

# ANNUAL REPORT 2022–23



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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 ([data.qld.gov.au](https://data.qld.gov.au)).

**Interpreter service statement**

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

**Acknowledgment to Traditional Custodians**

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

**Recognition of Australian South Sea Islanders**

Children's Health Queensland formally 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

31 August 2023

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

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2022–2023 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*
- the detailed requirements set out in the *Annual Report Requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements is provided at page 83 of this annual report.

Yours sincerely



**David Gow**  
Chair  
Children’s Health Queensland Hospital and Health Board

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# Statement on Queensland Government objectives for the community

Children's Health Queensland contributes to the Queensland Government's objectives for the community, in particular:

## Good jobs

Good, secure jobs in our traditional and emerging industries

- **Supporting jobs:** Attracting, retaining and investing in a diverse workforce with specialised knowledge and skills to deliver health service priorities.

## Better services

Deliver even better services right across Queensland

- **Backing our frontline services** through building our capacity and capability to deliver world-class paediatric care, research, advocacy and leadership.
- **Keeping Queenslanders safe** by working with our statewide partners to ensure all Queensland children and young people can access world-class healthcare no matter where they live.

## Great lifestyle

Protect and enhance our Queensland lifestyle as we grow

- **Protecting the environment** through our commitment to becoming a leader in sustainable practices by delivering economic, environmental and social benefits for a healthier tomorrow.
- **Building Queensland** by developing integrated family and community hubs that will deliver health services differently and closer to home.
- **Honouring and embracing our rich and ancient cultural history** by co-designing our care for the next generations of Aboriginal and Torres Strait Islander children, and providing culturally safe and appropriate healthcare environments.

Children's Health Queensland has an ethical, social and economic responsibility to ensure children receive the best possible start in life and flourish as part of a healthy, vibrant society. 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.

The *Children's Health Queensland Strategic Plan 2020-2024* (updated 2022) – see Appendices, page 78 – 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.

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

# Message from the Board Chair and the Chief Executive

In 2022–2023 Children's Health Queensland delivered more access to care for Queensland children and young people than ever before.

As we transitioned out of our acute COVID-19 response, our focus shifted to applying the learnings from this extraordinary time to the way we deliver care, ensuring we continue to be responsive to the changing needs of patients and families in a way that is efficient, effective and creates equitable access for Aboriginal and Torres Strait Islander children and young people.

Our teams delivered acute inpatient care to 2,675 more inpatients than last year, 3,198 more elective surgeries and procedures to Queensland children, and 28,105 more outpatient appointments to Queensland children and families.

This was only possible through the extraordinary skill and commitment of our clinicians — across the Queensland Children's Hospital, community and mental health services, statewide paediatric outreach teams and telehealth services — dedicated to improving health outcomes for children, regardless of where they live in Queensland.

Notably, our teams at Queensland Children's Hospital treated 78,707 children and young people in the emergency department in 2022–2023 — 2,134 more children and young people than last year or more than 215 every day. Despite this increase, the emergency department team continued to see patients within targeted timeframes.

Inpatient admissions exceeded 45,600, there were more than 276,000 outpatient appointments, and our Hospital in The Home service cared for 889 patients. Our Child and Youth Mental Health Service provided more than 87,400 community appointments for 6,100 young people. In our community-based services, there were more than 11,100 new referrals to our Child Health Service and our Child Development Program supported more than 5,400 children.

## Record levels of elective surgery

Children's Health Queensland delivered a record 20,712 surgeries in 2022–2023 including elective surgery and total theatre cases, and 5,569 emergency surgery procedures. This was a direct result of our sustainable surgery recovery response put in place to address the long elective surgery waitlist — a result of COVID-19. We committed to addressing the volume of patients waiting longer than category recommendations and delivered an incredible 75 per cent improvement. Thank you to the teams who made this happen.

The Queensland Children's Hospital became one of only three hospitals in Australia accredited by the Royal Australasian College of Surgeons to train in paediatric cardiac surgery, a testament to the calibre of our specialist surgeons and their teams. This means Queensland doctors no longer have to travel interstate or overseas for paediatric cardiac surgery training.

Despite being busier than ever before, Children's Health Queensland continued to progress its vision of leading life-changing care. Our focus remained on our core priorities of valuing all people, generating knowledge and innovating, collaborating in care and performing at our best every time. Our investments and achievements across these areas positioned us well to continue to support the broader Queensland Health agenda for Queenslanders to be among the healthiest in the world by 2026.

## Valuing all people

Throughout 2022–2023 we placed a significant focus on delivering more culturally-appropriate care to Queensland's Aboriginal and Torres Strait Islander children, young people and families.

We co-designed and launched an implementation plan to support the key actions outlined in the *Children's Health Queensland Aboriginal and Torres Strait Islander Health Equity Strategy 2022–2025*. The plan in action has seen improved access to care for Aboriginal and Torres Strait Islander children and young people across our services.

Our bold journey towards achieving health equity for Aboriginal and Torres Strait Islander children and young people is being led by our First Nations workforce and in partnership with Community. In 2022–2023 we continued our three-year partnership agreement with the Institute for Urban Indigenous Health (IUIH) to provide more timely and culturally-appropriate ear, nose and throat (ENT) care through a dedicated outpatient clinic, and dedicated clinics on weekends for Aboriginal and Torres Strait Islander children and young people. These projects support our ongoing commitment to providing the right care, at the right time, in the right way for children, young people and their families.

This financial year also saw the establishment of the Queensland-first Mob ED (Emergency Department) service to help create a culturally safe and welcoming environment for Aboriginal and Torres Strait Islander families in the Queensland Children's Hospital emergency department. Families are guided through a more responsive and culturally safe experience thanks to a dedicated First Nations team. Within three months of the service beginning, the incidence of Aboriginal and Torres Strait Islander patients who 'did not wait' for care in emergency reduced from 3 per cent to less than 1 per cent of presentations.

We are proud of what we have begun to accomplish with our brave and ambitious approach to creating change through our health equity strategy. We look forward to listening, learning and walking together with Aboriginal and Torres Strait Islander peoples on our continuous journey towards closing the gap through 2023–2024 and beyond.

## Generating knowledge and innovating

Research remains at the forefront of everything we do at Children's Health Queensland, from our work in prevention and early detection of serious childhood illness and injury, to delivering lifesaving treatments and building sustainable person-centred healthcare systems.

Children's Health Queensland researchers published more than 700 research papers in 2022-2023, which is an outstanding achievement. This included contributing to landmark papers in world-leading journals to improve patient care and treatment options for children worldwide.

This year we developed the *Children's Health Queensland's Research Strategy 2023-2025* which describes how we collaborate with strategic partners across government, health, social services, education, research, private and non-government organisations to develop, share knowledge and translate knowledge into practice.

The strategy aligns to the *Children's Health Queensland Strategic Plan 2020-2024* which aims to mobilise and empower the Queensland paediatric research community to generate and lead ground-breaking research and translate new knowledge into better health outcomes.

We are committed to the transformational impact of research led by and conducted in collaboration with Children's Health Queensland being experienced by children and young people across Queensland and the world. To make this happen, the strategy will be operationalised through aligned plans including a targeted research action plan which will be updated on an annual basis.

## Collaborating in care

Partnerships continue to be a priority for Children's Health Queensland. We recognise that positive, collaborative relationships with our system, academic, community and non-government partners are key to achieving our vision of leading life-changing care for children and young people, for a healthier tomorrow.

We continue to work closely with The Children's Hospital Foundation which raises funds for research, equipment and services for Children's Health Queensland to benefit more children and young people every year.

In 2022-2023 we partnered with the Queensland Department of Education to deliver the Education Low Vision Assessment Centre (ELVAC) and supported 130 visually impaired students at Narbethong Special School, Woolloongabba and through regional clinics in Cairns and Townsville. The Queensland Children's Hospital Ophthalmology team works with teaching staff through ELVAC to assess students' vision and eye health, and recommend teaching strategies to improve access, participation and achievement.

We also commenced an innovative pilot project called Bridging the Heart. Children's Health Queensland's paediatric cardiac

surgical team partnered with Cairns Hospital and Health Service and the Gurriny Yealamucka Health Service Aboriginal Corporation in Yarrabah, to better support Aboriginal and Torres Strait Islander children living in rural and remote communities in Far North Queensland who need heart surgery.

At Children's Health Queensland we value the lived experience of parents, carers and community members who share their insights and ideas through our Family Advisory Committee, Family-Centred Care Committee, and as consumer representatives on numerous panels and projects. These valued members of our extended team play an important role in helping us to improve patient safety and quality across our services. We extend our sincere thanks to all of them for giving their time and sharing their experiences to ensure the consumer voice remains at the heart of our decision-making and planning.

## Performing at our best

Early in the financial year, as we emerged from the pandemic, we faced unprecedented financial and operational pressures. In response, we launched the Children's Health Queensland Sustainable Care Program to help us remain sustainable and able to respond to the changing healthcare needs of children, young people and families into the future. The program's three pillars — Growing Great Leaders, Activity Optimisation and Financial Improvement — support us to work smarter together and enhance our capacity to provide the right care, in the right place, at the right time.

Under the banner of the Sustainable Care Program, our Children's Health Queensland Green Team introduced initiatives that resulted in emission reductions, improved energy efficiency, and significant waste reduction at the Queensland Children's Hospital. Recognised for its contribution, the Green Team was a finalist in the 2022 Premier's Awards for Excellence.

In 2022-2023 teams across Children's Health Queensland have demonstrated their outstanding commitment to our organisational values and to delivering sustainable, person-centred care. They have gone above and beyond and helped us to continue to grow our national and international reputation for excellence in paediatric healthcare.

Thank you, everyone, for your contribution to our extraordinary outcomes and for providing the best care for Queensland's children and young people.



**David Gow**  
Chair



**Frank Tracey**  
Health Service Chief Executive

# Section 1: About us

## 1.1 Strategic direction

The *Children's Health Queensland Strategic Plan 2020–2024* (updated 2022) describes how we will lead life-changing care for children and young people – for a healthier tomorrow. It outlines our vision, purpose, values and strategies, and describes how we measure our success against broader Queensland Government strategies and objectives.

Our four overarching strategic objectives are:

- **Value all people**  
We will create an inclusive environment where all people feel valued, safe, engaged and empowered.
- **Generate knowledge and innovate**  
We will build and harness creativity, research, technology and collective expertise to prepare for the future.
- **Collaborate in care**  
We will work together with a shared purpose to create a connected system of care.
- **Perform at our best every time**  
We will adapt and improve to achieve sustainable high-quality outcomes.

Our Health Service Chief Executive reports to the Board regularly against the organisation's achievements towards these strategic goals. Reporting includes the progress of principal activities and reporting risks, challenges and opportunities.

See page 78 for the full *Children's Health Queensland Strategic Plan 2020–2024* (updated 2022) or view it online at [childrens.health.qld.gov.au/chq/about-us/strategies-plans/](https://childrens.health.qld.gov.au/chq/about-us/strategies-plans/)

## Agency role and functions

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

Established on 1 July 2012 under the Queensland Government's *Hospital and Health Boards Act 2011*, 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 <https://www.publications.qld.gov.au/dataset/children-s-health-queensland-hhs-service-agreements>

## 1.2 Vision, purpose and values

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

### Our vision

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

### Our purpose

To improve the health and wellbeing of children and young people through world-class care, research, advocacy and leadership.

### Our values

#### Respect

*We listen to others.*

#### Integrity

*We do the right thing.*

#### Care

*We look after each other.*

#### Imagination

*We dream big.*

## Queensland Public Service values

Children's Health Queensland's core values of Respect, Integrity, Care and Imagination work in parallel with the five Queensland Public Service values:

### Customers first

- Know your customers
- 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

## 1.3 Priorities

In 2022–2023, we continued to maintain a strong focus on establishing, strengthening, integrating and evolving our healthcare services in line with the four strategic priorities of the *Children's Health Queensland Strategic Plan 2020–2024* (updated 2022). These priorities are:

### Value all people

- Enable a supportive and inclusive culture that values diversity of experience, skills and perspectives.
- Actively listen, learn and respond to the voices of children, young people, families and staff in the design and delivery of care.
- Empower and equip children, young people and families to be knowledgeable and confident navigators of their health and wellbeing.
- Deliver compassionate leadership, respect and professionalism that promotes wellbeing and enables people to be at their best.
- Address the physical, psychological, cultural and social aspects of health and wellbeing.
- Deliver accessible, responsive and culturally safe care that improves health equity for Aboriginal and Torres Strait Islander peoples.
- Actively eliminate racial discrimination and institutional racism.

### Generate knowledge and innovate

- Champion a culture of curiosity, critical enquiry, innovation and improvement.
- Mobilise and empower the Queensland paediatric research community to generate and lead ground-breaking research and translate new knowledge into better health outcomes.
- Invest in leadership and talent development to create a pipeline that can respond to the opportunities ahead.
- Support growth in a sustainable statewide paediatric workforce to deliver care where it is needed.
- Build interprofessional communities of practice whereby knowledge is fostered and experience is shared.
- Advance health and business intelligence capability to support a population based approach to planning and investment.

### Collaborate in care

- Work together across boundaries for the best experience and outcomes.
- Advocate as a collective voice to reduce health inequities, by leading, influencing and implementing policy and practice.
- Work with Aboriginal and Torres Strait Islander peoples, communities and organisations to co-design integrated models of care.
- Leverage virtual and alternative models to connect, understand and improve the experience and accessibility of care.
- Demonstrate leadership in local, regional and statewide care and planning.
- Proactively support seamless transition of children and young people through the care continuum.
- Foster genuine connections that build trust and productive collaboration.

### Perform at our best every time

- Embed continuous quality improvement in all that we do.
- Integrate quality and performance mechanisms for safe, reliable, high value care.
- Protect and enhance health and wellbeing through an agile and robust pandemic response.
- Align infrastructure, workforce and service planning to collectively respond to current and future needs.
- Strengthen decision-making and accountability through effective governance and timely access to the right information.
- Demonstrate our commitment to being environmentally responsible.
- Optimise efficiency, productivity and resource management to enable a sustainable system of care.

Throughout 2022–2023, we continued to progress the operationalisation of 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. The document outlines our five key health service directions for optimising the health and wellbeing of 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.

The plan can be viewed at: [childrens.health.qld.gov.au/chq/about-us/strategies-plans](https://childrens.health.qld.gov.au/chq/about-us/strategies-plans)

## 1.4 Aboriginal and Torres Strait Islander health

Children's Health Queensland is committed to delivering culturally safe care for Aboriginal and Torres Strait Islander children and young people through consultation, strategies, initiatives and resources tailored to meet the needs of Aboriginal and Torres Strait Islander consumers. We are proud to be partners in Queensland Health's pursuit of health equity for Aboriginal and Torres Strait Islander peoples and accept our role in the preservation of the oldest surviving culture in the world, through improving the care we provide to their children and young people.

### Health Equity Strategy

The *Children's Health Queensland Aboriginal and Torres Strait Islander Health Equity Strategy 2022-2025* was launched in July 2022 followed closely by the release of the corresponding co-designed implementation plan in December 2022. The implementation plan sets out specific actions and performance measures shared across all Children's Health Queensland divisions and prescribed stakeholders and is aligned to operational planning and reporting where possible.

The implementation plan highlights include:

- The launch of an Aboriginal and Torres Strait Islander talent pool. This is the first recruitment pool to help map Aboriginal and Torres Strait Islander talent against vacant positions across the organisation.
- The introduction of regular Welcome to Country and Smoking Ceremonies by Traditional Owners at the Queensland Children's Hospital precinct for the participation of staff, patients and families.
- Cultural immersion training for the Board and Executive Leadership Team.
- The development of the first Children's Health Queensland Aboriginal and Torres Strait Islander patient data dashboard for reporting on our Health Equity Strategy performance measures and other key patient demographics. This will enable analysis and reporting capabilities to track improvements and inform planning.
- An increase in the number of staff completing cultural capability training through the recruitment of Aboriginal and Torres Strait Islander Cultural Capability Officers.
- The development of the first co-designed Aboriginal and Torres Strait Islander Workforce Plan.
- The inclusion of Aboriginal and Torres Strait Islander cultural considerations in our recruitment processes, ensuring they include a focus on cultural capability and health equity so that our workforce provides culturally safe and responsive care.

### Strategic partnerships

In 2022-2023, Children's Health Queensland and the Institute for Urban Indigenous Health (IUIH) continued its three-year partnership agreement to support culturally safe models of care (including an ear, nose and throat (ENT) surgery pathway), reduce system barriers, and encourage shared care and collaboration of services for Aboriginal and Torres Strait Islander children and young people in South East Queensland.

A concerted effort saw a 19 per cent increase in Children's Health Queensland patient referrals to Mob Link, an IUIH initiative to support Aboriginal and Torres Strait Islander peoples living in South East Queensland by linking patients with broader health and social services. Referral numbers grew from 523 in 2021-2022 to 622 in 2022-2023.

Children's Health Queensland and IUIH co-designed and delivered the Mob ED service which aims to break down barriers for Aboriginal and Torres Strait Islander families accessing emergency care at the Queensland Children's Hospital by creating a culturally-safe and welcoming environment. When families arrive at the emergency department and identify as being of Aboriginal or Torres Strait Islander origin, the dedicated Mob ED First Nations team welcomes and supports them through their child's assessment and treatment. The service aims to reduce the number of Aboriginal and Torres Strait children and young people leaving emergency without being seen, and the incidence of poor health outcomes associated with not being seen or treated in time.

We delivered Open Doors clinics and operating theatre sessions in December 2022 and March and June 2023. The clinics, a joint initiative with IUIH, are exclusive to Aboriginal and Torres Strait Islander peoples creating a culturally safe environment for children and their families and most clinics are held on weekends for easier access. By providing nuanced access to healthcare, we aim to help close the gap in health for families. 104 patients visited the clinics, and 36 patients were referred for surgery.

In an innovative pilot project called Bridging the Heart, Children's Health Queensland's paediatric cardiac surgical team partnered with Cairns Hospital and Health Service and the Gurriny Yealamucka Health Service Aboriginal Corporation in Yarrabah, to better support Aboriginal and Torres Strait Islander children living in rural and remote communities in Far North Queensland who need heart surgery.

## Creating welcoming environments

Children's Health Queensland is committed to creating a welcoming healthcare environment for Aboriginal and Torres Strait Islander families through the inclusion of community artwork in our facilities.

- The *Children's Health Queensland Art Collection Policy* mandates representation of artwork by Aboriginal and Torres Strait Islander artists account for at least 50 per cent of the collection. To this end, further Aboriginal and Torres Strait Islander artworks were acquired for the Children's Health Queensland Arts in Health collection during 2022-2023. These include murals which were commissioned from Aboriginal and Torres Strait Islander artists and co-designed with the aim of creating a warm welcome to everyone who arrives at Jacaranda Place and Queensland Children's Hospital. Jacaranda Place unveiled two murals by young artists, Dylan Mooney and Tori-Jay Mordey on 18 May 2023 to coincide with the third birthday of the facility.

A new welcoming sign was installed above the Raymond Terrace entry of Queensland Children's Hospital in early June 2023. The piece features G'day words from various Aboriginal and Torres Strait Islander languages from across Queensland.

- Desk flags including the Aboriginal, Australian and Torres Strait Islander flags were installed across patient-facing administration and information desks and family lounges in Queensland Children's Hospital.

We are also establishing culturally safe places within our services for Aboriginal and Torres Strait Islander children and their families.

- The emergency department established an Aboriginal and Torres Strait Islander patient resource room, enabling patients and families to take a short break in a quiet space and to access health promotion resources and health workers through the Mob ED team.

## Workforce diversity

Children's Health Queensland continued to expand its Aboriginal and Torres Strait Islander workforce in 2022-2023. A total of 1.75 per cent of employees identified as Aboriginal and or Torres Strait Islander, compared with 1.4 per cent in 2021-2022.

Other workforce initiatives included:

- The co-design of the Children's Health Queensland's Aboriginal and Torres Strait Islander Workforce Plan commenced, with a view to strengthening the workforce through a range of supports and initiatives.

