and supported by the People and Culture

unit. The framework adopts a service-based, interdisciplinary workforce planning methodology across the organisation, focused on forecasting the right workforce shape, size, skills, cost and location.

## Industrial relations

Children's Health Queensland continues to operate within an industrial framework of consultative forums. The framework includes:

- Children's Health Queensland Union Consultative Forum
- Nursing Consultative Forum
- Health Practitioner Local Consultative Forum
- Corporate and Administration Services Local Consultative Forum.

Certified agreements applicable to Children's Health Queensland employees were negotiated and endorsed by the Queensland Industrial Relations Commission. Nominal expiry dates on the applicable certified agreements are provided below:

- *Queensland Public Health Sector Certified Agreement (No. 9) 2016* – nominal expiry date of 31/08/19 (administrative, operational, professional and technical officers)
- *Medical Officer (Queensland Health) Certified Agreement (No.5) 2018 (MOCA 5)* – nominal expiry date of 30/06/21 (applicable to medical officers).
- *Nurses and Midwives (Queensland Health and Department of Education and Training) Certified Agreement (EB10) 2018* – nominal expiry date of 31/03/21 (applicable to nurses and midwives).
- *Health Practitioners and Dental Officers (Queensland Health) Certified Agreement (No.2) 2016* – nominal expiry date of 16 October 2019 (applicable to health practitioners and dental officers).

## Flexible working arrangements

Children's Health Queensland supports and implements Queensland Health's work-life balance policy by offering flexible working arrangements to help staff balance work and other responsibilities, including part-time work.

In 2018-19, 1,655 people (48 per cent of our permanent workforce) were employed on a permanent part-time basis. Of the permanent part-time staff, 90 per cent were female. During 2018-19, 18 staff participated in purchased leave arrangements. The purchased leave allowance of one to six weeks contributes to work-life balance by enabling staff to purchase leave in addition to their standard recreational leave entitlements.

## Inclusion and diversity in the workplace

Children's Health Queensland is committed to providing a supportive and respectful work environment which values the diversity of staff and volunteers. In terms of diversity, the breakdown of staff employed as of 30 June 2019 was:

- 1.01 per cent from an Aboriginal or Torres Strait Islander background
- 9.52 per cent from a non-English speaking background
- 1.12 per cent of staff identified as having a disability.

## Leadership development and performance

Children's Health Queensland is committed to developing transformational leaders who encourage, inspire, innovate and lead the delivery of life changing care for children and young people. To help us deliver on this commitment,

Children's Health Queensland supported 54 clinical leaders to attend statewide leadership development programs hosted by Clinical Excellence Queensland. This included 30 participants in the Manage4Improvement program. Each of these participants undertook a clinical improvement project to promote innovation in the way we deliver life-changing care to children and their families, while also building our clinician's capability to create and support a culture of continuous improvement.

## Working For Queensland survey

The annual Working for Queensland (WfQ) survey provides a valuable opportunity for staff to provide feedback to the business so we can better understand the experience of our staff and continue to collaboratively build a workforce culture that supports them as they deliver life-changing care for children and young people.

In 2018, 45 per cent (2,027 staff) of Children's Health Queensland's workforce responded to the WfQ survey.

We out-performed both the Queensland Health and the Public Sector average on all ten survey factors: agency engagement, job empowerment, workload and health, learning and development, my workgroup, my manager, organisational leadership, organisational fairness, anti-discrimination and innovation. Areas where our workforce reported a particularly positive experience included My workgroup (81 per cent positive), Job empowerment (77 per cent positive), and My manager (75 per cent positive).

# Section 2: Governance

Consistent with our 2017 results, Workload and Health continues to be our lowest performing survey factor (41 per cent positive). However, this score has improved, including a three per cent positive change since 2017 in responses to the item 'I am overloaded with work'. We will continue to use this employee feedback to further drive workforce improvements, including the Staff Wellbeing and Resilience Program, to support our staff to sustainably deliver the best child and family-centred care.

## Early retirement, redundancy and retrenchment

No redundancy packages were paid during 2018-19.

## Awards and recognition

### Celebrating excellence

In November 2018, we recognised the extraordinary achievements of staff at the annual Children's Health Queensland Excellence Awards. The awards align with our

organisational values and strategic priorities and celebrate individuals and teams who have contributed significantly to our vision of leading life-changing care for children and young people. The highlight of the event was once again the 'Children's Choice' award, which invited children and young people to nominate an individual and team who has consistently provided exceptional child and family-centred care. This year's winners were Craig Masters and Paula Hale (individual), and the Queensland Lifespan Metabolic Medicine Service (team).

Other winners in 2018 were:

- **Child and Family-Centred Care Award:** Dean Crozier
- **Living the Values – Leader:** Jonathan Corness
- **Living the Values – Team:** CHQ NDIS Clinical Advisory
- **Living the Values – Individual:** Donna Mort
- **Partnerships Award:** Perrin Moss and the Navigate Your Health team (pictured below)
- **Performance and Innovation Award:** Aseptic Production Unit

- **Excellence in Research Award:** Christel Middeldorp
- **Rising STAR Award:** Amanda Rojek and Daniel Trajkov
- **Volunteer of the Year Award:** Kevin Wendt
- **Supporting Service Excellence Award:** Hospital Multifaith Chaplaincy Team
- **Special Recognition of Service:** Natalie Snide

## Thank You 4 Making a Difference

In March 2019, we introduced the monthly 'Thank You 4 Making a Difference' awards to celebrate everyday excellence across the organisation.

The '4' in the name refers to our four organisational values (care, integrity, respect, and imagination) to highlight 'how' we achieve as well as 'what' we achieve. Staff are invited to nominate a colleague for these awards and two recipients are acknowledged at the monthly staff forum.

## 2018 Queensland Health Awards for Excellence

The 2018 Queensland Health Awards for Excellence were awarded in December in recognition of initiatives, teams and individuals who have demonstrated a commitment to excellence when delivering or supporting the provision of health services to Queenslanders. Children's Health Queensland award recipients included:

- Jonathan Corness, Medical Imaging and Nuclear Medicine, Division of Medicine (*Individual Award for Outstanding Achievement*)
- Navigate Your Health, Children's Health Queensland, Department of Child Safety, Youth and Women, and the Aboriginal and Torres Strait Islander Community Health Service (*Highly commended – Connecting Healthcare category*)





- Project ECHO®, Integrated Care (*Highly commended – Pursuing innovation category*)
- Paediatric Overweight and Obesity Project ECHO®: Building capacity and collaborations (*Finalist – Connecting Healthcare category*)
- Deadly Ears program: enabling kids to have a deadly future (*Finalist – Indigenous Leadership*)

### Australia Day Honours 2019

- Professor Anne Chang appointed a *Member of the Order of Australia (AM)* for her significant service to paediatric respiratory medicine as a clinician and researcher.

### Queen’s Birthday Honours 2019

- Dr Clare Nourse (pictured below) appointed a *Member of the Order of Australia (AM)* for significant service to medicine in the field of paediatric infectious diseases.
- Professor Bruce Black (VMO) appointed a *Member of the Order of Australia (AM)* for services to otolaryngology and medical education

### Research fellowships and prizes

A number of Children's Health Queensland researchers have been recognised for excellence in their



respective research fields through the following awards:

- Leanne Sakzewski, Senior Research Fellow – *NHMRC Career Development Fellowship* for research into children with cerebral palsy and acquired brain injury
- Luregn Schlapbach, Paediatric Intensivist (pictured below) – *NHMRC Practitioner and Early Career Fellowship* for research into sepsis, infection and inflammation in critically ill children
- Andreas Schibler, Paediatric Intensivist – *MRFF Practitioner*



- *Fellowship* for research into paediatric critical care outcomes related to respiratory and cardiovascular disease and sepsis
- Debbie Long, Paediatric Intensive Care Unit Nurse Researcher – *Churchill Fellowship* to explore international paediatric intensive care long-term outcome services and practical management strategies – USA, Canada.
- Professor Claire Wainwright, Paediatric Respiratory Physician – Claire was a member of the multidisciplinary team across The University of Queensland, Queensland University of Technology, Griffith University, QIMR Berghofer Medical Research Institute, The Prince Charles Hospital, and Queensland Children’s Hospital that won the *2018 Australian Infectious Diseases Research Centre Eureka Prize for Infectious Diseases Research* for its cough aerosol research.

# Section 2: Governance

## Education and training

Children's Health Queensland is the primary provider of paediatric training and education for healthcare professionals in Queensland. We are committed to delivering contemporary, collaborative and integrated programs which ensure the current and future workforce develop the skills and knowledge needed to deliver safe, effective, high-quality and family-centred care.

### Medical

We partner with The University of Queensland (UQ) Children's Health Queensland Clinical Unit, School of Clinical Medicine, to provide clinical placements for medical students. In 2018-19, we hosted:

- 245 final-year UQ students in their Paediatrics and Child Health course.
- 33 first-year UQ students in their Observership.
- 225 UQ students in paediatric orthopaedics placements.
- 30 UQ students on a paediatric mental health placement.
- 12 Griffith University medical students on their Children's Health course.

- 19 elective students from other universities, including interstate and overseas.

Children's Health Queensland also offers a 10 to 12-week term in paediatrics for interns each year, allowing them to gain valuable experience in a range of medical or surgical specialties. Approximately 50 interns take part annually.

In 2018-19, we piloted a specific House Officer Development Program with a cohort of 10 Junior House Officers. The program has four integrated and interrelated components:

- Clinical training
- Education framework
- Professional development opportunities
- Junior doctor mentor program.

A full-roll out of this program to all prevocational resident medical officers employed by the Queensland Children's Hospital is planned for subsequent years.

### Accreditation

In 2018-19, the Queensland Children's Hospital underwent full reaccreditation

for 11 pre-vocational intern clinical training and education placements. Queensland Pre-vocational Medical Accreditation awarded the hospital full accreditation status for four years (until 22 Jan 2023).

Furthermore, the review found the Queensland Children's Hospital demonstrated areas of activity 'above and beyond that which meets the prescribed domains and standards'. These were:

- Cultural commitment to education and training
- Visible and responsive medical education unit
- Quality improvements resulting in changes
- Junior Doctor Wellbeing and Performance Review Committee and Patient Safety.

### Nursing

Children's Health Queensland is committed to building a skilled paediatric nursing workforce. In 2018-19, the nursing education team provided extensive learning opportunities and support to nursing staff. Whenever possible, an interdisciplinary approach is taken regarding education and learning opportunities.

Highlights this year:

- 2,124 staff attended simulation training sessions
- 2,728 staff attended workshops
- 1,467 in-service sessions delivered to 6,202 staff
- 26 professional update programs delivered to 399 participants
- 30 'recognition and response to deteriorating patient' programs provided to 512 participants
- 4,804 clinical assessments.

In 2018-19, 45 graduate nurses



transitioned to paediatric practice. On average, 90 per cent of the graduates choose to remain with Children's Health Queensland and secure positions following their graduate year.

We support the learning and development of nursing students, both undergraduate and postgraduate, with students completing 1,970 student weeks of clinical placement (894 students; 78,836 clinical hours) at the Queensland Children's Hospital and in the community setting this year.

The Transition to Paediatric Practice Program is a suite of blended learning modules for registered nurses employed within the paediatric and community child health environment in Queensland Health facilities. The program format comprises theoretical learning and clinical practice and supports the acquisition of knowledge and skills to safely and effectively provide care for paediatric patients and their families. Each program equates to 300 hours of learning and articulates into post-graduate programs at several Australian universities. In 2018-19, 111 nurses enrolled in the acute paediatrics program, 105 in the paediatric intensive care unit program, and 10 in the community child health program.

Children's Health Queensland, in partnership with the Office of the Chief Nursing and Midwifery Officer, continues to support the Strength with Immersion Model program (SWIM) which offers training opportunities to nurses working in paediatric settings in regional, rural and remote hospitals. In 2018-19:

- 44 nurses participated in four-week early career nurse rotation and exchange program placements at the



Queensland Children's Hospital

- 111 nurses attended workshops facilitated by Children's Health Queensland
- 206 nurses attended paediatric roadshow training in Rockhampton, Cairns, Mount Isa, Roma, Bundaberg, Hervey Bay, Townsville and Mackay.

A total of 98 staff completed the Team Leader Program to support the capability, leadership and management skills of nurses working in a leadership role. The leadership component of the two-day program is focused on leading a team, influencing culture, supporting critical thinking and decision making, effective communication, and challenging conversations. The management component covers service mapping, analysing available data, and reviewing systems and processes to support decision making.

The Nursing Leadership Development Program supports the development of leadership knowledge and skills and contribute to a culture of innovation and improvement. Twenty-eight nurses are currently completing the

program, which includes a wide range of projects to ultimately improve the patient/family experience, as well as increase efficiency and streamline processes for nurses.

#### **CPR for parents and carers**

The CPR Awareness Program is conducted in conjunction with volunteers from the Queensland Ambulance Service and is offered to all Children's Health Queensland parents, carers and non-clinical staff. The introduction of online bookings, time change, and improved marketing boosted attendance from 55 participants in 2017-18 to 408 in 2018-19, a six-fold increase.

#### **Allied Health**

- We are committed to the clinical education and training of the next generation of allied health professionals. During 2018-19, 86 per cent of allied health students who were offered clinical placements at Children's Health Queensland utilised the opportunity, collectively spending a total of 12,819 days on clinical placement.

# Section 2: Governance

- In May 2019, the Queensland Children's Hospital hosted a Paediatric Vestibular Dysfunction Workshop, the first of its kind in Australia. Physiotherapists from across Queensland and northern NSW heard from local and international experts across three days.
- Children's Health Queensland hosted allied health symposiums in November 2018 and March 2019 to showcase achievements in the areas of research, models of care, innovation and education. Based on the success of these forums, three symposiums will be held each year.
- The Speech Pathology Department delivered four interprofessional training sessions for speech pathologists, external Queensland interpreters, the Children's Health Queensland allied health assistant network, and the Queensland Paediatric Rehabilitation Service allied health team. Two online education packages were developed in collaboration with Speech Pathology Australia to promote more effective working partnerships between speech pathologists, interpreters and translators. Speech Pathology and Occupational Therapy (SPOT) outpatient teams also established simulation sessions in paediatric feeding for staff and new graduates.
- Healthy Hearing Program delivered five webinars to paediatric audiologists to provide accessible and regular training and professional development to paediatric audiologists across the state. The webinars are conducted using the Zoom platform, which allows access from a PC, tablet or phone regardless of geographical location. Webinar topics are based on identified training needs from clinical incident reviews

and analysis of unexpected outcomes, as well as audit results.

- Children's Health Queensland speech pathologists, with the support of Queensland Health speech pathologists, developed two eLearning courses (novice and foundation) to support health professionals caring for children with speech difficulties.
- Established a collaborative student clinic in partnership with Griffith University to provide allied health students with education opportunities in the care of children with complex communication needs.
- The Queensland Paediatric Rehabilitation Service hosted the fourth Rehab for Kids Conference at the Queensland Children's Hospital which was attended by 170 local, national and international delegates.

## Interprofessional

In line with Children's Health Queensland's inter-professional education and practice strategy, a curriculum for students was developed and three half-day interprofessional tutorials held in 2018-19. Tutorials were open to all allied health, medical and

nursing students on placement at the Queensland Children's Hospital and was attended by an average of 30 students across multiple disciplines.

Children's Health Queensland hosted the inaugural Interprofessional Practice and Education Symposium on 26 June 2019. The symposium showcased the achievements of staff and how they learn and work together. Presenters were a wide variety of professions and service areas including nursing, social work, occupational therapy, medical, psychology, physiotherapy and speech pathology.

The Simulation Training on Resuscitation for Kids (SToRK) Program provides regional, rural and remote clinicians with greater access to customised paediatric simulation training opportunities via eLearning packages and face-to-face sessions. Version upgrades were made this year to the OPTIMUS CORE and OPTIMUS PRIME eLearning packages, and OPTIMUS BONUS: SEPSIS was released in June to educate clinicians about paediatric sepsis pathways and promote system checks of local protocols regarding paediatric sepsis.





## Work health and safety

### Our safety performance

Children's Health Queensland has a genuine commitment to ensuring the safety of our staff, volunteers, patients and their families. The *Children's Health Queensland People Plan 2016-2020* guides our work health and safety planning, decision-making and practices. At an operational level, the Children's Health Queensland Work Health and Safety Management System provides the framework to ensure planned, organised and integrated processes are in place to provide a safe and healthy workplace.

Continuous improvement ensures we constantly identify high-risk health and safety issues and implement actions to keep people safe. This important work involves:

- governance, consultative and capability development frameworks
- an integrated work health and safety hazard management and risk mitigation system
- planned monitoring, review, performance evaluation and reporting

- workplace injury rehabilitation and return to work programs.

Our work health and safety key performance indicator results for 2018-19 included:

- zero regulatory notices or infringements from the Work Health and Safety Regulator
- workers compensation premium rate of 0.354, which is significantly lower than the industry premium rate of 0.998.

