

ANNUAL REPORT 2023–2024

**Sunshine Coast
Hospital and Health Service**



Open data

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

Public availability statement

An electronic copy of this report is available at www.sunshinecoast.health.qld.gov.au/about-us/corporate-publications-and-reporting/annual-reports

Hard copies of the annual report are available by phoning Communications and Engagement on 07 5202 0000. Alternatively, you can request a copy by emailing sc-communications@health.qld.gov.au

Interpreter service statement

The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you need help understanding the annual report, you can contact us on telephone 07 5202 0000 and we will arrange an interpreter to effectively communicate the report to you.



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Acknowledgement

Acknowledgement to Traditional Owners

Sunshine Coast Health respectfully acknowledges the Traditional Custodians, the Kabi Kabi (Gubbi Gubbi) and Jinibara people on whose land we provide our services.

We also pay our respects to the Aboriginal and Torres Strait Islander Elders, past, present, and future. We recognise the strength and resilience that Aboriginal and Torres Strait Islander peoples and their ancestors have displayed in laying solid foundations for the generations that follow.

Recognition of Australian South Sea Islanders

Sunshine Coast Health formally recognises the Australian South Sea Islanders as a distinct cultural group within our geographical boundaries.

Sunshine Coast Health is committed to fulfilling the Queensland Government Recognition Statement Australian South Sea Islander Community to ensure that present and future generations of Australian South Sea Islanders have equality of opportunity to participate in and contribute to the economic, social, political, and cultural life of the State.

Aboriginal people and Torres Strait Islander people are advised that this publication may contain words, names, images, and descriptions of people who have passed away.

30 August 2024

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

Dear Minister

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

I certify that this Annual Report complies with:

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

A checklist outlining the annual reporting requirements is provided on page 108 of this annual report.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David Rowlands', with a long horizontal flourish extending to the right.

Dr David Rowlands OAM

Chair
Sunshine Coast Hospital and Health Board

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Statement on Queensland Government objectives for the community

Sunshine Coast Health contributes to the Queensland Government's objectives for the community by supporting good jobs, delivering better services, and supporting Queensland's great lifestyle.

We are:

- Supporting jobs: Good, secure jobs in more industries to diversify the Queensland economy and build on existing strengths in agriculture, resources, and tourism.
- Backing small business: Help small business, the backbone of the state's economy, thrive in a changing environment.
- Making it for Queensland: Grow manufacturing across traditional and new industries, making new products in new ways and creating new jobs.
- Investing in skills: Ensure Queenslanders have the skills they need to find meaningful jobs and set up pathways for the future.
- Backing our frontline services: Deliver world-class frontline services in key areas such as health, education, transport, and community safety.
- Keeping Queenslanders safe: Continue to keep Queenslanders safe as we learn to live with COVID-19 and ensure all Queenslanders can access world-class healthcare no matter where they live.
- Connecting Queensland: Drive the economic benefits, improve social outcomes, and create greater social inclusion through digital technology and services.
- Protecting the environment: Protect and enhance our natural environment and heritage for future generations and achieve a 70 per cent renewable energy target by 2032 and net zero emissions by 2050.
- Growing our regions: Help Queensland's regions grow by attracting people, talent, and investment, and driving sustainable economic prosperity.
- Building Queensland: Drive investment in the infrastructure that supports the State's economy and jobs, builds resilience, and underpins future prosperity.
- Honouring and embracing our rich and ancient cultural history: Create opportunities for First Nations Queenslanders to thrive in a modern Queensland.

Sunshine Coast Hospital and Health Service Strategic Plan 2022–2026 supports the Queensland Government's objectives for the community and contributes to the Government's sub-objectives of:

- Keeping Queenslanders safe
- Backing our frontline services
- Protecting the environment
- Connecting Queensland.

Sunshine Coast Health's priorities also closely align with Queensland Health's commitment to:

- Protect the health of all Queenslanders through effectively planned and timely responses to systemwide threats
- Effective partnerships with primary care and Queensland Ambulance Service to drive co-designed models of care

- Support and advance our workforce
- Advance Health Equity for First Nations people
- Health reform that plans for a sustainable future
- Interconnected system governance that delivers the building blocks to support Hospital and Health Services.

These priorities drive our commitment to co-design models of care, support and advance our workforce, health equity for Aboriginal and Torres Strait Islander people, and health reforms that support a sustainable future.

Sunshine Coast Health's priorities are:

- Our care
- Our people
- Our sustainability
- Our future.

These priorities support our delivery of the directions outlined in *My health, Queensland's future: Advancing health 2026*:

- Promoting wellbeing
- Delivering healthcare
- Connecting healthcare
- Pursuing innovation.

Key strategic enablers for contributing to the objectives include a positive work environment, technology and innovation, research capacity, infrastructure, key partnerships with other agencies sectors and providers, and the use of data.

This annual report details how Sunshine Coast Health has contributed to the Government's priorities.

From the Board Chair and Chief Executive

The 2023-24 financial year has been a year of achievement for Sunshine Coast Health with more patients than ever before treated in our hospitals. Patients are at the heart of everything we do – we work to deliver compassionate, accessible, and culturally sensitive healthcare and we have made significant advances in our service delivery. This past year we have delivered a number of new initiatives and expanded services aimed at enhancing patient outcomes and experiences.

This is the second year of our new Strategic Plan, Local Area Needs Assessment, and Master Clinical Services Plan – three documents that provide a roadmap for our organisation and for the development of services.

This year we provided more care than ever before through our busy emergency departments as well as elective surgery and specialist outpatient care. Central to our commitment to advancing healthcare accessibility and efficiency is the integration of technologies and innovation. The acquisition of a Da Vinci Robot, which will be commissioned in the next financial year, is a testament to this commitment. Our Da Vinci Robot will facilitate access to efficient care and enhance surgical precision.

Additionally, the introduction of unседated transnasal endoscopy reflects our dedication to providing less invasive and patient-centric treatment options. These initiatives not only optimise patient comfort but also contribute to faster recovery and reduced time spent in hospital.

We recognise the importance of fostering a culturally inclusive environment that resonates with the diverse needs of our community. We have continued to deliver on the outcomes set out in the Sunshine Coast Aboriginal and Torres Strait Islander Health Equity Strategy (2022-2025) and the long-term changes needed to address structural and systemic inequities. This year we unveiled two new dental vans wrapped in culturally-appropriate Aboriginal and Torres Strait Islander artwork by local artist Mandy Draper. The artwork is welcoming for children and underscores our commitment to equitable healthcare access and inclusivity. This year we also established a dedicated public-facing space at Sunshine Coast University Hospital. The space is a visual reminder of our dedication to person-centred, equitable access to healthcare.

Our strategic vision for our health service goes beyond clinical care, to encompassing a strong research, education, and workforce development culture. This was delivered this year with the recognition of six Sunshine Coast Health professionals gaining significant Study, Education, Research Training Fund (SERTF) grants to foster innovation and advance healthcare practices tailored to the unique needs of our community. Furthermore, the appointment of the inaugural Executive Director of the Sunshine Coast Health Institute heralds a new era of excellence in implementation sciences, driving forward novel models of care and workforce development.

In line with our strategic vision for growth and service expansion, we also commenced two new surgical services, Thoracic Surgery and Maxillofacial Surgery. These additions not only bring specialised care closer to home but also reinforce our readiness to serve as a major trauma centre in the future.

Attracting and retaining a skilled workforce is a key focus for our health service and we made a number of investments this year in supporting our people. This year we finalised the construction of the purpose-built \$8 million staff accommodation at Gympie Hospital. The 24-bed staff accommodation facility was designed to help attract and retain vital health workers to Gympie Hospital and to improve infrastructure critical to the delivery of health services in rural and remote communities.

We invested in infrastructure across the health service with our infrastructure uplift to deliver the integrated electronic medical records (ieMR) project at Caloundra Health Service. We also continued the redevelopment of Nambour General Hospital, and upgrades to Maleny Soldier's Memorial Hospital.

As we reflect on the milestones and accomplishments of the past year, we are deeply grateful for the hard work of our stakeholders, partners, and, most importantly, our dedicated Sunshine Coast Health staff. We

also want to thank our consumer advisory groups and the volunteers in our health service, who have again performed a vital role in delivering healthcare to our communities. We couldn't provide our services without your support.

We would also like to say thank you to our Sunshine Coast Hospital Foundation Wishlist for their supporting research projects, accommodation, medical equipment, support services, and training and wellbeing programs for our staff.

Our Sunshine Coast Health Board and Executive team should also be congratulated on their strong leadership and commitment to delivering high-quality, cost-effective, innovative healthcare.

Dr David Rowlands OAM
Chair

Dr Peter Gillies
Chief Executive

About us

Sunshine Coast Health is the primary provider of public health services, health education, and research in the Sunshine Coast, Gympie and Noosa local government areas.

Established in 2012, Sunshine Coast Health is an independent statutory body governed by the Sunshine Coast Hospital and Health Board under the *Hospital and Health Boards Act 2011*.

We operate according to a service agreement with Queensland Health which identifies the services to be provided, funding arrangements, performance indicators, and targets to ensure the expected health outcomes for our communities are achieved.

Our strategic direction

Our *Sunshine Coast Hospital and Health Service Strategic Plan 2022–2026* outlines our vision, purpose, values, objectives, and future direction as well as how we work with our community to improve people's health and wellbeing.

When determining our strategic vision and objectives, we respect, protect, and promote human rights in our decision-making and actions.

Our priorities

- Our care – we provide high-quality, equitable, accessible, person-centred care.
- Our people – we value and support our people.
- Our sustainability – we manage our financial, physical, and environmental resources responsibly.
- Our future – we improve and prepare for the future through research, education and innovation.

Our vision, purpose, values

Our vision: Health and wellbeing through person-centred care.

Our purpose: High-quality, cost-effective, innovative healthcare in collaboration with our communities and partners.

Our values:

iCAN

Integrity: we are respectful, trustworthy, equitable and honest in everything we do.

Compassion: we respect others, act with kindness, encourage and take time to listen to others.

Accountability: we take responsibility for our performance and behaviours and celebrate our achievements.

Innovation: we embrace change and strive to know more, learn more, and do better.

These values underpin the culture of Sunshine Coast Health. We have adopted the Queensland Public Service values: Customers First, Unleash Potential, Ideas into Action, Empower People and Be Courageous.

Aboriginal and Torres Strait Islander Health

Aboriginal and Torres Strait Islander peoples, make up 2.8 per cent of our health service region's population with the largest proportion residing in Caloundra (20.2 per cent) and Gympie (20 per cent) regions.

Sunshine Coast Health is committed to achieving the outcomes of the Queensland Government's Strategy, Making Tracks, toward closing the gap in health outcomes for Indigenous Queenslanders by 2033.

Overseen and monitored by its Closing the Gap Committee, Sunshine Coast Health is on track to meet its targets.

- Embed Aboriginal and Torres Strait Islander representation in leadership, governance and workforce
- Improve local engagement and partnerships between Sunshine Coast Health and Aboriginal and Torres Strait Islander peoples, communities and organisations
- Improve transparency, reporting and accountability in our efforts to close the gap in health outcomes for Aboriginal and Torres Strait Islander peoples by maintaining and regularly reviewing an outcome-based report of services delivered.

Our hospital and health services

Sunshine Coast Health provides healthcare services through its hospitals, a residential aged care facility, and various other health facilities including:

Sunshine Coast University Hospital

The Sunshine Coast University Hospital (SCUH) is a tertiary level teaching hospital. SCUH is co-located with the Sunshine Coast Health Institute and the Sunshine Coast University Private Hospital.

Nambour General Hospital

The Nambour General Hospital has a strong history of providing services to the Sunshine Coast community since the 1920s. Nambour General Hospital is undergoing a redevelopment to better service the growing health needs of the local community.

Caloundra Health Service

Caloundra Health Service is Sunshine Coast Health's hub for palliative care and ophthalmology. It provides a range of outpatient, ambulatory, and community-based services, including a Minor Injury and Illness Clinic, renal, oral health, and community services for residents of Caloundra and surrounds.

Gympie Hospital

Gympie Hospital has served the community for over 150 years and provides acute regional services to residents in the Gympie, Cooloola and Kilkivan areas. A range of acute, ambulatory, community and mental health services are provided, including emergency, surgical and medical services, palliative care and rehabilitation, maternity services, and renal dialysis.