- The Paediatric Palliative Care Service established its first Aboriginal Health Worker role to strengthen its culturally safe care for patients and families.
- The Healthy Hearing Program welcomed a new Aboriginal and Torres Strait Islander Community Engagement Officer, focused on developing increased access for newborn screening across Queensland and working in collaboration with the IUIH, Birthing in Our Communities program.
- The Footprints Workforce Project expanded its Aboriginal and Torres Strait Islander cadetship program and school-based traineeship program to include corporate students this year. Cadets and trainees can now work across Children's Health Queensland in nursing, occupational therapy, physiotherapy, speech pathology, social work and corporate and program management. To ensure continuous quality improvement, the program was reviewed internally. The review identified opportunities for enhancement of both programs including onboarding and orientation, cultural mentoring and training and development, wraparound supports and ongoing employment opportunities.

## Service delivery

Children's Health Queensland continued and expanded its service delivery programs for Aboriginal and Torres Strait Island children and young people:

- The Deadly Ears program delivered specialist outreach services to Aboriginal and Torres Strait Islander children in 11 regional and remote communities across Queensland. In addition to providing specialist ENT clinical and surgical outreach services, the program delivered more integrated and comprehensive care by increasing access to specialist nurses, Aboriginal and Torres Strait Islander health workers, audiologists, speech pathologists and occupational therapists.

In 2022-2023 Deadly Ears ENT specialists saw 584 children and 69 children received surgery through outreach services. A total of 476 clinical assessments were performed by a nurse or Aboriginal or Torres Strait Islander health practitioner and 61 children were reviewed remotely through telehealth. Additionally, 1,065 audiological assessments, and 394 occupational therapy and 400 speech pathology consultations were conducted through the program.

- In 2022 Children's Health Queensland received ongoing funding for its Emergency Department Integrated Care Coordinator (ED ICC) program which was first piloted in 2021. The program sees the social work team step in to provide follow-up and case management for adolescents (12-18 years) who present to the emergency in crisis, but

do not require admission to hospital or to the mental health unit. The ED ICC program addresses psychosocial issues impacting young people and seeks to increase supports in community, such as counseling or youth or family support services and reduce the risk of them returning to emergency in the future.

The program is funded by a Department of Health Connected Community Pathways grant and aligns with our 'right time, right place' care and 'care closer to home' strategies. In 2022-2023, the ED ICC received referrals for 29 Aboriginal and Torres Strait Islander young people representing 24 per cent of the total number of referrals. Aboriginal and Torres Strait Islander young people accounted for 16 per cent of referrals, demonstrating an increase since this program has been fully implemented. In this time, the ED ICC program has provided 80 occasions of inpatient service, 110 occasions of outpatient service, and five telehealth occasions of outpatient service.

- The Children's Health Queensland Child and Youth Mental Health Service (CYMHS) has continued to develop its culturally informed care for children and young people in close consultation with the Aboriginal and Torres Strait Islander community. Strengthening relationships with Elders, agencies and communities remains a priority and is critical to successfully supporting Aboriginal and Torres Strait Islander children, young people and their families. In 2022-2023, a total of 16,368 provisions of service were provided to 956 Aboriginal and Torres Strait Islander children and young people.

Aboriginal and Torres Strait Islander CYMHS staff are also directly involved in follow-up care for Aboriginal and Torres Strait Islander children and young people after they present at an emergency department. In 2022-2023, there were 145 occasions of service for 109 young people within 72 hours of presentation to the Queensland Children's Hospital or The Prince Charles Hospital emergency department.

- After tripling its Aboriginal and Torres Strait Islander workforce in 2022-2023, the Forensic CYMHS received referrals for 430 Aboriginal and Torres Strait Islander young people and provided 6,380 provisions of service. The introduction of a new, more integrated model of care resulted in improved services for Aboriginal and Torres Strait Islander young people in detention in 2022-2023 compared to 2021-2022. Specifically, an additional 894 hours of face-to-face service was provided to 199 Aboriginal and Torres Strait Islander young people in detention.

In 2022-2023, 60 per cent of young people who engaged with the Forensic CYMHS while in detention continued to engage with the team for mental health treatment after their release into the community. A further 21 per cent were referred to an alternate government service such as Evolve, or Alcohol and Other Drugs Service after release from custody. 10 per cent were referred to culturally appropriate supports such as community Elders or Aboriginal and Torres Strait Islander health workers.

- The paediatric Indigenous Respiratory Outreach Care (IROC) team attended 450 face-to-face consultations in 13 communities. The team consists of senior respiratory consultants, scientists, physiotherapists and clinical nurse consultants from Queensland Children's Hospital. IROC offers education to the local doctors, health workers, allied health and child health nurses during clinic visits. Children are followed-up via phone or telehealth sessions between clinic visits. Records show an increase in diagnosis of children under four with bronchiectasis and increased attendance at all clinics.

## 1.5 Our hospital-based and community-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, person-centred care through a network of professionals, services and facilities, incorporating:

- the Queensland Children's Hospital
- Jacaranda Place
- Ellen Barron Family Centre
- Child and Youth Community Health Service
- Child and Youth Mental Health Service
- Yarrabilba Family and Community Place
- 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.

Our services are provided at the Queensland Children's Hospital and from community sites in the Brisbane metropolitan area. We also partner with the 15 other hospital and health services in Queensland, as well as non-government agencies, charities and other healthcare providers, to ensure every child and young person, regardless of where they live, has access to the best-possible care, coordinated services and support.

Our proven commitment to people, partnerships, equity and innovation to provide the best care for Queensland children and young people is internationally recognised through our Gold Certification in Person-Centred Care by Planetree International. We were the first paediatric healthcare provider in the Southern Hemisphere to achieve Gold Certification and the first and only (paediatric or otherwise) in Australia.

Our person-centred care approach considers children, young people and their families as true partners in their care, and places individual social, emotional, cultural, mental and physical care needs at the heart of their healthcare journey.

### 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 with Queensland and interstate partners 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, covering areas 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 universities, industry and other academic partners.

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

### Concessional parking

To help families with the cost of parking in the hospital precinct, we continue to exercise the Queensland Children's Hospital Concessional Parking Policy 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 who:

- are experiencing financial hardship, or
- attend the hospital two or more days per week, or
- hold a Health Care Card and visit the hospital for an inpatient admission or outpatient appointment.

During the 2022-2023 period, 38,185 concessional parking tickets (at a value of \$239,524.09) were issued to families. An average of 3,182 concessional parking tickets were issued to families per month, which represents a 30 per cent increase on the average of 2,444 per month in 2021-2022.

## Child and Youth Community Health Service

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

Multidisciplinary teams of doctors, child and youth health nurses, early intervention clinicians, allied health professionals, Aboriginal and Torres Strait Islander health workers, multicultural health workers and other health professionals deliver a comprehensive range of health promotion, assessment, intervention and treatment services across the continuum of care.

We provide access to community care for almost 500,000 children across the Greater Brisbane area from more than 50 community clinics, but also support communities across the state via outreach and statewide services such as the Deadly Ears program, the Good Start program, the Healthy Hearing program, and the Ellen Barron Family Centre.

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

## Child and Youth Mental Health Service

Our Child and Youth Mental Health Service provides comprehensive, collaborative, client and person-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.

A 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 mental health services across the continuum for children and young people at a range of locations including inpatient care at the Queensland Children's Hospital, sub-acute inpatient care for young people at Jacaranda Place, day programs, community-based care at clinics across the greater Brisbane metropolitan area, and a range of specialist services (such as forensic, eating disorders, perinatal and infant mental health, and tele-psychiatry services) across the state.

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

## 1.6 Targets and challenges

### Operating environment

Children's Health Queensland's operating environment is complex and ever-changing. The COVID-19 global pandemic created extraordinary challenges to our health, social, education and economic systems which triggered a stronger need for agility to respond to the new conditions of the healthcare system. Our 'new normal' environment calls for reform and prioritised focus that builds capacity and capability to meet the needs of shifting disease profiles, a growing population, fiscal pressures, and consumer expectations. A summary of the external factors that have impacted our operational context in 2022-2023 are detailed below.

#### Rising demand and access pressures

Capacity pressures are being experienced across the health system locally, nationally and globally. At the Queensland Children's Hospital, this includes a sustained increase in emergency presentations and admissions involving a large volume of complex specialised cohorts. To meet these needs, Children's Health Queensland is focusing on ways to optimise and evolve how we design, plan and deliver care so that it is delivered at the right time, by the right professional and in the right place. Children's Health Queensland's partnerships with other health and human services across the state are critical in creating a sustainable network of paediatric care.

We will continue to promote and deliver community-based and preventative healthcare, and alternative models of care that improve access, consumer experiences and health outcomes for children, young people and families across the communities we serve. Bolstered by our strengthened partnerships across both health sector and other jurisdictions, Children's Health Queensland will continue to invest in the co-design and co-commissioning of place-based infrastructure. In doing so, we are designing a future where children, young people and their families can access care closer to home.

#### Health equity for Aboriginal and Torres Strait Islander peoples

World-class clinical care requires strong organisational capability and understanding of systemic and sustainable health equity reform. Underpinning this is our understanding and acknowledgement of the social, cultural, and economic determinants of health and their impact on achieving equitable access and outcomes for Aboriginal and Torres Strait Islander children, young people and families.

Children's Health Queensland is continuously striving to create and deliver more person-centric and values-based approaches to empower consumers to be confident navigators of their health journey. Health disparities for

Aboriginal and Torres Strait Islander peoples continue to exist, with barriers to accessing healthcare, poor healthcare experiences, and/or poor health outcomes. Children's Health Queensland acknowledges these barriers and strives to positively impact health access and outcomes for Aboriginal and Torres Strait Islander peoples.

Children's Health Queensland continues to apply a critical lens to improve equity in health outcomes and remove systemic discrimination and barriers to access to care from priority populations including Aboriginal and Torres Strait Islander peoples – driving workplace culture and practice change.

#### Workforce wellbeing, capacity and capability

Sustaining workforce wellbeing, building resilience, and preventing and managing compassion fatigue, burnout and/or emotional exhaustion continue to dominate the global healthcare industry. An increase in demand for services, alongside higher staff absentee rates and resourcing reform has the global workforce continuing to 'do more with less'. This is situated on a historical background of workforce shortages particularly in regional and remote communities, which at a systems level, increases the demand on acute and/or tertiary services. Staff can be challenged by the need to balance working in partnership with consumers to provide safe and person-centred care while also responding to heightened demand in a timely fashion. Subsequently, workforce dissatisfaction, moral distress and 'moral injury' are becoming increasingly topical across the world. The role of cumulative fatigue and increased risks faced by health workers during the COVID-19 pandemic has created enduring stress for the existing and future healthcare workforce. This impacts attraction and development of the future workforce and retention of the existing workforce, perpetuating staffing shortages, and furthering inequities in access for consumers.

Rapidly evolving technologies and advances in healthcare require the health workforce to have an evolving set of knowledge, skills and capabilities. Consequently, planning and refinement of education pathways, training and development opportunities are emerging as focus areas to enable the workforce to respond effectively to a complex healthcare context. Key skill domains across themes include:

- Cultural capability
- Leadership skills
- Building health workforce capability to support priority populations
- Capacity building for health promotion at all levels
- Cross-skilling of staff within teams
- True co-design with consumers and key stakeholders.

## Financial sustainability pressures

The Queensland health system has and will continue to navigate increased hospital admissions and healthcare expenditure within a fiscally constrained environment. Balancing the continued provision of acute and planned care with surge demands remains an ongoing challenge.

To maintain our position as a high-performing hospital and health service, and to ensure we remain sustainable and responsive to the changing healthcare needs of children, young people and their families now and into the future, several initiatives are under way as part of the Children's Health Queensland Sustainable Care Program.

The Sustainable Care Program is designed to embed innovation, value, efficiency and effective leadership at every level of our organisation so that the care we provide continues to be smart, safe and sustainable well into the future. By demonstrating good stewardship and use of our resources now we will continue to lead and drive creativity and innovation in paediatric care, education and research for many years to come.

## Strategic opportunities and risks

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

### Opportunities

- Co-design culturally safe services to improve health equity and outcomes for all children and young people across Queensland including Aboriginal and Torres Strait Islander people and other vulnerable populations.
- Embed a person-centred approach for care that is inclusive, authentic and delivered in partnership with each child, young person, family and the community.
- Leverage innovative and contemporary digital solutions to enhance paediatric service delivery across the health system to improve accessibility of care and high-quality health outcomes to all children, young people and families within the community.
- Lead and advocate translational research and innovation capability to improve health outcomes for children and young people.

### Challenges

- Health system complexity and our response to changing public health contexts (e.g., COVID-19) impacts our ability to deliver connected care effectively and efficiently to patients and families as close to home as possible.
- Attracting, retaining and investing in a diverse workforce with specialised knowledge and skills impacts how we deliver health service priorities.
- Our capacity to sustainably deliver paediatric services is impacted by population growth, increasing demand, changing disease profiles, and resource availability.
- Our ability to innovate and expand the provision of high-quality health services and performance of physical assets and facilities is impacted by access to capital funds to respond to growing population needs.

## 1.7 Looking ahead

In 2023-2024 we will continue to prioritise the initiation, delivery and progress of key activities, projects and goals that support our ongoing drive to improve the health and wellbeing of children, young people and their families across Queensland and northern New South Wales.

In response to the current and projected needs of our operating environment, Children's Health Queensland will prioritise collective effort to evolve the ways in which care is designed, planned, accessed and delivered; prioritise health equity for Aboriginal and Torres Strait Islander people; enable the capacity and capability of the paediatric workforce, and address financial sustainability.

### Improve access and evolve service models

#### Care in the community

*Strengthen access to care in the community and closer to home*

- Co-design, build and deliver integrated community hubs and place-based initiatives to support needs-based care, closer to home. Through strong cross-sector collaboration and partnership, Children's Health Queensland will deliver place-based community hubs in areas and communities with high need.
- Establish the Head to Health Kids Hub alongside consortia partners to deliver an innovative and integrated approach to providing holistic child and family mental health and wellbeing care.
- Optimise alternative models of service delivery and hospital avoidance models to improve access to the right health professional, at the right place, at the right time. This includes the statewide integration and digital expansion of early parenting services to provide earlier access and better integration of care in the first 2,000 days.

#### Care in the hospital

*Optimise delivery of safe, appropriate and timely hospital care*

- Optimise and transform clinical models of care to enable improved access to high-value, sustainable care. This includes the clinical redesign of the general paediatrics model of care and maximising the efficiency of telehealth through ambulatory care services.
- Leverage *The Future of Genomics in Queensland* policy statement and roadmap to guide the design and implementation of a service model that supports mainstreaming genetic testing at Children's Health Queensland.

### Maximise wellbeing

*Improve the health and wellbeing of Queenslanders*

- Children's Health Queensland will continue to lead in the coordination and enablement of a statewide network of paediatric care through the design and delivery of effective statewide plans and models of care. This includes the delivery of a statewide paediatric plan which will be led by the Department of Health's Clinical Planning and Service Strategy division in partnership with Children's Health Queensland and other key stakeholders.
- Continue to work in partnership with the broader health system and Hospital and Health Services to evolve models of service delivery that meet the needs of children and young people across the state. This includes leveraging learnings of the Children's Health Queensland statewide services review and statewide paediatric plan to scope and develop a Children's Health Queensland clinical services plan.

### Improve health equity for Aboriginal and Torres Strait Islander people

To ensure Children's Health Queensland remains at the forefront of its commitment to health equity, it is crucial to continue investing in the piloting of innovations and learning from outcomes. In 2023-2024, Children's Health Queensland will deliver initiatives as articulated in the *Children's Health Queensland Aboriginal and Torres Strait Islander Health Equity Strategy 2022-2025* and associated implementation plan. This includes:

- Initiatives to empower our workforce through rich, practice-oriented cultural education, and improved recruitment and retention rates for Aboriginal and Torres Strait Islander peoples.
- Closing the gap on priority waitlists (inpatients and outpatients) to ensure Aboriginal and Torres Strait Islander patients are prioritised.
- Collaboration with other organisations and agencies to contribute to early intervention and prevention strategies to address priority health and social determinant needs for children and young people (including rheumatic heart disease, perinatal and infant mental health, suicide prevention, chronic health disease, youth incarceration, child safety, injury, substance misuse, sexual health and oral health).

## Enable our workforce

Children's Health Queensland will build a responsive, skilled and valued workforce where people feel supported. This will include the continued focus on initiatives to build capacity and capability across the paediatric workforce including:

- Investment in new and revised digital communities of practice that support known or emergent identified needs for workforce supports in targeted professional, geographic and population health areas.
- Scoping and integrating lived experience workforce positions across Children's Health Queensland, including peer workers with a focus on training and support to enable these positions in clinical contexts.
- Delivering our Growing Great Leaders program to support leaders in a consistent way through practical information and tools across four fundamental topics: what is leadership excellence; leading self; leading others; and leading delivery.
- Delivering a strategic partnerships framework that anchors and builds upon investment to date.
- Developing a performance dashboard to more effectively monitor financial and operational performance against defined KPIs.
- Implementing a revised training package to enhance financial literacy for cost centre managers.

## Deliver solutions to ensure sustainable care

Children's Health Queensland will continue to prioritise financial sustainability as a core focus to ensure services remain accessible to Queensland children and young people now and into the future. Calls for more individualised, person-centred and value-based approaches to healthcare funding and performance measures have become louder, especially after the challenges of providing flexible care during the COVID-19 pandemic. Coupled with the economic impact of the pandemic, reform agendas are focusing on delivering the best value for the population and sustainability of the system.

Across 2023-2024, Children's Health Queensland will focus on delivering this through a number of initiatives including:

- Delivering the Sustainable Care Program which is tailored to embed innovation, value, efficiency and effective leadership at every level of our organisation so that the care we provide continues to be smart, safe and sustainable well into the future.
- Delivering the critical milestones of the *Children's Health Queensland 5-Year Capital Asset Lifecycle Replacement Plan*.
- Implementing an operational activity plan that supports the ability to meet performance targets as outlined in the *Children's Health Queensland Service Agreement*.

## Section 2: Governance

### 2.1 Our people

#### 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, Mental Health and Ambulance Services and Minister for Women. The Board is responsible for the governance of Children's Health Queensland, in accordance with the *Hospital and Health Boards Act 2011* and *Hospital and Health Boards Regulation 2012*.

#### Board members

##### David Gow, Chair

*Commenced: 18/05/2013. Appointed Chair: 11/05/2018*

*Current term: 18/05/2020 to 31/03/2024*

David has more than 40 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 has held several non-executive board roles in government and private sector companies, specialising in governance, financial management, audit and risk management, and research commercialisation.

##### Cheryl Herbert, Deputy Chair

*Commenced: 26/06/2015. Appointed Deputy Chair: 6/07/2018*

*Reappointed Deputy Chair on 01/10/2019 to 17/05/2021 and again 21/10/2021 to 31/03/2024*

*Current term: 18/05/2021 to 31/03/2024*

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 Australian Regional and Remote Community Services Pty Ltd, UnitingCare Queensland Pty Ltd. Cheryl was the founding Chief Executive Officer of the Health Quality and Complaints Commission from 2006 and served as the Chief Executive Officer of Anglicare (formerly St Luke's Nursing Service) for 10 years.

##### Associate Professor Martin Byrne

*Commenced: 10/06/2021*

*Current term: 10/06/2021 to 31/03/2024*

Martin is a well-respected general practitioner, rural generalist and medical administrator with more than 20 years' experience working in rural and remote health settings in both the public and private sector. Until June 2022, Martin was Director of Medical Services of Metro North Hospital and Health

Service's Surgical, Treatment and Rehabilitation Service. Martin is currently working as a rural GP in Nanango and as a rural generalist for Queensland Country Practice. He is an Associate Professor with Griffith University where he serves as Medical Educator and Examiner and holds senior roles with The University of Queensland and University of Southern Queensland. Martin has previously served in executive roles for South West and Darling Downs Hospital and Health Services.

##### Suzanne Cadigan

*Commenced: 18/05/2019*

*Current term: 1/04/2022 to 31/03/2026*

Suzanne has vast experience as a registered nurse in both the public and private health sectors, working in a range of clinical, education and leadership roles in critical care, surgical, paediatric and emergency nursing. Suzanne currently serves on the Board of Karuna Hospice Services, an in-home palliative care service and represents Children's Health Queensland on the Ronald McDonald House Charities Board for South East Queensland. She is also a member of *The Queensland Plan* Ambassadors Council which fosters community engagement and shared responsibility for achieving the long-term vision of *The Queensland Plan*.