### Staff wellbeing program

The Children's Health Queensland staff wellbeing program aims to champion initiatives that contribute to psychological safety as well as strengthen protective factors that keep our staff well. Some of the key focus areas for 2018-19 included:

1. On-site counselling support services delivered through Employee Assistance Program (EAP) within the main hospital and in community sites
2. Anaesthetic Peer Support Program, with 10 anaesthetist consultants trained in psychological first aid through the Peer Support Responder Training Program

3. The opening of the CHQ Staff Wellbeing Centre (pictured above).
4. Onboarding of new graduate nurses through occupational violence prevention simulations and psychological first aid workshops
5. Collaboration with the Queensland Occupational Violence Strategy Unit in the development and deployment of occupational violence prevention innovations

In February 2019, the Children's Health Queensland Staff Wellbeing Centre opened to provide our staff with:

- access to opportunities to enhance their wellbeing, with a combination of various physical, emotional, and social events, activities and services
- a private and discreet safe space for onsite EAP support
- a space to connect with colleagues and improve workplace culture.

The launch of the centre is one element of our ongoing commitment to staff wellbeing and helps bring to life our value of care – recognising that children and families benefit when staff wellbeing is prioritised.

# Section 2: Governance

## 2.2 Our committees

### Board Sub-committees

#### Health Service Executive Sub-committee

Membership: Cheryl Herbert (Chair), Paul Cooper, David Gow, Ross Willims and Dr David Wood.

The Health Service Executive Committee supports the Board with its governance responsibilities and makes recommendations to the Board by overseeing select strategic issues, strategic planning and engagement strategies of the Hospital and Health Service. Additional responsibilities include supporting the Board with performance and remuneration arrangements for the Health Service Chief Executive and Executive Leadership Team and advising the Board on committee membership and representation.

#### Quality and Safety Sub-committee

Membership: Dr David Wood (Chair), Cheryl Herbert, Georgie Somerset,

Suzanne Cadigan (from June 2019), Darren Brown (from June 2019), Jane Yacopetti (until May 2019) and Dr Leanne Johnston (until May 2019).

The Quality and Safety Committee supports the Board with its governance responsibilities and makes recommendations to the Board by overseeing quality and safety, including compliance with state and national standards, provision of child- and family-centred care, patient and family feedback and complaints, service accreditation preparedness, and periodic industry review outcomes and critical incidents of concern/interest to the Board.

#### Audit and Risk Sub-committee

Membership: Paul Cooper (Chair), Cheryl Herbert, Georgie Somerset, Suzanne Cadigan (from June 2019), Karina Hogan (from June 2019), Heather Watson, and Jane Yacopetti (until May 2019).

The Audit and Risk Committee provides independent assurance and oversight

to the Chief Executive and the Board on risk, internal control and compliance frameworks and external accountability responsibilities as prescribed in the *Financial Accountability Act 2009*, *Auditor-General Act 2009*, *Financial Accountability Regulation 2009* and *Financial and Performance Management Standard 2009*.

#### Finance and Performance Sub-committee

Membership: Ross Willims (Chair), David Gow, Heather Watson, Darren Brown (from June 2019), Karina Hogan (from June 2019) and Dr Leanne Johnston (until May 2019).

The Finance and Performance Committee supports the Board with its governance responsibilities and makes recommendations to the Board by overseeing the financial position, performance and resource planning strategies of the Hospital and Health Service in accordance with the *Financial Accountability Act 2009*.

## 2.3 Our risk management

Children's Health Queensland recognises that the proactive identification and effective management of our risks is essential for the successful delivery of our operational and strategic objectives and realisation of our vision. Systems of internal control and risk management have been established and these are maintained through our enterprise risk management framework and oversight by the Board, via the Audit and Risk Sub-committee and Executive Leadership Team. The framework is underpinned by the *International Standard 31000:2018* and applies a principles-based approach to risk management.

A centralised electronic information system, RiskMan, is used to document information about risks, their status and responsibilities for ongoing management across corporate and clinical functions and management levels. Opportunities to further integrate risk management, build risk consciousness and improve risk management maturity across the organisation continue to be progressed. This includes the development of a risk dashboard to present key risk metrics to complement reporting enhancements deployed to the Board and Executive Leadership Team.

### Accountability

The Audit and Risk Sub-committee met on four occasions in 2018-2019. Remuneration for their duties is included in their Board remuneration, outlined in the remuneration disclosures section of the financial statements.

Activities in 2018-2019 included:

- reviewing and approving the *Children's Health Queensland 2017-2018 Financial Statements*
- noting the Queensland Audit Office's client service strategy, interim and final management letters, and review

- of the Executive's response to findings and recommendations
- reviewing strategic and organisational risk reports noting management plans and status
- reviewing and endorsing the strategic and annual internal audit plans
- overseeing the performance of the internal audit function, including the delivery of the plan
- reviewing and noting internal audit reports, including recommendations and management response
- reviewing and noting compliance management status reports.

## Internal scrutiny

### Compliance management

Children's Health Queensland adopts a systematic and integrated approach to compliance management to identify, monitor and manage its obligations. Our compliance management framework, underpinned by *AS/ISO 19600:2015*, articulates roles and responsibilities, processes and resources that support a standardised and risk-based approach for the effective management of compliance obligations.

Our ongoing review of our legislative and regulatory environment has been instrumental in enabling the development of a shared understanding of our compliance obligations. We monitor our performance status through the maintenance of a compliance obligations register that records controls, risk assessments and planned actions against obligations. Oversight of the effectiveness of the compliance management framework is provided by the Audit and Risk Sub-committee and is facilitated through the provision of regular progress reports.

### Internal audit

By the nature of its organisational independence, internal audit is positioned to provide objective assurance and advice to the Executive Leadership Team and Board (via the Audit and Risk Sub-committee) regarding the efficiency and effectiveness of our internal control systems and the alignment of business and operational performance with the organisation's values and strategy. Internal audit consults widely and applies a risk-based approach to the development of the annual audit plan. Eight engagements which spanned patient care, information security and third-party management, were undertaken this year.

In addition to strengthening the organisation's risk management, assurance controls and governance processes, insights gained through audit engagements provided opportunities to inform decision making and support continuous improvement across the organisation. The implementation of recommendations arising from internal audits is monitored by internal audit and status updates are contained in quarterly reports provided to the Executive Leadership Team and the Board (via the Audit and Risk Sub-committee) and include progress of the plan and engagement outcomes.

### External scrutiny

The following external reviews were conducted in 2018-2019:

- The Queensland Audit Office reported on the 2017-2018 results of financial audits.
- Surveyors from Technical Quality Certification Services International conducted a survey visit addressing:

- *National Safety and Quality in Health Service* standards.
- *ISO 9001:2015 Quality Management Systems Requirements* standards

## Information systems and record keeping

Children's Health Queensland's Health Service Information Management is dedicated to continuous service improvement to ensure availability and timely access to critical information to support the provision of high-quality, safe patient care. The Health Service Information Management team consists of two departments: Business Intelligence and Health Information Services.

The implementation of the integrated electronic Medical Record (ieMR) Advanced in April 2018 has continued to result in increased efficiencies and service improvements throughout the 2018-19 period. Embedding and establishing ieMR Advanced into clinical workflows has reduced the number of pages scanned by 1,636,482 pages as compared to the 2017-18 reporting period. Ongoing strategies are identifying work flow improvements to reduce the reliance on paper forms in clinical areas by converting forms into ieMR digital workflows.

The Health Information Services team facilitated the electronic upload of 119,805 referrals into the ieMR and distribution of 50,074 typed letters to clinicians and families during this reporting period. The Health Information Services team currently manages 87,362 corporate records and 864,514 clinical records.

To maintain recordkeeping compliance, Children's Health Queensland is committed to meeting our responsibilities under the

# Section 2: Governance

relevant Acts, legislation, Queensland Government Information Standards, Queensland State Archives Standards and best practice methods outlined in applicable International Standards.

The Clinical Coding team and the Coding Audit and Optimisation team continue to implement improvements in documentation and facilitate relationships between coders and clinicians; with a goal to maximise efficiency and funding generated for the health service. The Health Information Liaison team has executed several activities which include involvement in weekly ward rounds; discussion regarding the importance of accurate and thorough documentation in the clinical staff orientation for each division; involvement in clinical divisional meetings; and targeted audits with clinicians to focus on improvements in documentation for individual specialties.

The Business Intelligence team is responsible for management of more than 900 data tables in the Children's Health Queensland data warehouse which provides data feeds for dashboards and reporting tools across the organisation. In addition, the Business Intelligence team is responsible for monitoring and

reporting of unauthorised access to the ieMR and other clinical systems.

## Confidential information

The *Hospital and Health Boards Act 2011* requires annual reports to state the nature and purpose of any confidential information disclosed in the public interest during the financial year. During the 2018-19 period, one disclosure was authorised in relation to specified patient information. The patient information was disclosed to the Children's Health Queensland Credentialing Appeal Committee and legal representatives for the purposes of reviewing a clinical practice decision.

## Public Sector Ethics Act 1994

Children's Health Queensland is dedicated to upholding the values and standards of conduct outlined in the *Code of Conduct for the Queensland Public Service*. The Code of Conduct also reflects the amended ethics principles and values set out in the *Public Sector Ethics Act 1994 (Qld)*.

The Code of Conduct reflects the principles of integrity and impartiality, promoting the public good, and commitment to the system of government, accountability and transparency. Each principle is strengthened by a set

of values and standards of conduct describing the behaviour that will demonstrate that principle.

Children's Health Queensland identifies the Code of Conduct as one of eight mandatory training requirements for all employees. Biennial refresher training on the Code of Conduct is also a mandatory requirement. All new employees are automatically assigned to all mandatory Code of Conduct training courses through the Children's Health Queensland online learning management system, TEACHQ, for completion. The Code of Conduct is available to all staff within the learning program and through the Children's Health Queensland intranet site.

Code of Conduct training is also a mandatory training requirement for members of external service providers who are not Children's Health Queensland employees but deliver services to or for Children's Health Queensland patients, families and service areas. Members of external service providers include contractors, students, volunteers and other non-government organisations. Code of Conduct training for external service providers is accessed online through the Department of Health learning management system, iLearn.



# Section 3: Performance

## 3.1 Demand on services

In 2018-19, the Queensland Children's Hospital treated 72,204 emergency presentations (110 more than the previous year) and 17,000 of these as inpatients. We also provided 290,977 outpatient occasions of service (specialist and non-specialist) – representing an increase of 1.2 per cent or 3,677 patients from 2017-18.

Our busy emergency department saw 99.8 per cent of Category 1 (most urgent) patients within the clinically recommended time.

Viral illnesses and upper respiratory tract infections (e.g. colds, flu, ear infections, sore throats) were the most common presentations, followed by minor head injuries, gastroenteritis and abdominal pain.

The median wait time for treatment in the emergency department was 20 minutes.

We increased the number of patients discharged, admitted to a ward or transferred to another facility within four hours of arrival at the emergency department to 77.6 per cent (77 per cent in 2017-18).

Our surgeons performed 3,806 emergency surgeries and 8,343 elective surgeries in 2018-19. In addition, our team delivered 6,608 procedures that required a general anaesthetic.

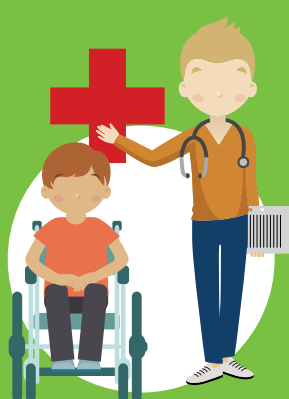
Given this increase in demand for elective surgeries, improving waiting times for children and young people remained a priority in 2018-19. Long waits as at 30 June 2019 were zero. With continued and targeted elective surgery long-wait management strategies in place, we are confident we can maintain zero long waiting elective surgery patients.

Hospital and health services across Queensland experienced an increase in outpatient referrals across key

specialities, which has impacted on the increased specialist outpatient wait lists. We have undertaken a number of initiatives to address this issue and expect to see an improvement over the next financial year.

Our community child and youth health teams provided 94,970 service contacts (including consultations and alternative service activities) in 2018-19. Our services are provided at 576 sites across Queensland including child health centres, 421 primary schools, 75 secondary schools, and a range of community centres.

Our child and youth mental health services staff provided 8,222 occasions of services to 6,593 children and young people in our community-based services, including outreach and telepsychiatry programs, early intervention, forensic and other specialty services.



**17,000** patients admitted from emergency compared to 17,234 in 2017-18



**77.6%** emergency patients discharged, admitted or transferred within 4 hours compared to 77% in 2017-18



**99.8%** category 1 patients seen in recommended time compared to 100% in 2017-18

# Section 3: Performance

Table 3: *Delivering more care*

	2018-19	Change since last year
Emergency Department presentations <sup>a</sup>	72,204	110
Emergency Department 'seen in time' <sup>a</sup>	52,276	6,416
Patient admissions (from Emergency Department) <sup>a</sup>	17,000	-282
Emergency surgeries <sup>b,1</sup>	3,806	-501
Outpatients occasions of service (specialist and non-specialist) <sup>b,2</sup>	290,977	3,677
Specialist outpatient first appointments delivered in time <sup>c,3</sup>	26,887	-1,783
Gastrointestinal endoscopies delivered <sup>d</sup>	1,106	95
Gastrointestinal endoscopies delivered in time <sup>d</sup>	847	80
Elective surgeries, from a waiting list, delivered <sup>e</sup>	8,343	736
Elective surgeries, from a waiting list, delivered in time <sup>e</sup>	7,550	304
Number of telehealth services <sup>f</sup>	3,329	-280
Hospital in the Home admissions <sup>b,4</sup>	298	32

Table 4: *Additional measures*

	2018-19	Change since last year
Discharge against medical advice <sup>g</sup>	0.1%	0.0 p.p.
Non-Aboriginal and Torres Strait Islander	0.1%	0.0 p.p.
Aboriginal and Torres Strait Islander	0.1%	-0.1 p.p.

<sup>1</sup> Emergency surgeries data is preliminary.

<sup>2</sup> Only includes Activity Based Funding (ABF) facilities.

<sup>3</sup> Specialist outpatient services are a subset of outpatient services, where the clinic is led by a specialist health practitioner.

<sup>4</sup> Hospital in the Home admissions data is preliminary.

Source: <sup>a</sup> Emergency Data Collection, <sup>b</sup> GenWAWU, <sup>c</sup> Specialist Outpatient Data Collection,

<sup>d</sup> Gastrointestinal Endoscopy Data Collection, <sup>e</sup> Elective Surgery Data Collection, <sup>f</sup> Monthly Activity Collection,

<sup>g</sup> Health Statistical Branch

## Enhancing transport options for families

Children's Health Queensland is committed to ensuring access to parking at the hospital for patients and their families and this year implemented a variety of strategies to help address issues around demand and accessibility.

### Travelcard program

With the financial support of the Children's Hospital Foundation, Children's Health Queensland has established a scheme offering free unlimited public transport (via Translink and AirTrain services) for eligible families who make frequent trips to and from the Queensland Children's Hospital. The scheme was successfully trialled in 2017-18. In the past 12 months, 1,712 TransLink (train, bus and ferry) Go-Event passes and 446 Airtrain tickets were issued to patients and their families.

### Concessional parking

To help families with the cost of parking in the hospital precinct, we continue to implement the Queensland Children's Hospital Concessional Parking Policy that was developed in alignment with Queensland Health's *Patient and Carer Car Parking Concessions Standard*. The policy offers discounted parking of \$12 per day or \$100 for a monthly pass (where applicable) to families suffering financial hardship or who attend the hospital two or more days per week for non-Healthcare card holders, and two or more days per month for Healthcare card holders.

During the 2018-19 period, 22,601 concessional parking tickets (at a cost of \$155,946.90) were issued to families suffering financial hardship or patients attending the hospital two or more days per week. An average of 1,883 concessional parking tickets were issued to families per month, which represents a 19 per cent increase on the average of 1,582 per month in 2017-18.



**94,970** contacts with community health services compared to 94,634 in 2017-18



**7,226** new referrals to mental health services compared to 6,866 in 2017-18

## 3.2 Service delivery statement - Children's Health Queensland

Table 5: Service standards – performance 2018-19

Service standards	2018-19 Target	2018-19 Actual
<b>Effectiveness measures</b>		
Percentage of patients attending emergency departments seen within recommended timeframes <sup>a</sup>		
Category 1 (within 2 minutes)	100%	99.8%
Category 2 (within 10 minutes)	80%	86.8%
Category 3 (within 30 minutes)	75%	64.3%
Category 4 (within 60 minutes)	70%	74.8%
Category 5 (within 120 minutes)	70%	94.5%
Percentage of emergency department attendances who depart within four hours of their arrival <sup>a</sup>	>80%	77.6%
Percentage of elective surgery patients treated within clinically recommended times <sup>b</sup>		
Category 1 (30 days)	>98%	97.6%
Category 2 (90 days)	>95%	84.7%
Category 3 (365 days)	>95%	94.8%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/ 10,000 acute public hospital patient days <sup>c</sup>	<2	1.2 <sup>5</sup>
Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit <sup>d</sup>	>65%	63.1%
Proportion of re-admissions to acute psychiatric care within 28 days of discharge <sup>d</sup>	<12%	10.0% <sup>6</sup>
Percentage of specialist outpatients waiting within clinically recommended times <sup>e</sup>		
Category 1 (30 days)	98%	85.6%
Category 2 (90 days)	95%	64.1%
Category 3 (365 days)	95%	86.4%
Percentage of specialist outpatients seen within clinically recommended times <sup>e</sup>		
Category 1 (30 days)	98%	89.3%
Category 2 (90 days)	95%	63.9%
Category 3 (365 days)	95%	80.2%
Median wait time for treatment in emergency departments (minutes) <sup>a</sup>	–	20
Median wait time for elective surgery (days) <sup>b</sup>	–	62
<b>Efficiency measure</b>		
Average cost per weighted activity unit for Activity Based Funding facilities <sup>f,g</sup>	\$5,254	\$5,905 <sup>7</sup>
<b>Other measure</b>		
Number of elective surgery patients treated within clinically recommended times <sup>b</sup>		
Category 1 (30 days)	1,218	1,552
Category 2 (90 days)	3,477	3,364
Category 3 (365 days)	2,743	2,634
Number of Telehealth outpatient occasions of service events <sup>h</sup>	3,709	3,329
Total weighted activity units (WAUs) <sup>g</sup>		
Acute Inpatient	63,430	58,828 <sup>8</sup>
Outpatients	11,185	14,748
Sub-acute	1,557	1,805
Emergency Department	8,901	8,835
Mental Health	3,657	3,861
Ambulatory mental health service contact duration (hours) <sup>d</sup>	>65,767	56,417
Staffing <sup>i</sup>	3,700	3,954

<sup>5</sup> SAB data presented is preliminary.