Maleny Soldiers Memorial Hospital

Maleny Soldiers Memorial Hospital is a rural facility providing services to the Maleny region. It delivers emergency services, medical care, a subacute rehabilitation unit, ambulatory clinics, essential diagnostic and clinical support services, oral health, and community-based services.

Glenbrook Residential Aged Care Facility

Glenbrook Residential Aged Care Facility is a 45-bed purpose-built high-care residential aged care facility in Nambour. Glenbrook provides high-quality resident-focused care in a home-like environment, including transition care, general aged care, older persons' mental healthcare, and a secure dementia wing.

Janelle Killick Community Care Unit

The Janelle Killick Community Care Unit provides a 24-hour, seven days per week, mental health residential rehabilitation service. The service aims to promote an individual's recovery by offering opportunities to maximise their strengths and potential, peer support and supervised rehabilitation. Clinical interventions and living skills development are provided to consumers who require medium to long-term mental healthcare and rehabilitation.

Kawana Oral Health

Kawana Oral Health provides child and adult dental services in the Sunshine Coast region to people who meet the eligibility criteria for accessing public dental services in Queensland.

Maroochydore Community Hub

The Maroochydore Community Hub is a purpose-built facility consolidating 19 community-based services into one facility, increasing and improving access for our patients and the community. The hub accommodates services from Mental Health and Specialised Services, Community and Preventive Health, and Women's and Children's services.

Aboriginal and Torres Strait Islander Health Waterfall Road

The Aboriginal and Torres Strait Islander Health unit provides community based, person-centred care to assist patients to better manage their health condition. The facility houses nurses, health workers, exercise physiologists, social work and a dietitian. Services include eye health, exercise physiology and diabetes as well as outreach services by Birawan midwifery group practice and the Persistent Pain Management Service.

Child Health Waterfall Road

The Child Health facility provides parenting support for families from birth to five years of age along with child health and developmental screening and assessments. In-house and home visiting services run from this facility and include speech pathology, Early Intervention Parenting clinician support, Child Health Access booking and administration hub, child health nurse clinics and groups, healthy lifestyle support for children, occupational therapy support for families with children experiencing enuresis and encopresis. The facility is also the base for the Jabba Jabba team.

Jabba Jabba delivers childhood vaccinations and cultural support, both in the family's home and also within a clinic environment, for children identified as Aboriginal or Torres Strait Islander. This team covers the Sunshine Coast Health region.

Noosa Hospital

Noosa Hospital is operated by Ramsay Health and provides some public health services to the residents of Noosa and surrounds. The hospital provides a comprehensive range of inpatient and day services across various specialties.

Concessional parking

Sunshine Coast Health provides free parking for patients and carers at most of its facilities, however concessional parking is available for eligible patients and carers at Sunshine Coast University Hospital and Nambour General Hospital. In 2022-2023, Sunshine Coast Health issued 14,613 concessional parking tickets for patients and carers to the value of \$145,360.

Targets and challenges

With an increase in demand and population, Sunshine Coast Health has expanded the range of services provided. The *Sunshine Coast Hospital and Health Service Strategic Plan 2022-2026* outlines five strategic challenges and key opportunities to deliver on its vision of health and wellbeing through person-centred care.

Targets and measures of success:

The Sunshine Coast Hospital and Health Service Strategic Plan 2022-2026 outlines four focus areas with an intent, strategies, and defined measures for success. The measures outlined in the Strategic Plan are stretch targets that align with the vision of Health and Wellbeing through person-centred care and align with the Queensland Government objectives for the community – Good jobs, better services, great lifestyle.

Our measures for success include:

- Hospital acquired complications rates below 25th percentile of peer hospitals
- Aboriginal and Torres Strait Islander Health Equity Strategy is implemented meeting at least 80 per cent of the implementation milestones on time
- At least 75 per cent of patients rate overall care at Sunshine Coast Health as very good on statewide inpatient PREMS (Patient Reported Experience and Outcome Measures)
- Sunshine Coast Health leadership program is implemented with 80 per cent of managers completing the program by June 2026
- BPA Analytics employee survey results demonstrate employee engagement improved by 5 per cent, by the next survey
- Between 2.2 per cent- 2.63 per cent of the workforce identify as Aboriginal or Torres Strait Islander by 2024
- Nambour redevelopment is complete and fully operational by planned date
- 50 per cent of non-admitted consultations are conducted virtually by June 2026
- A balanced operating position is achieved by June 2024
- Annual number of Sunshine Coast Health research projects and clinical trials increased by June 2026 by 20 per cent
- Increase number of publications that score within the highest-ranking journals (Q1 and Q2) by 20 per cent by 2026
- 75 per cent of clinical departments have an identified research team and active research projects by June 2024.

Challenges

The targets and priorities of our health service respond to the identified challenges of:

Cultural capability

To build sustainable cultural capability that provides equitable and inclusive health outcomes for Aboriginal and Torres Strait Islander peoples and other culturally diverse groups.

Workforce

To attract and retain a skilled workforce to meet service demand in an environment of industry-wide workforce shortages. Sunshine Coast Health is not unique in its challenges in workforce.

Demand

To attract and retain a skilled workforce to meet service demand in an environment of industry-wide workforce shortages.

Disaster and pandemic response

To meet the needs of our patients and the wider community in the advent of outbreak events and emerging threats.

Financial sustainability

To provide safe and cost-effective healthcare within available funding.

Opportunities

As a health service, we have several opportunities in future service development innovative models of care, and emerging technologies.

- Use our clinical resources and infrastructure to our fullest potential and integrate our network of services.
- Develop and embed new and innovative models of care to better meet the needs of our communities.
- Enhance our organisational and governance structures to clarify the responsibilities, reduce red tape and meet the requirements of the health service.
- Leverage current and emerging digital technologies to improve our processes and models of care.
- In partnership with our people, embed our consumer voice in the continuous improvement and innovation of our care and service delivery.

Our governance

Our Board

The Sunshine Coast Hospital and Health Service Board (the Board) is appointed by the Governor in Council on the recommendation of the Minister for Health, Mental Health and Ambulance Services and Minister for Women in accordance with section 23 of the *Hospital and Health Boards Act 2011*. To strengthen local decision making, our Board members represent and oversee the health services in the region and are accountable for its performance in delivering quality health outcomes to meet the needs of our communities.

Key responsibilities

The Board has a range of functions as articulated in the Board Charter which include:

- control and accountability systems reviewing, monitoring and approving systems for risk management, internal control and legal compliance
- ensuring appropriate safety and quality systems are in place to make sure safe, high-quality healthcare is provided to the community
- providing input into and final approval of management's development of organisational strategy and performance objectives, including agreeing the terms of our Service Agreement with the Director-General of Queensland Health
- approval of, and ongoing monitoring of, the annual health service budget and financial and performance reporting.

Board membership

Dr David Rowlands MBBS (Qld), MRACGP, FAICD

Board Chair

David is a graduate of The University of Queensland. He served as a Medical Officer in the Royal Australian Army Medical Corps and worked in Accident and Emergency in the United Kingdom, before deciding on a career in General Practice. He is the co-owner of a mixed billing General Practice, where he works part-time in clinical practice.

David also has an extensive career in governing healthcare organisations, and in ensuring that safe and efficient care is delivered to the community they serve. He has high level skills in the areas of corporate governance, clinical governance, fiscal management, patient safety and patient experience. He is a graduate of the Australian Institute of Company Directors and has more than 25 years' experience as a company director. In 2019, he was awarded Fellowship of the Australian Institute of Company Directors. He is currently also serving as a director of a not-for-profit organisation which provides medical outreach services to rural and remote communities in Queensland.

David was instrumental in establishing both the Gold Coast Medicare Local and the Gold Coast Primary Health Network and served as Chair of both organisations. He has extensive experience in community engagement and has also served as Chair of the Gold Coast Health and Wellbeing Council. In 2021, David was awarded the Medal of the Order of Australia for services to Medicine, in General Practice.

Original appointment date: 1 April 2022

Current term: 1 April 2022 to 31 March 2026

Appointed as Chair from 1 April 2024

Mr Brian Anker MAICD

Acting Chair

Brian has extensive knowledge and experience in strategic planning and policy development within government and non-government organisations.

He is the principal of a consulting firm which he established in 2011 and provides strategic advice and planning particularly to the research and university sector. Brian has previously held senior executive positions within the Queensland State Government including as the Deputy Director General Innovation of the Department of Employment, Economic Development and Innovation. He is the Chair of the Sunshine Coast Hospital and Health Board Workforce Committee and is a member of the Finance and Performance Committee and has been the Chair of the Safety and Quality Committee.

Original appointment date: 18 May 2013

Current term: 1 April 2022 to 31 March 2024

Acting Chair: 23 July 2023 to 31 March 2024

Mr Terrance (Terry) Bell BA, Grad Cert P.S. Mgt, MBA, DoPS

Board Member

Terry is a long term resident of the Sunshine Coast having bought his first property in Mooloolaba in 1978 and has lived here on the coast ever since. Terry is a Bundjalung man of the Southern Gold Coast and Northern NSW regions. Terry has a B.A., Grad. Cert Public Sector Management, MBA and currently undertaking a Doctor of Professional Studies. Terry has extensive experience in leadership roles in the public, private and tertiary sectors and is currently undertaking Doctoral studies at Central Queensland University and working as Business Consultant to improve Indigenous employment outcomes.

Terry has been heavily involved in Sunshine Coast Sport where he has played and coached Rugby League and participated heavily in Surf Lifesaving competing at National levels and successfully holding management positions.

Original appointment date: 18 May 2020

Current term: 1 April 2024 to 31 March 2026

Ms Debra (Debbie) Blumel BA, BSocWk, MSocWK, MBA, GAICD

Board Member

Debbie has extensive experience in organisational and strategic leadership in health, disability and housing organisations facing disruptive challenges and transformational change. Her roles include CEO of a Medicare Local and a Sunshine Coast regional health and National Disability Insurance Scheme provider organisation. Debbie is interested in meeting contemporary challenges, such as increasing health system demand and costs, through smarter integrated care models that span hospital, community, family and private care services. Debbie is committed to safe quality services and chairs the Board's Safety and Quality Committee. Debbie was the inaugural Chair of Regional Development Australia Sunshine Coast and served as a Sunshine Coast Councillor where she held the Major Projects Portfolio and represented council on the Council of Mayors' Infrastructure Committee.

Debbie's worked for almost three decades in Queensland Health including as Manager Public Health Planning and Research and worked on a range of national policy, strategy and costing forums. Debbie has made a significant contribution to women's issues through a pioneering research project, "Who Pays? The Economic Cost of Violence Against Women" which was used by the Queensland Government in its Stop Violence Against Women campaign.

Original appointment date: 18 May 2019

Current term: 1 April 2022 to 31 March 2026

Emeritus Professor Birgit Lohmann BSc (Hons), PhD, GAICD

Board Member

Emeritus Professor Lohmann has an Honours degree in Physics from the University of Adelaide, a Ph. D. in Atomic Physics from Flinders University, and is a Graduate of the Australian Institute of Company Directors.

Birgit has been a Board member of a number of not-for-profits. Birgit was the Senior Deputy Vice-Chancellor of University of the Sunshine Coast from 2011 to 2018. Previously, Emeritus Professor Lohmann had academic and management roles at the Australian National University, Murdoch University, Griffith University and the University of Adelaide.

Original appointment date: 18 May 2019

Current term: 1 April 2022 to 31 March 2026

Mr Rodney (Rod) Cameron BComm (Honours), FCPA, MBA, MFM, FAICD

Board Member

Mr Rod Cameron has more than 35 years' domestic and international experience with multinational ASX and NYSE listed and unlisted companies operating in sectors including:

- energy
- resources
- manufacturing
- professional services
- disability services.

Rod is a Fellow of the Australian Institute of Company Directors and has been a director of sophisticated non-for-profit and for-profit companies for more than a decade.

He has held a host of leadership roles in sophisticated organisations, including:

- Chief Executive Officer of Autism Queensland
- Chief Financial Officer of Endeavour Foundation
- Chief Financial Officer for an ASX listed company
- Chief Financial Officer of the subsidiary of a NYSE listed multinational corporation.