##### Associate Professor Simon Denny

*Commenced: 10/06/2021*

*Current term: 10/06/2021 to 31/03/2024*

Simon is a paediatrician and adolescent and young adult physician currently working as Director of the Mater Young Adult Health Centre in South Brisbane. Prior to this, he served as an Associate Professor in the Department of Paediatrics, Child and Youth Health at the University of Auckland. Simon has worked with adolescents and young adults for more than 20 years in Australia, New Zealand and the United States, gaining expertise in a range of health conditions affecting adolescents and young adults including obesity, gender and identity issues, and drug, alcohol and mental health

concerns. He is widely published internationally in the field of adolescent health and wellbeing.

### William Fellowes

*Commenced: 18/05/2021*

*Current term: 18/05/2021 to 31/03/2024*

William is an experienced non-executive director with a finance, consulting and assurance background. After working in finance and commercial leadership roles globally and around Australia, William is now based in Western Queensland with his young family and sits on numerous Boards and advisory committees with for-purpose organisations including RACQ, Opera Queensland, Royal Flying Doctor Service (Queensland) and Northern Australia Primary Health Limited. William is a Chartered Accountant and a Graduate of the Australian Institute of Company Directors.

### Karina Hogan

*Commenced: 18/05/2019*

*Current term: 1/04/2022 to 31/03/2026*

Karina is a proud First Nations and South Sea Islander woman, with strong ancestral connections to northern New South Wales. With a wealth of experience in media and governance, she has made significant contributions to the industry. In 2022, Karina and her colleagues were honoured with a prestigious Logie award for their documentary, *Incarceration Nation*, which shed light on important social issues. Currently serving as an ABC journalist, Karina is the Chair of BlakDance, where she advocates for Indigenous representation and storytelling through dance. She also acts as a Non-Executive Director for ATSICHS Brisbane, a community-controlled organisation, and Deadly Coders, promoting digital literacy among Indigenous youth.

### Meredith Staib

*Commenced: 18/05/2020*

*Current term: 1/04/2022 to 31/03/2026*

Meredith has more than 20 years' clinical and commercial experience in the public, private and community sectors. She has worked in hospital and healthcare management and global medical assistance and is currently Chief Executive Officer of the Royal Flying Doctor Service (Queensland), one of the largest and most comprehensive aeromedical operations in the world. Meredith also holds membership of the Australian Advisory Council Thankful4Farmers and has previously held international director and board positions.

### Heather Watson

*Commenced: 18/05/2018*

*Current term: 18/05/2021 to 31/03/2024*

Heather brings more than 30 years' legal and governance experience with specialist expertise in the charitable and non-profit sectors. She has been a partner in legal practices in both regional and metropolitan contexts in Queensland.

Her nonexecutive director and industry experience includes aged care, health and community services, infrastructure in transport and housing, and Indigenous communities.

### Ross Willims

*Commenced: 18/05/2014*

*Current term: 18/05/2021 to 31/03/2024*

Ross has held several senior executive positions within both the public and private sectors 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.

## Our committees

### Health Service Executive Committee

*Membership: Cheryl Herbert (Chair), David Gow, Ross Willims, Suzanne Cadigan, Will Fellowes and Heather Watson.*

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 stakeholder engagement strategies of the Hospital and Health Service. Additional responsibilities include supporting the Board with performance arrangements and succession planning for the Health Service Chief Executive and select workforce and culture strategies.

### Safety and Quality Committee

*Membership: Suzanne Cadigan (Chair), Cheryl Herbert, Martin Byrne, Simon Denny and Karina Hogan.*

The Safety and Quality Committee makes recommendations to the Board by overseeing quality and safety, including compliance with state and national standards, provision of person-centred care, service accreditation preparedness, periodic industry review outcomes and critical incidents of concern/interest to the Board and workplace health, safety and wellbeing practices.

### Audit and Risk Committee

*Membership: Willll Fellowes (Chair), Martin Byrne, Karina Hogan, Heather Watson and Meredith Staib.*

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 2019 and Financial and Performance Management Standard 2019.*

## Research Committee

*Membership: Heather Watson (Chair), David Gow, Cheryl Herbert, Simon Denny and Suzanne Cadigan. External Member: Professor Craig Munns.*

The Research Committee provides oversight and recommends strategies to the Board in relation to building long-term collaborations in research and enhanced clinical service delivery founded on sustainable and trusting partnerships. The remit of the Committee has also recently expanded to include oversight of strategy development in clinical and health service education and training.

## Finance and Performance Committee

*Membership: Ross Willims (Chair), David Gow, Karina Hogan, Meredith Staib and Will Fellowes.*

The Finance and Performance Committee supports 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*.

## Board appointments

There were no Board appointments in 2022-2023.

## Meetings

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

7 July 2022	2 February 2023
4 August 2022	2 March 2023
1 September 2022	6 April 2023
6 October 2022	4 May 2023
3 November 2022	1 June 2023
1 December 2022	

**Table 1: Children's Health Queensland Hospital and Health Service Board**

Act or instrument	<i>Hospital and Health Boards Act 2011 and Hospital and Health Boards Regulation 2012.</i>				
Functions	<ul style="list-style-type: none"><li>• Oversee Children’s Health Queensland Hospital and Health Service as necessary, including control and accountability systems.</li><li>• Provide input and final approval of executive 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 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>				
Achievements	Children’s Health Queensland’s achievements are outlined in Section 3 of this annual report.				
Financial reporting	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 2019</i> and other prescribed requirements.				
Remuneration: As approved by the Governor in Council, Board Member annual fees are \$75,000 Board Chair, \$40,000 Deputy Chair and Members. Committee fees are \$4,000 per Chair and \$3,000 per Member.					
Position	Name	Meetings/ sessions attendance	Approved annual fee	Approved committee fees (including Research Committee)*	Actual fees received**
Chair	David Gow	10	\$75,000	\$9,000	\$80,838
Deputy Chair	Cheryl Herbert	10	\$40,000	\$10,000	\$46,954
Member	Associate Professor Martin Byrne	10	\$40,000	\$6,000	\$45,843
Member	Suzanne Cadigan	11	\$40,000	\$10,000	\$46,954
Member	Associate Professor Simon Denny	10	\$40,000	\$6,000	\$42,968
Member	William Fellowes	10	\$40,000	\$10,000	\$49,676
Member	Karina Hogan	10	\$40,000	\$9,000	\$48,832
Member	Meredith Staib	9	\$40,000	\$6,000	\$45,996
Member	Heather Watson	11	\$40,000	\$10,000	\$45,996
Member	Ross Willims	10	\$40,000	\$7,000	\$46,839
No. scheduled meetings		11			
Total out of pocket expenses		\$1,789.00			

\*Remuneration for Research Committee fees were not issued during the 2022-2023 Financial Year. Payment of fees was processed in July 2023 and will be reflected in the 2023-2024 Annual Report.

\*\*Board total remuneration expenses are disclosed in Section G of the Notes to the Financial Statements.

## Executive Leadership Team

### Adjunct Professor Frank Tracey

#### *Health Service Chief Executive*

Adjunct Professor Frank Tracey has over 40 years' experience working in health systems, including executive roles in large health organisations and the non-government sector. He has a clinical background in nursing and holds advanced qualifications in health management and governance. His extensive experience in health commissioning and service provision in clinical and community settings is complemented by strong executive management and leadership skills. Frank has an applied interest in population health planning and translational health research. While working in both government and non-government roles he has focused on delivering sustainable health strategies that serve the best interests of consumers, health professionals, the broader health system and the community.

### Alan Fletcher

#### *Executive Director Corporate Services and Chief Finance Officer*

Alan is a highly experienced healthcare leader responsible for Children Health Queensland's financial strategy, compliance, governance and key functions including financial and management accounting, revenue services, clinical costing and business analytics. Alan also leads the digital health services function as well as the facilities and capital infrastructure, disruption and disaster management, procurement, contracts and supply chain services portfolios for the organisation. He is a member of CPA Australia and has more than 27 years' financial leadership and management within the public health sector with extensive knowledge and experience in financial management, business leadership and corporate strategy.

### Associate Professor Steven McTaggart

#### *Executive Director Medical Services*

Steven was appointed Executive Director Medical Services for Children's Health Queensland in May 2021, having previously been the Divisional Director of Medicine since 2014. He has also worked as a paediatric nephrologist for 20 years and continues with some limited clinical practice providing care to children with kidney disease and their families. Steven is passionate about person-centred care, patient safety and quality, and clinical excellence, and is the Paediatric Medical Lead of the Queensland Health Patient Safety and Quality Improvement Service. His leadership is pivotal to supporting the workforce to deliver continuous improvement in patient care by embedding best practice and encouraging innovation in clinical care, education and research.

### Adjunct Professor Callan Battley

#### *Executive Director Nursing Services*

Callan Battley has held a number of executive leadership roles in large health services. Callan is a highly respected executive nurse leader who is passionate about the healthcare and wellbeing of children and young people with a particular interest in equity. He holds conjoint roles working in partnership with multiple universities to develop a paediatric and young person nursing workforce for the future and is actively involved as an investigator in a number of research projects that seek to improve outcomes and reduce harm to children and young people. He has a strong track record of leading transformation to deliver improvement and high performance and is actively involved in children's health and wellbeing in rural and remote Queensland through volunteer work.

### Adjunct Associate Professor Tania Hobson

#### *Executive Director Allied Health (until 27 March 2023)*

Tania has a strong clinical background and extensive experience as a strategic and operational manager and professional leader. She 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. She is currently completing a PhD, researching consumer engagement in health care.

### Associate Professor Leanne Johnston

#### *Acting Executive Director Allied Health (from 24 April 2023)*

Leanne is an advanced clinical paediatric physiotherapist with more than 25 years' experience across clinical, research, management and education roles. Leanne is passionate about improving healthcare quality and equity and has dedicated her career to providing person-centred care and support for children and their families. Leanne has held executive roles across multiple sectors, including Head of Physiotherapy for The University of Queensland, and Allied Health and Research Manager for the Cerebral Palsy League of Queensland. Leanne also served as a founding Board Member for Children's Health Queensland from 2012 to 2019.

## Dominic Tait

### *Executive Director Clinical Services*

Dominic is a highly experienced healthcare leader and manager who is passionate about providing high-quality paediatric health services in partnership with patients and families. He commenced in the position of Executive Director Clinical Services for the Queensland Children's Hospital in 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 from 2012. 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 since 2001.

## Belinda Taylor

### *Executive Director Communications, Culture and Engagement*

Belinda is a highly experienced communications, corporate and public affairs professional with a career spanning more than 20 years and across a range of industries. 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. Belinda is responsible for Children's Health Queensland's internal and external communications, media, stakeholder engagement, organisational culture and leadership development, as well as the Children's Health Queensland Arts in Health program.

## Adrian Clutterbuck

### *Executive Director Strategy, Planning, Improvement and Innovation*

Adrian has a passion for developing people and teams and has been with Children's Health Queensland since 2017. Adrian has extensive experience leading and delivering strategy and transformation work across health systems internationally. As a Director in a global management consultancy company, he has delivered operational efficiency and large-scale reconfiguration and transformation work across the United Kingdom and Australian health systems. A physiotherapist by training, Adrian has held clinical leadership roles in community services as well as business development roles in a multinational pharmaceutical company.

## Angela Young

### *Executive Director Aboriginal and Torres Strait Islander Engagement*

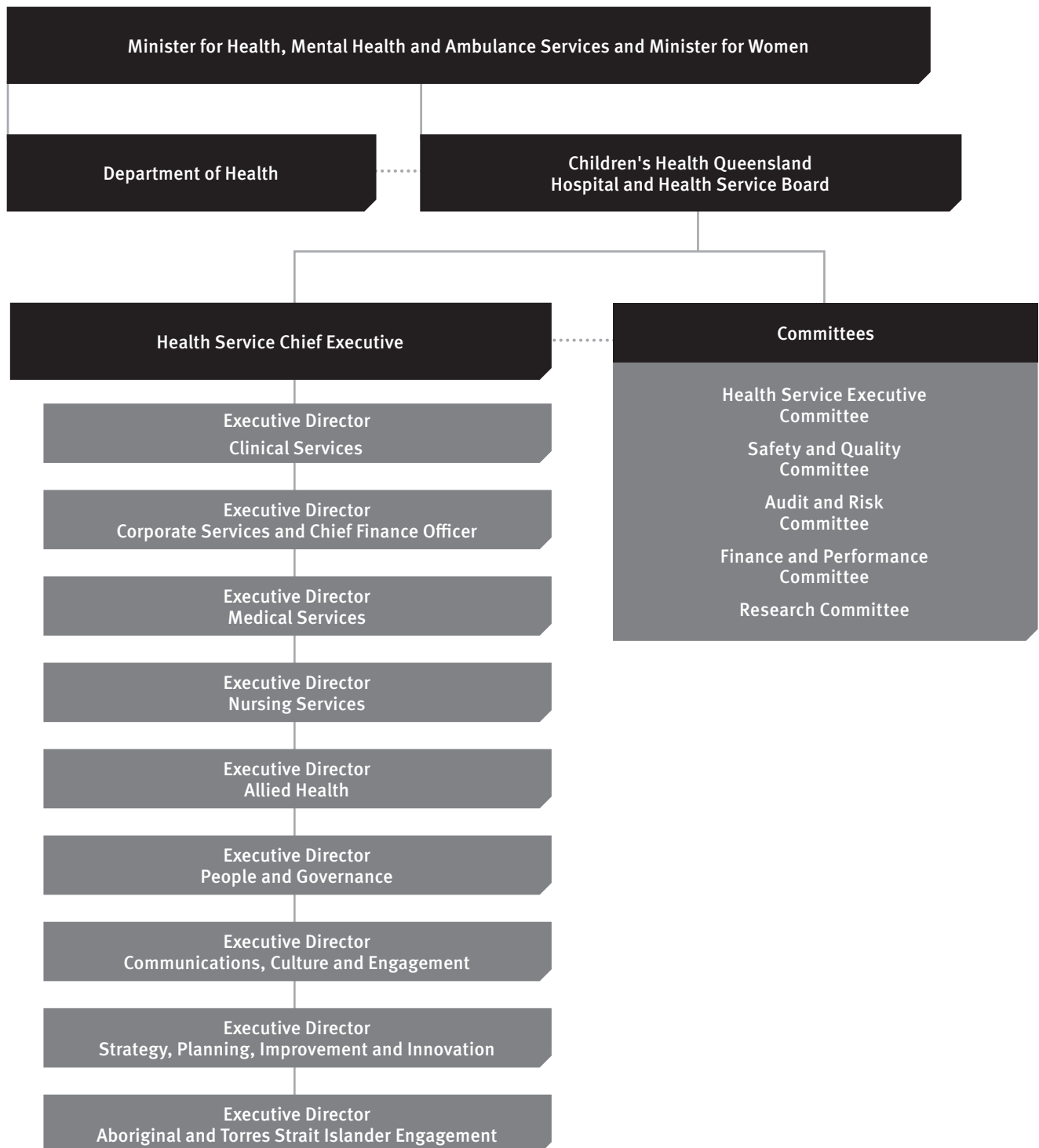
Angela is a Kullalli/Koa woman who brings a wealth of experience to Children's Health Queensland. Prior to her appointment, Angela was the General Manager, Policy and Research for the Queensland Aboriginal and Islander Health Council where she was a strong advocate for the health advancement of Aboriginal and Torres Strait Islander peoples. Angela has a passion for justice and holds a Bachelor of Laws. She commenced her career as a government lawyer and has held senior roles in the areas of Aboriginal and Torres Strait Islander wellbeing, employment and education. Angela is committed to creating a more innovative, culturally safe and engaging healthcare pathway for Aboriginal and Torres Strait Islander children, young people and their families.

## Naomi Hebson

### *Executive Director People and Governance*

Naomi is an experienced health care leader with a clinical background in nursing and advanced qualifications in health management and business. Naomi's career spans across health policy, strategy and reform agendas, most recently working in health commissioning as the Executive Director Contract and Performance Management within the Queensland Department of Health. Naomi has a keen interest in enabling the delivery of sustainable health services that deliver person-centred care. Her portfolio responsibilities include human resources, quality management systems, integrated governance, legal services, enterprise risk management, legislative compliance and internal audit.

## Organisational structure



## 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, we design and deliver 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.

**Table 2: Total staffing and employment status**

Total staffing	Headcount	
Headcount	5,020	
Paid FTE	4,099.81	
Employment status	Headcount	%
Full-time	2,672	53.23
Part-time	2,170	43.23
Casual	178	3.55

**Table 3: Occupation and appointment type by FTE**

Occupation type	FTE	%
Corporate	245.70	5.99
Frontline	3,184.66	77.68
Frontline support	669.45	16.33
Appointment type	FTE	%
Permanent	2,943.83	71.80
Temporary	1,044.14	25.47
Casual	76.65	1.87
Contract	35.19	0.86

**Table 4: Gender**

	Headcount	%
Woman	4,145	82.57
Man	871	17.35
Non-binary	≤5	≤5

**Table 5: Diversity target group data**

	Headcount	%
Women	4,145	82.57
Aboriginal and Torres Strait Islander peoples	88	1.75
People with disability	93	1.85
Culturally and linguistically diverse (speak a language at home other than English <sup>^</sup> )	516	10.28

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

**Table 6: Target group data for women in leadership roles**

	Headcount	%
Senior officers (classified and s122 equivalent combined)	7	58.33
Senior executive service and chief executives (classified and s122 equivalent combined)	8	53.33

## Organisational changes

In early 2023, the Executive Director of Clinical Services announced the revised Tier 2 clinical services structure. Recruitment of the Divisional Leadership Team began in March 2023 and was finalised in June 2023. The new structure will be in place from 10 July 2023.

### Executive Leadership Team

#### Appointments

- Tania Hobson, Executive Director Allied Health ceased as of 27 March 2023.
- Leanne Johnston, Acting Executive Director Allied Health commenced 24 April 2023.

## Strategic workforce planning and performance

### Workforce planning, attraction and retention

We are committed to ensuring Children's Health Queensland's workforce is capable, committed and supported, and ensuring we provide the best possible healthcare services to Queensland children and their families. Children's Health Queensland launched a workforce plan in December 2021 with a focus on preparedness for projected surges in COVID-19. The plan has continued to support managers to respond to increased demands due to COVID-19 and our ongoing engagement with industrial partners.

The Children's Health Queensland Aboriginal and Torres Strait Islander workforce plan was co-designed with Aboriginal and Torres Strait Islander staff and is an action of the *Children's Health Queensland Aboriginal and Torres Strait Islander Health Equity Strategy 2022-2025*, Key Priority Area 6: *Strengthen the Aboriginal and Torres Strait Islander Workforce*.

### Contribution to the COVID-19 pandemic response

The ongoing contribution of Children's Health Queensland staff to the pandemic response in 2022-2023 ensured the healthcare needs of children and young people were met in a safe, timely and appropriate manner. Staff and leaders across the organisation continued to mobilise quickly to ensure our organisation had the right people, doing the right job at the right time.

The People and Governance team continue to lead work at Children's Health Queensland to ensure all existing and new staff meet the mandatory COVID-19 vaccination requirements, introduced in September 2021.

## 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.

The following enterprise bargaining agreements were certified by the Queensland Industrial Relations Commission during the 2022-2023 financial year:

- Nurses and Midwives (Queensland Health and Department of Education) Certified Agreement (EB11) 2022 (NMEB11) (Nursing and Midwives)
- Medical Officers' (Queensland Health) Certified Agreement (No.6) 2022 (MOCA6) (Resident and Senior Medical Officers)
- Queensland Public Health Sector Certified Agreement (No.11) 2022 (EB11) (Administrative, operational, professional and technical officers)
- Health Practitioners and Dental Officers (Queensland Health) Certified Agreement (No.4) 2022 (HPDO4) (Health practitioners, dental officers and clinical assistants)
- Queensland Health Building, Engineering and Maintenance Services Certified Agreement (No.8) 2022 (BEMS8) (Building, engineering and maintenance officers).