<sup>6</sup> Readmission to acute Mental Health inpatient unit data presented as May-19 FYTD.

<sup>7</sup> Cost per WAU data presented as Mar-19 FYTD.

<sup>8</sup> As extracted on 19 August 2019.

Source: <sup>a</sup> Emergency Data Collection, <sup>b</sup> Elective Surgery Data Collection, <sup>c</sup> Communicable Diseases Unit, <sup>d</sup> Mental Health Branch, <sup>e</sup> Specialist Outpatient Data Collection, <sup>f</sup> DSS Finance, <sup>g</sup> GenWAU, <sup>h</sup> Monthly Activity Collection, <sup>i</sup> DSS Employee Analysis.

# Section 3: Performance

## 3.3 Chief Finance Officer's Report

### Summary

This financial summary provides an overview of Children's Health Queensland's financial results for 2018-19. A comprehensive set of financial statements covering the organisation's activities is provided in this report (see page 53).

The organisation recorded an operating surplus of \$27.79 million for the 2018-19 financial year. The significant contributor to the operating surplus was a revaluation increment of Children's Health Queensland's buildings totalling \$26.95 million. After accounting for the 2018-19 revaluation increment, the surplus result from operations was \$0.84 million.

Table 6: Summarises the key financial results of the organisation's operations for the past three financial years:

Financial performance	2018-19 \$'000	2017-18 \$'000	2016-17 \$'000
Total income	860,600	762,994	722,314
Total expenses	832,810	773,160	704,857
Operating result	27,790	(10,166)	17,457
<b>Financial position</b>			
Current assets	64,726	77,881	74,500
Non-current assets	1,166,387	1,194,129	1,235,848
<b>Total assets</b>	<b>1,231,113</b>	<b>1,272,010</b>	<b>1,310,348</b>
Current liabilities	58,015	70,899	61,409
<b>Total liabilities</b>	<b>58,015</b>	<b>70,899</b>	<b>61,409</b>
<b>Total equity</b>	<b>1,173,098</b>	<b>1,201,111</b>	<b>1,248,939</b>

Notes: (a) Current assets divided by current liabilities; (b) Total equity divided by total assets

### Financial performance

#### Income

Children's Health Queensland's income from all funding sources was \$860.6 million, which was a total increase of \$97.61 million or 13 per cent from the previous year. This was mainly attributable to increased user charges and fees, totalling \$63.42 million, received through funding amendments to the Service Agreement between Children's Health Queensland and the Department of Health. This additional funding includes the effect of enterprise bargaining agreements and newly funded program initiatives. There was increased Pharmaceutical Benefits Scheme (PBS) revenue driven by the usage of high cost drugs. Another significant income increase is the revaluation increment of Children's Health Queensland's buildings totalling \$26.95 million (refer

to Section B1 of the Financial Statements for additional information).

Children's Health Queensland's income by source is reflected in Chart 3.

#### Expenses

Total expenses for 2018-19 increased by eight per cent or \$59.65 million to \$832.81 million (refer to Section B2 of the Financial Statements for additional information). This was primarily attributable to:

- An increase in employee expenses, mainly due to additional staff required for the delivery of additional purchased patient activity, new specific block funded programs, and support the completion of ICT and other strategic initiatives. The higher staffing levels have also led to further enterprise bargaining (EB) agreement increments.

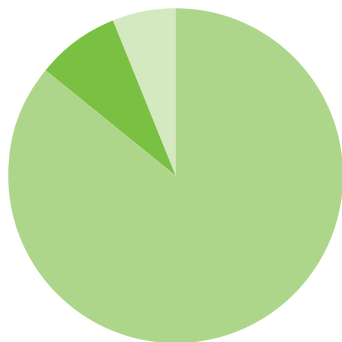
- An increase in supplies and services predominantly relates to increased usage of high cost drugs, and higher pathology charges supporting the delivery of additional purchased activity.
- Higher depreciation and amortisation expenses from the increased value of property, plant, and equipment assets.

A breakdown of incurred expenditure by major expenditure categories includes:

- Health service employee costs, which represented 64 per cent of total expenses.
- Supplies and services and other expenses, representing 28 per cent of total expenses.
- Depreciation and amortisation expenditure representing eight per cent of total expenses.

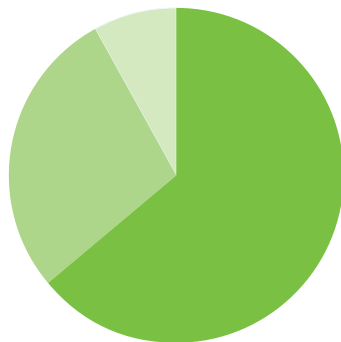
Chart 4 displays the 2018-19 expenses by category.

Chart 3: *Income by source.*



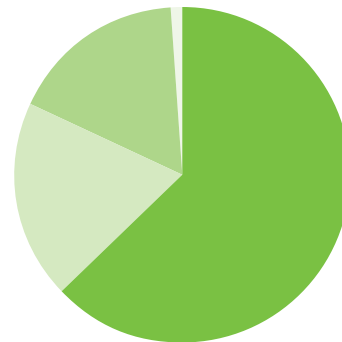
- Hospital fees and services (8%)
- Department funding (86%)
- Grants and other income (6%)

Chart 4: *Expenses by category.*



- Employee expenses (64%)
- Supplies and other expenses (28%)
- Depreciation and amortisation (8%)

Chart 5: *Expense by service.*



- Acute hospital services (63%)
- Corporate and infrastructure (17%)
- Community based services (19%)
- Strategic projects, research and trust (1%)

### How the money was spent

The majority of expenditure was incurred on acute hospital services which accounted for 63 per cent of the total expenditure. Community-based health services accounted for 19 per cent of the total expenditure, while corporate and infrastructure services was 17 per cent. The remaining one per cent of expenditure related to strategic projects (largely ICT that are designed to enable health service improvements), non-operating research and trust activities.

Children’s Health Queensland’s major services and their relative share are shown in Chart 5.

#### Anticipated maintenance

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

Anticipated maintenance is maintenance that is necessary to prevent the deterioration of an asset or its function but which has not been carried out. Some anticipated maintenance activities can be postponed without immediately having a noticeable effect on the functionality of the building. All anticipated maintenance items are risk assessed to identify any potential impact on users and services and are closely managed to ensure all facilities are safe.

As of 30 June 2019, Children’s Health Queensland had reported total anticipated maintenance of \$2.78 million.

Children’s Health Queensland invests approximately \$12 million annually in maintaining hospital and healthcare assets and submits business cases to seek assistance from both the Priority Capital Program and Emergent Works Program for funding support to address maintenance items.

### Financial position

#### Total assets

Total assets decreased by \$40.9 million or three per cent during the year to \$1.23 billion. Property, plant and equipment totalling \$1.17 billion is the predominant asset class and mainly comprises the Queensland Children’s Hospital (QCH) and associated infrastructure. The net reduction in total assets primarily reflects:

- Annual depreciation and amortisation charges amounting to \$65.23 million.
- Net revaluation increment relating to land and buildings assets of \$29.28 million respectively.
- Net annual increase of \$8.27 million for property, plant and equipment acquisitions, disposals and transfers.

#### Total equity

Total equity is at \$1.17 billion which is a decrease of \$28.01 million from the prior year. This decrease mainly reflects a decrease in contributed equity offset by an increase in the 2018-19 accumulated surplus.

# Section 3: Performance

## Future outlook

Children's Health Queensland's 2019-20 key priorities and objectives align with and support the Queensland Government's objectives for the community to deliver quality front-line services including strengthening the public health system and building safe caring and connected communities. The service agreement funding for 2019-20 will incorporate key clinical resources to deliver increasing activity for the QCH. Total income, excluding non-cash adjustments, is estimated to reduce to \$799.77 million in 2019-20.

On the basis of this funding, Children's Health Queensland is expected to achieve the following key service outcomes:

- Meet the Queensland Weighted Activity Unit (QWAU) activity target of 92,317 applied by the Department of Health, which reflects an 3.8 per cent increase in purchased QWAU activity on 2018-19, inclusive of a productivity dividend set by the Department of Health. A similar increase will be delivered against the Commonwealth National Weighted Activity Unit (NWAU) target of 80,778;
- Meet the target of at least 80 per cent of emergency department attendances

departing within four hours of their arrival in the department; and

- Deliver elective surgery performance in line with the current targets of 98 per cent for Category 1 patients, 95 per cent for Category 2 patients, and 95 per cent for Category 3 patients. In addition, Children's Health Queensland will be targeting no elective surgery long waits by 30 June 2020.
- Deliver a balanced financial operating position, including improving the sustainability and efficiency of our health services through the delivery of an efficiency dividend set by the Department of Health for 2019-20.

# Section 4: Financial Statements 2018-2019

# Children's Health Queensland Hospital and Health Service

## For the year ended 30 June 2019

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# Children's Health Queensland Hospital and Health Service

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# Children's Health Queensland Hospital and Health Service

## For the year ended 30 June 2019

### Statement of Comprehensive Income

Operating result	Note	2019 \$'000	2018 \$'000
<b>Income from continuing operations</b>			
User charges and fees	B1.1	810,628	747,206
Grants and other contributions	B1.2	7,685	8,645
Other revenue	B1.3	15,323	7,141
<b>Total revenue</b>		<b>833,636</b>	<b>762,992</b>
Gains on disposal / revaluation of assets	B1.4	26,964	2
<b>Total income from continuing operations</b>		<b>860,600</b>	<b>762,994</b>
<b>Expenses from continuing operations</b>			
Employee expenses	B2.1	534,212	509,657
Supplies and services	B2.2	224,342	202,642
Grants		2,817	2,508
Depreciation and amortisation	C3/C4	65,234	47,608
Losses on disposal / revaluation of assets	B2.3	138	3,756
Other expenses	B2.4	6,067	6,989
<b>Total expenses from continuing operations</b>		<b>832,810</b>	<b>773,160</b>
<b>Total operating result</b>		<b>27,790</b>	<b>(10,166)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to operating result:			
– Increase/(decrease) in asset revaluation surplus	C7.2	2,334	(288)
<b>Total other comprehensive income</b>		<b>2,334</b>	<b>(288)</b>
<b>Total comprehensive income</b>		<b>30,124</b>	<b>(10,454)</b>

The accompanying notes form part of these financial statements.

# Children's Health Queensland Hospital and Health Service

## As at 30 June 2019

### Statement of Financial position

	Note	2019 \$'000	2018 \$'000
<b>Current assets</b>			
Cash and cash equivalents	C1	31,563	50,827
Receivables	C2	24,405	19,890
Inventories		6,875	5,551
Prepayments		1,883	1,613
<b>Total current assets</b>		<b>64,726</b>	<b>77,881</b>
<b>Non-current assets</b>			
Property, plant and equipment	C3	1,164,794	1,191,999
Intangible assets	C4	1,593	2,130
<b>Total non-current assets</b>		<b>1,166,387</b>	<b>1,194,129</b>
<b>Total assets</b>		<b>1,231,113</b>	<b>1,272,010</b>
<b>Current liabilities</b>			
Payables	C5	33,981	44,351
Employee benefits	C6	22,419	20,575
Unearned revenue		1,615	5,973
<b>Total current liabilities</b>		<b>58,015</b>	<b>70,899</b>
<b>Total liabilities</b>		<b>58,015</b>	<b>70,899</b>
<b>Net assets</b>		<b>1,173,098</b>	<b>1,201,111</b>
<b>Equity</b>			
Contributed equity	C7.1	1,118,749	1,176,886
Accumulated surplus		40,690	12,900
Asset revaluation surplus	C7.2	13,659	11,325
<b>Total equity</b>		<b>1,173,098</b>	<b>1,201,111</b>

The accompanying notes form part of these financial statements.

# Children's Health Queensland Hospital and Health Service

## As at 30 June 2019

### Statement of Changes in Equity

	Note	Accumulated Surplus \$'000	Asset Revaluation Surplus (Note C7.2) \$'000	Contributed Equity (Note C7.1) \$'000	Total \$'000
Balance as at 1 July 2018		12,900	11,325	1,176,886	1,201,111
Operating result for the year		27,790	–	–	27,790
<i>Other comprehensive income:</i>					
– Increase in asset revaluation surplus		–	2,334	–	2,334
<i>Total comprehensive income for the year</i>		27,790	2,334	–	30,124
<i>Transactions with owners as owners:</i>					
– Equity injections for capital funding		–	–	7,634	7,634
– Equity withdrawals for non-cash depreciation and amortisation funding		–	–	(65,234)	(65,234)
– Asset transfers	C3.1/C4	–	–	(537)	(537)
<i>Net transactions with owners as owners</i>		–	–	(58,137)	(58,137)
<b>Balance as at 30 June 2019</b>		<b>40,690</b>	<b>13,659</b>	<b>1,118,749</b>	<b>1,173,098</b>
Balance as at 1 July 2017		23,066	11,613	1,214,260	1,248,939
Operating result for the year		(10,166)	–	–	(10,166)
<i>Other comprehensive income:</i>					
– Decrease in asset revaluation surplus		–	(288)	–	(288)
<i>Total comprehensive income for the year</i>		(10,166)	(288)	–	(10,454)
<i>Transactions with owners as owners:</i>					
– Equity injections for capital funding		–	–	9,213	9,213
– Equity withdrawals for non-cash depreciation and amortisation funding		–	–	(47,608)	(47,608)
– Asset transfers	C3.1	–	–	1,021	1,021
<i>Net transactions with owners as owners</i>		–	–	(37,374)	(37,374)
<b>Balance as at 30 June 2018</b>		<b>12,900</b>	<b>11,325</b>	<b>1,176,886</b>	<b>1,201,111</b>

The accompanying notes form part of these financial statements.

# Children's Health Queensland Hospital and Health Service

## For the year ended 30 June 2019

### Statement of Cash Flows

	Note	2019 \$'000	2018 \$'000
<b>Cash flows from operating activities</b>			
<i>Inflows:</i>			
User charges and fees		734,372	706,863
Grants and other contributions		1,788	2,505
Interest receipts		217	190
GST collected from customers		1055	995
GST input tax credits from ATO		12,877	10,912
Other		17,540	7,473
<i>Outflows:</i>			
Employee expenses		(532,366)	(508,587)
Supplies and services		(230,433)	(185,724)
Grants		(2,817)	(1,998)
GST paid to suppliers		(12,384)	(11,152)
GST remitted to ATO		(1,150)	(860)
Other		(6,817)	(7,191)
<b>Net cash provided by / (used in) operating activities</b>		<b>(18,118)</b>	<b>13,426</b>
<b>Cash flows from investing activities</b>			
<i>Inflows:</i>			
Sales of property, plant and equipment		108	83
<i>Outflows:</i>			
Payments for property, plant and equipment		(8,462)	(8,428)
Payments for intangibles		(426)	(520)
<b>Net cash used in investing activities</b>		<b>(8,780)</b>	<b>(8,865)</b>
<b>Cash flows from financing activities</b>			
<i>Inflows:</i>			
Equity injections		7,634	9,213
<b>Net cash provided by financing activities</b>		<b>7,634</b>	<b>9,213</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(19,264)</b>	<b>13,774</b>
Cash and cash equivalents at beginning of the year		50,827	37,053
<b>Cash and cash equivalents at end of the year</b>	C1	<b>31,563</b>	<b>50,827</b>

The accompanying notes form part of these financial statements.

