

2018–2019  
ANNUAL  
REPORT



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### Acknowledgement of Traditional Owners

Darling Downs Health respectfully acknowledges the Traditional Custodians of the region we serve and pays respect to Elders past, present and emerging.

Our commitment to improving health outcomes for Aboriginal and Torres Strait Islander people is one we will continue to work diligently towards in line with Australian and State Government policies including Closing the Gap initiatives.

# 2018–2019 ANNUAL REPORT

27 August 2019

The Honourable Steven Miles MP  
Minister for Health and Minister for Ambulance Services  
GPO Box 48  
Brisbane QLD 4001

Dear Minister

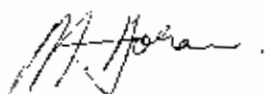
I am pleased to deliver for presentation to the Parliament the Annual Report 2018–2019 and financial statements for Darling Downs Hospital and Health Service.

I certify that this annual report complies with:

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

A checklist outlining the annual reporting requirements can be found on page 160 of this Annual Report.

Yours sincerely,



**Mr Mike Horan AM**  
Chair  
Darling Downs Hospital and Health Board

# 01

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## Overview

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# 01 Overview

## Statement on government objectives for the community

Darling Downs Hospital and Health Service (Darling Downs Health) contributes to the following government objectives for the community as identified in *Our Future State: Advancing Queensland's Priorities*:



- **Keep Queenslanders healthy:** by providing quality, evidence-based healthcare for our consumers, focusing on patient-centred care and collaborating with our partners to ensure we provide integrated care to the people of the Darling Downs region, while also investing in wellbeing initiatives to improve the health and wellness of our communities.
- **Give all our children a great start:** by providing excellent care in the antenatal period, including specified Aboriginal and Torres Strait Islander antenatal services, and in child health by providing a range of services across our region. Darling Downs Health promotes wellness activities and health literacy by providing healthier food and drinks in healthcare facilities and developing wellness education programs for students to give children in the Darling Downs a great start.
- **Creating jobs in a diverse economy:** Darling Downs Health continues to be one of the largest employers in the region, providing employment for 4,559 full time equivalent positions. (source: Service Delivery Statement 2018-19 estimated actual)



## for our community

Darling Downs Health supports significant training, education and skills development to foster future workforce capability. In 2018-19, Darling Downs Health in conjunction with Southern Queensland Rural Health implemented allied health and nursing student resourced clinics to promote community wellness and prevent the development of chronic disease. This partnership builds on the significant clinical student training already established at our various facilities across the region.

Darling Downs Health's contribution to *My health, Queensland's future: Advancing health 2026* is demonstrated through our vision 'Caring for our Communities – Healthier Together'. The Darling Downs Health Strategic Plan 2016-20 provides detail on our priority initiatives for Darling Downs Health to be effective in delivering this vision with a focus on patient-centred care and embedding partnerships that enable the best care for the people of the Darling Downs. The following six strategic objectives establish the Darling Downs Health framework for delivering our vision of a healthier community:

- Deliver quality evidence-based healthcare for our patients and clients
- Engage, communicate and collaborate with our partners and communities to ensure we provide integrated, patient centred care
- Demonstrate a commitment to learning, research, innovation and education in rural and regional healthcare
- Ensure sustainable resources through attentive financial and asset administration
- Plan and maintain clear and focused processes to facilitate effective corporate and clinical governance
- Value, develop and engage our workforce to promote professional and personal wellbeing and to ensure dedicated delivery of services.

# Message from the Board Chair and Chief Executive

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**We are proud to present the seventh annual report of Darling Downs Health.**

*This year has seen a number of important milestones reached by our health service including the completion of the 10-year Health Service Plan which clearly articulates our vision over the next decade. We consistently deliver world-class health care to our communities and invest in the future of health for the Darling Downs Health region.*

We have again this year maintained our high standard of service delivery – a result of managing wait lists, prudent financial management, and the quality of the care we provide. Darling Downs Health puts our patients, residents, and consumers at the centre of the work we do and this continues to deliver outstanding results.

Investing in our infrastructure to meet the demands of our community has also been a priority this year with several infrastructure projects being finalised. Some of these include upgrades to the emergency department in Warwick, a new roof for the Stanthorpe Hospital, improvements to the Dr EAF McDonald aged-care facility in Oakey, an innovative Renal Home Service opening at the Toowoomba Hospital, and works commencing on the new Kingaroy Hospital Redevelopment project.

This year the *Changes in weight status of Children and Adults in Queensland and Australia* report showed that the Darling Downs Health area had the lowest state average of adults with a healthy weight and the highest prevalence of obesity amongst children. This means the care we provide within our health service is often more complex and we have a strong focus on preventative health measures and promoting the health literacy of the people within our region. These projects have included removing sugary drinks from vending machines and cafes located in our hospitals, improving menu options for all patients, and improving access to low-cost health and wellness facilities such as the recently reopened Baillie Henderson Hospital pool and Wellness Centre.



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**Dr Peter Gillies**

*MBChB, MBA, FRACMA, GAICD*  
Health Service Chief Executive



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**Mr Mike Horan AM**

Board Chair

The staff culture has also seen an improvement this year following the two-yearly Culture Check Up Survey distributed to staff within our health service. Our values of compassion, integrity, dignity, innovation, and courage strongly align with the five public service values of customers first, ideas in action, unleash potential, be courageous, and empower people. We've worked hard to further embed our values-based culture and we have seen a nine per cent improvement in employee satisfaction since the previous survey in 2017.

This year we also launched the Nursing and Midwifery Professional Practice Model which gives our nursing team a strong governance and leadership structure with person-centred care at its heart. The model focuses on professional excellence and has already seen a positive impact on collaborative practice across the health service.

Investing in our staff this year also saw Darling Downs Health further embed its prestigious partnership with the Cognitive Institute's ***Promoting Professional Accountability Safer Together*** program. This new program makes safety everyone's responsibility by providing the tools and training for staff to proactively speak up and improve our safety and reliability.

*In 2018-19 our staff worked hard to deliver the best possible care to our communities and we look forward to seeing what we achieve into the future.*



# Highlights

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**20**

hospitals



**6**

residential  
aged care  
facilities



**1**

primary  
health  
centre



**1**

community  
care unit



**324**

buildings



**326**

aged care  
beds  
including MPHSs



**159,530**

emergency  
department  
presentations



**233,641**

outpatient  
occasions of  
service



**265,259**

oral health  
treatments



**2,915**

babies born



**7**

birthing  
hospitals



**6,907**

elective  
surgeries



**18,455**

women  
having  
breastcreens



**5,792**

smoking  
cessation clinical  
pathways  
completed



# About Us

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## Strategic direction

**Darling Downs Health is committed to strengthening the public health system by delivering services in alignment with Government objectives for the community.**

Darling Downs Hospital and Health Service Strategic Plan 2016-2020 was reviewed and updated in July 2018 to ensure a continuation of our objectives for the period until 30 June 2020. Our six key strategic objectives (listed in Figure 2 below) contribute to achieving our vision of healthier communities as well as guide our annual priorities. Each of the strategic objectives is further defined through a number of key strategies for actioning through operational plans and health service planning with the engagement of the community and our healthcare partners.

Key activities undertaken throughout 2018-19 that contribute to our strategic objectives are outlined in the 'Our Performance' section of this report.

## Our strategic risks and opportunities

Meeting the year on year increase in demand for efficient, high quality public healthcare services continues to be a significant challenge for the health service. An ageing population, increasing rates of chronic disease and high levels of disadvantage in the community all contribute to high demand for services in our region. The 2018 update of the Darling Downs Health Strategic Plan 2016-20 summaises our key strategic risks and opportunities:



Figure 2:

## Darling Downs Health Strategic Objectives



### HEALTHCARE

Deliver quality evidence-based healthcare for our patients and clients



### ENGAGE

Engage, communicate and collaborate with our partners and communities to ensure we provide integrated, patient-centred care



### LEARNING

Demonstrate a commitment to learning, research, innovation and education in rural and regional healthcare



### RESOURCES

Ensure sustainable resources through attentive financial and asset administration



### PLANNING

Plan and maintain clear and focused processes to facilitate effective corporate and clinical governance



### WORKFORCE

Value, develop and engage our workforce to promote professional and personal wellbeing and to ensure dedicated delivery of services

## Risks

- Maintaining our high standards of patient care and staff wellbeing in line with safety and quality obligations and national standards, in an environment of increased demand
- Maintaining a sustainable, high quality service in an environment of increased demand due to population growth and changing consumer health profiles, including an aged population and increasing incidence of chronic disease and obesity, while also meeting evolving community expectations
- Managing a balanced budget and sound financial position despite increased demand and potential funding model changes
- Aged and repurposed infrastructure, including information communication technology that requires significant capital investment to deliver contemporary care
- Recruiting and retaining a qualified workforce to ensure we can maintain and increase service activity to meet demand.

## Opportunities

- Partnership with the Cognitive Institute and the Speaking Up For Safety program to embed a safety culture throughout our health service
- Continuing to strengthen our partnerships and relationships with primary healthcare partners and tertiary institutions
- Streamlining and adapting our financial management to take best advantage of funding models and to ensure a balanced fiscal position
- Nurturing and growing our workforce to provide patient centred care
- Implementing a digital strategy to streamline service delivery and enhance patient care
- Engaging the community through social media and other contemporary means to assist in improving health literacy.

# Vision and Values

Our Vision

**Caring** for our  
**Communities-**  
*Healthier Together*



Figure 3:

## Our Values

### COMPASSION



We engage with others and demonstrate empathy, care, kindness, support and understanding

### INTEGRITY



We are open, honest, approachable, equitable and consistent in everything we do

### DIGNITY



We treat others with respect, display reasonableness and take pride in what we do

### INNOVATION



We strive to know more, learn more and do better

### COURAGE



We respectfully question for clarity, have the strength to act and embrace change for the better

# Priorities

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**Priorities to support Queensland Government objectives for the community and My health, Queensland's future: Advancing Health 2026 include:**

***Specialist Outpatient Strategy: Improving the patient journey by 2020:***

Darling Downs Health received funding in 2018-19 through our Service Agreement with the Department of Health to implement:

- Tele-ophthalmology
- Tele-remote chemotherapy
- Clinical Prioritisation Criteria
- Smart Referrals.

***Connecting Care to Recovery 2016-2021:***

Darling Downs Health engaged Independent Patient Rights Advisers to provide advice to patients and their nominated support persons, family, carers of their rights under the *Mental Health Act 2016*.

***Capital Investment Program:***

Queensland Health's funding allocation for building better hospitals in Darling Downs Health enabled progress of the following infrastructure priorities:

- Redevelopment of the Kingaroy Hospital to provide greater capacity for a range of services to ensure the community in the South Burnett region can access better healthcare facilities, closer to home
- Master planning for a new Toowoomba Hospital to meet continued increase in population growth and healthcare demand.

***The Queensland Health Immunisation Strategy 2017-2022:***

There were two main immunisation initiatives for Darling Downs Health this year. The first, 'Tackle Flu' focused on Indigenous influenza immunisation rates and the second, 'Be Wise, Immunise' aimed at improving the timeliness of vaccinations for children in the first year of life. The 2018-19 target for the Tackle Flu program was to vaccinate 1,500 people with 25 clinics held across the Darling Downs, South West, Southern Downs and South Burnett. In 2019, 1,393 Indigenous people were vaccinated in the Tackle Flu program. The 'Be Wise, Immunise' program evaluation results were unable to demonstrate a statistical improvement in vaccination rates due to the small numbers of children in the study. This was further impacted by participants leaving the study due to families moving away from the area prior to completion of the infant's immunisation schedule. Overall the report concluded a likely marginal improvement in immunisation coverage for Aboriginal and Torres Strait Islander children based on State wide trends.







TackleFlu before it tackles you!

TackleFlu before it tackles you!

Darling Downs Health

Darling Downs Health

Health Service





# Aboriginal and Torres Strait Islander Health

Darling Downs Health has nine initiatives funded under the *Making Tracks towards closing the gap in health outcomes for Indigenous Queenslanders by 2033: Investment Strategy 2018-21* to deliver outcomes to meet the performance requirements issued by the Aboriginal and Torres Strait Islander Health Branch for the provision of services.

The purpose of the nine initiatives are:

- 1** Indigenous Multidisciplinary Care Team Toowoomba Hospital - Deliver culturally and clinically effective dietetics, pharmacy and podiatry services to Aboriginal and Torres Strait Islander people to improve the early detection, treatment and management of chronic diseases, and reduce the rate of potentially preventable hospitalisations and readmissions for chronic disease related conditions.
- 2** South Burnett Indigenous Hospital Liaison Services - Provide a range of hospital liaison support, case coordination and assistance to Aboriginal and Torres Strait Islander patients accessing the Kingaroy and Cherbourg Hospitals, including their families and carers.
- 3** Indigenous Alcohol, Tobacco and Other Drugs (ATODs) Youth Program Cherbourg - Deliver alcohol, tobacco and substance misuse harm prevention, early intervention and treatment services to reduce the uptake and rates of harm caused by alcohol consumption, smoking and use of illicit substances and inhalants by Aboriginal and Torres Strait Islander young people.
- 4** South Burnett Renal Services Expansion - Increase access to specialist renal services and delay the onset of end stage renal disease by increasing the number of dialysis chairs available at Kingaroy and Cherbourg, and implementing a nurse practitioner model of care to improve the early detection, treatment and management of Aboriginal and Torres Strait Islander people with chronic kidney disease.
- 5** Queensland Health Aboriginal and Torres Strait Islander Cultural Capability Framework 2010-2033 - Apply the framework's overarching principles to deliver culturally effective and clinically responsive health services for Aboriginal and Torres Strait Islander people.
- 6** Cherbourg Young Parent Support Service - Deliver comprehensive, culturally appropriate, and responsive community based antenatal, intrapartum, postnatal and early parenting care to Aboriginal and Torres Strait Islander young women to improve infant and child health outcomes.
- 7** Outreach Maternal and Infant Health Service - Provide comprehensive, culturally appropriate, and responsive community based antenatal, postnatal and infant care services to pregnant Aboriginal and Torres Strait Islander women to reduce mortality in Aboriginal and Torres Strait Islander infants aged zero to six weeks.
- 8** Indigenous Health Liaison in Acute Mental Health Facilities - Provide mental health hospital liaison support, case coordination and assistance to Aboriginal and Torres Strait Islander patients with mental illness accessing the hospital and hospital related services, including their families and carers.
- 9** Aboriginal and Torres Strait Islander Health Management Structure - Implement a dedicated Aboriginal and Torres Strait Islander health management structure to provide strategic direction and leadership to the Darling Downs Health Aboriginal and Torres Strait Islander workforce and ensure the delivery of high quality health services and outcomes for the Aboriginal and Torres Strait Islander population.

# Our community based and hospital-based services

## Overview

Darling Downs Health is the major provider of public hospital and health services in the Toowoomba, Western Downs, South Burnett and Southern Downs regions. Darling Downs Health is also a provider of specialist services to residents from surrounding areas, including South West Queensland, northern New South Wales and the Lockyer Valley regions.



## Our region

The defined geographic region of Darling Downs Health is large and diverse covering approximately 90,000 square kilometres. The area covers the local government areas of the Toowoomba, Western Downs, Southern Downs, South Burnett and Goondiwindi regional councils, Cherbourg Aboriginal Shire Council and the community of Taroom in the Banana Shire Council.



**282,000**  
people  
in our region

**6%**  
population  
of state

**5%**  
indigenous  
people

## Our role

Darling Downs Health was established as an independent statutory authority on 1 July 2012 under the *Hospital and Health Boards Act 2011*. Darling Downs Health is governed by the Darling Downs Health Board (the Board), which is accountable to the local community and the Queensland Minister for Health and Minister for Ambulance Services.

Darling Downs Health is one of 16 hospital and health services that together with the system manager (the Department of Health) make up the entity known as Queensland Health. The hospital and health services are the principal providers of public hospital and health services for the community within a defined geographical area. The Department of Health is responsible for the overall management of the Queensland public health system including state-wide planning and performance monitoring of all hospital and health services.

A formal service agreement is in place between the Department of Health and Darling Downs Health that identifies the services Darling Downs Health will provide, funding arrangements for those services and targets and performance indicators to ensure expected health deliverables and outcomes are achieved.

To support the services we provide, Darling Downs Health also has agreements in place with a range of private health providers for highly specialised services and at times patients may require transportation to Brisbane for specialist services only provided at tertiary facilities.





## Our community

The region has a population of approximately 282,000 people is growing at rate of approximately one per cent annually and is expected to reach a population of 300,000 in five years. Aboriginal and Torres Strait Islander Australians make up five per cent of the Darling Downs population compared to four per cent across the state.

Within the region serviced by Darling Downs Health:

- 32 per cent of the population are in the lowest quintile for socioeconomic disadvantage
- 30 per cent of the population are obese
- 12 per cent of the population are aged 70 years or older.

Healthcare challenges for the region's population include health issues associated with ageing, obesity, chronic disease and low socioeconomic status. The leading causes of burden of disease in the Darling Downs are cancer, cardiovascular disease, mental health disorders and neurological disorders.

The size of the region and the need for some patients to travel significant distances to receive specialist healthcare continues to contribute to the numbers of claims administered by Darling Downs Health through the Patient Travel Subsidy Scheme.

Despite these challenges, Darling Downs Health is well placed to provide the necessary public hospital and healthcare services to ensure all residents have access to timely, equitable and efficient healthcare that meets their needs.



## Our services

As the major provider of public hospital and healthcare services in the region, Darling Downs Health provides a wide range of specialty services from various facilities. These services are delivered in line with our Service Agreement with the Department of Health. The Service Agreement is publicly available at [www.publications.qld.gov.au](http://www.publications.qld.gov.au)

In 2018-19, services were provided from 28 facilities across the region, including one large regional referral hospital, one extended inpatient mental health service, three medium sized regional hub hospitals, 12 rural hospitals, three multipurpose health services, one community outpatient clinic, one community care unit and six residential aged care facilities.



**The comprehensive range of services provided by Darling Downs Health throughout the region includes both specialist inpatient and outpatient services, such as:**






- Allied health
- Cancer services
- Cardiac medicine
- Emergency medicine
- Intensive care
- Medical imaging
- Medicine and a range of medical subspecialties
- Mental health and addiction medicine
- Obstetrics and gynaecology
- Paediatrics
- Palliative care
- Rehabilitation
- Surgery and a range of surgical subspecialties.

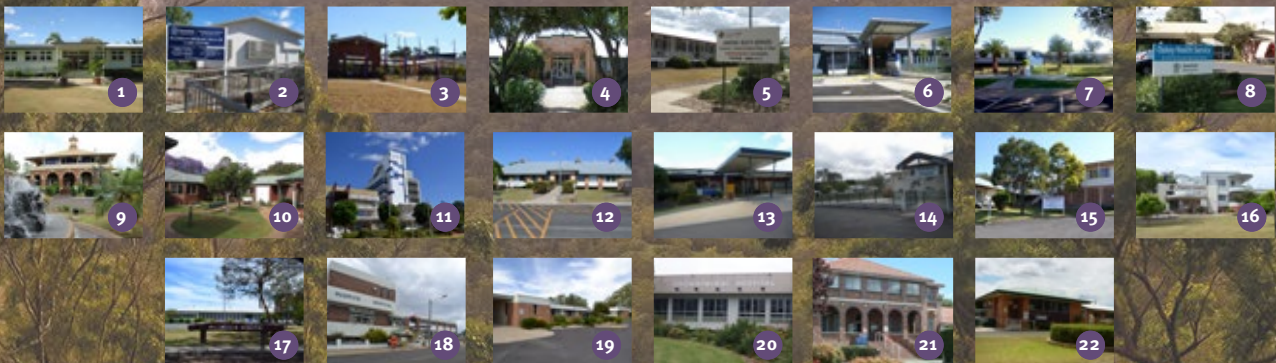
**Services delivered in the community include:**

- Aboriginal and Torres Strait Island health programs
- BreastScreen Queensland
- Child and maternal health services
- Community care services including domestic assistance
- Community rehabilitation
- Infectious diseases
- Oral health
- Public health
- Residential aged care, aged care assessment and home care services
- Sexual health
- Refugee health.

# Our facilities

## Legend

-  Hospital
-  Outpatient clinic
-  Multipurpose health service
-  Aged care facility
-  Image reference number



# Targets and challenges

In 2018-19 Darling Downs Health maintained its high performance against the Queensland Health *'Delivering a High Performing Health System for Queenslanders'* framework.

The framework utilises Key Performance Indicators (KPIs) to capture information and covers aspects of performance across the following six areas of health service delivery:

- Safe
- Equitable
- Effective
- Patient-centred
- Timely
- Efficient.

Maintaining a high level of performance presents ongoing challenges. One of these challenges is performance against the Relative Stay Index (RSI) KPI for unplanned admissions. The RSI KPIs are a comparison of average length of stay for both planned and unplanned admissions against state-wide benchmarks. In 2018-19 our overall RSI result was comparable with the state average, however our achievement for unplanned admissions could be improved. Challenges in reducing our length of stay include insufficient transport, accommodation and community care services in rural areas together with a high proportion of patients living with economic disadvantage who require support services to enable discharge from hospital. In response to this challenge, Darling Downs Health is in the process of establishing a health operation centre at Toowoomba Hospital to streamline patient flow management and assist with managing increasing demand.

The rate of adult obesity in the Darling Downs is 20 per cent higher compared to the Queensland average (QH: The Health of Queenslanders 2018). Promoting healthy habits to improve the weight status of the community to reduce the risk of chronic disease is a significant challenge for Darling Downs Health. Darling Downs Health

developed a *Health and Wellness Strategic Plan 2019-23* this year to guide future investment in initiatives resulting in measurable improvements for staff, community and patient wellbeing in partnership with community stakeholders. The plan is consistent with Queensland's *Health and Wellbeing Strategic Framework 2017 to 2026* and provides a prevention-focused pathway for the improving the health of our communities.

Darling Downs Health requires significant capital expenditure in the short to medium term to prevent continued deterioration of assets. Darling Downs Health manages an extremely decentralised and aging asset base providing ongoing challenges for demand capacity management, patient flow efficiencies, staff and patient security, and staff recruitment and retention:

- The condition of our building assets and the remoteness of some of our facilities does have a direct effect on our ability to recruit and maintain staff
- Many of our facilities were built in a time when the need for security infrastructure to protect our staff and patients was not a consideration. Unfortunately, this is no longer the case and consequently, the need for an injection of funding for security and nursing accommodation features highly in our numerous infrastructure priorities
- Toowoomba Hospital has been consistently over capacity since 2015 and the need for a new hospital is our highest priority other than the completion of the new Kingaroy Hospital
- Our facilities were built at a time when the population profile of our patients was very different and building standards were also significantly different. Adapting to these changes with the current building stock is not cost effective.



# 02 Governance

## Our people

---

### Board membership

The Darling Downs Health Board (the Board) is appointed by the Governor in Council on the recommendation of the Minister for Health and Minister for Ambulance Services, in accordance with section 23 of the *Hospital and Health Boards Act 2011*. The nine Board directors represent the four regions of the health service – Southern Downs, Western Downs, South Burnett and Toowoomba – to strengthen local decision making and build effective relationships with the community.

The Board is responsible for the oversight of health services in the region and is accountable for its performance in delivering quality health outcomes to meet the needs of the community it serves.



## Mr Mike Horan AM

---



*Chair, Darling Downs Health Board*

Mike was the Member for Toowoomba South in the Queensland Parliament from 1991 to 2012. During his political career Mike served as the leader of the National Party, leader of the Opposition, Shadow Attorney-General and Shadow Minister for Police, Health, and Primary Industries respectively. Mike regards his time as Minister for Health (1996-1998) as a highlight of his political career.

Mike has considerable experience in the development and construction of small and large health facilities. More than 100 health construction projects varying from rural hospitals to major metropolitan hospitals occurred under his health ministry. During his time as Health Minister, the Surgery on Time System was established, a 10-year Mental Health Plan introduced, and targets for breast screening and children's immunisation were set and achieved.

Mike was the general manager of The Royal Agricultural Society of Queensland (Toowoomba Showgrounds) from 1978 to 1991 and was a driving force in the sale of the old inner city Toowoomba Showgrounds and the development of the new Toowoomba Showgrounds on a 98-hectare site. Mike has also served as secretary of the Darling Downs sub-chamber of Agricultural Societies, a number of Breed Societies, Downs Harness Racing and Toowoomba Greyhound Racing Club.

In June 2013 Mike was awarded a Member of the Order (AM) in the General Division of the Order of Australia for significant service to the Parliament of Queensland and to the community of the Darling Downs.

Mike was appointed as Chair of the Darling Downs Health Board in May 2012 and is the Chair of the Board Executive Committee. He was the inaugural Chair of the Queensland Hospital and Health Board Chairs' Forum from 2012 to 2014. Mike is the Queensland Hospital and Health Board Chairs' Forum representative for the Investment Review Committee.

Mike is currently Board Chair of Downs Rugby Ltd, covering rugby union from Gatton to St George and a board member of the Toowoomba Hospital Foundation. Mike was a former Board member of the Toowoomba Police Citizens Youth Club and former Director for Icon Cancer Care.

*Mike is a great believer  
in working with the community  
to achieve results.*

## Dr Dennis Campbell

*PhD, MBA, FCHSM, FAIM, GAICD*

---

*Board Member, Darling Downs Health Board  
(Toowoomba)*

Dr Dennis Campbell has been a Chief Executive Officer in both the public and private health sectors, during which he held the positions of Assistant and Acting Regional Director in the Queensland Department of Health as well as CEO at St Vincent's Hospital, Toowoomba, for 10 years. He also served as Corporate Director with Legal Aid Queensland for 10 years as well as other Executive positions within the Department of Education and Department of Aboriginal and Islander Advancement.

In 2007, he was awarded an Australia Day Achievement Medallion for services to the Australian College of Health Service Executives. In 2008, he was awarded the Gold Medal for Leadership and Achievement in Health Services Management recognising his contribution and professional achievements in shaping healthcare policy at the institutional, state and national



levels. He is involved in the college's mentoring programme and on a number of national committees and is committed to making a contribution to the college and its members.

Dennis serves as a member of numerous boards and advisory committees, representing both public and private health sectors, has legal and health qualifications and is involved in organisational health consulting. He is Deputy Chairman of the Board of Heritage Bank, trustee of the Queensland Museum Foundation, and Chairperson of the Management Advisory Committee of the Cobb & Co Museum Toowoomba.

Dennis is Chair of the Board Finance Committee and a member of the Board Executive and Board Audit and Risk Committees.



## Dr Ross Hetherington

*MBBS, DRANZOG, FACCRM, PGDipPallMed, FAICD*

---

*Board Member, Darling Downs Health Board  
(Southern Downs)*



## Trish Leddington-Hill

*BSc, LLB, GAICD*

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*Board Member, Darling Downs Health Board  
(Western Downs)*

Ms Patricia (Trish) Leddington-Hill worked for more than 10 years with RHealth, a primary healthcare organisation servicing the Darling Downs and South West Queensland, before being appointed to the Darling Downs Health Board in November 2012. In addition to her Board role, Trish is also currently back working as a part-time Executive Manager for RHealth, and in a part time Coordinator role supporting the Western Qld Primary Health Network (WQPHN).

Trish grew up on a rural property near Millmerran, Queensland, and was educated in Millmerran, Toowoomba and Brisbane. She completed a Bachelor of Science and Bachelor of Laws at the University of Queensland (UQ) in 2000. Trish worked in the rural sector in a number of roles, before joining RHealth (then known as Southern Queensland Rural Division of General Practice) in early 2002 where she coordinated and managed projects across the areas of allied health, mental health, aged care, quality use of medicines, health promotion and integration.

Trish's work became focused on promoting improvements to the health and community services sectors through partnerships and workforce planning and development. She completed studies in the internationally recognised Partnership Brokering Accreditation Scheme (PBAS) and is an internationally accredited Partnership Broker. More recently with RHealth, Trish has been managing teams supporting the mental health needs of Darling Downs residents, and with the WQPHN, supporting their Business and Commissioning Support Unit. As a resident of Chinchilla, on the Western Downs, Trish is a keen supporter of her local community and region and has been heavily involved in various local committees and clubs.

Trish is Chair of the Board Safety and Quality Committee and a member of the Board Audit and Risk Committee.

Dr Ross Hetherington is a medical practitioner and a Designated Aviation Medical Examiner (DAME). Ross also co-founded the Central Queensland Rural Division of General Practitioners and holds a number of aviation and medical memberships.

Ross has extensive experience in rural medicine and has been in private practice as a General Practitioner (GP) in Warwick since 1996. He is a board member of Health Workforce Queensland, which supports the regional, rural and remote health workforce in Queensland. Ross is Board Chair of RHealth and was a foundation member of

Regional Health Board, Longreach. He has held previous Directorships with Australian General Practice Network (AGPN) and the Australian Rural and Remote Workforce Agency Group.

Ross is the Chair of Rural Health Workforce Australia, a member of the Department of Health's Workforce Distribution group, a member of the Aviation Medicine Society of Australia and New Zealand and was a foundation member of the Menopause Society of Australasia.

Ross is a member of the Board Executive and Board Safety and Quality Committees.





## Megan O'Shannessy

*RN, RM, MPH, GAICD*

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*Board Member, Darling Downs Health Board  
(Western Downs)*

Ms Megan O'Shannessy is a registered nurse and midwife. She has extensive clinical and leadership experience in rural health as Director of Nursing in Thargomindah (1990–1992), Dirranbandi (1992–1995), St George (1995–2001) and Warwick (2001–2013). She was the District Manager of Southern Downs (2007/2008), leading the transition to the district structure.

Megan is the Chief Executive Officer of Queensland Rural Medical Education Ltd, partnered with Griffith University to deliver the School of Medicine Rural Program.

Megan is a Senior Lecturer at Griffith University, holds a Master in Public Health (JCU) and a Bachelor of Nursing (USQ). Megan is also a member of the Medical Board Queensland.

Megan is a member of the Board Finance and Board Safety and Quality Committees.



## Marie Pietsch

*MAICD*

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*Board Member, Darling Downs Health Board  
(Southern Downs)*

Ms Marie Pietsch is heavily involved on local committees and is a keen advocate for the sustainability of rural and remote communities. She has extensive healthcare experience across the Darling Downs region and has held positions on numerous councils and committees, including Chair of the Minister's Rural Health Advisory Council and Chair of the Southern Downs Health Community Council.

Marie has a professional background working in the Darling Downs region and her work on agricultural and health related committees has given her extensive exposure to local community needs.





Marie is a member of various health committees including the Inglewood Multipurpose Health Service Management Committee, the Statewide Clinical Communicating for Safety Reference Group and Chair of the Inglewood Community Advisory Network.

Marie's work in representing health consumers in her region earned her a 2003 Centenary Medal for distinguished service to the community. Marie also received an Australia Day Achievement Medallion for outstanding service to Queensland Health and in 2014 Marie was awarded Citizen of the Year by the Goondiwindi Regional Council for services to the community, especially in health. She is a member of Australian Institute of Company Directors (AICD).

Marie is a member of the Board Safety and Quality, Board Audit and Risk and Board Finance Committees and is a representative on the Darling Downs Health Consumer Council.



## Dr Ruth Terwijn

*RN, MNurs (Hons), PhD GAICD*

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*Board Member, Darling Downs Health Board (Toowoomba)*

Dr Ruth Terwijn is a registered nurse and academic who started her nursing career at St Vincent's Hospital, Toowoomba. Ruth worked with Family Planning Queensland in clinical, educational and managerial roles. During this time she completed an Advanced Practice Nursing in Sexual and Reproductive Health course and a Master of Nursing (Hons) through University of Southern Queensland (USQ).

After many years at Family Planning Queensland (FPQ), she changed her focus to become a lecturer of nursing at USQ. Her teaching priority during this time was introducing student nurses to the profession of nursing, post graduate rural and remote nursing courses, and part of the team that introduced flexible learning through online nursing courses. Ruth worked closely with nursing students who held a Permanent Humanitarian Visa. In 2015, she completed her PhD with a critical research study of the experiences of English as an Additional Language (EAL) and international nursing students.

Ruth is a member of the Board Safety and Quality and Board Executive Committees.



## Professor Julie Cotter

*PhD, BCom(Hons), FCPA, CA, GAICD*

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*Board Member, Darling Downs Health Board  
(Toowoomba)*

Professor (Emeritus) Julie Cotter is a respected academic with a wealth of experience in business and governance. Between 2013 and 2017 she was the Director of the Australian Centre for Sustainable Business and Development, a research centre of the University of Southern Queensland (USQ). Professor Cotter's areas of expertise include finance, governance and agribusiness. Julie is a Chartered Accountant and a Fellow of CPA Australia.

Professor Cotter is the Chair of the Australian Institute of Company Director's (AICD) Toowoomba Regional Committee, a member of Australian Agricultural Company's (AACo) Scientific Advisory Board, a member of Exercise and Sports Science Australia (ESSA) and an independent member of the Department of Education Audit and Risk Management Committee. Julie previously served as a member of the neighbouring West Moreton Hospital and Health Board between September 2012 and March 2015, where she also chaired the Audit and Risk Committee.



Professor Cotter has also held non-executive board roles with organisations including Toowoomba and Surat Basin Enterprise (TSBE). Professor Cotter's roles with the AICD, TSBE and USQ have allowed her to build strong relationships with the Toowoomba and Darling Downs business communities.

Professor Cotter has held senior management positions at the University of Southern Queensland (USQ) since 2006, including Head of School and Research Centre Director roles. In these positions she has been responsible for strategic and business management and leadership of large teams. During Julie's time at USQ she was a member of many university-wide management boards and committees contributing to strategic and operational management of the University.

Julie is member of Board Audit and Risk and Board Finance Committees.





## Ms Cheryl Dalton

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*Board Member, Darling Downs Health Board  
(South Burnett)*

Ms Cheryl Dalton has extensive experience in governance gained in her 16 years as a local government Councillor in the South Burnett as well as through a long standing membership on a Department of Natural Resources and Mines Panel. She is currently the Chief Executive of SBcare, a not for profit aged care and disability service and works closely with and advocates for the community and social service sector. Cheryl has more than 30 years' business management experience through her family agribusiness ventures where she is active as a Managing Director in a variety of agricultural enterprises and works primarily in the financial and quality assurance aspects of the business.

Cheryl's community involvement has and continues to encompass a wide range of interests including water planning and management, the arts, disability employment, social service and advisory committee roles to government.

Cheryl is Chair of the Board Audit and Risk Committee and a member of Board Finance Committees.

# Our people

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## Executive Management

### Dr Peter Gillies

*MBChB, MBA, FRACMA, GAICD*

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#### *Chief Executive Darling Downs Health Board*

Dr Peter Gillies was appointed as Health Service Chief Executive in May 2016.

Dr Gillies has been with Darling Downs Health Service since 2009 when he moved to Toowoomba to take up the role of Director Medical Services. Dr Gillies was appointed as Executive Director of Medical Services in February 2011 and subsequently General Manager Toowoomba Hospital in July 2013. In these roles he provided expert direction in improving patient care and meeting or exceeding clinical targets including timely surgery, outpatient waiting lists, and emergency department access.

Dr Gillies is a Fellow of the Royal Australasian College of Medical Administrators and has a Masters of Business Administration from Otago University. He is also a Graduate of the Australian Institute of Company Directors.



He has a background in general management, previously working as the general manager of a health software company and as the regional manager for a not-for-profit private hospital group in Auckland, New Zealand. He has been a doctor for over 25 years and has worked in South Africa and the United Kingdom (UK) in both hospital and general practice roles prior to immigrating to New Zealand in 1995.



## Shirley-Anne Gardiner

*BBS, BA (Hons), MMgt, MMgt (Hons), GAICD*

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### ***Executive Director Toowoomba Hospital***

Ms Shirley-Anne Gardiner has extensive knowledge and leadership experience involving people and health service delivery models within large complex organisations with 15 years' experience in senior and operational leadership and management positions.

She has been the Executive Director for Toowoomba Hospital since August 2016. In this role Shirley-Anne provides single-point accountability for the Toowoomba Hospital, Darling Downs Health's largest hospital and main provider of services within the region.

Shirley-Anne has previously held leadership roles including Operations Manager of Palmerston North Hospital (MidCentral Health), a 350-bed regional hospital in New Zealand and Executive Director of Population Health and Engagement for the Darling Downs South West Queensland Medicare Local.

Shirley-Anne holds a Masters in Management (Health Services) (Honours), Bachelor of Business Studies (Finance) and a Bachelor of Arts (Honours) in Social Anthropology. She has used these skills and experience to improve organisational performance and conduct strategic and operational service planning.



## Greg Neilson

*FACMHN, GAICD, BHSc(N), Cert Community MH, MHLthM, GCertHlthEcon, PGCertForensicMentalHlthNurs, MNurs, MMHN, MAdvPracNurs, PGCertAdolescentMentalHlthNurs*

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### ***Executive Director Mental Health***

Mr Greg Neilson has over 25 years' experience in senior nursing and management positions in Darling Downs Health, Division of Mental Health, Alcohol and Other Drugs. Hospital trained in general and psychiatric nursing, he completed additional post-basic qualifications in geriatric nursing, advanced psychiatric nursing and community mental health.

He has a Bachelor Health Science (Nursing) and Masters Degrees in Nursing, Mental Health Nursing and Advanced Practice Nursing. He also has additional postgraduate qualifications in forensic mental health nursing and child and adolescent mental health nursing. Greg also has a Masters Degree in Health Service Management from the University of New England and Graduate Certificate in Health Economics from Monash University. He is a Fellow of the Australian College of Mental Health Nurses and has been active in a number of committees. He was Chair of the College's Credentialing Committee for approximately 10 years and is presently a member of the Australian College of Mental Health Nurses Finance, Audit and Risk Committee. Greg has been the Executive Director Mental Health since June 2016. In this role Greg is accountable for executive leadership over mental health, and alcohol and other drugs services, which includes acute and extended inpatient and ambulatory services.





## Dr Martin Byrne

*BAppSc, MBBS, FRACGP, FARGP, FACRRM, FRACMA, MHM, DRANZCOG, GAICD*

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*Executive Director Medical Services*

Dr Byrne has approximately 20 years' experience as a rural GP throughout Queensland and joined Darling Downs Health in 2013 as the Director, Clinical Governance. He was Medical Superintendent at Mitchell Hospital for five years, before commencing as Director of Medical Services in Roma and the Executive Director Medical Services for South West Queensland.