Rod is also a qualified accountant, being a Fellow of CPA Australia, he holds an Honours degree in Commerce, Master of Business Administration and Master of Financial Management.

Original appointment date: 10 June 2021

Current term: 1 April 2022 to 31 March 2026

Mr Bruce Cowley BComm/LLB (Honours), FAICD

Board Member

Mr Bruce Cowley was, until 30 June 2019, Chair of Australia's largest law firm, MinterEllison, and has practiced as a corporate lawyer for nearly 40 years. In this role he specialised in mergers and acquisitions, director's duties and corporate governance. He has authored "Directorship in Context", a practical guide to the intricacies of being a modern board director, and co-authored the book entitled "Duties of Board and Committee Members".

Bruce has been Chair and Board member of a number of not-for-profit Boards, including the Children's Hospital Foundation Queensland and CPL (formerly Cerebral Palsy League).

Bruce is currently:

- a director of Australian Retirement Trust, South Bank Corporation, Queensland Trust for Nature, Fijian Drua and Klarna Australia Pty Ltd
- a member of the Takeovers Panel
- Chair of Griffith University Business School's Strategic Advisory Board
- a member of the Australian Institute of Company Directors (AICD) Not for Profit Chairs Forum.

Bruce was the recipient of the Australian Institute of Company Directors' Gold Medal in Queensland for services to governance in 2021 and the Queensland Law Society's President's Medal for services to the legal profession in 2022.

Original appointment date 18 May 2021

Current term 1 April 2022 to 31 March 2026

Ms Sabrina Walsh Exec MPA, M.App.Psych, GAICD

Chair

Sabrina has over 30 years' experience in consulting and senior executive roles in the health industry. She began her career in health as a clinical psychologist before moving into health policy, health service leadership and leading major digital transformation initiatives in health. She has expertise in governance, strategy, planning and delivery in complex health services and is passionate about helping health organisations prepare for the future and improve health outcomes and patient experience. Her recent consulting work has focussed on strategy and governance in health organisations. Previous roles include chief information officer roles in Queensland and NSW; chief executive roles for public sector health services in Queensland; and executive leadership roles in mental health, aged and disability services. As Director for Mental Health in the Northern Territory, she led territory-wide policy development, strategic planning, resource allocation and evaluation of mental health services. Sabrina is a graduate of the Australian Institute of Company Directors, and her qualifications include a Master of Applied Psychology and an Executive Master of Public Administration.

Original appointment date: 18 May 2020

Appointed as Chair: 10 June 2021 to 31 March 2024

Resigned: 21 December 2023

Ms Sandra McCullagh BSc, BA, MBA and GAICD

Board Member

Sandra is an experienced non-executive director, focussing on complex for-purpose organisations. She has a background in energy, investment banking and IT. She is a Graduate of the Australian Institute of Company Directors, has a B Science (Computer Science, Maths), a B Arts (Computer Science), and a Master of Business Administration. Sandra is a member of the Sunshine Coast Hospital and Health Board Audit and Risk Committee and the Workforce Committee.

Sandra is also a non-executive director of Workcover Queensland (chairing the People Committee), ASX listed Australian Ethical (chairing the Investment Committee), and two not-for-profits, Sydney Dance Company (member of the Audit and Risk Committee) and the Clayfield College Foundation (as Chair). She is a member of Chief Executive Women and chairs its Membership Committee. Sandra was previously a non-executive director of QSuper, The Investor Group on Climate Change, and an advisory member of the New Zealand Stock Exchange Corporate Governance Institute.

Original appointment date: 1 April 2024

Current term: 1 April 2024 to 31 March 2028

Dr Sue McAvoy PhD, MBA, B. Econ, Econometrics(Hons)

Board Member

Sue has 28 years' experience working in both public and private sector financial management leadership roles and 12 years systems thinking research experience working with the UQ Business School and subsequently as Health Systems lead with UQ's Centre for the Business and Economics of Health.

Sue has expertise in project leadership, governance, regulatory and strategic oversight, policy frameworks, and financial and enterprise risk management. She has more than 15 years' experience as a Non-Executive Board member including the Edmond Rice Education Australia Board and chairing the Nudgee College Advisory Board.

In her early career as the newly appointed Group Treasurer for AMH Pty Ltd Sue established a full group treasury operation in a company born of an industry rationalisation. More recently, Sue has developed a strong practical competency in systems thinking for policymaking. Projects she has led include developing a pilot system dynamics patient flow model of a public emergency department; exploring the risks and mitigating factors for COVID-19 spread in urban Indigenous communities; using participatory systems approaches to conceptualise and develop a tool for exploring outpatient referral flows and waitlists; and an evaluation of Queensland's nursing/midwifery ratios trial (as part of a wider evaluation approach).

Sue has completed an AICD New Director's Course, London Business School's Leading Change Course, and this year will participate in Oxford University's Healthcare Leadership residential programme.

Appointment date: 1 April 2024

Current term: 1 April 2024 to 31 March 2028

Professor Jody Currie

Board Member

Jody is currently a Professor of Practice at the Queensland University of Technology in the Health Faculty. Jody has over 20 years' experience in health, housing and human service delivery, with a particular focus on vulnerable families and Aged Care, working in several executive positions in both the community and government sector.

Jody was most recently Chief Executive Officer of the Aboriginal and Torres Strait Islander Community Health Service (A&TSICHS) Brisbane. She established A&TSICHS Brisbane as a Nationally Registered Early Childhood Education provider, a Nationally Registered Housing provider, and a Registered National Disability Insurance Scheme provider.

Jody is an appointed member to the Federal Government's National Aged Care Advisory Council and currently a Non-Executive Director on Cape York Partnership, Brisbane North Primary Health Network, Hearing Australia and has expertise in workforce strategy, government and stakeholder engagement.

Appointment date: 1 April 2024

Current term: 1 April 2024 to 31 March 2028

Committees

The Board has legislatively prescribed committees that assist the Board to fulfil its responsibilities. Each committee operates in accordance with a Charter that clearly articulates the specific purpose, role, functions, and responsibilities.

Executive Committee

The role of the Executive Committee is to support the Board in its role of controlling our organisation by working with the Sunshine Coast Health Chief Executive to progress strategic priorities and ensure accountability in the delivery of services.

Committee members:

- Dr David Rowlands
- Mr Bruce Cowley
- Emeritus Professor Birgit Lohmann (from 15 May 2024)
- Mr Terry Bell (from 15 May 2024)
- Mr Brian Anker (until 31 March 2024).

Audit and Risk Committee

The Audit and Risk Committee provides independent assurance and assistance to the Board on:

- the organisation's risk, control, and compliance frameworks
- the Board's external accountability responsibilities as prescribed in the *Financial Accountability Act 2009*, the *Hospital and Health Boards Act 2011*, the *Hospital and Health Boards Regulation 2012*, and the *Statutory Bodies Financial Arrangements Act 1982*.

Committee members:

- Mr Bruce Cowley (Chair)
- Mr Rodney Cameron
- Emeritus Professor Birgit Lohmann (until 15 May 2024)
- Ms Sandra McCullagh (from 15 May 2024).

Finance and Performance Committee

The Finance and Performance Committee oversees the financial position, performance, and resource management strategies of Sunshine Coast Health in accordance with relevant legislation and regulations.

Committee members:

- Mr Rodney Cameron (Chair)
- Mr Brian Anker (until 31 March 2024)
- Emeritus Professor Birgit Lohmann
- Professor Jody Currie (from 15 May 2024)
- Dr Sue McAvoy (from 15 May 2024).

Safety and Quality Committee

The role of the Safety and Quality Committee is to ensure a comprehensive approach to governance of matters relevant to safety and quality of health services is developed and monitored.

Committee members:

- Ms Debra Blumel (Chair)
- Dr David Rowlands
- Dr Sue McAvoy
- Professor Jody Currie
- Mr Terry Bell (until 15 May 2024).

Workforce Committee

The Workforce Committee is responsible for assisting the Board in its oversight of Sunshine Coast Health workforce responsibilities.

Committee members:

- Mr Brian Anker (Chair, until 31 December 2023)
- Emeritus Professor Birgit Lohmann (Chair from 1 January 2024)
- Ms Debra Blumel (until 15 May 2024)
- Mr Terry Bell
- Ms Sandra McCullagh (from 15 May 2024).

Table 1: Board and committee meeting attendance 2023-2024

Sunshine Coast Hospital and Health Service					
Act or instrument	<i>Hospital and Health Boards Act 2011</i>				
Functions	<i>The Sunshine Coast Hospital and Health Service’s main function is to deliver the hospital services, other health services, teaching, research and other services stated in the service agreement with the Department of Health.</i>				
Achievements	<i>Refer to ‘Our Performance’</i>				
Financial reporting	<i>Refer to Annual Financial Statements</i>				
Remuneration					
Position	Name	Meetings/sessions attendance	Approved annual fee	Approved sub-committee fees if applicable (per annum, per committee)#	Actual fees received
Board Chair	Sabrina Walsh*	1 Board	\$85,714	\$4,000 (Chair)	\$5,185
Member (Acting Chair from 21 July 2023 – 31 March 2024)	Brian Anker	10 Board Committees 8 Finance and Performance 4 Workforce	\$44,503 (\$85,714 from 21 July 2024 to 31 March 2024)	\$3,000 \$4,000 (Chair) until 31 December 2024)	\$69,438
Member Board Chair from 1 April 2024	Dr David Rowlands OAM	12 Board Committees 3 Executive 5 Safety and Quality	\$44,503 (\$85,714 from 1 April 2024 to 30 June 2024)	\$3,000 \$3,000	\$60,597
Member	Terry Bell	10 Board Committees 3 Workforce 5 Safety and Quality	\$44,503	\$3,000 \$4,000 (Chair)	\$50,330
Member	Debra Blumel	12 Board Committees 4 Workforce 6 Safety and Quality	\$44,503	\$4,000 (Chair) \$3,000	\$50,924
Member	Rodney Cameron	12 Board Committees 12 Finance and Performance 6 Audit and Risk	\$44,503	\$4,000 (Chair) \$3,000	\$51,326
Member	Bruce Cowley	10 Board Committees 6 Audit and Risk 1 Executive	\$44,503	\$4,000 (Chair) \$3,000	\$53,596
Member	Emeritus Professor Birgit Lohmann	11 Board Committees 11 Finance and Performance 4 Audit and Risk 1 Workforce	\$44,503	\$3,000 \$3,000 \$4,000 (Chair from 1 January 2024)	\$52,323
Member	Professor Jody Currie	3 Board Committees 1 Safety and Quality 2 Finance and Performance	\$44,503	\$3,000 \$3,000	\$11,892
Member	Dr Susan McAvoy	3 Board Committees 1 Safety and Quality 2 Finance and Performance	\$44,503	\$3,000 \$3,000	\$11,892
Member	Sandra McCullagh	3 Board Committees 1 Audit and Risk 0 Workforce	\$44,503	\$3,000 \$3,000	\$11,892
Board meetings	12				

Committee meetings	
Audit and Risk	6
Executive	3
Finance and Performance	12
Safety and Quality	6
Workforce	4
Total out of pocket expenses	Nil out of pocket expenses

** Resigned from Board December 2023*

#Committee fees - \$4,000 for Committee Chair and \$3,000 for Committee members

Executive Management

Dr Peter Gillies

Health Service Chief Executive

Peter was appointed as Health Service Chief Executive in October 2021. Peter is a Fellow of the Royal Australasian College of Medical Administrators and has a Master of Business Administration from Otago University.

He is also a Graduate of the Australian Institute of Company Directors. He has been a medical professional for nearly 30 years and has worked in hospital and general practice roles in Australia, New Zealand, South Africa and the United Kingdom including over five years as a Health Service Chief Executive in Toowoomba prior to moving to the Sunshine Coast role. He also has a background in general management, previously working in the health software industry and as a regional manager for a not-for-profit private hospital group in Auckland, New Zealand.