# Children's Health Queensland Hospital and Health Service

## For the year ended 30 June 2019

### Notes to the Statement of Cash Flows

#### Reconciliation of operating result to net cash from operating activities

	2019 \$'000	2018 \$'000
Operating result for the year	27,790	(10,166)
<i>Non-cash items included in operating result:</i>		
Depreciation and amortisation expense	65,234	47,608
Depreciation and amortisation funding	(65,234)	(47,608)
Net building revaluation decrement/(increment)	(26,950)	3,524
Increase/(decrease) in trade receivable impairment losses	(576)	352
Inventory written off	120	126
Bad debts written off	208	190
Donations of plant and equipment	–	(63)
Recognition of plant and equipment	(89)	(11)
De-recognition of plant and equipment	–	29
Gains on disposal of property, plant and equipment	(14)	(2)
Losses on disposal of property, plant and equipment	138	232
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in receivables	(4,147)	10,348
(Increase)/decrease in inventories	(1,444)	(646)
(Increase)/decrease in prepayments	(270)	23
Increase/(decrease) in payables	(10,370)	12,080
Increase/(decrease) in employee benefits	1,844	1,070
Increase/(decrease) in unearned revenue	(4,358)	(3,660)
<b>Net cash provided by / (used in) operating activities</b>	<b>(18,118)</b>	<b>13,426</b>

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### Section A: Basis of financial statements preparation

#### A1 General information

Children's Health Queensland Hospital and Health Service (Children's Health Queensland) is a not-for-profit statutory body established on 1 July 2012 under the *Hospital and Health Board Act 2011*. Children's Health Queensland is controlled by the State of Queensland which is the ultimate parent. The principal address of Children's Health Queensland is: Queensland Children's Hospital  
Level 7, 501 Stanley Street  
South Brisbane, QLD, 4101

For information in relation to Children's Health Queensland's financial statements, email [CHQ\\_Comms@health.qld.gov.au](mailto:CHQ_Comms@health.qld.gov.au) or visit our website [www.childrens.health.qld.gov.au](http://www.childrens.health.qld.gov.au).

#### A2 Objectives and principal activities

A description of the nature, objectives and principal activities of Children's Health Queensland is included in this annual report.

#### A3 Statement of compliance

These general purpose financial statements have been prepared pursuant to Section 62(1) of the *Financial Accountability Act 2009*, relevant sections of the *Financial and Performance Management Standard 2009* and other prescribed requirements. The financial statements are general purpose financial statements and have been 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 applicable to not-for-profit entities. In addition, the financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2018 and other authoritative pronouncements.

#### A4 Presentation details

##### Rounding and comparatives

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or where the amount is less than \$500, to zero unless the disclosure of the full amount is specifically required. Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

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

#### A5 Authorisation of financial statements for issue

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

#### A6 Basis of measurement

##### Historical cost

The historical cost convention is used as the measurement basis except where stated. 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 amount of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

##### Fair value

The fair value convention is used as the measurement basis for property, plant and equipment and is further explained in Note D1.

##### Net realisable value

Children's Health Queensland's inventories are measured using the lower of cost or net realisable value measurement. Net realisable value represents the amount of cash or cash equivalents that could currently be obtained by selling an asset in an orderly disposal.

#### A7 The reporting entity

The financial statements include the value of all income, expenses, assets, liabilities and equity of Children's Health Queensland.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### Section B: Notes about our financial performance

#### B1 Revenue

##### B1.1 User charges and fees

	2019 \$'000	2018 \$'000
Hospital fees	23,451	22,589
Sale of goods and services	44,904	22,611
Contracted health services:		
– State	522,544	525,594
– Commonwealth	219,297	175,847
Rental revenue	432	565
<b>Total</b>	<b>810,628</b>	<b>747,206</b>

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

##### Contracted health services

Contracted health services predominantly comprise funding from the Department of Health for specific public health services purchased by the Department of Health from Children's Health Queensland in accordance with a service agreement. The Department of Health receives its revenue for funding from the Queensland and Commonwealth Governments. The State funding is received fortnightly and Commonwealth funding is received monthly in advance through the Department of Health. State funding includes a non-cash appropriation for depreciation and amortisation and amounted to \$65.234 million (2018: \$47.608 million). The service agreement is reviewed periodically and updated for changes in activities and prices of services.

##### B1.2 Grants and other contributions

	2019 \$'000	2018 \$'000
Grants	1,346	2,456
Donations	442	111
Services received below fair value	5,897	6,078
<b>Total</b>	<b>7,685</b>	<b>8,645</b>

##### Services received below fair value

Children's Health Queensland has entered into a number of arrangements with the Department of Health where services are provided for no consideration. These include payroll services, accounts payable services and finance transactional services for which the fair value is reliably estimated and recognised as a revenue contribution and an equivalent expense (Note B2.2). The fair value of additional services provided such as taxation services, supply services and information technology services are unable to be reliably estimated and not recognised.

#### B1.3 Other revenue

	2019 \$'000	2018 \$'000
Recoveries	14,467	6,539
Interest income	218	190
Other	638	412
<b>Total</b>	<b>15,323</b>	<b>7,141</b>

##### Recoveries

Recoveries mainly includes revenue recoveries from the Department of Health for non-capital projects in accordance with project agreements.

#### B1.4 Gains on disposal/revaluation of assets

	2019 \$'000	2018 \$'000
Gains on disposal of property, plant and equipment	14	2
Net building revaluation increment	26,950	–
<b>Total</b>	<b>26,964</b>	<b>2</b>

##### Net building revaluation increment

The net building revaluation increment is recognised as revenue to the extent that it reverses a net revaluation decrement of the same class of assets previously recognised in the Statement of Comprehensive Income.

### B2 Expenses

#### B2.1 Employee expenses

	2019 \$'000	2018 \$'000
Wages and salaries	424,434	407,631
Board member fees	467	487
Employer superannuation contributions	45,299	42,562
Annual leave levy	51,474	46,900
Long service leave levy	9,122	8,666
Other employee related expenses	3,416	3,411
<b>Total</b>	<b>534,212</b>	<b>509,657</b>
Number of employees	3,954	3,840

The number of employees (rounded to the nearest whole number) represents full-time or part-time staff, measured on a full-time equivalent basis reflecting Minimum Obligatory Human Resource Information (MOHRI) as at 30 June 2019. Members of the Board are not included in this total.

Key management personnel and remuneration disclosures are detailed in Note G1.



# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### B2.2 Supplies and services

Note	2019 \$'000	2018 \$'000
Clinical supplies and services	63,444	63,358
Consultants and contractors – clinical	6,794	7,710
Consultants and contractors – non-clinical	18,237	17,404
Pharmaceuticals	56,246	35,651
Catering and domestic supplies	18,508	18,126
Communications	3,452	3,572
Repairs and maintenance	18,750	17,925
Computer services	12,848	12,500
Building utilities	8,276	7,837
Operating lease rentals	4,546	4,506
Patient travel	1,010	870
Other travel	2,168	1,864
Office supplies	1,264	2,040
Minor works and equipment	1,602	1,575
Services received below fair value B1.2	5,897	6,078
Other	1,300	1,626
<b>Total</b>	<b>224,342</b>	<b>202,642</b>

#### Operating lease rentals

Operating lease payments, being representative of benefits derived from leased assets, are recognised as an expense in the period in which they are incurred.

### B2.3 Losses on disposal/revaluation of assets

	2019 \$'000	2018 \$'000
Losses on disposal of property, plant and equipment	138	232
Net building revaluation decrement	–	3,524
<b>Total</b>	<b>138</b>	<b>3,756</b>

#### Net building revaluation decrement

The net building revaluation decrement is recognised in the Statement of Comprehensive Income to the extent it exceeds the balance, if any, in the asset revaluation surplus relating to that asset class.

### B2.4 Other expenses

Note	2019 \$'000	2018 \$'000
External audit fees	174	162
Other audit fees	97	178
Inventory written off	120	126
Bad debts written off	208	190
Transfer to/(from) allowance for impairment of receivables C2	(19)	478
Legal costs	168	616
Insurance	5,261	5,191
Special payments	3	5
Other	55	43
<b>Total</b>	<b>6,067</b>	<b>6,989</b>

#### External audit fees

Total audit fees paid or payable to the Queensland Audit Office (QAO) relating to the 2018-19 financial year are \$173,125 (2018: \$168,000). There were no non-audit services provided by the QAO during the period.

#### Special payments

Special payments relate to ex-gratia expenditure that is not contractually or legally obligated to be made to other parties. In compliance with the *Financial and Performance Management Standard 2009*, Children's Health Queensland maintains a register setting out details of all special payments greater than \$5,000. There were no ex-gratia payments exceeding \$5,000 during the year.

#### Insurance premiums

Property and general losses above a \$10,000 threshold are insured through the Queensland Government Insurance Fund (QGIF) under the Department of Health's insurance policy. Health litigation payments above a \$20,000 threshold and associated legal fees are also insured through QGIF. Premiums are calculated by QGIF on a risk assessed basis. Children's Health Queensland also maintains separate Directors and Officers liability insurance.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### Section C: Notes about our financial position

#### C1 Cash and cash equivalents

	2019 \$'000	2018 \$'000
Imprest accounts	13	11
Cash at bank and on hand	24,440	44,379
Cash on deposit	7,110	6,437
<b>Total</b>	<b>31,563</b>	<b>50,827</b>

Cash assets include all cash on hand and in banks, cheques received but not banked at the reporting date and at call deposits.

Children's Health Queensland's bank accounts are grouped within the Whole-of-Government set-off arrangement with Queensland Treasury Corporation. As a result, Children's Health Queensland does not earn interest on surplus funds and is not charged interest or fees for accessing its approved cash debit facility.

Cash on deposit relates to General Trust fund monies which are not grouped within the Whole-of-Government set-off arrangement and are able to be invested and earn interest. Cash on deposit with the Queensland Treasury Corporation earned interest at an annual effective rate of 2.39 per cent (2018: 2.41 per cent).

#### C2 Receivables

	2019 \$'000	2018 \$'000
Trade debtors	14,364	12,151
Less: allowance for impairment loss	(278)	(854)
	14,086	11,297
GST receivable	778	1,271
GST payable	(134)	(229)
	644	1,042
Contracted health services receivables	2,318	1,695
Accrued other revenue	7,357	5,856
<b>Total</b>	<b>24,405</b>	<b>19,890</b>

#### Receivables

Trade debtors are recognised at the agreed purchase or contract price due at the time of sale or service delivery. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed on a monthly basis. All known bad debts are written off as at 30 June 2019.

#### Ageing trade debtors position

Ageing of past due but not impaired as well as impaired trade receivables are disclosed in the following table:

2019	Not impaired \$'000	Impaired \$'000	Gross \$'000	Loss rate %	Expected credit losses \$'000	Net \$'000
<b>Trade debtors</b>						
Not yet due	1,863	6,144	8,007	0.01%	(1)	8,006
Less than 30 days	–	2,518	2,518	0.28%	(7)	2,511
30–60 days	–	1,609	1,609	0.68%	(11)	1,598
61–90 days	–	702	702	0.57%	(4)	698
More than 90 days	–	1,528	1,528	16.69%	(255)	1,273
<b>Total</b>	<b>1,863</b>	<b>12,501</b>	<b>14,364</b>		<b>(278)</b>	<b>14,086</b>
2018	Neither past due nor impaired \$'000	Past due but not impaired \$'000	Impaired \$'000	Gross \$'000	Allowance for impairment \$'000	Net \$'000
<b>Trade debtors</b>						
Not yet due	7,069	–	52	7,121	(52)	7,069
Less than 30 days	–	1,894	8	1,902	(6)	1,896
30–60 days	–	1,140	89	1,229	(25)	1,204
61–90 days	–	303	90	393	(25)	368
More than 90 days	–	668	838	1,506	(746)	760
<b>Total</b>	<b>7,069</b>	<b>4,005</b>	<b>1,077</b>	<b>12,151</b>	<b>(854)</b>	<b>11,297</b>

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### C2 Receivables *continued*

	2019 \$'000	2018 \$'000
<b>Movement in allowance for impairment of trade debtors</b>		
Opening balance	854	502
Amounts written off during the year	(557)	(126)
Increase/(decrease) in allowance recognised in operating result	(19)	478
<b>Closing balance</b>	<b>278</b>	<b>854</b>

#### Impairment of receivables

In adopting AASB 9 as at 1 July 2018 (Note D6), the loss allowance for trade debtors (excluding inter-government agency receivables) reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking information. Children's Health Queensland assesses whether there is objective evidence that receivables are impaired or uncollectible on a monthly basis. Objective evidence includes financial difficulties of the debtor, the class of debtor or delinquency in payments. After an appropriate range of debt recovery actions are undertaken, if the amount becomes uncollectible, then it is written off.

Debts representing inter-government agency receivables are expected to have insignificant level of credit risk exposure and therefore are excluded from any loss allowance.

### C3.1 Property, plant and equipment reconciliation

	Land (Level 2) \$'000	Buildings (Level 2) \$'000	Buildings (Level 3) \$'000	Plant and equipment \$'000	Work in progress \$'000	Total \$'000
Balance at 1 July 2018	77,848	328	1,070,449	40,950	2,424	1,191,999
Acquisitions	–	–	18	3,327	5,117	8,462
Transfers to DoH/other HHSs	–	–	–	(49)	–	(49)
Disposals	–	–	–	(232)	–	(232)
Net revaluation increments	80	–	29,204	–	–	29,284
Recognition of assets	–	–	–	89	–	89
Transfers between asset classes	–	–	1,334	599	(1,933)	–
Depreciation for the year	–	(11)	(56,192)	(8,556)	–	(64,759)
<b>Balance at 30 June 2019</b>	<b>77,928</b>	<b>317</b>	<b>1,044,813</b>	<b>36,128</b>	<b>5,608</b>	<b>1,164,794</b>
Balance at 1 July 2017	78,136	387	1,109,002	45,799	492	1,233,816
Acquisitions	–	–	–	4,396	4,032	8,428
Donations	–	–	–	63	–	63
Transfers (to)/from DoH/other HHSs	–	–	1,442	(421)	–	1,021
Disposals	–	–	–	(313)	–	(313)
Net revaluation decrements	(288)	(46)	(3,478)	–	–	(3,812)
Recognition of assets	–	–	–	11	–	11
Transfers between asset classes	–	–	1,750	350	(2,100)	–
Depreciation for the year	–	(13)	(38,267)	(8,935)	–	(47,215)
<b>Balance at 30 June 2018</b>	<b>77,848</b>	<b>328</b>	<b>1,070,449</b>	<b>40,950</b>	<b>2,424</b>	<b>1,191,999</b>

### C3 Property, plant and equipment

	2019 \$'000	2018 \$'000
<b>Land:</b>		
At fair value	77,928	77,848
	<u>77,928</u>	<u>77,848</u>
<b>Buildings:</b>		
At fair value	1,331,145	1,294,741
Less: accumulated depreciation	(286,015)	(223,964)
	<u>1,045,130</u>	<u>1,070,777</u>
<b>Plant and equipment:</b>		
At cost	78,174	76,295
Less: accumulated depreciation	(42,046)	(35,345)
	<u>36,128</u>	<u>40,950</u>
<b>Capital works in progress:</b>		
At cost	5,608	2,424
<b>Total</b>	<b><u>1,164,794</u></b>	<b><u>1,191,999</u></b>

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### C3.2 Property, plant and equipment accounting policies

#### (a) Recognition thresholds

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

Land	\$1
Buildings	\$10,000
Plant and equipment	\$5,000

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

Children's Health Queensland has an annual maintenance program for its plant and equipment and infrastructure assets. Expenditure is only capitalised if it increases the service potential or useful life of the existing asset. Maintenance expenditure that merely restores original service potential (arising from ordinary wear and tear) is expensed.

Land improvements undertaken by Children's Health Queensland are included within the buildings asset class.

#### (b) Acquisition

Property, plant and equipment are initially recorded at consideration plus any other costs incidental to the acquisition, including all other costs directly incurred in bringing the asset ready for use. Separately identified components of assets are measured on the same basis as the assets to which they relate.

Where assets are acquired for no consideration from another Queensland Government entity, the acquisition cost is recognised as the gross carrying amount in the books of the transferor immediately prior to the transfer together with any accumulated depreciation.

Assets acquired at no cost or for nominal consideration, other than from an involuntary transfer from another Queensland Government entity, are recognised at their fair value at the date of acquisition in accordance with AASB 116 Property, Plant and Equipment.

#### (c) Subsequent measurement

Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits, in excess of the originally assessed performance of the asset, will flow to the entity in future years. Costs that do not meet the criteria for capitalisation are expensed as incurred.

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

Current Asset Policies for the Queensland Public Sector. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and impairment losses where applicable.

The cost of items acquired during the year has been judged by management to materially represent the fair value at the end of the reporting period.

#### (d) Depreciation

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

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset over the estimated useful life. This is consistent with the even consumption of service potential of these assets over their useful life.

Assets under construction (works in progress) are not depreciated until they reach service delivery capacity or are ready for use. For each class of depreciable assets, the estimated useful lives of the assets are as follows:

Buildings	7 to 74 years
Plant and equipment	1 to 20 years

Separately identifiable components of assets are depreciated according to the useful lives of each component.

The depreciable amount of improvements to or on leasehold buildings is allocated progressively over the shorter of the estimated useful lives of the improvements or the unexpired period of the lease. The unexpired period of leases includes any option period where exercise of the option is probable.

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

Management estimates the useful lives of property, plant and equipment based on expected period of time over which economic benefits from use of the asset will be derived. Management reviews useful life assumptions on an annual basis having given consideration to variables including historical and forecast usage rates, technological advancements and changes in legal and economic conditions.

For Children's Health Queensland's depreciable assets, the estimated amount to be received on disposal at the end of their useful life (residual value) is determined to be zero.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### C3.2 Property, plant and equipment accounting policies *continued*

#### (e) Impairment

Property, plant and equipment with the exception of buildings revalued under the current replacement cost methodology, are assessed for indicators of impairment on an annual basis. In accordance with AASB 13 Fair Value Measurement, the recoverable cost of buildings revalued under replacement cost methodology are deemed to be materially the same as their fair values.