Dr Byrne is currently the Executive Director, Medical Services. In this role Dr Byrne is responsible for providing professional leadership for medical services across Darling Downs Health. Dr Byrne was also acting as the Executive Director Rural from 1 July 2017 to 29 April 2018.



## Joanne Shaw

*RN, MNurs, GCertCCNurs, GCertTRNSPRC, GCertCCEngage, GAICD*

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*Executive Director Rural*

With broad experience in leadership and management roles, Joanne has extensive knowledge of the strategic and operational leadership of tertiary, rural and remote hospitals to provide high quality, safe, sustainable, patient and family centred care.

Joanne holds a Bachelor of Nursing and is a registered nurse with post graduate qualifications including a Graduate Certificate in Critical Care Nursing, Graduate Certificate in Transfusion Practice, Graduate Certificate in Consumer and Community Engagement, and a Masters of Nursing. Other notable achievements include graduating from the Australian Institute of Company Directors, and publishing in the British Journal of Haematology.



## Dr Hwee Sin Chong

*MBChB, MHM, MIPH, FRACMA, GAICD, CHIA*

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### *Executive Director Queensland Rural Medical Service*

Dr Hwee Sin Chong first commenced in Toowoomba as the Deputy Director of Medical Services for Darling Downs Health in 2011, bringing with her several years of experience in medical management across a range of roles in the public and private health sector. In 2014, she was appointed to the role of Executive Director Medical Services for the health service, and then in 2017 was selected as the new Executive Director of the then named Rural and Remote Medical Support (now known as the Queensland Rural Medical Service). In this role Dr Chong is responsible for medical professional leadership and the development of strategies to enhance the delivery of rural and remote medical workforce services across Queensland, which includes the Queensland Rural Generalist Program. She is also responsible for five other State-wide vocational

training pathways (Basic and Advanced General Adult Medicine, Basic and Advanced Paediatrics, and Intensive Care Medicine) and several other relieving services.

Dr Chong studied medicine in New Zealand, graduated from Otago University in 2005 and worked for several years in New Zealand before immigrating to Australia.

Dr Chong is a Fellow of the Royal Australasian College of Medical Administrators and has a Master of Health Management and Master of International Public Health from the University of New South Wales.

Joanne has previously held leadership roles including, most recently, Director of Nursing Integrated Health Services at North West Hospital and Health Service. Joanne was based in Mt Isa for this role and covered a geographic area of 300,000 square kilometres – an area greater than the state of Victoria. In this role Joanne covered 10 remote hospitals, nine community and primary health care departments, and was the professional practice lead for mental health, alcohol and other drugs (AODS) and the homeless team. Joanne also acted in the Executive Director Nursing, Midwifery and Clinical Services role, and the Executive Director Integrated Health Services role. Joanne currently serves as Non-Executive Director (Board of Governance) at Western Australian AIDS Council.



## Andrea Nagle

*RN, RM, MHM, GCert Child & Family Health, MACN, Adjunct Assoc Professor, USQ School of Nursing and Midwifery*

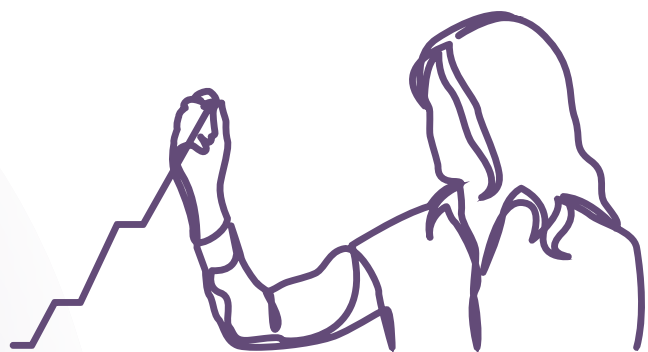


### **Executive Director Nursing and Midwifery Services**

Ms Andrea Nagle is a career nurse who has worked in the public and private health sectors as well as non-government health organisations. Ms Nagle completed her initial nursing training at Mackay Base Hospital before moving to Brisbane where she worked in Intensive Care for six months. In 1986 she relocated to Nambour, where she undertook midwifery training, worked in emergency nursing and became the first nurse involved in aeromedical retrievals from the Nambour Department of Emergency Medicine. During her time in Nambour Ms Nagle also completed her Bachelor of Nursing and Masters of Health Management (Health Administration). In 1997, Ms Nagle moved to Brisbane where she was employed as a Nurse Manager at the Sunnybank Private Hospital (HCoA Hospital Holdings), charged with commissioning the Acute Referral Centre. Ms Nagle worked in this position for two years before joining the Royal Flying Doctor Service of Australia as Senior Flight Nurse of the Townsville base, where she was involved in emergency evacuations and retrievals across North Queensland and was responsible for setting up primary health clinics in Pentland, Greenvale and Ravenswood. In late 2002 Ms Nagle took up the position of Clinical Nurse Manager at Wesley Emergency Centre, where she remained for seven years.

Family considerations prompted a move to Toowoomba in 2009 and Ms Nagle returned to Queensland Health, taking a temporary job as relieving NUM at Laidley before becoming Nurse Unit Manager – Emergency Department/ Maternity at Dalby Hospital. Ms Nagle went on to fill relieving Director of Nursing roles in Millmerran, Jandowae and Oakey before taking up a 12-month position relieving the Nursing Director Medical at Toowoomba Hospital, and then Nurse Unit Manager of the Emergency Department, a role to which she was eventually permanently appointed. Following this appointment, she was seconded to the role of Toowoomba Hospital Nursing Director and Service Manager (Women’s and Children’s and Emergency Department).

Most recently, Ms Nagle was appointed as the Darling Downs Health Director of Nursing Rural (Western Cluster), before stepping into the Darling Downs Health EDNMS role in July 2017. In this role Ms Nagle is the professional lead responsible for nursing and midwifery services across Darling Downs Health and maximising the potential of nursing to enhance health outcomes for the health service. In July 2018, following realignment processes, Community and Oral Health and Nursing Education and Training, joined Public Health sitting under the Executive Management of the EDNMS.





## Annette Scott

*BPhy, GCM, GAICD*

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### *Executive Director Allied Health*



Ms Annette Scott began her career in health as a physiotherapist. After spending her earlier career as a private practitioner in Central Queensland, she joined the Queensland public health system where she subsequently fulfilled several roles including direct delivery of services as a senior clinician, and non-clinical roles including Telehealth Project Management, Workforce Development and Quality Improvement. In more recent years, she has focused her career on health service management and has extensive experience in managing multidisciplinary health services across a range of settings including acute inpatient, outpatient, community and rural outreach.

Her most notable achievements include the implementation of the Premier's award-winning Telehealth Pre-admission service from Toowoomba Hospital to rural hub sites across southern Queensland, as well as implementation of a range of innovative Health Practitioner workforce redesign initiatives. She is the Darling Downs Health representative on the Advisory Board of the newly established Southern Queensland Rural Health, a University Department of Rural Health, and is a keen advocate of rural allied health pre-entry clinical education. She also holds the portfolio for research for Darling Downs Health and chairs the Darling Downs Health Innovation and Research Collaborative.

Annette has been a member of the Executive team of the Darling Downs Health since August 2013. In her role as Executive Director Allied Health, she is the operational lead for the allied health workforce within the Toowoomba Hospital and the rural communities of the Darling Downs and South Burnett, as well as the professional lead for the Health Practitioner workforce across Darling Downs Health. In addition, she manages a range of Commonwealth and State funded community programs including the Aged Care Assessment Service, the Commonwealth Home Support Program funded services and the BreastScreen Queensland Toowoomba service.



## Jane Ranger

*BBus (Acc), FCPA, GAICD*

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### *Chief Finance Officer*

Ms Jane Ranger was appointed to the Chief Finance Officer role in August 2016. In this role, Jane provides single-point accountability for the Finance Division including Financial Control and the Business Analysis and Development areas ensuring the prudent financial management for Darling Downs Health. Jane also oversees and has responsibility for the Commercial Management Division including procurement and contract management. In 2017, the Health Information Services division, incorporating clinical information and data quality, was added to Ms Ranger's organisational structure responsibilities.

Prior to being appointed to this role Jane was the Senior Finance Manager for the Toowoomba Hospital. In this role she was responsible for the oversight and sound financial management of the Toowoomba Hospital and Baillie Henderson Hospital. Jane has also worked as the Senior Business Analyst for Darling Downs Health.

Ms Ranger has worked at a senior level in the banking, hospitality, public transport, manufacturing and building industries. Jane has extensive experience in both public and private health care including five years as the State Commercial Manager, Queensland, Northern Territory and New South Wales for Healthscope, the second largest private healthcare provider in Australia.

Originally from the UK, Jane immigrated to Australia in 1989. Ms Ranger completed her Bachelor of Business as dux of her class at Griffith University, Gold Coast in 1999, attained CPA status in 2002 and awarded a Fellowship in 2019. In 2018 Jane further extended professional qualifications including attaining a Graduate Australian Institute of Company Directors and completing the Queensland Health Change Leadership Program in association with KPMG and Harvard University.



## Hayley Farry

*Ed, DipMgt*

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*Executive Director Workforce -  
from 8 September 2018*



## Dr Paul Clayton

*BSc, BSc(Hons), PhD, DipBus, GAICD*

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### *Executive Director Infrastructure*

Dr Paul Clayton joined Darling Downs Health and came to work in the health sector in early 2016 after more than 20 years in project management and technical services delivery in infrastructure and in the environment and water sector. Paul has a technical foundation in the aquatic sciences but has worked in senior management and major project oversight roles for the past decade. With a career that includes direct experience in research, government, and the private sector, Paul brings to Darling Downs Health a professionally balanced and practical

approach to corporate governance, project management, strategic oversight and business planning.

Paul was appointed to the Executive Director Infrastructure role in October 2016. In this role, Paul provides executive leadership over the Infrastructure Division and ensures the coordinated delivery of Darling Downs Health infrastructure and maintenance projects. Prior to joining the Darling Downs Health Executive team, Paul contributed in a strategic planning role and coordinated the production of the updated Darling Downs Health Strategic Plan 2016-2020, as well as progressing arrangements for coordinated infrastructure and asset management across the health service.

Before joining Darling Downs Health, Paul was General Manager for a local division of an international consultancy and contractor company working with clients on infrastructure projects for the resources, transport, urban development, and the agricultural sectors, and for all three tiers of government in Australia. Paul has held a number of senior management roles with oversight of multidisciplinary teams and with responsibility for complex project deliverables and project budgets.

Hayley Farry joined Darling Downs Health in 2011 and was appointed to the role of Executive Director Workforce in 2018, overseeing learning and development, culture and engagement, workforce planning, workforce relations, recruitment, and workplace health and safety.

During her time at Darling Downs Health, Hayley has invested in safety and quality by successfully implementing a partnership with the Cognitive Institute's programs for Speaking Up for Safety and Promoting Professional Accountability under Darling Downs Health's Safer Together initiative. She has developed and embedded a values-based culture which underpins all aspects of human resources including performance appraisal and recruitment. Hayley has also brought about a significant improvement in workplace culture, with a nine per cent increase in staff engagement within two years.





## Julian Tommei

BA LLB

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*Executive Director Legal and Governance –  
from 1 April 2019*

Julian Tommei is a lawyer with over 25 years of experience in South Africa, New Zealand and Australia. He spent 12 years in private practice in South Africa in medium to large size law firms, including four years practicing for his own account prior to emigrating to New Zealand in 2002. He has spent the last 15 years in legal and governance roles in public sector health organisations in New Zealand and Australia.

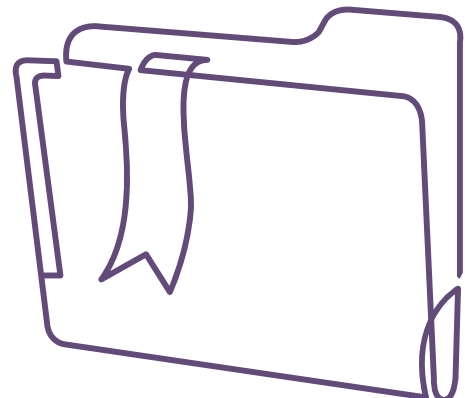
Julian was appointed to the position of Legal Counsel at Darling Downs Health in April 2012. He has acted in the role of Director Governance and Assurance since April 2017 whilst continuing the role of Legal Counsel. Julian was appointed to the role of Executive Director Legal and Governance on 1 April 2019. The role provides leadership, direction and management of all corporate governance and legal activities within Darling Downs Health.



## Chris Neilsen

*EA/Executive Director Workforce –  
until 7 September 2018*

Chris has more than 20 years' experience in senior human resources roles over a broad range of industries including construction, manufacturing, infrastructure and health in both private and public-sector organisations. Chris joined Darling Downs Health as Director of Human Resources in 2013 and is responsible for leadership of the workforce functions including recruitment, workplace relations, learning and development, work health and safety, workforce culture and capability and workforce planning across Darling Downs Health.



# Our people

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## Organisational structure and workforce profile

### Our divisions

Darling Downs Health is divided into 12 divisions that work in partnership to deliver health services to our communities. The divisions are grouped into clinical, professional and support roles with each division having specific responsibilities and accountabilities for the effective performance of the organisation.

In April 2019 the Legal and Governance Division was formed. Up until then the legal and governance operated as a unit within the Division of the Office of the Chief Executive. In addition to legal, risk and audit, the unit is also responsible for governance matters including the functioning of the Board. An independent evaluation of the unit's leadership role determined the level of function equivalent to that of an Executive Division and subsequently the Legal and Governance Unit was endorsed as a 12th division for Darling Downs Health.

### Clinical divisions

There are three clinical divisions that lead the delivery of high quality, safe and evidence-based patient care across Darling Downs Health: Toowoomba Hospital, Mental Health Services and Rural Health Services.

#### Toowoomba Hospital

The largest of the clinical divisions responsible for the operation of the main regional hospital in Darling Downs Health with 325 beds. Toowoomba Hospital serves as the regional referral hospital for parts of the South West Hospital and Health Service, including Roma and Charleville. The Clinical Services Capability Framework (CSCF) rates Toowoomba Hospital as a level five hospital, managing all but the most highly complex patients and procedures.

Toowoomba Hospital has five clinical services groups:

- Medical
- Women's and Children's
- Patient Flow
- Surgical and Cancer Services
- Clinical Support.



## Mental Health Services

This division provides a comprehensive range of acute child and youth, adult and older persons inpatient services at the Toowoomba Hospital campus as well as extended inpatient and rehabilitation services at the Baillie Henderson Hospital in Toowoomba. In addition to inpatient services the division provides a range of outpatient and community mental health services in Toowoomba and at a number of rural centres within the Darling Downs.

The division is also responsible for Darling Downs Health Alcohol and Other Drugs Service and Aboriginal and Torres Strait Islander Mental Health, Alcohol and Other Drugs Service.

## Rural Health Services

This division operates 15 hospitals, three multi-purpose health services (MPHSs), one community outpatient clinic and six residential aged care facilities (RACFs), noting that one of the RACFs is located in Toowoomba. The division is managed via a cluster model with three geographic clusters (Southern, Western and South Burnett).





## Professional divisions

Four professional divisions lead Darling Downs Health in promoting clinical service improvement, consumer satisfaction, clinician engagement, clinical governance, professional and clinical standards and clinical workforce planning and education.

### Medical Services

This division provides professional leadership for medical staff and services across Darling Downs Health and has responsibility for the medical workforce, medical education, human research and ethics, clinical governance and pastoral care.

#### Queensland Rural Medical Service

This division provides state-wide services and strategic leadership for rural and remote medical services through Queensland Country Practice (QCP) and the Queensland Rural Generalist Program. Other services include:

- The provision of vocational training pathways (Basic and Advanced General Adult Medicine, Basic and Advanced Paediatrics, and Intensive Care Medicine)
- Health Practitioner Relieving Services
- Junior doctor rural and General Practice rotations
- Senior doctor relieving services
- Medical Education and Training program.

All of these services are delivered on a state-wide basis.

### Allied Health

This division provides professional and operational leadership for Allied Health professionals and services across Darling Downs Health, including workforce planning and development, clinical education, research and standards. This division also includes the Darling Downs Health Research Unit, the Allied Health Education and Training Team, Aged Care Assessment Team, Community Care Services and BreastScreen Queensland Toowoomba Service.

#### Nursing and Midwifery Services

The division provides professional leadership for nursing and midwifery services, including workforce planning, standards and education and training across Darling Downs Health. Community Health Services including Oral Health and Public Medicine and the Public Health Unit are also operationally aligned to this division.

## Support divisions

Support divisions work in collaboration with the clinical and professional divisions in providing high quality, evidence-based and safe patient care.



### Finance

This division supports the health service in ensuring resources are balanced, sustainable and efficient. Finance provides health service support functions comprising Financial Control, Activity and Costing Services, Management Accounting and Business Management, Commercial Management and Health Information Services which are designed to optimise quality healthcare through compliant and efficient business processes.

### Infrastructure

This division supports the organisation to plan for and deliver key capital infrastructure projects, infrastructure refurbishment projects, and routine maintenance and engineering programs across the health service. The division contributes to meeting a number of the health service's strategic objectives, including that of optimising Darling Downs Health asset use. This division is the largest of the Darling Downs Health support divisions and operates with four departments or support-service portfolios:

- Information and Communications Technology (ICT)
- Projects, Planning and Property (PPP)
- Maintenance and Engineering (M&E)
- Facility Services (FS).

### Workforce

This division supports the health service to deliver on the key objective of developing and engaging a dedicated trained workforce. Workforce is responsible for supporting staff in:

- Embedding a values-based culture
- Planning, recruiting and retaining an appropriately skilled workforce
- Developing, educating and training the workforce
- Engaging employees to improve the service
- Promoting employee health and wellbeing.

### Legal and Governance

Legal and Governance is responsible for legal services, governance and assurance including Board secretariat, risk and compliance management, and policy development. This division is a new addition to the Darling Downs Health executive structure in 2018-19. Up until 1 April 2019 the functions of this division were assumed under the Office of the Chief Executive.

### Office of the Chief Executive

This division supports the health service in the development of strategy and planning, media and communication, Indigenous health and digital strategy.







# Our people

## Awards and recognition

### National Aboriginal and Torres Strait Islander Day Observance Committee (NAIDOC) Recognition of Excellence in Service

At the NAIDOC celebrations in Cherbourg in 2018, Darling Downs Health recognised the excellent work at Cherbourg Hospital and in the community undertaken by one of our Indigenous health workers. The award recognised the results of using a personal health story to help people living with chronic disease, supporting clients to take better care of themselves, regular home visits and making it a priority to ensure people attend appointments and have the best possible access to care.



▲ Joanne Shaw Executive Director Rural and Cheryl Dalton Board Member with Mrs Evelyn Simpson accepting the award on behalf of Genette Simpson Advanced Health Worker.

### Acknowledgement for service to community Professor Ian Frazer Humanitarian Award

The work of one of our Darling Downs Health Community Health Nurses in the Proston community was acknowledged on 18 September 2019 at Proston’s inaugural Healthy Living Forum. The award is presented for outstanding services to the community or support for medical research. Proston Lions Club President presented the award in recognition of the work undertaken at the Proston Outpatients Clinic, about 50km northwest of Kingaroy and for organising the inaugural Proston Healthy Living Forum held in conjunction with the Country Women’s Association and local Lions Club. The event attracted 145 people - a remarkable turnout for a small community.



▲ Proston’s community health nurse Kathleen Crane accepting the Professor Ian Frazer Humanitarian Award.





### ▲ eAward Winners

Two Darling Downs Health projects won awards at the eHealth Expo in June 2019. The Advance Care Yarning Project and the Health Pathways Project were both selected as finalists and won their categories. The Advance Care Yarning Project also won the overall eAward of the Year.

The Advance Care Yarning app was developed by the team at Goondiwindi Hospital for Aboriginal and Torres Strait Islander people to encourage open discussions about end-of-life care.

Darling Downs HealthPathways is an online platform to connect hospitals and community services (across private and public systems) to ensure patients are receiving quality care, in the right place by the right person at the right time. This was developed in partnership with Darling Downs and West Moreton Primary Health Network (PHN).



### ▲ Nursing and Midwifery Leaders Awards August 2018

Darling Downs Health's outstanding nursing and midwifery leaders were recognised at the 2018 Association of Queensland Nursing and Midwifery Leaders (AQNML) Awards. The Emerging Nursing / Midwifery Leader Award was won by former Darling Downs Health employee, Jade Moroney. Darling Downs Health's nominee for the Outstanding Achievement in Nursing/ Midwifery Award was the late Director of Nursing Dalby, Colleen Rasmussen. Although Colleen was not the winner on this occasion, the AQNML committee announced that from 2019, the Emerging Nurse Leader award would be known as the Colleen Rasmussen Emerging Nurse Leader award, in recognition of her contribution to nursing and midwifery – (particularly education and leadership).

### ◀ Alumnus of the Year James Cook University

James Cook University (JCU) honoured our Darling Downs Health Director of Medical Services Rural Division at the JCU annual Outstanding Alumni Awards in August 2018. The award was in recognition of work undertaken in the Queensland Rural Generalist Program and acknowledgement of the important work rural doctors perform in regional and remote areas.







## Darling Downs Health 2018 Annual Employee Awards

The annual Employee, Volunteer, Research and Innovation Awards were held at Cobb and Co Museum in Toowoomba on 29 January 2019. The awards ceremony is an opportunity to recognise and reward our staff who are doing great work each and every day.

This year we received more than 100 nominations for staff working in all areas of our organisation: clinical, administration and operational. It was a great evening and wonderful opportunity to shine a spotlight on people making a real difference in the lives of our communities.

The categories for nomination are based on Darling Downs Health's five values and vision.

## Palliative Care Queensland Awards ▶

Dalby's palliative care team was recognised at a state-wide award ceremony Sunday, 2 December 2018. The team was named as one of two finalists in the Palliative Care Queensland Awards for the work they do in the Dalby community to help palliative care patients and their loved ones. The Dalby palliative care team works to support people to live well during the end stages of their life in either their home or hospital. The award is an acknowledgement of the passion and dedication demonstrated by the team in carrying out the important and challenging work they do.

## *Darling Downs Health 2018 Annual Volunteer Awards*

This award acknowledges and celebrates the valuable contribution and commitment our volunteers make in the delivery of public healthcare services within Darling Downs Health and shines a light on volunteers doing extraordinary things to support the work we do.

## *Darling Downs Health 2018 Researcher of the Year*

The purpose of the research and innovation awards is to celebrate the dedication of Darling Downs Health staff who engage in research and quality assurance activities within their workplace. This year the award went to one of our Senior Staff Specialists and Consultant Nephrologists for his work in improving the lives of people living with chronic kidney disease.



# Our people

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## Strategic workforce planning and performance

Effective workforce planning and performance enables Darling Downs Health to achieve its strategic objectives. Our planning aligns with Queensland Health's Advancing health service delivery through workforce: A strategy for Queensland 2017–2026.

The process is guided by the Darling Downs Health Strategic Workforce Planning Framework and enables identification of critical skills gaps, development of initiatives to address workforce demand and supply and includes the implementation of strategies to deal with diversity, talent management and planning for attraction, succession and retention. The framework applies to workforce planning efforts across the health service. Our Workforce Division updated the framework in February 2019 with an improved presentation of metrics to help managers understand our overall performance.

Key tools within the framework include the environmental scan and the workforce profile. These key tools are described below:

- Workforce profiles are an integral part of the Darling Downs Health workforce planning strategy. The workforce profile provides staffing characteristics from a range of data, demographic and HR analytics, to present a picture of the current workforce. Identification and mitigation of future workforce risks can only occur when the business understands the current staffing composition and is cognisant of future demands.
- The environmental scan analyses forces that drive change and how they may impact on the current and future workforce requirements.

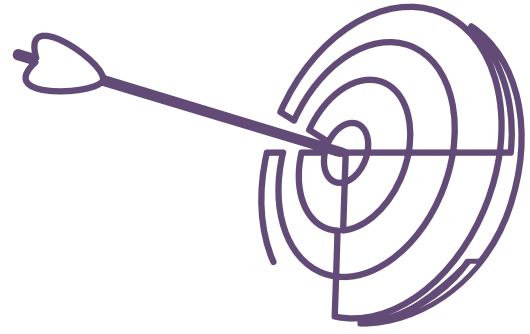
This year Darling Downs Health implemented or further progressed the following specific initiatives to achieve our strategic workforce objectives:

- Leadership Capability Framework
- Management Development Program
- Leadership Excellence Program
- Culture Check-up Survey
- Mandatory Role Specific Project
- Nursing and Midwifery Assisted Practice Framework
- Nursing and Midwifery Professional Practice Model
- Darling Downs Health Staff Wellness

For further information on the above initiatives refer to the Performance section of this report.

## Early retirement, redundancy and retrenchment

During the period 2018-19, two employees received redundancy packages at a total cost of \$380,003 (including accrued leave entitlements). No retrenchments were made during 2018-19.



## Our committees

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To support the Board in its functions the following sub-committees have been established under the *Hospital and Health Boards Act 2011* (the HHB Act).

### Executive Committee

The purpose of the Executive Committee, in line with section 32B of the HHB Act, is to support the Board in discharging its responsibilities by strengthening the relationship with the Health Service Chief Executive (HSCE) to progress strategic issues and to ensure accountability in the delivery of health services. The committee sets the Board agenda and itinerary for each meeting and works with the HSCE in responding to critical emergent issues.

During the 2018-19 financial year 12 Executive Committee meetings were held. The HSCE and Executive Director Legal and Governance attend all Executive Committee meetings.

#### Committee members:

- Mr Mike Horan AM (Chair)
- Dr Dennis Campbell
- Dr Ross Hetherington
- Dr Ruth Terwijn.





## Finance Committee

The Finance Committee is accountable to the Board, in accordance with section 33 of the *Hospital and Health Boards Regulation 2012* (the HHB Regulation), to monitor the financial and operating performance of the health service and assess the health service budget to ensure consistency with identified organisational objectives and alignment with the funding received. The committee provides assurance and oversight to the Board regarding financial risks or concerns that may impact on financial performance and appropriate management strategies.

During the 2018-19 financial year 11 Finance Committee meetings were held. Also attending meetings in advisory capacities were the HSCE, Executive Director Legal and Governance and Chief Finance Officer.

## Safety and Quality Committee

The Safety and Quality Committee, as detailed in section 32 of the HHB Regulation, focusses on providing strategic leadership in relation to clinical governance and promoting improvements to patient safety systems to ensure the delivery of safe and effective care. The committee provides assurance and assistance to the Board on matters relating to the safety and quality of health services, including compliance with national and state strategies, policies, agreements and standards as well as monitoring safety and quality governance arrangements.

During the 2018-19 financial year meetings were held bi-monthly, with six meetings held in total. Attending these meetings in an advisory capacity are the HSCE, Executive Director Medical Services, Executive Director Nursing and Midwifery Services, Executive Director Allied Health, Executive Director Legal and Governance and Director Clinical Governance. Additional standing invitees added to the membership during 2018-19 were the Executive Director Workforce and Director Indigenous Health.

### Committee members:

- Dr Dennis Campbell (Chair)
- Ms Marie Pietsch
- Ms Cheryl Dalton
- Professor Julie Cotter.



### Committee members:

- Ms Trish Leddington-Hill (Chair)
- Ms Megan O'Shannessy
- Dr Ruth Terwijn
- Dr Ross Hetherington
- Ms Marie Pietsch.

# Audit and Risk Committee

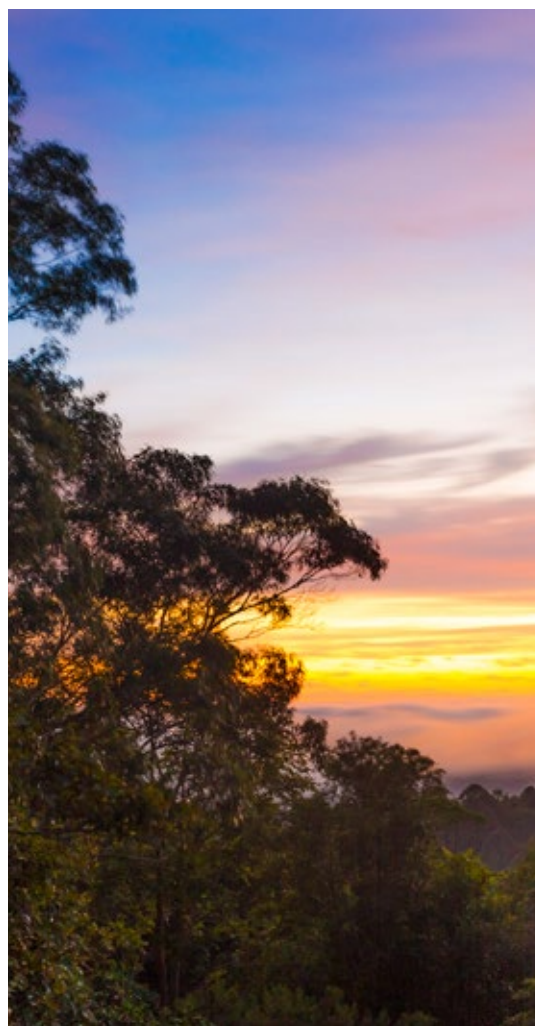
In 2018-19 the Audit and Risk Committee observed the terms of its charter and operated with due regard to Queensland Treasury's Audit Committee Guidelines. The Committee, under section 34 of the HHB Regulation, makes recommendations to the Board on matters relating to:

- Endorsement of the Annual Financial Statements, including review of the Chief Finance Officer's assurance statement, particularly assessing the appropriateness of accounting practices, compliance with accounting standards prescribed under the *Financial Accountability Act 2009* and external scrutiny of the statements
- Review of the risk and compliance management frameworks
- Overseeing the health service's relationship with the Queensland Audit Office
- Consideration of external audit recommendations and ensuring appropriate response to all actions
- Ensuring adherence to external accountability responsibilities as prescribed in the *Financial Accountability Act 2009*, the *Auditor-General Act 2009*, the *Financial Accountability Regulation 2009* and the *Financial and Performance Management Standard 2009*
- Monitoring the internal audit function and endorsement of the internal audit plan.

The committee met quarterly during 2018-19 financial year, with four meetings held. Also attending meetings in advisory capacities were the HSCE, Chief Finance Officer, Head Internal Audit, Risk and Compliance Manager, Executive Director Legal and Governance and representatives of Queensland Audit Office and the health service's external auditor, KPMG.

## Committee members:

- Ms Cheryl Dalton (Chair)
- Ms Trish Leddington-Hill
- Dr Dennis Campbell
- Ms Marie Pietsch
- Professor Julie Cotter.





## Board and committee meeting attendance 2018–19

**Table 3** below summarises Board member attendance at Board meetings and committees in 2018-19. Further detail including remuneration is provided in Appendix 1.

**Table 3: Board attendance**

| Meeting               |                        |                          | Board |        | Executive |        | Finance |        | Audit and Risk |        | Safety and Quality |        |
|-----------------------|------------------------|--------------------------|-------|--------|-----------|--------|---------|--------|----------------|--------|--------------------|--------|
| Name                  | Position (Commenced)   | Current Term             | Held  | Attend | Held      | Attend | Held    | Attend | Held           | Attend | Held               | Attend |
| Mike Horan AM         | Chair<br>(18/05/2012)  | 18/05/2019<br>17/05/2020 | 11    | 10     | 12        | 11     | -       | -      | -              | -      | -                  | -      |
| Dennis Campbell       | Member<br>(29/06/2012) | 18/05/2019<br>31/03/2022 | 11    | 11     | 12        | 12     | 11      | 10     | 4              | 4      | -                  | -      |
| Cheryl Dalton         | Member<br>(29/06/2012) | 18/05/2018<br>17/05/2021 | 11    | 10     | -         | -      | 11      | 9      | 4              | 4      | -                  | -      |
| Julie Cotter          | Member<br>(18/05/2017) | 18/05/2017<br>17/05/2020 | 11    | 10     | -         | -      | 11      | 10     | 4              | 4      | -                  | -      |
| Marie Pietsch         | Member<br>(29/06/2012) | 18/05/2019<br>31/03/2022 | 11    | 10     | -         | -      | 11      | 9      | 4              | 4      | 6                  | 5      |
| Megan O'Shannessy     | Member<br>(18/05/2013) | 18/05/2019<br>17/05/2021 | 11    | 11     | -         | -      | -       | -      | -              | -      | 6                  | 6      |
| Ross Hetherington     | Member<br>(29/06/2012) | 18/05/2018<br>17/05/2021 | 11    | 9      | 12        | 10     | -       | -      | -              | -      | 6                  | 5      |
| Ruth Terwijn          | Member<br>(18/05/2016) | 18/05/2017<br>17/05/2020 | 11    | 10     | 12        | 10     | -       | -      | -              | -      | 6                  | 5      |
| Trish Leddington-Hill | Member<br>(09/11/2012) | 18/05/2018<br>17/05/2021 | 11    | 11     | -         | -      | -       | -      | 4              | 4      | 6                  | 6      |



## Board meetings

Each month the Board meets to provide guidance on the strategic direction of the health service. The Health Service Chief Executive (HSCE) attends as a standing invitee at each Board Meeting.

The Board visit all areas of the health service with every second meeting held in a rural facility. During 2018-19 rural Board meetings were held in Kingaroy, Dalby, Stanthorpe and Murgon. When meeting in rural areas the Board takes the opportunity to conduct site visits of the local facilities in each region, as well as meeting with staff and members of the community.

Toowoomba meetings took place at Toowoomba Hospital, Baillie Henderson Hospital and Mt Lofty Nursing Home campuses, with Board visits to various work units at each facility and meetings with internal and stakeholder groups.

## Board engagement with the community

As part of the Board's commitment to ensuring that Darling Downs Health is delivering services that meet the needs of our community, regular staff and community consultation sessions are held as part of each Board meeting. These sessions give the Board the opportunity to meet with key stakeholders in our region to hear about local needs and issues. A summary of events, meetings and consultations undertaken in the past year is provided below.

Consultation luncheons were held with focus groups including:

- Emergency services and disaster management groups
- Indigenous groups
- Refugee representatives and service providers
- Aged care service providers.

Official openings were held for the:

- Warwick Emergency Department Refurbishment
- Rehabilitation Ward at Baillie Henderson Hospital
- Clive Berghofer Home Dialysis Service.

## Community groups, kindred organisations, companies and other key stakeholders engaged with include:

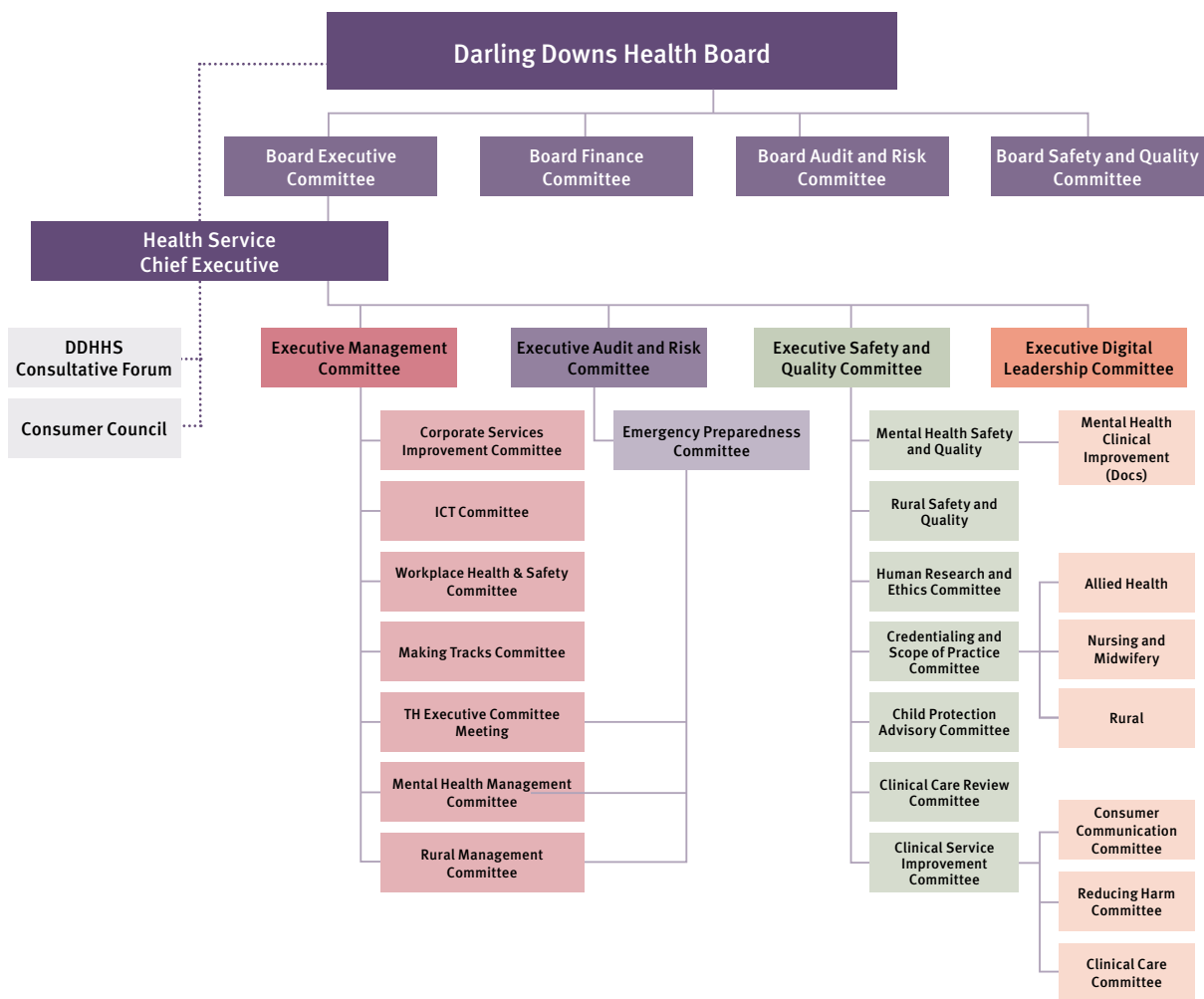
### Company / Organisations

|  |
|--|
| Aveo Freedom Aged Care                                     |
| Brodribb Home  |
| BUPA Aged Care (various locations)                         |
| Bush Kids Dalby  |
| Dalby Chamber of Commerce and Industry                     |
| Dalby Herald   |
| Dalby Hospital Auxiliary                                   |
| Darling Downs Local Ambulance Service Network              |
| Darling Downs and West Moreton Primary Health Network      |
| Goolburri Aboriginal Health Advancement                    |
| Graham House Community Centre                              |
| Hay Health and Skin Medical Centre                         |
| Infinite Care Mount Lofty                                  |
| Lives Lived Well   |
| Local Members of Parliament (various locations)            |
| MDA Settlement Agency                                      |
| Mens Shed (various locations)                              |
| Mercy Services   |
| Murgon Business and Development Association                |
| Country Women's Association (various locations)            |
| Murgon Hospital Auxiliary                                  |
| Murgon State School  |
| Myall Youth and Community Network Centre Inc               |
| MyFamily Medical   |
| Northridge Salem Aged Care                                 |
| Queensland Ambulance Service (various locations)           |
| Queensland College of Wine Tourism                         |
| Queensland Fire and Emergency Services (various locations) |
| Queensland Police Service                                  |
| Resonate Regional Radio News                               |
| RHealth  |
| South Burnett Online                                       |
| South Burnett Regional Council                             |
| Southern Cross Care Castra                                 |
| Southern Downs Regional Council                            |
| St Andrew's Toowoomba Hospital                             |
| St Vincent's Private Hospital Toowoomba                    |
| Stanthorpe and Granite Belt Chamber of Commerce            |
| Stanthorpe Regional Art Gallery                            |
| Stanthorpe State School                                    |
| TAFE Queensland South West                                 |
| Toowoomba Hospital Foundation                              |
| Toowoomba Regional Council                                 |
| Tricare Toowoomba  |
| UQ Rural School  |
| Villa Carramar   |
| Western Downs Regional Council                             |
| Zonta Club of Dalby Area Inc.                              |

# Darling Downs Health committee structure including Board and Executive Team committees

The diagram below shows the Darling Downs Health Committee Structure including both our Board and Executive committees. The Executive committees function under the authority of the HSCE and the Board. The Executive committees provide advice and recommendations to the HSCE and the Board and lead the organisation in the delivery of quality, safe, patient-centred services in partnership with our communities.