Bargaining for a replacement Aboriginal and Torres Strait Islander Health Workforce Certified Agreement (No. 1) 2019 will commence once Queensland Health finalises a bargaining framework. A career and classification review was completed with new structures and associated allowances agreed upon and being implemented effective from 1 May 2023.

## 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. In 2022-2023, 2,254 people (59 per cent of our permanent workforce) were employed on a permanent part-time basis and 20 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.

## Flexible working arrangements during the COVID-19 pandemic

During the COVID-19 pandemic response, staff in corporate services and other clinical support areas who could successfully perform their duties from home were encouraged to do so. This contributed to a reduction in the number of

people operating within the Queensland Children's Hospital, our community facilities, and other sites, and supported physical distancing guidelines. Transitional arrangements to return staff to the physical workplace during 2022-2023 were aligned to the State Government's advice on social distancing and precautionary health measures. Many flexible working arrangements have continued as part of the transition to 'the new normal' to support greater work-life balance, productivity, and physical capacity challenges on site.

## Leadership development and performance

Our people are our greatest strength and as an organisation Children's Health Queensland is committed to supporting employees and accelerating their growth to equip them for whatever the future holds, whether at Children's Health Queensland or further afield.

We are focused on creating a culture where all staff are valued, engaged and committed to delivering results and exceeding expectations. Through our values of respect, integrity, care and imagination we strive to create an understanding of what performance and leadership excellence looks like across every level of our organisation and to build a leadership mindset that is nurtured by our colleagues, our leaders and ourselves.

To support leaders to build the skills and capabilities identified in the *Children's Health Queensland Leadership Excellence Framework*, and to address priorities identified in the 2022 Working for Queensland (WfQ) survey, Children's Health Queensland has continued to work with the Centre for Leadership Excellence to deliver a program of development opportunities for leaders at all levels.

This included 122 Children's Health Queensland clinicians attending statewide leadership programs to enhance leadership and management capabilities at all stages of their career. A series of short leadership development workshops and resources were also delivered as part of the Children's Health Queensland Sustainable Care Program, providing leaders with practical information and tools to enhance leadership capability and consistency, in line with the *Children's Health Queensland Leadership Excellence Framework* and the objectives of the program.

## Working for Queensland survey

The annual WfQ survey provides a valuable opportunity for our people to provide feedback to the organisation so we can better understand their experience and continue to collaboratively build a workforce culture that supports them to deliver life-changing care for children and young people.

The 2022 survey was conducted from 5 September to 5 October 2022 and 39 per cent (1,887 employees) of our workforce participated in the survey.

The Queensland Public Service Commission made some changes to the survey in 2022. The survey was reduced in length and new focus themes — wellbeing, social support, fairness, equity and diversity — were added. New questions were incorporated to help us understand our approach to patient safety and quality services, the wellbeing of staff and the job demands of our people.

Our workforce consistently reports high levels of agency engagement, with a 68 per cent positive rating in 2022. Results also highlight that our workforce continues to have pride and confidence in the work done at Children's Health Queensland, with 89 per cent stating that they would recommend the services and/or care provided by Children's Health Queensland to a family member or friend.

Our workforce reported positive experiences in relation to being treated fairly and equitably, and workgroup effectiveness (particularly in relation to sharing learning and discussing challenges). Areas of improvement included further enabling an environment where people feel heard and reducing the impact of work demands.

Children's Health Queensland developed an organisation-wide program of work to help support leaders to take action to enable positive change throughout 2022 and 2023.

## Early retirement, redundancy and retrenchment

No early retirement, redundancy or retrenchment packages were paid during 2022-2023.

## Work health and safety

### Our safety performance

Children's Health Queensland has a genuine commitment to ensuring the safety of staff, volunteers, patients and their families. The *Children's Health Queensland Work Health and Safety Plan 2021-2024* guides our work health and safety (WHS) systems to ensure they are maintained in line with Queensland Health's Health Safety and Wellbeing policy and standards.

To ensure compliance with the policy and standards, our WHS management system was audited externally in 2022 by QRMC Risk Management Pty Ltd. Nine recommendations were identified, all of which were implemented within the 2021-2022 and 2022-2023 financial years. Annual WHS compliance reviews are undertaken to maintain effective oversight of our safety management systems.

A continuous improvement approach allows our organisation to review our safety practices by focusing on relevance, effectiveness, and efficiency. It also ensures high-risk WHS issues are identified early with appropriate control measures implemented to keep our people safe.

This important work involves:

- Governance and consultation specific to the organisational psychosocial hazards risk assessment.
- Integrated WHS management systems, risk management and frameworks specific to:
  - Improved investigational methodologies for both physical, psychosocial, and occupational violence hazards
  - Automation of risk calculations for fatigue management
  - Improved consultation and co-operation pathways throughout the organisation
  - Improved site and divisional specific occupational violence risk assessment and location profiling.
- Continuous review of Board, Union Consultative Forum (UCF) and quarterly reporting metrics.
- Continued focus on education and WHS responsibilities towards person conducting a business or undertaking (PCBU) and officer obligations and further understanding of 'due diligence' requirements.

During 2022-2023 Children's Health Queensland WHS reported:

- Zero regulatory notices or infringements from Workplace Health and Safety Queensland.
- One provisional improvement notice issued by Delta (PCBU) regarding unsafe work practices specific to sub-contractors.
- One notifiable incident for 2022-2023 regarding an electrical shock.

For employees who require support due to injury (statutory and non-statutory based), our injury management team regularly meets with WorkCover Queensland and insurance providers to develop strategies to foster positive return-to-work outcomes. Our key performance indicators specific to injury rehabilitation and return to work programs for 2022-2023 include:

- A 29 per cent reduction in our total recordable injury frequency rate from 10.09 in 2021-2022 to 7.2 in 2022-2023.
- A five per cent reduction in 'actual injury frequency rate' (inclusive of first aid reporting) however a five percent increase in 'severity frequency rate' for 2022-2023.
- An average of 175 claims per month (WorkCover, income protection and health management).
- A worker's compensation premium rate of 0.366 which is an increase from the 2021-2022 premium rate of 0.324. The current industry premium rate for hospitals within Queensland is 1.089.

## 2.2 Our risk management

Children's Health Queensland recognises that proactive identification and effective management of risk 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 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-based decision making, build risk consciousness and improve risk management maturity across the organisation continue to be progressed.

The *Hospital and Health Boards Act 2011* requires annual reports to state any direction given by the Minister to the HHS during the financial year and the action taken by the HHS as a result of the direction. During the 2022–2023 period, no directions were given by the Minister to Children's Health Queensland.

### Accountability

The Audit and Risk Committee met on four occasions in 2022–2023. Activities included:

- reviewing and approving the *Children's Health Queensland 2022–2023 Financial Statements*
- noting the Queensland Audit Office's client service strategy, interim and final management letters, and reviewing the Executive's response to findings and recommendations
- reviewing strategic and organisational risk reports and endorsing management plans and status
- endorsing revised strategic and organisational risk profiles
- reviewing and endorsing the revised risk appetite statement
- reviewing and endorsing the fraud and corruption control plan and reporting
- reviewing and endorsing the strategic and annual internal audit plans
- providing oversight on the performance of the internal audit function, including the delivery of the annual internal audit plan and annual quality self-assessment of performance
- reviewing and noting internal audit reports, including recommendations and management responses

- reviewing and noting compliance management status reports
- providing oversight on the performance of the risk and compliance functions.

### 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 *ISO 37301:2021*, articulates roles and responsibilities, processes and resources that support a standardised and risk-based approach for the effective management of compliance obligations.

Ongoing review of our legislative and regulatory environment has been instrumental in enabling the development of a shared understanding of compliance obligations. We monitor our performance status through the maintenance of a compliance obligations register that records controls and planned actions against obligations. Oversight of the effectiveness of the compliance management framework is provided by the Board, via the Audit and Risk Committee and Executive Leadership Team, 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 Committee) regarding the efficiency and effectiveness of 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 and delivery of the annual internal audit plan.

Eleven engagements were completed in the 2022–2023 financial year. This includes engagements encompassing clinical, corporate, people, security and Information, Communications and Technology (ICT) functions in accordance with the annual internal audit plan. In addition to strengthening the organisation's risk management, assurance framework and governance processes, insights gained through internal audit engagements provided opportunities to inform decision making and support continuous improvement across the organisation. The implementation of internal audit recommendations is monitored, and status updates are set out in quarterly reports provided to the Executive Leadership Team and the Board (via the Audit and Risk Committee). These include progress of the plan, engagement outcomes and any other emerging risks or processes.

## External scrutiny

The following external reviews were conducted in 2022–2023:

- The Queensland Audit Office (QAO) reported on the 2022–2023 results of financial audits, four performance audits and the 2023 status of the Auditor-General's recommendations reports. The annual self-assessment for status of Auditor-General performance audit recommendations was completed and the results were submitted to QAO in June 2023.

## Information systems and record-keeping

Children's Health Queensland's Health Information Services is dedicated to continuous service improvement to ensure availability and timely access to critical information to support the provision of high-quality and safe patient care.

The Health Information Liaison (HIL) team was actively involved in improving clinical documentation and clinical coding quality to accurately reflect the care provided to our patients. This included empowering our people through knowledge, education and use of technology to support improved coding quality and productivity. The team has audited 3,241 admissions, and incorporated the findings into coding quality and clinicians' education sessions. The Clinical Coding Service coded approximately 47,300 admissions in 2022–2023.

The Health Information Access team processed 6,071 requests for information in accordance with the *Hospital and Health Boards Act 2011*, the *Right to Information Act 2009* and the *Information Privacy Act 2009* resulting in 548,450 pages being reviewed and processed for release. This was an increase of 102,524 pages in comparison to the previous financial year.

The Health Information Services Scanning Unit continues to support the integrated Electronic Medical Record (ieMR) through the scanning of paper documentation or the uploading of digitally created documents. The service has a focus on decreasing the need to scan paper documents through promoting direct data entry into ieMR, clinical forms rationalisation and by creating documents digitally and importing those into the ieMR.

### **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 (Code of Conduct)* which reflects the ethics principles and values set out in the *Public Sector Ethics Act 1994 (Qld)*.

Children's Health Queensland identifies the *Code of Conduct* as one of 13 mandatory corporate training requirements for all staff, in accordance with the *Department of Health's G6 Mandatory Training Policy*.

All new employees must complete the mandatory *Code of Conduct* training within one month of commencement, and yearly thereafter, through Children's Health Queensland's learning management system TEACHQ+.

External service providers such as contractors, students, volunteers and other non-government organisations deliver a number of essential services to, or for, Children's Health Queensland patients, families and service areas. A number of the providers engaged in front-line services are obliged to complete *Code of Conduct* training as it is important that they also uphold the values and standards of conduct expected of the Queensland public service, in providing services to and for Children's Health Queensland. This annual training is available through the Department of Health's learning management system iLearn, or via other local systems.

Hospital and Health Services are required to comply with the Queensland Government's Enterprise Information, Communications and Technology (ICT) Governance Health Service Directive and subordinate policies and standards.

In 2022–2023, Children's Health Queensland conducted an information security management system (ISMS) attestation and return in accordance with the Queensland Government's Information Security Policy (IS18:2018). Children's Health Queensland continues to deliver against the ISMS Implementation Plan and work towards compliance with IS18:2018 requirements.

## Human rights

Children's Health Queensland is dedicated to acting and making decisions in a manner which supports the human rights of patients, families and staff and only limit human rights where it is reasonable and demonstrably justifiable.

Under the *Human Rights Act 2019* (the HRA) Children's Health Queensland is required to report particular information about any action taken to further the objects of the HRA, details of human rights complaints received and any review of policies, programs, procedures, practices or services undertaken in relation to compatibility with human rights.

Children's Health Queensland continued to play an essential role in the Government's efforts to protect and support Queenslanders throughout the COVID-19 pandemic. From a human rights perspective, our organisation acted and made decisions which protected the following rights: the right

to protection of families and children, the rights to liberty and security of person, and the right to health services. In protecting these rights, other human rights at times were limited such as the right to freedom of movement and the right to protection of families and children. In taking these actions and making these decisions, Children's Health Queensland was mindful of its obligation to act compatibly with human rights by ensuring that any limitations on human rights were reasonable and justified.

**Table 7: Summary of complaints with potential human rights limitations 2022-2023**

Total No Complaints	Complaints received with potential human rights limitations	Rights engaged	Outcomes
948	338	<p>In most cases, complaints did not specifically mention human rights and were identified by Children's Health Queensland as follows:</p> <ul style="list-style-type: none"> <li>• Recognition and equality before the law (S15)</li> <li>• Protection from torture and cruel, inhuman or degrading treatment (S17)</li> <li>• Freedom of movement (S19)</li> <li>• Freedom of thought, conscience, religion and belief (S20)</li> <li>• Freedom of expression (S21)</li> <li>• Privacy and reputation (S25)</li> <li>• Protection of families and children (S26)</li> <li>• Cultural rights Aboriginal and Torres Strait Islander People (S28)</li> <li>• Health services (S37)</li> </ul>	<ul style="list-style-type: none"> <li>• 208 complaints reviewed were assessed as having no limitation on human rights and resolved by way of explanation, apology and/or quality improvement.</li> <li>• 125 complaints reviewed were assessed as justified/lawful limitations on human rights and resolved by way of explanation, apology and/or quality improvement.</li> <li>• 5 complaints are pending complaint investigation.</li> </ul>

Children's Health Queensland undertook the following actions in 2022-2023 to further the objects of the HRA, to protect and promote human rights, to help build a culture in the Queensland public sector that respects and promotes human rights and to help promote a dialogue about the nature, meaning and scope of human rights:

- undertaking a number of measures relating to the COVID-19 pandemic to protect staff and vulnerable people who visited and frequented Children's Health Queensland facilities, including obtaining supplies
- requiring staff, contractors, students and volunteers to be vaccinated against COVID-19, wear appropriate protective personal equipment and have surveillance testing undertaken (where necessary), considering exemption requests, and supporting flexible working arrangements to support physical distancing
- assessing all complaints for human-rights implications
- the delivery of bespoke advice to and various training for staff across the organisation about application of human-rights in decision making
- using learnings from human-rights complaints to provide targeted training where gaps in understanding were identified
- undertaking a project to review and identify any remaining gaps in governance documents, including guidance tools for staff, to ensure human rights are adequately embedded and supported to guide behaviour and decision-making across Children's Health Queensland.

## Confidential information

Section 160 of the *Hospital and Health Boards Act 2011* requires annual reports to state the nature and purpose of any confidential information disclosed in the public interest during the financial year. During 2022-2023, no disclosures were authorised under this provision.

## Section 3: Performance

### 3.1 Strategic outcomes and achievements 2022-2023

#### Strategic objective: Value all people

*We will create an inclusive environment where all people feel valued, safe, engaged and empowered.*

- ✓ We co-designed and launched the implementation plan to support the operationalisation and delivery of key actions outlined in the *Children's Health Queensland Aboriginal and Torres Strait Islander Health Equity Strategy 2022-2025*. The plan, created in partnership with community, will drive our collective action over the next three years to improve health equity outcomes for Aboriginal and Torres Strait Islander children and young people.
- ✓ We established the Queensland-first Mob ED service to break down barriers for Aboriginal and Torres Strait Islander families accessing emergency care. Families seeking emergency care at the Queensland Children's Hospital are now guided through a more responsive and culturally safe experience thanks to a dedicated First Nations team. Within three months of the service beginning, the incidence of Aboriginal and Torres Strait Islander patients who 'did not wait' for care in emergency reduced from 3 per cent to less than 1 per cent of presentations.
- ✓ We developed a new model of care at the Ellen Barron Family Centre for Aboriginal and Torres Strait Islander early parenting services. This community-led co-designed model has already proven successful having identified key improvements needed in patient triage and the patient journey, staff cultural capability and the need for current vacancies in the team to be filled with Aboriginal and Torres Strait Islander health professionals.
- ✓ In 2022-2023 we established a workforce talent pipeline to improve employment pathways for school-leaving students and undergraduate students. We also increased our nursing intake within the Children's Health Queensland workforce with 36 undergraduate students in nursing (USiN) and 70 registered nurse graduates. Recruitment included 10 Aboriginal and Torres Strait Islander allied health and nursing students through our Footprints Workforce Project, which seeks to grow Aboriginal and Torres Strait Islander participation in the future paediatric health workforce and contribute to more culturally safe service delivery.
- ✓ The achievements of Children's Health Queensland staff were recognised at our annual Excellence Awards in 2022. 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. This financial year we also launched the Children's Health Queensland Medal of Distinction, a Board initiative recognising Queenslanders who have made a significant and sustained contribution to improving the health and wellbeing of children and young people.
- ✓ We developed the *Children's Health Queensland Wellbeing and Mental Health Framework* in partnership with the Children's Health Queensland Clinical Council as part of our ongoing commitment to promoting and supporting wellbeing of our employees.
- ✓ We commissioned two large-scale murals by First Nations artists Tori-Jay Mordey and Dylan Mooney to provide a reassuring welcome on their arrival to Jacaranda Place, our sub-acute extended mental health care and intensive treatment centre for adolescents with severe and complex mental health needs.

## Strategic objective: Generate knowledge and innovate

*We will build and harness creativity, research, technology and collective expertise to prepare for the future.*

- ✓ We partnered with the University of New South Wales, Griffith University and Central Queensland University on the innovative Future Stories study, which aims to improve the hospital experience of seriously ill adolescents during long periods of hospitalisation. The three-year study, an Australian Research Council Discovery Project, will be offered to patients at the Queensland Children's Hospital, Cairns Hospital and Sydney Children's Hospital Randwick and will explore how the power of the imagination can be combined with virtual reality technology to support health and wellbeing.
- ✓ In March 2023, the Queensland Children's Hospital became one of only three hospitals in Australia to be accredited by the Royal Australasian College of Surgeons to train in paediatric cardiac surgery. Prior to this, Queensland doctors had to go interstate or overseas to receive their paediatric cardiac surgery training.
- ✓ In March 2023 the Queensland Children's Hospital became an accredited treatment centre to provide gene therapy for spinal muscular atrophy (SMA) which means patients and families no longer need to travel interstate for the treatment and can continue to be supported by the specialist care team they have known since diagnosis.
- ✓ Children's Health Queensland researchers published more than 700 research papers in the 2022-2023 financial year. This included contributing to landmark papers in world-leading journals to improve patient care and treatment options for children worldwide.
- ✓ The Children's Health Queensland ECHO® Superhub launched 10 new networks in 2022-2023 and expanded its reach to support over 3,580 individual front-line professionals, across 364 specific communities, providing approximately 14,000 hours of workforce development and mentorship. Our 18 ECHO® Networks empower front-line professionals to provide enhanced services at the point of care through real-time provision of best-practice advice and support from peers and mentors working across the country.
- ✓ The Queensland Specialist Immunisation Service, based in the Queensland Children's Hospital, delivered an Australian-first trial of a needle-free vaccination patch for children. The trial, launched in partnership with Brisbane-based biotechnology company Vaxxas and the Translational Research Institute, explored how children aged between six and 24 months responded to the patch, and how it was tolerated on the skin.
- ✓ Researchers from Children's Health Queensland and Griffith University commenced a partnership with the United States Department of Defence for a four-year transnational project to transform burns first aid treatment across America. The project includes working with emergency and healthcare organisations in the US to implement the best practice of applying cool running water for 20 minutes within the first three hours of a burn. The US trial will target implementation through key stakeholder engagement and further test the clinical outcomes of this treatment.
- ✓ Children's Health Queensland respiratory researchers led a world-first study to deliver an accurate measure of lung function in Aboriginal and Torres Strait Islander children as they grow. The clinical tool can be used to track the effectiveness of treatment of respiratory infections in childhood, with the aim of reducing the likelihood of poor lung function and related disease in adulthood.
- ✓ Published the Paediatric Sepsis Dashboard in 2023. Sepsis is one of the leading causes of preventable death and persistent harm and requires early recognition and timely management. There is currently no definitive diagnostic test for sepsis and diagnosis relies on clinical judgement. The dashboard automates sepsis data collection and enables surveillance of sepsis indicators to support quality improvement.