If an indicator of impairment exists, Children's Health Queensland determines the asset's recoverable amount (higher of value in use and fair value less costs to sell). Any amount by which the asset's carrying amount exceeds the recoverable amount is considered an impairment loss.

For assets measured at cost, an impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Impairment indicators were assessed in 2018-19 with no asset requiring an adjustment for impairment.

### C3.3 Property, plant and equipment valuation

The fair value of land and buildings are assessed on an annual basis by independent professional valuers. Comprehensive revaluations 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.

Where assets have not been specifically appraised in the reporting period, previous valuations are materially kept up-to-date via the application of relevant indices. Children's Health Queensland can also exercise its discretion in determining whether only those material assets within the class (rather than all assets in that class) are revalued. The valuers supply the indices used for the various types of assets. Such indices are either publicly available, or are derived from market information available to the valuer. The valuers 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 the valuer, 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 the valuer based on Children Health Queensland's own particular circumstances.

Revaluation increments are credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. In that case it is recognised as income. 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.

#### (a) Land

Land is valued by the market approach, using the direct comparison method. Under this valuation technique, the assets are compared to recent comparable sales as the available market evidence. The valuation of land is determined by analysing the comparable sales and reflecting the shape, size, topography, location, zoning, any restrictions such as easements and volumetric titles and other relevant factors specific to the asset being valued. From the sales analysed, the valuer considers all characteristics of the land and may apply an appropriate rate per square metre to the subject asset.

All land was revalued by an independent professional valuer, State Valuation Services, using comprehensive and indexed valuation methods with an effective date of 30 June 2019. Management has assessed the valuations as appropriate.

Restriction: Children's Health Queensland controls land subject to a legal restriction, being the land footprint for the Queensland Children's Hospital (QCH) with a fair value of \$52 million as at 30 June 2019. This land is subject to a Memorandum of Understanding and a Call Option to Buy Hospital between the State of Queensland (the State) represented by the Department of Health and Mater Misericordiae Limited (Mater), which provides for the granting of an option to the Mater to acquire the footprint for consideration of \$1.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### C3.3 Property, plant and equipment valuation

*continued*

The Mater may exercise the option by notice in writing within 30 days after the earlier of the 60th anniversary of the opening of the QCH (29 November 2074), or the date when the State ceases to use QCH as a tertiary paediatric hospital. The State may, on or before the 60th anniversary of the opening of the hospital, exercise an option to extend the term to a date not less than 90 years from the opening date. However, the Mater may then elect for the State to demolish the buildings on the Footprint (at the cost of the State) prior to transferring the land to the Mater. The asset has been recognised under the land asset class at fair value.

#### **(b) Buildings**

##### *Health service buildings*

Reflecting the specialised nature of health service buildings for which there is not an active market, fair value is determined using current replacement cost.

The methodology applied by the valuer is a financial simulation in lieu of a market based measurement as these assets are rarely bought and sold on the open market.

A replacement cost is estimated by creating a cost plan (cost estimate) of the asset through the measurement of key quantities such as:

- Gross floor area/building footprint
- Height of the building
- Number of lifts and staircases
- Girth of the building
- Number of floors
- Location

The model developed by the valuer creates an elemental cost plan using these quantities. It can apply to multiple building types and relies on the valuer's experience with construction costs.

The cost model is updated each year and tests are done to compare the model outputs on actual recent projects to ensure it produces a true representation of the cost of replacement. The costs are at Brisbane prices and published location indices are used to adjust the pricing to suit local market conditions. Live project costs from across the State are also assessed to inform current market changes that may influence the published factors.

The key assumption on the replacement cost is that the estimate is based on replacing the current function of the

building with a building of the same form (size and shape). This assumption has a significant impact if an asset's function changes. The cost to bring to current standards is the estimated cost of refurbishing the asset to bring it to current standards.

Adjustment to the replacement cost is then made to reflect the gross value of the building. The valuer in conjunction with management have identified items of functional and economic obsolescence. These items have been costed and used to adjust the replacement cost to produce the gross value which reflects the replacement cost less any utility not present in the asset.

The gross value is then adjusted for physical obsolescence using a straight line adjustment using the asset capitalisation date (depreciation start date) and the estimated remaining useful life of each of the building elements. The valuer and management agree on the estimated remaining useful life of each building element.

Estimates of remaining life are based on the assumption that the asset remains in its current function and will be maintained. No allowance has been provided for significant refurbishment works in the estimate of remaining life as any refurbishment should extend the life of the asset.

Children's Health Queensland has adopted the gross method of reporting comprehensively revalued assets. This method restates separately the gross amount and related accumulated depreciation of the assets comprising the class of revalued assets. Accumulated depreciation is restated in accordance with the independent advice of the valuers. The proportionate method has been applied to those assets that have been revalued by way of indexation.

All buildings were revalued by an independent professional valuer, AECOM, using comprehensive, desktop and indexed valuation methods with an effective date of 30 June 2019. Management has assessed the valuations as appropriate.

##### *Commercial office building*

Children's Health Queensland owns a commercial office building that is valued under the income valuation approach. Such valuation technique capitalises the adjusted market net income to determine the fair value of the asset using readily available market data. The fair value measurement reflects current market expectations about these future amounts.

Children's Health Queensland has adopted the net method of reporting this asset. This method eliminates accumulated depreciation and accumulated impairment losses against the gross amount of the asset prior to restating for the revaluation.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### C3.3 Property, plant and equipment valuation

*continued*

Management assesses that there is no cumulative material changes in the critical assumptions used since the last comprehensive valuation (30 June 2018) and as such no revaluation was undertaken during the year. Management has assessed that the carrying amount represents fair value.

#### (c) Plant and equipment

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

### C4 Intangible assets

	2019 \$'000	2018 \$'000
Developed software:		
At cost	2,667	2,522
Less: accumulated amortisation	(1,627)	(1,279)
	<u>1,040</u>	<u>1,243</u>
Purchased software:		
At cost	750	469
Less: accumulated amortisation	(197)	(70)
	<u>553</u>	<u>399</u>
Software work in progress:		
At cost	-	488
<b>Total intangible assets</b>	<b><u>1,593</u></b>	<b><u>2,130</u></b>

#### Intangibles reconciliation

	Developed software \$'000	Purchased software \$'000	Software work in progress \$'000	Total \$'000
Balance at 1 July 2018	1,243	399	488	2,130
Acquisitions	-	-	426	426
Transfers to DoH			(488)	(488)
Transfer between asset classes	145	281	(426)	-
Amortisation for the year	(348)	(127)	-	(475)
<b>Balance at 30 June 2019</b>	<b><u>1,040</u></b>	<b><u>553</u></b>	<b><u>-</u></b>	<b><u>1,593</u></b>
Balance at 1 July 2017	1,058	-	974	2,032
Acquisitions	-	-	520	520
De-recognition of assets	-	-	(29)	(29)
Transfer between asset classes	508	469	(977)	-
Amortisation for the year	(323)	(70)	-	(393)
<b>Balance at 30 June 2018</b>	<b><u>1,243</u></b>	<b><u>399</u></b>	<b><u>488</u></b>	<b><u>2,130</u></b>

An intangible asset is recognised only if its historical cost is equal to or greater than \$100,000. Items with a lesser cost are expensed. As there is no active market for any of the intangibles held by Children's Health Queensland, the assets are recognised and carried at cost less accumulated amortisation.

Software is amortised on a straight-line basis over the period in which the related benefits are expected to be realised. The useful life and amortisation method is reviewed annually and adjusted appropriately. The current estimated useful life for Children's Health Queensland's software systems is 4 to 9 years.

Intangibles are assessed for indicators of impairment on an annual basis with no asset requiring an adjustment for impairment in 2018-19.

### C5 Payables

	2019 \$'000	2018 \$'000
Trade creditors	5,830	7,005
Accrued expenses	28,151	37,346
<b>Total</b>	<b><u>33,981</u></b>	<b><u>44,351</u></b>

Payables are recognised for amounts to be paid in the future for goods and services received. Payables are measured at the agreed purchase or contract price, gross of applicable trade and other discounts. The amount owing are unsecured and generally settled on 30 day terms.

### C6 Employee benefits

	2019 \$'000	2018 \$'000
Accrued salary, wages and related costs	19,323	17,611
Other	3,096	2,964
<b>Total</b>	<b><u>22,419</u></b>	<b><u>20,575</u></b>

#### Accrued salary, wages and related costs

Salaries, wages and related costs due but unpaid at reporting date are recognised in the Statement of Financial Position at current salary rates. Unpaid entitlements are expected to be paid within 12 months and as such any liabilities are recognised at their undiscounted values.

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. It is unlikely that existing accumulated entitlements will be fully used by employees and accordingly 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.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### C6 Employee benefits *continued*

#### Annual leave and long service leave

Under the Queensland Government's Annual Leave Central Scheme and Long Service Leave Central Scheme, levies are payable by Children's Health Queensland to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. No provisions for long service leave or annual leave are recognised in Children's Health Queensland's financial statements as the provisions for these schemes are reported on a Whole-of-Government basis pursuant to AASB 1049 Whole-of-Government and General Government Sector Financial Reporting. These levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave and long service leave are claimed from the schemes quarterly in arrears.

#### Superannuation

Employer superannuation contributions relating to employees and Board members are expensed in the period in which they are paid or payable. Children's Health Queensland's obligation is limited to its contributions to the respective superannuation funds.

#### Other employee benefits

The liability for employee benefits includes provisions for purchased leave, professional development entitlements and accrued rostered day off entitlements.

### C7 Equity

#### C7.1 Contributed equity

Non-reciprocal transfers of assets and liabilities between wholly-owned Queensland State Public Sector entities are adjusted to contributed equity in accordance with Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities. Appropriations for equity adjustments are similarly designated.

Children's Health Queensland receives funding from the Department of Health to cover depreciation and amortisation costs. However, as depreciation and amortisation are non-cash expenditure items, the Minister of Health has approved a withdrawal of equity by the State for the same amount, resulting in non-cash revenue and non-cash equity withdrawal.

#### C7.2 Asset revaluation surplus by asset class

	Land \$'000	Building \$'000	Total \$'000
Balance at 1 July 2018	11,325	–	11,325
Revaluation increment for the year	80	2,254	2,334
<b>Balance at 30 June 2019</b>	<b>11,405</b>	<b>2,254</b>	<b>13,659</b>
Balance at 1 July 2017	11,613	–	11,613
Revaluation decrement for the year	(288)	–	(288)
<b>Balance at 30 June 2018</b>	<b>11,325</b>	<b>–</b>	<b>11,325</b>



### Section D: Notes about our risks and other accounting uncertainties

#### D1 Fair value measurement

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 the price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued, and include, but are not limited to, published sales data for land.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by Children's Health Queensland include, but are not limited to, subjective adjustments made to observable data to take account of the specialised nature of health service buildings, including historical and current construction contracts (and/or estimates of such costs), and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

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

All assets and liabilities of Children's Health Queensland 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 in level 1) that are observable, either directly or indirectly; and
- Level 3: represents fair value measurements that are substantially derived from unobservable inputs.

None of Children's Health Queensland's valuations of assets or liabilities are eligible for categorisation into level

1 of the fair value hierarchy and there were no transfer of assets between fair value hierarchy levels during the period. More specific fair value information about the entity's property, plant and equipment and intangibles is outlined further in Notes C3 and C4.

Trade and other receivables are measured at cost less any allowance for impairment. Due to the short term nature of these assets, the fair value does not differ significantly from their amortised cost.

#### D2 Financial risk disclosures

##### (a) Financial instruments categories

Children's Health Queensland has the following categories of financial assets and financial liabilities as reflected in the Statement of Financial Position – Cash and cash equivalents (Note C1), Receivables (Note C2) and Payables (Note C5).

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

##### (b) Financial risk management

Children's Health Queensland is exposed to a variety of financial risks – credit risk, liquidity risk and market risk. Financial risk is managed in accordance with Queensland Government and agency policies. Children's Health Queensland's policies provide written principles for overall risk management and aim to minimise potential adverse effects of risk events on the financial performance of the agency.

Risk exposure	Measurement method
Credit risk	Ageing analysis
Liquidity risk	Sensitivity analysis, monitoring of cash flows by management of accrual accounts
Market risk	Interest rate sensitivity analysis

##### (c) Credit risk exposure

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

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### D2 Financial risk disclosures *continued*

Credit risk, excluding receivables, is considered minimal given all Children's Health Queensland cash on deposits are held by the State through Queensland Treasury Corporation.

No collateral is held as security and no credit enhancements relate to financial assets held by Children's Health Queensland.

No financial assets have had their terms renegotiated to prevent them from being past due or impaired and are stated at the carrying amounts as indicated.

#### (d) Liquidity risk

Liquidity risk is the risk that Children's Health Queensland will not have the resources required at a particular time to meet its obligations to settle its financial liabilities. Children's Health Queensland is exposed to liquidity risk through its trading in the normal course of business. It aims to reduce the exposure to liquidity risk by ensuring sufficient funds are available to meet employee and supplier obligations at all

times. Children's Health Queensland has an approved debt facility of \$3 million under Whole-of-Government banking arrangements to manage any short term cash shortfalls. This facility has not been drawn down as at 30 June 2019 and is available for use in the next reporting period.

The liquidity risk of financial liabilities held by Children's Health Queensland is limited to the payables category as reflected in the Statement of Financial Position. All payables are less than 1 year in term.

#### (e) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk. Children's Health Queensland has interest rate exposure on the cash on deposits with Queensland Treasury Corporation. Children's Health Queensland does not undertake any hedging in relation to interest rate risk. Changes in interest rates have a minimal effect on the operating result of Children's Health Queensland.

### D3 Commitments

#### (a) Non-cancellable operating lease commitments – payables

Operating lease commitments are payable as follows:

Not later than 1 year	2,878	2,671
Later than 1 year and not later than 5 years	3,768	5,707
Later than 5 years	–	369
<b>Total</b>	<b>6,646</b>	<b>8,747</b>

#### (b) Capital expenditure commitments

Capital expenditure commitments are payable as follows:

Not later than 1 year	496	637
<b>Total</b>	<b>496</b>	<b>637</b>

#### (c) Other expenditure commitments

Other expenditure commitments are payable as follows:

Not later than 1 year	28,029	27,144
Later than 1 year and not later than 5 years	4,119	8,683
Later than 5 years	682	–
<b>Total</b>	<b>32,830</b>	<b>35,827</b>

#### (d) Non-cancellable operating lease commitments – receivables

Future minimum rental income under non-cancellable operating leases are as follows:

Not later than 1 year	305	294
Later than 1 year and not later than 5 years	1,295	1,261
Later than 5 years	145	484
<b>Total</b>	<b>1,745</b>	<b>2,039</b>

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### D4 Contingencies

#### Litigation in progress

As at 30 June 2019 there were no cases filed with the courts (2018: no cases filed).

Health litigation is underwritten by QGIF and Children's Health Queensland's liability in this area is limited to an excess per insurance event.

All Children's Health Queensland indemnified claims are managed by QGIF. As at 30 June 2019, there were 27 claims being managed by QGIF, some of which may never be litigated or result in claim payments. The maximum exposure to Children's Health Queensland under this policy is up to \$20,000 for each insurable event.

### D5 Events occurring after the reporting date

No matters or circumstances have arisen since 30 June 2019 that have significantly affected, or may significantly affect Children's Health Queensland's operations, the results of those operations, or the state of affairs in future years.

### D6 New and revised accounting standards

#### (a) Changes in accounting policy

Children's Health Queensland did not voluntarily change any of its accounting policies during 2018-19.

#### (b) Accounting standards applied for the first time in 2018-19

The following Australian Accounting Standard has been adopted for the 2018-19 year.

#### **AASB 9 Financial Instruments and AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)**

The main impacts of these standards are that they change the requirements for the classification, measurement, impairment and disclosures associated with financial assets. AASB 9 also introduced different criteria for whether financial assets can be measured at amortised cost or fair value.

The following summarises the impact as at 1 July 2018:

- There was no change to the classification of financial instruments.
- There was no change to measurement of cash and cash equivalents and payables.

- Receivables measurement was impacted by new impairment requirements. This resulted in an allowance for impairment being applied to all receivables rather than only on those receivables that are credit impaired. The loss allowance for trade debtors reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking information. Children's Health Queensland adopted the simplified approach under AASB 9 and measured lifetime expected credit losses on all trade receivables and contract assets using a provision matrix approach as a practical expedient to measure the impairment.
- There was no material impact at transition date.

Children's Health Queensland has not restated comparative figures for financial instruments in line with the directive from Queensland Treasury. Revised amounts from the opening balance of receivables on the date AASB 9 is adopted.

### D7 Future impact of accounting standards not yet effective

At the date of authorisation of the financial statements, Children's Health Queensland has assessed that the only new or amended Australian Accounting Standards, issued but with future commencement dates that will have a potential impact, are set out below. All other Australian Accounting Standards and Interpretations with future commencement dates are assessed as either not applicable or have no material impact on Children's Health Queensland's activities.