## Committee structure



# Our risk management

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## Internal audit

Darling Downs Health's internal audit function operates under a Board approved charter in accordance with the requirements of the *Financial and Performance Management Standard 2009*. The Internal Audit Charter gives due regard to Queensland Treasury's Audit Committee Guidelines and the Institute of Internal Auditors' International Professional Practices Framework.

Internal audit work is carried out using a co-source model of both in-house resources and external contracted auditors that are engaged through a transparent procurement process. Internal Audit also works independently of, but collaboratively with, the external financial auditors.

The role of internal audit is to conduct independent assessment and evaluation of the effectiveness and efficiency of organisational systems, processes and controls, thereby providing assurance and value to the Board and

executive. Internal audit works in accordance with annual and strategic audit plans that are endorsed by management and approved by the Board. The plans are developed using a risk-based approach that considers both strategic and operational risks.

The 2018-19 Internal Audit plan included 11 audits covering topics such as Credentialing and Scope of Practice, Mental Health Triage, Workforce Planning, Nursing and Allied Health Recruitment and general controls and assurance mapping. The internal audit strategy includes a programme of 'light' audits of the smaller rural facilities with a view to providing greater audit coverage as well as service-wide consistency of processes.

The implementation of recommendations arising from audits is monitored and reported to the Audit and Risk Committees of both the Board and the Executive.



## External scrutiny

Darling Downs Health operations are subject to regular scrutiny from external State oversight bodies such as the Auditor-General, Ombudsmen, Coroner, Queensland Audit Office and Crime and Corruption Commission.

## Coronial findings

While there were no recommendations for Darling Downs Health from inquests held during 2018-19, our clinicians were required to provide evidence for consideration by the coroner for an inquest into a death in custody in the Brisbane Correctional Centre. The evidence pertained to the appropriateness of response by the Acute and Community Mental Health Services Toowoomba Acute Care Team prior to the inmate's death. The deceased person had presented to Toowoomba Hospital for mental health and alcohol dependency, in the two weeks prior to his death and return to custody. The evidence provided by Darling Downs Health clinicians to the inquest did not result in any recommendations specifically for Darling Downs Health.

## Queensland Audit Office

The annual Aged Care Prudential Compliance Review was conducted by the Queensland Audit Office (QAO). The 2018-19 audit made three recommendations to the Department of Health, and one recommendation with eight findings for Darling Downs Health relating to improvements on corporate governance. Seven of the eight findings were accepted by management, actioned and recorded as complete with additional feedback provided to demonstrate how Darling Downs Health meets each area. The eighth finding was referred back to QAO.

## Information systems and recordkeeping

Queensland State Archives (QSA) is the lead agency for record keeping and is responsible for the development and implementation of a whole-of-government recordkeeping policy framework. QSA was established under section 21 of the *Public Records Act 2002* as the state's archives and records management authority.

Darling Downs Health has many corporate record-keeping systems across various functions of the health service including financial, payroll, legal and contract management. Darling Downs Health's policies, procedures and ongoing improvement program support compliance with the *Public Records Act 2002*. The Chief Financial Officer is responsible for Health Information Services and the Executive Director Legal and Governance is responsible for the governance of corporate non-clinical records.

Training is available to all Darling Downs Health staff regarding the making and keeping of public records in all formats at orientation, local inductions and through the Information Services team. Darling Downs Health complies with the Health Sector (Clinical Records) Retention and Disposal Schedule (QDAN 683 v.1) and with the General Retention and Disposal Schedule (QDAN 249 v.7). This compliance ensures that all public records within Darling Downs Health are kept for as long as they are required.

In 2018-19 financial year, Darling Downs Health implemented a Corporate Records Management Framework which includes policies, procedures and work instructions on the creation, management and disposal of corporate non-clinical records. This included a standardised classification scheme, file naming protocols and the prohibited use of private email and messaging applications for government purposes. This work addresses recommendations made in an internal audit report completed in 2017-18 for the management of all non-clinical records. Darling Downs Health will continue working towards other recommendations included in this report in 2019-20 as resourcing and funding allow.

## Risk and compliance management

Darling Downs Health is committed to effectively managing risk in alignment with best practice and through a practical approach that carefully plans for and prioritises risks, and balances the cost and benefits of action. The Darling Downs Health Risk Management Framework uses an integrated risk management approach to describe how risks are identified, managed and monitored within the health service.

A fully integrated compliance management framework was developed with further ongoing work in progress on the compliance assurance system. This system will continue to provide assurance to the Board and Executive that the organisation is meeting its various legislative and regulatory obligations. Risk Management and Compliance Management reports are submitted to the Audit and Risk Committees of both the Board and Executive.

## Queensland Public Service ethics

### Code of Conduct

Darling Downs Health expects the highest level of conduct from its staff at all times and, as a public service agency, the Code of Conduct for the Queensland Public Service under the *Public Sector Ethics Act 1994* is applicable to all employees of the health service. Staff of Darling Downs Health are expected to act in accordance with the principles of the Code of Conduct and report any actions which do not meet this expected level. In this regard, staff have a responsibility to disclose any suspected wrongdoing and to ensure any disclosure is in accordance with the ethics expected within the organisation. Staff are supported in the making of Public Interest Disclosures.

To support staff in their understanding of the expectations of the organisation, mandatory training packages are available on the Darling Downs Learning On-Line training portal. Ethics, integrity and accountability, and fraud awareness training packages must be completed on an annual and biennial basis respectively.

## Confidential information

The *Hospital and Health Boards Act 2011* requires annual reports to state the nature and purpose of any confidential information disclosed in the public interest during the financial year. The table below summarises disclosures authorised by the Chief Executive for the 2018-19 reporting period:

| Date          | Nature of information disclosed  | Purpose for which the confidential information was disclosed |
|---------------|--|--|
| 26 March 2019 | Advise Police date of discharge due to the nature of the offences and current outstanding offences                       | Community Safety   |
| 5 April 2019  | Advise Police date of discharge due to the nature of current offences  | Community Safety   |
| 16 April 2019 | Advise Police date of discharge due to the nature of current offences  | Community Safety   |
| 10 May 2019   | Advise Police date of discharge due to the nature of current offences, including Police issuing multiple arrest warrants | Community Safety   |

# 03 Performance

**Darling Downs Health** continually monitors its performance including monthly review of key performance indicators to ensure efficient and effective care continues to be delivered at a standard that meets government and community expectations. Darling Downs Health is proactive in responding to any area where performance can be improved to meet these expectations.

In August 2017 Darling Downs Health became one of the first health services in the state to achieve the highest level of performance attainable under the Queensland Health *Delivering a High Performing Health System for Queenslanders Performance Framework*.





# Demand on services

Darling Downs Health continued to meet the increasing demand for services throughout 2018-19. Despite the increase in demand, Darling Downs Health continued its high performance against targets and key performance indicators set by the Department of Health.

**Table 4: Delivering more care within clinically recommended time**

|  | 2018-19 | Change since last year |
|--|---------|------------------------|
| Babies born <sup>a</sup>   | 2,915 * | -17 *                  |
| Oral health treatments <sup>b 1</sup>  | 265,259 | 38,239                 |
| Emergency Department presentations <sup>c</sup>                                | 159,530 | 548                    |
| Emergency Department 'seen in time' <sup>c</sup>                               | 117,164 | 3,017                  |
| Patient admissions (from ED) <sup>c</sup>                                      | 37,311  | 697                    |
| Emergency surgeries <sup>d 2</sup>   | 2,973   | 233                    |
| Outpatient occasions of service (specialist and non-specialist) <sup>d 3</sup> | 233,641 | 16,983                 |
| Specialist outpatient first appointments delivered in time <sup>e 4</sup>      | 28,364  | 463                    |
| Gastrointestinal endoscopies delivered <sup>f</sup>                            | 5,140   | -52                    |
| Gastrointestinal endoscopies delivered in time <sup>f</sup>                    | 5,031   | -114                   |
| Elective surgeries, from a waiting list, delivered <sup>g</sup>                | 6,907   | 304                    |
| Elective surgeries, from a waiting list, delivered in time <sup>g</sup>        | 6,665   | 153                    |
| Number of telehealth services <sup>h</sup>                                     | 10,593  | 1,873                  |
| Hospital in the Home admissions <sup>d 5</sup>                                 | 162     | -9                     |

1. Oral Health treatments are identified as Weighted Occasions of Service.
  2. Emergency surgeries data is preliminary.
  3. Only includes Activity Based Funding (ABF) facilities.
  4. Specialist outpatient services are a subset of outpatient services, where the clinic is led by a specialist health practitioner.
  5. Hospital in the Home admissions data is preliminary.
- \* Perinatal data collection is based on calendar year 2018.

**Source:** <sup>a</sup> Perinatal Data Collection, <sup>b</sup> Oral Health Service, <sup>c</sup> Emergency Data Collection, <sup>d</sup> GenWAU, <sup>e</sup> Specialist Outpatient Data Collection, <sup>f</sup> Gastrointestinal Endoscopy Data Collection, <sup>g</sup> Elective Surgery Data Collection, <sup>h</sup> Monthly Activity Collection.

## Service standards

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Darling Downs Health delivers services in accordance with its obligations outlined in the Service Agreement with the Department of Health and the Service Delivery Statement (SDS).

The Service Agreement identifies the health services provided by Darling Downs Health and the funding arrangements, performance indicators and targets to ensure the achievement of outcomes. Darling Downs Health reports against national targets as established in the National Partnership Agreement on Improving Public Hospital Services and documented in the SDS and Service Agreement.

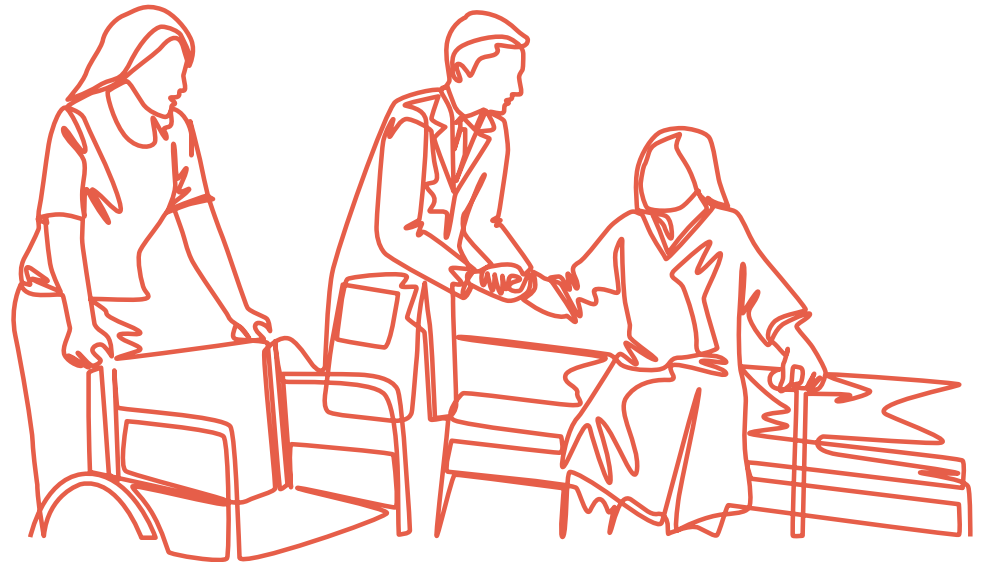


Table 5: Service Standards – Performance 2018-19

| Service Standards  | Target  | Actual               |
|--|---------|----------------------|
| <b>Effectiveness Measures</b>  |         |                      |
| Percentage of patients attending emergency departments seen within recommended timeframes: <sup>a</sup>  |         |                      |
| Category 1 (within 2 minutes)  | 100%    | 95.8%                |
| Category 2 (within 10 minutes)   | 80%     | 85.2%                |
| Category 3 (within 30 minutes)   | 75%     | 74.2%                |
| Category 4 (within 60 minutes)   | 70%     | 87.0%                |
| Category 5 (within 120 minutes)  | 70%     | 97.5%                |
| Percentage of emergency department attendances who depart within four hours of their arrival in the department <sup>a</sup>                              | >80%    | 84.0%                |
| Percentage of elective surgery patients treated within clinically recommended times: <sup>b</sup>  |         |                      |
| Category 1 (30 days)   | >98%    | 98.0%                |
| Category 2 (90 days)   | >95%    | 94.3%                |
| Category 3 (365 days)  | >95%    | 97.9%                |
| Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days <sup>c</sup> | <2      | 0.5 <sup>6</sup>     |
| Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit <sup>d</sup>                                  | >65%    | 67.4%                |
| Proportion of readmissions to an acute mental health inpatient unit within 28 days of discharge <sup>d</sup>   | <12%    | 10.9% <sup>7</sup>   |
| Percentage of specialist outpatients waiting within clinically recommended times: <sup>e</sup>   |         |                      |
| Category 1 (30 days)   | 98%     | 100.0%               |
| Category 2 (90 days)   | 95%     | 100.0%               |
| Category 3 (365 days)  | 95%     | 100.0%               |
| Percentage of specialist outpatients seen within clinically recommended times: <sup>e</sup>  |         |                      |
| Category 1 (30 days)   | 98%     | 98.4%                |
| Category 2 (90 days)   | 95%     | 95.7%                |
| Category 3 (365 days)  | 95%     | 98.2%                |
| Median wait time for treatment in emergency departments (minutes) <sup>a</sup>   | ..      | 10                   |
| Median wait time for elective surgery (days) <sup>b</sup>  | ..      | 47                   |
| <b>Efficiency Measure</b>  |         |                      |
| Average cost per weighted activity unit for Activity Based Funding facilities <sup>f §</sup>   | \$4,423 | \$4,603 <sup>8</sup> |
| <b>Other Measures</b>  |         |                      |
| Number of elective surgery patients treated within clinically recommended times: <sup>b</sup>  |         |                      |
| Category 1 (30 days)   | 1,687   | 2,100                |
| Category 2 (90 days)   | 2,845   | 2,614                |
| Category 3 (365 days)  | 2,094   | 1,951                |
| Number of Telehealth outpatient occasions of service events <sup>h</sup>   | 9,728   | 10,593               |
| Total weighted activity units (WAU's) <sup>§</sup>   |         |                      |
| Acute Inpatient  | 59,478  | 61,887 <sup>9</sup>  |
| Outpatients  | 14,458  | 13,781               |
| Sub-acute  | 5,473   | 6,348                |
| Emergency Department   | 18,741  | 18,897               |
| Mental Health  | 9,739   | 11,147               |
| Prevention and Primary Care  | 3,269   | 3,795                |
| Ambulatory mental health service contact duration (hours) <sup>d</sup>   | >72,612 | 75,242               |
| Staffing <sup>i</sup>  | 4,549   | 4,559                |

6. SAB data presented is preliminary.
7. Readmission to acute Mental Health inpatient unit data presented as May-19 FYTD.
8. Cost per WAU data presented as Mar-19 FYTD.
9. As extracted on 19 August 2019.

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



## Explanatory Notes

Please see the [Queensland Budget 2018-19 Service Delivery Statements – Queensland Health](#) for further explanation on measures and data sources.

Emergency Departments throughout Darling Downs Health saw a total of 159,530 patients this financial year. As outlined in the above table, the percentage of Category 1 and 3 patients seen in the recommended times was slightly lower than the 2018-19 target, falling short of the targets by 4.2 and 0.8 per cent respectively.

The completion of the \$3 million redevelopment of the Warwick Hospital Emergency Department in 2018-19 will help improve progress towards future targets, with an increase in treatment bays, short stay bays and triage bays, including an ambulance triage bay.

## Outpatient occasions of service (specialist and non-specialist)

Darling Downs Health had a total of 233,641 outpatient occasions of service during 2018-19. Specifically for specialist outpatients, Darling Downs Health achieved all targets for seeing patients within the clinically recommended timeframes, making this the fourth consecutive year of meeting these targets.

## Elective surgery

In 2018-19, a total of 6,907 elective surgery procedures were undertaken by Darling Downs Health, of which 6,665 were delivered in time. Darling Downs Health achieved the elective surgery targets for treating Category 1 and Category 3 patients in time – effectively making it five consecutive years when Darling Downs Health has reached target for these categories. For Category 2 patients Darling Downs Health was 0.7 per cent short of the target.

The median wait time for elective surgery was 47 days. This is one day shorter than the median wait time for 2017-18.



Table 6: Additional measures

| Performance measure   | 2018-19 | Change since last year |
|---|---------|------------------------|
| Childhood Immunisation <sup>a</sup>   |         |                        |
| All children 1 year   | 94.7%   | 0.6 p.p.               |
| All children 2 years  | 92.4%   | -0.3 p.p.              |
| All children 5 years  | 95.4%   | -0.4 p.p.              |
| Discharge against medical advice <sup>b</sup>   |         |                        |
| Non-Aboriginal and Torres Strait Islander   | 0.9%    | -0.1 p.p.              |
| Aboriginal and Torres Strait Islander   | 0.8%    | 0.0 p.p.               |
| Aboriginal and Torres Strait Islander   | 2.5%    | 0.0 p.p.               |
| Women who gave birth and attended 5 or more antenatal visits <sup>b 10</sup>                |         |                        |
| Non-Aboriginal and Torres Strait Islander   | 96.4%   | 0.1 p.p.               |
| Aboriginal and Torres Strait Islander   | 96.8%   | -0.2 p.p.              |
| Aboriginal and Torres Strait Islander   | 93.4%   | 3.8 p.p.               |
| Completed general courses of oral health care <sup>c</sup>                                  |         |                        |
| Non-Aboriginal and Torres Strait Islander   | 17,514  | 2,679                  |
| Aboriginal and Torres Strait Islander   | 16,091  | 2,481                  |
| Aboriginal and Torres Strait Islander   | 1,423   | 198                    |
| Mothers who had > 5 antenatal visits, with first visit in the 1st trimester <sup>d 12</sup> |         |                        |
| Non-Aboriginal and Torres Strait Islander   | 50.8%   | N/A                    |
| Aboriginal and Torres Strait Islander   | 52.6%   | N/A                    |
| Aboriginal and Torres Strait Islander   | 37.8%   | N/A                    |

10. Data presented as Mar-19 FYTD.

11. New data collection commenced in Dec-18. Preliminary data is available for the period Dec-18 to May-19.

12. New data collection commenced in Dec-18. Preliminary data is available for the period Dec-18 to May-19. Lag of data due to trimester reporting. Data is only collected after the birth of the baby and is available for reporting two to three months after this event. It is a prerequisite that HHSs must also maintain their performance with respect to the performance standards under this QIP in terms of non-Indigenous mothers.

Source: <sup>a</sup> Communicable Diseases Unit, <sup>b</sup> Health Statistical Branch, <sup>c</sup> Oral Health Service, <sup>d</sup> Healthcare Purchasing Strategy Unit.

## Complaints management

In 2018-19, 87 per cent of complaints were resolved within 35 days, well above the target of 80 per cent. There were significantly more compliments than complaints received in the health service, with a total of 2,480 compliments received including aged care services.

## Telehealth

Darling Downs Health achieved well above the target for telehealth service events in 2018-19. A number of new telehealth initiatives commenced throughout the health service to allow patients to access specialty services without having to travel extensively to do so. For more information on telehealth projects undertaken this year, please refer to achievements listed in the Performance section of the report.

## Compliments received:

“ All who participated in my recovery were compassionate and understanding. I was informed along the way with every step as it was scheduled.

– Toowoomba Hospital

“ I want to thank the kitchen staff as well for the meals they prepared, very good quality food and the service by the tea trolley staff was really good as well.

– Stanthorpe Hospital

“ Thank you so much for the wonderful care, love and support you gave to our darling mother.

– The Oaks Nursing Home.

<sup>1</sup> Target published in Queensland Health Performance Measures Attribute Sheet 2018-19, percentage of complaints resolved within 35 calendar days.

## Financial summary

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Darling Downs Health achieved a balanced budget for the 2018-19 year and reported a surplus of \$2.4 million in 2018-19 compared to \$4.1 million in 2017-18.

| Revenue and expenses               | FY ending 30 Jun 19<br>\$(000) | FY ending 30 Jun 18<br>\$(000) |
|------------------------------------|--------------------------------|--------------------------------|
| Revenue                            | 822,679                        | 773,021                        |
| Expenses                           |                                |                                |
| Labour and employment              | 562,295                        | 530,100                        |
| Non-labour                         | 228,161                        | 208,998                        |
| Depreciation and amortisation      | 29,837                         | 29,787                         |
| Total                              | 820,293                        | 768,885                        |
| <b>Net surplus from operations</b> | <b>2,386*</b>                  | <b>4,136</b>                   |

\*Due to quarantined trust fund revenue and non-cash items the net impact on board retained earnings is an increase of \$893k.

### How we are funded

Total income for 2018-19 financial year was \$822.7 million.

| Income                    | \$(000) |
|---------------------------|---------|
| State contribution        | 447,776 |
| Commonwealth contribution | 265,163 |
| Special Purpose Grants    | 48,189  |



## Funding distribution

| Area                           | %     |
|--------------------------------|-------|
| Toowoomba                      | 34.98 |
| Rural                          | 25.64 |
| Mental Health                  | 10.53 |
| Other professional and support | 24.91 |
| Depreciation                   | 3.94  |

## Expenses breakdown

| Area                      | \$(000) | %     |
|---------------------------|---------|-------|
| Employee expenses         | 562,295 | 68.55 |
| Supplies and services     | 218,715 | 26.66 |
| Grants and subsidies      | 3,375   | 0.41  |
| Other expenses            | 6,071   | 0.75  |
| Depreciation and expenses | 820,293 | 3.64  |

## Financial outlook

In 2019-20 Darling Downs Health will have a budget of \$847 million, which is an increase of \$27 million or three per cent from the published 2018-19 operating budget of \$820 million.

## Anticipated maintenance

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

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

As of 30 June 2019, Darling Downs Health had reported total anticipated maintenance of \$177,745,422.

Darling Downs Health has the following strategies in place to mitigate any risks associated with these backlog items:

- seek assistance from Priority Capital Program
- increase operational maintenance budgets
- engage with the Department of Health around adequate levels of funding for repairs and maintenance (annual negotiations through Service Agreement and periodical negotiations or funding requests to address maintenance events directly relating to health and safety of staff and patients or directly impacting on continuity of health care services delivery).

## Car parking concession

A total of 15,134 car parking concession passes (2,464 multi-day passes and 12,670 1 day passes) were issued at a total cost of \$171,741.50 after taking into account visitor contributions.





# Performance against Strategic Objectives

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The Darling Downs Health Strategic Plan 2016-2020 outlines six key strategic objectives. Outlined below are the health service's major achievements under each of the strategic objectives for the 2018-19 period.

Deliver quality evidence-based healthcare for our patients and clients



*Deliver core health services and improve access to services*

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## Warwick Emergency Department

Warwick's \$3 million emergency department (ED) works were completed November 2018 with a specialist paediatric treatment bay, four new short stay beds and three triage spaces. The upgrade effectively doubled the treatment spaces providing additional capacity and improved amenities including increased privacy for patients. In 2018-19, Warwick Hospital saw over 21,000 people through their ED. The Warwick ED upgrade provides for current and future demand by improving both capacity and patient flow.

## Renal Home Dialysis Service

This year Darling Downs Health officially opened the Clive Berghofer Renal Home Dialysis Service on 22 May 2019 to help renal patients safely learn how to self-dialyse. Toowoomba Hospital has approximately 130 renal patients and almost half of them are home-based. This service helps provide autonomy and independence to renal patients in a setting more like being at home.



## Winter Bed Strategy

This year as part of a full winter bed strategy, Medical unit three (MU3) was opened in December 2018 with the setup of a temporary building at Toowoomba Hospital. The facility provides 12 additional beds and was set up to accommodate the increasing numbers of patients needing care and as an innovative and safe way to increase capacity to treat less acute patients particularly patients waiting for aged care placement.

Additionally, the relocation of the Toowoomba Hospital rehabilitation unit to the Baillie Henderson campus in March 2019 provided vacant clinical space in the Service Block for the relocation of MU3 from the temporary building to the newly available area. The move enables access to a larger clinical space with capacity for the opening of a further 15 beds sufficient to meet the seasonal surge in activity associated with months from July through to September.

The additional capacity complements the work undertaken to continuously improve discharge planning process and patient flow through the hospital.

## Increased Renal Sessions at Dalby Hospital

Dalby Hospital increased the number of dialysis sessions available to patients on 1st May 2019 from nine sessions to 12 sessions per week. This was in response to the success of introducing a limited number of sessions to Dalby Hospital nearly two years ago and community requests to expand services, to accommodate more patients locally. The services reaffirm our commitment to providing care as close to home as possible as patients needing dialysis can have to travel to Toowoomba up to three times per week. The additional afternoon sessions on Tuesday, Thursday and Saturday in the two existing chairs now provides renal dialysis at Dalby Hospital six days per week.

Deliver quality evidence-based healthcare for our patients and clients

*Ensure safe and quality outcomes*

## Safety and Reliability Improvement Program

In 2017 Darling Downs Health entered into a long-term partnership agreement with The Cognitive Institute to become a Safety and Reliability Improvement Partner. Darling Downs Health achieved an 89 per cent training rate for staff in Speaking Up for Safety. The next stage in the Safety and Reliability Improvement program this year was the launch of the Safer Together Reporting Tool on 18 March 2019. The reporting tool is used by staff to report instances that undermine our safety culture.

Courage is one of our values and it's important to have courageous conversations, but where this is not possible, the Safer Together reporting tool is available for staff to help build our safety culture. The Safety and Reliability Improvement program is based on Promoting Professional Accountability (PPA). The PPA is an evidence-based framework that builds a high-performance culture of safety and reliability by addressing the behaviours that undermine it.

**Safer Together**



## ISO Surveillance Audit (ISO 9001 Accreditation 4-7 March 2019)

The ISO surveillance audit was completed in March 2019 as part of the ongoing accreditation process. Facilities in Toowoomba, Kingaroy, Stanthorpe, Millmerran, Tara and Oakey as well as Community Mental Health all received visits from the auditing team. The audit team commended the Darling Downs Health for the passion staff demonstrate 'living' the Darling Downs Health values and going above and beyond with service provision.

Auditors were impressed with several of our initiatives including the Synergy Boards (located in all facilities and wards), the Acute Geriatric Evaluation Services (AGES) model, the Bariatric Service, the Millmerran cardiac rehabilitation program, identification of dementia patients model, the 'Cooking from Fresh' model (Toowoomba Hospital kitchen) and community engagement at Tara Hospital. The auditors also identified challenges, especially the difficulty of staff recruitment in rural areas. The audit team recommended that ISO certification continues for another twelve months when Darling Downs Health will undergo another surveillance audit as per requirements.

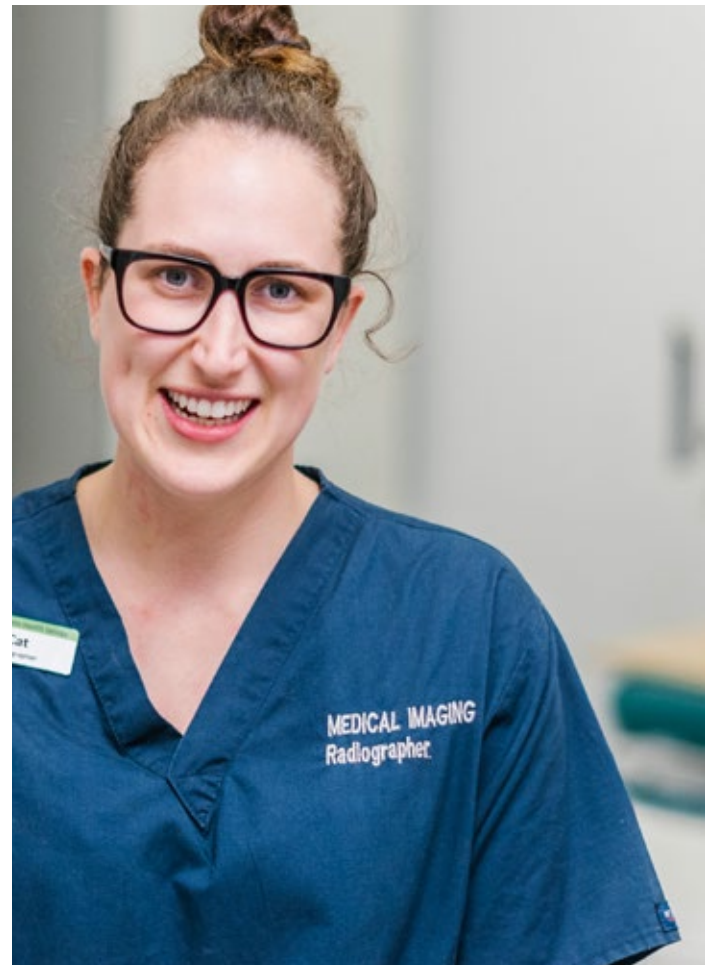
## Synergy Boards

Synergy Boards were introduced into patient care areas across the Darling Downs Health in 2018-19. The boards are a visual summary displaying key quality and safety information:

- Top three safety and quality priorities
- Recognition for a job well done
- Improvement suggestions
- Days free from patient fall, medication error, hospital acquired pressure injury and medically treated injury to staff
- Hand hygiene compliance

## Warwick Hospital Operating Theatre Availability

On 18 June 2019 Warwick Hospital provided surgery to a Toowoomba resident to trial a new concept of providing surgery on time using the additional theatre capacity available at Warwick Hospital. With Warwick Hospital being only one hour away from Toowoomba, there is an opportunity to use the available theatre capacity to help ensure Darling Downs Health continues to achieve the elective surgery performance targets. Following this trial, the Warwick Hospital is now able to support patients requiring less complex surgery and will be extended to include endoscopy patients from Toowoomba and Stanthorpe. The additional capacity will provide improved access for patients requiring timely surgery and endoscopies as well as reducing the risk of cancellation.





Deliver quality evidence-based healthcare for our patients and clients



## Closing the Gap

### Events

Darling Downs Health hosts several events to provide an opportunity to invite consumers, families, and community members into our facilities. Events at our facilities allow us to share the good work we are doing and start a conversation about how we can do better.

#### ▼ NAIDOC 2018 at Toowoomba Hospital



### NAIDOC 2018

For the first time, all 23 facilities across the Darling Downs Health region staged a NAIDOC event between 4 July and 20 July 2018 to celebrate NAIDOC achievements. Themed, *Because of Her, We Can* the celebrations highlighted the achievements of Aboriginal and Torres Strait Islander women working to improve the health and wellbeing of their communities. The aim of NAIDOC week events is to encourage community members to visit their local hospital or health service and break down barriers which may ordinarily stop them from accessing health services in their time of need.

### 2018 National NAIDOC Poster by Cheryl Moggs

The artist for the 2018 National NAIDOC Poster, Cheryl Moggs is also a member of the Goondiwindi Hospital Indigenous Advisory Working Party.

▲ National NAIDOC poster artwork by Goondiwindi resident Cheryl Moggs.





## ▲ Anniversary of the Apology to the Stolen Generations

13 February 2019

Darling Downs Health hosted a corporate breakfast at Baillie Henderson Hospital to mark the tenth anniversary of former Prime Minister Kevin Rudd's apology to the stolen generation. The breakfast was coordinated by the Darling Downs Health Cultural Capability Team and attended by members of Darling Downs Health Board and Executive, representatives from Toowoomba Regional Council, local Aboriginal and Torres Strait Islander Medical Services, University of Southern Queensland and Darling Downs Health staff. The formal apology given to Australia's Indigenous people resulted in a resolve to improve health outcomes for Indigenous Australians, and Darling Downs Health has a major role to play in achieving that goal. With more than 90 per cent of our workforce having completed cultural capability training, our ability to provide culturally-appropriate care is greatly improved.

## National Reconciliation Week ▶

27 May to 3 June 2019

National Reconciliation Week is celebrated across Australia each year to commemorate two milestones in the reconciliation journey - the successful 1967 referendum and the High Court Mabo decision. Darling Downs Health marked national Reconciliation Week at various facilities across the health service.

## Darling Downs Health Indigenous Health Forum

The combined forum showcased the work undertaken by Indigenous Health Workers, Liaisons and Coordinators, rural Medical Superintendents, Aboriginal and Torres Strait Islander Medical Services, tertiary educators and researchers in the Darling Downs in 2018. The forum was opened by Darling Downs Health Board member Dr Dennis Campbell and other speakers included Darling Downs Health's newly appointed Director Indigenous Health, representatives from Darling Downs West Moreton Primary Health Network and Department of Aboriginal and Torres Strait Islander Partnerships. In attendance were Darling Downs Health executive members and staff as well as staff from the South West Hospital and Health Service. The forum was a great success sharing and celebrating progress in the delivery of healthcare in the Darling Downs to Aboriginal and Torres Strait Islander people.



# Healthcare Programs to Promote Indigenous Health



## ▲ Tackle Flu Campaign

The Darling Downs Public Health Unit commenced their annual Tackle Flu Before It Tackles You campaign in the first week of May 2019. The program is aimed at encouraging Aboriginal and Torres Strait Islander people to get their free annual flu vaccination. Free vaccinations for Aboriginal and Torres Strait Islander people are offered at clinics in community centres and schools across the Darling Downs. By 30 June 2019 there was a seven per cent increase in the number of Indigenous people vaccinated compared to the previous year.

## Bunya Whispers

This year the Indigenous Health Management team launched the first edition of the Bunya Whispers magazine. The high-quality publication provides the Indigenous Management team with the opportunity to communicate with all Darling Downs Health staff and partners on how we can improve the delivery of Indigenous health across the organisation together.

## Pilot Paediatric Audiology and ENT Clinics at Toowoomba Hospital

In September 2018, Toowoomba Hospital commenced new audiology and ENT clinics for high-risk paediatric patients, Indigenous children, children in care, refugee children, and children with identified ear health concerns. The pilot clinics aim to increase access to specialist and allied health services. There was a total of 16 clinics in 2018-19, with the service continuing to provide services into 2019-20.

## Director Indigenous Health Appointment

Darling Downs Health this year appointed a Director Indigenous Health in November 2018. The new role reports directly to the Chief Executive to drive Aboriginal and Torres Strait Islander healthcare initiatives for the health service. A key focus for the role in 2018-19 was to develop a new health management structure. This structure provides strategic direction, leadership, and oversight to the Darling Downs Health Aboriginal and Torres Strait Islander workforce to deliver high-quality health services and improve outcomes for Aboriginal and Torres Strait Islander Darling Downs Health consumers.

## Kids Indigenous Nutritional Gaming Space (KING Space)

Currently, there are no culturally-appropriate interactive educational solutions for Indigenous children to teach them about healthy choices. In 2018-19 the Digital Innovation and Strategy Unit secured \$50,000 to assist Darling Downs Health to develop an application to send simple, clear messages to participants for oral health care, obesity, and other health conditions using an engaging gaming platform. The funding will be available in 2019-20 to commence work on the application in conjunction with the Digital Innovation and Strategy Unit. The anticipated benefits include advancing health literacy using an interactive health education resource and providing additional lifelong health benefits by teaching children at an early age about healthy habits.

# Deliver quality evidence-based healthcare for our patients and clients

## Deliver more care locally

### Warwick Hospital Telechemotherapy

In the last week of August 2018, Darling Downs Health treated its first chemotherapy patient at the Warwick Hospital. Achieving this milestone smoothly for our cancer-care patients demonstrates Darling Downs Health's commitment to providing care locally and treating patients as close to home as possible. The hospital is now a recognised stage one chemotherapy facility, able to administer single-agent treatments of low toxic drugs with low risk of reaction to stable patients. The Rotary Club of Warwick funded a special chemotherapy trolley for Warwick Hospital and this important piece of equipment supports patients to receive treatment locally.



▲ Janene Shelton and Karen Trotman with Heather Schillings

### Western Downs Maternity Services

Since March 2019, Darling Downs Health undertook an intensive recruitment program to attract four new midwives to the Chinchilla Hospital. The recruitment program will continue into July and August 2019 and when completed, will enable Darling Downs Health to commence a midwifery group practice at the Chinchilla Hospital with mothers receiving continuity of care from a known midwife during their pregnancy, childbirth at Dalby Hospital, and in the early weeks at home with their baby. The appointments are the first stage in working towards the reopening of Chinchilla Hospital maternity services. The next stage in developing the midwifery group practice will be to provide low-risk birthing at the Chinchilla Hospital with support from the medical team. This model of care will provide a birthing service at the Chinchilla Hospital for low-risk mothers. The Western Cluster maternity service model will provide a collaborative, multidisciplinary team service for care closer to home for the Western Downs community.