Joanne Shaw

Chief Operating Officer

Joanne was appointed Chief Operating Officer in December 2021. She has broad experience in leadership and management roles, including an extensive knowledge of strategic and operational leadership to provide high-quality, safe, sustainable, patient and family centred care. Joanne has a varied background in different organisations which includes tertiary centre work in metropolitan Melbourne and Perth coupled with regional, rural and remote experience in Queensland. Joanne holds a Bachelor of Nursing and is a registered nurse with postgraduate qualifications including a Graduate Certificate in Critical Care Nursing, Graduate Certificate in Transfusion Practice, Graduate Certificate in Consumer and Community Engagement, and a Master of Nursing.

Other notable achievements include graduating from the Australian Institute of Company Directors and publishing in the British Journal of Haematology. Joanne is passionate about health and she uses values-based leadership to build integrated service models to ultimately improve patient and community outcomes.

Julian Tommei

Executive Director Legal and Governance

Julian joined Sunshine Coast Health in January 2022 as Executive Director, Legal and Governance. He has more than 20 years' experience in public sector corporate law and governance in both Australia and New Zealand. Julian studied a Bachelor of Arts (1985) at the University of Natal in South Africa and law at the University of the Witwatersrand (1998).

He was admitted as a Solicitor in South Africa (1992), as a Barrister and Solicitor in New Zealand (2003) and as a Solicitor in Australia (2012). Julian has interests in leadership development and culture change in the workplace.

Dr Marlene Pearce

Executive Director Medical Services

Dr Marlene Pearce joined our executive team in 2022 as the Executive Director of Medical Services. She is an experienced Specialist General Practitioner, having worked in rural and regional Victoria and Queensland. Since joining Sunshine Coast Hospital and Health Service (SCHHS) in 2015, Marlene's time has been marked by diverse roles including General Practice Liaison Officer, Safety and Quality Clinical Lead, Deputy EDMS (Medical Workforce), and operational leadership.

In her current role, Dr Pearce plays a pivotal role in ensuring our organisation delivers safe, high-quality care in collaboration with our consumers and community. She oversees clinical research governance and development while providing professional leadership for medical officers within SCHHS. Dr Pearce's qualifications include a Bachelor of Biomedical Science (UQ 2004), Bachelor of Medicine and Bachelor of Surgery (UQ 2008), Fellowship of the Royal Australian College of General Practitioners (2014), and a Master of Health Administration (Monash 2021).

Lisa Newport

Executive Director Nursing and Midwifery

Lisa has had a long career in health leadership roles including mental health and addiction nursing, facility management, and as Executive Director of Nursing and Midwifery. She is committed not only to the health and wellbeing of the people in our communities but also in growing support for nurses and midwives to professionally succeed. Lisa recognises that the best outcomes for patients in an interprofessional collaborative approach to care, with a multi-disciplinary team.

Lisa is focussed on investing in the next generation of nurses and midwives, and further promoting the importance of evidence-based practices, training, and development for sustainable services. She believes that being a nurse or midwife is more than just a profession – it's a lifelong journey.

Dr Gemma Turato

Executive Director Allied Health

Gemma commenced in the role of Executive Director of Allied Health in September 2017. Gemma has worked for Sunshine Coast Health since 2005. Gemma has extensive experience in allied health management and leadership, working in dual clinical and leadership roles in New Zealand from 1999 and then in Australia from 2004.

She completed a Diploma in Occupational Therapy in 1991, Master in Human Movement Science at the University of Wollongong in 1995, and completed her Ph.D. through the University of the Sunshine Coast in 2022 completing research on using systems theory to identify the components of an evidence-based framework for allied health leadership development.

Further research interests include allied health governance and structure for optimal functioning. Gemma has published her research in peer reviewed journals including Q1 and Q2 journals.

Karen Dean

Chief Finance Officer

Karen joined Sunshine Coast Health in 2017 and was appointed Chief Finance Officer in June 2022. Karen holds more than 18 years of experience as a finance leader, and as a management consultant. She has worked with various organisations to implement finance and business performance improvements, spanning funding model reviews, cost saving projects, benchmarking, finance shared services, and organisational redesign. Karen has worked across the public and private sector as a finance professional and worked overseas at a multi-national financial services company.

Karen is a Fellow Certified Practising Accountant (FCPA) with a Graduate Certificate in Professional Accounting and Bachelor of Commerce (Banking and Finance).

Hayley Farry

Executive Director Workforce

Hayley Farry joined health in 2011 and was appointed to the Executive Director Workforce in 2018 at Darling Downs Health 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 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. In 2021, Hayley joined the private sector in the Diocese of Toowoomba Catholic Schools in the position of Director: People and Engagement Services. Hayley was responsible for employee services, student protection, professional standards, professional learning, and health and safety. During her time at Toowoomba Catholic Schools Hayley was instrumental in implementing large-scale change in the People and Services Directorate which resulted in improved service provision and governance.

Term: Appointed Executive Director Workforce 17 June 2024

Silven Simmons

Executive Director Workforce

Silven joined Sunshine Coast Health in January 2022 as the Executive Director Workforce. Prior to this Silven worked as the Senior Director, People Safety and Performance and Executive Director, Employment Relations, Human Resources Branch, Corporate Services Division with Queensland Health for five years. Silven has also worked as the General Manger, Human Resources for Roads and Maritime Services in New South Wales.

Silven has more than 20 years of experience working in senior human resources and corporate professional roles with demonstrated experience managing large corporate functions through periods of significant change and transformation in large and complex environments. Silven has a Diploma in Business, Graduate Certificate in Business (Public Sector) and has completed the Australian Institute of Company Directors course.

Term: Executive Director Workforce until 12 April 2024

Warren Campbell

Acting Executive Director Workforce

Warren has been working in senior Sunshine Coast Health Workforce roles since September 2021 and has held a number of senior portfolios within Queensland Health both at Sunshine Coast Health and eHealth over the past 15 years. Prior to this, Warren was in the corporate services sector where he worked internationally for Custom House Global Foreign Exchange in Victoria, British Columbia, and Canada. Warren has extensive experience in strategic workforce management, leadership capability, employee relations, and legal compliance within the healthcare sector. He also has a proven track record of providing visionary leadership to HR teams, driving organisational performance, and fostering a culture of excellence.

Term: Acting Executive Director Workforce 13 April 2024 to 16 June 2024.

Sharon Barry

Service Director Aboriginal and Torres Strait Islander Health

Sharon is a proud Aboriginal woman and comes from a long line of strong Aboriginal women born in Central West Queensland and is connected to the Iningai people. Her father was born in Linaskea, Northern Ireland and arrived in Australia in 1949. Sharon has been working in Queensland Health for more than 20 years, prior to this she worked in the Community Control sector. Sharon has extensive knowledge on leadership, community and health service delivery and has been integral in building strong relationships with various stakeholders and community.

She is a strong advocate for Aboriginal and Torres Strait Islander peoples and is a key contributor to the design and implementation of Aboriginal and Torres Strait Islander Health services across Sunshine Coast Health.

Mr Andrew Leggate

Senior Director Capital Assets and Infrastructure

Andrew has a technical background in Electrical engineering systems with further studies in asset management. Andrew started with Queensland Health in 2014 and has worked across several Hospital and Health Services. He commenced with Sunshine Coast Hospital and Health Service in 2016 as the Director of Assets and Infrastructure after working on the Sunshine Coast University Hospital development as part of the State engineering compliance team.

Andrew has worked across multiple government departments including Police, Education and Public Works in the fields of project, programs and asset management. Prior to joining the public sector Andrew worked for several multinational companies across States and Territories of Australia, in the B2B sector managing commercial supply and service contracts to companies such as BHP, Comalco and Rio Tinto.

Mr Jake Penrose

Senior Director Digital Health and Technology

Jake has 20 years of experience in Information and Communication Technology (ICT) across health, banking and consulting industry sectors. This experience includes leading major ICT transformation initiatives such as the Queensland Health new hospitals program, as well as delivering clinical ICT solutions critical to the opening of the Gold Coast University Hospital, Queensland Children's Hospital and Sunshine Coast University Hospital. More recently, Jake led the technical delivery of the integrated electronic Medical Record deployment at Sunshine Coast Health and has worked closely with clinical leads in the development of the new health service Digital Health strategy.

Jake has expertise in ICT and Digital Health strategy, planning and delivery in complex health services and as well as loving the Sunshine Coast lifestyle is passionate about helping improve health outcomes for our community and consumers.

Katie Healy

Senior Director Strategy and Planning

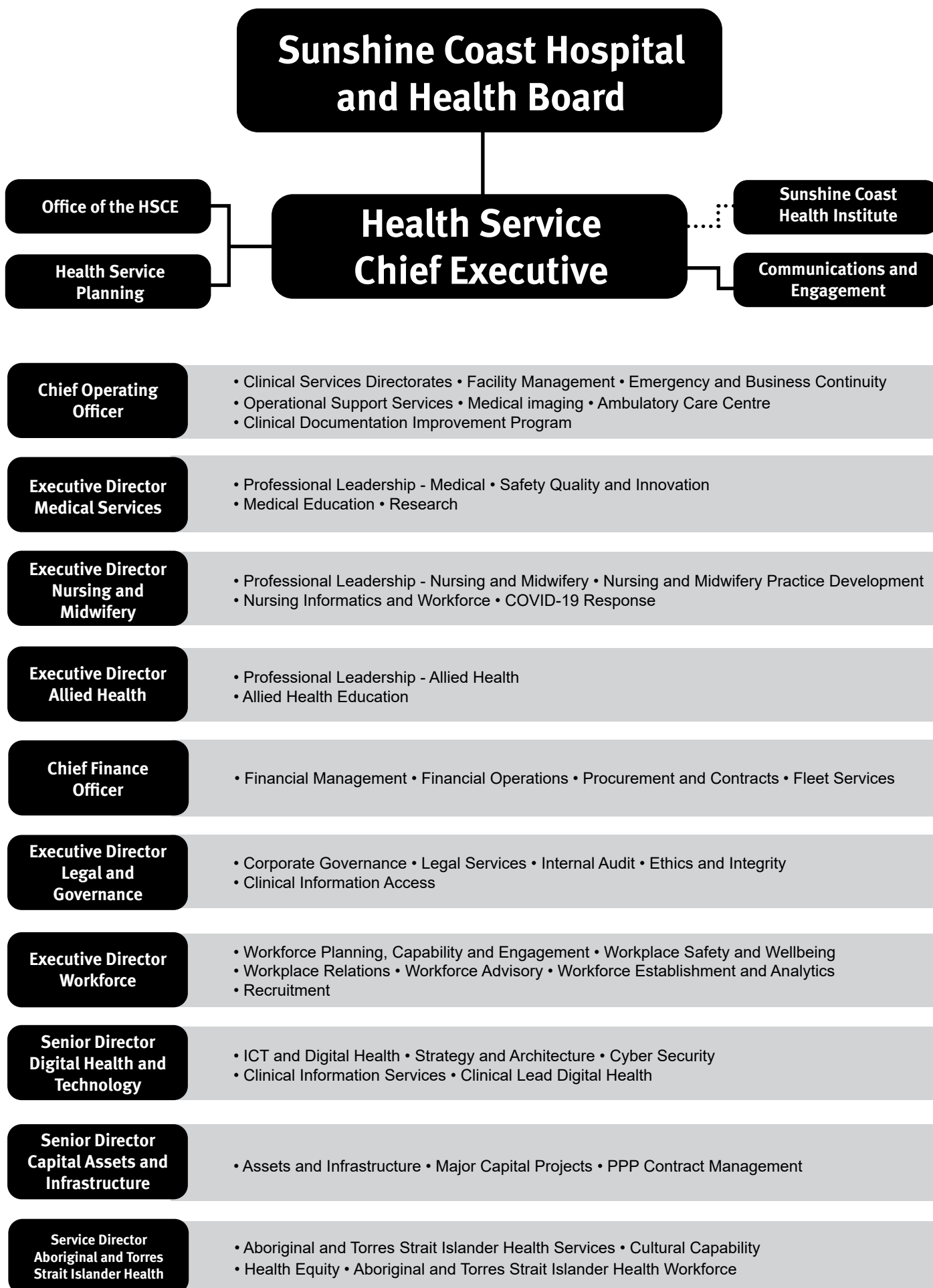
Katie Healy is a seasoned health industry planner, passionate change leader, skilled project manager and workforce strategist with experience across both the private and public sectors. Leading large complex major infrastructure projects from business case to commission, Katie has extensive project management experience and has also played a vital role in digital health uplift for major IT infrastructure projects across both metro and regional health services. Katie's clinical background and interprofessional education leadership experience allows her to draw from 'real world' experience to engage with health leaders and successfully implement change. With data-driven decision-making, Katie is the senior director and strategist for Sunshine Coast Health and an accomplished graduate of the Australian Institute of Company Directors, Bachelors Degree in Speech Pathology and a Master of Health Service Management.