## Strategic objective: Collaborate in care

*We will work together with a shared purpose to create a connected system of care.*

- ✓ We partnered with the Queensland Department of Education to deliver the Education Low Vision Assessment Centre (ELVAC) to support visually impaired students at Narbethong Special School, Woolloongabba and through regional clinics in Cairns and Townsville. The Queensland Children's Hospital Ophthalmology team works with teaching staff through ELVAC to assess students' vision and eye health, and recommend educational adjustments, formats, equipment and teaching strategies to improve access, participation and achievement. In 2022-2023, the program supported 130 students.
- ✓ We partnered with Queensland University of Technology (QUT) to develop bespoke trauma-informed co-design methods and approaches that will support us to engage with and amplify the voices of children and young people in all that we do. One of these initiatives involved working with young people to co-design service improvements to our Eating Disorders Program. This resulted in the production of the 'In Full Bloom' podcast featuring interviews with Queensland teenagers Tia, 17, and Bella, 15, who shared their experience recovering from an eating disorder. We also worked with QUT and dozens of high school students and staff to co-design the architectural design and service model for a new community hub at Dakabin State High School. As part of this partnership, we created a new trauma-informed architecture design framework and are building an innovative toolkit of resources to support staff to apply co-design to service development and improvement.
- ✓ Children's Health Queensland and the Institute for Urban Indigenous Health continued our collaboration to deliver dedicated clinics on weekends for Aboriginal and Torres Strait Islander children and young people. The Open Doors project supports our ongoing commitment to providing the right care, at the right time, in the right way for children, young people and their families. The clinics were held in December 2022 and March and June 2023 and saw 104 patients visit, with 36 patients referred for surgery.

## Strategic objective: Perform at our best every time

*We will adapt and improve to achieve sustainable high-quality outcomes.*

- ✓ The Queensland Children's Hospital maintained high-quality acute and emergent care in a COVID-safe environment throughout 2022-2023. Our teams assessed and treated 78,707 children and young people in emergency (with 2,134 more emergency presentations experienced compared to 2021-2022) and delivered 5,569 emergency surgeries.
- ✓ Children's Health Queensland delivered a record 20,712 surgeries in 2022-2023 which includes elective surgery cases, total theatre cases and emergency surgery procedures. This was a direct result of the sustainable surgery recovery response put in place to address the surgery waitlist challenge as a result of COVID-19. Additional elective access was introduced to the theatre schedule and contributed to a nine per cent increase in Category 1-3 patients on the highest previous years. The primary intent was to address the volume of patients waiting longer than category recommendations and, as a result of the additional access and number of patients treated, the long wait position has seen a 75 per cent decrease or improvement over the past 12 months.
- ✓ Children's Health Queensland's Green Team was a finalist in the 2022 Premier's Awards for Excellence for 'protecting our liveability and environment'. The Green Team's initiatives have resulted in emission reductions, improved energy efficiency, and significant waste reduction at the Queensland Children's Hospital.
- ✓ We launched the Sustainable Care Program to ensure Children's Health Queensland remains sustainable and responsive to the changing healthcare needs of children, young people and families now and into the future. The program has three pillars — Growing Great Leaders, Activity Optimisation and Financial Improvement — and will support us to work smarter together and redefine what excellence looks like.
- ✓ Piloted a GP-led Paediatric Minor Injury and Illness Clinic at the Queensland Children's Hospital in partnership with The University of Queensland. From June to December 2022 the clinic diverted 971 children from emergency to be seen by a GP. Drawing on the learnings, in March 2023, the clinic evolved its models of care to facilitate timely access to specialist services, enhance discharge and early review processes, and improve patient flow through emergency. The clinic is currently seeing an average of 120 children and young people per day/week.
- ✓ Queensland Children's Hospital voted Newsweek's highest ranked children's hospital in the Southern Hemisphere, and number nine of 200 top paediatric hospitals in the world. Ranking is based on a global industry survey of 40,000 medical experts (medical doctors, healthcare professionals, hospital managers and directors) in over 20 countries.

## Strategic performance indicators

Objectives and strategic outcome statements	Key performance measures	Targets	2022-2023 performance
<b>Value all people</b>  The best possible experience for consumers, families and staff	Achieve Planetree Gold Certification with Distinction	Maintain	Maintained Planetree Gold Certification
	Improved Patient Reported Experience Measure (PREMs): <ul style="list-style-type: none"> <li>Children/young people who stated that they were involved in decisions about their care and treatment</li> <li>Parents/carers who stated that they were involved in decisions about the patient's care and treatment</li> </ul>	≥80%	Q3 and Q4 data derived through the Children's Bedside Audit revealed improvement across the following PREMs: <ul style="list-style-type: none"> <li>98% children and young people understood when staff spoke with them</li> <li>99% parents/carers understood when staff spoke with them</li> <li>85% parents/carers were involved in decisions about their care</li> </ul>
	Improved staff engagement demonstrated through Working for Queensland results, including: <ul style="list-style-type: none"> <li>Agency engagement</li> <li>Organisational leadership</li> <li>Leadership and engagement – values focused</li> </ul>	≥60%	Agency engagement remains at 68% Organisational leadership: <ul style="list-style-type: none"> <li>Perceptions of Senior Management group was at 52% (strong performance when compared to HHS average)</li> <li>Perceptions of Executive Leadership group was at 44% (strong performance when compared to HHS and DoH averages)</li> </ul>
<b>Generate knowledge and innovate</b>  An informed and equipped network of care for children and young people	Increased number of clinicians across professionals engaged in statewide capability building programs	Annual uplift	This KPI is new for 2022-2023. There is no comparable data available. Any variation in uplift will be reported in 2023-2024. Statewide capability building programs delivered this year include: <ul style="list-style-type: none"> <li>140 School-based Youth Health Education conferences</li> <li>134 ECHO sessions providing approximately 14,000 hours of workforce development and mentorship</li> <li>More than 400 GPs attended the 2022 Paediatric Masterclass conference</li> <li>173 sites with multiple viewers joined the Ellen Barron Family Centre Statewide Education Series across a range of topics</li> <li>Child and Youth Mental Health Speech Pathologists provided enablement and capacity building through supervision, training, workshops and graduate programs</li> <li>Seven Child and Youth Mental Health Occupational Therapist training sessions delivered</li> <li>252 Simulation Training on Resuscitation of Kids courses delivered - 1,087 in person and over 50,000 online</li> </ul>
	Enhanced system capacity demonstrated through uplift in paediatric Clinical Services Capability Framework (CSCF) across Queensland (refer to Queensland Health System outlook to 2026) and associated enhanced self-sufficiency of partner health services	Progressed in partnership with HHSs and DoH	<ul style="list-style-type: none"> <li>Worked collaboratively with DoH System Planning Branch and all HHSs to inform Local Area Needs Assessments</li> <li>Partnered with DoH to develop a fit-for-purpose approach to map and report on paediatric statewide services</li> <li>Member of Steering Committee for Metro North HHS' Children, Adolescent and Young Adults Service Directions</li> <li>Active member of Adolescent and Young Adult Subnetwork working group to develop a CSCF module</li> <li>Facilitated quarterly partnership meetings with each HHS to respond to state wide capacity and needs</li> </ul>
<b>Collaborate in care</b>  Improved health equity and outcomes across the system	Increased Aboriginal and/or Torres Strait Islander workforce representation	≥2% identified	1.76% of workforce identified as Aboriginal and/or Torres Strait Islander. Increase from 1.4% in 2021-2022. See above and Section 1.4 for initiatives mobilised to drive greater Aboriginal and Torres Strait Islander workforce representation
	Reduced number of children and young people waiting longer than clinically recommended timeframes for specialist outpatients and elective surgery, including a target of zero long waits for Aboriginal and Torres Strait Islander peoples	Zero (Aboriginal and Torres Strait Islander peoples)  2,940 (non-Indigenous)  Negotiated annually with DoH	There continues to be a strong focus on reducing long waits through a number of targeted initiatives. See above and Section 1.4 for initiatives. Specialist outpatient long waits increased: <ul style="list-style-type: none"> <li>414 (Aboriginal and Torres Strait Islander peoples) compared to 318 in 2021-2022</li> <li>4,871 (non-Indigenous) compared to 3,293 in 2021-2022.</li> </ul> Elective surgery long waits significantly decreased from 2021-2022: <ul style="list-style-type: none"> <li>53 down from 171 (Aboriginal and Torres Strait Islander peoples)</li> <li>280 down from 1,160 (non-Indigenous)</li> </ul>

Objectives and strategic outcome statements	Key performance measures	Targets	2022-2023 performance
<b>Collaborate in care</b> Improved health equity and outcomes across the system	Increased number of collaborative strategic initiatives, including joint commissioning	Annual uplift	This KPI is new for 2022-2023. There is no comparable data available. Any variation in uplift will be reported in 2023-2024. We continue to pursue opportunities to co-commission and work collaboratively for better outcomes. Initiatives that have progressed to demonstrate this include: <ul style="list-style-type: none"> <li>Working in partnership with DoH in future paediatric service planning for the state</li> <li>Co-designing the Bank Building in Stanley Street as a dedicated space to foster imagination and strengthens collaboration and innovation at CHQ for patients and young people</li> <li>Scoping the development of an interprofessional community-based, student led clinic in partnership with UQ</li> <li>Co-designing the Dakabin Community Health Hub</li> </ul>
	Recommendations from clinical incident reviews implemented within required time frame	90%	Due to the varying nature of incident reviews a single time frame metric is not available for 2022-2023. However, we have developed a dashboard to monitor the clinical incident recommendation progress which enables data to be extracted directly from the reporting platform into Divisional and Board Reports, improving line of sight to the status of progress, and helps facilitate timely completion.
<b>Perform at our best every time</b> Sustainable and responsive healthcare	Improved waste management of (i) general waste, (ii) recycling and (iii) clinical waste (refer to CHQ's Environmental Sustainability Plan 2021-2024)	7.0 kg/OBD 3.0 kg/OBD 2.0 kg/OBD	i) General waste - 6.223kg/OBD (ii) Recycling - 4.861kg/OBD (iii) Clinical waste - 1.924 kg/OBD
	Improved cost per WAU (weighted activity units)	2%/annum	Average cost per QWU increased to \$6,383, compared to \$5,795 2021-2022
	Increased planned care volumes per annum per clinical FTE in ambulatory care and elective surgery	Annual uplift	Increased QWU to sustainable FTE from 22.2 to 25.2

## 3.2 Service standards

**Table 8: Service Standards – Performance 2022-2023**

Children's Health Queensland Hospital and Health Service	Target	Actual
<b>Effectiveness measures</b>		
Percentage of emergency department patients seen within recommended timeframes <sup>1</sup>		
Category 1 (within 2 minutes)	100%	100%
Category 2 (within 10 minutes)	80%	87%
Category 3 (within 30 minutes)	75%	73%
Category 4 (within 60 minutes)	70%	82%
Category 5 (within 120 minutes)	70%	93%
Percentage of emergency department attendances who depart within 4 hours of their arrival in the department	>80%	64%
Percentage of elective surgery patients treated within the clinically recommended times <sup>1</sup>		
Category 1 (30 days)	>98%	98%
Category 2 (90 days) <sup>2</sup>	..	52%
Category 3 (365 days) <sup>2</sup>	..	56%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days <sup>3</sup>	<2	0.9
Rate of community mental health follow up within 1-7 days following discharge from an acute mental health inpatient unit <sup>4</sup>	>65%	57.8%
Proportion of re-admissions to acute psychiatric care within 28 days of discharge <sup>5</sup>	<12%	17.0%

**Table 8: Service Standards – Performance 2022-2023**

Children's Health Queensland Hospital and Health Service	Target	Actual
Percentage of specialist outpatients waiting within clinically recommended times		
Category 1 (30 days)	98%	64%
Category 2 (90 days) <sup>6</sup>	..	42%
Category 3 (365 days) <sup>6</sup>	..	85%
Percentage of specialist outpatients seen within clinically recommended times		
Category 1 (30 days)	98%	81%
Category 2 (90 days) <sup>6</sup>	..	40%
Category 3 (365 days) <sup>6</sup>	..	54%
Median wait time for treatment in emergency departments (minutes)	..	13
Median wait time for elective surgery treatment (days) <sup>1</sup>	..	82
<b>Efficiency Measure</b>		
Average cost per weighted activity unit for Activity Based Funding facilities <sup>7</sup>	\$5,573	\$6,383
<b>Other Measures</b>		
Number of elective surgery patients treated within clinically recommended times <sup>1</sup>		
Category 1 (30 days)	1,562	1,922
Category 2 (90 days) <sup>2</sup>	..	2,467
Category 3 (365 days) <sup>2</sup>	..	1,348
Number of Telehealth outpatients service events <sup>8</sup>	16,124	14,707
Total weighted activity units (WAU) <sup>9</sup>		
Acute Inpatients	64,843	61,834
Outpatients	17,326	20,012
Sub-acute	2,266	2,155
Emergency Department	8,835	8,931
Mental Health	4,418	3,742
Ambulatory mental health service contact duration (hours) <sup>10</sup>	65,767	61,910
Staffing <sup>11</sup>	3,981	4,100

- <sup>1</sup> In response to the COVID-19 pandemic, the delivery of planned care services has been impacted. This has resulted from a period of temporary suspension of routine planned care services during 2021-2022 and subsequent increased cancellations resulting from patient illness and staff furloughing due to illness and isolation policies.
- <sup>2</sup> Given the System's focus on reducing the volume of patients waiting longer than clinically recommended for elective surgery and the continual impacts to services as a result of responding to COVID-19, treated in time performance targets for category 2 and 3 patients are not applicable for 2022-2023.
- <sup>3</sup> *Staphylococcus aureus* (including MRSA) bloodstream (SAB) infections 2022-2023 Actual rate is as at 7 August 2023.
- <sup>4</sup> Mental Health rate of community follow up 2022-2023 Actual is as at 14 August 2023.
- <sup>5</sup> Mental Health readmissions 2022-2023 Actual is for the period 1 July 2022 to 31 May 2023 as at 14 August 2023.
- <sup>6</sup> Given the System's focus on reducing the volume of patients waiting longer than clinically recommended for specialist outpatients, and the continual service impacts as a result of responding to COVID-19, seen in time targets for category 2 and 3 patients are not applicable for 2022-2023.
- <sup>7</sup> All measures are reported in QWAU (Queensland Weighted Activity Unit) Phase Q25. The variation in difference of Cost per WAU to target is a result of the additional costs of the COVID-19 pandemic.
- <sup>8</sup> Telehealth 2022-2023 Actual is as at 21 August 2023.
- <sup>9</sup> The 2022-2023 target varies from the published 2022-2023 Service Delivery Statement due to a change in the WAU phase. All measures are reported in QWAU Phase Q25. 2022-2023 Actuals are as at 14 August 2023.
- <sup>10</sup> Ambulatory Mental Health service contact duration 2022-2023 Actual is as at 14 August 2023.
- <sup>11</sup> Corporate FTEs are allocated across the service to which they relate. The department participates in a partnership arrangement in the delivery of its services, whereby corporate FTEs are hosted by the department to work across multiple departments. 2022-2023 Actual is for pay period ending 25 June 2023.

## 3.3 Chief Finance Officer's report

### Summary

This financial summary provides an overview of Children's Health Queensland's financial results for 2022–2023. In addition, a comprehensive set of financial statements covering the organisation's activities is provided in this report (see page 39).

The organisation recorded an operating surplus of \$4.903 million for the 2022-2023 financial year as a result of strong

financial controls and the benefits realised from targeted initiatives of the Sustainable Care Program. Non-Operating Trust and Research Funds also contributed to the surplus largely due to increased grant funding for paediatric clinical research programs and clinical trials.

Table 9 summarises the key financial results of the organisation's operations for the past three financial years:

Table 9: Key financial results of Children's Health Queensland's operations			
	2022-2023 \$'000	2021-2022 \$'000	2020-2021 \$'000
<b>Financial performance</b>			
Total income	996,347	919,122	923,886
Total expenses	991,444	933,261	920,978
<b>Operating result</b>	<b>4,903</b>	<b>(14,139)</b>	<b>2,908</b>
<b>Financial position</b>			
Current assets	85,905	53,150	69,150
Non-current assets	1,200,009	1,156,266	1,113,822
<b>Total assets</b>	<b>1,285,914</b>	<b>1,209,416</b>	<b>1,182,972</b>
Current liabilities	99,720	68,464	65,497
<b>Total liabilities</b>	<b>99,720</b>	<b>68,464</b>	<b>65,497</b>
<b>Total equity</b>	<b>1,186,194</b>	<b>1,140,952</b>	<b>1,117,475</b>
<b>Ratios</b>	<b>2022-2023</b>	<b>2021-2022</b>	<b>2020-2021</b>
Current ratio <sup>(a)</sup>	0.9	0.8	1.1
Equity <sup>(b)</sup>	0.92	0.94	0.94

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 \$996.347 million, a total increase of \$77.225 million or eight per cent from the previous year (refer to Section B1 of the Financial Statements for additional information).

This was mainly attributable to:

- an increase in health service funding received through funding amendments to the service agreement between Children's Health Queensland and the Department of Health. This additional funding was primarily to cover employee Enterprise Bargaining increases.
- a decrease in own source revenue which was mostly driven by a reduction in lower Pharmaceutical Benefits Scheme (PBS) revenue as Children's Health Queensland no longer dispenses a high-cost Cystic Fibrosis drug that was 100 per cent PBS reimbursable. This is offset by a corresponding variance in drugs expenditure.

**Table 10: Income by source 2022-2023**

Health service funding	90%
User charge and fees	8%
Grants and other income	2%

### Expenses

Total expenses for 2022-2023 increased by \$58.183 million or six per cent to \$991.444 million (refer to Section B2 of the Financial Statements for additional information).

This was primarily attributable to:

- an increase in employee and health service employees' expenses, mainly due to funded Enterprise Bargaining (EB) increases across all labour streams and an increase in costs aligned to programs funded via periodic Service Agreement amendments
- non-labour costs (excluding depreciation) remained similar to 2021-2022 levels with a variance of less than 0.1 per cent.

**Table 11: Expenditure summary 2022-2023**

Workforce costs	68%
Supplies, services and other expenses	25%
Depreciation and amortisation	7%

### How the money was spent

The majority of Children's Health Queensland's actual expenditure in 2022-2023 was incurred on acute hospital services, accounting for 63 per cent of total spending. Community-based health services accounted for 15 per cent of total expenditure while corporate and infrastructure services' costs were 20 per cent. The remaining two per cent related to strategic projects (mainly ICT-designed to enable health service improvements), non-operating research and trust activities.

### Deferred maintenance

Deferred maintenance is a common building maintenance strategy used by public and private sector industries. All Queensland Health entities comply with the Queensland Government Maintenance Management Framework which requires reporting deferred maintenance.

Deferred maintenance is defined as maintenance necessary to prevent the deterioration of an asset or its function but has not been carried out. All deferred maintenance items are risk assessed to identify any potential impact on users and services and are closely managed to ensure all facilities are safe.

As at 30 June 2023, Children's Health Queensland had reported deferred maintenance funded and unfunded, totalling \$33.820 million. Children's Health Queensland spent \$18.598 million on maintaining hospital and healthcare assets in 2022-2023. Children's Health Queensland undertakes systematic reviews to identify individual deferred maintenance tasks and prioritise corrective action from available capital or operational funding sources.

The following strategies are in place to mitigate identified risks associated with deferred maintenance:

- business cases are submitted for funding allocation from the Department of Health Sustaining Capital program or the Children's Health Queensland Capital Maintenance and Asset Repair (CMAR) funds for tasks identified as sustaining capital expenditure
- tasks identified as operational expenditure are addressed through the allocation of annual operational maintenance budgets.

## Financial position

### Total assets

Total assets increased by \$76.498 million or six per cent during the year to \$1.286 billion. Property, plant, and equipment are the predominant asset class comprising the Queensland Children's Hospital and associated infrastructure.

The net increase in total assets primarily reflects:

- net valuation increments of \$95.900 million for existing land and building assets, offset by depreciation and amortisation charges amounting to \$71.482 million
- total current assets increased by \$32.755 million mainly due to increased cash and cash equivalents
- property, plant, equipment, and intangible asset acquisitions increase of \$18.945 million.

### Total equity

Total equity is at \$1.186 billion, an increase of \$45.242 million from the previous year. This reflects an increase in the asset revaluation reserve and accumulated surplus balance, offset by a reduced contributed equity balance.