▲ Warwick Hospital Telechemotherapy



Deliver quality evidence-based healthcare for our patients and clients

## *Enhance patient experience and increase confidence in the health system*

### ▼ Toowoomba Hospital Rehabilitation Unit

This year Rehabilitation moved from Toowoomba Hospital to the Baillie Henderson Hospital campus - joining the many health service functions established at the campus. Patients and their families provided positive feedback on features including the large acreage, tree-lined streets, and heritage buildings while receiving the best possible patient-centred care. The newly refurbished Rehabilitation Ward welcomed staff, patients and their families when it officially opened on 11 March 2019. The facility is already starting to feel like home with feedback from patients that they are enjoying the outdoor area and the opportunity to walk around the beautiful, landscaped 188-acre grounds.



### Hip Fracture Registry

Toowoomba Hospital has been working with the Australian and New Zealand Hip Fracture Registry to track the effect of service improvements in providing hip fracture care. The primary challenge for Toowoomba Hospital was to improve the time to theatre; noting that many patients are transferred in from one of 23 rural hospitals, or from outside our health service. Initially, the median time to surgery (from initial emergency presentation) was 44 hours. One strategy to improve this timeframe was the implementation of a Neck Of Femur (NOF) checklist for rural facilities within our health service. The NOF checklist ensures a timely transfer and prompts consideration of key care components including nerve blocks. The ANZHFR acknowledged this initiative in their March newsletter.



### Toowoomba Hospital Safe Haven

The Safe Haven in Medical Unit Two at Toowoomba Hospital aims to make the hospital as inviting as possible for patients and their families. The Safe Haven was specially created for patients experiencing delirium and features around-the-clock, continuous nursing care in a homely atmosphere. The new unit also provides space for families and friends of the patient to be accommodated as well as security provisions, diversional therapies like craft and music, as well as specialised beds.





### ▲ Nurse Navigators helping patients with complex needs

In September 2018, the Minister for Health and Minister for Ambulance Services Steven Miles visited Toowoomba Hospital to meet with two of our 19 Darling Downs Health nurse navigators. Nurse Navigators work to guide patients with multiple complex health issues through the health system. The nurse navigator positions significantly contribute to the patient experience by ensuring patients are supported in accessing the best possible care with the most appropriate service, when and where needed. In June 2019, Minister Miles announced funding for the nurse navigator positions would be permanent due to the success of the program in supporting patients across the healthcare continuum. Nurse navigators play an integral role in a patient’s health care journey by ensuring they see the right person, at the right time and in the right place.

### Floresco

The Floresco service opened in 2017 to provide support for community initiatives to reduce hospital admissions and emergency department presentations, particularly in the mental health sector. Floresco offered a ‘one-stop-shop’ with access to mental health support workers, group work, carer support, and co-located services providing housing, drug and alcohol, as well as employment support.

Whilst Aftercare, the organisation responsible for the continuing operations of Floresco, were unsuccessful in securing continuing funding and consequently closed the service on 30 June 2019, the model showed improvements in mental health outcomes and quality of life for patients using Floresco’s services. The Floresco Model was evaluated by Australian Centre for Health Services Innovation (AusHSI).

### Warwick Safe Haven unit ▶

Some of Warwick Hospital’s most vulnerable patients now have a dedicated space of their own, after the opening of the new Safe Haven unit - a four-bed ward that enables intensive, one-on-one care for patients experiencing acute symptoms of dementia or delirium. The new area is located within the existing Phillips Ward at the hospital and can be converted back to a regular six-bed ward to meet operational needs when required.





### ▲ Toowoomba Hospital Rehabilitation Garden

A new gardening project at the Toowoomba Hospital's Rehabilitation Unit was officially opened in March 2019. Two student occupational therapists completed the gardening project at the Rehabilitation Unit's new location at Baillie Henderson Hospital. The Toowoomba Hospital Foundation provided funding for the project. Gardening is a large part of most people's lives and a great opportunity to get the patients involved and interested in their rehabilitation.

### Child and Youth Mental Health - Service Redesign

In October 2018, Darling Downs Health commenced a service review for Child and Youth Mental Health Services (CYMHS). The intended outcome of the review included the development of a foundational integrated service plan to provide overarching direction for the service, and to identify opportunities to refine, optimise, grow, and streamline existing services within known constraints.

The Darling Downs Integrated CYMHS service plan was finalised in June 2019. The plan reflects the significant consultation undertaken and references the key National and State Guidelines for the delivery of child and youth mental health services.

## Mental Health – 2018-19 achievements delivering quality, evidence-based healthcare

Darling Downs Health key deliverables for 2018-19 in Mental Health – Connecting Care to Recovery included:

- Employment of an additional senior mental health clinician to support education linkages between CYMHS and schools in the South Burnett and Western Downs areas, as well as additional mental health clinicians in Toowoomba CYMHS, Western Downs, and South Burnett Older Persons Mental Health Services.
- Contributing to the Statewide Multi-Site Suicide Prevention Collaborative community engagement strategy by delivering Mental Health First Aid training to our communities (adult, child and youth and Indigenous) as well as organising mental health support to communities in drought.
- Implementing the Safewards Program in Adult Extended Secure and Extended Treatment Units with early indications Safewards have resulted in improvements within the Acute Mental Health Unit through reductions in aggression and seclusions.
- Reviewing the Community Care Unit (CCU) model of care to develop principles of operation. Darling Downs Health is also participating in the Statewide benchmarking project.

Engage, communicate and collaborate with our patients and communities to ensure we provide integrated, patient-centred care



*Collaborate with and leverage primary health and other providers to reduce the impact of chronic disease*

### ▲ Health and Wellness Centre

The pool at the Baillie Henderson Hospital campus was upgraded in 2018-19 to become a Health and Wellness Centre for patients and consumers. Refurbishments to the Health and Wellness Centre incorporates an aquatic centre operated by Darling Downs Health featuring a 25-metre heated pool, change rooms, and showers for public use.

### Diabetes Hub

**In April 2019 Darling Downs Health officially launched a new, innovative website to improve people's ability to manage their diabetes: [diabeteshub.com.au](http://diabeteshub.com.au).**

The website provides education, advice, and management strategies for people living with diabetes, their carers, and health professionals. This is a collaborative project between Queensland Health's Clinical Excellence Division, Darling Downs Health, Darling Downs West Moreton Primary Health Network, and the Toowoomba Hospital Foundation and is the result of Darling Downs Health's 'Diabetes Model of Care Project' funded by the Integrated Care Innovation Fund. The content was created by the Director of Medicine at Toowoomba Hospital, who spent more than 12 months preparing the clinical care information for the site.

Working with Southern Queensland Rural Health, the centre focuses on early intervention, prevention, and wellness and is due to open in the 2019-20 financial year. This Darling Downs Health initiative demonstrates our commitment to supporting preventative health and encouraging a holistic approach to health and wellbeing.





## ▼ Wellness Seminar

In November 2018 Darling Downs Health hosted a free wellness seminar for staff and the community to help improve access to information about maintaining a healthy weight. The aim was to improve the health literacy of our communities, particularly in health and wellbeing to help prevent chronic disease. Continually sharing knowledge with the community and helping to improve health literacy is a key strategy to support our objective in engaging with partners and communities to provide integrated care. The seminar in November 2018 was our third wellness seminar, with over 140 people in attendance and speakers included a registered nutritionist and Darling Downs Health Clinical Director and Endocrinologist.

**FREE WELLNESS SEMINAR**

*In a world filled with confusing advice, do you:*

- Want a simple and effective approach to healthy eating and controlling your weight?
- Want to learn how to prevent or manage your diabetes?
- Want a better understanding of carbohydrates?

**“Please, just tell me what to eat”**  
**Anthony Power** Registered Nutritionist  
 Anthony Power Nutrition, Brisbane

**“Now just tell me what to do”**  
**Dr Sheila Cook**  
 Clinical Director, Diabetes and Endocrinology

**Thursday 15th November**  
 6.00pm – 8.30pm

Toowoomba City Library, Seminar Rooms, Level 3,  
 Cnr Victoria & Herries Street, Toowoomba

RSVP for catering purposes to: [DDHHS\\_Events@health.qld.gov.au](mailto:DDHHS_Events@health.qld.gov.au)

Queensland Government

Darling Downs Health

# Health Check PITSTOP

Monday 11th March, 2019

Take a PITSTOP and get YOUR HEALTH back on TRACK!

**FREE EVENT**

Toowoomba PCYC | 9am-2pm

Special Offer from MILNE BAY FITNESS

FREE COFFEE Voucher

For more information:  
 Phone 0472 863 658

#healthiertogether

## Health Check Pitstop

Darling Downs Health hosted in March 2019 a Health Check Pitstop at the PCYC in Toowoomba to encourage staff and community members to take the time to focus on their health and wellbeing. The pitstop included blood pressure, diabetes, weight, and mental health checks.

## ▼ Darling Downs Health South Burnett staff encouraging healthy smiles

South Burnett staff at Murgon and Wondai this year promoted healthy smiles by holding education sessions to children six years and under in June 2019. The innovative idea came from a concerned parent seeking information on what oral care she should be teaching her child. The importance of healthy drinking and explaining what drinks are bad for their teeth was also included in the sessions. The sessions were a great success for both the children and the parents.





Engage, communicate and collaborate with our patients and communities to ensure we provide integrated, patient-centred care

*Engage the community and healthcare consumers, including promoting health literacy*



### ▲ Promoting Health Literacy

Darling Downs Health continued the important work promoting health literacy in 2018-19 to help consumers navigate their healthcare and make it as easy as possible for them to understand the services we provide. Achievements include completion of the 2019 Health Literacy Plan based on Australian Commission on Safety and Quality in Healthcare National Health Literacy Statement. The plan targets outcomes to educate staff about reducing jargon and acronyms, and continually checking with our clients for evidence of understanding.

## We are Darling Downs Health – Rebranding

Following extensive consultation with the community, staff and consumers, on 24 August 2018 Darling Downs Health officially launched a new brand and with it, a new name. To make it easier for staff and the community to recognise our health service the name was changed in consumer-facing documents to 'Darling Downs Health'. Darling Downs Health also updated the presentation of information to align our identity more closely with what is relevant to our consumers and patients. The transition to the new brand was a gradual process with new templates updated and new collateral only replaced once it became due for refresh. The new brand was launched to encourage consumers to get involved with the health service and as part of a recruitment and attraction strategy.

## Mental Health Promotion Activities

Darling Downs Health promoted mental health in 2018-19 with the following activities:

- Mental health week event was celebrated at the Baillie Henderson Hospital in October 2018 to bring mental health services together, share information, and help stop the stigma.
- Nursing staff at Mt Lofty Heights Nursing Home organised a 'Blue Tree' for residents, staff and visitors in June 2019. The tree is a symbol of 'hope and encouragement', and a reminder to everyone that it's always okay to ask for help. It is also a reminder of how Darling Downs Health staff bring so much humanity to the work they do by making sure all aspects of wellbeing are treated in a holistic approach to health.



## Healthpathways

Darling Downs **HealthPathways** is an innovative, web-based, virtual health neighbourhood aimed at fostering collaboration between hospitals and community services, spanning both public and private systems; and primary healthcare services. The platform is a collaborative project between Darling Downs Health and the Darling Downs West Moreton Primary Health Network. The pathways provide contemporary, effective, evidence-based and localised referral pathways and resources. These connect, inform, and empower primary healthcare clinicians and create referral efficiencies across the range of healthcare to ensure patients get the right care, in the right place, at the right time.

Since going live with an initial 32 pathways on 14 June 2018, Darling Downs HealthPathways achieved well above the financial year target of 250 live pages and delivered a total of 304 pathways on 30 June 2019. Darling Downs HealthPathways was recognised at the 2019 Queensland Health eAwards as the winner of 'Deliver Results' category.

## Increase in Aboriginal and Torres Strait Islander Consumer Advisory Groups

As part of the Darling Downs Health commitment to Closing the Gap, two additional community groups were started up in 2018-19 bringing the total number of Aboriginal and Torres Strait Islander Community Advisory Groups in the Darling Downs Health to six. The new groups formed in 2018-19 were:

- Dalby Aboriginal and Torres Strait Islander Community Advisory Group started in April 2019
- Warwick Aboriginal and Torres Strait Islander Community Network started in June 2019.

## Focus On You Health Expo

Staff from the South Burnett organised a health expo in February 2019 with stalls and information to encourage residents to lead healthier lifestyles. Murgon Hospital Director of Nursing and Murgon-area Community Health Nurses engaged with our communities to promote health literacy and lead the way in healthy lifestyle choices. The Focus On You Expo was well attended and supported by community groups and other health organisations. Together through partnerships we make our communities healthier, happier and safer.



## ▼ Carnival of Flowers Float

A collaborative float was created to celebrate the 67th annual flower festival, the longest running floral event of its kind in Australia. The float was a collaboration between Darling Downs Health, Toowoomba Hospital Foundation, and the University of Southern Queensland. The float travelled through the streets of Toowoomba in front of a crowd of over 250,000 spectators.



Engage, communicate and collaborate with our patients and communities to ensure we provide integrated, patient-centred care

*Establish and maintain relationships with the community and with partners that enable responsiveness to legislative changes and social reform*

### DonateLife mosaic

DonateLife paid tribute to Queensland organ and tissue donors by presenting a mosaic mural to Toowoomba Hospital on Wednesday 21 November 2018. Toowoomba Hospital was one of 14 hospitals to receive the tribute in simultaneous ceremonies held from the Gold Coast to Cairns. Since transplantation records began in 1989, Queensland organ donors have given well over 5,000 gifts of life and tissue donors have transformed the lives of tens of thousands of Queenslanders. Donor families, transplant recipients, and staff were present to celebrate the presentation of a gift to honour donors for their legacy and generosity.

### Bowel Cancer Awareness Month

The Toowoomba Hospital Bowel Screening Program promoted Bowel Cancer Awareness month with a competition for the best creative display or health promotional initiative. Bowel cancer claims the lives of 103 Australians every week (5,375 people a year) and is one of the most treatable types of cancer if found early.

### Safer Toowoomba Partnerships survey

Working with all levels of government to promote health and safety, Toowoomba Hospital helped launch the Safer Toowoomba Regional Partnerships survey in March 2019. Looking for ways to work with other organisations to promote safety, health and wellbeing, Toowoomba Hospital provided input into the social determinants of health and how this impacts the health of our communities.

### ▼ National Volunteer Week

The theme of the 2019 National Volunteer Week was 'Making a World of Difference'. In May 2019 Darling Downs Health celebrated the week by providing lunch for our 348 Darling Downs Health volunteers who give their time to help others across our health service.





Engage, communicate and collaborate with our patients and communities to ensure we provide integrated, patient-centred care

## *Provide a leadership role in fighting obesity*

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### **Bariatric Outpatient Service**

Darling Downs Health commenced the multi-disciplinary Bariatric Outpatient Service (BOS) trial at Toowoomba Hospital in September 2018 for five patients experiencing morbid obesity. The BOS trial provided a patient-centred approach, focusing on working with individual patients to address complex factors contributing to their morbid obesity. The six-month trial finished in March 2019. The successful outcomes included participants reporting feeling better, as well as demonstrated health improvements including weight loss, and a reduction in medication requirements. Following the successful trial, Darling Downs Health has committed to continuing the program in 2019-20 with an increase in the number of participants.





Demonstrate a commitment to learning, research, innovation and education in rural and regional healthcare



### *Embed the application of evidence-based practice and research into the organisation*

**In 2018-19 Darling Downs Health clinicians completed the following research and project achievements to promote the application of evidenced-based practice and research.**

#### ▲ Improving identification and management of iron deficiency in pregnancy

*Presenter: Darling Downs Health Transfusion Nurse*

Iron deficiency is common in pregnancy and increased iron demands often lead to iron deficiency anaemia impacting the health of both the baby and the mother. Darling Downs Health was a finalist in the 2018 International Hospital Federation Awards for the 42nd World Hospital Congress in Brisbane 10-12 October for collaborative work on a new approach to an often-neglected issue in women's health. In the category of Quality, Safety and Patient-centred Care, Darling Downs Health in collaboration with the Australian Red Cross Blood Service, Canberra Hospital and Health Service, and Women's and Children's Hospital South Australia investigated systems for improving identification and management of iron deficiency and anaemia in pregnant women.

### Leader in the Development of the Chronic Kidney Disease (CKD) Regional Queensland Register

*Researcher: Senior Staff Specialist and Consultant Nephrologist Toowoomba Hospital*

Information on persons suffering chronic kidney disease (pre-dialysis) is essential in developing research treatments. The CKD Queensland register commenced in 2011 and Darling Downs is one of the leading sites with more than 1,500 patients recruited over seven years. The Registry provides information on multiple aspects of CKD; its trajectory, management, patient outcomes, as well as health service utilisation.

## Adopting a lower carbohydrate diet reduces insulin dose requirement in adults with type 1 diabetes

*Researcher: Director of Diabetes and Endocrinology Toowoomba Hospital*

The aim of this study was to investigate the effect that dietary carbohydrate restriction has on glycaemic control and clinical outcomes for adults with Type 1 diabetes mellitus (T1DM). Eleven adult participants were recruited from the Toowoomba Hospital Type 1 Diabetes Clinic, and results of dietary analysis compared both before and after their adoption of a low-carb diet. The study found that adoption of a low carbohydrate diet is associated with a significant reduction in insulin dose, and perceived improvement in glycaemic control in adults with T1DM.

## Indigenous Emergency Department utilisation in the Darling Downs

*Researcher: Staff specialist Emergency Physician Toowoomba Hospital*

The primary aim of the study was to explore patterns for adult presentations at emergency departments and compare outcomes of Indigenous and non-Indigenous patients. A retrospective comparison of characteristics of all presentations over a two-year period (2016 and 2017) to Emergency Departments in 16 hospitals across Darling Downs Health was undertaken, using Emergency Department Information System data.

## ▼ Pressure Injury Expo

The Darling Downs Health workforce demonstrates a culture of innovation and implements best practice approaches when providing care to our patients. Pressure injury education is always an important focus and from the 20th to 22nd November 2018, a Pressure Injury Prevention and Management Expo was held at Toowoomba Hospital. In addition to pressure injury care there was also education on dressings and nutrition.



Demonstrate a commitment to learning, research, innovation and education in rural and regional healthcare

### *Enhance relationships with the tertiary education sector*



#### ▲ Goondiwindi Medical Students

For the first time, Goondiwindi Hospital hosted a group of third-year medical students in 2018-19 from the University of Queensland for a week of hands-on activities. Eleven students took part in the week of practical skills sessions and theory-based tutorials supporting our next generation of medical professionals by providing experience in a rural community setting.



#### ▲ Southern Queensland Rural Health

Darling Downs Health formed a consortium with The University of Queensland, University of Southern Queensland and South West Hospital and Health Service to create Southern Queensland Rural Health (SQRH). SQRH is a Commonwealth-funded University Department of Rural Health supporting nursing, midwifery, and allied health students in their rural clinical training across the Darling Downs and South West. The SQRH team - clinical educators, researchers, student support, management, and administration moved to Baillie Henderson Hospital campus in June 2019 following extensive renovation of the building. Housing state-of-the-art training rooms, telehealth studios, meeting rooms, student areas, and office space, the SQRH building is a focal point for interprofessional education and practice. SQRH has another main training site and team members located at Charleville.

SQRH has secured student accommodation in five communities - Toowoomba, Kingaroy, Chinchilla, Roma and Charleville. During 2018, the SQRH consortium supported 1,007 students on rural clinical placements in 27 communities across 4,135 placement weeks. SQRH is working with health providers and communities to create diverse and enriching student placements that help steer emerging health professionals toward a rewarding rural health career.



## ▼ Dalby Clinical Education Centre opening

In November 2018, Queensland Rural Medical Education, Griffith University, and Darling Downs Health opened the new Griffith University Dalby Hospital Clinical Education Centre. The Centre is a new addition to the suite of Griffith Health rural training facilities. The newly-refurbished space includes simulation, practical learning and teaching spaces, clinical educator offices, and study areas. Partnering with education providers is vital in ensuring the Darling Downs Health continues to attract and retain suitably-qualified medical graduates to our rural areas by giving them a taste of what life is like in the community.



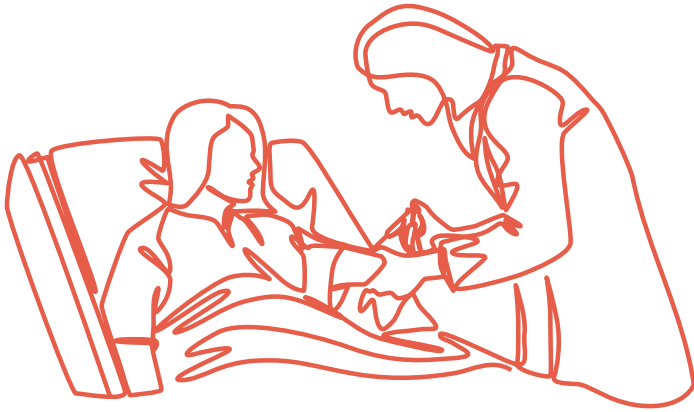
Demonstrate a commitment to learning, research, innovation and education in rural and regional healthcare

## *Develop collaborative research partnerships*

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### Darling Downs Health Innovation and Research Collaborative (DDHIRC)

The Darling Downs Health Innovation and Research Collaborative (DDHIRC) is a collaboration between Darling Downs Health, St Andrews Hospital, St Vincent's Hospital, the University of Queensland Rural Clinical School, University of Southern Queensland, Queensland Rural Medical Education, Southern Queensland Rural Health, and the Darling Downs West Moreton Primary Health Network. DDHIRC has a vision to facilitate research translation to improve health outcomes for the Darling Downs and is funded by all partners. The Chair of the DDHIRC Committee is Darling Downs Health Executive Director Allied Health. DDHIRC hosted a successful showcase in November 2018, highlighting the clinical research being undertaken throughout the region. A dedicated DDHIRC Coordinator was appointed in May 2019. DDHIRC has developed clear objectives to be achieved in the 2019-20 financial year. These include sharing research tools and information, applying advances in healthcare innovation and research for regional and rural communities, and building collaborations between clinicians, consumers, researchers and the local communities.



## Darling Downs Health Nursing and Midwifery Research Strategy 2019-2024

Senior nurses and midwives across Darling Downs Health and university partners came together late 2018 to commence work on the development of the Darling Downs Health Nursing and Midwifery Research Strategy 2019-2024. The strategy is aligned with the Darling Downs Health vision, mission and strategic objectives and embeds a life-long learning approach to building evidence-based practice. After broad consultation, the strategy was endorsed by the Nursing and Midwifery executive group in May 2019. We value our investment in research in all its forms and are committed to driving standards of research excellence and building a culture of research in nursing and midwifery. Our first year has seen a range of strategies focussed on building knowledge and capability in identifying, implementing, and participating in research and evidence-based practice in the clinical setting.

## ▼ Japanese Rural Generalist Program

Darling Downs Health in partnership with Queensland County Practice (QCP) launched training rotations for up to three months in rural or remote locations in Queensland for Japanese doctors who wish to gain rural generalist skills and learn more about the roles and challenges of Queensland Rural Generalists. Following the success of the program, QCP was invited to present a paper at the Japanese Primary Care Association conference in Kyoto, Japan.

Japan does not have formal training for doctors who want to gain generalist skills and this gap led to an international collaboration offering Japanese doctors the chance to experience the Queensland Rural Generalist Program. Both Stanthorpe Hospital (11 April to 4 May 2019) and Dalby Hospital (18 July to 9 August 2019) hosted Japanese doctors participating in the training rotations.



▲ Dr Rakan Kotoku with Dr Dan Halliday Senior Medical Officer – Rural Generalist Stanthorpe Hospital

Demonstrate a commitment to learning, research, innovation and education in rural and regional healthcare

*Identify, develop and implement innovative health initiatives*



### Interprofessional Education

Interprofessional practice has been identified as a model of healthcare delivery that can improve outcomes for patients, as well as satisfaction and engagement of staff. Several Darling Downs Health staff had the opportunity to attend training in interprofessional education and practice in Brisbane, Toowoomba, and Roma, delivered by the University of Toronto at the request of Southern Queensland Rural Health (SQRH) in 2018-19.



Since the training, several initiatives have commenced to implement interprofessional education activities for students and staff including:

- Establishment of an Interprofessional Education and Collaborative Practice Advisory Group, with representation from the Darling Downs Health Executive and SQRH
- Delivery of interprofessional education workshops to pre-entry students undertaking placements in Darling Downs Health facilities presented by Darling Downs Health clinical educators in collaboration with SQRH clinical educators
- Development of a model to assist clinical teams to review and enhance interprofessional practice by the Allied Health Education and Training team. The Geriatric, Adult Rehabilitation and Stroke Service (GARSS) Day Therapy team at Toowoomba Hospital was the first team to trial the model.





### ▲ Allied Health Showcase

The third biannual Allied Health Showcase was held in May 2019 and provided a great opportunity to find out more about a range of allied health services and projects from across the region. For the first time, the event was delivered in partnership with Darling Downs West Moreton Primary Health Network, which facilitated valuable information sharing and networking between public and private health sector providers.

Speakers presented on topics including community-based podiatry services in the South Burnett, empowering resident choices in aged care facilities, expansion of telehealth programs, and an innovative education program to enhance the appropriate use of antibiotics.

### Leaders Engagement Forum

The Leaders Engagement Forum was held in May 2019 with guest speaker Matthew Horan sharing his experiences climbing Ama Dablam mountain (near Mount Everest) and making decisions under significant stress. Several Darling Downs Health staff shared their innovative ideas, projects, and knowledge at the forum.



▲ Nurse Educator Elizabeth Rindfleish wearing simulated dementia equipment

### ▲ Dementia Simulation

This year Toowoomba Hospital implemented new technology to train nurses to better understand patients living with dementia. The training involves participants wearing simulated equipment to alter and scramble their senses. Weights are worn on the arms and legs to limit range of movement, while headphones alter noise and goggles alter vision.

The technology makes the wearer experience what it may feel like to have a cognitive impairment and simulates the limitations and frustrations an aged person may experience. Patients with dementia often feel scared, uncertain and confused. During the training, the nurses were asked to complete everyday tasks while wearing the virtual reality equipment.

145 nurses completed training in 2018-19 and Toowoomba Hospital has reported significant improvements across the medical service with a reduction in behavioural escalations. Trained staff are more empathetic and understanding to patients with cognitive impairments and are better prepared to de-escalate situations with distressed patients.

The training also addresses the nursing standards and how they relate to patients with cognitive impairments in terms of pressure injuries, falls, clinical handover, communication, how they identify themselves, and how to gain consent.

## ▼ Community Wellness Project

The **Community Wellbeing Project** supports, encourages and promotes opportunities for positive wellbeing and engagement in preventative health in our community through health literacy initiatives and programs. The project this year focussed on Queensland Health's effective healthier drinks in healthcare facilities directive, as well as developing community health and wellness education opportunities.

The project is supported by a community wellbeing role to help implement policy changes and directives as per Queensland Health requirements from 1 July 2019, to ensure healthy food is available in health care facilities. In 2018, the project held three successful wellness seminars with approximately 400 attendees.

In May 2019 Darling Downs Health developed and implemented the Hack in a Box program (funded by Toowoomba Surat Basin Enterprise) to engage young people to co-design innovative solutions to our growing obesity rates. Hack in a Box equips school-aged children with critical thinking and innovation skills to solve a problem posed by the Community Wellness Team. The problem posed for this inaugural round was 'how do we make exercise and healthy eating cooler than fast food and phones'.

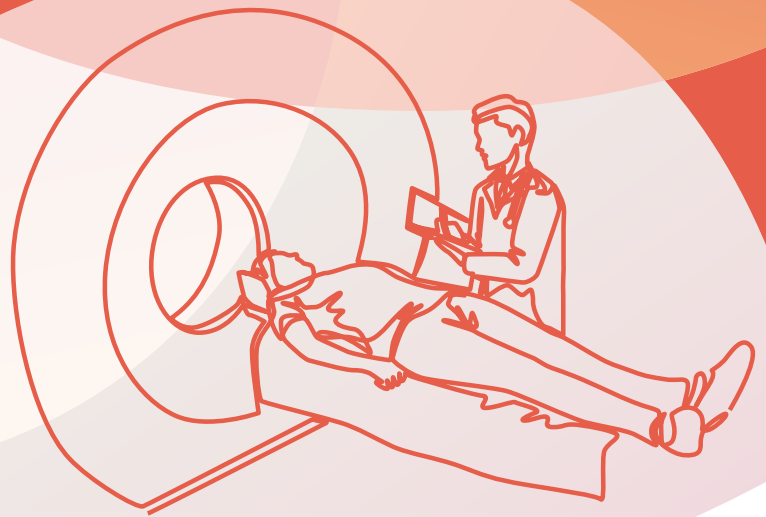
## Proof of Concept Trial Heli-Health

A proof-of-concept trial for helicopter-chartered service (Heli-Health) was undertaken between January and June 2018 to explore the opportunity for increased patient services in rural Darling Downs Health locations - specifically services currently provided to Kingaroy via road travel from Toowoomba. Viability for a point-to-point helicopter charter between Kingaroy and Toowoomba for two days each month was assessed. A Standing Offer Arrangement was secured with a helicopter contractor and was signed off in August 2018 for a two-year period. A bookings process was established, and a coordinator appointed as a point of contact and for logistical support.

The trial was suspended following the inability to secure minimum number of travelling specialists, confirmation of actual travel time, and the subsequent adjusted clinic hours deliverable. However, an endorsed process remains in place and while the SOA with the helicopter company remains valid, the project could potentially be reinstated for an alternate purpose including patient travel through the Darling Downs Health travel hub should this prove viable.



Ensure sustainable resources through attentive financial and asset administration



*Focus on efficient business practices including ensuring effective and appropriate costs management*

### Delivering a High-Performance Health Service

Darling Downs Health maintains a high level of achievement and good practice against all domains outlined in the Department of Health 'Delivering a High Performing Health System for Queenslanders - Performance Framework'. The components in the framework to attain comprehensive and holistic performance include accreditation status, Service Agreement delivery, fiscal management and KPI performance.

### Comprehensive Facility Condition Assessments to Inform Effective Asset Management

Darling Downs Health completed the final set of detailed built-infrastructure condition assessments in the 2018-19 year. Together with similar assessments completed in the previous year, Darling Downs Health now has a comprehensive and professionally determined set of facility condition assessments that covers our entire health service area. The condition assessments have been used to update and verify Darling Downs Health maintenance registers and they will be used to inform future maintenance planning and strategic asset/ infrastructure planning. In a health service with a very large number of buildings and with substantial maintenance and engineering requirements, robust condition assessment data is the important foundation for effective asset management.



Ensure sustainable resources through attentive financial and asset administration

*Engage effectively with funders and explore resourcing opportunities*

### ▼ Rural Junior Doctor Training Innovation Fund

For the second year in a row, the Commonwealth awarded funding to Darling Downs Health resulting in an additional nine rural GP practices receiving intern-accreditation. This means that an extra 75 interns will be undertaking rural general practice terms including 20 Darling Downs Health interns who will spend time in Clifton Medical Practice, Goondiwindi Medical centre, Platinum Health Group and Downs Rural. Referred now as 'idocs', it is hoped that spending time in rural practice will stimulate an interest in a career as a rural general practitioner.



▲ *Dr Kate Raine and Supervisor Dr Desiree Tee at the Clifton Medical Practice.*

## Support in 2018-19

There are several valued supporters throughout our region who raise and donate funds and equipment to our local facilities and who are an incredibly valued part of each local community. Darling Downs Health greatly appreciates the support and generous donations received from these parties. Some of the generous donations received throughout 2018-19 are outlined below:

- Toowoomba Hospital Foundation has consistently made significant contributions to support Toowoomba Hospital and staff by funding projects, equipment, and training for our staff over many years. Over \$1 million of funding and equipment was donated by The Foundation in 2018-19, including significant contributions towards construction of the Clive Berghofer Self-Dialysis Unit, and replacement of the Baillie Henderson Swimming Pool filtration system.

Other significant donations in 2018-19 included:

- SQRH - \$1.3 million for the refurbishment of a building at Baillie Henderson Hospital Campus
- Queensland Rural Medical Education - \$140,000 building donated for staff accommodation at Jandowae Hospital
- Jeteld Pty Ltd (Clive Berghofer) - \$100,000 towards construction of the self-dialysis unit at Toowoomba Hospital
- Goondiwindi Rotary club - \$15,000 cash donation to the Goondiwindi Hospital
- Goondiwindi Hospital Auxiliary – over \$4,000 funding
- Goondiwindi B & S Ball Committee - \$10,000 to purchase an electric tourniquet for Goondiwindi Hospital
- Murgon Hospital Auxiliary - \$14,000 funding towards refurbishment at Murgon Hospital
- The Humpty Dumpty Foundation – donation of medical equipment to Goondiwindi Hospital.

Several individual donations and bequests were also received by facilities within the health service.



## *Strengthen and enhance ICT capacity and capability*

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### **Financial System Renewal Business Case for Change**

In 2018-19, Queensland Health progressed the rollout of the Financial System Renewal (FSR) Program to transition all health services from the existing Finance and Materials Management Information System (FAMMIS) to a modern new finance, business, and logistics solution called S/4HANA. S/4HANA will enable Darling Downs Health to improve compliance, reporting, transparency, and control. Key dates in the program to contemporise the financial administration system during 2018-19 included:

- Integration Testing 3 (IT3)  
Jan – Feb 2019
- User Acceptance Testing (UAT)  
March – April 2019
- Business Case for Change Release  
March 2019
- Foundational Training Launch  
April 2019
- Business Go Live  
August 2019

This implementation will move Darling Downs Health from a heavily-customised 21-year-old system to a modern, new system that has been designed for the future.

### **myHR rollout**

In May 2019 Darling Downs Health completed the successful rollout of the myHR system across the health service. The myHR Implementation team, including the Darling Downs Health Human Resources team and the Business System Administrators ensured the system was well-supported in the initial rollout phases. The myHR system ensures a significant reduction in paper-based processes and a greater ability to track and trace approval processes.

### **Integrated Electronic Medical Records project**

Darling Downs Health will develop a Digital Strategy in 2019-20 to maximise business benefits of technology-focused initiatives.

## LeeCare Software Solution for Residential Aged Care

Darling Downs Health successfully rolled out LeeCare to all residential aged care facilities in 2018-19. LeeCare is a software solution specifically designed to help improve residential aged care delivery and administration. The team at Milton House in Miles volunteered to be the pilot site for trialling LeeCare for Queensland Health. Nursing staff at Milton House found the system reduced time spent undertaking administrative duties, which allowed more time with residents. LeeCare contains all patient and administration information and forms which saves time and reduces errors. The system provides additional functionality including staff alerts.

## Patient Travel Information Management System (PTIMS)

In July 2018 Darling Downs Health became the pilot site for the new Queensland Health Patient Travel Information Management System (PTIMS) to administer the Patient Travel Subsidy Scheme (PTSS). Darling Downs Health worked closely with the Queensland Health PTSS project team on system enhancements to ensure the accurate, timely process of travel claims.

The benefits of using PTIMS include visibility of all travel claims and opportunities for application of consistent processes across Darling Downs Health. Additionally PTIMS provides for integration with S/4HANA and electronic filing and document storage of travel and payment histories.

Ensure sustainable resources through attentive financial and asset administration

*Invest in planning around asset optimisation, asset maintenance and asset replacement or expansion*

## ▼ Oakey Hospital renovations

A \$1.59 million project to improve Oakey Hospital's Dr EAF McDonald aged-care facility commenced late in 2018 and was completed in July 2019. The project increased the 'homeliness' of the facility, and included laying new flooring, painting, and installing new cabinetry. Sinks used by doctors and nurses were also moved from residents' rooms to the hallway to make residents more comfortable.







### ▼ Healthy choices at café on hospital campus

A new café opened in November 2018 at the Baillie Henderson Hospital with many healthier options on offer for the staff at the facility. Darling Downs Health infrastructure and wellness teams supported the social enterprise and helped navigate requirements for a menu that embodies our vision *Caring for our Communities: Healthier Together*.



### ▲ Kingaroy Hospital redevelopment

Construction of the Kingaroy Hospital redevelopment project hit another important milestone with the successful contractor announced for the construction tender in June 2019. The announcement followed a large open market tender process with seven construction companies shortlisted. Construction commences in July 2019 with the project expected to be finalised in 2021. With the contract for construction now awarded, the South Burnett community is one step closer to their brand new, larger, and enhanced hospital and health facility.

### Safety upgrades

Darling Downs Health completed a health service-wide review of security in February 2019. Implementation of security upgrades at most rural facilities is now being progressed following this review. Works at Murgon Hospital have already been completed including installation of a 24-hour swipe card access system, the construction of a separate waiting room with toilets for visitors to the facility, and the installation of security cameras.



## ▲ Stanthorpe Hospital roof completed

In November 2018 the Stanthorpe Hospital roofing project was completed. The project delivered new roofing to both the main hospital building and the western annexe – a significant project requiring more than 40,500 tiles. It was a major undertaking but, throughout the project, services were maintained with minimal disruption. The new roof ensures that the hospital provides the best possible facility for patients, visitors and staff, and at the same time brought the magnificent example of 1930s architecture back to its former glory.

## Health Technology Equipment Replacement Program

The Health Technology Equipment Replacement (HTER) Program is a two-year program. For the 2018-20 program we have an actual spend of \$7,734,854. For the 2018-19 financial year we spent \$4,744,478.35. The seven significant items purchased in 2018-19 included:

- Six ultrasound units for Toowoomba and Kingaroy Hospital
- Eight laparoscopic stacks for Dalby, Kingaroy and Toowoomba Hospital
- Nine ventilators for Toowoomba, Nanango, Dalby and Taroom Hospital
- 11 scopes for Toowoomba, Warwick, Kingaroy, Dalby and Miles Hospital
- One dialysis machine for Kingaroy Hospital
- One urodynamics system for Toowoomba Hospital
- One infant resuscitation cart for Cherbourg Hospital.

## Other significant infrastructure works across Darling Downs Health

In addition to infrastructure projects specifically mentioned above, the 2018-19 year also saw the following infrastructure projects completed:

- Refurbishment and upgrade of the Warwick Hospital Emergency Department
- Nurses accommodation refurbishments at Dalby Hospital, Tara Hospital, and Jandowae Hospital
- Water pipe upgrades at several rural facilities, including Tara Hospital and Chinchilla Hospital
- Flooring and grounds improvements at Wondai Hospital
- Refurbishment of the Murgon Hospital women's ward
- Skylight installation in the palliative care room at Inglewood
- Electrical infrastructure upgrades and optimisations at Toowoomba Hospital and Baillie Henderson Hospital
- Bathroom refurbishments at Chinchilla Hospital
- Cunningham Wing works at The Oaks in Warwick
- Upgrade of facilities in medical unit three ward at Toowoomba Hospital
- Carpark construction at Baillie Henderson Hospital.