Bekki Fisher

Senior Director Communications and Engagement

Bekki is a specialist in the communications field with a focus on digital and content marketing, media relations, crisis management, stakeholder engagement, and strategic communications planning. Known for her handling of complex communication challenges in fast-paced environments, Bekki blends strategic insight with a people-centred approach. Bekki's expertise and insight into communications innovations and her passion for current communication trends, place her at the forefront of communication design - integrating traditional media with digital platforms to lead communication strategy and ensure relevancy for the brands that she has represented. Her ability to convey complex messages that appeal to and engage the public demonstrates her strength in designing campaigns that foster community trust and relationships.

Organisational Structure



Strategic committees

Sunshine Coast Health is dedicated to cultivating and reinforcing an executive leadership team that fosters a culture centred on safety and accountability.

The committee framework mirrors that of the Board, ensuring direct alignment in purpose, oversight, and operational clarity.

The four Executive Committees—Workforce, Audit and Risk, Safety and Quality, and Finance and Performance - support the Health Service Chief Executive and Board in fulfilling their obligations as defined by the Hospital and Health Boards Act 2011, the Sunshine Coast Health Service Agreement, and other relevant legislation, plans, and policies.

Table 2: Executive committee meetings held in 2023-2024

Executive (Tier 2) Committees 2023-2024	
Executive Safety and Quality Committee (ESQC)	12
Executive Audit and Risk Committee (EARC)	6
Executive Finance and Performance Committee (EFPC)	12
Executive Workforce Committee (EWC)	6

Strategic workforce planning and performance

At the end of the reporting period (June 2024), the Sunshine Coast Health workforce had a paid full-time equivalent of 7369.67. This is made up 94.15 per cent of frontline staff and frontline support staff.

Early retirement, retrenchment, and redundancy

The health service continued to identify efficiencies through organisational change throughout 2023-24, focussing on suitable employment placements for affected employees.

Only one voluntary redundancy package was paid during this period (approx. \$26,500).

Table 3: Total staffing

Total Staffing	
Headcount	9457
Paid FTE	7369.67

Table 4: Occupation types by FTE 2022-2023

Occupation Types by FTE	Percentage
Corporate	5.85 per cent
Frontline and Frontline Support	94.15 per cent

Table 5: Appointment type by FTE

Appointment Type by FTE	Percentage
Permanent	74.85 per cent
Temporary	22.10 per cent
Casual	2.94 per cent
Contract	0.11 per cent

Table 6: Employment status by headcount 2022-2023

Employment Status by Headcount	Percentage
Full-time	39.91 per cent
Part-time	54.71 per cent
Casual	5.38 per cent

Table 7: Gender

Gender	Headcount	Percentage
Woman	7046	74.51 per cent
Man	2387	25.24 per cent
Non-binary	24	0.25 per cent

Table 8: Diversity target group

Diversity Groups	Headcount	Percentage
Women	7046	74.51 per cent
Aboriginal and Torres Strait Islander Peoples	186	1.97 per cent
People with a disability	183	1.94 per cent
Culturally and Linguistically Diverse – Speak a language at home other than English [^]	909	9.61 per cent

[^] This includes Aboriginal and Torres Strait Islander or Australian South Sea Islander languages spoken at home.

Table 9: Target group data for Women in Leadership Roles

Target Groups	Headcount	Percentage
Senior Officers (Classified and s122 equivalent combined)	15	75.00 per cent
Senior Executive Service and Chief Executives (Classified and s122 equivalent combined)	4	44.44 per cent

Workforce data provided by Public Service Commission.

* Workforce is measured in Minimum Obligatory Human Resource Information (MOHRI) Full-Time Equivalent (FTE). This MOHRI data supplied by the Public Sector Commission is not an exact match with data in the Financial Statements, which is drawn from the Decision Support System (DSS).

* Beginning the 2023 financial year end, the Public Sector Commission advised all workforce annual report data needs to be based on the PSC MOHRI data. This is submitted quarterly to the PSC through the HR Branch.

* The difference between the PSC MOHRI data and QH Reporting FTE (MOHRI Occupied FTE) from DSS exists due to different counting rules. The total FTE for both DSS MOHRI occupied FTE data and PSC MOHRI submission data are the same at a whole of Queensland Health level, however, minor variances can appear at an HHS level and will also be noticeable at a pay stream level. In PSC reporting, the FTE for an employee is counted against their primary role. For example, if employee works 0.5FTE in a health practitioner role and 0.3FTE in a nursing role, this employee would be reported 0.8FTE health practitioner. In Qld health reports, FTE is split across both roles.

* Women in Leadership roles include the following positions:

- Senior Officers: SO, DSO and ASO (Ambulance only).
- Senior Executive Service and Chief Executives: HES, CEO, SES (Sec 24/70), and AES (ambulance only)."

* Employee status: Where appointed FTE (0-100) is equal or greater than 95, employees are reported as full-time. Where appointed FTE is less than 95, employees are reported as part-time. Employees are reported as casual, if their appointment type is identified as casual.

* Norfolk Island Taskforce is excluded from summary and sub-measures.

Open data

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

Our risk management

Sunshine Coast Health is committed to effectively managing risk through application of better-practice principles and practices. Sunshine Coast Health has an established risk management system, underpinned by our Risk Management Framework that applies a standardised and structured approach to risk management aligned to international standards. The framework reinforces that all staff have a role to play in being risk aware and managing risk. Specific accountabilities and responsibilities rest with individual officers at Executive and Senior management levels, where an officer has the delegated authority or technical expertise to appropriately manage the risk to an acceptable level. This is reflected in our governance and supporting processes and tools.

Our Risk Appetite Statement sets out the Board's expectations of managing risk. The Statement is broadly articulated for key activities, behaviours and risk exposures, linked to our strategic objectives and priorities. We consider risk from an enterprise-wide perspective, encompassing strategic and operational risks to enable whole-of-organisation visibility and management level decision-making on the sources of uncertainty in pursuit of our objectives and priorities. Strategic risks are identified and managed by the health service Executive and monitored by the Board Audit and Risk Committee and the Board.

The Hospital and Health Boards Act 2011 requires annual reports to state each direction given by the Minister to the Hospital and Health Service during the financial year and the action taken by the Hospital and Health Service as a result of the direction. During the 2023-2024 period, one direction was given to Sunshine Coast Health in relation to a Crisis Care Process. As a result, Sunshine Coast Health took the following action:

- Implemented a Crisis Care Process across our emergency departments which requires that any person who discloses a sexual assault during a presentation or is presented by an officer of the Queensland Police Service as a victim of sexual assault, would be accepted into our care, and would be commenced on our Clinical Care Pathway within 10 minutes of the disclosure or presentation.

Internal audit

For a number of years, Sunshine Coast Health has partnered with Central Queensland Hospital and Health Service to establish an effective, efficient and economical internal audit function. The function provides independent and objective assurance and advisory services to the Board and Executive management. It enhances Sunshine Coast Health's governance environment through a systematic approach to evaluating internal controls, governance and risk management processes.

The function has executed the strategic and annual audit plan prepared due to reviewing the strategic objectives, strategic and high-level operational risks, contractual and statutory obligations and prior audit assurance in consultation with the Audit and Risk Committee and executive management. The audit team are members of professional bodies, including the Institute of Internal Auditors, CPA (Certified Practising Accountants) Australia and ISACA (International Systems Audit and Control Association). Sunshine Coast Health continues to support its ongoing professional development.

External scrutiny, information systems and recordkeeping

Sunshine Coast Health has maintained accreditation and will undergo the next phase of voluntary short notice accreditation in the 2024-25 year.

As part of the Aged Care accreditation scheme Glenbrook Residential Aged Care Facility underwent four site visits in the 2023-24 financial year and maintained full accreditation status.

Sunshine Coast Health recognises the value of administrative and functional records as a source of organisational knowledge that underpins and supports the facilitation and provision of high-quality, evidence-based healthcare services.

Records are appropriately created, managed, retained, and disposed of in accordance with the Administrative and Functional Records Management Framework. Sunshine Coast Health maintains an effective and compliant administrative and functional records management system that supports business efficiency.

Our staff can access comprehensive record-keeping and information management guidance materials on Sunshine Coast Health's internal intranet site.

During the 2022-2023 financial year, Sunshine Coast Health has actively managed and assessed information security risks against the health service's risk appetite with appropriate assurance activities undertaken in line with the requirements of the Queensland Government Enterprise Architecture (QGEA) Information security policy (IS18:2018).

Attestation of IS18:2018 (ISMS) information security risk

During the 2022-2023 financial year, Sunshine Coast Health has an informed opinion that information security risks were actively managed and assessed against appropriate assurance activities undertaken in line with the requirements of the *Queensland Government Enterprise Architecture (QGEA) information security policy (IS18:2018)*.

Queensland Public Service ethics and values

Sunshine Coast Health continues to uphold the principles of the *Public Sector Ethics Act 1994: Integrity and impartiality, Promoting the public good, Commitment to the system of government, and Accountability and Transparency*. The *Code of Conduct for the Queensland Public Service* is based on these four legislative principles and applies to all Queensland Health staff, including Sunshine Coast Health.

An online training module for the Code of Conduct and ethical decision-making forms part of Sunshine Coast Health's mandatory training provided to all employees at the start of employment. Code of Conduct for Managers also forms part of mandatory training for managers responsible for modelling expected behaviours and ensuring ethical decision-making is understood by employees.

Fraud and corrupt conduct

The Fraud and Corruption Control Policy was revised in 2024 to further embed our commitment to an ethical organisational culture, reinforcing our ethical expectations across all areas of Sunshine Coast Health. The Fraud and Corruption Control Framework and the Fraud and Corruption Control Action Plan are being revised to minimise the risk of fraud and corrupt behaviour.

Human Rights

Sunshine Coast Health recognises that respecting, protecting and promoting human rights supports healthy living and is critical to the role we perform in our community as a provider of public health services. Sunshine Coast Health is firmly committed to advocating for the human rights of all individuals in our organisation by how we operate, deliver health services, and interact daily.

Upon the introduction of the *Human Rights Act 2019* (Queensland) (HR Act), we have acknowledged this commitment in the Plan. Since mid-2019, Sunshine Coast Health has focused on building a human rights culture across all facilities and services.

During this reporting period, Sunshine Coast Health has demonstrated significant progress in its human rights culture by the way it incorporates human rights into its actions and decisions.

Highlights from 2023-2024 include:

- Genuine partnerships and consultation with Aboriginal and Torres Strait Islander Elders, staff, patients, and community members to better understand how to deliver health services to care for their distinct cultural needs and improve health and wellbeing.
- The implementation of the *Health Equity Strategy*
- Continuing to embed a human rights culture across Sunshine Coast Health's facilities including through the development and review of policies and procedures

Sunshine Health has continued to integrate the Human Rights Act 2019 into organisational processes. Our staff have access to an online human rights training package to further support their understanding of when decisions and actions engage human rights.

In 2023–2024 Sunshine Coast Health assessed 44 employee COVID-related complaints and one general employee complaint as potentially relevant to the Human Rights Act 2019. One complaint was made to the Australian Human Rights Commission and is ongoing, one was referred to an internal department for management, and the remainder require no health service action and have been referred back to the complainant for further information.

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 Chief Executive did not authorise the disclosure of confidential information during the reporting period.

Our performance

The following provides an overview of strategic priorities and key performance indicators (KPIs) in the *Sunshine Coast Hospital and Health Service Strategic Plan 2022–2026*. Table 10 also provides an overview of Sunshine Coast Health's performance against the service standards.

Our care

We are focused on providing high-quality, equitable, accessible, person-centred care.

Developing Tertiary Services at the Sunshine Coast University Hospital

Maxillofacial Surgery

Following the successful recruitment of an oral, facial maxillary surgeon to the Sunshine Coast University Hospital, maxillofacial surgery commenced with the first outpatient clinic and operating session undertaken in late 2023.