### Outlook

In 2023-2024 Children's Health Queensland will continue to deliver quality frontline and state-wide paediatric health services that strengthen the public health system and contribute to safe, caring and connected communities.

Financial sustainability remains a strategic challenge to Children's Health Queensland with inflationary pressures impacting service and consumable costs, along with growing patient activity and complexity. Accordingly, the Board and Executive are committed to delivering ongoing productivity and efficiency improvements as part of the Sustainable Care Program, established during 2022-2023, to provide a coordinated approach to enabling efficiency and productivity improvements, support activity optimisation and to respond to growing demand for services without compromising patient safety and quality. In addition to the continuation of the Sustainable Care Program, key priorities for 2023-2024 include:

- implementing Children's Health Queensland's Health Equity Strategy to improve equity of access to services and health outcomes
- developing a sustainable and empowered workforce
- continuing to deliver efficient growth.

# Section 4: Financial statements

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## Statement of Comprehensive Income

	Note	2023 \$'000	2022 \$'000
<b>Operating result</b>			
<b>Income from continuing operations</b>			
Health services funding	B1.1	891,767	815,762
User charges and fees	B1.2	79,957	75,182
Grants and other contributions	B1.3	13,070	16,179
Other revenue	B1.4	11,540	11,750
<b>Total revenue</b>		<b>996,334</b>	<b>918,873</b>
Gains on disposal / revaluation of assets		13	249
<b>Total income from continuing operations</b>		<b>996,347</b>	<b>919,122</b>
<b>Expenses from continuing operations</b>			
Employee expenses	B2.1	139,245	128,347
Health service employee expenses	B2.2	535,614	490,309
Supplies and services	B2.3	232,892	234,019
Grants		3,333	2,491
Depreciation and amortisation	C4/C5	71,482	69,279
Losses on disposal		6	15
Other expenses	B2.4	8,872	8,801
<b>Total expenses from continuing operations</b>		<b>991,444</b>	<b>933,261</b>
<b>Total operating result from continuing operations</b>		<b>4,903</b>	<b>(14,139)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to operating result:			
- Increase in asset revaluation surplus	C8.2	95,900	91,586
<b>Total other comprehensive income</b>		<b>95,900</b>	<b>91,586</b>
<b>Total comprehensive income</b>		<b>100,803</b>	<b>77,447</b>

The accompanying notes form part of these financial statements.

## Statement of Financial Position

	Note	2023 \$'000	2022 \$'000
<b>Current assets</b>			
Cash and cash equivalents	C1	48,337	20,537
Receivables	C2	11,002	9,960
Inventories		7,757	6,888
Other current assets	C3	18,809	15,765
<b>Total current assets</b>		<b>85,905</b>	<b>53,150</b>
<b>Non-current assets</b>			
Property, plant and equipment	C4	1,193,881	1,150,374
Right-of-use assets		34	45
Intangible assets	C5	6,094	5,847
<b>Total non-current assets</b>		<b>1,200,009</b>	<b>1,156,266</b>
<b>Total assets</b>		<b>1,285,914</b>	<b>1,209,416</b>
<b>Current liabilities</b>			
Payables	C6	89,368	64,119
Employee benefits	C7	9,166	2,016
Contract liabilities		1,186	2,329
<b>Total current liabilities</b>		<b>99,720</b>	<b>68,464</b>
<b>Total liabilities</b>		<b>99,720</b>	<b>68,464</b>
<b>Net assets</b>		<b>1,186,194</b>	<b>1,140,952</b>
<b>Equity</b>			
Contributed equity	C8.1	921,480	977,041
Accumulated surplus		35,527	30,624
Asset revaluation surplus	C8.2	229,187	133,287
<b>Total equity</b>		<b>1,186,194</b>	<b>1,140,952</b>

The accompanying notes form part of these financial statements.

## Statement of Changes in Equity

	Accumulated Surplus	Asset Revaluation Surplus	Contributed Equity	Total
Note	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July 2022	30,624	133,287	977,041	1,140,952
Operating result for the year	4,903	–	–	4,903
<i>Other comprehensive income:</i>				
- Increase in asset revaluation surplus	–	95,900	–	95,900
<i>Total comprehensive income for the year</i>	4,903	95,900	–	100,803
<i>Transactions with owners as owners:</i>				
- Equity injections for capital funding	–	–	15,529	15,529
- Equity withdrawals for non-cash depreciation and amortisation funding	–	–	(71,482)	(71,482)
- Asset transfers	C4.1	–	392	392
<i>Net transactions with owners as owners</i>	–	–	(55,561)	(55,561)
<b>Balance as at 30 June 2023</b>	<b>35,527</b>	<b>229,187</b>	<b>921,480</b>	<b>1,186,194</b>
Balance as at 1 July 2021	44,763	41,701	1,031,011	1,117,475
Operating result for the year	(14,139)	–	–	(14,139)
<i>Other comprehensive income:</i>				
- Increase in asset revaluation surplus	–	91,586	–	91,586
<i>Total comprehensive income for the year</i>	(14,139)	91,586	–	77,447
<i>Transactions with owners as owners:</i>				
- Equity injections for capital funding	–	–	15,028	15,028
- Equity withdrawals for non-cash depreciation and amortisation funding	–	–	(69,279)	(69,279)
- Asset transfers	C4.1	–	281	281
<i>Net transactions with owners as owners</i>	–	–	(53,970)	(53,970)
<b>Balance as at 30 June 2022</b>	<b>30,624</b>	<b>133,287</b>	<b>977,041</b>	<b>1,140,952</b>

The accompanying notes form part of these financial statements.

## Statement of Cash Flows

	Note	2023 \$'000	2022 \$'000
<b>Cash flows from operating activities</b>			
<i>Inflows:</i>			
Health services funding		816,346	749,793
User charges and fees		78,964	76,926
Grants and other contributions		6,703	8,773
Interest receipts		222	45
GST collected from customers		2,146	2,184
GST input tax credits from ATO		14,038	13,470
Other		13,362	14,893
<i>Outflows:</i>			
Employee expenses		(131,045)	(129,087)
Health service employee costs		(516,028)	(490,574)
Supplies and services		(223,609)	(228,382)
Grants		(3,409)	(2,774)
GST paid to suppliers		(14,178)	(13,658)
GST remitted to ATO		(2,010)	(2,352)
Other		(10,294)	(9,587)
<b>Net cash provided by/(used in) operating activities</b>		<b>31,208</b>	<b>(10,330)</b>
<b>Cash flows from investing activities</b>			
<i>Inflows:</i>			
Sales of property, plant and equipment		19	343
<i>Outflows:</i>			
Payments for property, plant and equipment		(18,167)	(17,280)
Payments for intangibles		(778)	(2,621)
<b>Net cash used in investing activities</b>		<b>(18,926)</b>	<b>(19,558)</b>
<b>Cash flows from financing activities</b>			
<i>Inflows:</i>			
Equity injections		15,529	15,028
<i>Outflows:</i>			
Lease payments		(11)	(11)
<b>Net cash provided by financing activities</b>		<b>15,518</b>	<b>15,017</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	C1	<b>27,800</b>	<b>(14,871)</b>
Cash and cash equivalents at beginning of the year		20,537	35,408
<b>Cash and cash equivalents at end of the year</b>		<b>48,337</b>	<b>20,537</b>

The accompanying notes form part of these financial statements.

## Notes to the Statement of Cash Flows

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

	2023 \$'000	2022 \$'000
Operating result for the year	4,903	(14,139)
<i>Non-cash items included in operating result:</i>		
Depreciation and amortisation expense	71,482	69,279
Depreciation and amortisation funding	(71,482)	(69,279)
Trade receivable impairment losses	275	130
Inventory written off	97	216
Bad debts written off	266	936
Donations of plant and equipment	-	(8)
Gains on disposal of property, plant and equipment	(13)	(249)
Losses on disposal of property, plant and equipment	6	15
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in receivables	(1,583)	1,217
(Increase)/decrease in inventories	(966)	1,471
(Increase)/decrease in other current assets	(3,044)	(2,841)
Increase/(decrease) in payables	25,260	1,985
Increase/(decrease) in employee benefits	7,150	385
Increase/(decrease) in contract liabilities	(1,143)	552
<b>Net cash provided by / (used in) operating activities</b>	<b>31,208</b>	<b>(10,330)</b>

## 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 the website at <https://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 the 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 2019* 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 2022 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, or there are no unconditional right to defer settlement to beyond 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.

## Section B: Notes about our financial performance

### B1 Revenue

#### B1.1 Health services funding

	2023 \$'000	2022 \$'000
Activity-based funding	529,767	479,049
Block funding	134,735	124,027
Depreciation	71,482	69,279
Other funding	155,783	143,407
<b>Total</b>	<b>891,767</b>	<b>815,762</b>

Health services funding mainly comprises funding from the Department of Health for specific public health services purchased in accordance with a service agreement. The service agreement is reviewed periodically and updated for changes in activities and funding of services. The Department of Health receives its revenue for funding from the Queensland and Commonwealth Governments.

##### Activity-based funding

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

##### Block funding

Block funding is received for services agreed in the service agreement. Block funding does not have sufficiently specific performance obligations whereby Children's Health Queensland can determine and assign transaction prices. Accordingly, it is recognised as revenue on receipt.

##### Depreciation

State funding includes a non-cash appropriation for depreciation and amortisation and is disclosed in the Statement of Changes in Equity as an equity withdrawal.

##### Other funding

Other funding includes funding for specific programs, as per the service agreement with the Department of Health, which are not classified as activity-based or block funding.

#### B1.2 User charges and fees

	2023 \$'000	2022 \$'000
Hospital fees	22,741	22,501
Sale of goods and services	55,456	50,898
Rental revenue	1,760	1,783
<b>Total</b>	<b>79,957</b>	<b>75,182</b>

User charges and fees from contracts with customers is 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.

#### B1.3 Grants and other contributions

Grants	6,114	9,116
Donations	170	226
Services received below fair value	6,786	6,837
<b>Total</b>	<b>13,070</b>	<b>16,179</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 B2.3). 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.

#### B1.4 Other revenue

Recoveries	8,415	9,199
Interest income	240	46
Other	2,885	2,505
<b>Total</b>	<b>11,540</b>	<b>11,750</b>

##### Recoveries

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

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2023

### B2 Expenses

#### B2.1 Employee expenses

	Note	2023 \$'000	2022 \$'000
Wages and salaries		109,977	105,947
Board member fees		502	525
Employer superannuation contributions		9,055	8,723
Annual leave levy		13,474	8,795
Long service leave levy		2,766	2,677
Other employee related expenses		3,471	1,680
<b>Total</b>		<b>139,245</b>	<b>128,347</b>
Number of employees at end of the year	B2.2	271	263

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 as at 30 June 2023. Members of the Board, operational service contractors and volunteers are not included in this total. Key management personnel and remuneration disclosures are detailed in Note G1.

#### B2.2 Health service employee expenses

Health service employee expenses	535,614	490,309
<b>Total</b>	<b>535,614</b>	<b>490,309</b>
Number of health services employees at end of the year	3,831	3,829

Under the current employment arrangements, the Department of Health is the employer of all non-executive health service employees. A non-executive health service employee is any employee who is not a Senior Health Service employee (including Senior Medical Officers and Visiting Medical Officers) or a member of the Health Service Executive.

As at 30 June 2023, the \$535.614 million represents the employee costs for the 3,831 Department of Health employees working for Children's Health Queensland. The \$139.245 million figure recorded in Note B2.1 represents the employee costs for the 271 Children's Health Queensland employees. The total number of employees and health service employees as at 30 June 2023 is 4,102 (2022: 4,092).

Under these employment arrangements, the Department of Health enables Children's Health Queensland to perform its functions and exercise powers under the *Hospital and Health Boards Act 2011* and to ensure delivery of the services prescribed in the Service Agreement. The arrangement operates as follows:

- The Department of Health provides non-executive employees to perform work for Children's Health Queensland and the Queensland health system, acknowledging and accepting its obligations as the employer of the Queensland Health employees.

- Children's Health Queensland is responsible for the day-to-day workforce management.
- Children's Health Queensland reimburses the Department of Health for the salaries and on-costs of non-executive employees.

#### B2.3 Supplies and services

	Note	2023 \$'000	2022 \$'000
Clinical supplies and services		64,974	66,494
Consultants and contractors - clinical		3,869	3,200
Consultants and contractors - non-clinical		18,170	15,852
Pharmaceuticals		50,557	55,197
Catering and domestic supplies		15,176	14,334
Communications		4,002	3,648
Repairs and maintenance		18,596	19,073
Computer services		16,326	15,425
Building utilities		19,045	19,587
Rental agreements		5,962	5,898
Patient travel		1,182	597
Other travel		1,677	1,363
Office supplies		1,518	1,470
Minor works and equipment		1,584	2,385
Services received below fair value	B1.3	6,786	6,837
Other		3,468	2,659
<b>Total</b>		<b>232,892</b>	<b>234,019</b>

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2023

### B2.4 Other expenses

	Note	2023 \$'000	2022 \$'000
External audit fees		187	182
Other audit fees		173	135
Inventory written off		97	216
Bad debts written off		266	936
Transfer to/(from) allowance for impairment of receivables	C2	360	246
Legal costs		622	317
Insurance		7,109	6,719
Special payments		5	1
Other		53	49
<b>Total</b>		<b>8,872</b>	<b>8,801</b>

#### External audit fees

Total audit fees paid or payable to the Queensland Audit Office (QAO) relating to the 2022-23 financial year are \$186,550 (2022: \$182,000). There were no non-audit services provided by the QAO during the period.

#### Insurance premiums

Property and general losses are insured through the Queensland Government Insurance Fund (QGIF) under the Department of Health's insurance policy with a maximum exposure of \$10,000. Health litigation payments and associated legal fees are also insured through QGIF and the maximum exposure to Children's Health Queensland under this policy is limited to \$20,000 for each insurable event. Premiums are calculated by QGIF on a risk assessed basis. Children's Health Queensland also maintains separate Directors and Officers liability insurance.

#### 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 2019*, Children's Health Queensland maintains a register setting out details of all special payments greater than \$5,000. There is one ex-gratia payment exceeding \$5,000 during the year. This was a co-contribution towards essential equipment to support the discharge and management of a patient.

## Section C: Notes about our financial position

### C1 Cash and cash equivalents

	2023 \$'000	2022 \$'000
Imprest accounts	12	12
Cash at bank and on hand	41,964	14,030
Cash on deposit	6,361	6,495
<b>Total</b>	<b>48,337</b>	<b>20,537</b>

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

Children's Health Queensland 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 4.23 per cent (2022: 0.75 per cent).

### C2 Receivables

Trade debtors	10,933	9,620
Less: allowance for impairment loss	(1,232)	(957)
	9,701	8,663
 GST receivable	 1,652	 1,512
GST payable	(351)	(215)
	1,301	1,297
<b>Total</b>	<b>11,002</b>	<b>9,960</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 2023.

### Ageing trade debtors position

2023	Gross \$'000	Loss rate %	Expected credit losses \$'000	Net \$'000
<b>Trade debtors</b>				
Not yet due	5,298	1.21%	(64)	5,234
Less than 30 days	1,763	3.91%	(69)	1,694
30–60 days	1,032	7.75%	(80)	952
61–90 days	828	13.53%	(112)	716
More than 90 days	2,012	45.08%	(907)	1,105
<b>Total</b>	<b>10,933</b>		<b>(1,232)</b>	<b>9,701</b>

#### 2022

Not yet due	4,449	1.10%	(50)	4,399
Less than 30 days	2,295	1.96%	(45)	2,250
30–60 days	586	7.85%	(46)	540
61–90 days	723	6.22%	(45)	678
More than 90 days	1,567	49.20%	(771)	796
<b>Total</b>	<b>9,620</b>		<b>(957)</b>	<b>8,663</b>

#### Movement in allowance for impairment of trade debtors

	2023 \$'000	2022 \$'000
Opening balance	957	827
Amounts written off during the year	(85)	(116)
Increase in allowance recognised in operating result	360	246
<b>Closing balance</b>	<b>1,232</b>	<b>957</b>

#### Impairment of receivables

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 if 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 it is written off.

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

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2023

### C3 Other current assets

	2023 \$'000	2022 \$'000
Contract assets		
- Contracted health services	8,444	6,490
- Others	7,418	5,535
Prepayments	2,947	3,740
<b>Total</b>	<b>18,809</b>	<b>15,765</b>

#### Contract assets

Contract assets arise from contracts with customers and are transferred to receivables when Children's Health Queensland right to payment becomes unconditional. This occurs when the invoice is issued to the customer.

### C4 Property, plant and equipment

	2023 \$'000	2022 \$'000
Land at fair value:	96,914	82,099
Buildings:		
At fair value	1,655,623	1,526,171
Less: accumulated depreciation	(604,250)	(499,415)
	1,051,373	1,026,756
Heritage and cultural assets at fair value:	1,175	1,175
Plant and equipment:		
At cost	103,670	93,857
Less: accumulated depreciation	(65,708)	(59,399)
	37,962	34,458
Capital works in progress at cost:	6,457	5,886
<b>Total</b>	<b>1,193,881</b>	<b>1,150,374</b>

### C4.1 Property, plant and equipment reconciliation

	Land (Level 2) \$'000	Buildings (Level 2) \$'000	Buildings (Level 3) \$'000	Heritage and cultural \$'000	Plant and equipment \$'000	Work in progress \$'000	Total \$'000
Balance at 1 July 2022	82,099	599	1,026,157	1,175	34,458	5,886	1,150,374
Acquisitions	-	-	-	-	10,114	8,053	18,167
Donations	-	-	-	-	-	-	-
Disposals	-	-	-	-	(12)	-	(12)
Net revaluation increments	14,815	-	81,085	-	-	-	95,900
De-recognition	-	-	-	-	-	(56)	(56)
Transfers from DoH/Other HHS	-	-	-	-	392	-	392
Transfers between asset classes	-	-	6,873	-	553	(7,426)	-
Depreciation for the year	-	(24)	(63,317)	-	(7,543)	-	(70,884)
<b>Balance at 30 June 2023</b>	<b>96,914</b>	<b>575</b>	<b>1,050,798</b>	<b>1,175</b>	<b>37,962</b>	<b>6,457</b>	<b>1,193,881</b>
Balance at 1 July 2021	71,935	623	998,699	1,175	31,518	6,084	1,110,034
Acquisitions	-	-	-	-	6,057	11,223	17,280
Donations	-	-	-	-	8	-	8
Disposals	-	-	-	-	(109)	-	(109)
Net revaluation increments	10,164	-	81,422	-	-	-	91,586
Transfers from DoH/Other HHS	-	-	-	-	281	-	281
Transfers between asset classes	-	-	6,954	-	4,467	(11,421)	-
Depreciation for the year	-	(24)	(60,918)	-	(7,764)	-	(68,706)
<b>Balance at 30 June 2022</b>	<b>82,099</b>	<b>599</b>	<b>1,026,157</b>	<b>1,175</b>	<b>34,458</b>	<b>5,886</b>	<b>1,150,374</b>

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2023

### C4.2 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
Heritage and cultural assets	\$5,000
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 significant value 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 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, buildings and heritage and cultural assets 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 and heritage and cultural assets are not depreciated as they have 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 range of estimated useful lives of the assets are as follows:

Buildings	13 to 74 years
Plant and equipment	2 to 36 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 2023

### **(e) Impairment**

All property, plant and equipment assets are assessed for indicators of impairment on an annual basis or, where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed. 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 2022-23 with no asset requiring an adjustment for impairment.

### **C4.3 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. 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. This requirement applies to the extent that either the valuation results wholly or partially from a change in the service potential/capacity of the asset or the application of an indexation method would not result in a materially correct estimation of fair value.

In line with the above stated requirements, 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. 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's Health Queensland's 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 an indexed valuation method with an effective date of 30 June 2023. Management has assessed the valuations as appropriate and recognises the significant market volatility this financial year in line with broader market factors.

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 \$63.726 million as at 30 June 2023. 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 Mater to acquire the footprint for consideration of \$1. 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, 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 Mater. The asset has been recognised under the land asset class at fair value.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2023

### **(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 2023. Management has assessed the valuations as appropriate and recognises the significant market volatility this financial year in line with broader market factors. The outcome of the valuation resulted in an 8.5% increase in indexation rate for 2022-23 mainly due to rising construction costs. Management has received confirmation from the independent valuer that, at the reporting date, these factors have not had any material impact to the building asset values provided.