#### **AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers**

These Standards will first apply to Children's Health Queensland's 2019-20 financial statements and contains detailed requirements for the accounting of revenue from customers. Depending on the specific contractual terms, the new requirements may potentially result in a change to the timing of revenue from sales of goods and services, such that some revenue may need to be deferred to a later reporting period to the extent Children's Health Queensland has received cash but has not met its associated obligations.

Children's Health Queensland has completed its review of the new revenue recognition requirements under these Standards and does not have revenue contracts that will result in a material change to the timing of when revenue is recognised for the period after 1 July 2019.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### D7 Future impact of accounting standards not yet effective *continued*

#### **AASB 16 Leases**

This Standard will first apply to Children's Health Queensland's 2019-20 financial statements. Once effective, the Standard supersedes AASB 117 Leases, AASB Interpretation 4 Determining whether an Arrangement contains a Lease, AASB Interpretation 115 Operating Leases – Incentives and AASB Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

#### **Impact for Lessees**

AASB 16 introduces a single lease accounting model for leases. Lessees will be required to recognise a right-of-use asset (representing rights to use the underlying leased asset) and a liability (representing the obligation to make lease payments) for all leases with a term of more than 12 months, unless the underlying assets are of low value (less than \$10,000).

In effect, operating leases (as defined by the current AASB 117) will be reported on the Statement of Financial Position under AASB 16.

The right-of-use asset will be initially recognised at cost consisting of:

- the initial amount of the associated lease liability,
- plus any lease payments made to the lessor at or before the effective date,
- less any lease incentive received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee.

The right-of-use asset will give rise to a depreciation expense.

The lease liability will be initially recognised at an amount equal to the present value of the lease payments during the lease term that are not yet paid. Current operating lease rental payments will no longer be expensed in the Statement of Comprehensive Income. They will be apportioned between a reduction in the recognised lease liability and the implicit finance charge (the effective rate of interest) in the lease. The finance cost will also be recognised as an expense.

#### **Impact for Lessors**

Lessor accounting under AASB 16 remains largely unchanged from AASB 117. Lease receipts from operating leases are recognised as income.

#### **Impact for Children's Health Queensland**

Children's Health Queensland has completed its review of the impact of adoption of AASB 16 on the Statement of Financial Position and Statement of Comprehensive Income and has identified the following:

- During the 2018-19 financial year, Children's Health Queensland held operating leases under AASB 117 from the Department of Housing and Public Works (DHPW) for non-specialised, commercial office accommodation through the Queensland Government Accommodation Office (QGAO) and for fleet vehicles through DHPW's QFleet program. Queensland Treasury and DHPW advised that as at 1 July 2019, these leases are outside the scope of AASB 16. This is due to DHPW having substantive substitution rights over the accommodation and vehicles provided. From 2019-20 onward, costs relating to the above arrangements shall be treated as operating expenses when incurred.
- Children's Health Queensland has reviewed all its current operating leases and assessed that there are no impacts at transition date.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### Section E: Notes about our performance compared to Budget

This section discloses Children's Health Queensland's original budgeted figures for 2018-19 compared to actual results, with explanations of major variances, in respect of the Statement of Comprehensive Income, Statement of Financial Position and Statement of Cash Flows.

#### E1 Budget to actual comparison – Statement of Comprehensive Income

	Variance Notes	Original Budget 2019 \$'000	Actual 2019 \$'000	Variance 2019 \$'000
<b>Income from continuing operations</b>				
User charges and fees		754,775	810,628	55,853
Grants and other contributions		896	7,685	6,789
Other revenue		1,522	15,323	13,801
<b>Total revenue</b>		<b>757,193</b>	<b>833,636</b>	<b>76,443</b>
Gains on disposal / revaluation of assets	(a)	–	26,964	26,964
<b>Total income from continuing operations</b>		<b>757,193</b>	<b>860,600</b>	<b>103,407</b>
<b>Expenses from continuing operations</b>				
Employee expenses	(b)	503,263	534,212	30,949
Supplies and services	(c)	202,420	224,342	21,922
Grants		1,000	2,817	1,817
Depreciation and amortisation		47,133	65,234	18,101
Loss on disposal / revaluation of assets		226	138	(88)
Other expenses		3,151	6,067	2,916
<b>Total expenses from continuing operations</b>		<b>757,193</b>	<b>832,810</b>	<b>75,617</b>
<b>Total operating result</b>		<b>–</b>	<b>27,790</b>	<b>27,790</b>
<b>Other comprehensive income</b>				
Items that will not be reclassified to operating result:				
- Increase in asset revaluation surplus		–	2,334	2,334
<b>Total other comprehensive income</b>		<b>–</b>	<b>2,334</b>	<b>2,334</b>
<b>Total comprehensive income</b>		<b>–</b>	<b>30,124</b>	<b>30,124</b>

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### E2 Budget to actual comparison – Statement of Financial Position

	Variance Notes	Original Budget 2019 \$'000	Actual 2019 \$'000	Variance 2019 \$'000
<b>Current assets</b>				
Cash and cash equivalents		30,534	31,563	1,029
Receivables	(d)	28,177	24,405	(3,772)
Inventories		5,121	6,875	1,754
Prepayments		1,719	1,883	164
<b>Total current assets</b>		<b>65,551</b>	<b>64,726</b>	<b>(825)</b>
<b>Non-current assets</b>				
Property, plant and equipment		1,160,630	1,164,794	4,164
Intangible assets		2,731	1,593	(1,138)
<b>Total non-current assets</b>		<b>1,163,361</b>	<b>1,166,387</b>	<b>3,026</b>
<b>Total assets</b>		<b>1,228,912</b>	<b>1,231,113</b>	<b>2,201</b>
<b>Current liabilities</b>				
Payables		32,541	33,981	1,440
Employee benefits		21,594	22,419	825
Unearned revenue	(e)	5,362	1,615	(3,747)
<b>Total current liabilities</b>		<b>59,497</b>	<b>58,015</b>	<b>(1,482)</b>
<b>Total liabilities</b>		<b>59,497</b>	<b>58,015</b>	<b>(1,482)</b>
<b>Net assets / Total equity</b>		<b>1,169,415</b>	<b>1,173,098</b>	<b>3,683</b>

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### E3 Budget to actual comparison – Statement of Cash Flows

	Variance Notes	Original Budget 2019 \$'000	Actual 2019 \$'000	Variance 2019 \$'000
<b>Cash flows from operating activities</b>				
<i>Inflows:</i>				
User charges and fees		753,026	734,372	(18,654)
Grants and other contributions		896	1,788	892
Interest receipts		162	217	55
GST collected from customers		–	1,055	1,055
GST input tax credits from ATO		–	12,877	12,877
Other		6,235	17,540	11,305
<i>Outflows:</i>				
Employee expenses		(501,721)	(532,366)	(30,645)
Supplies and services	(c)	(204,945)	(230,433)	(25,488)
Grants		(1,000)	(2,817)	(1,817)
GST paid to suppliers		–	(12,384)	(12,384)
GST remitted to ATO		–	(1,150)	(1,150)
Other		(3,151)	(6,817)	(3,666)
<b>Net cash provided/(used in) by operating activities</b>		<b>49,502</b>	<b>(18,118)</b>	<b>(67,620)</b>
<b>Cash flows from investing activities</b>				
<i>Inflows:</i>				
Sales of property, plant and equipment		–	108	108
<i>Outflows:</i>				
Payments for property, plant and equipment	(f)	(3,866)	(8,462)	(4,596)
Payments for intangibles	(g)	–	(426)	(426)
<b>Net cash used in investing activities</b>		<b>(3,866)</b>	<b>(8,780)</b>	<b>(4,914)</b>
<b>Cash flows from financing activities</b>				
<i>Inflows:</i>				
Equity injections	(h)	3,866	7,634	3,768
<i>Outflows:</i>				
Equity withdrawals	(i)	(47,133)	–	47,133
<b>Net cash provided by/(used in) financing activities</b>		<b>(43,267)</b>	<b>7,634</b>	<b>50,901</b>
<b>Net decrease in cash and cash equivalents</b>		<b>2,369</b>	<b>(19,264)</b>	<b>(21,633)</b>
Cash and cash equivalents at beginning of the year		28,165	50,827	22,662
<b>Cash and cash equivalents at end of the year</b>		<b>30,534</b>	<b>31,563</b>	<b>1,029</b>

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### E4 Budget to actual comparison – explanation of major variances

- a) An increase in revaluation of assets (\$26.964 million) mainly relates to a net buildings revaluation increment recognised as revenue to the extent that it reverses a net revaluation decrement of the same class of assets previously recognised in the Statement of Comprehensive Income.
- b) An increase in employee expenses is mainly due to additional staff required to support the delivery of additional purchased patient activity, new specific block funded programs, and support the completion of ICT and other strategic initiatives. The higher staffing levels have also led to further enterprise bargaining (EB) agreement increments.
- c) An increase in supplies and services predominantly relates to increased usage of high cost drugs (\$10.6 million), and higher than expected pathology charges (\$1.4 million) supporting the delivery of purchased patient activity, and the usage of contracted services for strategic ICT projects and other strategic initiative deliverables (\$2.9 million). Furthermore, various services received below fair value from the Department of Health (\$5.9 million) have been reliably estimated and recognised for the 2018-19 year.
- d) A decrease in receivables is mainly due to the movement of accrued revenue with the Department of Health at the reporting date.
- e) A decrease in unearned revenue relates to reduced carry over funds available to specific purpose programs for the 2019-20 financial year compared to the estimates in the original budget.
- f) An increase in payments for property, plant and equipment mainly relates to higher than anticipated capital projects expenditure (\$4.596 million).
- g) An increase in payments for intangible assets relates to expenditure for ICT software projects (\$0.426 million).
- h) An increase in equity injections relates to higher than anticipated funding towards capital expenditure for facility projects (\$3.768 million).
- i) Funding for depreciation was budgeted as a cash item. It was subsequently accounted for as a non-cash equity withdrawal.



# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### Section F: What we look after on behalf of third parties

#### F1 Restricted assets

Children's Health Queensland holds a number of General Trust accounts which meet the definition of restricted assets. These accounts ensure that the associated income is only utilised for the purposes specified by the issuing body.

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

	2019 \$'000	2018 \$'000
Opening balance	7,727	6,749
Income	1,160	2,324
Expenditure	(1,500)	(1,346)
<b>Closing balance</b>	<b>7,387</b>	<b>7,727</b>

#### F2 Third party monies

	2019 \$'000	2018 \$'000
<b>(a) Grant of private practice accounts</b>		
<b>Revenue and expense:</b>		
<i>Revenue</i>		
Billings	6,379	6,347
<b>Total revenue</b>	<b>6,379</b>	<b>6,347</b>
<i>Expense</i>		
Payments to medical practitioners	3,359	3,382
Payments to Children's Health Queensland for recoverable costs	2,951	2,886
Payments to medical practitioners' trust	69	79
<b>Total expenditure</b>	<b>6,379</b>	<b>6,347</b>
<b>Assets and liabilities:</b>		
<i>Current assets</i>		
Cash at bank	1,543	1,322
<b>Total assets</b>	<b>1,543</b>	<b>1,322</b>
<i>Current liabilities</i>		
Payables to medical practitioners	262	242
Payables to Children's Health Queensland for recoverable costs	1,225	1,001
Payables to medical practitioners' trust	56	79
<b>Total liabilities</b>	<b>1,543</b>	<b>1,322</b>
<b>(b) Patient trust accounts</b>		
Opening balance	7	6
Cash receipts	2	3
Cash payments	(2)	(2)
<b>Closing balance</b>	<b>7</b>	<b>7</b>

Children's Health Queensland acts as a billing agency for medical practitioners who use Children's Health Queensland facilities for the purpose of seeing patients under the Grant of Private Practice agreement (GOPP). Under this agreement, Children's Health Queensland deducts a service fee (where applicable) from private patient fees received to cover the use of the facilities and administrative support provided to the medical practitioner.

In addition, Children's Health Queensland acts in a custodian role in relation to patient trust accounts. As such, these transactions and balances are not recognised in the financial statements, but are disclosed for information purposes. The Queensland Audit Office undertakes a review of such accounts as part of the audit of the Children's Health Queensland financial statements.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### Section G: Other information

#### G1 Key management personnel and remuneration expenses

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of Children's Health Queensland during 2018-19.

##### (a) Minister for Health and Minister for Ambulance Service

The Minister for Health and Minister for Ambulance Service is identified as part of Children's Health Queensland's key management personnel, consistent with AASB 124 Related Party Disclosures.

##### (b) Board

Position and name	Responsibilities, appointment authority and memberships	Date of initial appointment	Date of resignation or cessation
Board Chair <b>Mr David Gow</b>	Perform duties of Chair as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Health Service Executive Committee Member – Finance and Performance Committee	11 May 2018 (Appointed as Board member 18 May 2013)	–
Deputy Chair <b>Ms Cheryl Herbert</b>	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Chair – Health Service Executive Committee Member – Audit and Risk Committee	6 July 2018 (Appointed as Board member 26 June 2015)	–
Board Member <b>Ms Cheryl Herbert</b>	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Quality and Safety Committee Member – Audit and Risk Committee	26 June 2015	5 July 2018
Board Member <b>Mr Paul Cooper</b>	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Chair – Audit and Risk Committee Member – Health Service Executive Committee	29 June 2012	–
Board Member <b>Dr Leanne Johnston</b>	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Finance and Performance Committee Member – Quality and Safety Committee	29 June 2012	17 May 2019
Board Member <b>Ms Georgina Somerset</b>	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Audit and Risk Committee Member – Quality and Safety Committee	23 August 2013	–
Board Member <b>Ms Heather Watson</b>	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Finance and Performance Committee Member – Audit and Risk Committee	18 May 2018	–

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### (b) Board *continued*

Position and name	Responsibilities, appointment authority and memberships	Date of initial appointment	Date of resignation or cessation
Board Member <b>Mr Ross Willims</b>	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Chair – Finance and Performance Committee Member – Health Service Executive Committee	18 May 2014	–
Board Member <b>Dr David Wood</b>	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Chair – Quality and Safety Committee Member – Health Service Executive Committee	29 June 2012	–
Board Member <b>Ms Jane Yacopetti</b>	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Quality and Safety Committee Member – Audit and Risk Committee	18 May 2013	17 May 2019
Board Member <b>Mr Darren Brown</b>	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Quality and Safety Committee Member – Finance and Performance Committee	18 May 2019	–
Board Member <b>Ms Karina Hogan</b>	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Finance and Performance Committee Member – Audit and Risk Committee	18 May 2019	–
Board Member <b>Ms Suzanne Cadigan</b>	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Quality and Safety Committee Member – Audit and Risk Committee	18 May 2019	–

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### (c) Executive management

#### Health Service Chief Executive

**Responsibilities:** The single point of accountability for ensuring patient safety through the effective executive leadership and management of Children's Health Queensland, as well as associated support functions. Accountable for ensuring that Children's Health Queensland achieves a balance between efficient service delivery and high quality health outcomes.

Name	Incumbent status	Contract classification and appointment authority	Date of initial appointment	Date of resignation or cessation
Fionnagh Dougan	Former	Individual contract <i>Hospital and Health Boards Act 2011</i>	15 January 2015	28 June 2019

#### Executive Director, People and Culture

**Responsibilities:** Develop and implement workforce strategies relating to people and culture so that Children's Health Queensland has the necessary skills, capabilities and enabling human resource, organisational development, work health and safety, cultural capability and industrial relations frameworks to meet current and future health service needs.

Name	Incumbent status	Contract classification and appointment authority	Date of initial appointment	Date of resignation or cessation
Leigh-Anne Goldsmith	Current	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	8 May 2018	–

#### Chief Finance Officer

**Responsibilities:** Provide strategic advice, leadership and management oversight of the Financial and Corporate Services functions for Children's Health Queensland. Work in conjunction with the executive team to ensure that financial stewardship and governance arrangements are in place to meet financial performance targets and imperatives.

Name	Incumbent status	Contract classification and appointment authority	Date of initial appointment	Date of resignation or cessation
Alan Fletcher	Current	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	3 July 2017	–

#### Executive Director, Medical Services

**Responsibilities:** Provide medical executive leadership, strategic focus, managerial direction, authoritative and expert advice on professional and policy issues, leading development of a generative culture that draws the best talent and enhances the attraction and retention of high quality child and family focused medical specialists. To lead paediatric patient safety and quality improvement for Children's Health Queensland. .

Name	Incumbent status	Contract classification and appointment authority	Date of initial appointment	Date of resignation or cessation
Steve McTaggart	Current (Acting)	Senior Medical Officer (Level 28 – MM013) <i>Medical Officer (Queensland Health) Certified Agreement (No.4) 2015 (MOCA 4)</i>	9 February 2019	–
Andrew Hallahan	Former	Senior Medical Officer (Level 27 – MM012) <i>Medical Officer (Queensland Health) Certified Agreement (No.4) 2015 (MOCA 4)</i>	22 May 2016	6 February 2019

#### Executive Director, Nursing Services

**Responsibilities:** Provide nursing executive leadership, strategic focus, managerial direction, authoritative and expert advice on a wide range of professional and policy issues. Shape and lead strategic thinking and strategy development of an integrated nursing service delivery model within Children's Health Queensland.