## Detailed business case for construction of a new Toowoomba Hospital at Baillie Henderson Hospital site ▶

Building Queensland is leading the development of a detailed business case investigating the redevelopment of Toowoomba Hospital at the current Baillie Henderson Hospital site. The detailed business case is being developed by Building Queensland in close partnership with Darling Downs Health. On 25 September 2018 at Toowoomba Hospital, the Premier and the Minister for Health and Ambulance Services confirmed their approval and funding for a detailed business case, including a masterplan of the Baillie Henderson Hospital campus, in their announcements. The detailed business case and master plan will be completed in the first half of 2020.



Plan and maintain clear and focused processes to facilitate effective corporate and clinical governance

## Darling Downs Health - Health Service Plan 2019-29

The Board endorsed the Darling Downs Health - Health Service Plan 2019-29 in June 2019. The plan provides a roadmap for how Darling Downs Health will meet the challenges in the next ten years. The plan is the result of extensive consultation and data analysis to develop a health service plan that will help the Darling Downs Health shape the future of health care across the region.

*Review and improve operational and service delivery planning*

- ▼ Board Chair Mike Horan, Premier Annastacia Palaszczuk, Toowoomba Hospital Executive Director Shirley-Anne Gardiner, Executive Director Allied Health Annette Scott and Minister for Health and Ambulance Services Steven Miles.





Plan and maintain clear and focused processes to facilitate effective corporate and clinical governance

*Maintain processes to ensure business continuity and emergency preparedness*

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### Disaster, Emergency, and Business Continuity

Darling Downs Health has continued the development of disaster, emergency, and business continuity management in 2018-19 with the introduction of a new policy, and improved facility-level emergency response procedures. Disaster risk management is now informed by a new geospatial analysis capability with flood, bushfire and heatwave risk mapping available across the region. A new mass casualty incident plan was developed in 2018-19 to support the functions of the new Health Operations Centre at Toowoomba Hospital. The centre is scheduled to commence operations early in 2019-20.

▼ *Toowoomba Hospital Executive Director Shirley-Anne Gardiner and the Green Warriors team members.*



*Identify, monitor and respond to environmental issues and risks to ensure environmental responsibility and sustainability*

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### Toowoomba Hospital Green Warriors

The Toowoomba Hospital Green Warriors were established in 2018-19 to support the health service's strong focus on sustainability and reducing our environmental impact. The Executive Director Toowoomba Hospital and her team ramped up recycling efforts in November 2018 to demonstrate commitment for National Recycling Week. Obsolete mobile phones, chargers and accessories were collected as part of the national Mobile Muster and recycling of patient magazines and newspapers was increased. To help spread the message, a weekly *Green Warrior Wednesday* electronic newsletter is sent to staff with helpful tips and advice on how to reduce, reuse, and recycle waste and other products.

## Darling Downs Health First Pass Climate Change Risk Screening

Darling Downs Health this year commissioned the development of a first pass climate change risk assessment to identify short, medium and long term risks influenced by climate change including demand for services, infrastructure and operational risk and impacts on staff. The report completed in August 2018 was the result of two workshops held to develop a first pass screening and identified 15 actions or recommendations for Darling Downs Health to implement to reduce the risk of climate change impacts.



## Climate Risk Workshop

Darling Downs Health's Climate Risk and Sustainability plan was presented at the Queensland Health Climate Risk Workshop in April 2019. The presentation focused on Darling Downs Health's climate risk management and sustainability initiatives. The plan establishes Darling Downs Health as a leading hospital and health service on the management of risk.

*Ensure quality and consistency in our processes through compliance with appropriate standards and with legislative and regulatory requirements*

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## Network Membership

Darling Downs Health demonstrated its commitment to environmental health and sustainability by joining the Global Green and Healthy Hospitals Network in 2018-19 and contributing to two of its identified goals, 'waste' and 'energy'. Darling Downs Health will work closely with this Network to implement key activities in the waste and energy areas.

## Risk Appetite Statement

In July 2018 the Darling Downs Health Board endorsed the Darling Downs Health Board Risk Appetite Statement. The Risk Appetite Statement articulates the amount and type of risk the Darling Downs Health is willing to tolerate or retain in pursuit of its strategic objectives. The Risk Appetite Statement is a useful tool to ensure that the Board, executive and senior management are in alignment by providing consistency between the defined risk appetite and tools used for risk management.

Value, develop and engage our workforce to promote professional and personal wellbeing, and to ensure dedicated delivery of services

## Darling Downs Health Nursing and Midwifery Assisted Practice Framework

The aim of the Darling Downs Health Nursing and Midwifery Assisted Practice Framework is to promote the early discovery and intervention of professional practice issues resulting in beneficial outcomes for staff, patients, families and the organisation. This Framework is part of a system-wide approach to support nurses and midwives and is based on nursing and midwifery values, standards and codes. These values and standards align with Darling Downs Health values to promote professional practice and embed Darling Downs Health values in the work setting. The framework and supporting tools were published March 2019.

### *Embed a values-based culture*

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### Culture Check-Up Survey

From 2017 Darling Downs Health has committed to investing in a values-based culture including the following actions:

- Launch of face-to-face orientation sessions for new staff members
- Holding Executive Management Committee meetings at rural facilities
- Providing weekly Chief Executive update emails to all staff
- Implementing the Management Development Program
- Implementing Speaking Up for Safety and Bullying and Harassment training.

Every two years the Culture Check-Up survey is a chance for Darling Downs Health to gauge how staff in the organisation feel about their workplace and measure the improvement in

service provision. Best Practice Australia provided the results for the 2019 Culture Check-Up survey in April. 3,346 staff took the time to complete the survey and invest in the future culture of the organisation. Key highlights included:

- 5,337 surveys distributed, 63 per cent response rate (up 11 per cent from 2017) and 1,637 'messages in a bottle' sent to the Health Service Chief Executive
- 46 per cent of staff are in the 'engagement cycle' (up nine per cent from 2017). Workplace culture has shifted from one of Reaction in 2017 to Consolidation in 2019
- 65 per cent said it is truly a great place to work, staff feel they are competent in their role, useful to others and their work is purposeful.

Managers have been working with their work units to create positive culture action plans based on their survey results.



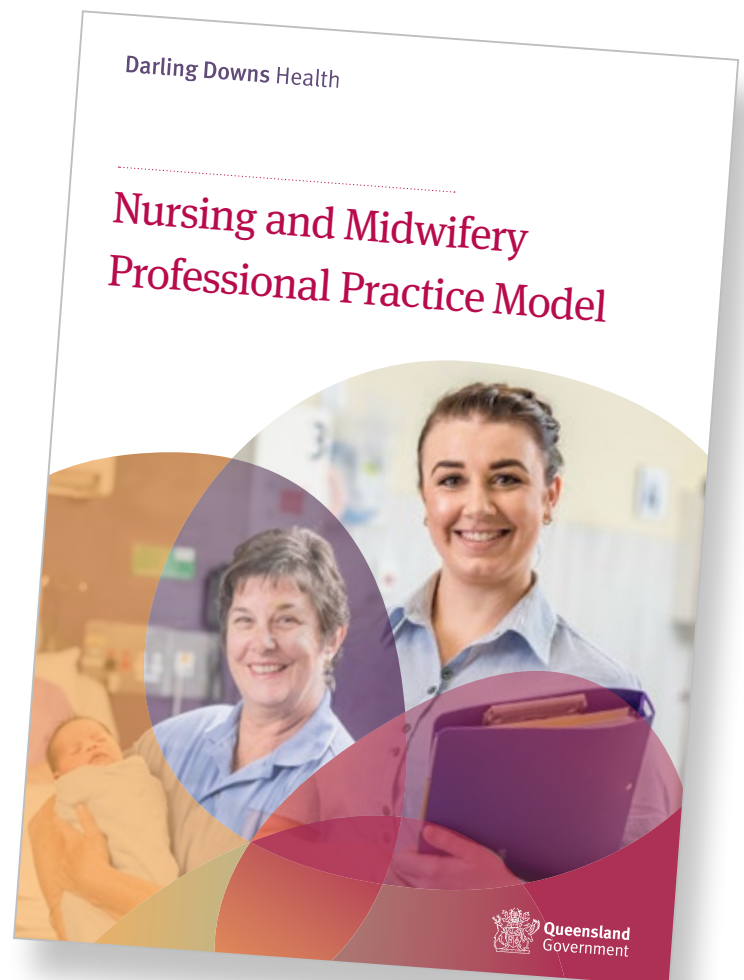
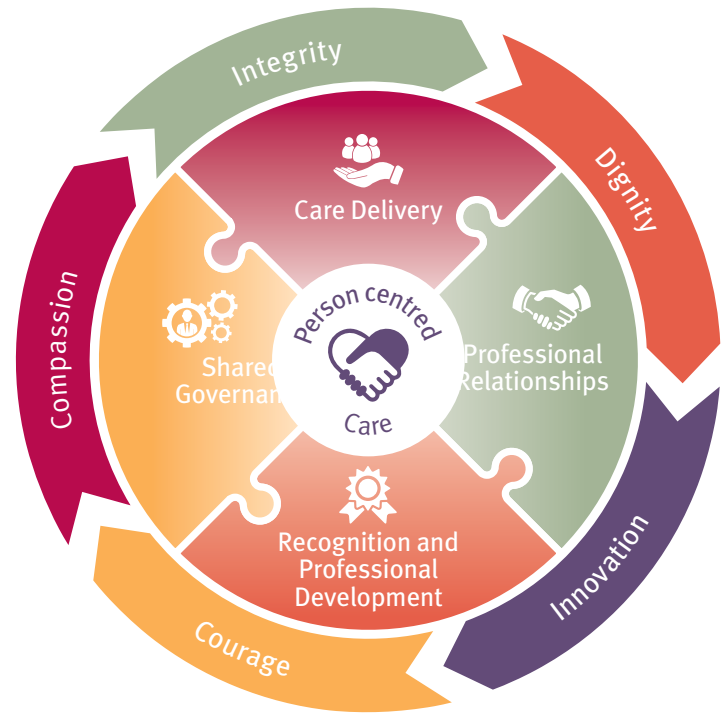
## Engage the workforce to improve the service

### Professional Practice Model ▶

Darling Downs Health Nursing and Midwifery Professional Practice Model symbolises the values, beliefs, structures, and systems for nursing and midwifery practice. It defines the components of nursing and midwifery practice in a way that brings significance to all nurses and midwives in their daily work.

Person-centred care establishes a partnership among practitioners, patients, and their families to ensure decisions respect patients' wants, needs and preferences and provides patients with the education and support they need to make decisions and participate in their own care.

Following a Mini-Symposium conducted in September 2018, a steering committee was formed to progress the design and construction of the Professional Practice Model. A communication strategy was developed along with an action plan, and a comprehensive document explaining the philosophy and intent of a Professional Practice Model was created. Work began on designing a nursing and midwifery-specific performance appraisal and development tool and the concept of shared governance was further explored and considered. Members of the steering committee (approximately 40 in total) identify themselves as 'Committed to Caring Ambassadors' and are recognised around the organisation by a specially designed badge, replicating the schematic design above right.



# Professional Recognition Events

Throughout 2018-19 staff celebrated the unique contribution their role provides in delivering first class services to patients and consumers. A summary of specific events is listed below:

## *Operational Services Week October 2018*

The first week in October was Operational Services Week, a time to thank Darling Downs Health operational service staff members for the critical role they play in supporting patient care and the delivery of efficient services across Darling Downs Health. The week promoted recognition of the important and varied roles these quiet achievers play in working towards our vision of *Caring for our communities: healthier together*.



## *Neonatal Nurses Day 15 August 2018*

International Neonatal Nurses Day was held on 15 August 2018 providing an opportunity to celebrate the wonderful work of nurses at Toowoomba Hospital's special care nursery. This team helps look after our tiniest and most vulnerable patients and their families at what can be a very stressful time.



## *International Day of the Midwife - 5 May 2019: 'Midwives: defenders of women's rights' and International Nurses Day - 12 May 2019 'Nurses are a voice to lead – health for all'*

Darling Downs Health held an awards ceremony on 13 May 2019 to recognise the nurses and midwives who have made significant contributions to patient care and to their professions over the past 12 months. High-profile guests presenting on the day included President of the Australian College of Mental Health Nurses, CEO of the Australian College of Midwives, CEO Australian College of Nursing, Professor of Emergency Care, Griffith University and Gold Coast Health Head of School of Nursing and Midwifery, University of Southern Queensland and Darling Downs Health Board member Ruth Terwijn.



▲ Award winners with Executive Director Nursing Midwifery Services Andrea Nagle: Sharon Butler, Liz Sommerfield, Ron Middleton, Georgia Grohn and Nancy Shah



### ***International Emergency Nurses Day 10 October 2018***

With over 160,000 presentations to Darling Downs Health emergency departments each year, Darling Downs Health took the opportunity to celebrate International Emergency Nurses Day across the region. It was a chance to say ‘thank you’ to the emergency room nurses for their hard work, dedication, service, and commitment to their patients and families. Emergency room nurses are often the first people patients see and they work hard to put patients at ease and eliminate pain and discomfort.

### ***Speech Pathology Week 19-25 August 2018***

Speech Pathology Week was also acknowledged by raising awareness of the work speech pathologists do to support the people in the community. From developmental communication issues in children to challenges with speaking and swallowing after a stroke, Darling Downs Health 'Speechies' work hard to help.

### ***Occupational Therapy Week 22-26 October 2018***

Darling Downs Health celebrated Occupational Therapy Week by promoting the many ways occupational therapy can help people at all stages of their life. Darling Downs Health occupational therapists help patients participate in activities of everyday life by promoting a positive attitude, patient focus, and a passion for helping the community.



Value, develop and engage our workforce to promote professional and personal wellbeing, and to ensure dedicated delivery of services



▲ Nursing Director Acute and Community Dan Aldons with graduates Veronica Blair, Molly Arnell, Sarah Allen, Ephrem Hailu and Executive Director Nursing and Midwifery Andrea Nagle.

## *Plan, recruit and retain an appropriately skilled workforce*

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### **Darling Downs Health 12-month Graduate Nursing Program**

Darling Downs Health welcomed 90 new nurses and midwives in 2019 to start careers in health. The 12-month graduate nurse and graduate midwife programs is an opportunity to put into practice the lessons learned from their academic training and to receive mentorship in their early careers.

### **Graduate mental health nurses**

Darling Downs Health's newest cohort of Mental Health Nurse graduates were honoured at a ceremony in April 2019. The program the nurses completed will help build and develop their knowledge and skills to be successful in their future mental health careers.

## *Develop, educate and train our workforce and future leaders*

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### **Building workforce capability**

The Allied Health Education and Training team implemented a range of learning and development initiatives in 2018-19. These activities aimed to enhance workforce capability to deliver high-quality and accessible services for communities in Darling Downs Health and other Queensland Hospital and Health Services. During 2018-19:

- 187 participants completed clinical supervision training
- 224 participants completed Delegation in Healthcare training – aimed at helping professional and assistant staff to work together effectively to deliver patient care
- 57 staff completed the introductory x-ray operator training course – the first step to becoming a licenced x-ray operator in rural and remote health facilities
- 96 existing x-ray operators completed the annual training and assessment activities required for ongoing licensing.

## Leadership Capability Framework

Darling Downs Health's first Leadership Capability Framework was launched at a manager's breakfast event at Toowoomba Hospital on 28 September 2018. The framework aims to identify and define the core leadership capabilities required at the varying levels of our workforce. Regardless of your job or position in the organisation, staff can exhibit the characteristics of leadership, including the ability to motivate, inspire, and see the big picture. Leaders look for new opportunities, act as role models, and encourage others to do the same. The framework clearly describes what competencies an employee needs to be able to demonstrate for each of four levels of leadership.



## Management Development Program

The Management Development Program supports Darling Downs Health managers to align their work with organisational values and to build a culture of engagement and excellence. Managers are provided with opportunities to strengthen their capability by extending their existing skills and developing new skills to enable them to sustain and build management confidence. This year 76 Managers enrolled to participate in the program.



## Leadership Excellence Program

Darling Downs Health celebrated the launch of the pilot for the Darling Downs Health Leadership Excellence Program on 3 August 2018. The program develops and enhances leadership capability in Darling Downs Health and is guided by the competencies in the Darling Downs Health Leadership Capability Framework. The cohort of 12 commenced their nine month development journey by attending an intensive six-hour face-to-face workshops that included a number of challenging activities and takeaway learning assignments.

## Perioperative Preparation Program

Nurses with an interest in working in theatre were given an opportunity to learn some new skills as part of a five-day Perioperative Preparation Program held in March 2019. The innovative sessions are held in Toowoomba twice-yearly and are based on the program delivered by the Princess Alexandra Hospital in Brisbane. Toowoomba is one of only two places outside of the metropolitan centres that delivers the program. It is targeted at perioperative nurses entering the workforce, those re-entering, or as a refresher.

## Emergency Medicine Education Training (EMET)

The Toowoomba EMET program has received funding from Australian College of Emergency Medicine since 2015 for an outreach program with Fellow of the Australian College of Emergency Medicine (FACEM) specialist staff travelling to rural training sites to provide emergency medicine training sessions. Up to 30 June 2019 there have been a total of 235 sessions and 2,441 doctors participating in the training program since it started in 2015.

The aim is to provide education, clinical support and training for the many smaller emergency departments across Darling Downs Health which provide emergency care for patients by non-FACEM staff. It has been hugely successful in our health service with one to two visits a week by FACEMS to our rural referral hospitals to deliver onsite training.



## Mandatory Training - Role Specific project

In December 2018 Darling Downs Health completed the first phase of the Mandatory Training – Role Specific project. The outcome of this project phase resulted in the Mandatory Training procedure expanding to include both Mandatory Training – All Staff and Mandatory Training – Role Specific.

A series of matrices have been developed that clearly articulate the training that has been mandated for specific roles within Darling Downs Health. The matrices were developed following extensive consultation with the various professional leads across Darling Downs Health to capture existing role required training into a framework that could be matched to specific roles to facilitate accurate data capture and reporting. A reporting dashboard has been created to assist managers, so they can easily identify how their staff are tracking towards meeting the compliance target of 85 per cent by January 2021.

## Anaesthetic training workshop

Doctors preparing for a career in rural medicine honed their skills in anaesthetics at a workshop in Toowoomba as part of the Rural Generalist Pathway's Anaesthetic Introductory Program. The skills developed at the workshop help build anaesthetic services in rural areas and support maintaining current services into the future. The program is part of the work Queensland Rural Generalist Pathway undertakes in their role in supporting the next generation of rural clinicians.





## Promote and support the health and wellbeing of our staff

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### Darling Downs Health Staff Wellness

The Darling Downs Health Staff Wellness program promotes holistic healthy lifestyle activities and education to encourage staff to make informed healthy lifestyle choices. The program covers all aspects of health including physical, emotional, and financial wellbeing. The program is supported by local Wellness Champions appointed across Darling Downs Health.



### Peak2Park Toowoomba 3 March 2019

Over 230 Darling Downs Health ‘Healthies’ including Board and Executive representatives crossed the finish line of Peak2Park in Toowoomba as part of staff wellness. It was great fun to be outside and active with a few thousand like-minded people and especially rewarding to see a number of children in our Darling Downs Health shirts.

### Wondai Parkrun

Wondai Parkrun celebrated its second anniversary with 30-50 participants in February 2019. Darling Downs Health wellness shirts featured in the parkrun newsletter photos supporting the work the Wondai Hospital team achieve in promoting health and wellbeing throughout the Wondai community.

### Warwick Step Challenge

In November 2018 Warwick Hospital’s Hanlon ward took part in a 10,000 Steps Challenge. The 16-member team finished just before Christmas, keeping a record of their daily steps and aiming for at least 10,000 steps a day. By the end of the challenge the team collectively took more than six million steps - which is the equivalent of walking from Warwick to Walgoolan (just outside Perth).



# 04 Financial Statements

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## **Darling Downs Hospital and Health Service**

**ABN 64 109 516 141**

### **Financial Statements - 30 June 2019**

**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**  
**Financial Statements**  
**for the year ended 30 June 2019**

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**General information**

The Darling Downs Hospital and Health Service (Darling Downs Health) is a Queensland Government statutory body established under the *Hospital and Health Boards Act 2011* and its registered trading name is Darling Downs Hospital and Health Service.

Darling Downs Health is controlled by the State of Queensland which is the ultimate parent entity.

The principal address of the Darling Downs Hospital and Health Service is:

Jofre  
Baillie Henderson Hospital  
Cnr Hogg & Tor Streets  
Toowoomba QLD 4350

A description of the nature of the operations of Darling Downs Health and its principal activities is included in the notes to the financial statements.

For information in relation to the financial statements of Darling Downs Health, email [DDHHS@health.qld.gov.au](mailto:DDHHS@health.qld.gov.au) or visit the Darling Downs Health website at <http://www.health.qld.gov.au/darlingdowns/default.asp>



**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**  
**Statement of Comprehensive Income**  
**for the year ended 30 June 2019**

|   | Notes | 2019<br>\$'000 | 2018<br>\$'000 |
|---|-------|----------------|----------------|
| <b>OPERATING RESULT</b>                                 |       |                |                |
| <b>Income from continuing operations</b>                |       |                |                |
| User charges and fees                                   | 4     | 769,974        | 726,670        |
| Grants and other contributions                          | 5     | 48,189         | 42,226         |
| Interest  |       | 494            | 431            |
| Other revenue   |       | 3,969          | 2,927          |
| <b>Total revenue</b>                                    |       | <b>822,626</b> | <b>772,254</b> |
| Gains on disposal/revaluation of assets                 |       | 53             | 767            |
| <b>Total income from continuing operations</b>          |       | <b>822,679</b> | <b>773,021</b> |
| <b>Expenses from continuing operations</b>              |       |                |                |
| Employee expenses                                       | 6     | 80,259         | 77,462         |
| Health service employee expenses                        | 7     | 482,036        | 449,704        |
| Supplies and services                                   | 8     | 218,715        | 203,645        |
| Grants and subsidies                                    |       | 3,375          | 3,208          |
| Depreciation and amortisation                           | 13    | 29,837         | 29,787         |
| Impairment losses                                       |       | 787            | 903            |
| Loss on revaluation of non-current assets               | 13    | 866            | -              |
| Other expenses  |       | 4,418          | 4,176          |
| <b>Total expenses from continuing operations</b>        |       | <b>820,293</b> | <b>768,885</b> |
| <b>Operating result from continuing operations</b>      |       | <b>2,386</b>   | <b>4,136</b>   |
| <b>OTHER COMPREHENSIVE INCOME</b>                       |       |                |                |
| <b>Items not reclassified to operating result</b>       |       |                |                |
| Increase/(decrease) in asset revaluation surplus        | 13    | 14,181         | 10,923         |
| <b>Total items not reclassified to operating result</b> |       | <b>14,181</b>  | <b>10,923</b>  |
| <b>Total other comprehensive income</b>                 |       | <b>14,181</b>  | <b>10,923</b>  |
| <b>TOTAL COMPREHENSIVE INCOME</b>                       |       | <b>16,567</b>  | <b>15,059</b>  |

*The accompanying notes form part of these financial statements*

**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**  
**Statement of Financial Position**  
**as at 30 June 2019**

|                                  | <i>Notes</i> | <i>2019</i>    | <i>2018</i>    |
|----------------------------------|--------------|----------------|----------------|
|                                  |              | <i>\$'000</i>  | <i>\$'000</i>  |
| <b>Current assets</b>            |              |                |                |
| Cash and cash equivalents        | 10           | 64,381         | 60,598         |
| Receivables                      | 11           | 9,010          | 13,365         |
| Inventories                      | 12           | 6,627          | 6,465          |
| Other current assets             |              | 1,067          | 1,007          |
| <b>Total current assets</b>      |              | <b>81,085</b>  | <b>81,435</b>  |
| <b>Non-current assets</b>        |              |                |                |
| Property, plant and equipment    | 13           | 408,904        | 401,183        |
| Intangible assets                |              | 291            | 435            |
| Other non-current assets         |              | 14             | 41             |
| <b>Total non-current assets</b>  |              | <b>409,209</b> | <b>401,659</b> |
| <b>Total assets</b>              |              | <b>490,294</b> | <b>483,094</b> |
| <b>Current liabilities</b>       |              |                |                |
| Payables                         | 14           | 44,327         | 37,932         |
| Accrued employee benefits        |              | 3,404          | 2,704          |
| Unearned revenue                 |              | 563            | 223            |
| <b>Total current liabilities</b> |              | <b>48,294</b>  | <b>40,859</b>  |
| <b>Total liabilities</b>         |              | <b>48,294</b>  | <b>40,859</b>  |
| <b>Net assets</b>                |              | <b>442,000</b> | <b>442,235</b> |
| <b>Equity</b>                    |              |                |                |
| Contributed equity               | 15           | 263,451        | 280,253        |
| Accumulated surplus/(deficit)    |              | 62,106         | 59,720         |
| Asset revaluation surplus        | 16           | 116,443        | 102,262        |
| <b>Total equity</b>              |              | <b>442,000</b> | <b>442,235</b> |

*The accompanying notes form part of these financial statements*

**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**  
**Statement of Changes in Equity**  
**for the year ended 30 June 2019**

|  | <i>Notes</i> | <i>Contributed<br/>Equity<br/>\$'000</i> | <i>Accumulated<br/>Surplus/<br/>(Deficit)<br/>\$'000</i> | <i>Asset<br/>Revaluation<br/>Surplus<br/>\$'000</i> | <i>Total<br/>Equity<br/>\$'000</i> |
|--|--------------|--|--|---|------------------------------------|
| <b>Balance as at 1 July 2017</b>                           |              | <b>288,525</b>                           | <b>55,584</b>  | <b>91,339</b>                                       | <b>435,448</b>                     |
| <i>Operating result from continuing operations</i>         |              | -  | 4,136  | -   | 4,136                              |
| <i>Other comprehensive income</i>                          |              |  |  |   |                                    |
| Increase/(decrease) in asset revaluation surplus           |              | -  | -  | 10,923  | 10,923                             |
| <b>Total comprehensive income for the year</b>             |              | <b>-</b>                                 | <b>4,136</b>   | <b>10,923</b>                                       | <b>15,059</b>                      |
| <i>Transactions with owners as owners</i>                  |              |  |  |   |                                    |
| Net assets received / (transferred) during year            |              | 7,816                                    | -  | -   | 7,816                              |
| Non appropriated equity injections (minor capital works)   |              | 13,699                                   | -  | -   | 13,699                             |
| Non appropriated equity withdrawals (depreciation funding) |              | (29,787)                                 | -  | -   | (29,787)                           |
| <b>Total transactions with owners as owners</b>            |              | <b>(8,272)</b>                           | <b>-</b>   | <b>-</b>  | <b>(8,272)</b>                     |
| <b>Balance as at 30 June 2018</b>                          |              | <b>280,253</b>                           | <b>59,720</b>  | <b>102,262</b>                                      | <b>442,235</b>                     |
| <b>Balance as at 1 July 2018</b>                           |              | <b>280,253</b>                           | <b>59,720</b>  | <b>102,262</b>                                      | <b>442,235</b>                     |
| <i>Operating result from continuing operations</i>         |              | -  | 2,386  | -   | 2,386                              |
| <i>Other comprehensive income</i>                          |              |  |  |   |                                    |
| Increase/(decrease) in asset revaluation surplus           | 13           | -  | -  | 14,181  | 14,181                             |
| <b>Total comprehensive income for the year</b>             |              | <b>-</b>                                 | <b>2,386</b>   | <b>14,181</b>                                       | <b>16,567</b>                      |
| <i>Transactions with owners as owners</i>                  |              |  |  |   |                                    |
| Net assets received / (transferred) during year            |              | 104                                      | -  | -   | 104                                |
| Non appropriated equity injections (minor capital works)   |              | 12,931                                   | -  | -   | 12,931                             |
| Non appropriated equity withdrawals (depreciation funding) |              | (29,837)                                 | -  | -   | (29,837)                           |
| <b>Total transactions with owners as owners</b>            |              | <b>(16,802)</b>                          | <b>-</b>   | <b>-</b>  | <b>(16,802)</b>                    |
| <b>Balance as at 30 June 2019</b>                          |              | <b>263,451</b>                           | <b>62,106</b>  | <b>116,443</b>                                      | <b>442,000</b>                     |

*The accompanying notes form part of these financial statements*



**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**  
**Statement of Cash Flows**  
**for the year ended 30 June 2019**

|  | 2019            | 2018            |
|--|-----------------|-----------------|
| Notes  | \$'000          | \$'000          |
| <b>Cash flows from operating activities</b>                              |                 |                 |
| <b>Inflows:</b>  |                 |                 |
| User charges and fees  | 740,486         | 709,711         |
| Grants and other contributions   | 40,012          | 34,404          |
| Interest receipts  | 494             | 431             |
| GST input tax credits from ATO   | 12,518          | 11,880          |
| GST collected from customers   | 674             | 497             |
| Other  | 3,969           | -               |
| <b>Total cash provided by operating activities</b>                       | <b>798,153</b>  | <b>756,923</b>  |
| <b>Outflows:</b>   |                 |                 |
| Employee expenses  | 79,559          | 77,240          |
| Health service employee expenses   | 480,264         | 448,551         |
| Supplies and services  | 202,952         | 191,257         |
| Grants and subsidies   | 3,375           | 3,208           |
| GST paid to suppliers  | 12,332          | 10,983          |
| GST remitted to ATO  | 613             | 550             |
| Other  | 4,193           | 4,660           |
| <b>Total cash used in operating activities</b>                           | <b>783,288</b>  | <b>736,449</b>  |
| <b>Net cash provided by / (used in) operating activities<sup>1</sup></b> | <b>14,865</b>   | <b>20,474</b>   |
| <b>Cash flows from investing activities</b>                              |                 |                 |
| <b>Inflows:</b>  |                 |                 |
| Sales of property, plant and equipment                                   | 86              | 61              |
| <b>Total cash provided by investing activities</b>                       | <b>86</b>       | <b>61</b>       |
| <b>Outflows:</b>   |                 |                 |
| Payments for property, plant and equipment                               | 24,099          | 26,484          |
| <b>Total cash used in investing activities</b>                           | <b>24,099</b>   | <b>26,484</b>   |
| <b>Net cash provided by / (used in) investing activities</b>             | <b>(24,013)</b> | <b>(26,423)</b> |
| <b>Cash flows from financing activities</b>                              |                 |                 |
| <b>Inflows:</b>  |                 |                 |
| Proceeds from equity injections  | 12,931          | 13,699          |
| <b>Total cash provided by financing activities</b>                       | <b>12,931</b>   | <b>13,699</b>   |
| <b>Net cash provided by / (used in) financing activities<sup>2</sup></b> | <b>12,931</b>   | <b>13,699</b>   |
| <b>Net increase (decrease) in cash and cash equivalents</b>              | <b>3,783</b>    | <b>7,750</b>    |
| Cash and cash equivalents at beginning of financial year                 | 60,598          | 52,848          |
| <b>Cash and cash equivalents at end of financial year</b>                | <b>64,381</b>   | <b>60,598</b>   |

<sup>1</sup> Refer to the reconciliation of operating result to net cash provided by / (used in) operating activities in the *Notes to the Statement of Cash Flows*

<sup>2</sup> Darling Downs Health does not have any liabilities arising from financing activities in the *Statement of Financial Position*.

*The accompanying notes form part of these financial statements*

**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**  
**Notes to the Statement of Cash Flows**  
**for the year ended 30 June 2019**

**(a) Reconciliation of operating result to net cash provided by / (used in) operating activities**

|  | 2019<br>\$'000 | 2018<br>\$'000 |
|--|----------------|----------------|
| <b>Operating result from continuing operations</b>           | 2,386          | 4,136          |
| <b>Non-cash items included in operating result</b>           |                |                |
| Depreciation and amortisation                                | 29,837         | 29,787         |
| Write-off of assets  | -              | -              |
| Depreciation grant funding                                   | (29,837)       | (29,787)       |
| Corporate support services from DoH                          | -              | -              |
| Net gain on revaluation of non-current assets                | -              | (750)          |
| Net loss on revaluation of non-current assets                | 866            | -              |
| Net (gain)/loss on disposal of non-current assets            | 173            | 94             |
| Assets donated revenue                                       | (155)          | (230)          |
| Impairment loss on plant and equipment                       | -              | -              |
| Impairment on receivables                                    | -              | -              |
| Reversal of prior year expensed asset                        | -              | -              |
| <b>Change in assets and liabilities</b>                      |                |                |
| (Increase)/decrease in trade receivables                     | (809)          | 1,272          |
| (Increase)/decrease in grants receivables                    | -              | -              |
| (Increase)/decrease in funding receivables                   | -              | -              |
| (Increase)/decrease in GST input tax credits receivable      | 186            | 898            |
| (Increase)/decrease in inventories                           | (162)          | (183)          |
| (Increase)/decrease in other current assets                  | (33)           | 646            |
| (Increase)/decrease in other receivables                     | 4,918          | 9,200          |
| Increase/(decrease) in trade payables                        | 1,184          | 1,470          |
| Increase/(decrease) in accrued contract labour               | -              | -              |
| Increase/(decrease) in accrued employee benefits             | 700            | 222            |
| Increase/(decrease) in GST input tax credits payable         | 60             | (53)           |
| Increase/(decrease) in unearned revenue                      | 340            | (64)           |
| Increase/(decrease) in other payables                        | 5,211          | 3,816          |
| <b>Net cash provided by / (used in) operating activities</b> | <b>14,865</b>  | <b>20,474</b>  |

# DARLING DOWNS HOSPITAL AND HEALTH SERVICE

## Notes to the Financial Statements

### for the year ended 30 June 2019

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# DARLING DOWNS HOSPITAL AND HEALTH SERVICE

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

### 1. Objectives and principal activities of the Darling Downs Hospital and Health Service

Darling Downs Hospital and Health Service (Darling Downs Health) is an independent statutory body, overseen by a local Hospital and Health Board. Darling Downs Health provides public hospital and healthcare services as defined in the service agreement with the Department of Health (DoH).

Details of the services undertaken by Darling Downs Health are included in the Annual Report.

### 2. Basis of financial statement preparation

#### (a) Statement of compliance

These financial statements are general purpose financial statements and have been prepared on an accrual basis. The financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and in compliance with section 62(1) of the *Financial Accountability Act 2009* and section 43 of the *Financial and Performance Management Standard 2009*. In addition, the financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2018, and other authoritative pronouncements.

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

The financial statements are authorised for issue by the Chair of the Board and the Chief Finance Officer at the date of signing the Management Certificate.

#### (b) Presentation matters

Presentation matters relevant to the financial statements include the following:

- Except where stated, the historical cost convention is used;
- Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required;
- Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period; and
- 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 when Darling Downs Health does not have an unconditional right to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as non-current.

#### (c) Accounting estimates and judgements

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant. Reference should be made to the respective notes for more information.

Estimates and assumptions with the most significant effect on the financial statements are outlined in the following notes:

- Allowance for impairment of receivables (refer to note 11(b));
- Revaluation of non-current assets (refer to note 13(d));
- Estimation of useful lives of assets (refer to note 13(e)); and
- Fair value and hierarchy of financial instruments (refer to note 17).

#### (d) Taxation

Darling Downs Health is exempt from Commonwealth taxation with the exception of Fringe Benefit Tax (FBT) and Goods and Services Tax (GST). All FBT and GST reporting to the Commonwealth is managed centrally by DoH, with payments/receipts made on behalf of Darling Downs Health reimbursed to/from DoH on a monthly basis. GST credits receivable from, and GST payable to, the Australian Tax Office (ATO) are recognised on this basis.



## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

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

#### 2. Basis of financial statement preparation (continued)

##### (d) Taxation (continued)

Darling Downs Health, other Hospital and Health Services (HHSs) and DoH satisfy section 149-25(e) of the *A New Tax System (Goods and Services) Act 1999 (Cth)* (the GST Act). Consequently these entities are part of a group for GST purposes under Division 149 of the GST Act. Any transactions between the members of the "group" do not attract GST.

#### 3. New and revised accounting standards

Darling Downs Health did not voluntarily change any of its accounting policies during the year. In addition, no Australian Accounting Standards have been early adopted in the current period.

AASB 9 *Financial Instruments* and AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)* became effective this current reporting period. The main impact of these standards on Darling Downs Health are that they change the requirements for the classification, measurement, impairment and disclosures associated with Darling Downs Health's financial assets. AASB 9 introduces different criteria for whether financial assets can be measured at amortised cost or fair value.

Darling Downs Health has reviewed the impact of AASB 9 on the classification and measurement of its financial assets, and determined:

- There will be no change to either the classification or measurement of the cash and cash equivalent item;
- Trade receivables will be classified and measured at amortised cost, similar to the current classification of loans and receivables. Darling Downs Health has adopted the simplified approach in relation to the impairment requirements under AASB 9 and measures lifetime expected credit losses on all trade receivables using a provision matrix approach as a practical expedient to measure the impairment provision. This is consistent with the current approach utilised by Darling Downs Health in determining the impairment of its receivables;
- Consistent with previous practice, Darling Downs Health will not raise an additional impairment for trade receivables owing from other Government agencies due to the low credit risk (high quality credit rating) for the State of Queensland;
- Trade payables continue to be measured at amortised cost.

Darling Downs Health does not need to restate comparative figures for financial instruments as there has been no material impact on adopting AASB 9. As there has been no change in the types of financial instruments entered into by Darling Downs Health, the only ongoing disclosure impact relates to credit risk and impairment of receivables (note 11 (a) and (b)).

The Australian Accounting Standards Board (AASB) has issued new and revised Accounting Standards and Interpretations that have mandatory application dates in future reporting periods. The expected impact of these Standards are set out below:

AASB 1058 *Income for Not-for-Profit Entities* and AASB 15 *Revenue from Contracts with Customers* will first apply to Darling Downs Health's financial statements for 2019-20. Darling Downs Health has identified the following impacts on adoption of the new standards (or estimated impact where indicated).

##### Special Purpose Capital Grants

Under AASB 1058, special purpose grants received to construct non-financial assets controlled by Darling Downs Health will be recognised as a liability, and subsequently recognised progressively as revenue as performance obligations under the grant are satisfied.