Thoracic Surgery

A new thoracic surgical service was introduced at the Sunshine Coast University Hospital this year following the successful recruitment of a thoracic surgeon. Following service development planning, education and simulation sessions, the first clinic commenced in January 2024.

New services

A number of new services were introduced this financial year to further support equitable, accessible, person-centred care including:

- A day procedure flexible cystoscopy service at Gympie Hospital.
- A speech therapy clinic for outpatients with voice conditions at Gympie Hospital.
- An outpatient hysteroscopy service at Nambour General Hospital supporting women to access a hysteroscopy under local anaesthetic in as little as one to two hours.
- Nurturing OUR InfantS in the Home (NOURISH) service commenced to help babies get home sooner and receive ongoing care at home.
- Planning commenced as the first-in-Queensland publicly funded home birth program.

Reducing Hospital Acquired Complication rates

Hospital Acquired Complication rates are monitored regularly across Sunshine Coast University Hospital, Nambour General Hospital and Gympie Hospital. The key performance indicator outlined in the *Sunshine Coast Hospital and Health Service Strategic Plan 2022–2026* of a rate below the 25th percentile of peer hospitals has been met this financial year.

Reducing pressure on busy emergency departments

At the end of the 2022-2023 financial year a new STREAM model of care was implemented at the Sunshine Coast University Hospital Emergency Department. The model of care was initiated to manage the volume and demand for services and invest in patient flow within our hospitals. The model of care has seen a significant improvement to our emergency department flow, including when the Sunshine Coast University Hospital had its busiest month ever in January 2024. The model complements the purpose-built command centre located at Sunshine Coast University Hospital which uses real-time data and modelling to monitor and coordinate patient arrivals, admissions, and departures.

Increasing Rapid Access Services

The Rapid Access Services program enables specialist clinical units to maintain ongoing care, responsibility, and oversight for the non-elective care of their patients when they experience an exacerbation of chronic illness at home. It provides opportunity to test different access mechanisms for patients known to the health service and their General Practitioners, for urgent clinical needs which do not require a presentation to Emergency Department (ED) or readmission.

At Sunshine Coast University Hospital, rapid access to clinical care is enabled for known or existing patients with emergent conditions likely to necessitate an emergency department presentation.

This Rapid Access Service has is a well-established preventative healthcare initiative as well as an alternative pathway to urgent care and has reduced hospital readmissions.

Command Centre

Construction was complete this year on a \$3.1 million Command Centre at Sunshine Coast University Hospital to support patient flow. The focus of the purpose-built command centre is to ensure local patients have access to a hospital bed when needed, as it gives staff a service-wide view of bed demand, capacity, and patient flow.

Queensland Ambulance Service staff will also be based within the Command Centre, allowing the two services to work closely together and ensuring patients receive care in the most appropriate place. The total investment for the project was \$5 million, including \$1.9 million in infrastructure and ICT improvements for other Sunshine Coast Health facilities to link in with the Command Centre.

Mental Health Co-Responder program

Work continued this year on the Mental Health Co-Responder program which pairs a senior Queensland Ambulance Service paramedic with a senior mental health clinician from the Sunshine Coast University Hospital. The co-responder program enables the delivery of fast and collaborative specialist care to people experiencing mental health crises. By treating people in their homes, the program also diverts people away from Emergency Departments and eases pressure on our whole health system.

Patient Reported Experience Measures (PREMs)

The data collected from patients about their experience in our hospitals is an important way for Sunshine Coast Health to improve services. A PREMs survey is sent to patients to complete with information on their healthcare visit including communication and involvement in decision making. This year, 76 per cent of patients completing the PREMs survey provided a rating of 'very good' for Sunshine Coast Health inpatient PREMs. The KPI outlined in the Sunshine Coast Hospital and Health Service Strategic Plan 2022–2026 is 75 per cent.

Health Service Plan

The 2024-2034 Health Service Plan was delivered this year providing a 10 year roadmap for future service delivery. It outlines our vision for a responsive, integrated, and consumer-centred healthcare system that promotes wellness, prevents illness, and provides timely and equitable care for all.

The plan looks at the unique challenges and opportunities facing the Sunshine Coast including population growth, an ageing population, and the need to address lifestyle-related health issues. It also acknowledges the importance of mental health, access to care, and the role of technology in healthcare delivery.

Connecting care to recovery: Queensland Health Mental Health, Alcohol, and Other Drugs Plan

This year we worked to implement a number of service priorities for mental health, alcohol, and other drugs including an expansion of the inpatient mental health treatment capacity and improved quality of treatment facilities at Nambour General Hospital. The works included two adult treatment units and we received positive feedback from patients accessing care in the newly refurbished spaces.

Sunshine Coast Health also responded to the increase in demand for Opiate Treatment Programs with the introduction of a Long-Acting Injectable treatment program. This program is the recommended treatment for opioid dependence and improves outcomes for patients.

Exemplar site for the first Queensland publicly funded home birth service

Sunshine Coast University Hospital was named as the exemplar site for the first publicly funded home birth service in Queensland. From mid-2024, expectant mothers with a low-risk pregnancy can choose to birth at home under the new home birth service. The new service was developed in collaboration with midwives, obstetricians, paediatricians, neonatologists, Queensland Ambulance Service, as well as consumers.

Unsedated transnasal endoscopy

Sunshine Coast Health is constantly looking for innovative ways to provide high quality care to our patients, which is why this year we commenced offering unsedated transnasal endoscopy to eligible patients. This novel technique not only eliminates the need for sedation but also allows for the patient to remain fully awake and comfortable throughout the transnasal endoscopy procedure. The use of numbing spray, combined with the insertion of a thin gastroscope through the nose, makes the experience more patient-friendly. Unlike traditional methods that often require a longer recovery period, this innovative approach minimizes disruption to patients' daily lives. With the procedure taking as little as five minutes to complete, patients can go back to daily activities almost immediately with very little downtime.

First in-house prostheses patient 'graduates' from rehab

The first inpatient to receive prosthetic limbs made and fitted in-house at Sunshine Coast University Hospital has 'graduated' from the rehabilitation unit. The patient was injured in a motor vehicle crash, with his injuries leading to both legs needing amputation. Following a long recovery process, the patient was then able to have his prosthetic legs made and fitted, while continuing to receive care from the rehabilitation team at the Sunshine Coast University Hospital. Being able to make prostheses in-house also means patients can continue to undergo rehabilitation as inpatients, while adjusting to their prostheses.

New crisis support space

The Sunshine Coast is receiving a much-needed boost in mental health support with the opening of a new Crisis Support Space at the Sunshine Coast University Hospital.

People experiencing mental health distress or crisis can walk in or be referred from the emergency department to the Crisis Support Space where they can access face-to-face mental health support. The opening of this space means people can receive care away from emergency departments and in environments designed by others with lived experiences to feel welcoming, calm and therapeutic.

People visiting the space will be able to relax, talk to someone who will take time to listen and then leave with tools, skills and links to various community organisations. Trained peer workers with lived experience and mental health clinicians are on hand to provide support.

This work forms part of the Government's Better Care Together plan, a five-year, \$1.645 billion investment to improve access to mental health, alcohol, and other drug services by 2027.

Our people

We value and support our people.

Increasing our identified Aboriginal and Torres Strait Islander workforce

In 2022 Sunshine Coast Health set the ambitious goal of between 2.2 per cent- 2.63 per cent of our workforce identifying as Aboriginal or Torres Strait Islander by 2024. At the end of June 2024, we have 1.96 per cent of our workforce identifying as Aboriginal or Torres Strait Islander. Whilst we have not met this strategic goal by the delivery timeline, we will continue to work towards this goal by supporting culturally appropriate care and attracting skilled Aboriginal and Torres Strait Islander staff to our health service.

A healthy, safe, and well workforce

The Workforce Wellbeing Framework was endorsed this year with a network of over 70 ambassadors engaged to implement wellbeing initiatives across the organisation. Several activities were undertaken this year including wellbeing expos, upskilling of line managers, and a staff wellbeing program.

Micro Skills series

The successful Micro Skills training sessions from 2022-2023 were again promoted this year to develop the leadership skills of our workforce. The Micro Skills training courses are a three-minute takeaway guide designed to build practical team skills, good decision-making, setting expectations, and creating a safe workplace protecting staff from harm.

Diversity and Inclusion

Ensuring our health service is a healthy and psychologically safe environment was one of our key priorities this year. We have again invested in the diversity of our workforce through a number of celebration days to encourage staff and consumer participation. We value diversity and inclusion and recognise that a diverse workforce contributes to better business outcomes through higher innovation, creativity, improved team engagement, and risk management. This is the second year of our Workforce Diversity and Inclusion strategy with actions completed from the action plan including regular meetings with key stakeholders and network groups.

Fatigue Risk Management

This year the Fatigue Risk Management System (FRMS) was implemented as a set of management practices, beliefs and procedures for monitoring and managing the risks posed to health, safety and wellbeing by fatigue. This system follows the Queensland Health Fatigue Risk Management Policy (QH-POL-171) and recommendations outlined in the Queensland Health Fatigue Risk Management System Resource Pack developed by the Department of Health, and the Fatigue Risk Management Systems Implementation Guideline developed to identify and manage fatigue risks within Queensland Health workplaces, in order to meet employer and employee responsibilities in managing fatigue risk.

The framework demonstrates Sunshine Coast Health's commitment to providing safe systems of work and a safe environment for employees, patients and consumers by reducing fatigue risk to as low as reasonably practicable.

Occupational Violence Prevention

Sunshine Coast Health is committed to ensuring a systematic approach to the prevention of occupational violence and aggressive behaviour in the workplace by establishing a mandatory framework for early identification, prevention and protection. Our occupational violence prevention training provides conflict management and physical intervention training that allows clinically related challenging behaviour to be managed effectively.

Leadership Program - Leadership in Action program

The Leadership in Action Program was also developed this financial year with a focus on equipping line managers with the tools to successfully manage and lead teams. The program aims to equip leaders with essential knowledge, tools, and resources for operational success. The program includes an innovation module to encourage workplace innovation.

The program consists of seven modules, each addressing specific operational management capability gaps and training requirements identified through the 2023 Training Needs Analysis and the Staff Culture Survey. Real-world scenario-based practical activities are incorporated to facilitate the translation of acquired skills and knowledge.

Culture survey

In the 2022-23 year, Best Practice Australia was engaged to deliver a culture survey encouraging staff to provide feedback on their experiences working within Sunshine Coast Health. Following the delivery of results, a number of the recommendations have been undertaken including Executive rounding, senior staff mentoring, and Chief Executive Listening Clinics that have encouraged staff to meet directly with the health service chief executive to express the opportunities and challenges of their working environment.

Leadership Portal

The Sunshine Coast Health Leadership Portal was launched this year underpinned by the Sunshine Coast Health Leadership Capability Framework. The portal was designed for all staff as a place to gain inspiration and work towards personal and professional leadership goals. At Sunshine Coast Health, we believe that everyone can be a leader, regardless of role, classification level, or whether there are formal responsibilities to manage people, everyone plays a key role in leading the Health Service into the future.

Nursing and midwifery graduates launch careers at Sunshine Coast Health

One hundred and forty nursing (registered nurses and enrolled nurses) and 18 midwifery graduates commenced their careers across Sunshine Coast Health in 2024, including Sunshine Coast University Hospital, Gympie Hospital, Nambour General Hospital, and Caloundra Health Service. The graduates undertook orientation, including patient assessment workshops, before completing clinical unit induction supported by the clinical coaches and preceptors. Clinical coaches provide hands on bedside clinical support and education, in a supportive manner within the clinical coach framework, with opportunities to consolidate clinical skill development.

The graduate nurses and midwives are transitioning into their health professional role. They positively contributing to providing excellent care to the Sunshine Coast and Gympie community in maternity, medical, surgical, and a variety of specialties.

Welcoming 73 new medical interns

The future faces of the region's medical industry have hit the wards of Sunshine Coast Health's hospitals, after years of study and training. Sunshine Coast Health this year welcomed 73 medical interns who are working in crucial roles, while continuing to expand their skills, with supervision and training from some of the service's most experienced doctors. The interns' first year of practise after graduating from university is an exciting jump forward, and the culmination of years of study.