Name	Incumbent status	Contract classification and appointment authority	Date of initial appointment	Date of resignation or cessation
Fiona Allsop	Current	Nurse Grade 13 <i>Queensland Health Nurses and Midwives Award – State 2015 (Grade 13)</i>	9 April 2018	–

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### (c) Executive management *continued*

#### Executive Director, Allied Health

**Responsibilities:** Provide allied health executive leadership, strategic focus, authoritative and expert advice on a wide range of professional and policy issues to the Health Service Chief Executive, members of the Executive Team and other relevant stakeholders. Achieve policy and operational alignment with National, State and Children's Health Queensland strategic directions, policies and professional standards for the effective and safe delivery of contemporary allied health services.

Name	Incumbent status	Contract classification and appointment authority	Date of initial appointment	Date of resignation or cessation
Tania Hobson	Current	Health Practitioners (HP8-2) <i>Queensland Health Certified Agreement (No.2) 2011</i>	27 January 2016	–

#### Chief Digital Officer

**Responsibilities:** Lead and effectively manage the Digital Health Service portfolio, inclusive of clinical and corporate information management, technology and application services, communication and infrastructure management in alignment with strategic planning for Children's Health Queensland. Providing contemporary information and digital services and deliver complex strategic projects that support the delivery of high quality, safe care which places the child and family at the heart of everything Children's Health Queensland does.

Name	Incumbent status	Contract classification and appointment authority	Date of initial appointment	Date of resignation or cessation
Lisa Knowles	Current (Acting)	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	9 August 2018	–
Alastair Sharman	Former	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	27 January 2015	8 July 2018

#### Executive Director, Clinical Services – QCH

**Responsibilities:** Provide strategic leadership and ultimate accountability for the effective and efficient delivery of all clinical and non-clinical services and resources at the Queensland Children's Hospital including surgery, medicine, critical care and clinical support services.

Name	Incumbent status	Contract classification and appointment authority	Date of initial appointment	Date of resignation or cessation
Dominic Tait	Current	Health Executive Service (HES 3) <i>Hospital and Health Boards Act 2011</i>	15 October 2017	–

#### Executive Director, Clinical Services

**Responsibilities:** Provide executive leadership to contribute to the development and implementation of the vision, strategic direction and goals and achievement of objectives and agreed outcomes for Children's Health Queensland. Accountable and responsible for strategic focus, professional leadership and governance for child and youth community, mental health and statewide services.

Name	Incumbent status	Contract classification and appointment authority	Date of initial appointment	Date of resignation or cessation
Francis Tracey*	Current	Health Executive Service (HES 3) <i>Hospital and Health Boards Act 2011</i>	4 October 2017	–

\* Francis Tracey has been appointed Children's Health Queensland Chief Executive effective 23 July 2019.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### (c) Executive management *continued*

#### Executive Director, Legal, Governance and Risk

**Responsibilities:** Provide strategic advice, leadership and management oversight of legal, governance, risk management and assurance frameworks for Children's Health Queensland to support the delivery of safe, integrated and life-changing care to children, young people and their families.

Name	Incumbent status	Contract classification and appointment authority	Date of initial appointment	Date of resignation or cessation
Lisa Benneworth	Current	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	21 May 2018	–

#### Senior Director, Communication and Engagement

**Responsibilities:** Responsible for ensuring the proactive and strategic management of Children's Health Queensland's communications, media activity and digital engagement. Responsible for the development and management of the Children's Health Queensland brand, ensuring alignment with expectations articulated in legislation and by the Board. Manage media engagement proactively and issues in a response-ready and professional manner.

Name	Incumbent status	Contract classification and appointment authority	Date of initial appointment	Date of resignation or cessation
Belinda Taylor	Current	District Senior Officer (DSO1) <i>Hospital and Health Boards Act 2011</i>	12 November 2018	–
Natalie Patch	Former (Acting)	District Senior Officer (DSO1) <i>Hospital and Health Boards Act 2011</i>	3 September 2018	15 November 2018
Joseph Fitzgerald	Former (Acting)	District Senior Officer (DSO1) <i>Hospital and Health Boards Act 2011</i>	18 September 2017	18 September 2018

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### (d) Remuneration expenses

#### Minister for Health and Minister for Ambulance Service

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. Children's Health Queensland 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.

#### Board

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

#### Executive Management

In accordance with section 67 of the *Hospital and Health Boards Act 2011*, the Director-General of the Department of Health determines the remuneration for Children's Health Queensland key executive management employees. The remuneration and other terms of employment are specified in employment contracts or in the relevant Enterprise Agreements and Awards.

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

- Short-term employee expenses which include:
  - Monetary expenses: salaries, allowances and leave entitlements earned and expensed for the entire year or for that part of the year during which the employee occupied the specified position.
  - Non-monetary benefits: other benefits provided to the employee including performance benefits recognised as an expense during the year with fringe benefits tax where applicable.
- Long-term employee expenses include amounts expensed in respect of long service leave entitlements earned.
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- Termination benefits are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

Employment contracts for key management personnel do not provide for any performance payments.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### (i) Board – Remuneration expenses

Position and name	Year	Short-term employee expenses		Long-term employee expenses \$'000	Post-employment expenses \$'000	Termination benefits \$'000	Total expenses \$'000
		Monetary expenses \$'000	Non-monetary benefits \$'000				
Mr David Gow Board Chair	2019	87	–	–	8	–	95
	2018	18	–	–	1	–	19
Deputy Chair (Former)	2018	32	–	–	3	–	35
Ms Cheryl Herbert Deputy Chair	2019	47	–	–	4	–	51
	2018	46	–	–	4	–	50
Mr Paul Cooper, Board Member	2019	47	–	–	4	–	51
	2018	46	–	–	4	–	50
Dr Leanne Johnston, Board Member	2019	41	–	–	4	–	45
	2018	46	–	–	4	–	50
Ms Georgina Somerset, Board Member	2019	49	–	–	4	–	53
	2018	51	–	–	4	–	55
Ms Heather Watson, Board Member	2019	46	–	–	4	–	50
	2018	5	–	–	–	–	5
Mr Ross Willims, Board Member	2019	47	–	–	4	–	51
	2018	50	–	–	6	–	56
Dr David Wood, Board Member	2019	47	–	–	4	–	51
	2018	47	–	–	4	–	51
Ms Jane Yacopetti, Board Member	2019	41	–	–	4	–	45
	2018	42	–	–	5	–	47
Mr Darren Brown, Board Member	2019	5	–	–	1	–	6
	2018	–	–	–	–	–	–
Ms Karina Hogan, Board Member	2019	5	–	–	1	–	6
	2018	–	–	–	–	–	–
Ms Suzanne Cadigan, Board Member	2019	5	–	–	1	–	6
	2018	–	–	–	–	–	–
<b>Total Remuneration: Board</b>	<b>2019</b>	<b>467</b>	<b>–</b>	<b>–</b>	<b>43</b>	<b>–</b>	<b>510</b>
	<b>2018</b>	<b>383</b>	<b>–</b>	<b>–</b>	<b>35</b>	<b>–</b>	<b>418</b>



# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### (ii) Executive Management – Remuneration expenses

Position	Incumbent status	Year	Short-term employee expenses		Long-term employee expenses \$'000	Post-employment expenses \$'000	Termination benefits \$'000	Total expenses \$'000
			Monetary expenses \$'000	Non-monetary benefits \$'000				
Health Service Chief Executive	Former	2019	368	17	7	37	–	429
	Former	2018	388	17	7	39	–	451
Executive Director, People and Culture	Current	2019	210	17	4	21	–	252
	Current	2018	33	–	1	3	–	37
	Former Acting		110	16	2	9	–	137
Former		72	–	1	6	–	79	
Chief Finance Officer	Current	2019	192	17	4	19	–	232
	Current	2018	195	17	4	18	–	234
Executive Director, Medical Services	Current Acting	2019	208	15	4	16	–	243
	Former		250	1	5	18	–	274
	Former	2018	403	18	8	31	–	460
Executive Director, Nursing Services	Current	2019	233	2	4	26	–	265
	Current	2018	53	–	1	6	–	60
	Former Acting		181	–	3	18	–	202
Executive Director, Allied Health	Current	2019	172	4	3	20	–	199
	Current	2018	161	11	3	18	–	193
Chief Digital Officer	Current Acting	2019	203	17	4	15	–	239
	Former		23	7	–	–	1	31
	Former	2018	197	17	4	19	–	237
Executive Director, Clinical Services – QCH	Current	2019	221	17	4	22	–	264
	Current	2018	158	17	3	16	–	194
	Former Acting		61	–	1	6	–	68
Executive Director, Clinical Services	Current	2019	231	15	4	24	–	274
	Current	2018	237	12	5	26	–	280
Executive Director, Legal, Governance and Risk	Current	2019	185	17	4	18	–	224
	Current	2018	23	–	–	3	–	26
Senior Director, Communications and Engagement	Current	2019	102	17	2	12	–	133
	Former Acting		26	–	–	3	–	29
	Former Acting	2018	31	–	1	3	–	35
	Former Acting		121	6	2	14	–	143
Former		30	17	1	4	–	52	
<b>Total Remuneration: Executives</b>		<b>2019</b>	<b>2,655</b>	<b>163</b>	<b>50</b>	<b>254</b>	<b>1</b>	<b>3,123</b>
		<b>2018</b>	<b>2,423</b>	<b>148</b>	<b>46</b>	<b>236</b>	<b>–</b>	<b>2,853</b>

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2019

### G2 Related party transactions

#### (a) Transactions with Queensland Government controlled entities

Children's Health Queensland 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.

Material transactions between Children's Health Queensland and Queensland Government controlled entities are as follows:

##### Department of Health

Children's Health Queensland receives funding from the Department of Health for specific public health services in accordance with a service agreement. Children's Health Queensland also incurs expenditure for supplies and services provided by the Department of Health.

Related transactions for the year are as follow:

	2019 \$'000	2018 \$'000
Revenue received	755,662	702,327
Expenditure incurred	79,816	62,426
Receivables	2,471	2,824
Payables	7,256	8,045

In addition, the Department of Health provides some corporate services support to Children's Health Queensland for no consideration as outlined in Note B1.2.

##### Children's Hospital Foundation

The Children's Hospital Foundation (Foundation) raises funds for research, equipment and services for Children's Health Queensland. Mr Ross Willims (nominee of the Chair of the Children's Health Queensland Board) and Fionnagh Dougan (former Health Service Chief Executive) were the nominated members on the Foundation Board at reporting date. Membership of the Board is in line with the Foundation's Constitution and the governance terms of such an arrangement.

#### (b) Transactions with other related parties

No transactions with members of the Board, key executive management, and their related entities were identified for the reporting period.

### G3 Taxation

Children's Health Queensland is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only Commonwealth taxes accounted for by Children's Health Queensland.

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

# Children's Health Queensland Hospital and Health Service

## For the year ended 30 June 2019

### Management Certificate

These general purpose financial statements have been prepared pursuant to Section 62(1) of the *Financial Accountability Act 2009* (the Act), Section 43 of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with Section 62(1)(b) of the Act, we certify that in our opinion:

- (a) the prescribed 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 Children's Health Queensland Hospital and Health Service for the financial year ended 30 June 2019 and of the financial position of Children's Health Queensland Hospital and Health Service at the end of that year; and

We, acknowledge responsibility under Section 8 and Section 15 of the *Financial and Performance Management Standard 2009* 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.



Mr David Gow

Board Chair  
Children's Health Queensland  
Hospital and Health Board  
26/08/2019



Mr Francis Tracey

Health Service Chief Executive  
Children's Health Queensland  
Hospital and Health Service  
26/08/2019

# Children's Health Queensland Hospital and Health Service

## For the year ended 30 June 2019



### INDEPENDENT AUDITOR'S REPORT

To the Board of Children's Health Queensland Hospital and Health Service

#### Report on the audit of the financial report

##### Opinion

I have audited the accompanying financial report of Children's Health Queensland Hospital and Health Service.

In my opinion, the financial report:

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

The financial report comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

##### Basis for opinion

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

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

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

##### Key audit matters

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

# Children's Health Queensland Hospital and Health Service

## For the year ended 30 June 2019



### Specialised buildings valuation (\$1,045 million)

Refer to Note C3 in the financial report.

Key audit matter	How my audit addressed the key audit matter
<p>Buildings were material to Children's Health Queensland Hospital and Health Service at balance date and were measured at fair value using the current replacement cost method. Children's Health Queensland Hospital and Health Service performed a desktop and index revaluation over their building portfolio as part of the rolling revaluation program.</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>Children's Health Queensland 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> <li>The measurement of accumulated depreciation involved significant judgements for forecasting the remaining useful lives of building components.</li> </ul> <p>The significant judgements required for gross replacement cost and useful lives are also significant judgements for calculating annual depreciation expense.</p>	<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.</li> <li>Reviewing the scope and instructions provided to the valuer</li> <li>Assessing the appropriateness of the valuation methodology and the underlying assumptions</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>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>Ensuring that no 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>

# Children's Health Queensland Hospital and Health Service

## For the year ended 30 June 2019



### **Responsibilities of the Board for the financial report**

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

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

### **Auditor's responsibilities for the audit of the financial report**

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

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

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

# Children's Health Queensland Hospital and Health Service

## For the year ended 30 June 2019



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

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

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

### Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2018:

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

C G Strickland  
as delegate of the Auditor-General

29 August 2019

Queensland Audit Office  
Brisbane

# Section 5: Appendices

## Strategic Plan 2016-2020 (2019 update)

Our vision	Leading life-changing care for children and young people – for a healthier tomorrow.	
Our commitment	To offer the best: safe, expert, accessible child and family-centred care for children and young people.	
Our values	<b>Respect:</b> teamwork, listening, support <i>‘We listen to others’</i>	<b>Integrity:</b> trust, honesty, accountability <i>‘We do the right thing’</i>
Our strategies	<b>Child and family-centred care</b> We will place the child and family at the heart of all we do	<b>Partnerships</b> We will work collaboratively with partners to improve service coordination and integration, and optimise child and young person health outcomes across CHQ and statewide
Our objectives	<ul style="list-style-type: none"> <li>Ensure services are delivered in child and family friendly and supportive environments</li> <li>Facilitate an integrated system of specialised care for children, through models that support continuity of care and care close to home, and respond to local needs and service capability</li> <li>Deliver and realise the benefits of the Children’s Health Queensland safety and reliability program</li> <li>Develop and implement a consumer engagement strategy that targets improved health literacy and involves the voice of families in the planning, delivery, evaluation and improvement of our services</li> <li>Continuously undertake comprehensive health service planning and reviews to support future services, and influence statewide policy and plans for child and youth health services</li> <li>Implement an engagement and communication strategy that promotes awareness, engagement and community confidence in Children’s Health Queensland services</li> <li>Work closely with the Children’s Hospital Foundation and charity partners to improve the experience of patients and families</li> <li>Deliver a digital strategy which enables every young person’s family/carer to engage electronically with Children’s Health Queensland to improve care outcomes and consumer experience</li> </ul>	<ul style="list-style-type: none"> <li>Lead the development of a best practice framework to partner with health sector providers locally and statewide to inform state and national policy and enhance child and youth health services and outcomes</li> <li>Partner with adult services to develop a framework which ensures continuity of care into adulthood, recognising the importance of transition in psychosocial development of youth</li> <li>Harness Children’s Health Collaborative and Statewide Child and Youth networks to pursue opportunities to lead, influence and advocate on child and youth health policy at a state and national level</li> <li>Strengthen emphasis on improving Aboriginal and Torres Strait Islander child and family access and outcomes, including working with ACCHOs and community leaders to eliminate barriers to access, promote shared leadership, grow the Aboriginal and Torres Strait Islander workforce, and build cultural competence</li> <li>Go-Live on Digital Hospital project to deliver seamless care with partner Hospital and Health Services (statewide)</li> <li>Work with public and primary health agencies to promote the wellbeing of children by encouraging further development of protection, promotion, prevention and early intervention services</li> <li>Work with partners in other sectors (e.g., education, housing) to address the determinants of child and youth health outcomes</li> </ul>
Our measures of success	<ul style="list-style-type: none"> <li>Patient reported experience measure “How would you rate your/ your child’s overall patient experience”: 80% report “Excellent”</li> <li>Complaints resolved within 35 calendar days: &gt;90%</li> <li>Hand hygiene compliance: &gt;80%</li> <li>Unplanned readmission rates within 5 and 28 days of discharge: Target pending</li> <li>Discharge against medical advice: &lt;0.8%</li> <li>Zero preventable serious safety events</li> <li>Increased tele-health occasions of service: &gt;20% growth</li> </ul>	<ul style="list-style-type: none"> <li>Service level agreements with HHSs in place: 100%</li> <li>External stakeholder reported experience measure “A partnership is based on genuine collaboration has been established”: Target pending</li> </ul>
Our foundations	<i>Patient Safety and Quality Strategy • Digital Strategy • Integrated Risk Management Framework • Excellence Framework • People Plan • Children’s Health and Wellbeing Services Plan • Aboriginal and Torres Strait Islander Children’s Health and Wellbeing Services Plan • Quality Improvement Framework</i>	
QLD Gov objectives	Children’s Health Queensland directly contributes to the Queensland government objectives for the community, in particular to give all our supporting evidence-based child and family-centred care in collaboration with our cross-sectorial partners, to provide timely, integrated and safe care. <i>My health, Queensland’s future: Advancing health 2026</i> to make Queenslanders among the healthiest people in the world by 2026.	