##### Capital Appropriation Funding

Amounts for capital works received by Darling Downs Health via equity appropriation from DoH will continue to be recognised on receipt of the appropriation. There is no impact on unearned revenue or revenue recognition for these amounts.

##### Deferred Grant Revenue

- Depending on the respective contractual terms, the new requirements may potentially result in a change to the timing of revenue such that some revenue may need to be deferred to a later reporting period to the extent that Darling Downs Health has received cash but has not met its associated performance obligations (such amounts would be reported as a liability in the meantime). Based on the assessment that has been performed of the existing contracts it is not expected that there will be a change to revenue, unearned revenue liabilities or retained earnings on the transition to the new standard;

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

### Notes to the Financial Statements

For the year ended 30 June 2019

#### 3. New and revised accounting standards (continued)

##### Deferred Grant Revenue (continued)

- Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Darling Downs Health receives several grants for which there are no sufficiently specific performance obligations, so these grants are expected to continue being recognised as revenue upfront, assuming no change to the current grant arrangements;
- A range of new disclosures will also be required by the new standards in respect of Darling Downs Health's revenue.

##### Sales of goods and services

- Depending on the respective contractual terms, the new requirements may potentially result in a change to the timing of revenue such that some revenue may need to be deferred to a later reporting period to the extent that Darling Downs Health has received cash but has not met its associated performance obligations (such amounts would be reported as a liability in the meantime). Based on the assessment that has been performed it is not expected that there will be a change to revenue, unearned revenue liabilities or retained earnings on transition;
- A range of new disclosures will also be required by the new standards in respect of Darling Downs Health's revenue.

AASB 16 *Leases* will first apply to Darling Downs Health's financial statements for 2019-20. When applied, the Standard supersedes AASB 117 *Leases*, AASB Interpretation 4 *Determining whether an Arrangement contains a Lease*, AASB Interpretation 115 *Operating Leases - Incentives* and AASB Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

##### Impact for lessees

Under AASB 16, the majority of operating leases will be reported on the statement of financial position as right-of-use assets and lease liabilities.

The right-of-use asset will be initially recognised at cost, consisting of the initial amount of the associated lease liability, plus any lease payments made to the lessor at or before the effective date, less any lease incentive received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. The right-of-use asset will give rise to a depreciation expense.

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

AASB 16 allows a 'cumulative approach' rather than full retrospective application to recognising existing operating leases. In accordance with Queensland Treasury's policy, Darling Downs Health will apply the 'cumulative approach', and will not need to restate comparative information. Instead, the cumulative effect of applying the standard is recognised as an adjustment to the opening balance of accumulated surplus at the date of initial application.

##### Outcome of review as lessee

Darling Downs Health has completed its review of the impact of adoption of AASB 16 on the statement of financial position and statement of comprehensive income and has identified the following major impacts which are outlined below.

During 2018-19 financial year, Darling Downs Health held operating leases under AASB 117 from the Department of Housing and Public Works (DHPW) for non-specialised, commercial office accommodation through the Queensland Government Accommodation Office (QGAO), and residential accommodation through the Government Employee Housing (GEH) program. Lease payments under these arrangements totalled \$2,194K in 2018-19. Darling Downs Health has been advised by Queensland Treasury and DHPW that, effective 1 July 2019, amendments to the framework agreements that govern QGAO and GEH will result in the above arrangements being exempt from lease accounting under AASB 16. This is due to DHPW having substantive substitution rights over the non-specialised, commercial office accommodation and residential premises utilised within these arrangements.

From 2019-20 onwards, costs for these services will continue to be recognised as supplies and services and expensed when incurred.

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

### Notes to the Financial Statements

For the year ended 30 June 2019

#### 3. New and revised accounting standards (continued)

Darling Downs Health has also been advised by Queensland Treasury and DHPW that, effective 1 July 2019, motor vehicles provided under DHPW's QFleet program will be exempt from lease accounting under AASB 16. This is due to DHPW holding substantive substitution rights for vehicles provided under the scheme. From 2019-20 onward, costs for these services will continue to be expensed as supplies and services expense when incurred. Existing QFleet leases were not previously included as part of non-cancellable operating lease commitments.

Darling Downs Health has quantified the transitional impact on the statement of financial position and statement of comprehensive income of all qualifying lease arrangements that will be recognised on-balance sheet under AASB 16, as follows:

- Statement of financial position impact on 1 July 2019:
  - \$3,570K increase in lease liabilities
  - \$3,570K increase in right-of-use assets
  - There is not expected to be any impact to the opening accumulated surplus on transition.
- Statement of Comprehensive Income impact expected for the 2019-20 financial year, as compared to 2018-19:
  - \$1,060K increase in depreciation and amortisation expense
  - \$50K increase in interest expense
  - \$1,092K decrease in supplies and services expense
  - This results in a net increase of \$18K in total expenses

Lessor accounting under AASB 16 remains largely unchanged from AASB 117. For finance leases, the lessor recognises a receivable equal to the net investment in the lease. Lease receipts from operating leases are recognised as income either on a straight-line basis or another systematic basis where appropriate.

*AASB 1059 Service Concession Arrangements: Grantors* will first apply to Darling Downs Health's financial statements in 2020-21. This standard defines service concession arrangements and applies a new control concept to the recognition of service concession assets and related liabilities. Darling Downs Health is currently reviewing its contractual arrangements to determine the applicability of this standard to those arrangements - however at this point does not predict reclassification of any of its current arrangements.

All other Australian Accounting Standards and Interpretations with new or future commencement dates are either not applicable to Darling Downs Health's activities, or have no material impact on Darling Downs Health.

#### 4. User charges and fees

|  | 2019           | 2018           |
|--|----------------|----------------|
|  | \$'000         | \$'000         |
| Government funding                           |                |                |
| State  | 357,188        | 298,713        |
| Commonwealth                                 | 265,163        | 222,176        |
| Other  | 90,588         | 139,888        |
| Hospital fees                                | 28,153         | 28,068         |
| Pharmaceutical benefits scheme reimbursement | 23,479         | 28,466         |
| Sales of goods and services                  | 4,091          | 6,185          |
| Outsourced service delivery                  | 1,212          | 3,070          |
| Other user charges - rental income           | 100            | 104            |
| <b>Total user charges and fees</b>           | <b>769,974</b> | <b>726,670</b> |

User charges and fees primarily comprises DoH funding, hospital fees (private patients), reimbursement of pharmaceutical benefits, and sales of goods and services.

The DoH receives its revenue for funding from the Queensland Government (majority of funding) and the Commonwealth Government. The funding from DoH is provided predominantly for specific public health services purchased by DoH from Darling Downs Health in accordance with a service agreement between the parties. The service agreement is reviewed periodically and updated for changes in activities and prices of services delivered by Darling Downs Health. The funding is based on the agreed number of activities per the service agreement and a state-wide price by which relevant activities are funded.

The funding from DoH is received fortnightly in advance. Darling Downs Health recognises revenue when the agreed number of activities per the service agreement have been delivered. At the end of the financial year, a financial adjustment may be required where the level of services provided is above or below the agreed level.

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

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

#### 4. User charges and fees (continued)

The service agreement between DoH and Darling Downs Health specifies that DoH funds Darling Downs Health's depreciation charge via non-cash revenue. DoH retains the cash to fund future major capital replacements. This transaction is shown in the Statement of Changes in Equity as a non-appropriated equity withdrawal.

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

Outsourced service delivery comprises revenue received from other Queensland Government Departments which have engaged Darling Downs Health to deliver specific services that those departments would otherwise be required to deliver.

Under the Pharmaceutical Benefits Scheme (PBS), the Australian Government subsidises the cost of a wide range of necessary prescription medicines for most medical conditions. In 2002, Queensland Health entered into an agreement with the Australian Government to allow hospital patients (who are being discharged, attending outpatient clinics or are day-admitted to receive chemotherapy treatment) access to medicines listed on the PBS at subsidised prices. Patients are invoiced at the reduced PBS rate and Darling Downs Health's pharmacies lodge monthly claims for co-payments through the PBS arrangement at which time the revenue is recognised.

#### 5. Grants and other contributions

|  | 2019          | 2018          |
|--|---------------|---------------|
|  | \$'000        | \$'000        |
| Nursing home grants                          | 16,173        | 15,955        |
| Home and community care grants               | 6,891         | 6,444         |
| Other specific purpose grants                | 13,150        | 9,550         |
| Corporate support services received from DoH | 7,969         | 7,869         |
| Other grants and donations                   | 4,006         | 2,408         |
| <b>Total grants and other contributions</b>  | <b>48,189</b> | <b>42,226</b> |

Grants, contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which Darling Downs Health obtains control over them. Control is generally obtained at the time of receipt. Where grants are received that are reciprocal in nature, revenue is progressively recognised as it is earned, according to the terms of the funding arrangements.

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

Darling Downs Health receives corporate support services support from DoH for no cost. Corporate services received include payroll services, accounts payable services, some taxation services, some supply services and some information technology services. The fair value of these services is listed above. A corresponding expense is recognised in Supplies and Services in the Statement of Comprehensive Income.

#### 6. Employee expenses

|                                       | 2019          | 2018          |
|---------------------------------------|---------------|---------------|
|                                       | \$'000        | \$'000        |
| Wages and salaries                    | 68,028        | 65,548        |
| Annual leave levy                     | 4,838         | 4,601         |
| Employer superannuation contributions | 5,083         | 4,916         |
| Long service leave levy               | 1,452         | 1,428         |
| Redundancies and termination payments | 6             | 118           |
| Other employee related expenses       | 852           | 851           |
| <b>Total employee expenses</b>        | <b>80,259</b> | <b>77,462</b> |

Under section 20 of the *Hospital and Health Boards Act 2011* a Hospital and Health Service (HHS) can employ health executives and contracted senior health service employees, including Senior Medical Officers (SMO) and Visiting Medical Officers (VMO). Where regulation has been passed for the HHS to become a "prescribed service", the HHS can also employ a person previously employed by DoH. Where a HHS has not received the status of a "prescribed service", non-executive staff working in a HHS, with the exception of SMO and VMO, legally remain employees of DoH (health service employees, refer to note 7).



## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

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

#### 6. Employee expenses (continued)

Darling Downs Health is not a "prescribed service", therefore, the number of full-time equivalent employees disclosed below reflect health executives and contracted senior health service employees only. The number of full-time equivalent staff that legally remain employees of DoH is disclosed in note 7.

The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis is:

|   | 2019  | 2018  |
|---|-------|-------|
| Number of employees (full time equivalents) as at 30 June | 189.3 | 179.7 |

##### (a) Wages and Salaries

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

##### (b) Workers compensation premium

Darling Downs Health is insured via a direct policy with WorkCover Queensland. The policy covers health service executives, senior health service employees engaged under a contract and health service employees. A portion of the premiums paid are reported under other employee related expenses and a portion of the premiums paid are reported under other health service employee related expenses (note 8) in accordance with the underlying employment relationships.

##### (c) Sick leave

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

##### (d) Annual and long service leave levy

Under the Queensland Government's Annual Leave Central Scheme and Long Service Leave Central Scheme, levies are made on Darling Downs Health to cover the cost of employees' annual and long service leave including leave loading and on-costs.

The levies are expensed in the period in which they are payable. Amounts paid to employees for annual and long service leave are claimed from the scheme quarterly in arrears. DoH centrally manages the levy and reimbursement process on behalf of Darling Downs Health.

##### (e) Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's QSuper defined benefit plan as determined by the employee's conditions of employment.

##### i) Defined Contribution (Accumulation) Plans

Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant EBA or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period. Effective from 1 July 2017, Board Members, Visiting Medical Officers, and employees can choose their superannuation provider, and Darling Downs Health pays contributions into complying superannuation funds.

##### ii) Defined Benefit Plan

The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined by the Treasurer on the advice of the State Actuary. Contributions are paid by Darling Downs Health to QSuper at the specified rate following completion of the employee's service each pay period. Darling Downs Health's obligations are limited to those contributions paid.

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

### Notes to the Financial Statements

For the year ended 30 June 2019

#### 6. Employee expenses (continued)

##### (f) Key management personnel and remuneration

Key management personnel and remuneration disclosures are detailed in note 25. These may include board members, executives, contracted senior health service employees and health service employees.

##### (g) Payroll system

Employees are currently paid under a service arrangement using DoH's payroll system. The responsibility for the efficiency and effectiveness of this system remains with DoH.

#### 7. Health service employee expenses

Darling Downs Health is not a "prescribed service" and accordingly all non-executive staff, with the exception of SMO and VMO, are employed by DoH. Provisions in the *Hospital and Health Boards Act 2011* enable Darling Downs Health to perform functions and exercise powers to ensure the delivery of its operational plan.

Under this arrangement:

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

As a result of this arrangement, Darling Downs Health treats the reimbursements to DoH for departmental employees in these financial statements as Health service employee expenses.

Darling Downs Health, through service arrangements with DoH, has engaged 4,370 full-time equivalent (FTE) persons (2018: 4,215 FTE), as calculated by reference to the minimum obligatory human resources information (MOHRI).

#### 8. Supplies and services

|   | 2019           | 2018           |
|---|----------------|----------------|
|   | \$'000         | \$'000         |
| Clinical supplies and services                            | 31,735         | 28,990         |
| Pharmaceuticals   | 31,163         | 35,425         |
| Consultants and contractors                               | 20,179         | 15,483         |
| Outsourced service delivery contracts (clinical services) | 18,730         | 15,544         |
| Repairs and maintenance                                   | 16,614         | 12,143         |
| Pathology and laboratory supplies                         | 15,852         | 13,970         |
| Catering and domestic supplies                            | 11,506         | 11,110         |
| Corporate support services from DoH                       | 7,969          | 7,869          |
| Other health service employee related expenses            | 6,599          | 6,047          |
| Patient travel  | 9,663          | 9,840          |
| Computer services and communications                      | 11,609         | 10,378         |
| Inter-entity supplies (paid to DoH)                       | 8,719          | 8,493          |
| Water and utility costs                                   | 7,431          | 7,995          |
| Insurance premiums (paid to DoH)                          | 7,088          | 6,817          |
| Operating lease rentals                                   | 2,925          | 2,566          |
| Minor works, including plant and equipment                | 2,474          | 2,745          |
| Other travel  | 2,170          | 2,137          |
| Building services   | 1,360          | 1,393          |
| Motor vehicles  | 808            | 718            |
| Other supplies and services                               | 4,121          | 3,982          |
| <b>Total supplies and services</b>                        | <b>218,715</b> | <b>203,645</b> |

##### (a) Insurance premiums

Darling Downs Health is insured under a DoH insurance policy with the Queensland Government Insurance Fund (QGIF) and pays a fee to DoH as a fee for the service arrangement. QGIF covers property and general losses above a \$10,000 threshold and health litigation payments above a \$20,000 threshold and associated legal fees. QGIF collects an annual premium from insured agencies intended to cover the cost of claims occurring in the premium year, calculated on a risk assessment basis.

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

Notes to the Financial Statements  
For the year ended 30 June 2019

### 8. Supplies and services (continued)

#### (b) Leases

Operating lease payments are representative of the pattern of benefits derived from the leased assets. Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Darling Downs Health has no finance lease assets as at the reporting date.

### 9. Other expenses

The audit fee of \$206,700 (2018: \$201,650) relates to the audit of the financial statements.

Special payments include ex gratia expenditure and other expenditure that Darling Downs Health is not contractually or legally obligated to make to other parties. In compliance with the *Financial and Performance Management Standard 2009*, Darling Downs Health maintains a register setting out details of all special payments approved by Darling Downs Health's delegates. Special payments (ex-gratia payments) totaling \$28K (2018: \$25K) were made during the period.

Special payments during 2018-19 include the following payments over \$5,000:

- A compensation payment for out-of-pocket expenses paid to a member of the public;
- A payment to facilitate community-based care paid to a member of the public.

### 10. Cash and cash equivalents

|  | 2019          | 2018          |
|--|---------------|---------------|
|  | \$'000        | \$'000        |
| Operating cash on hand and at bank     | 57,586        | 53,884        |
| General trust at call deposits *       | 6,260         | 6,540         |
| General trust cash at bank *           | 535           | 174           |
| <b>Total cash and cash equivalents</b> | <b>64,381</b> | <b>60,598</b> |

\* Refer note 21 Restricted assets

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

Darling Downs Health's operating bank accounts are grouped as part of a Whole of Government (WoG) set-off arrangement with Queensland Treasury Corporation, which does not earn interest on surplus funds nor is it charged interest or fees for accessing its approved cash debit facility. Any interest earned on the WoG fund accrues to the Consolidated Fund.

General trust cash at bank and at call deposits do not form part of the WoG banking arrangement and incur fees as well as earn interest. Interest earned from general trust accounts is used in accordance with the terms of the trust.

General trust cash at bank and at call deposits earn interest calculated on a daily basis reflecting market movements in cash funds. Annual effective interest rates (payable monthly) achieved throughout the year range between 2.38% and 3.20% (2018: 2.23% and 2.89%).

### 11. Receivables

|                                     | 2019         | 2018          |
|-------------------------------------|--------------|---------------|
|                                     | \$'000       | \$'000        |
| Trade receivables                   | 6,692        | 6,479         |
| Less: Allowance for impairment loss | (1,615)      | (2,211)       |
| <b>Total trade receivables</b>      | <b>5,077</b> | <b>4,268</b>  |
| GST receivable                      | 1,160        | 1,346         |
| GST (payable)                       | (97)         | (37)          |
| <b>Total GST receivable</b>         | <b>1,063</b> | <b>1,309</b>  |
| Receivable from DoH                 | 561          | 4,103         |
| Other accrued revenue               | 2,309        | 3,684         |
| Other                               | -            | 1             |
| <b>Total other receivables</b>      | <b>2,870</b> | <b>7,788</b>  |
| <b>Total receivables</b>            | <b>9,010</b> | <b>13,365</b> |

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

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

#### 11. Receivables (continued)

Receivables are measured at amortised cost less any impairment, which approximates their fair value at reporting date. Trade receivables are recognised at the amount due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement of these amounts is generally required within 30 days from invoice date. The collectability of receivables is assessed periodically with allowance being made for impairment.

##### (a) Credit risk exposure of receivables

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets inclusive of any allowance for impairment. Credit risk on receivables is considered minimal given that \$4,120K or 45% (2018: \$9,863K or 74%) of total receivables is due from Government, including finalisation of the current service agreement with DoH, Commonwealth Pharmaceutical Benefits Scheme, insurance recoveries and transfers from fiduciary trusts.

##### (b) Impairment of receivables

Darling Downs Health calculates impairment based on an assessment of individual debtors within specific debtor groupings, including geographic location and service stream (e.g. Aged Care, Home care, Pharmaceutical Services). A provision matrix is then applied to measure expected credit losses. The allowance for impairment reflects Darling Downs Health's assessment of the credit risk associated with receivables balances and is determined based on historical rates of bad debts (by category) and management judgement. The level of allowance is assessed taking into account the ageing of receivables, historical collection rates, and specific knowledge of the individual debtor's financial position.

When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to other revenue. Changes in the carrying amount of the allowance account are recognised in the Statement of Comprehensive Income.

| Individually Impaired Receivables     | 2019              |                          |                 | 2018              |                          |                 |
|---------------------------------------|-------------------|--------------------------|-----------------|-------------------|--------------------------|-----------------|
|                                       | Gross receivables | Allowance for impairment | Carrying Amount | Gross receivables | Allowance for impairment | Carrying Amount |
| Overdue                               | \$'000            | \$'000                   | \$'000          | \$'000            | \$'000                   | \$'000          |
| Less than 30 days                     | 44                | (44)                     | -               | 179               | (179)                    | -               |
| 30 to 60 days                         | 42                | (42)                     | -               | 130               | (130)                    | -               |
| 60 to 90 days                         | 48                | (48)                     | -               | 133               | (133)                    | -               |
| Greater than 90 days                  | 847               | (847)                    | -               | 1,392             | (1,392)                  | -               |
| <b>Total overdue</b>                  | <b>981</b>        | <b>(981)</b>             | <b>-</b>        | <b>1,834</b>      | <b>(1,834)</b>           | <b>-</b>        |
| General impairments                   | 5,711             | (634)                    | 5,077           | 4,645             | (377)                    | 4,268           |
| <b>Total allowance for impairment</b> | <b>6,692</b>      | <b>(1,615)</b>           | <b>5,077</b>    | <b>6,479</b>      | <b>(2,211)</b>           | <b>4,268</b>    |

##### Movements in the allowance for impairment loss

|   | 2019         | 2018         |
|---|--------------|--------------|
|   | \$'000       | \$'000       |
| Balance at the beginning of the financial year                  | 2,211        | 1,938        |
| Amounts written off during the year in respect of bad debts     | (1,229)      | (551)        |
| Increase/(decrease) in allowance recognised in operating result | 633          | 824          |
| <b>Balance at the end of the financial year</b>                 | <b>1,615</b> | <b>2,211</b> |

The ageing of past due but not impaired trade receivables is disclosed only for the comparative balances at 30 June 2018. Under AASB 9, effective 1 July 2018, a loss allowance is assessed for all receivables.

| Trade receivables past due but not impaired | 2018         |
|---|--------------|
|   | \$'000       |
| Less than 30 days                           | 943          |
| 30 to 60 days                               | 381          |
| 60 to 90 days                               | 191          |
| Greater than 90 days                        | 488          |
| <b>Total past due but not impaired</b>      | <b>2,003</b> |
| Not overdue                                 | 2,265        |
| <b>Total trade receivables</b>              | <b>4,268</b> |



## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

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

#### 12. Inventories

|                                 | 2019         | 2018         |
|---------------------------------|--------------|--------------|
|                                 | \$'000       | \$'000       |
| Clinical supplies and equipment | 3,348        | 3,231        |
| Pharmaceuticals                 | 2,992        | 2,858        |
| Catering and domestic           | 57           | 115          |
| Other                           | 230          | 261          |
| <b>Total inventories</b>        | <b>6,627</b> | <b>6,465</b> |

Inventories are stated at the lower of cost and net realisable value. Cost comprises purchase and delivery costs, net of rebates and discounts received or receivable. Inventories are measured at weighted average cost, adjusted for obsolescence.

Inventories consist mainly of clinical supplies and pharmaceuticals held for distribution to hospitals or residential aged care facilities within Darling Downs Health and other HHSs. These inventories are provided to the facilities at cost. Darling Downs Health provides a central store enabling the distribution of supplies to other HHSs and utilises store facilities managed by DoH.

Unless material, inventories do not include supplies held ready for use in the wards throughout the hospital facilities. These are expensed on issue from Darling Downs Health's central store. Items held on consignment are not treated as inventory, but are expensed when utilised in the normal course of business.

#### 13. Property, plant and equipment

|  | Land<br>at fair value<br>\$'000 | Buildings &<br>improvements<br>at fair value<br>\$'000 | Plant &<br>equipment<br>at cost<br>\$'000 | Work in<br>progress<br>at cost<br>\$'000 | Total<br>\$'000 |
|--|---------------------------------|--|---|--|-----------------|
| Fair value / cost                      | 35,625                          | 1,055,767  | 92,285                                    | 9,828                                    | 1,193,505       |
| Accumulated depreciation               | -                               | (736,634)  | (47,967)                                  | -  | (784,601)       |
| <b>Carrying amount at 30 June 2019</b> | <b>35,625</b>                   | <b>319,133</b>   | <b>44,318</b>                             | <b>9,828</b>                             | <b>408,904</b>  |

*Represented by movements in carrying amount*

|   |               |                |               |              |                |
|---|---------------|----------------|---------------|--------------|----------------|
| Carrying amount at 1 July 2018          | 36,516        | 315,689        | 41,984        | 6,994        | 401,183        |
| Acquisitions                            | -             | 349            | 9,370         | 14,439       | 24,158         |
| Transfers in from other Queensland      |               |                |               |              |                |
| Government entities                     | -             | -              | 130           | -            | 130            |
| Donations received                      | -             | 140            | 15            | -            | 155            |
| Disposals                               | -             | -              | (259)         | -            | (259)          |
| Transfers out to other Queensland       |               |                |               |              |                |
| Government entities                     | (25)          | -              | (1)           | -            | (26)           |
| Donations made                          | -             | -              | (3)           | -            | (3)            |
| Transfer between asset classes          | -             | 11,191         | 399           | (11,605)     | (15)           |
| Net revaluation increments/(decrements) | (866)         | 14,181         | -             | -            | 13,315         |
| Depreciation                            | -             | (22,417)       | (7,317)       | -            | (29,734)       |
| <b>Carrying amount at 30 June 2019</b>  | <b>35,625</b> | <b>319,133</b> | <b>44,318</b> | <b>9,828</b> | <b>408,904</b> |

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

Notes to the Financial Statements  
For the year ended 30 June 2019

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

|  | Land<br>at fair value<br>\$'000 | Buildings &<br>improvements<br>at fair value<br>\$'000 | Plant &<br>equipment<br>at cost<br>\$'000 | Work in<br>progress<br>at cost<br>\$'000 | Total<br>\$'000 |
|--|---------------------------------|--|---|--|-----------------|
| Fair value / cost                      | 36,516                          | 1,016,812  | 87,361                                    | 6,994                                    | 1,147,683       |
| Accumulated depreciation               | -                               | (701,123)  | (45,377)                                  | -  | (746,500)       |
| <b>Carrying amount at 30 June 2018</b> | <b>36,516</b>                   | <b>315,689</b>   | <b>41,984</b>                             | <b>6,994</b>                             | <b>401,183</b>  |

*Represented by movements in carrying amount*

|  |               |                |               |              |                |
|--|---------------|----------------|---------------|--------------|----------------|
| Carrying amount at 1 July 2017                         | 35,811        | 296,001        | 35,700        | 17,713       | 385,225        |
| Acquisitions   | -             | 113            | 9,031         | 17,031       | 26,175         |
| Transfers in from other Queensland Government entities | -             | 7,662          | 253           | -            | 7,915          |
| Donations received                                     | -             | -              | 230           | -            | 230            |
| Disposals  | -             | (20)           | (135)         | -            | (155)          |
| Transfers out to other Queensland Government entities  | (45)          | -              | (54)          | -            | (99)           |
| Transfer between asset classes                         | -             | 23,644         | 4,007         | (27,750)     | (99)           |
| Net revaluation increments/(decrements)                | 750           | 10,923         | -             | -            | 11,673         |
| Depreciation   | -             | (22,634)       | (7,048)       | -            | (29,682)       |
| <b>Carrying amount at 30 June 2018</b>                 | <b>36,516</b> | <b>315,689</b> | <b>41,984</b> | <b>6,994</b> | <b>401,183</b> |

#### (a) Recognition of property plant and equipment

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

| Class                                   | Threshold |
|---|-----------|
| Buildings (including site improvements) | \$10,000  |
| Land                                    | \$1       |
| Plant and equipment                     | \$5,000   |

Expenditure on property, plant and equipment is capitalised where it is probable that the expenditure will produce future service potential for Darling Downs Health. Subsequent expenditure is only added to an asset's carrying amount if it increases the service potential or useful life of that asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

Complex assets comprise separately identifiable components (or groups of components) of significant value, that require replacement at regular intervals and at different times to other components comprising the complex asset. The accounting policy for depreciation of complex assets, and estimated useful lives of components, are disclosed in note 13(e).

#### (b) Cost of acquisition of assets

Cost is used for the initial recording of all non-current property, plant and equipment acquisitions. Cost is determined as the fair value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use, including architects' fees and engineering design fees. However, any training costs are expensed as incurred.

Where assets are received free of charge from another Queensland Government entity (whether as a result of a machinery-of-government change or other involuntary transfer), the acquisition cost is recognised as the carrying amount in the books of the transferor immediately prior to the transfer.

#### (c) Measurement of non-current assets

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

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

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

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

##### (c) Measurement of non-current assets (continued)

Land, buildings and improvements are measured at their 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 accumulated impairment losses where applicable.

In respect of the above mentioned asset classes, the cost of items acquired during the financial year has been judged by management to materially represent their fair value at the end of the reporting period. Assets under construction are not revalued until they are ready for use.

##### (d) Revaluation of non-current assets

Land, buildings and improvements classes measured at fair value are revalued on an annual basis by comprehensive or desktop valuations, or by the use of appropriate and relevant indices provided by independent experts. Comprehensive valuations are undertaken at least once every four years. However, if a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal. Materiality is considered in determining whether the difference between the carrying amount and the fair value of an asset warrants a revaluation.

Where assets have not been comprehensively valued in the reporting period, their previous valuations are materially kept up to date via a desktop valuation, or the application of relevant indices. Darling Downs Health ensures that the application of such indices results in a valid estimation of the assets' fair values at reporting date. The external valuer supplies the indices used. Such indices are either publicly available, or are derived from market information available to the valuer. The valuer provides assurance of their robustness, validity and appropriateness for application to the relevant assets.

Indices used are also tested for reasonableness by applying the indices to a sample of assets, comparing the results to similar assets that have been valued by an independent professional valuer, 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 Darling Downs Health's own particular circumstances.

Any revaluation increment arising on the revaluation of an asset is 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 which 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.

The comprehensive valuations are based on valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs. Details of Darling Downs Health's fair value classification of non-current assets are provided in note 17.

##### Fair value measurement - land

Darling Downs Health has engaged the State Valuation Service (SVS) to provide a market based valuation in accordance with a four year rolling revaluation program (with indices applied in the intervening periods). Desktop valuations were undertaken for high-value land parcels outside the geographic area being comprehensively valued, based on their unique and complex nature. The revaluation program excludes properties which do not have an active market, for example properties under Deed of Grant (recorded at a nominal value of \$1).

The fair value of land was based on publicly available data on sales of similar land in nearby localities prior to the date of the revaluation. In determining the values, adjustments were made to the sales data to take into account the location of the land, its size, street/road frontage and access, and any significant restrictions. The extent of the adjustments made varies in significance for each parcel of land.

The 2018-19 revaluation program resulted in a decrement of \$866K (2018: increment of \$750K) to the carrying amount of land, and is recognised in the Statement of Comprehensive Income as a loss on revaluation of assets.

##### Fair value measurement - buildings and improvements

Darling Downs Health engaged independent experts, AECOM Pty Ltd to undertake building revaluations in accordance with a four year rolling revaluation program (with indices applied in the intervening periods).

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

### Notes to the Financial Statements

For the year ended 30 June 2019

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

##### (d) Revaluation of non-current assets (continued)

###### Fair value measurement - buildings and improvements (continued)

Reflecting the specialised nature of health service buildings and on hospital-site residential facilities, for which there is no active market, fair value is determined using the current replacement cost methodology. Current replacement cost is a valuation technique that reflects the amount that would be required today to replace the service capacity of an asset. Current replacement cost is calculated as replacement cost less adjustments for obsolescence.

To determine the replacement cost, the lowest cost that would be incurred today, to replace the existing building with a modern equivalent, is assessed. The valuation assumes a modern equivalent building will comply with current legislation (e.g. building code) and provide the same service function and form (shape and size) as the original building but with more contemporary design, materials, safety standards and construction approaches.

In determining the revalued amount the measurement of key quantities of certain elements includes:

- Building footprint (roof area);
- Girth of the building;
- Height of the building;
- Number of staircases; and
- Number of lift 'stops'

Key quantities are measured from drawings provided and verified on site during inspections. These measured quantities are assigned unit rates to determine a base replacement cost for each element. The unit rates are derived from recent similar projects analysed at an elemental level. 'On-costs' have been incorporated to include for:

- Contractors preliminary items (establishment, supervision, scaffolding, tower cranes, etc.);
- Project contingencies;
- Professional and statutory fees; and
- Client costs (management of the project etc).

The replacement cost of an asset is adjusted for obsolescence. There are three types of obsolescence factored into current replacement cost, functional, economic and physical obsolescence. Functional and economic obsolescence are adjustments to the gross value of the asset. This adjustment reflects the value embodied in components of a modern equivalent building that are either not present in the existing asset or that are inefficient or inadequate relative to a modern equivalent building due to technological developments or other external factors.

Physical obsolescence is time based and is therefore reflected in the calculation of accumulated depreciation. This adjustment reflects the loss in value of the building caused by factors such as wear and tear, physical stressors and other environmental factors. Physical obsolescence is calculated as straight line depreciation, that is, the replacement cost depreciated over the total useful life of the asset. The total useful life of the asset is a combination of expired useful life and an estimate of remaining useful life.

Significant judgement is also used to assess the remaining service potential of the facility, given local climatic and environmental conditions, and records of the current condition assessment of the facility.

The revaluation program resulted in an increment of \$14,181K (2018: \$10,923K) to the carrying amount of buildings.

##### (e) Depreciation

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

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset progressively over its estimated useful life to Darling Downs Health.

Assets under construction (work-in-progress) are not depreciated until the earlier of construction being complete or the asset is ready for its intended use. These assets are then reclassified to the relevant class within property, plant and equipment.



## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

### Notes to the Financial Statements

For the year ended 30 June 2019

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

##### (e) Depreciation (continued)

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

Major components purchased specifically for particular assets are capitalised and depreciated on the same basis as the asset to which they relate. A review of major components is undertaken annually and whilst components are not separately accounted for, there is no material effect on depreciation expense reported.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the shorter of the estimated useful lives of the improvements or the unexpired period of the lease.

All asset useful lives are reviewed annually to ensure that the remaining service potential of the assets is reflected in the financial statements. Darling Downs Health determines the estimated useful lives for its property, plant and equipment based on the expected period of time over which economic benefits arising from the use of the asset will be derived. Significant judgement is required to determine useful lives which could change significantly as a result of technical innovations or other circumstances and events. The depreciation charge will increase where the useful lives are less than previously estimated, or the asset becomes technically obsolete or non-strategic assets that have been abandoned or sold are written off or written down.

For Darling Downs Health'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.

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

| <u>Class</u>                    | <u>Depreciation rates</u> |              |
|---------------------------------|---------------------------|--------------|
|                                 | <u>2019</u>               | <u>2018</u>  |
|                                 | <u>%</u>                  | <u>%</u>     |
| Buildings and land improvements | 0.75 - 7.69               | 0.75 - 10.0  |
| Plant and equipment             | 2.00 - 20.00              | 2.00 - 20.00 |

##### (f) Impairment of non-current assets

All property, plant and equipment is assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, Darling Downs Health determines the asset's recoverable amount. Recoverable amount is determined as the higher of the asset's fair value less costs to sell and value in use. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount, in which case the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available. Where no asset revaluation surplus is available, in respect of the class of asset, the loss is expensed in the Statement of Comprehensive Income as a revaluation decrement.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. For assets measured at fair value, to the extent the original decrement was expensed through the Statement of Comprehensive Income, the reversal is recognised in income, otherwise the reversal is treated as a revaluation increase for the class of asset through the asset revaluation surplus. For assets measured at cost, impairment losses are reversed through income.

#### 14. Payables

|                       | <i>2019</i>   | <i>2018</i>   |
|-----------------------|---------------|---------------|
|                       | <i>\$'000</i> | <i>\$'000</i> |
| Payable to DoH        | 19,377        | 16,640        |
| Accrued expenses      | 16,431        | 14,023        |
| Trade payables        | 8,356         | 7,172         |
| Other                 | 163           | 97            |
| <b>Total payables</b> | <b>44,327</b> | <b>37,932</b> |

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

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

#### 14. Payables (continued)

Trade payables are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase/contract price, net of applicable trade and other discounts. Amounts owing are unsecured and generally settled in accordance with the vendor's terms and conditions but within 60 days.

#### 15. Contributed equity

Non-reciprocal transfers of assets and liabilities between wholly-owned Queensland Government entities as a result of machinery-of-Government changes 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.

Transactions with owners as owners include equity injections for non-current asset acquisitions. Assets received or transferred by Darling Downs Health are accounted for in line with the accounting policy outlined in note 13(b). Transactions with owners as owners also includes non-cash equity withdrawals to offset non-cash depreciation funding received under the service agreement with DoH.

Construction of major health infrastructure continues to be managed and funded by DoH. Upon practical completion of a project, assets are transferred from DoH to Darling Downs Health by the Minister for Health as a contribution by the State through equity.

The value of assets received or transferred are outlined in the table below:

|   | 2019<br>\$'000 | 2018<br>\$'000 |
|---|----------------|----------------|
| Transfers from DoH                                  | 130            | 7,863          |
| Transfers to DoH                                    | (26)           | (45)           |
| Transfers from other Queensland Government entities | -              | 52             |
| Transfers to other Queensland Government entities   | -              | (54)           |
| <b>Total net assets received or transferred</b>     | <b>104</b>     | <b>7,816</b>   |

#### 16. Asset revaluation surplus

|                                   | Land<br>\$'000 | Buildings &<br>improvements<br>\$'000 | Total<br>\$'000 |
|-----------------------------------|----------------|---------------------------------------|-----------------|
| Balance at 1 July 2017            | -              | 91,339                                | 91,339          |
| Revaluation increment/(decrement) | -              | 10,923                                | 10,923          |
| <b>Balance at 30 June 2018</b>    | <b>-</b>       | <b>102,262</b>                        | <b>102,262</b>  |
| Revaluation increment/(decrement) | -              | 14,181                                | 14,181          |
| <b>Balance at 30 June 2019</b>    | <b>-</b>       | <b>116,443</b>                        | <b>116,443</b>  |

The asset revaluation surplus represents the net effect of upwards and downwards revaluations of assets to fair value.

#### 17. Fair value measurement

Fair value is the price that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique. Fair value measurement can be sensitive to various valuation inputs selected. Considerable judgement is required to determine what is significant to fair value.

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

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 Darling Downs Health include, but are not limited to, subjective adjustments made to observable data to take account of the specialised nature of health service buildings and on hospital-site residential facilities, including historical and current construction contracts (and/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.

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

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

#### 17. Fair value measurement (continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or the current replacement cost for a specific-use asset.

Details of the valuation approach as well as the observable and unobservable inputs used in deriving the fair value of non-financial assets are disclosed in note 13(d).

Darling Downs Health does not recognise any financial assets or liabilities at fair value, except for cash and cash equivalents. The fair value of trade receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

All assets and liabilities of Darling Downs Health 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 valuations:

- 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 Darling Downs Health's valuations of assets or liabilities are eligible for categorisation into Level 1 of the fair value hierarchy.

There were no transfers of assets between fair value hierarchy levels during the period.