Sunshine Coast Health has designed a comprehensive program, to ensure the interns have a positive and supportive experience, that successfully leads to them gaining their general registration.

Our sustainability

We manage our financial, physical, and environmental resources responsibly.

Nambour General Hospital redevelopment

The Nambour General Hospital continued works this year on its \$86 million redevelopment with construction due for completion in the next financial year. The redevelopment will increase the bed capacity at Nambour and better service the growing health needs of the Sunshine Coast. The redevelopment will be delivered within the existing hospital and includes:

- increased capacity of emergency care
- more beds for mental health patients
- increased capacity of wards for surgical and medical patients
- a new same-day rehabilitation unit
- a new purpose-built space for the renal dialysis unit
- relocation and refurbishment of cancer care services, including same-day medical infusions and chemotherapy
- a new central sterilising unit
- a new courtyard and drop-off zone located near the emergency department
- a new kitchen.

During the financial year, several milestones were reached including:

- a new emergency department
- same day rehabilitation unit
- relocation and refurbishment of cancer care services.

While the redevelopment is taking place, the hospital has remained open and has continued to provide patient services.

Gympie Staff Accommodation

An \$8 million, 24-bed staff accommodation facility was built this year at Gympie Hospital, as part of the Building Rural and Remote Health Program, a component of the Department of Health's Sustaining Capital Program, established to improve infrastructure critical to the delivery of health services in rural and remote communities.

The building features sustainable design elements, including energy efficiency and disability access and include 24 beds, a laundry, and meal preparation area.

Integrated electronic Medical Record (ieMR) Hub and Spoke

The integrated electronic medical record (ieMR) Hub and Spoke project has been successfully implemented at Caloundra Health Service this year. The success of this project will continue the expansion of ieMR across the health service with Maleny Soldiers Memorial Hospital and Gympie Hospital scheduled to be rolled out later next financial year.

Works commence at Maleny Soldiers Memorial Hospital

Works commenced at the Maleny Soldiers Memorial Hospital with an investment in internal and external infrastructure, a new mechanical plant, and a new roof. The \$2.8 million infrastructure investment will help to improve patient experience for the Maleny community. The emergency department and specialist outpatients remained open for the duration of the works.

Busiest month ever at Sunshine Coast University Hospital

Sunshine Coast Health emergency departments are treating more patients than ever before, with 56,549 presentations between October and December 2023. This is a four per cent increase compared with the same period in the previous year. In its busiest month ever, an average of 330 patients presented to Sunshine Coast University Hospital (SCUH) Emergency Department each day in December. Importantly, every one of our sickest or most critically injured patients (Category 1) were seen within clinically recommended timeframes. Across all five categories, the median wait time was just 15 minutes.

Health service performance

Sunshine Coast Health has again seen unprecedented demand for its services. We have seen significant improvements in waitlists for elective surgery and specialist outpatients and we have been focussed on growing our services to better meet the needs of our communities.

We have seen an increase in the presentations to our emergency departments and despite this increase, all of our category one (our sickest patients) were seen within clinically recommended timeframes. Although we have more people than ever before accessing our services, we've provided more care than ever before. We acknowledge that we still have some patients waiting longer than clinically recommended, we have been working hard to recruit skilled frontline clinicians to support the efficiency and effectiveness of our care.

We have been working to support patient flow, improving value for money for patient care, and efficiency and effectiveness through our emergency departments with a number of initiatives including streaming patients within the emergency department, interim care beds, and optimisation of Hospital in the Home.

Virtual care

Virtual care continues to be delivered to the community as part of the Virtual Acute Care Service. The Virtual Acute Care Service is an outpatient service providing short-term virtual medical and nursing oversight seven days per week to patients in the Sunshine Coast Health catchment.

Dedicated Aboriginal and Torres Strait Islander Space at Sunshine Coast University Hospital

This year, a public-facing space opened at Sunshine Coast University Hospital to create a comfortable and culturally appropriate area for Aboriginal and Torres Strait Islander community members accessing healthcare. The space is centrally located in the hospital's food and shopfronts area to make the team more accessible and to provide a culturally safe environment for Aboriginal and Torres Strait Islander people. This new space was designed in response to the community's needs and is expected to increase engagement with our Aboriginal and Torres Strait Islander Health team. It addresses several priority areas identified in the Aboriginal and Torres Strait Islander Health Equity Strategy 2022-2031, including preventing hospitalisations, avoiding emergency department visits, and increasing access to healthcare.

Our future

We improve and prepare for the future through research, education, and innovation.

Study, Education, Research, Training Fund grants

Six Sunshine Coast Health professionals were this year awarded significant Study, Education, Research, Training Fund grants to carry out innovative research into healthcare issues impacting our local communities. The projects include a women's health study comparing new and traditional methods of inducing labour, research into improving diagnosis and treatment for serious lung diseases, the effect of exercise on gut biology and liver health, improving skin cancer detection using technology, and evaluating a model of care that supports young families.

Staff across the health service are each year invited to apply for the grant scheme supported by the Study, Education, Research Training Fund and Wishlist.

New Executive Director appointed to the Sunshine Coast Health Institute (SCHI)

This year a new Executive Director was appointed to the Sunshine Coast Health Institute to support the strategic direction of health education, collaboration, and innovation. The inaugural Executive Director will drive the establishment of a centre of excellence in implementation sciences with a focus on novel models of care and workforce.

The Sunshine Coast Health Institute's co-location builds our region's capacity and capability through health education, collaboration, and innovation. SCHI is a joint venture collaborative partnership between Sunshine Coast Health, University of the Sunshine Coast, TAFE Queensland, and Griffith University. The Institute is a dedicated health education, training, and research facility, contributing to the Sunshine Coast Health vision for health and wellbeing through exceptional care.

Recognition from the Australasian Rehabilitation Outcomes Centre

Sunshine Coast University Hospital's rehabilitation team was this year recognised as having the best stroke rehabilitation outcomes, out of 265 participating hospitals across Australasia. The team were awarded the honour for their outstanding results in data collected by the Australasian Rehabilitation Outcomes Centre in recognition of their exceptional care to help restore patients' function and wellbeing.

Distinction Award for the provision of timely thrombolysis treatment

This year the Sunshine Coast University Hospital received a Distinction Award for the provision of timely thrombolysis treatment. Sunshine Coast University Hospital received a Gold Status Award, under the World Stroke Organization Angels Awards. The Acute Networks StrivinG for Excellence in Stroke initiative is industry-led (Boehringer Ingelheim), works in partnership with the European Stroke Organisation, and has been endorsed by the World Stroke Organisation.

The Quality Stroke Service Awards, now in their fifth year, were established by the Australian Stroke Coalition to acknowledge hospitals providing quality care for patients experiencing an ischaemic stroke (a stroke caused by a blockage cutting off the blood supply to the brain). A composite score, based on indicator data provided by hospitals to the Australian Stroke Clinical Registry, is used to determine the awards.

Brain and Spinal Cord Injury Project improves the lives of patients with complex injuries

Sunshine Coast residents with brain and spinal cord injuries now have access to a new Neuro Intensive Rehabilitation and Complex Concussion Clinic, to help improve day-to-day life. Following a successful pilot, Sunshine Coast Health has announced the program will receive ongoing funding to provide day rehabilitation for people with neurological injuries such as stroke, traumatic brain injury, spinal cord injury, and concussion.

People who are experiencing disabilities related to nervous system damage can now safely live at home, while receiving treatment from the Neuro Intensive Rehab program at the Sunshine Coast University Hospital. The program offers holistic and specialised neuro-rehabilitation from a multidisciplinary team, working together to restore the patient's function. The Complex Concussion Clinic is also now fully funded and provides rehabilitation for patients experiencing new concussion or persistent post-concussive symptoms, with 86 per cent achieving significant functional recovery and returning to their usual life roles after a block of outpatient treatment.

New era of robotic surgery at Sunshine Coast Health

A new \$4 million surgical robot has arrived on the Sunshine Coast ready to provide patients with improved outcomes. To perform surgery with the robot, the surgeon sits down and views the surgical field through a high definition, 3D screen inside the robot's console. They then use their hands and feet to control the instruments to make delicate and precise movements to perform the operation. The instruments on the equipment accurately mimic a surgeon's wrist and finger movements, while the arms and camera allow stability, minimise tremors and improve the field of vision to achieve the best possible outcomes for patients.

Intricate surgeries that require extra fine techniques see particularly positive outcomes for patients with the Da Vinci robot including:

- shorter hospital stays
- less pain and discomfort
- faster recovery and return to regular activities
- smaller incisions, resulting in less risk of infection
- reduced blood loss and need for transfusions
- minimising scarring.

The Robotic Surgery program at the Sunshine Coast University Hospital will commence with Urological procedures later next financial year with the view to expand to other types of surgery in the future.

Digital program takes memory rehab to rural patients

Rural patients recovering from brain injuries or neurological issues are now able to access evidence-based memory rehabilitation, through a remote program offered by Sunshine Coast Health.

The Sunshine Coast University Hospital's Neuro-Intensive Rehabilitation Service has adopted the MemoRehab program, as a way to bring more effective rehabilitation to a wider number of patients. MemoRehab is a 6-week group-based online program, which involves video-call sessions and digital work to be completed at home.

Strategy and Planning

Sunshine Coast Health has released a 10 year roadmap outlining the future of healthcare in the region, as the service prepares for an unprecedented increase in demand.

The Health Services Plan 2024-2034 explores how the service plans to address the unique challenges and opportunities presented by an ageing population with high levels of chronic disease, combined with a rapidly growing population.

Research and clinical trials

The strategic measure has been met, with the total new approvals meeting the 20 per cent target. In the 2023, 84 new research projects were approved – an increase of 20 per cent compared to 2021.

Of these projects, 38 were new clinical trials, increasing from 18 in 2021.

The research portfolio continues to progressively grow, with the total number of active projects expected to exceed 400 in 2024 (growing from 355 in 2021). There are 384 projects currently active, with another 40 currently undergoing Governance review.

Q1 and Q2 journal publications

Sunshine Coast Health has been linked to 203 publications in 2023 (as reported in June 2024).

Of these, 85 per cent (170) are in Q1 and Q2 journals (2026 annual target 226). While the number of publications in 2023 is overall lower than in 2021 and 2022, it is considered that Sunshine Coast Health is on track to meet this strategic measure by 2026. There is a substantial lead time between commencement of research projects and publication, including longer review cycles by high-impact (Q1 and Q2) journals.

The increase in research projects, and cohort of collaborative researchers gives significant confidence that publication numbers will follow.

Clinical department research teams

The Strategic Plan KPI of 75 per cent of clinical departments having an identified research team and active research projects has been met. Research is currently conducted in eight service groups, across 51 different Clinical Departments, on par with 2023 and representing an increase of 20 per cent in the number of active Departments in comparison to 2022 (42 active Departments) and 2021 (43).

Aboriginal and Torres Strait Islander Health

Sunshine Coast Health acknowledges and pays respect to Aboriginal and Torres Strait Islander Elders, people, consumers, and staff, past, present, and future, on whose lands we provide health services to all Queenslanders. We are committed to improving health outcomes for Aboriginal and Torres Strait Islander people and providing respectful and responsive services.

Health Equity

Since the Health Equity Strategy and its associated implementation plan were launched in 2023, Sunshine Coast Health has made strides towards its goals, meeting 23 of its key performance indicators (KPIs) in the first 12 months. Additionally, 13 KPIs are works in progress and 8 continue to require attention. Significant achievements include:

- The expansion of our hospital liaison service and preventable hospitalisation program.
- Opening of a dedicated, public-facing space at Sunshine Coast University Hospital, to create a culturally appropriate space for Aboriginal and Torres Strait Islander community accessing healthcare.
- Installation of artworks at all five of our facilities to provide a more culturally appropriate and welcoming environment.
- Successful implementation of Deadly Start School-based Traineeship program and the statewide cadetship program.
- Implemented priority pathways for audiology and respiratory services.

Cultural Practice Program

This year we achieved the health service's highest compliance rate (77.6 per cent) with the mandatory Aboriginal and Torres Strait Islander Cultural Practice Program training. The Sunshine Coast Health training has also been accredited by four medical colleges.