#### **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.

Management assesses that there is no cumulative material changes in the critical assumptions used since the last comprehensive valuation (30 June 2021) 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 fair value.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2023

### C5 Intangible assets

	2023 \$'000	2022 \$'000
Developed software:		
At cost	8,700	7,248
Less: accumulated amortisation	(2,994)	(2,478)
	5,706	4,770
Purchased software:		
At cost	628	1,097
Less: accumulated amortisation	(531)	(929)
	97	168
Software work in progress:		
At cost	291	909
<b>Total intangible assets</b>	<b>6,094</b>	<b>5,847</b>

#### Intangibles reconciliation

	Developed software \$'000	Purchased software \$'000	Software work in progress \$'000	Total \$'000
Balance at 1 July 2022	4,770	168	909	5,847
Acquisitions	–	–	778	778
Recognition	–	–	56	56
Transfer between classes	1,452	–	(1,452)	–
Amortisation for the year	(516)	(71)	–	(587)
<b>Balance at 30 June 2023</b>	<b>5,706</b>	<b>97</b>	<b>291</b>	<b>6,094</b>
Balance at 1 July 2021	325	437	3,026	3,788
Acquisitions	–	–	2,621	2,621
Transfer between classes	4,738	–	(4,738)	–
Amortisation for the year	(293)	(269)	–	(562)
<b>Balance at 30 June 2022</b>	<b>4,770</b>	<b>168</b>	<b>909</b>	<b>5,847</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 software systems is 6 to 13 years.

Intangibles are assessed for indicators of impairment on an annual basis with no asset requiring an adjustment for impairment in 2022-23.

### C6 Payables

	Note	2023 \$'000	2022 \$'000
Trade creditors		34,904	29,408
Health services employee payables	B2.2	20,473	6,120
Lease liabilities		34	45
Other accrued payables		33,957	28,546
<b>Total</b>		<b>89,368</b>	<b>64,119</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 amounts owing are unsecured and generally settled on 30 day terms.

### C7 Employee benefits

Accrued salary, wages and related costs	9,007	1,657
Other	159	359
<b>Total</b>	<b>9,166</b>	<b>2,016</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. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

#### 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 accrued rostered days off entitlements.

## C8 Equity

### C8.1 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 for Health and Ambulance Services has approved a withdrawal of equity by the State for the same amount, resulting in non-cash revenue and non-cash equity withdrawal.

### C8.2 Asset revaluation surplus by asset class

	Land \$'000	Building \$'000	Total \$'000
Balance at 1 July 2022	15,576	117,711	<b>133,287</b>
Revaluation increment for the year	14,815	81,085	<b>95,900</b>
<b>Balance at 30 June 2023</b>	<b>30,391</b>	<b>198,796</b>	<b>229,187</b>
Balance at 1 July 2021	5,412	36,289	<b>41,701</b>
Revaluation increment for the year	10,164	81,422	<b>91,586</b>
<b>Balance at 30 June 2022</b>	<b>15,576</b>	<b>117,711</b>	<b>133,287</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 and the commercial office building.

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.

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 is outlined further in Notes 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), Other current assets (Note C3) and Payables (Note C6).

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 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.

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.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2023

### **(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 \$10.500 million (2022: \$10.500 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 2023 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 rental agreements commitments - payables**

Rental agreements commitments are payable as follows:

	2023 \$'000	2022 \$'000
Not later than 1 year	3,602	3,683
Later than 1 year and not later than 5 years	2,708	6,106
Later than 5 years	–	253
<b>Total</b>	<b>6,310</b>	<b>10,042</b>

### **(b) Capital expenditure commitments**

Capital expenditure commitments are payable as follows:

Not later than 1 year	5,818	5,188
Later than 1 year and not later than 5 years	668	–
<b>Total</b>	<b>6,486</b>	<b>5,188</b>

### **(c) Non-cancellable rental agreements commitments – receivables**

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

Not later than 1 year	339	326
Later than 1 year and not later than 5 years	145	484
<b>Total</b>	<b>484</b>	<b>810</b>

## D4 Contingencies

### *Litigation in progress*

As at 30 June 2023 there were two cases filed with the courts as follows:

	2023	2022
Supreme court	1	2
District court	–	1
Tribunals, commissions and boards	1	1
<b>Total</b>	<b>2</b>	<b>4</b>

Health and property litigation is underwritten by Queensland Government Insurance Fund (QGIF) and Children's Health Queensland's liability in this area is limited to an excess per insurance event.

All Children's Health Queensland's indemnified claims are managed by QGIF. As at 30 June 2023, there were 44 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 limited to \$20,000 for each insurable event.

## D5 Events occurring after the reporting date

No matters or circumstances have arisen since 30 June 2023 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 accounting policies during 2022-23.

### *(b) Accounting standards early adopted in 2022-23*

No Australian Accounting Standards have been early adopted for 2022-23.

### *(c) Accounting standards applied for the first time in 2022-23*

No Australian Accounting Standards have been applied for the first time for 2022-23.

## D7 Future impact of accounting standards not yet effective

At the date of authorisation of the financial statements, Children's Health Queensland has assessed there are no new or amended Australian Accounting Standards, issued but with future commencement dates that will have a material impact on Children's Health Queensland's activities.

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

This section discloses Children's Health Queensland's original budgeted figures for 2022-23 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 2023 \$'000	Actual 2023 \$'000	Variance \$'000
<b>Income from continuing operations</b>				
Health services funding		831,612	891,767	60,155
User charges and fees		79,507	79,957	450
Grants and other contributions		9,649	13,070	3,421
Other revenue		3,658	11,540	7,882
<b>Total revenue</b>		<b>924,426</b>	<b>996,334</b>	<b>71,908</b>
Gains on disposal/revaluation of assets		–	13	13
<b>Total income from continuing operations</b>		<b>924,426</b>	<b>996,347</b>	<b>71,921</b>
<b>Expenses from continuing operations</b>				
Employee expenses	(a)	127,768	139,245	11,477
Health service employee expenses	(a)	501,544	535,614	34,070
Supplies and services	(b)	213,847	232,892	19,045
Grants		2,470	3,333	863
Depreciation and amortisation		70,509	71,482	973
Loss on disposal		500	6	(494)
Other expenses		15,788	8,872	(6,916)
<b>Total expenses from continuing operations</b>		<b>932,426</b>	<b>991,444</b>	<b>59,018</b>
<b>Total operating result</b>		<b>(8,000)</b>	<b>4,903</b>	<b>12,903</b>
<b>Other comprehensive income</b>				
Items that will not be reclassified to operating result:				
- Increase in asset revaluation surplus		–	95,900	95,900
<b>Total other comprehensive income</b>		<b>–</b>	<b>95,900</b>	<b>95,900</b>
<b>Total comprehensive income</b>		<b>(8,000)</b>	<b>100,803</b>	<b>108,803</b>

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

	Variance Notes	Original Budget 2023 \$'000	Actual 2023 \$'000	Variance \$'000
<b>Current assets</b>				
Cash and cash equivalents	(c)	11,827	48,337	36,510
Receivables	(d)	22,171	11,002	(11,169)
Inventories		8,653	7,757	(896)
Other current assets	(d)	3,980	18,809	14,829
<b>Total current assets</b>		<b>46,631</b>	<b>85,905</b>	<b>39,274</b>
<b>Non-current assets</b>				
Property, plant and equipment	(e)	1,005,530	1,193,881	188,351
Right of use assets		–	34	34
Intangible assets		6,550	6,094	(456)
<b>Total non-current assets</b>		<b>1,012,080</b>	<b>1,200,009</b>	<b>187,929</b>
<b>Total assets</b>		<b>1,058,711</b>	<b>1,285,914</b>	<b>227,203</b>
<b>Current liabilities</b>				
Payables	(f)	64,990	89,368	24,378
Employee benefits		2,296	9,166	6,870
Contract liabilities		1,777	1,186	(591)
<b>Total current liabilities</b>		<b>69,063</b>	<b>99,720</b>	<b>30,657</b>
<b>Total liabilities</b>		<b>69,063</b>	<b>99,720</b>	<b>30,657</b>
<b>Net assets / Total equity</b>		<b>989,648</b>	<b>1,186,194</b>	<b>196,546</b>

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

	Variance Notes	Original Budget 2023 \$'000	Actual 2023 \$'000	Variance \$'000
<b>Cash flows from operating activities</b>				
<i>Inflows:</i>				
Health services funding		831,612	816,346	(15,266)
User charges and fees		77,904	78,964	1,060
Grants and other contributions		2,607	6,703	4,096
Interest receipts		199	222	23
GST collected from customers		–	2,146	2,146
GST input tax credits from ATO		–	14,038	14,038
Other		8,334	13,362	5,028
<i>Outflows:</i>				
Employee expenses		(128,898)	(131,045)	(2,147)
Health service employee costs		(501,544)	(516,028)	(14,484)
Supplies and services		(215,237)	(223,609)	(8,372)
Grants		(2,470)	(3,409)	(939)
GST paid to suppliers		–	(14,178)	(14,178)
GST remitted to ATO		–	(2,010)	(2,010)
Other		(8,746)	(10,294)	(1,548)
<b>Net cash provided by operating activities</b>		<b>63,761</b>	<b>31,208</b>	<b>(32,553)</b>
<b>Cash flows from investing activities</b>				
<i>Inflows:</i>				
Sales of property, plant and equipment		–	19	19
<i>Outflows:</i>				
Payments for property, plant and equipment	(g)	–	(18,167)	(18,167)
Payments for intangibles	(h)	–	(778)	(778)
<b>Net cash used in investing activities</b>		<b>–</b>	<b>(18,926)</b>	<b>(18,926)</b>
<b>Cash flows from financing activities</b>				
<i>Inflows:</i>				
Equity injections	(i)	–	15,529	15,529
<i>Outflows:</i>				
Equity withdrawals	(j)	(70,509)	–	70,509
Lease payments		–	(11)	(11)
<b>Net cash provided by/(used in) financing activities</b>		<b>(70,509)</b>	<b>15,518</b>	<b>86,027</b>
<b>Net increase /(decrease) in cash and cash equivalents</b>		<b>(6,748)</b>	<b>27,800</b>	<b>34,548</b>
Cash and cash equivalents at beginning of the year		18,575	20,537	1,962
<b>Cash and cash equivalents at end of the year</b>		<b>11,827</b>	<b>48,337</b>	<b>36,510</b>

## **E4 Budget to actual comparison – Explanation of major variances**

- a) Overall employee-related expenses (i.e. Employee expenses and Health service employee expenses) have increased by \$45.547 million. The major driver of this increase relates to enterprise bargaining (EB) agreements increases (including backpay components) and other EB related payments including the Cost-of-Living Allowance (COLA) for various pay streams (\$31.424 million). These costs are offset by additional funding. Furthermore, the increase also relates to services or programs where funds were transacted at designated amendment windows throughout the year, post sign-off of the original budget (\$13.782 million).
- b) An increase in supplies and services of \$19.045 million predominantly relates to higher than anticipated clinical supplies costs such as high-cost drugs (\$7.853 million), additional funded costs relating to services and programs commissioned part way through the year following agreed service agreement amendments (\$3.665 million) and general pricing increases across all non-labour categories beyond the original funding provided. Additional funding to the extent of \$1.700 million was provided by the Department of Health to compensate some of this pressure.
- c) An increase in the cash asset position is mainly due to an increase in contract assets and prepayments (\$14.829 million) offset by an increase in employee benefits (\$6.870 million), payables (\$24.378 million) and lower receivables (\$11.169 million).
- d) In the original budget, accrued revenue is classified as Receivables, however, to align with the new terminology in AASB 15, accrued revenue arising from contracts with customers has been renamed as Contract assets and classified under Contract assets and prepayments. The increase of \$3.660 million in the combined categories mainly relates to an increase in contracted health services funding to be received from the Department of Health, following the scheduled end of year funding reconciliation.
- e) An increase in property, plant and equipment mainly relates to land and building valuation increments (\$95.900 million)
- f) An increase in payables is mainly due to pay rate increases associated with ratified changes to EB agreements and superannuation for health services employees (\$12.191 million). Higher outstanding creditors than originally expected for the end of year has also contributed to the balance of the movement.
- g) An increase in payments for property, plant and equipment mainly relates to higher than anticipated capital projects expenditure (\$8.053 million) and medical equipment (\$9.535 million).
- h) An increase in payments for intangible assets mainly relates to costs associated with CHQ Imaging Informatics Program (\$0.628 million).
- i) An increase in equity injections relates to higher than anticipated funding towards capital expenditure for facility projects (\$8.961 million), equipment purchases under the Health Technology Equipment Replacement (HTER) Program (\$5.707 million) and Minor Capital projects (\$0.861 million).
- j) Funding for depreciation was budgeted as a cash item. It was subsequently accounted for as a non-cash equity withdrawal

## 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 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.

	2023 \$'000	2022 \$'000
Opening balance	7,018	7,001
Income	2,985	1,971
Expenditure	(2,736)	(1,954)
<b>Closing balance</b>	<b>7,267</b>	<b>7,018</b>

### F2 Third party monies

	2023 \$'000	2022 \$'000
<b>(a) Grant of private practice accounts</b>		
<b>Revenue and expense:</b>		
<i>Revenue</i>		
Billings	4,846	5,161
<b>Total revenue</b>	<b>4,846</b>	<b>5,161</b>
<i>Expense</i>		
Payments to medical practitioners	3,545	2,785
Payments to Children's Health Queensland for recoverable costs	1,301	2,369
Payments to medical practitioners' trust	–	7
<b>Total expenditure</b>	<b>4,846</b>	<b>5,161</b>
<b>Assets and liabilities:</b>		
<i>Current assets</i>		
Cash at bank	1,081	1,124
<b>Total assets</b>	<b>1,081</b>	<b>1,124</b>
<i>Current liabilities</i>		
Payables to medical practitioners	385	318
Payables to Children's Health Queensland for recoverable costs	696	804
Payables to medical practitioners' trust	–	2
<b>Total liabilities</b>	<b>1,081</b>	<b>1,124</b>
<b>(b) Patient trust accounts</b>		
Opening balance	8	8
Cash receipts	2	2
Cash payments	(2)	(2)
<b>Closing balance</b>	<b>8</b>	<b>8</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.

## 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 2022-23.

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

The Minister for Health and Ambulance Services 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 – Mr David Gow	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 Member – Research Committee	11 May 2018 (Appointed as Board member 18 May 2013)	–
Deputy Chair – Ms Cheryl Herbert	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 – Safety and Quality Committee Member – Research Committee	6 July 2018 (Appointed as Board member 26 June 2015)	–
Board Member – Mr Martin Byrne	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 – Safety and Quality Committee	10 June 2021	–
Board Member – Ms Suzanne Cadigan	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Chair – Safety and Quality Committee Member – Health Service Executive Committee Member – Research Committee	18 May 2019	–
Board Member – Mr Simon Denny	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Member – Safety and Quality Committee Member – Research Committee	10 June 2021	–
Board Member – Mr William Fellowes	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 Member – Finance and Performance Committee	18 May 2021	–
Board Member – Ms Karina Hogan	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 – Finance and Performance Committee Member – Safety and Quality Committee	18 May 2019	–
Board Member – Ms Meredith Staib	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 – Finance and Performance Committee	18 May 2020	–

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2023

### (b) Board (continued)

Position and Name	Responsibilities, Appointment Authority and Memberships	Date of Initial Appointment	Date of Resignation or Cessation
Board Member – Ms Heather Watson	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> . Governor-in-Council Appointment. Chair – Research Committee Member – Health Service Executive Committee Member – Audit and Risk Committee	18 May 2018	–
Board Member – Mr Ross Willims	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	–

### (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 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
Francis Tracey	Current	Individual contract <i>Hospital and Health Boards Act 2011</i> , S24/70 Award Free Section 24	23 July 2019	–

#### Executive Director Corporate Services / Chief Finance Officer

##### Responsibilities

Lead the corporate services function, including Finance and Business Services, Digital Health Service, Facilities and Capital Infrastructure, and Disruption and Disaster Management Unit with a core focus on sustainability to ensure support for the delivery of high quality healthcare, and 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 3) <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
Steven McTaggart	Current	Senior Medical Officer (Level 28 – MM013), <i>Medical Officer (Queensland Health)</i> <i>Certified Agreement (No.5) 2018 (MOCA 5)</i>	27 July 2020	–

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2023

### (c) Executive management (continued)

#### Executive Director, Nursing Services

##### Responsibilities

Provide nursing executive leadership, direction, authoritative and expert advice on a wide range of professional and policy issues and alignment to relevant standards, for the safe and effective delivery of nursing services across Children's Health Queensland. Shape and lead strategic thinking at the executive management level in a complex, diverse and dynamic environment, to develop and establish an integrated nursing service delivery model and workforce. Cultivate a working environment which actively promotes a collaborative performance culture that includes values of trust and respect for consumers, carers and other stakeholders.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Callan Battley	Current	Nurse Grade 13 <i>Nurses and Midwives (Queensland Health) Award – State 2015</i>	16 September 2019	–

#### 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
Leanne Johnston	Current	Health Practitioners (HP8-2) <i>Queensland Health Certified Agreement (No.2) 2011</i>	24 April 2023	
Tania Hobson	Former	Health Practitioners (HP8-2) <i>Queensland Health Certified Agreement (No.2) 2011</i>	27 January 2016	27 March 2023

#### Executive Director, Clinical Services

##### Responsibilities

Provide strategic leadership and ultimate accountability for the effective and efficient delivery of operational services across the organisation including community, mental health and services delivered from the Queensland Children's Hospital.

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, Strategy, Planning, Improvement and Innovation

##### Responsibilities

Provide leadership, advice and management oversight for strategy, planning, improvement and innovation processes and activities 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
Adrian Clutterbuck	Current	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	1 January 2021	–

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2023

### (c) Executive management (continued)

#### Executive Director, Communications, Culture and Engagement

##### Responsibilities

Responsible for the proactive and strategic management of Children's Health Queensland internal and external communications, marketing and media, stakeholder engagement, organisational culture, leadership development and Arts in Health program.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Belinda Taylor	Current	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	12 November 2018	–

#### Executive Director, People and Governance

##### Responsibilities

Lead Children's Health Queensland's workforce strategies and services, governance, legal and risk management functions, ensuring their capacity to support Children's Health Queensland to achieve the highest standards in human resource management, clinical and corporate governance and risk and compliance management.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
John Hammond	Former (Acting)	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	29 August 2022	14 May 2023
Naomi Hebson	Current	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	10 January 2022	–

#### Executive Director, Aboriginal and Torres Strait Islander Engagement

##### Responsibilities

Provide strategic advice, guidance and support to the Children's Health Queensland Board, Health Service Chief Executive and members of the Executive Team on matters relating to equitable health outcomes for Aboriginal and Torres Strait Islander children and young people, which prioritises their cultural, emotional and spiritual needs.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Angela Young	Current	Health Executive Service (HES 2) <i>Hospital and Health Boards Act 2011</i>	22 February 2021	–

### **(d) Remuneration expenses**

#### **Minister for Health, Mental Health and Ambulance Services and Minister for Women**

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 key management personnel (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 2023

### (i) Board – Remuneration expenses

Position and name		Short-term employee expenses		Long-term employee expenses	Post-employment expenses	Termination benefits	Total expenses
		Monetary expenses	Non-monetary benefits				
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Mr David Gow Board Chair	2023	81	–	–	9	–	90
	2022	84	–	–	8	–	92
Ms Cheryl Herbert Deputy Chair	2023	47	–	–	5	–	52
	2022	50	–	–	5	–	55
Mr Martin Byrne Board Member	2023	46	1	–	5	–	52
	2022	46	17	–	5	–	68
Ms Suzanne Cadigan Board Member	2023	47	17	–	5	–	69
	2022	50	17	–	5	–	72
Mr Simon Denny Board Member	2023	43	–	–	5	–	48
	2022	46	–	–	5	–	51
Mr William Fellowes Board Member	2023	50	17	–	5	–	72
	2022	47	16	–	4	–	67
Ms Karina Hogan Board Member	2023	49	–	–	5	–	54
	2022	49	–	–	5	–	54
Ms Meredith Staib Board Member	2023	46	17	–	5	–	68
	2022	56	17	–	6	–	79
Ms Heather Watson Board Member	2023	46	17	–	5	–	68
	2022	50	16	–	5	–	71
Mr Ross Willims Board Member	2023	47	–	–	5	–	52
	2022	47	–	–	5	–	52
<b>Total Remuneration: Board</b>	<b>2023</b>	<b>502</b>	<b>69</b>	<b>–</b>	<b>54</b>	<b>–</b>	<b>625</b>
	<b>2022</b>	<b>525</b>	<b>83</b>	<b>–</b>	<b>53</b>	<b>–</b>	<b>661</b>

\*Remuneration for Research Committee fees were not issued during the 2022-2023 Financial Year. Payment of fees was processed in July 2023 and will be reflected in the 2023-2024 Annual Report.