#### Categorisation of fair value of assets and liabilities measured at fair value

|                            | Level 2       |               | Level 3        |                | Total          |                |
|----------------------------|---------------|---------------|----------------|----------------|----------------|----------------|
|                            | 2019          | 2018          | 2019           | 2018           | 2019           | 2018           |
|                            | \$'000        | \$'000        | \$'000         | \$'000         | \$'000         | \$'000         |
| Land                       | 35,625        | 36,516        | -              | -              | 35,625         | 36,516         |
| Buildings and improvements | 614           | 656           | 318,519        | 315,033        | 319,133        | 315,689        |
| <b>Total</b>               | <b>36,239</b> | <b>37,172</b> | <b>318,519</b> | <b>315,033</b> | <b>354,758</b> | <b>352,205</b> |

#### Reconciliation of non-financial assets categorised as Level 3:

|  |                |
|--|----------------|
| <b>As at 1 July 2017</b>                               | 295,303        |
| Acquisitions (including upgrades)                      | 113            |
| Disposals  | (20)           |
| Transfer between asset classes                         | 23,644         |
| Transfers in from other Queensland Government entities | 7,662          |
| Net revaluation increments/(decrements)                | 10,923         |
| Depreciation charge for the year                       | (22,592)       |
| <b>As at 30 June 2018</b>                              | <b>315,033</b> |
| Acquisitions (including upgrades)                      | 349            |
| Donations received                                     | 140            |
| Transfer between asset classes                         | 11,191         |
| Net revaluation increments/(decrements)                | 14,181         |
| Depreciation charge for the year                       | (22,375)       |
| <b>As at 30 June 2019</b>                              | <b>318,519</b> |

#### 18. Financial instruments

##### (a) Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when Darling Downs Health becomes party to the contractual provisions of the financial instrument.

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

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

#### 18. Financial instruments (continued)

##### (b) Classification

Financial instruments are classified and measured as follows:

- Cash and cash equivalents - held at amortised cost (note 10);
- Receivables - held at amortised cost (note 11); and
- Payables - held at amortised cost (note 14).

Darling Downs Health does not enter into transactions for speculative purposes, nor for hedging.

##### (c) Financial risk management objectives

Financial risk is managed in accordance with Queensland Government and Darling Downs Health policy. These policies provide written principles for overall risk management, as well as policies covering specific areas, and aim to minimise potential adverse effects of risk events on the financial performance of Darling Downs Health.

Darling Downs Health's activities expose it to a variety of financial risks: credit risk, liquidity risk, and market risk.

Darling Downs Health measures risk exposure using a variety of methods as follows:

| <b>Risk exposure</b> | <b>Measurement method</b>  |
|----------------------|--|
| Credit risk          | Ageing analysis, earnings at risk  |
| Liquidity risk       | Monitoring of cash flows by management of accrual accounts, sensitivity analysis |
| Market risk          | Interest rate sensitivity analysis   |

##### (i) Credit risk exposure

Credit risk exposure refers to the situation where Darling Downs Health may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

Credit risk on cash and cash equivalents is considered minimal given all Darling Downs Health's deposits are held through the Commonwealth Bank of Australia and by the State through Queensland Treasury Corporation. The maximum exposure to credit risk is limited to the balance of cash and cash equivalents shown in note 10.

Credit risk on receivables is disclosed in note 11(a).

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

##### (ii) Liquidity risk

Liquidity risk refers to the situation where Darling Downs Health may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Darling Downs Health has an approved debt facility of \$6 million (2018: \$6 million) under WoG banking arrangements to manage any short term cash shortfalls. This facility has not been drawn down as at 30 June 2019 (2018: nil). The liquidity risk of financial liabilities held by Darling Downs Health is limited to the payables balance as shown in Note 14.

##### (iii) Market risk

Market risk refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Darling Downs Health is exposed to interest rate changes on 24 hour at-call deposits but there is no interest rate exposure on its cash and fixed rate deposits.

Darling Downs Health does not undertake any hedging in relation to interest rate risk and manages its risk as per Darling Downs Health liquidity risk management strategy articulated in Darling Downs Health's Financial Management Practice Manual. Changes in interest rates have a minimal effect on the operating result of Darling Downs Health.



## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

### Notes to the Financial Statements

For the year ended 30 June 2019

#### 19. Commitments for expenditure

|  | 2019       | 2018       |
|--|------------|------------|
|  | \$'000     | \$'000     |
| <b>(a) Non-cancellable operating lease commitments</b>             |            |            |
| Committed at the reporting date but not recognised as liabilities: |            |            |
| Within one year  | 75         | 73         |
| One to five years  | 222        | 214        |
| More than five years   | 408        | 446        |
| <b>Total non-cancellable operating leases</b>                      | <b>705</b> | <b>733</b> |

Commitments under operating leases at reporting date are inclusive of non-recoverable GST. Darling Downs Health has non-cancellable operating leases relating predominantly to commercial accommodation. Lease payments are generally fixed, but with escalation clauses on which contingent rentals are determined.

#### (b) Capital and operating expenditure commitments

Capital and operating expenditure commitments at reporting date are inclusive of non-recoverable GST. Darling Downs Health has capital and operating expenditure commitments contracted for at reporting date but not recognised in the financial statements. Capital projects are included as commitments for the remaining project amounts. Each of these projects is currently at a different stage of the contractual cycle.

|  | 2019          | 2018          |
|--|---------------|---------------|
|  | \$'000        | \$'000        |
| Committed at the reporting date but not recognised as liabilities: |               |               |
| Repairs and maintenance  | 2,317         | 1,454         |
| Supplies and services  | 7,254         | 2,154         |
| Capital projects   | 4,216         | 7,824         |
| <b>Total capital and operating expenditure commitments</b>         | <b>13,787</b> | <b>11,432</b> |

|  |               |               |
|--|---------------|---------------|
| Committed at the reporting date but not recognised as liabilities: |               |               |
| Within one year  | 13,390        | 11,432        |
| One to five years  | 397           | -             |
| <b>Total capital and operating expenditure commitments</b>         | <b>13,787</b> | <b>11,432</b> |

#### 20. Contingencies

##### (a) Litigation in progress

Health litigation is underwritten by the Queensland Government Insurance Fund (QGIF). Darling Downs Health's liability in this area is limited to an excess of \$20,000 per insurance event (refer note 8 (a) Insurance premiums). Darling Downs Health's legal advisers and management believe it is not possible to make a reliable estimate of the final amounts payable (if any) in respect of the litigation before the courts at this time.

As at 30 June 2019, the following number of cases were filed in the courts naming the State of Queensland acting through Darling Downs Health as defendant.

|                                   | 2019            | 2018            |
|-----------------------------------|-----------------|-----------------|
|                                   | Number of cases | Number of cases |
| Supreme Court                     | 3               | 2               |
| District Court                    | 2               | 2               |
| Tribunals, commissions and boards | 1               | -               |
|                                   | <b>6</b>        | <b>4</b>        |

##### (b) Guarantees and undertakings

As at reporting date, Darling Downs Health held bank guarantees from third parties for capital works projects totalling \$1,217K (2018: \$1,012K). These amounts have not been recognised as assets in the financial statements.

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

### Notes to the Financial Statements

For the year ended 30 June 2019

#### 21. Restricted assets

Darling Downs Health receives cash contributions primarily from private practice clinicians and from external entities to provide for education, study and research in clinical areas. Contributions are also received from benefactors in the form of gifts, donations and bequests for stipulated purposes. These funds are retained in the Queensland Treasury Corporation Cash Fund.

As at 30 June 2019, amounts are set aside for clinical trials \$75,414 (2018: \$146,132); clinical research \$125,535 (2018: \$96,388); health research \$109,738 (2018: \$109,320) and other purposes \$14,989 (2018: \$18,462) for the specific purposes underlying the contribution.

#### 22. Fiduciary trust transactions and balances

##### (a) Patient fiduciary funds

Darling Downs Health acts in a fiduciary trust capacity in relation to patient fiduciary funds and Right of Private Practice trust accounts. Consequently, these transactions and balances are not recognised in the financial statements. Although patients funds are not controlled by Darling Downs Health, trust activities are included in the audit performed annually by the Auditor-General of Queensland.

|  | 2019          | 2018          |
|--|---------------|---------------|
|  | \$'000        | \$'000        |
| <b>Patient fiduciary funds</b>                               |               |               |
| Balance at the beginning of the year                         | 13,420        | 10,204        |
| Patient fiduciary fund receipts                              | 16,583        | 16,814        |
| Patient fiduciary fund payments                              | (16,170)      | (13,598)      |
| <b>Balance at the end of the year</b>                        | <b>13,833</b> | <b>13,420</b> |
| <b>Closing balance represented by:</b>                       |               |               |
| Cash at bank and on hand                                     | 907           | 1,694         |
| Refundable patient fiduciary fund deposits *                 | 12,926        | 11,726        |
| <b>Patient fiduciary fund assets closing balance 30 June</b> | <b>13,833</b> | <b>13,420</b> |

\* Following the introduction of new aged care agreements from 1 July 2014 by the Commonwealth Department of Health and Ageing, Darling Downs Health is required to manage payments from residents for refundable accommodation deposits and daily accommodation payments. These funds are treated in a similar manner to patient fiduciary funds, however interest earned is offset against operating and capital costs of the facilities concerned.

##### (b) Right of private practice (RoPP) scheme

A Right of Private Practice (RoPP) arrangement is where clinicians are able to use Darling Downs Health's facilities to provide professional services to private patients. Darling Downs Health acts as a billing agency in respect of services provided under a RoPP arrangement. Under the arrangement, Darling Downs Health deducts from private patient fees received, a service fee (where applicable) to cover costs associated with the use of Darling Downs Health's facilities and administrative support provided to the medical officer. In addition, where applicable under the agreement, some funds are paid to the General Trust. These funds are used to provide staff with grants for study, research, or educational purposes. Transactions and balances relating to the RoPP arrangement are outlined in the following table.

|   | 2019         | 2018         |
|---|--------------|--------------|
|   | \$'000       | \$'000       |
| <b>Right of Private Practice (ROPP) receipts and payments</b> |              |              |
| <b>Receipts</b>   |              |              |
| Private practice receipts                                     | 4,466        | 5,344        |
| Bank interest   | 6            | 8            |
| <b>Total receipts</b>   | <b>4,472</b> | <b>5,352</b> |
| <b>Payments</b>   |              |              |
| Payments to medical officers                                  | 532          | 494          |
| Payments to Darling Downs Health for recoverable costs        | 3,900        | 4,858        |
| Payments to Darling Downs Health's General Trust              | 40           | -            |
| <b>Total payments</b>   | <b>4,472</b> | <b>5,352</b> |
| <b>Increase in net private practice assets</b>                | <b>-</b>     | <b>-</b>     |

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

### Notes to the Financial Statements

For the year ended 30 June 2019

#### 22. Fiduciary trust transactions and balances (continued)

##### (b) Right of private practice (RoPP) scheme (continued)

###### *Current assets*

Cash - RoPP

397 413

**Total current assets**

**397 413**

###### *Current liabilities*

Payable to medical officers

23 13

Payable to Darling Downs Health for recoverable costs

365 370

Payable to Darling Downs Health's General Trust

9 30

**Total current liabilities**

**397 413**

#### 23. Controlled entities

As at 30 June 2019 Darling Downs Health does not have a controlling interest in any entity.

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

### Notes to the Financial Statements

For the year ended 30 June 2019

#### 24. Budget to actual comparison

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

The original budget has been reclassified to be consistent with the presentation and classification adopted in the financial statements.

#### Statement of Comprehensive Income

|   |                 | <i>Original</i> |                |                  |
|---|-----------------|-----------------|----------------|------------------|
|   | <i>Variance</i> | <i>Budget</i>   | <i>Actual</i>  | <i>Variance*</i> |
|   | <i>Note</i>     | <i>2019</i>     | <i>2019</i>    | <i>2019</i>      |
|   |                 | <i>\$'000</i>   | <i>\$'000</i>  | <i>\$'000</i>    |
| <b>Income from continuing operations</b>              |                 |                 |                |                  |
| User charges and fees                                 | 1               | 759,183         | 769,974        | 10,791           |
| Grants and other contributions                        | 2               | 32,298          | 48,189         | 15,891           |
| Interest  |                 | 369             | 494            | 125              |
| Other revenue   |                 | 1,527           | 3,969          | 2,442            |
| <b>Total revenue</b>                                  |                 | <b>793,377</b>  | <b>822,626</b> | <b>29,249</b>    |
| Gains on disposal/revaluation of assets               |                 | -               | 53             | 53               |
| <b>Total income from continuing operations</b>        |                 | <b>793,377</b>  | <b>822,679</b> | <b>29,302</b>    |
| <b>Expenses from continuing operations</b>            |                 |                 |                |                  |
| Employee expenses                                     | 3               | 75,141          | 80,259         | (5,118)          |
| Health service employee expenses                      |                 | 484,814         | 482,036        | 2,778            |
| Supplies and services                                 | 4               | 202,911         | 218,715        | (15,804)         |
| Grants and subsidies                                  |                 | 2,304           | 3,375          | (1,071)          |
| Depreciation and amortisation                         |                 | 31,659          | 29,837         | 1,822            |
| Impairment losses                                     |                 | 1,253           | 787            | 466              |
| Other expenses  |                 | 2,975           | 4,418          | (1,443)          |
| Loss on revaluation of non-current assets             |                 | -               | 866            | (866)            |
| <b>Total expenses from continuing operations</b>      |                 | <b>801,057</b>  | <b>820,293</b> | <b>(19,236)</b>  |
| <b>Operating result from continuing operations</b>    | 5               | <b>(7,680)</b>  | <b>2,386</b>   | <b>10,066</b>    |
| <b>OTHER COMPREHENSIVE INCOME</b>                     |                 |                 |                |                  |
| <b>Items not recyclable to operating result</b>       |                 |                 |                |                  |
| Increase/(decrease) in asset revaluation surplus      | 6               | -               | 14,181         | 14,181           |
| <b>Total items not recyclable to operating result</b> |                 | <b>-</b>        | <b>14,181</b>  | <b>14,181</b>    |
| <b>Total other comprehensive income</b>               |                 | <b>-</b>        | <b>14,181</b>  | <b>14,181</b>    |
| <b>TOTAL COMPREHENSIVE INCOME</b>                     |                 | <b>(7,680)</b>  | <b>16,567</b>  | <b>24,247</b>    |

\* Favourable / (Unfavourable)



## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

### Notes to the Financial Statements

For the year ended 30 June 2019

#### 24. Budget to actual comparison (continued)

##### Statement of Comprehensive Income variance notes

- 1** User charges and fees exceeded the original budget by \$10.8M. Darling Downs Health received an additional \$16.0M through amendments to the service level agreement with DoH. These amendments included \$5.5M for the delivery of public patient activity above baseline levels, \$4.6M for enterprise bargaining agreements, and \$2.4M for the treatment of dental patients. Offsetting these increases was a reduction in revenue from the pharmaceutical benefits reimbursement scheme primarily due to a reduction in the price of drugs used in the treatment of hepatitis C, as they came off patent.
- 2** Grants and other contributions exceeded the original budget by \$15.9M. The variance is predominantly due to recognising the fair value of corporate support services provided at no cost to Darling Downs Health by DoH (\$8.0M). Other factors contributing to the budget variance included the introduction of the Rural Junior Doctor Training program (\$4.4M) and donations exceeding the original budget by \$2.6M predominantly due to one-off donations for the refurbishment of a building (\$1.3M) and purchasing equipment (\$0.9m).
- 3** Employee expenses exceeded the original budget by \$5.1M predominantly due to the reclassification of 9 FTE (\$3.9M) senior medical officers from Health service employee expenses.
- 4** Supplies and services exceeded the original budget by \$15.8M. The increase in expenditure was predominately due to recognising the fair value of corporate support services provided by DoH at no cost to Darling Downs Health (\$8.0M) and additional costs incurred for the treatment of patients (\$8.2M). Additional costs for the treatment of patients consisted of \$4.0M for medical locums, \$2.2M for the treatment of dental patients and \$1.8M for clinical supplies, consistent with activity levels above baseline levels. Offsetting these increases was a \$3.4M reduction in pharmaceutical expenses primarily due to a reduction in the price of drugs used in the treatment of hepatitis C, as they came off patent.
- 5** The Operating result from continuing operations exceeded the original budget by \$10.1M. Darling Downs Health received additional revenue for donations (refer Note 2) and amendments to the service level agreement with DoH where expenditure was incurred in prior years (\$2.9M). Additionally expenditure on the integrated electronic medical record system project was not incurred as the project was deferred (\$4.3M).
- 6** The Asset revaluation surplus exceeded budgeted levels by \$14.2M as a result of indexation of buildings throughout the HHS to reflect construction cost increases (\$8.2M) and revaluation of building components (\$3.2M).

**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2019**

**24. Budget to actual comparison (continued)**

**Statement of Financial Position**

|                                  | <i>Variance</i> | <i>Original</i> |                | <i>Variance*</i> |
|----------------------------------|-----------------|-----------------|----------------|------------------|
|                                  | <i>Note</i>     | <i>Budget</i>   | <i>Actual</i>  | <i>2019</i>      |
|                                  |                 | <i>2019</i>     | <i>2019</i>    | <i>2019</i>      |
|                                  |                 | <i>\$'000</i>   | <i>\$'000</i>  | <i>\$'000</i>    |
| <b>Current assets</b>            |                 |                 |                |                  |
| Cash and cash equivalents        | 1               | 51,233          | 64,381         | 13,148           |
| Receivables                      |                 | 11,755          | 9,010          | (2,745)          |
| Inventories                      |                 | 6,141           | 6,627          | 486              |
| Other current assets             |                 | 1,881           | 1,067          | (814)            |
| <b>Total current assets</b>      |                 | <b>71,010</b>   | <b>81,085</b>  | <b>10,075</b>    |
| <b>Non-current assets</b>        |                 |                 |                |                  |
| Property, plant and equipment    |                 | 410,066         | 408,904        | (1,162)          |
| Intangible assets                |                 | 76              | 291            | 215              |
| Other non-current assets         |                 | 14              | 14             | -                |
| <b>Total non-current assets</b>  |                 | <b>410,156</b>  | <b>409,209</b> | <b>(947)</b>     |
| <b>Total assets</b>              |                 | <b>481,166</b>  | <b>490,294</b> | <b>9,128</b>     |
| <b>Current liabilities</b>       |                 |                 |                |                  |
| Payables                         | 2               | 32,488          | 44,327         | (11,839)         |
| Accrued employee benefits        |                 | 3,112           | 3,404          | (292)            |
| Unearned revenue                 |                 | 287             | 563            | (276)            |
| <b>Total current liabilities</b> |                 | <b>35,887</b>   | <b>48,294</b>  | <b>(12,407)</b>  |
| <b>Total liabilities</b>         |                 | <b>35,887</b>   | <b>48,294</b>  | <b>(12,407)</b>  |
| <b>Net assets</b>                |                 | <b>445,279</b>  | <b>442,000</b> | <b>(3,279)</b>   |
| <b>Equity</b>                    |                 |                 |                |                  |
| Contributed equity               | 3               | 284,994         | 263,451        | (21,543)         |
| Accumulated surplus/(deficit)    | 4               | 47,903          | 62,106         | 14,203           |
| Asset revaluation surplus        |                 | 112,382         | 116,443        | 4,061            |
| <b>Total equity</b>              |                 | <b>445,279</b>  | <b>442,000</b> | <b>(3,279)</b>   |

\* Favourable / (unfavourable)

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

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

#### 24. Budget to actual comparison (continued)

##### Statement of Financial Position variance notes

- 1 Cash and cash equivalents exceeded budgeted levels by \$13.1M. The Operating surplus from continuing operations (\$10.1M) and the timing of payments to suppliers (\$11.8M) contributed to the increase in Cash and cash equivalents. \$8.4M of cash reserves (primarily from retained surpluses) were invested in capital acquisitions including upgrading the emergency department at Warwick Hospital and the Renal Unit at Toowoomba Hospital.
- 2 Payables were \$11.8M above budgeted levels due to the timing of payments to suppliers.
- 3 Contributed equity was \$21.5M below budgeted levels due to the timing of capital projects including the Kingaroy Hospital redevelopment.
- 4 The movement in Accumulated surplus/(deficit) is consistent with the movement in the Operating result from continuing operations in the Statement of Comprehensive Income and the 2017-18 Operating result from continuing operations (\$4.1M).

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

### Notes to the Financial Statements

For the year ended 30 June 2019

#### 24. Budget to actual comparison (continued)

##### Statement of Cash Flows

|  | Variance<br>Note | Original<br>Budget<br>2019<br>\$'000 | Actual<br>2019<br>\$'000 | Variance*<br>2019<br>\$'000 |
|--|------------------|--------------------------------------|--------------------------|-----------------------------|
| <b>Cash flows from operating activities</b>                  |                  |                                      |                          |                             |
| <b>Inflows:</b>  |                  |                                      |                          |                             |
| User charges and fees  | 1                | 726,236                              | 740,486                  | 14,250                      |
| Grants and other contributions                               | 2                | 32,298                               | 40,012                   | 7,714                       |
| Interest receipts  |                  | 369                                  | 494                      | 125                         |
| GST input tax credits from ATO                               |                  | 12,783                               | 12,518                   | (265)                       |
| GST collected from customers                                 |                  | -                                    | 674                      | 674                         |
| Other  |                  | 1,527                                | 3,969                    | 2,442                       |
| <b>Total cash provided by operating activities</b>           |                  | <b>773,213</b>                       | <b>798,153</b>           | <b>24,940</b>               |
| <b>Outflows:</b>   |                  |                                      |                          |                             |
| Employee expenses  |                  | 74,848                               | 79,559                   | (4,711)                     |
| Health service employee expenses                             |                  | 484,814                              | 480,264                  | 4,550                       |
| Supplies and services  |                  | 201,141                              | 202,952                  | (1,811)                     |
| Grants and subsidies   |                  | 2,304                                | 3,375                    | (1,071)                     |
| GST paid to suppliers  |                  | 12,783                               | 12,332                   | 451                         |
| GST remitted to ATO  |                  | -                                    | 613                      | (613)                       |
| Other  |                  | 3,162                                | 4,193                    | (1,031)                     |
| <b>Total cash used in operating activities</b>               |                  | <b>779,052</b>                       | <b>783,288</b>           | <b>(4,236)</b>              |
| <b>Net cash provided by / (used in) operating activities</b> |                  | <b>(5,839)</b>                       | <b>14,865</b>            | <b>20,704</b>               |
| <b>Cash flows from investing activities</b>                  |                  |                                      |                          |                             |
| <b>Inflows:</b>  |                  |                                      |                          |                             |
| Sales of property, plant and equipment                       |                  | -                                    | 86                       | 86                          |
| <b>Total cash provided by investing activities</b>           |                  | <b>-</b>                             | <b>86</b>                | <b>86</b>                   |
| <b>Outflows:</b>   |                  |                                      |                          |                             |
| Payments for property, plant and equipment                   | 3                | 8,432                                | 24,099                   | (15,667)                    |
| <b>Total cash used in investing activities</b>               |                  | <b>8,432</b>                         | <b>24,099</b>            | <b>(15,667)</b>             |
| <b>Net cash provided by / (used in) investing activities</b> |                  | <b>(8,432)</b>                       | <b>(24,013)</b>          | <b>(15,581)</b>             |
| <b>Cash flows from financing activities</b>                  |                  |                                      |                          |                             |
| <b>Inflows:</b>  |                  |                                      |                          |                             |
| Proceeds from equity injections                              | 4                | 6,728                                | 12,931                   | 6,203                       |
| <b>Total cash provided by financing activities</b>           |                  | <b>6,728</b>                         | <b>12,931</b>            | <b>6,203</b>                |
| <b>Outflows:</b>   |                  |                                      |                          |                             |
| <b>Total cash used in financing activities</b>               |                  | <b>-</b>                             | <b>-</b>                 | <b>-</b>                    |
| <b>Net cash provided by / (used in) financing activities</b> |                  | <b>6,728</b>                         | <b>12,931</b>            | <b>6,203</b>                |
| <b>Net increase in cash and cash equivalents</b>             |                  | <b>(7,543)</b>                       | <b>3,783</b>             | <b>11,326</b>               |
| Cash and cash equivalents at beginning of financial year     |                  | 58,776                               | 60,598                   | 1,822                       |
| <b>Cash and cash equivalents at end of financial year</b>    |                  | <b>51,233</b>                        | <b>64,381</b>            | <b>13,148</b>               |

\* Favourable / (unfavourable)



## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

### Notes to the Financial Statements

For the year ended 30 June 2019

#### 24. Budget to actual comparison (continued)

##### Statement of Cash Flow variance notes

- 1 The movement in User charges and fees is consistent with the movement in User charges and fees in the Statement of Comprehensive Income.
- 2 The movement in Grants and other contributions is consistent with the movement in Grants and other contributions in the Statement of Comprehensive Income.
- 3 Payments for property, plant and equipment exceeded the original budget by \$15.7M due to the investment of \$6.3M into capital acquisition programs by the Darling Downs Health Board from retained surpluses and \$3.0M of donations funding capital acquisitions. Additionally \$6.2M in capital acquisitions were funded through equity funding received through the DoH.
- 4 Proceeds from equity injections exceeded the original budget by \$6.2M due to additional capital projects being funded by DoH and is consistent with additional payments for property, plant and equipment.

**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**  
Notes to the Financial Statements  
For the year ended 30 June 2019

**25. Key management personnel and remuneration**

**(a) Board members**

The following details for Board members include those positions that had authority and responsibility for planning, directing and controlling the activities of Darling Downs Health during 2018-19. Further information on these positions can be found in the body of the Annual Report under the section relating to Governing our Organisation.

| Name (date appointed and date resigned if applicable) | Responsibilities | Contract classification and appointment authority | Year | Short-term Employee Expenses \$,000 | Post-Employment Expenses \$,000 | Total Remuneration \$,000 |
|---|------------------|---|------|-------------------------------------|---------------------------------|---------------------------|
| <b>Mike Horan AM</b><br>18 May 2012                   | Chair            | Government Board B1                               | 2019 | 80                                  | 7                               | 87                        |
|   |                  |   | 2018 | 80                                  | 7                               | 87                        |
| <b>Dr Dennis Campbell</b><br>29 June 2012             | Deputy Chair     | Government Board B1                               | 2019 | 50                                  | 5                               | 55                        |
|   |                  |   | 2018 | 51                                  | 5                               | 56                        |
| <b>Cheryl Dalton</b><br>29 June 2012                  | Board Member     | Government Board B1                               | 2019 | 47                                  | 4                               | 51                        |
|   |                  |   | 2018 | 48                                  | 5                               | 53                        |
| <b>Dr Ross Hetherington</b><br>29 June 2012           | Board Member     | Government Board B1                               | 2019 | 46                                  | 4                               | 50                        |
|   |                  |   | 2018 | 47                                  | 4                               | 51                        |
| <b>Patricia Leddington-Hill</b><br>9 November 2012    | Board Member     | Government Board B1                               | 2019 | 47                                  | 4                               | 51                        |
|   |                  |   | 2018 | 48                                  | 5                               | 53                        |
| <b>Megan O'Shannessy</b><br>18 May 2013               | Board Member     | Government Board B1                               | 2019 | 43                                  | 4                               | 47                        |
|   |                  |   | 2018 | 43                                  | 4                               | 47                        |
| <b>Marie Pietsch</b><br>29 June 2012                  | Board Member     | Government Board B1                               | 2019 | 49                                  | 5                               | 54                        |
|   |                  |   | 2018 | 50                                  | 5                               | 55                        |
| <b>Dr Ruth Terwijn</b><br>17 May 2016                 | Board Member     | Government Board B1                               | 2019 | 46                                  | 4                               | 50                        |
|   |                  |   | 2018 | 47                                  | 4                               | 51                        |
| <b>Professor Julie Cotter</b><br>18 May 2017          | Board Member     | Government Board B1                               | 2019 | 46                                  | 4                               | 50                        |
|   |                  |   | 2018 | 47                                  | 4                               | 51                        |

The date of appointment shown for Board members is the original date of appointment. From time to time, Board members are re-appointed in accordance with *Hospital and Health Boards Act 2011*.

**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**  
Notes to the Financial Statements  
For the year ended 30 June 2019

**25. Key management personnel and remuneration (continued)**

**(b) Executive**

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of Darling Downs Health. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive Management.

**(i) Darling Downs Health Executives (Employed by Darling Downs Health)**

| Name and position (date appointed and date resigned if applicable)                        | Responsibilities   | Contract classification and appointment authority   | Year | Short-term Employee Expenses |                              | Long-Term Employee Expenses | Post-Employment Expenses | Termination Benefits | Total Remuneration |
|---|--|---|------|------------------------------|------------------------------|-----------------------------|--------------------------|----------------------|--------------------|
|   |  |   |      | Base \$,000                  | Non-Monetary Benefits \$,000 |                             |                          |                      |                    |
| <b>Dr Peter Gillies</b><br>Health Service Chief Executive<br>18 January 2016              | Responsible for the overall management of Darling Downs Health through major functional areas to ensure the delivery of key government objectives in improving the health and well-being of all Darling Downs residents. | s24 & s70 Appointed by Board under <i>Hospital and Health Boards Act 2011 (Section 7(3))</i>          | 2019 | 472                          | 4                            | \$,000                      | \$,000                   | \$,000               | \$,000             |
| <b>Shirley-Anne Gardiner</b><br>Executive Director<br>Toowoomba Hospital<br>1 August 2016 | Provides single point accountability and leadership for Toowoomba Hospital.  | HES 2-3 Appointed by Chief Executive (CE) under <i>Section 74 Hospital and Health Boards Act 2011</i> | 2018 | 496                          | 2                            | 10                          | 43                       | -                    | 551                |
|   |  |   | 2019 | 204                          | -                            | 4                           | 18                       | -                    | 226                |
|   |  |   | 2018 | 203                          | -                            | 4                           | 20                       | -                    | 227                |

**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**

Notes to the Financial Statements  
For the year ended 30 June 2019

**25. Key management personnel and remuneration (continued)**

(b) Executive (continued)

(i) Darling Downs Health Executives (Employed by Darling Downs Health) (continued)

| Name and position (date appointed and date resigned if applicable)                    | Responsibilities   | Contract classification and appointment authority   | Year | Short-term Employee Expenses |                              | Long-Term Employee Expenses | Post-Employment Expenses | Termination Benefits | Total Remuneration |
|---|--|---|------|------------------------------|------------------------------|-----------------------------|--------------------------|----------------------|--------------------|
|   |  |   |      | Base \$,000                  | Non-Monetary Benefits \$,000 |                             |                          |                      |                    |
| <b>Dr Martin Byrne</b><br>Executive Director Medical Services<br>11 July 2016         | Provides professional leadership for the medical services of Darling Downs Health. Leads the development and implementation of strategies that will ensure the medical workforce is aligned with identified service delivery needs, and an appropriately qualified, competent and credentialed workforce is maintained. In addition, the position oversees Medical Research and Clinical Governance, including patient safety and quality. | 20MMOI1 Appointed by Chief Executive (CE) under Section 67(2) Hospital and Health Boards Act 2011 | 2019 | 436                          | 1                            | 9                           | 31                       | -                    | 477                |
| Acting Executive Director Rural Health and Aged Care<br>1 April 2017 to 30 April 2018 | Provides single point accountability and leadership for the Rural Division within Darling Downs Health. This Division includes twenty hospital and health care services, including co-located residential aged care services, and Mt Lofty Heights Residential Aged Care Facility.   |   | 2018 | 503                          | 1                            | 10                          | 32                       | -                    | 546                |
| <b>Joanne Shaw</b><br>Executive Director Rural Services<br>30 April 2018              | Provides single point accountability and leadership for the Rural Division within Darling Downs Health. This Division includes twenty hospital and health care services, including co-located residential aged care services, and Mt Lofty Heights Residential Aged Care Facility.   | HES 2-3 Appointed by Chief Executive (CE) under Section 74 Hospital and Health Boards Act 2011    | 2019 | 206                          | -                            | 4                           | 20                       | -                    | 230                |
|   |  |   | 2018 | 28                           | -                            | 1                           | 3                        | -                    | 32                 |



## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

Notes to the Financial Statements  
For the year ended 30 June 2019

### 25. Key management personnel and remuneration (continued)

#### (b) Executive (continued)

##### (i) Darling Downs Health Executives (Employed by Darling Downs Health) (continued)

| Name and position (date appointed and date resigned if applicable)   | Responsibilities  | Contract classification and appointment authority  | Year | Short-term Employee Expenses |                              | Long-Term Employee Expenses | Post-Employment Expenses | Termination Benefits | Total Remuneration |
|--|---|--|------|------------------------------|------------------------------|-----------------------------|--------------------------|----------------------|--------------------|
|  |   |  |      | Base \$,000                  | Non-Monetary Benefits \$,000 |                             |                          |                      |                    |
| <b>Malcolm Neilson</b><br>Executive Director Mental Health Alcohol and Other Drug Services<br>27 June 2016 | Provides single point accountability and leadership for Darling Downs Health's Mental Health, Alcohol and Other Drugs services, including acute in-patient services at Toowoomba Hospital, extended in-patient services at Baillie Henderson Hospital and ambulatory care services located throughout Darling Downs Health. | HES 2-3 Appointed by Chief Executive (CE) under Section 74 Hospital and Health Boards Act 2011 | 2019 | 201                          | -                            | 4                           | 20                       | -                    | 225                |
| <b>Jane Ranger</b><br>Chief Finance Officer<br>22 August 2016  | Provides single point accountability for the Finance Division and coordinates Darling Downs Health's financial management consistent with the relevant legislation and policy directions to support high quality health care within Darling Downs Health.   | HES 2-3 Appointed by Chief Executive (CE) under Section 74 Hospital and Health Boards Act 2011 | 2018 | 207                          | -                            | 4                           | 17                       | -                    | 228                |
| <b>Paul Clayton</b><br>Executive Director Infrastructure<br>14 October 2016                                | Provides single point accountability for the Infrastructure Division and coordinates Darling Downs Health's infrastructure projects to support high quality health care within Darling Downs Health.  | HES 2-3 Appointed by Chief Executive (CE) under Section 74 Hospital and Health Boards Act 2011 | 2019 | 211                          | -                            | 4                           | 21                       | -                    | 236                |
| <b>Julian Tommei</b><br>Executive Director Legal and Governance<br>14 December 2018                        | Provides leadership, direction, and management of corporate governance and legal activities, and provides assurance to the Board, Health Service Chief Executive and senior management that compliance with legal, financial, corporate or statutory obligations is being maintained.                                       | HES 2-1 Appointed by Chief Executive (CE) under Section 74 Hospital and Health Boards Act 2011 | 2019 | 48                           | -                            | 1                           | 5                        | -                    | 54                 |
|  |   |  | 2018 | 196                          | -                            | 4                           | 20                       | -                    | 220                |
|  |   |  | 2018 | 195                          | -                            | 4                           | 19                       | -                    | 218                |
|  |   |  | 2019 | 200                          | -                            | 4                           | 20                       | -                    | 224                |
|  |   |  | 2018 | 196                          | -                            | 4                           | 20                       | -                    | 220                |
|  |   |  | 2019 | 211                          | -                            | 4                           | 21                       | -                    | 236                |
|  |   |  | 2018 | 196                          | -                            | 4                           | 20                       | -                    | 220                |
|  |   |  | 2019 | 48                           | -                            | 1                           | 5                        | -                    | 54                 |
|  |   |  | 2018 | -                            | -                            | -                           | -                        | -                    | -                  |

**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**  
Notes to the Financial Statements  
For the year ended 30 June 2019

**25. Key management personnel and remuneration (continued)**

**(b) Executive (continued)**

**(i) Darling Downs Health Executives (Employed by Darling Downs Health) (continued)**

| Name and position (date appointed and date resigned if applicable)                                   | Responsibilities  | Contract classification and appointment authority  | Year | Short-term Employee Expenses |                              | Long-Term Employee Expenses | Post-Employment Expenses | Termination Benefits | Total Remuneration |
|--|---|--|------|------------------------------|------------------------------|-----------------------------|--------------------------|----------------------|--------------------|
|  |   |  |      | Base \$,000                  | Non-Monetary Benefits \$,000 |                             |                          |                      |                    |
| <b>Hayley Farry</b><br>Executive Director Workforce<br>3 September 2018                              | Provides executive leadership for workforce services of Darling Downs Health. The position leads Human Resources, People and Culture, Work Health and Safety and Emergency preparedness functions to support employee engagement, safety and productivity to meet service delivery needs. | HES 2-1 Appointed by Chief Executive (CE) under Section 74 Hospital and Health Boards Act 2011 | 2019 | 161                          | -                            | 3                           |                          |                      |                    |
|  |   |  | 2018 | -                            | -                            | -                           |                          |                      | 180                |
| <b>Chris Neilsen</b><br>Acting Executive Director Workforce<br>12 March 2018 to<br>13 September 2018 | Provides executive leadership for workforce services of Darling Downs Health. The position leads Human Resources, People and Culture, Work Health and Safety and Emergency preparedness functions to support employee engagement, safety and productivity to meet service delivery needs. | HES 2-1 Appointed by Chief Executive (CE) under Section 74 Hospital and Health Boards Act 2011 | 2019 | 50                           | -                            | 1                           | 4                        | -                    | 55                 |
|  |   |  | 2018 | 63                           | -                            | 1                           | 5                        | -                    | 69                 |
| <b>Corinne Butler</b><br>Executive Director Workforce<br>26 September 2016 to<br>6 April 2018        | Provides executive leadership for workforce services of Darling Downs Health. The position leads Human Resources, People and Culture, Work Health and Safety and Emergency preparedness functions to support employee engagement, safety and productivity to meet service delivery needs. | HES 2-2 Appointed by Chief Executive (CE) under Section 74 Hospital and Health Boards Act 2011 | 2019 | -                            | -                            | -                           | -                        | -                    | -                  |
|  |   |  | 2018 | 150                          | 1                            | 3                           | 14                       | 61                   | 229                |

**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**  
Notes to the Financial Statements  
For the year ended 30 June 2019

**25. Key management personnel and remuneration (continued)**

**(b) Executive (continued)**

**(i) Darling Downs Health Executives (Employed by Darling Downs Health) (continued)**

| Name and position (date appointed and date resigned if applicable)                       | Responsibilities   | Contract classification and appointment authority  | Year | Short-term Employee Expenses |                              | Long-Term Employee Expenses | Post-Employment Expenses | Termination Benefits | Total Remuneration |
|--|--|--|------|------------------------------|------------------------------|-----------------------------|--------------------------|----------------------|--------------------|
|  |  |  |      | Base \$,000                  | Non-Monetary Benefits \$,000 |                             |                          |                      |                    |
| Dr Hwee Sin Chong<br>Executive Director Queensland Rural Medical Service<br>24 July 2017 | Provides executive leadership for Queensland Country Practice (QCP), including, Relieving Services, Service and Workforce Design and Medical Education Pathways which are all delivered on a State-wide basis. Provides leadership for the promotion of clinical service improvement, consumer satisfaction, clinician engagement, clinical governance, professional and clinical standards as well as clinical workforce education.       | 20MMO11 Appointed by Executive (CE) under Section 74 Hospital and Health Boards Act 2011 | 2019 | 463                          | 1                            | 9                           | \$,000                   | \$,000               | \$,000             |
| Executive Director Medical Services<br>15 September 2014 to 23 July 2017                 | Provides professional leadership for the medical services of Darling Downs Health. Leads the development and implementation of strategies that will ensure the medical workforce is aligned with identified service delivery needs, and an appropriately qualified, competent and credentialed workforce is maintained. In addition, the position oversees Medical Research and Clinical Governance, including patient safety and quality. |  | 2018 | 442                          | 1                            | 9                           | 32                       | -                    | 484                |

**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**

Notes to the Financial Statements  
For the year ended 30 June 2019

**25. Key management personnel and remuneration (continued)**

(b) Executive (continued)

(ii) Darling Downs Health Executives employed by the Department of Health under Award

| Name and position (date appointed and date resigned if applicable)                         | Responsibilities  | Contract classification and appointment authority | Year | Short-term Employee Expenses |                              | Long-Term Employee Expenses | Post-Employment Expenses | Termination Benefits | Total Remuneration |
|--|---|---|------|------------------------------|------------------------------|-----------------------------|--------------------------|----------------------|--------------------|
|  |   |   |      | Base \$,000                  | Non-Monetary Benefits \$,000 |                             |                          |                      |                    |
| <b>Andrea Nagle</b><br>Executive Director Nursing and Midwifery Services<br>24 July 2017   | Provides professional leadership for the nursing services of Darling Downs Health. The position leads the development of strategies that will ensure the nursing and midwifery workforce is aligned with service delivery needs.  | Nursing and Midwifery - NRG 13-2                  | 2019 | 235                          | -                            | 4                           | 23                       | -                    | 262                |
|  |   |   | 2018 | 244                          | -                            | 4                           | 24                       | -                    | 272                |
| <b>Karen Abbott</b><br>Executive Director Nursing and Midwifery Services<br>15 August 2016 | Provides professional leadership for the nursing services of Darling Downs Health. The position leads the development of strategies that will ensure the nursing and midwifery workforce is aligned with service delivery needs.  | Nursing and Midwifery - NRG 13-2                  | 2019 | 7                            | -                            | (1)                         | (5)                      | -                    | 1                  |
|  |   |   | 2018 | 69                           | -                            | 1                           | (1)                      | -                    | 69                 |
| Acting Executive Director Rural Health and Aged Care<br>29 October 2016 to 31 March 2017   | Provides single point accountability and leadership for the Rural Division within Darling Downs Health. This Division includes twenty hospital and health care services, including co-located residential aged care services, and Mt Lofy Heights Residential Aged Care Facility. |   |      |                              |                              |                             |                          |                      |                    |



**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**

Notes to the Financial Statements

For the year ended 30 June 2019

**25. Key management personnel and remuneration (continued)**

**(b) Executive (continued)**

**(ii) Darling Downs Health Executives employed by the Department of Health under Award (continued)**

| Name and position (date appointed and date resigned if applicable)          | Responsibilities   | Contract classification and appointment authority | Year | Short-term Employee Expenses |                              | Long-Term Employee Expenses | Post-Employment Expenses | Termination Benefits | Total Remuneration |
|---|--|---|------|------------------------------|------------------------------|-----------------------------|--------------------------|----------------------|--------------------|
|   |  |   |      | Base \$,000                  | Non-Monetary Benefits \$,000 |                             |                          |                      |                    |
| <b>Annette Scott**</b><br>Executive Director Allied Health<br>4 August 2014 | Provides single point accountability and leadership, strategic planning, delivery and evaluation of the Allied Health Professional functions, and Commonwealth Programs, within Darling Downs Health, to optimise quality health care and business outcomes. | Health Practitioner - HP8-4                       | 2019 | 218                          | -                            | 4                           | 20                       | -                    | 242                |
|   |  |   | 2018 | 97                           | -                            | 2                           | 10                       | -                    | 109                |

\*\*During the 2017-18 year, Annette Scott was seconded to an external agency from 5 September 2017, returning to the role of Executive Director Allied Health on 27 February 2018.