<p>Care: compassion, safety, excellence <i>'We look after each other'</i>      Imagination: creativity, innovation, research <i>'We dream big'</i></p>	
<p><b>People – working, learning, growing</b></p> <p>We will create an inspirational workplace where people want to work and learn, where contributions are valued and staff come to work with a purpose and leave with a sense of pride</p> <ul style="list-style-type: none"> <li>• Develop and implement a framework that drives Children's Health Queensland to become a values-based organisation with values at the core of all decisions and actions</li> <li>• Recognised as THE area to work in the health sector – where staff love coming to work and the experience of people matters</li> <li>• Develop interdisciplinary models to maximise opportunities for innovative practice and professional development across Children's Health Queensland</li> <li>• Implement a progressive Children's Health Queensland People Plan focused on workforce wellbeing, leadership, culture and capability</li> <li>• Partner with national and international paediatric exemplars to share knowledge and ensure Queensland children receive contemporary high-value care</li> <li>• Work with other providers of child health services to build workforce capability, through provision of training and CPD</li> <li>• Optimise organisational culture to facilitate high levels of employee engagement that enables performance</li> <li>• Implement people processes, practices and systems that enable people related matters to be managed in a timely and effective manner, through support by a business partnering model</li> </ul>	<p><b>Performance</b></p> <p>We will deliver sustainable, high-value health services driven by continuous improvement, creativity and innovation</p> <ul style="list-style-type: none"> <li>• Develop and implement an Excellence Framework which defines aspiration, benchmarks current performance against industry leaders and drives game changing improvement</li> <li>• Develop and implement an evidence based evaluation framework for health service innovation to assess and prioritise redesign and improvement investments</li> <li>• Partner with the Children's Hospital Foundation and other academic and educational partners to grow an internationally recognised child and young person health research program</li> <li>• Develop strategy to improve the capture, promotion and recognition of research and improvement activities across Children's Health Queensland</li> <li>• Deliver business intelligence and data analytics capabilities which enable Children's Health Queensland to efficiently achieve service agreement targets, identify areas for performance improvement and support research outcomes</li> <li>• Develop and implement a sustainability framework that supports system performance</li> </ul>
<ul style="list-style-type: none"> <li>• Increased staff engagement as reflected by improved Working for Queensland Survey results:             <ul style="list-style-type: none"> <li>- Staff engagement: &gt;60%</li> <li>- Organisational leadership: &gt;60%</li> <li>- Demonstrated values: &gt;60%</li> </ul> </li> <li>• Attraction and retention rates above industry benchmarks</li> <li>• All staff develop agreed performance and development goals through participation in the Performance Coaching and Development process</li> </ul>	<ul style="list-style-type: none"> <li>• Deliver balanced budget position</li> <li>• KPIs outlined in Queensland Health Service Agreement are met or exceeded including:             <ul style="list-style-type: none"> <li>- Emergency length of stay within 4 hours: &gt;80%</li> <li>- Average cost per Weighted Activity Unit (WAU)</li> <li>- Elective surgery % treated within clinically recommended time</li> <li>- Zero Specialist Outpatients Long Waits</li> </ul> </li> <li>• Identify areas of excellence and prioritised opportunities for performance improvement through benchmarking against industry leaders</li> </ul>
<p>Consumer and Community Engagement Strategy • Clinician Engagement Strategy • Integrated Care Strategy • Research Strategy              Quality Management System</p>	
<p>Our children a great start and keeping Queenslanders healthy. This is enabled through our statewide leadership in planning, delivering and accessible care for the children and young people of Queensland. These priorities align with Queensland Health's 10-year vision and strategy,</p>	

# Section 5: Appendices

## Glossary of terms

<b>Accessible</b>	Accessible healthcare is characterised by the ability of people to obtain appropriate healthcare at the right place and right time, irrespective of income, cultural background or geography.
<b>Activity based funding (ABF)</b>	A management tool with the potential to enhance public accountability and drive technical efficiency in the delivery of health services by: <ul style="list-style-type: none"><li>• creating an explicit relationship between funds allocated and services provided</li><li>• capturing consistent and detailed information on hospital sector activity and accurately measuring the costs of delivery</li><li>• strengthening management’s focus on outputs, outcomes and quality encouraging clinicians and managers to identify variations in costs and practices so they can be managed at a local level in the context of improving efficiency and effectiveness</li><li>• providing mechanisms to reward good practice and support quality initiatives.</li></ul>
<b>Acute care</b>	Care in which the clinical intent or treatment goal is to: <ul style="list-style-type: none"><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</li><li>• perform diagnostic or therapeutic procedures.</li></ul>
<b>Acute hospital</b>	Generally a recognised hospital that provides acute care and excludes dental and psychiatric hospitals.
<b>Admission</b>	The process whereby a hospital accepts responsibility for a patient’s care and/or treatment. It follows a clinical decision, based on specified criteria, that a patient requires same-day or overnight care or treatment, which can occur in hospital and/or in the patient’s home (for hospital-in-the-home patients).
<b>Admitted patient</b>	A patient who undergoes a hospital’s formal admission process as an overnight-stay patient or a same-day patient.
<b>Allied health staff</b>	Professional staff who meet mandatory qualifications and regulatory requirements in the following areas: audiology, clinical measurement sciences, dietetics and nutrition, exercise physiology, leisure therapy, medical imaging, music therapy, nuclear medicine technology, occupational therapy, orthoptics, pharmacy, physiotherapy, podiatry, prosthetics and orthotics, psychology, radiation therapy, sonography, speech pathology and social work.
<b>Benchmarking</b>	Involves collecting performance information to undertake comparisons of performance with similar organisations.
<b>Best practice</b>	Cooperative way in which organisations and their employees undertake business activities in all key processes, and use benchmarking that can be expected to lead to sustainable positive outcomes.
<b>Clinical governance</b>	A framework by which health organisations are accountable for continuously improving the quality of their services and safeguarding high standards of care by creating an environment in which excellence in clinical care will flourish.
<b>Clinical practice</b>	Professional activity undertaken by health professionals to investigate patient symptoms and prevent and/or manage illness, together with associated professional activities for patient care.
<b>Clinical workforce</b>	Staff who are or who support health professionals working in clinical practice, have healthcare specific knowledge/ experience, and provide clinical services to health consumers, either directly and/or indirectly, through services that have a direct impact on clinical outcomes.
<b>Emergency department waiting time</b>	Time elapsed for each patient from presentation to the emergency department to start of services by the treating clinician. It is calculated by deducting the date and time the patient presents from the date and time of the service event.
<b>Full-time equivalent (FTE)</b>	Refers to full-time equivalent staff currently working in a position.
<b>Health outcome</b>	Change in the health of an individual, group of people or population attributable to an intervention or series of interventions.
<b>Hospital</b>	Healthcare facility established under Commonwealth, state or territory legislation as a hospital or a free-standing day-procedure unit and authorised to provide treatment and/or care to patients.
<b>Hospital and health boards</b>	The hospital and health boards are made up of a mix of members with expert skills and knowledge relevant to managing a complex healthcare organisation, charged with authority under the <i>Hospital and Health Boards Act 2011</i> .

<b>Hospital and health service</b>	A hospital and health service (HHS) is a separate legal entity established by Queensland Government to deliver public hospital services. The first HHSs commenced on 1 July 2012. Queensland's 17 HHSs will replace existing health service districts.
<b>Hospital in the Home</b>	Provision of care to hospital-admitted patients in their place of residence, as a substitute for hospital accommodation.
<b>Immunisation</b>	Process of inducing immunity to an infectious agency by administering a vaccine.
<b>Incidence</b>	Number of new cases of a condition occurring within a given population over a certain period of time.
<b>Long wait</b>	A 'long wait' elective surgery patient is one who has waited longer than the clinically recommended time for their surgery, according to the clinical urgency category assigned. That is, more than 30 days for a category 1 patient, more than 90 days for a category 2 patient and more than 365 days for a category 3 patient.
<b>Medical practitioner</b>	A person who is registered with the Medical Board of Australia to practice medicine in Australia, including general and specialist practitioners.
<b>Medicare Locals</b>	Established by the Commonwealth to coordinate primary healthcare services across all providers in a geographic area. Medicare Locals work closely with HHSs to identify and address local health needs.
<b>Non-admitted patient</b>	A patient who does not undergo a hospital's formal admission process.
<b>Non-admitted patient services</b>	An examination, consultation, treatment or other service provided to a non-admitted patient in a functional unit of a health service facility.
<b>Outpatient</b>	An individual who accesses non-admitted health service at a hospital or health facility.
<b>Outpatient service</b>	Examination, consultation, treatment or other service provided to non-admitted non-emergency patients in a specialty unit or under an organisational arrangement administered by a hospital.
<b>Overnight-stay patient</b>	A patient who is admitted to, and separated from, the hospital on different dates (not same-day patients).
<b>Patient flow</b>	Optimal patient flow means the patient's journey through the hospital system, be it planned or unplanned, happens in the safest, most streamlined and timely way to deliver good patient care.
<b>Performance indicator</b>	A measure that provides an 'indication' of progress towards achieving the organisation's objectives and usually has targets that define the level of performance expected against the performance indicator.
<b>Population health</b>	Promotion of healthy lifestyles, prevention or early detection of illness or disease, prevention of injury and protection of health through organised population-based programs and strategies.
<b>Private hospital</b>	A private hospital or free-standing day hospital, and either a hospital owned by a for-profit company or a non-profit organisation and privately funded through payment for medical services by patients or insurers. Patients admitted to private hospitals are treated by a doctor of their choice.
<b>Public hospital</b>	Public hospitals offer free diagnostic services, treatment, care and accommodation to eligible patients.
<b>Public patient</b>	A public patient is one who elects to be treated as a public patient, so cannot choose the doctor who treats them, or is receiving treatment in a private hospital under a contract arrangement with a public hospital or health authority.
<b>Registered nurse</b>	An individual registered under national law to practice in the nursing profession as a nurse, other than as a student.
<b>Statutory bodies</b>	A non-departmental government body, established under an Act of Parliament. Statutory bodies can include corporations, regulatory authorities and advisory committees or councils.
<b>Sustainable</b>	A health system that provides infrastructure, such as workforce, facilities and equipment, and is innovative and responsive to emerging needs, for example, research and monitoring within available resources.
<b>Telehealth</b>	Delivery of health-related services and information via telecommunication, including: <ul style="list-style-type: none"> <li>• live, audio and/or video interactive links for clinical consultations and educational purposes</li> <li>• store-and-forward telehealth, including digital images, video, audio and clinical (stored) data on a client computer, then transmitted securely (forwarded) to a clinic at another location where they are studied by relevant specialists</li> <li>• teleradiology for remote reporting and clinical advice for diagnostic images</li> <li>• Telehealth services and equipment to monitor people's health in their home.</li> </ul>
<b>Triage category</b>	Urgency of a patient's need for medical and nursing care.

# Section 5: Appendices

## Glossary of acronyms

<b>AASB</b>	Australian Accounting Standard Board	<b>FYTD</b>	Financial year to date
<b>ACCHO</b>	Aboriginal community controlled health organisations	<b>GA</b>	General anaesthetic
<b>ACL</b>	Anterior cruciate ligament	<b>GOPP</b>	Grant of Private Practice
<b>ACS NSQIP</b>	American College of Surgeons' National Surgical Quality Improvement Program	<b>GST</b>	Goods and Services Tax
<b>ADHD</b>	Attention deficit hyperactivity disorder	<b>HHS</b>	Hospital and health service
<b>AETC</b>	Adolescent Extended Treatment Centre	<b>HITH</b>	Hospital in the Home
<b>AIKE</b>	Advancing International Knowledge Exchange	<b>HQCC</b>	Health Quality and Complaints Commission
<b>AM</b>	Member of the Order (of Australia)	<b>IBD</b>	inflammatory bowel disease
<b>ARRs</b>	Annual report requirements for Queensland	<b>ICT</b>	Information and Communication Technology
<b>AS/NZS</b>	Australian/New Zealand Standard	<b>ieMR</b>	Integrated electronic medical record
<b>ATO</b>	Australian Taxation Office	<b>ISO</b>	International Organisation for Standardisation
<b>CATCH</b>	Children's Advice and Transport Coordination Hub	<b>KMP</b>	Key management personnel
<b>CEO</b>	Chief Executive Officer	<b>KPI</b>	Key performance indicators
<b>CHF</b>	Children's Hospital Foundation	<b>MOCA</b>	Medical officer certified agreement
<b>CHaPs</b>	Community Hub and Partnerships	<b>MRFF</b>	Medical Research Future Fund
<b>CHQ</b>	Children's Health Queensland	<b>NDIS</b>	National Disability Insurance Scheme
<b>CPA</b>	Certified Practising Accountant	<b>NHMRC</b>	National Health and Medical Research Council
<b>CPC</b>	Clinical Prioritisation Criteria	<b>NWAU</b>	National weighted activity unit
<b>CPR</b>	Cardiopulmonary resuscitation	<b>PHD</b>	Doctor of Philosophy
<b>CT</b>	Computed tomography	<b>QAO</b>	Queensland Audit Office
<b>CYCHS</b>	Child and Youth Community Health Service	<b>QCH</b>	Queensland Children's Hospital
<b>CYMHS</b>	Child and Youth Mental Health Service	<b>QCPIMH</b>	Queensland Centre for Perinatal and Infant Mental Health
<b>DHPW</b>	Department of Housing and Public Works	<b>QGAO</b>	Queensland Government Accommodation Office
<b>DoH</b>	Department of Health	<b>QGIF</b>	Queensland Government Insurance Fund
<b>DSO</b>	District senior officer	<b>QIMR</b>	Queensland Institute of Medical Research
<b>EAP</b>	Employee Assistance Program	<b>QUT</b>	Queensland University of Technology
<b>EB</b>	Enterprise bargaining	<b>QWAU</b>	Queensland weighted activity unit
<b>ECHO</b>	Extension for Community Health Outcomes	<b>SToRK</b>	Simulation Training on Resuscitation for Kids
<b>FAA</b>	Financial Accountability Act 2009	<b>UQ</b>	The University of Queensland
<b>FBT</b>	Fringe Benefits Tax	<b>VMO</b>	Visiting Medical Officer
<b>FPMS</b>	<i>Financial and Performance Management Standard 2019</i>	<b>VRA</b>	Visual reinforcement audiometry
<b>FTE</b>	Full-time equivalent	<b>WAU</b>	Weighted activity unit
		<b>WfQ</b>	Working for Queensland

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# Section 5: Appendices

## Compliance checklist

Summary of requirement	Basis for requirement	Annual report reference
<b>Letter of compliance</b>	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs—section 7 1
<b>Accessibility</b>	Table of contents	ARRs—section 9.1 3
	Glossary	ARRs—section 9.1 92
	Public availability	ARRs—section 9.2 Inside front cover
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs—section 9.3 Inside front cover
	Copyright notice	<i>Copyright Act 1968</i> ARRs—section 9.4 Inside front cover
	Information licensing	<i>QGEA: Information licensing</i> ARRs—section 9.5 Inside front cover
<b>General information</b>	Introductory information	ARRs—section 10.1 6
	Machinery of Government changes	ARRs—section 10.2, 31 and 32 n/a
	Agency role and main functions	ARRs—section 10.2 6, 24-25
	Operating environment	ARRs—section 10.3 26-27
<b>Non-financial performance</b>	Government objectives for the community	ARRs—section 11.1 4
	Other whole-of-government plans/specific initiatives	ARRs—section 11.2 4, 5
	Agency objectives and performance indicators	ARRs—section 11.3 6-8, 9-12, 13-20
	Agency service areas and service standards	ARRs—section 11.4 47-49
<b>Financial performance</b>	Summary of financial performance	ARRs—section 12.1 50-52
<b>Governance — management and structure</b>	Organisational structure	ARRs—section 13.1 30
	Executive management	ARRs—section 13.2 34-35
	Government bodies (statutory bodies and other entities)	ARRs—section 13.3 31
	<i>Public Sector Ethics Act 1994</i>	<i>Public Sector Ethics Act 1994</i> ARRs—section 13.4 46
	Queensland Public Service Values	ARRs—section 13.5 7
<b>Governance — risk management and accountability</b>	Risk management	ARRs—section 14.1 44
	Audit committee	ARRs—section 14.2 44
	Internal audit	ARRs—section 14.3 45
	External scrutiny	ARRs—section 14.4 45
	Information systems and recordkeeping	ARRs—section 14.5 45-46
<b>Governance — human resources</b>	Strategic workforce planning and performance	ARRs—section 15.1 36-37
	Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs—section 15.2 38
<b>Open Data</b>	Statement advising publication of information	ARRS-section 16 Inside front cover
	Consultancies	ARRS-section 33.1
	Overseas travel	ARRS-section 33.2 <a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
	Queensland Language Services Policy	ARRS-section 33.3
<b>Financial statements</b>	Certification of financial statements	FAA—section 62 FPMS—sections 42, 43 and 50 ARRs—section 17.1 Financial statements 53-89
	Independent Auditor's Report	FAA—section 62 FPMS—section 50 ARRs—section 17.2 90-93

FAA—Financial Accountability Act 2009, FPMS—Financial and Performance Management Standard 2009, ARRS—Annual report requirements for Queensland Government agencies

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