# Children's Health Queensland Hospital and Health Service

## Notes to the Financial Statements for the year ended 30 June 2023

### (ii) Executive Management - Remuneration expenses

Position	Incumbent Status	Year	Short-term employee expenses		Long-term employee expenses	Post-employment expenses	Termination benefits	Total expenses
			Monetary expenses	Non-monetary benefits				
			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Health Service Chief Executive	Current	2023	376	–	9	40	–	425
	Current	2022	402	–	9	40	–	451
Executive Director Corporate Services/ Chief Finance Officer	Current	2023	221	17	5	21	–	264
	Current	2022	208	17	5	20	–	250
Executive Director, Medical Services	Current	2023	549	17	11	39	–	616
	Current	2022	508	17	11	40	–	576
Executive Director, Nursing Services	Current	2023	280	17	6	28	–	331
	Current	2022	263	17	6	27	–	313
Executive Director, Allied Health	Current	2023	41	–	1	5	–	47
	Former	2023	138	17	3	17	–	175
	Former	2022	184	13	4	21	–	222
Executive Director, Clinical Services	Current	2023	239	17	6	25	–	287
	Current	2022	239	17	5	24	–	285
Executive Director, People and Governance	Current	2023	189	16	4	18	–	227
	Former Acting	2023	143	12	3	13	–	171
	Current	2022	110	–	3	11	–	124
Executive Director, Strategy, Planning, Improvement and Innovation	Current	2023	208	17	5	20	–	250
	Current	2022	201	17	5	20	–	243
Executive Director, Communications, Culture and Engagement	Current	2023	198	17	5	19	–	239
	Current	2022	194	16	4	19	–	233
Executive Director, Aboriginal and Torres Strait Islander	Current	2023	199	–	4	20	–	223
	Current	2022	189	–	4	19	–	212
<b>Total Remuneration: Executives</b>		<b>2023</b>	<b>2,781</b>	<b>147</b>	<b>62</b>	<b>265</b>	<b>–</b>	<b>3,255</b>
		<b>2022</b>	<b>2,498</b>	<b>114</b>	<b>56</b>	<b>241</b>	<b>–</b>	<b>2,909</b>

## 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 (Note B1.1). Children's Health Queensland also incurs expenditure for supplies and services provided by the Department of Health.

Related transactions for the year are as follows:

	2023 \$'000	2022 \$'000
Revenue received	910,353	829,033
Expenditure incurred (including cost of health service employees)	596,697	560,950
Receivables	215	567
Payables	65,564	43,502

In addition, the Department of Health provides some corporate services support to Children's Health Queensland for no consideration as outlined in Note B1.3.

#### **Children's Hospital Foundation**

The Children's Hospital Foundation (Foundation) raises funds for research, equipment and services for Children's Health Queensland. Mr Martin Byrne (nominee of the Chair of the Children's Health Queensland Board) and Mr Francis Tracey (Health Service Chief Executive) are 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.

## G4 Climate risk disclosure

Children's Health Queensland has not identified any material climate related risks relevant to the financial report at the reporting date.

No adjustments to the carrying value of recorded assets or other adjustments to the amounts recorded in the financial statements were recognised during the financial year.

## Management certificate

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

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Children's Health Queensland Hospital and Health Service for the financial year ended 30 June 2023 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 7 and Section 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



**Mr David Gow**  
Chair  
Children's Health Queensland  
Hospital and Health Board  
29 August 2023



**Mr Francis Tracey**  
Health Service Chief Executive  
Children's Health Queensland  
Hospital and Health Service  
29 August 2023

## 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 2023, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises of the statement of financial position as at 30 June 2023, 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 material accounting policies and other explanatory information, and the management certificate.

#### Basis for opinion

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

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

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

#### Other information

Other information comprises financial and non-financial information (other than the audited financial report) in the **Children's Health Queensland** Hospital and Health Service annual report.

Those charged with governance are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## 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.

### **Fair value of buildings \$1,051 million**

*Refer to note C4 in the financial report.*

Key audit matter	How my audit addressed the key audit matter
<p>Buildings were material to Children Health Queensland Hospital and Health Service (CHQHHS) at balance date and were measured at fair value using the current replacement cost method.</p> <p>CHQHHS performed comprehensive revaluations of 18 building assets (14 buildings and 4 site improvements). <b>These assets are located at Queensland Children's Hospital, Ellen Barron Centre, Adolescent Extended Treatment Centre, CYMHS Enoggera, CCHS Ferny Hills and Child Guidance Centre at Inala, Yeronga and Greenslopes.</b> All other buildings were assessed using relevant indices.</p> <p>The current replacement cost method comprises:</p> <ul style="list-style-type: none"> <li>gross replacement cost, less</li> <li>accumulated depreciation.</li> </ul> <p>CHQHHS derived the gross replacement cost of its buildings at balance date using unit prices that required significant judgements for:</p> <ul style="list-style-type: none"> <li>identifying the components of buildings with separately identifiable replacement costs</li> <li>developing a unit rate for each of these components, including: <ul style="list-style-type: none"> <li>estimating the current cost for a modern substitute (including locality factors and oncosts), expressed as a rate per unit (e.g. \$/square metre)</li> <li>identifying whether the existing building contains obsolescence or less utility compared to the modern substitute, and if so estimating the adjustment to the unit rate required to reflect this difference.</li> </ul> </li> </ul> <p>Using indexation required:</p> <ul style="list-style-type: none"> <li>significant judgement in determining changes in cost and design factors for each asset type since the previous revaluation</li> <li>reviewing previous assumptions and judgements used in the last comprehensive valuation to ensure ongoing validity of assumptions and judgements used.</li> </ul> <p>The measurement of accumulated depreciation involved significant judgements for determining condition and forecasting the remaining useful lives of building components.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant judgements for calculating annual depreciation expense.</p>	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>assessing the adequacy of management's review of the valuation process and results</li> <li>reviewing the scope and instructions provided to the valuer</li> <li>assessing the appropriateness of the valuation methodology and the underlying assumptions with reference to common industry practices</li> <li>assessing the appropriateness of the components of buildings used for measuring gross replacement cost with reference to common industry practices</li> <li>assessing the competence, capabilities and objectivity of the experts used to develop the models</li> <li>for unit rates, on a sample basis, evaluating the relevance, completeness and accuracy of source data used to derive the unit rate of the: <ul style="list-style-type: none"> <li>modern substitute (including locality factors and oncosts)</li> <li>adjustment for excess quality or obsolescence</li> </ul> </li> <li>evaluating the relevance and appropriateness of the indices used for changes in cost inputs by comparing to other relevant external indices</li> <li>evaluating useful life estimates for reasonableness by: <ul style="list-style-type: none"> <li>reviewing management's annual assessment of useful lives</li> <li>at an aggregated level, reviewing asset management plans for consistency between renewal budgets and the gross replacement cost of assets</li> <li>testing that no building asset still in use has reached or exceeded its useful life</li> <li>enquiring of management about their plans for assets that are nearing the end of their useful life</li> <li>reviewing assets with an inconsistent relationship between condition and remaining useful life</li> </ul> </li> <li>where changes in useful lives were identified, evaluating whether the effective dates of the changes applied for depreciation expense were supported by appropriate evidence.</li> </ul>

## **Responsibilities of the entity for the financial report**

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

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

## **Auditor's responsibilities for the audit of the financial report**

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

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

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

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

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

### **Statement**

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2022:

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

### **Prescribed requirements scope**

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



D J Toma  
as delegate of the Auditor-General

30 August 2023

Queensland Audit Office  
Brisbane

# Section 5: Appendices

## Strategic Plan 2020-2024 (updated November 2022)

### Our challenges

- Health system complexity and our response to changing public health context (e.g., COVID-19) impacts our ability to deliver connected care as close to home as possible.
- Attracting, retaining and investing in a diverse workforce with specialised knowledge and skills, impacts how we deliver health service priorities.
- Our capacity to meet demand for paediatric services is impacted by population growth, changing disease profiles, and resource availability and stewardship.
- Our ability to innovate is impacted by the health system environment and performance of assets and facilities to respond to population needs.

### Our opportunities

- Co-design culturally safe services to improve health equity outcomes for Aboriginal and Torres Strait Islander people.
- Embed a person-centred approach to care that is inclusive, authentic and delivered in partnership with each child, young person, family and community.
- Leverage digital enablement to enhance paediatric service delivery efficiencies across the health system to improve accessibility of care and high quality health outcomes.
- Lead and advocate translational research and innovation capability to improve health outcomes for children and young people.

### Children's Health Queensland will continue to contribute to Queensland Government objectives for the community through:

*Good jobs:* Good, secure jobs in our traditional and emerging industries. *Better services:* Deliver even better services right across Queensland. *Great lifestyle:* Protect and enhance our Queensland lifestyle as we grow. This is demonstrated through specifically aligned strategies below.

*Keeping Queenslanders safe* by working with our statewide partners as we learn to live with COVID-19 and ensure all Queenslanders can access world-class healthcare no matter where they live.

- CHQ will protect and enhance health and wellbeing through an agile and robust pandemic response.

*Building and connecting Queensland* through designing services that will build community resilience and deliver better health services, closer to home

- Leverage virtual and alternative models to connect, understand and improve the experience and accessibility of care.
- Advance health and business intelligence capability to support a population based approach to planning and investment.
- Align infrastructure, workforce and service planning to collectively respond to current and future needs.

*Backing our frontline services*, investing in skills and supporting jobs by building capacity and capability to deliver world-class paediatric care, research, advocacy and leadership

- Support growth in a sustainable statewide paediatric workforce to deliver care where needed.
- Invest in leadership and talent development to create a pipeline that can respond to the opportunities ahead.
- Mobilise and empower the Queensland paediatric research community to generate and lead groundbreaking research and translate new knowledge into better health outcomes.

*Protecting the environment* through our commitment to becoming a leader in environmentally sustainable practices that deliver social benefits for a healthier tomorrow

- Demonstrate our commitment to being environmentally responsible.
- Optimise efficiency, productivity and resource management to enable a sustainable system of care.

*Honouring and embracing our rich and ancient cultural history* by working together across boundaries for the best experience and outcomes

- Deliver accessible, responsive and culturally safe care that improves health equity for Aboriginal and Torres Strait Islander people.
- Work with Aboriginal and Torres Strait Islander peoples, communities and organisations to co-design integrated models of care.
- Actively eliminate institutional racism and racial discrimination.

## Our strategies

### 1. Value all people

We will create an inclusive environment where all people feel valued, safe, engaged and empowered.

- Enable a supportive and inclusive culture that values diversity of experience, skills and perspectives.
- Actively listen, learn and respond to the voices of children, young people, families and staff in the design and delivery of care.
- Empower and equip children, young people and families to be knowledgeable and confident navigators of their health and wellbeing.
- Deliver compassionate leadership, respect and professionalism that promotes wellbeing and enables people to be at their best.
- Address the physical, psychological, cultural and social aspects of health and wellbeing.
- Deliver accessible, responsive and culturally safe care that improves health equity for Aboriginal and Torres Strait Islander peoples.
- Actively eliminate racial discrimination and institutional racism.

### 2. Generate knowledge and innovate

We will build and harness creativity, research, technology and collective expertise to prepare for the future.

- Champion a culture of curiosity, critical enquiry, innovation and improvement.
- Mobilise and empower the Queensland paediatric research community to generate and lead ground-breaking research and translate new knowledge into better health outcomes.
- Invest in leadership and talent development to create a pipeline that can respond to the opportunities ahead.
- Support growth in a sustainable statewide paediatric workforce to deliver care where it is needed.
- Build interprofessional communities of practice whereby knowledge is fostered and experience is shared.
- Advance health and business intelligence capability to support a population based approach to planning and investment.

### 3. Collaborate in care

We will work together with a shared purpose to create a connected system of care.

- Work together across boundaries for the best experience and outcomes.
- Advocate as a collective voice to reduce health inequities, by leading, influencing and implementing policy and practice.
- Work with Aboriginal and Torres Strait Islander peoples, communities and organisations to co-design integrated models of care.
- Leverage virtual and alternative models to connect, understand and improve the experience and accessibility of care.
- Demonstrate leadership in local, regional and statewide care and planning.
- Proactively support seamless transition of children and young people through the care continuum.
- Foster genuine connections that build trust and productive collaboration.

### 4. Perform at our best every time

We will adapt and improve to achieve sustainable high quality outcomes.

- Embed continuous quality improvement in all that we do
- Integrate quality and performance mechanisms for safe, reliable, high-value care.
- Protect and enhance health and wellbeing through an agile and robust pandemic response.
- Align infrastructure, workforce and service planning to collectively respond to current and future needs.
- Strengthen decision-making and accountability through effective governance and timely access to the right information.
- Demonstrate our commitment to being environmentally responsible.
- Optimise efficiency, productivity and resource management to enable a sustainable system of care.

View the full plan at [www.childrens.health.qld.gov.au/wp-content/uploads/PDF/our-strategies/chq-strategic-plan.pdf](http://www.childrens.health.qld.gov.au/wp-content/uploads/PDF/our-strategies/chq-strategic-plan.pdf)

# 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>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>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>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>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>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>Acute hospital</b>	Generally a recognised hospital that provides acute care and excludes dental and psychiatric hospitals.	<b>Full-time equivalent (FTE)</b>	Refers to full-time equivalent staff currently working in a position.
<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>Health outcome</b>	Change in the health of an individual, group of people or population attributable to an intervention or series of interventions.
<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>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 Board</b>	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 agent by administering a vaccine.

<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>Outpatient</b>	An individual who accesses non-admitted health services 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>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>Registered nurse</b>	An individual registered under national law to practise 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>	<p>Delivery of health-related services and information via telecommunication, including:</p> <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>

## Glossary of acronyms

<b>AASB</b>	Australian Accounting Standards Board
<b>ARRs</b>	Annual report requirements for Queensland
<b>ATO</b>	Australian Taxation Office
<b>COLA</b>	Cost-of-living Allowance
<b>CSCF</b>	Clinical Services Capability Framework
<b>CYMHS</b>	Child and Youth Mental Health Service
<b>EB</b>	Enterprise Bargaining
<b>ECHO</b>	Extension for Community Healthcare Outcomes
<b>ED</b>	Emergency Department
<b>EDICC</b>	Emergency Department Integrated Care Coordinator
<b>ELVAC</b>	Education Low Vision Assessment Centre
<b>ENT</b>	Ear, nose and throat
<b>FAA</b>	Financial Accountability Act 2009
<b>FBT</b>	Fringe Benefits Tax
<b>FPMS</b>	<i>Financial and Performance Management Standard 2019</i>
<b>FTE</b>	Full-time equivalent
<b>GOPP</b>	Grant of Private Practice
<b>GST</b>	Goods and Services Tax
<b>HHS</b>	Hospital and Health Service

<b>HTER</b>	Health technology equipment replacement
<b>ICT</b>	Information and Communication Technology
<b>IFC</b>	Inside front cover
<b>IROC</b>	Indigenous Respiratory Outreach Care
<b>ISMS</b>	Information security management system
<b>ISO</b>	International Organization for Standardization
<b>IUIH</b>	Institute for Urban Indigenous Health
<b>KMP</b>	Key management personnel
<b>KPI</b>	Key performance indicators
<b>PCBU</b>	Person conducting a business or undertaking
<b>QAO</b>	Queensland Audit Office
<b>QCH</b>	Queensland Children's Hospital
<b>QGIF</b>	Queensland Government Insurance Fund
<b>QUT</b>	Queensland University of Technology
<b>UQ</b>	The University of Queensland
<b>USiN</b>	Undergraduate students in nursing
<b>WAU</b>	Weighted activity unit
<b>WfQ</b>	Working for Queensland

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# Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference (page)
Letter of compliance	<ul style="list-style-type: none"> <li>A letter of compliance from the accountable officer or statutory body to the relevant Minister/s</li> </ul>	ARRs – section 7	1
Accessibility	<ul style="list-style-type: none"> <li>Table of contents</li> <li>Glossary</li> </ul>	ARRs – section 9.1	2 80-82
	<ul style="list-style-type: none"> <li>Public availability</li> </ul>	ARRs – section 9.2	IFC
	<ul style="list-style-type: none"> <li>Interpreter service statement</li> </ul>	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	IFC
	<ul style="list-style-type: none"> <li>Copyright notice</li> </ul>	<i>Copyright Act 1968</i> ARRs – section 9.4	IFC
	<ul style="list-style-type: none"> <li>Information licensing</li> </ul>	<i>QGEA – Information Licensing</i> ARRs – section 9.5	IFC
General information	<ul style="list-style-type: none"> <li>Introductory information</li> </ul>	ARRs – section 10	6-7, 12-13
Non-financial performance	<ul style="list-style-type: none"> <li>Government's objectives for the community and whole-of-government plans/specific initiatives</li> </ul>	ARRs – section 11.1	3
	<ul style="list-style-type: none"> <li>Agency objectives and performance indicators</li> </ul>	ARRs – section 11.2	6-8, 30-33
	<ul style="list-style-type: none"> <li>Agency service areas and service standards</li> </ul>	ARRs – section 11.3	12-13, 34-35
Financial performance	<ul style="list-style-type: none"> <li>Summary of financial performance</li> </ul>	ARRs – section 12.1	36-38
Governance – management and structure	<ul style="list-style-type: none"> <li>Organisational structure</li> </ul>	ARRs – section 13.1	23
	<ul style="list-style-type: none"> <li>Executive management</li> </ul>	ARRs – section 13.2	18-22
	<ul style="list-style-type: none"> <li>Government bodies (statutory bodies and other entities)</li> </ul>	ARRs – section 13.3	18
	<ul style="list-style-type: none"> <li>Public Sector Ethics</li> </ul>	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	28
	<ul style="list-style-type: none"> <li>Human Rights</li> </ul>	<i>Human Rights Act 2019</i> ARRs – section 13.5	28
	<ul style="list-style-type: none"> <li>Queensland public service values</li> </ul>	ARRs – section 13.6	7
Governance – risk management and accountability	<ul style="list-style-type: none"> <li>Risk management</li> </ul>	ARRs – section 14.1	27
	<ul style="list-style-type: none"> <li>Audit and Risk Committee</li> </ul>	ARRs – section 14.2	19
	<ul style="list-style-type: none"> <li>Internal audit</li> </ul>	ARRs – section 14.3	27
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Open Data	<ul style="list-style-type: none"> <li>Statement advising publication of information</li> </ul>	ARRs – section 16	IFC
	<ul style="list-style-type: none"> <li>Consultancies</li> </ul>	ARRs – section 31.1	<a href="http://data.qld.gov.au">data.qld.gov.au</a>
	<ul style="list-style-type: none"> <li>Overseas travel</li> </ul>	ARRs – section 31.2	<a href="http://data.qld.gov.au">data.qld.gov.au</a>
	<ul style="list-style-type: none"> <li>Queensland Language Services Policy</li> </ul>	ARRs – section 31.3	<a href="http://data.qld.gov.au">data.qld.gov.au</a>
Financial statements	<ul style="list-style-type: none"> <li>Certification of financial statements</li> </ul>	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	73
	<ul style="list-style-type: none"> <li>Independent Auditor's Report</li> </ul>	FAA – section 62 FPMS – section 46 ARRs – section 17.2	74-77

FAA *Financial Accountability Act 2009*  
 FPMS *Financial and Performance Management Standard 2019*  
 ARRs *Annual report requirements for Queensland Government agencies*