**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2019**

**25. Key management personnel and remuneration (continued)**

**(c) KMP Remuneration Policy**

As from 2016-17, the Minister for Health is identified as part of Darling Downs Health's KMP, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*.

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. Darling Downs Health does not bear the cost of remunerating Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government Whole of Government Consolidated Financial Statements as from 2016-17, which are published as part of Queensland Treasury's Report on State Finances.

The Governor in Council approves the remuneration arrangements for Hospital and Health Board Chair, Deputy Chair and Members. The Chair, Deputy Chair and Members are paid an annual salary consistent with the Government policy titled: *Remuneration of Part-time Chairs and Members of Government Boards, Committees and Statutory Authorities*.

The remuneration policy for Darling Downs Health's Executive personnel is set by the Director-General, Department of Health, as provided for under the *Hospital and Health Boards Act 2011*. The remuneration and other terms of employment for the executive management personnel are specified in employment contracts. In the current reporting period, the remuneration of executive management personnel did not increase (2018: 2.5%), in accordance with Government policy.

Remuneration expenses for executive management personnel comprise the following components:

- Short-term employee expenses which include:
  - (i) Base – consisting of base salary, allowances and leave entitlements earned and expensed for the entire year or for that part of the year during which the employee was key management personnel. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income; and
  - (ii) Non-monetary benefits – consisting of provision of vehicle and expense payments together with fringe benefits tax applicable to the benefit. Amounts disclosed equal the taxable value of motor vehicles provided to key management personnel including any fringe benefit tax payable;
- Long term employee expenses include long service leave entitlements earned;
- Post employment benefits include amounts expensed in respect of employer superannuation obligations;
- Redundancy payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu on termination, regardless of the reason for termination;
- There were no performance bonuses paid in the 2018-19 financial year.

## DARLING DOWNS HOSPITAL AND HEALTH SERVICE

### Notes to the Financial Statements

For the year ended 30 June 2019

#### 26. Related party transactions

##### Transactions with joint control entities

As at 30 June 2019 Darling Downs Health does not have a controlling interest in any entity. Darling Downs Health has joint operational control of Southern Queensland Rural Health (SQRH), in collaboration with University of Queensland (UQ), University of Southern Queensland (USQ), and South West Hospital and Health Service (SWHHS). Darling Downs Health received \$1,342K during the 2018-19 financial year from UQ to refurbish a building at the Baillie Henderson Hospital campus. In return Darling Downs Health has provided the building for the exclusive use of SQRH.

##### Transactions with KMP or persons and entities related to KMP

A company controlled by a KMP member provides services to Darling Downs Health for the purpose of supporting rural doctors, hospitals and health students to work in rural communities. Services provided include education and training, co-ordination of student research activities, maintenance, furniture and equipment at clinical education facilities in line with the training or accommodation requirements of students and co-ordination of accommodation services at rural facilities. The services are provided to Darling Downs Health at no cost. A building to be utilised for staff accommodation at Jandowae Hospital was donated by the company during the year (\$140K).

A company controlled by a KMP member provides services to the DoH for the purpose of providing dementia and neurodegenerative respite services to the value of \$990,000 over four years. The company invoiced the DoH for a total of \$347K excluding GST (2018: \$332K). There are no outstanding balances. A tender was submitted by the company in response to a public advertisement and was selected based on a standard procurement process.

All other transactions in the year ended 30 June 2019 between Darling Downs Health and key management personnel including their related parties were on standard commercial terms and conditions or were immaterial in nature.

##### Transactions with other Queensland Government controlled entities

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

The following table summarises significant transactions with Queensland Government controlled entities:

| Entity                          | For the year ending 30 June 2019 |                      | At 30 June 2019 |           |
|---------------------------------|----------------------------------|----------------------|-----------------|-----------|
|                                 | Revenue Received                 | Expenditure Incurred | Asset           | Liability |
|                                 | \$'000                           | \$'000               | \$'000          | \$'000    |
| Department of Health            | 715,299                          | 75,682               | 650             | 23,591    |
| Queensland Treasury Corporation | 496                              | 26                   | 19,224          | 2         |

Darling Downs Health receives funding in accordance with a service agreement with the DoH. DoH receives the majority of its revenue from the State Government and the Commonwealth.

Darling Downs Health is funded for eligible services through block funding, activity based funding or a combination of both. Activity based funding is based on an agreed number of activities per the service agreement and a state-wide price. The service agreement is reviewed periodically and updated for changes in activities and prices of services delivered by Hospital and Health Services.

Darling Downs Health purchases a number of supplies and services from the DoH including pharmaceuticals, pathology and laboratory services, Information and Communication Technology, aeromedical transport services, and insurance services.

Darling Downs Health has bank accounts with the Queensland Treasury Corporation for general trust and patient fiduciary trust monies and receives interest and incurs bank fees on these bank accounts.

## **DARLING DOWNS HOSPITAL AND HEALTH SERVICE**

### **Notes to the Financial Statements**

**For the year ended 30 June 2019**

#### **26. Related party transactions (continued)**

##### **Transactions with other Queensland Government controlled entities (continued)**

There are a number of other transactions which occur between Darling Downs Health and other government related entities. These transactions include, but are not limited to, superannuation contributions made to QSuper, rent paid to the Department of Housing and Public Works, audit fees paid to the Queensland Audit Office, payments to and receipts from other Hospital and Health Services to facilitate the treatment of patients, pharmaceuticals, staff, training and other incidentals. These transactions are made in the ordinary course of Darling Downs Health's business and are on standard commercial terms and conditions.

##### **Other**

There are no other individually significant transactions with related parties.

#### **27. Events occurring after balance date**

Effective 1 August 2019, Darling Downs Health in collaboration with DoH, transitioned from its current financial system to a more contemporary financial management system. The new system is not expected to affect Darling Downs Health's operations or financial results, however internal processes will necessarily change to align to new system requirements.



**DARLING DOWNS HOSPITAL AND HEALTH SERVICE**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2019**

**Management Certificate of Darling Downs Hospital and Health Service**

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 43 of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects;
- 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 Darling Downs Hospital and Health Service for the financial year ended 30 June 2019 and of the financial position of the Darling Downs Hospital and Health Service at the end of that year; and

We acknowledge responsibility under s.8 and s.15 of the *Financial and Management Standard 2009* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



Mike Horan AM

**Chair**

Darling Downs Hospital and Health Board  
26 / 08 / 2019



Jane Ranger FCPA GAICD BBus CDec

**Chief Finance Officer**

Darling Downs Hospital and Health Service  
26 / 08 / 2019

## INDEPENDENT AUDITOR'S REPORT

To the Board of Darling Downs Hospital and Health Service

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of Darling Downs Hospital and Health Service.

In my opinion, the financial report:

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

The financial report comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

#### Basis for opinion

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

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

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

#### Key audit matters

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

**Specialised buildings valuation (\$319.1 million)**

Refer to Note 13 in the financial report.

| Key audit matter  | How my audit addressed the key audit matter   |
|---|---|
| <p>Buildings were material to Darling Downs Hospital and Health Service at balance date, and were measured at fair value using the current replacement cost method. Darling Downs Hospital and Health Service performed a combination of comprehensive revaluation of approximately 12% of the written down value of its buildings this year with the remaining assets being revalued using indexation.</p> <p>The current replacement cost method comprises:</p> <ul style="list-style-type: none"> <li>• Gross replacement cost, less</li> <li>• Adjustments for obsolescence</li> </ul> <p>Darling Downs Hospital and Health Service derived the gross replacement cost of its buildings at balance date using unit prices that required significant judgements for:</p> <ul style="list-style-type: none"> <li>• identifying the components of buildings with separately identifiable replacement costs;</li> <li>• developing a unit rate for each of these components, including: <ul style="list-style-type: none"> <li>○ estimating the current cost for a modern substitute (including locality factors and oncosts), expressed as a rate per unit (e.g. \$/square metre);</li> <li>○ identifying whether the existing building contains obsolescence or less utility compared to the modern substitute, and if so estimating the adjustment to the unit rate required to reflect this difference.</li> </ul> </li> <li>• indexing unit rates for subsequent increases in input costs;</li> </ul> <p>The measurement of accumulated depreciation involved significant judgements for forecasting the remaining useful lives of building components.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant for calculating annual depreciation expense.</p> | <p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>• Assessing the adequacy of management’s review of the valuation process.</li> <li>• Assessing the appropriateness of the components of buildings used for measuring gross replacement costs with reference to common industry practices.</li> <li>• Assessing the competence, capabilities and objectivity of the experts used to develop the models</li> <li>• Reviewing the scope and instructions provided to the valuer, and obtaining an understanding of the methodology used and assessing its appropriateness with reference to common industry practices</li> <li>• For unit rates associated with buildings that were comprehensively revalued this year, 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>• For unit rates associated with the remaining buildings: <ul style="list-style-type: none"> <li>○ Evaluating the relevance and appropriateness of the indices used for changes in cost inputs by comparing to other relevant external indices;</li> <li>○ Recalculate the application of the indices to asset balances.</li> </ul> </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>○ For specific assets, we analysed the asset management plans for consistency between renewal budgets and the gross replacement of those assets.</li> <li>○ Testing that no asset 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 inconsistent relationship between condition and remaining useful life.</li> </ul> </li> <li>• Where changes in useful lives were identified, evaluating whether they were supported by appropriate evidence.</li> <li>• Reconciling the fair value of the buildings as determined by the valuer to the underlying accounting records and disclosures in the financial statements.</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 2009 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2019:

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



29 August 2019

Charles Strickland  
as delegate of the Auditor-General

Queensland Audit Office  
Brisbane

# Glossary

| Term                                       | Meaning  |
|--|--|
| Accessible                                 | 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.  |
| Accreditation                              | Accreditation is independent recognition that an organisation, service, program or activity.   |
| Activity Based Funding (ABF)               | 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>• capturing consistent and detailed information on hospital sector activity and accurately</li> <li>• measuring the costs of delivery</li> <li>• creating an explicit relationship between funds allocated and services provided</li> <li>• strengthening management's focus on outputs, outcomes and quality</li> <li>• 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> |
| Acute                                      | Having a short and relatively severe course.   |
| Acute care                                 | Care in which the clinical intent or treatment goal is to: <ul style="list-style-type: none"> <li>• manage labour (obstetric)</li> <li>• cure illness or provide definitive treatment of injury</li> <li>• perform surgery</li> <li>• relieve symptoms of illness or injury (excluding palliative care)</li> <li>• reduce severity of an illness or injury</li> <li>• protect against exacerbation and/or complication of an illness and/or injury that could</li> <li>• threaten life or normal function</li> <li>• perform diagnostic or therapeutic procedures.</li> </ul>  |
| Acute hospital                             | Is generally a recognised hospital that provides acute care and excludes dental and psychiatric hospitals.   |
| Admission                                  | 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).  |
| Aftercare                                  | Aftercare is a non-profit organisation and Australia's longest serving mental health organisation, supporting people with mental health issues to lead fulfilling, independent lives.  |
| Aged Care Assessment Team (ACAT)           | ACAT provides comprehensive assessments for the needs of frail older people and facilitates access to available care services appropriate to their needs.  |
| Allied Health staff (Health Practitioners) | Professional staff who meet mandatory qualifications and regulatory requirements in the following areas: audiology; clinical measurement sciences; dietetics and nutrition; exercise physiology; medical imaging; nuclear medicine technology; occupational therapy; orthoptics; pharmacy; physiotherapy; podiatry; prosthetics and orthotics; psychology; radiation therapy; sonography; speech pathology and social work.  |
| Ambulatory                                 | Care provided to patients who are not admitted to the hospital, such as patients of emergency departments, outpatient clinics and community based (non-hospital) healthcare services.  |

| Term                              | Meaning  |
|-----------------------------------|--|
| Antenatal                         | Antenatal care constitutes screening for health, psychosocial and socioeconomic conditions likely to increase the possibility of specific adverse pregnancy outcomes, providing therapeutic interventions known to be effective; and educating pregnant women about planning for safe birth, emergencies during pregnancy and how to deal with them (WHO, 2011). |
| Block funding                     | Block funding is typically applied for small public hospitals where there is an absence of economies of scale that mean some hospitals would not be financially viable under Activity Based Funding (ABF), and for community based services not within the scope of Activity Based Funding.  |
| Breast screen                     | A breast screen is an x-ray of the breast that can detect small changes in breast tissue before they can be felt by a woman or her doctor. A breast screen is for women who do not have any signs or symptoms of breast cancer. It is usually done every two years for women in the targeted age range.  |
| Business Planning Framework (BPF) | A tool for nursing and midwifery workload management to assist in determining appropriate nursing and midwifery staff and skill mix levels to meet service requirements and evaluate the performance of the nursing and midwifery services.  |
| Chronic disease                   | Chronic disease: Diseases which have one or more of the following characteristics: (1) is permanent, leaves residual disability; (2) is caused by non-reversible pathological alteration; (3) requires special training of the individual for rehabilitation, and/or may be expected to require a long period of supervision, observation or care.               |
| Clinical governance               | A framework by which health organisations are accountable for continuously improving the quality of their services and safeguarding high standards of care by creating an environment in which excellence in clinical care will flourish.  |
| Clinical practice                 | Professional activity undertaken by health professionals to investigate patient symptoms and prevent and/or manage illness, together with associated professional activities for patient care.   |
| Clinical redesign                 | Clinical process redesign is concerned with improving patient journeys by making them simpler and better coordinated. The redesign process is patient focused, led by clinical staff, systematic and methodical and quick with tight timeframes.   |
| Closing the Gap                   | A government strategy that aims to reduce disadvantage among Aboriginal and Torres Strait Islander people with respect to life expectancy, child mortality, access to early childhood education, educational achievement, and employment outcomes.   |
| Community Care Unit               | A Community Care Unit (CCU) is a residential facility for adult mental health consumers who are in recovery but require additional support and life skills rehabilitation to successfully transition to independent community living.  |
| Consumer Advisory Council         | Formal advisory body to provide advice to the Darling Downs Health and to act as a bridge between health consumers and the health service.   |
| Department of Health              | The Department of Health is responsible for the overall management of the public sector health system in Queensland, and works in partnership with Hospital and Health Services to ensure the public health system delivers high quality hospital and other health services.   |
| Emergency department waiting time | Time elapsed for each patient from presentation to the emergency department to start of services by the treating clinician. It is calculated by deducting the date and time the patient presents from the date and time of the service event.  |
| Endoscopy                         | Internal examination of either the upper or lower gastro intestinal tract.   |

| Term  | Meaning   |
|---|---|
| Environmental Health                                  | Environmental Health programs are related to human health issues that are affected by the physical, chemical, biological and social factors that are present in the environment.  |
| Full-time equivalent (FTE)                            | Refers to full-time equivalent staff currently working in a position.   |
| Governance  | Governance is aimed at achieving organisational goals and objectives, and can be described as the set of responsibilities and practices, policies and procedures used to provide strategic direction, ensure objectives are achieved, manage risks, and use resources responsibly and with accountability.  |
| GP (General Practitioner)                             | A general practitioner is a registered medical practitioner who is qualified and competent for general practice in Australia. General practitioners operate predominantly through private medical practices.  |
| Haemodialysis   | Commonly called kidney dialysis or simply dialysis, is a process of purifying the blood of a person whose kidneys are not working normally.   |
| Home and Community Care (HACC)                        | The Commonwealth funded HACC Program provides services which support frail older people and their carers, who live in the community and whose capacity for independent living are at risk of premature or inappropriate admission to long term residential care.  |
| Hospital  | 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.   |
| Hospital and Health Board                             | The Hospital and Health Boards are made up of a mix of members with expert skills and knowledge relevant to managing a complex healthcare organisation.   |
| Hospital and Health Service                           | Hospital and Health Service (HHS) is a separate legal entity established by Queensland Government to deliver public hospital services.  |
| Inpatient   | A patient who is admitted to a hospital or health service for treatment that requires at least one overnight stay.  |
| Internal audit  | Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.                       |
| Interns   | A medical practitioner in the first postgraduate year, learning further medical practice under supervision.   |
| Key performance indicators                            | Key performance indicators are metrics used to help a business define and measure progress towards achieving its objectives or critical success factors.  |
| Long wait   | 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 an urgent (category 1) operation, more than 90 days for a semi-urgent (category 2) operation and more than 365 days for a routine (category 3) operation. |
| Mammography   | Mammography is specialized medical imaging that uses a low-dose x-ray system to see inside the breasts.   |
| Medical practitioner                                  | A person who is registered with the Medical Board of Australia to practice medicine in Australia, including general and specialist practitioners.   |
| Minimum Obligatory Human Resource Information (MOHRI) | MOHRI is a whole of Government methodology for producing an Occupied Full Time Equivalent (FTE) and headcount value sourced from the Queensland Health payroll system data for reporting and monitoring.  |



| Term   | Meaning  |
|--|--|
| Models of care   | Model of care and models of service delivery broadly defines the way that clinical and nonclinical services will be delivered.   |
| Multidisciplinary team                                   | Health professionals employed by a public health service who work together to provide treatment and care for patients. They include nurses, doctors, allied health and other health professionals.   |
| Multipurpose Health Service (MPHS)                       | Provide a flexible and integrated approach to health and aged care service delivery for small rural communities. They are funded through pooling of funds from Hospital and Health Services (HHS) and the Australian Government Department of Health and Ageing.   |
| My Aged Care   | A website established by the Australian Government to help navigate the aged care system.  |
| National Safety and Quality Healthcare Standards (NSQHS) | The National Safety and Quality Health Service (NSQHS) Standards were developed by the Australian Commission on Safety and Quality in Healthcare (the Commission) in consultation and collaboration with jurisdictions, technical experts and a wide range of other organisations and individuals, including health professionals and patients. The primary aims of the NSQHS Standards are to protect the public from harm and to improve the quality of care provided by health service organisations. |
| National Standards for Mental Health Services (NSMHS)    | The National Standards for Mental Health Services (NSMHS) were first introduced in 1996 to assist in the development and implementation of appropriate practices and guide continuous quality improvement in mental health services. Demonstration of the delivery of services against these standards ensures that consumers, carers and the community can be confident of what to expect from mental health services.  |
| Occasion of service                                      | Any examination, consultation, treatment or other service provided to a patient.   |
| Occupied bed days  | Is the occupancy of a bed or bed alternative by an admitted patient as measured at midnight.   |
| Oncology   | The study and treatment of cancer and malignant tumours.   |
| Ophthalmology  | Consultation, assessment, review, treatment and management of conditions relating to eye.  |
| Orthopaedics   | Consultation, diagnosis, treatment and follow-up of patients suffering diseases and disorders of the musculoskeletal system and connective tissue.   |
| Outpatient   | Non-admitted health service provided or accessed by an individual at a hospital or health service facility.  |
| Outpatient clinic  | Provides examination, consultation, treatment or other service to non-admitted nonemergency patients in a speciality unit or under an organisational arrangement administered by a hospital.   |
| Outreach   | Services delivered to sites outside of the service's base to meet or complement local service needs.   |
| Own source revenue                                       | Own Source Revenue (OSR) is revenue generated by the agency, generally through the sale of goods and services. Examples of OSR include revenue generated through privately insured inpatients, private outpatients, and Medicare ineligible patients (e.g. overseas visitors).   |
| Palliative care  | Palliative care is an approach that improves quality of life of patients and their families facing the problems associated with life threatening illness, through the prevention of suffering by means of early identification and assessment and treatment of pain and other problems, physical, psychological and spiritual.   |
| Pastoral care  | Pastoral Care Services exist within a holistic approach to health, to enable patients, families and staff to respond to spiritual and emotional needs, and to the experiences of life and death, illness and injury, in the context of a faith or belief system.   |

| Term                                 | Meaning   |
|--------------------------------------|---|
| Patient Travel Subsidy Scheme (PTSS) | Patient Travel Subsidy Scheme (PTSS) provides assistance to patients, and in some cases their carers, to enable them to access specialist medical services that are not available locally.  |
| Performance indicator                | A measure that provides an 'indication' of progress towards achieving the organisation's objectives. Usually has targets that define the level of performance expected against the performance indicator.   |
| Performance Level 1                  | The Department of Health 'Delivering a High Performing Health System for Queenslanders - Performance Framework' outlines how health services are assessed. Performance is evaluated against several components to achieve a comprehensive and holistic assessment of performance including accreditation status, Service Agreement delivery, fiscal management and KPI performance.   |
| Primary healthcare                   | Primary healthcare services include health promotion and disease prevention, acute episodic care not requiring hospitalisation, continuing care of chronic diseases, education and advocacy.  |
| Primary Health Network               | Primary Health Networks (PHNs) replaced Medicare Locals from July 1 2015. PHNs are established with the key objectives of: <ul style="list-style-type: none"> <li>• increasing the efficiency and effectiveness of medical services for patients, particularly those at risk of poor health outcomes; and</li> <li>• improving coordination of care to ensure patients receive the right care in the right place at the right time.</li> <li>• PHNs work directly with general practitioners, other primary healthcare providers, secondary care providers and hospitals to ensure improved outcomes for patients.</li> </ul> |
| Prosthetic                           | An artificial replacement for part of the body.   |
| Public hospital                      | Public hospitals offer free diagnostic services, treatment, care and inpatient accommodation to Medicare eligible patients. Patients who elect to be treated as a private patient in a public hospital, and patients who are not Medicare eligible are charged for the cost of treatment.   |
| Public patient                       | A public patient is one who elects to be treated as a public patient, so cannot choose the doctor who treats them, or is receiving treatment in a private hospital under a contract arrangement with a public hospital or health authority.   |
| Queensland Weighted                  | QWAU is a standardised unit to measure healthcare services (activities) within the Queensland Activity Based Funding (ABF) model.   |
| Registered nurse (RN)                | An individual registered under national law to practice without supervision in the nursing  |
| Renal dialysis                       | Renal dialysis is a medical process of filtering the blood with a machine outside of the body.  |
| Risk                                 | The effect of uncertainty on the achievement of an organisation's objectives.   |
| Risk management                      | A process of systematically identifying hazards, assessing and controlling risks, and monitoring and reviewing activities to make sure that risks are effectively managed.  |
| Safety and Reliability               | Safety and Reliability Improvement Partners are an exclusive group of healthcare organisations, led by the Cognitive Institute, committed to a quantum leap in the delivery of safer and reliable healthcare.   |
| Secondary healthcare                 | Medical care provided by a specialist or facility upon referral by a primary care physician. It includes services provided by hospitals and specialist medical practices.   |
| Separation                           | Separation The process by which an episode of care for an admitted patient ceases. A separation may be formal or statistical.   |

| Term                             | Meaning  |
|----------------------------------|--|
| Service Delivery Statement (SDS) | Service Delivery Statements provide budgeted financial and non-financial information for the Budget year; <a href="https://www.treasury.qld.gov.au/resource/service-delivery-statements/">https://www.treasury.qld.gov.au/resource/service-delivery-statements/</a>  |
| Statutory bodies/ authorities    | A non-departmental government body, established under an Act of Parliament.  |
| Sub-acute                        | Sub-acute care focuses on continuation of care and optimisation of health and functionality.   |
| SUFS Speaking Up for Safety      | A Cognitive Institute program implanted by Darling Downs Health to promote safety in the workplace.  |
| Sustainable health system        | 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.  |
| Theatre pendant                  | Moveable arm system to provide medical gas and electrical service and facilitate equipment management in an operating theatre.   |
| Telehealth                       | Delivery of health-related services and information via telecommunication technologies, including: <ul style="list-style-type: none"> <li>• live, audio and/or video inter-active links for clinical consultations and educational purposes</li> <li>• store-and-forward Telehealth, including digital images, video, audio and clinical (stored) on a client computer, then transmitted securely (forwarded) to a clinic at another location where they are studied by relevant specialists</li> <li>• Telehealth services and equipment to monitor people's health in their home.</li> </ul> |
| Triage category                  | Urgency of a patient's need for medical and nursing care.  |
| Ultrasound                       | Ultrasound imaging allows an inside view of soft tissues and body cavities without the use of invasive techniques. Ultra-sound waves can be bounced off tissues by using special devices. The echoes are then converted into a picture called a sonogram.  |
| Visiting Medical Officer         | A medical practitioner who is employed as an independent contractor or an employee to provide services on a part time, sessional basis.  |
| Weighted activity unit (WAU)     | A single standard unit used to measure all activity consistently.  |
| WOOS                             | Weighted occasions of service.   |

# Compliance Checklist

| Summary of Requirement    |  | Basis for requirement   | Annual report reference |
|---------------------------|--|---|-------------------------|
| Letter of compliance      | <ul style="list-style-type: none"> <li>A letter of compliance from the accountable officer or statutory body to the relevant Minister</li> </ul> | ARRs – section 7  | 1                       |
| Accessibility             | <ul style="list-style-type: none"> <li>Table of contents</li> </ul>  | ARRs – section 9.1  | 2-3                     |
|                           | <ul style="list-style-type: none"> <li>Glossary</li> </ul>   | ARRs – section 9.1  | 158-163                 |
|                           | <ul style="list-style-type: none"> <li>Public availability</li> </ul>  | ARRs – section 9.2  | Inside cover            |
|                           | <ul style="list-style-type: none"> <li>Interpreter service statement</li> </ul>  | <i>Queensland Government Language Services Policy</i><br>ARRs – section 9.3 | Inside cover            |
|                           | <ul style="list-style-type: none"> <li>Copyright notice</li> </ul>   | <i>Copyright Act 1968</i><br>ARRs – section 9.4                             | Inside cover            |
|                           | <ul style="list-style-type: none"> <li>Information licensing</li> </ul>  | <i>QGEA – Information licensing</i><br>ARRs – section 9.5                   | Inside cover            |
| General information       | <ul style="list-style-type: none"> <li>Introductory Information</li> </ul>   | ARRs – section 10.1   | 6-7                     |
|                           | <ul style="list-style-type: none"> <li>Agency role and main functions</li> </ul>   | ARRs – section 10.2   | 16-20                   |
|                           | <ul style="list-style-type: none"> <li>Machinery of Government changes</li> </ul>  | ARRs – section 31 and 32  | Not Applicable          |
|                           | <ul style="list-style-type: none"> <li>Operating environment</li> </ul>  | ARRs – section 10.3   | 10-11, 52               |
| Non-financial performance | <ul style="list-style-type: none"> <li>Government objectives for the community</li> </ul>  | ARRs – section 11.1   | 4-5                     |
|                           | <ul style="list-style-type: none"> <li>Other whole-of-government plans/ specific initiatives</li> </ul>  | ARRs – section 11.2   | 13, 15                  |
|                           | <ul style="list-style-type: none"> <li>Agency objectives and performance indicators</li> </ul>   | ARRs – section 11.3   | 58-63, 67-107           |
|                           | <ul style="list-style-type: none"> <li>Agency service areas and service standards</li> </ul>   | ARRs – section 11.4   | 58-63                   |
| Financial performance     | <ul style="list-style-type: none"> <li>Summary of financial performance</li> </ul>   | ARRs – section 12.1   | 64-65                   |



|   |   |  |   |
|---|---|--|---|
| Governance – management and structure           | • Organisational structure                                | ARRs – section 13.1  | 39-43   |
|   | • Executive management                                    | ARRs – section 13.2  | 22-38, 49-54  |
|   | • Government bodies (statutory bodies and other entities) | ARRs – section 13.3  | 166-167   |
|   | • <i>Public Sector Ethics Act 1994</i>                    | <i>Public Sector Ethics Act 1994</i><br>ARRs – section 13.4  | 57  |
|   | • Queensland public service values                        | ARRs – section 13.5  | 7   |
| Governance – risk management and accountability | • Risk management   | ARRs – section 14.1  | 51  |
|   | • Audit committee   | ARRs – section 14.2  | 51  |
|   | • Internal Audit  | ARRs – section 14.3  | 55  |
|   | • External Scrutiny                                       | ARRs – section 14.4  | 56  |
|   | • Information systems and recordkeeping                   | ARRs – section 14.5  | 56  |
| Governance – human resources                    | • Workforce planning, and performance                     | ARRs – section 15.1  | 48  |
|   | • Early retirement, redundancy and retrenchment           | Directive No.11/12 <i>Early Retirement, Redundancy and Retrenchment</i><br>Directive No.16/16 <i>Early Retirement, Redundancy and Retrenchment</i> (from 20 May 2016)<br>ARRs – section 15.2 | 48  |
| Open Data                                       | • Statement advising publication of information           | ARRs – section 16  | Inside cover  |
|   | • Consultancies   | ARRs – section 33.1  | <a href="https://data.qld.gov.au">https://data.qld.gov.au</a> |
|   | • Overseas travel   | ARRs – section 33.2  | <a href="https://data.qld.gov.au">https://data.qld.gov.au</a> |
|   | • Queensland Language Services Policy                     | ARRs – section 33.3  | <a href="https://data.qld.gov.au">https://data.qld.gov.au</a> |
| Financial statements                            | • Certification of financial statements                   | FAA – section 62<br>FPMS – sections 42, 43 and 50<br>ARRs – section 17.1   | 153   |
|   | • Independent Auditors Report                             | FAA – section 62<br>FPMS – section 50<br>ARRs – section 17.2   | 154-157   |

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2009*

ARRs *Annual report requirements for Queensland Government agencies*

# Appendix 1

Annual report requirements for Queensland Government agencies for the 2018–19 reporting period – Section 13.3 Government bodies

| Name of Government Body Darling Downs Hospital and Health Service Board |   |
|---|---|
| Act or instrument   | <i>Hospital and Health Board Act 2011</i>   |
| Functions   | The Board provides governance of Darling Downs Hospital and Health Service and is responsible for strategic direction, oversight of financial performance, delivery of quality health outcomes and engagement with consumers and the community.   |
| Achievements  | Overseeing the development of the Health Service Plan 2019-29.<br>Overseeing the Kingaroy Hospital Redevelopment Project to the announcement of the successful construction contractor in June 2019.<br>Overseeing the Toowoomba Hospital Redevelopment Project toward the development of the Detailed Business Case. |
| Financial reporting   | Not exempted from audit by the Auditor-General. Annual financial statements are audited by the QAO.<br>Transactions of the entity are accounted for in the annual financial statements.   |

| Remuneration |                        |  |   |  |                      |
|--------------|------------------------|--|---|--|----------------------|
| Position     | Name                   | Meetings/sessions attendance   | Approved annual, sessional or daily fee | Approved sub-committee fees if applicable  | Actual fees received |
| Chair        | Mr Mike Horan AM       | 10 of 11 Board Meetings<br>11 of 12 Executive Committee  | \$75,000 pa                             | \$4,000 pa Chair, Executive Committee  | \$79,000             |
| Deputy Chair | Dr Dennis Campbell     | 11 of 11 Board Meetings<br>10 of 11 Finance Committee<br>12 of 12 Executive Committee<br>4 of 4 Audit & Risk Committee | \$40,000 pa                             | \$4,000 pa Chair, Finance Committee<br>\$3,000 pa Member, Executive Committee<br>\$3,000 pa Member, Audit & Risk Committee | \$50,000             |
| Member       | Professor Julie Cotter | 10 of 11 Board Meetings<br>10 of 11 Finance Committee<br>4 of 4 Audit & Risk Committee                                 | \$40,000 pa                             | \$3,000 pa Member, Audit & Risk Committee<br>\$3,000 pa Member, Finance Committee  | \$46,000             |
| Member       | Ms Cheryl Dalton       | 10 of 11 Board Meetings<br>9 of 11 Finance Committee<br>4 of 4 Audit & Risk Committee                                  | \$40,000 pa                             |  | \$47,000             |

| Position                               | Name  | Meetings/<br>sessions<br>attendance  | Approved annual,<br>sessional or daily<br>fee | Approved sub-<br>committee fees if<br>applicable   | Actual fees<br>received |
|--|---|--|---|--|-------------------------|
| Member                                 | Dr Ross<br>Hetherington   | 9 of 11<br>Board meetings<br>10 of 12<br>Executive<br>Committee<br>5 of 6<br>Safety & Quality<br>Committee                                   | \$40,000 pa                                   | \$3,000 pa<br>Member, Executive<br>Committee<br>\$3,000 pa<br>Member, Safety &<br>Quality Committee  | \$46,000                |
| Member                                 | Ms Trish<br>Leddington-Hill   | 11 of 11<br>Board Meetings<br>4 of 4<br>Audit & Risk<br>Committee<br>6 of 6<br>Safety & Quality<br>Committee                                 | \$40,000 pa                                   | \$4,000 pa<br>Chair, Safety &<br>Quality Committee<br>\$3,000 pa<br>Member, Audit &<br>Risk Committee  | \$47,000                |
| Member                                 | Ms Megan<br>O'Shannessy   | 11 of 11<br>Board Meetings<br>6 of 6<br>Safety & Quality<br>Committee  | \$40,000 pa                                   | \$3,000 pa<br>Member, Safety &<br>Quality Committee  | \$43,000                |
| Member                                 | Ms Marie Pietsch  | 10 of 11<br>Board Meetings<br>9 of 11<br>Finance Committee<br>4 of 4<br>Audit & Risk<br>Committee<br>5 of 6<br>Safety & Quality<br>Committee | \$40,000 pa                                   | \$3,000 pa<br>Member, Audit &<br>Risk Committee<br>\$3,000 pa<br>Member, Finance<br>Committee<br>\$3,000 pa<br>Member, Safety &<br>Quality Committee | \$49,000                |
| Member                                 | Dr Ruth Terwijn   | 10 of 11<br>Board Meetings<br>10 of 12<br>Executive<br>Committee<br>5 of 6<br>Safety & Quality<br>Committee                                  | \$40,000 pa                                   | \$3,000 pa<br>Member, Executive<br>Committee<br>\$3,000 pa<br>Member, Safety &<br>Quality Committee  | \$46,000                |
| No. scheduled<br>meetings/<br>sessions | 11 Board meetings<br>12 Executive Committee meetings<br>11 Finance Committee meetings<br>4 Audit & Risk Committee meetings<br>6 Safety & Quality Committee meetings |  |   |  |                         |
| Total out of<br>pocket expenses        | Total out of pocket expenses in 2018-19 for Chair and all members was \$26,066.66.  |  |   |  |                         |