There are four guiding principles covered through the online and face-to-face sessions:

- cultural respect and recognition
- relationships and partnerships
- capacity building
- communication.

The Sunshine Coast Health Cultural Practice Program is delivered in a blended format of self-paced online training and a three-hour face-to-face/virtual session. In 2023/24 education was provided to 2309 employees.

Workforce Action Plan

Sunshine Coast Health is committed to developing a culturally responsive, inclusive, and educated workforce to negate discrimination and racism. The Workforce Action Plan 2023-2026 focuses on cultural integrity and strengthening career pathways. Our aim is to create a workplace to attract and retain Aboriginal and Torres Strait Islander people by providing a culturally safe work environment that:

- includes representation of Aboriginal and Torres Strait Islander staff
- provides rewarding career pathways for Aboriginal and Torres Strait Islander staff
- establishes Sunshine Coast Hospital and Health Service as an employer of choice for Aboriginal and Torres Strait Islander peoples.

At the end June 2024, our Aboriginal and Torres Strait Islander workforce participation rate was 1.96 per cent (or 185 staff).

Cultural celebrations

National Sorry Day was commemorated with a special service at Gympie Hospital. This event was well attended by staff and community.

Reconciliation Week was celebrated this year with the Nyina Budja (Live Strong) Health Equity Conference. About than 200 delegates attended from across Australia.

The Aunty Betty Reconciliation Walk, led by the Sunshine Coast Reconciliation Group in partnership with Sunshine Coast Health, North Coast Aboriginal Corporation for Community Health, Suncare, Sunshine Coast Council, Refocus and Buderim Private Hospital, was attended by a large number of school students from Gympie and the Sunshine Coast, community and Traditional Owners. National Aboriginal and Islanders Day Observance Committee (NAIDOC) Week celebrations were held in July to celebrate Aboriginal and Torres Strait Islander people's history, culture, and achievements.

Hospital Liaison Service

Sunshine Coast Health's Aboriginal and Torres Strait Islander Hospital Liaison Service provides a cultural link between health professionals, identified Aboriginal and Torres Strait Islander patients and their families.

The health service has extended the hours of Hospital Liaison Officers to support Aboriginal and Torres Strait Islander patients presenting to the emergency department after hours at Nambour General Hospital and Sunshine Coast University Hospital. The service continues to work hard to reduce the number of patients who do not wait for treatment, discharge against medical advice and those who fail to attend outpatient appointments.

Preventative health

The Preventable Health Program supports Aboriginal and Torres Strait Islander people with existing chronic health conditions. The program runs for up to 12 weeks with support from our health workers, clinical nurses, dietitian, social worker and accredited exercise physiologists. Our team provide social, cultural, and emotional wellbeing support to the Aboriginal and Torres Strait Islander community, including home visiting, regular contact, and referral to other services to meet needs and preferences. Our health workers also deliver health-related programs in schools and wellbeing group sessions in the community.

Cultural Healing

The Cultural Healing team provides mental health support to Aboriginal and Torres Strait Islander consumers that considers their physical, social, emotional, cultural and spiritual wellbeing.

Jabba Jabba

The Jabba Jabba Child Health teams provide home visiting services, baby health checks, hearing assessments, and home visiting vaccination programs for children.

Artwork unveiled at Sunshine Coast Health emergency departments

Sunshine Coast Health officially unveiled artwork during NAIDOC Week to hang in its Gympie, Maleny, Caloundra and Sunshine Coast University hospitals as part of its commitment to culturally safe and inclusive healthcare. We saw an opportunity to incorporate Aboriginal and Torres Strait Islander art across our facilities to provide a more welcoming and culturally safe environment and we want our Aboriginal and Torres Strait Islander community to feel welcome, respected, and engaged in their healthcare. The artwork is just one of the ways we are implementing the outcomes of our 2022-2031 Sunshine Coast Aboriginal and Torres Strait Islander Health Equity Strategy. The Aboriginal and Torres Strait Islander artists have created art that represents our region and the connection of country to health.

Nyina Budja Health Equity Conference

Sunshine Coast Health is committed to providing culturally safe and inclusive healthcare, which is why this year we proudly hosted the Nyina Budja (Live Strong) Health Equity Conference in May.

Held during Reconciliation Week, the conference was part of the Sunshine Coast Aboriginal and Torres Strait Islander Health Equity Strategy (2022 – 2031). With speakers from across Australia, the conference was well attended and focussed on all aspects of providing culturally safe healthcare to Aboriginal and Torres Strait Islander communities.

Table 10: Service standards

Sunshine Coast Hospital and Health Service	2023-2024 Target	2023-2024 Actual
Effectiveness measures		
Percentage of emergency department patients seen within recommended timeframes <ul style="list-style-type: none"> • Category 1 (within 2 minutes) • Category 2 (within 10 minutes) • Category 3 (within 30 minutes) • Category 4 (within 60 minutes) • Category 5 (within 120 minutes) 	100% 80% 75% 70% 70%	100% 79% 74% 75% 86%
Percentage of emergency department attendances who depart within 4 hours of their arrival in the department	>80%	64%
Percentage of elective surgery patients treated within the clinically recommended times ¹ <ul style="list-style-type: none"> • Category 1 (30 days) • Category 2 (90 days)¹ • Category 3 (365 days)¹ 	>98%	77% 75% 87%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days ²	<1.0	0.7
Rate of community mental health follow up within 1-7 days following discharge from an acute mental health inpatient unit ^{3,4}	>65%	64.4%
Proportion of re-admissions to acute psychiatric care within 28 days of discharge ⁴	<12%	9.4%
Percentage of specialist outpatients waiting within clinically recommended times ⁵ <ul style="list-style-type: none"> • Category 1 (30 days) • Category 2 (90 days)⁶ • Category 3 (365 days)⁶ 	80%	73% 47% 83%
Percentage of specialist outpatients seen within clinically recommended times <ul style="list-style-type: none"> • Category 1 (30 days) • Category 2 (90 days)⁶ • Category 3 (365 days)⁶ 	82%	84% 54% 67%
Median wait time for treatment in emergency departments (minutes) ⁷	..	15
Median wait time for elective surgery treatment (days)	..	41
Efficiency measure		
Average cost per weighted activity unit for Activity Based Funding facilities ⁸	\$5,445	\$5,614
Other measures		
Number of elective surgery patients treated within clinically recommended times <ul style="list-style-type: none"> • Category 1 (30 days) • Category 2 (90 days)¹ • Category 3 (365 days)¹ 	4,310	4,616 3,708 2,496
Number of Telehealth outpatients service events ⁹	17,446	15,547
Total weighted activity units (WAU) ¹⁰ <ul style="list-style-type: none"> • Acute Inpatients • Outpatients • Sub-acute • Emergency Department • Mental Health • Prevention and Primary Care 	119,415 37,139 11,217 29,918 11,269 4,176	121,432 41,862 13,397 28,460 11,801 4,189
Ambulatory mental health service contact duration (hours) ⁴	>64,184	61,292
Staffing ¹¹	6,692	7369.67

1	Treated in time performance Targets for category 2 and 3 patients are not applicable for 2023–2024 due to the System’s focus on reducing the volume of patients waiting longer than clinically recommended for elective surgery. The targets have been reinstated for 2024–2025.
2	Staphylococcus aureus (including MRSA) bloodstream (SAB) infections 2023–2024 Actual rate is based on data from 1 July 2023 to 31 March 2024 as at 14 May 2024.
3	Previous analysis has shown similar rates of follow up for both Indigenous and non-Indigenous Queenslanders are evident, but trends are impacted by a smaller number of separations for Indigenous Queenslanders.
4	Mental Health data is as at 19 August 2024.
5	Waiting within clinically recommended time is a point in time performance measure. 2023–2024 Actual is as at 1 July 2024.
6	Given the System’s focus on reducing the volume of patients waiting longer than clinically recommended for specialist outpatients, it is expected that higher proportions of patients seen from the waitlist will be long wait patients and the seen within clinically recommended time percentage will be lower. To maintain the focus on long wait reduction, the targets for category 2 and 3 patients are not applicable.
7	There is no nationally agreed target for this measure, and the median wait time varies depending on the proportion of patients in each urgency category.
8	Cost per WAU is reported in QWAU Phase Q26 and is based on data available on 19 August 2024. 2023–2024 Actual includes in-year funding, e.g. Cost of Living Allowance (COLA), Enterprise Bargaining uplift, Special Pandemic Leave payment, and additional funding for new initiatives.
9	Telehealth 2023–2024 Actual is as at 20 August 2024.
10	All measures are reported in QWAU Phase Q26. The 2023–2024 Actual is based on data available on 19 August 2024. As the Hospital and Health Services have operational discretion to respond to service demands and deliver activity across services streams to meet the needs of the community, variation to the Target can occur.
11	Corporate FTEs are allocated across the service to which they relate. The department participates in a partnership arrangement in the delivery of its services, whereby corporate FTEs are hosted by the department to work across multiple departments. 2023–2024 Actual is for pay period ending 23 June 2024.

Financial Summary

Sunshine Coast Health reported an operating deficit of \$7.9 million for the year ended 30 June 2024.

Table 11: Revenue and expenses— financial year ended 30 June 2024 and 2023

	2024	2023
	\$'000	\$'000
Revenue	1,793,467	1,611,349
Expenses		
Employee expenses	(1,150,716)	(1,061,516)
Supplies and services	(424,475)	(363,634)
Depreciation and amortisation	(163,850)	(144,461)
Interest and other expenses	(62,317)	(56,527)
Total expenses	(1,801,358)	(1,626,138)
Net deficit from operations	(7,891)	(14,789)

Where the money comes from

Sunshine Coast Health's income was \$1.793 billion, which is an increase of \$182.1 million (11.3 per cent) from the prior year. Of this, the Queensland Government's contribution was \$1,102.1 million and the Commonwealth contribution was \$513.7 million. Specific-purpose grants and other contributions worth \$26.3 million were received and user charges, fees and other revenue was \$151.4 million.

Where the money goes

Sunshine Coast Health's expenses for 2023-24 were \$1.801 billion, which is an increase of \$175.2 million (10.8 per cent). The largest portion of expenditure relates to employee expenses including clinicians and support staff (63.9 per cent). Supplies and services expenses such as clinical supplies, drugs, prosthetics, pathology, catering, repairs and maintenance, energy, communication and computers account for 23.6 per cent of expenditure; 9.1 per cent of expenditure was related to depreciation and amortisation of the fixed asset base; and 3.4 per cent of expenditure relates to interest and other expenses.

Financial outlook

Sunshine Coast Health is committed to providing better health outcomes for its community. Financial year 2024-25 will continue to be fiscally challenging for the Health Service as it continues to implement strategies to transition towards long term financial sustainability.

Anticipated maintenance

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

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

As of 30 June 2024, Sunshine Coast HHS had reported anticipated maintenance of \$24,509,195.

Sunshine Coast Health has the following strategies in place to mitigate risks associated with these items:

- Ongoing condition assessment program covering major facilities to inform long-term maintenance plans and assist with prioritisation of works based on risk and linkage to clinical service delivery.
- Completion of the Strategic Asset Management Plan (SAMP) and the Asset Maintenance Management Plan (AMMP) to inform and support lifecycle management for current and future financial years.
- Funding applications under the Sustaining Capital Program.

Sunshine Coast Hospital and Health Service Financial Statements

For the year ended 30 June 2024

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Statement of Comprehensive Income

For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Income			
Funding for public health services	B1.1	1,615,780	1,446,420
User charges and fees	B1.2	133,029	122,315
Grants and other contributions	B1.3	26,332	23,214
Other revenue	B1.4	17,797	19,193
Total revenue		1,792,938	1,611,142
Gains on disposal of assets		529	207
Total income from continuing operations		1,793,467	1,611,349
Expenses			
Employee expenses	B2.1	(198,049)	(168,942)
Health service employee expenses	B2.1	(952,667)	(892,574)
Supplies and services	B2.2	(424,475)	(363,634)
Depreciation and amortisation	C3, C4, C5	(163,850)	(144,461)
Impairment losses	C2	(1,211)	(1,647)
Interest expense	B2.3	(38,603)	(33,605)
Other expenses	B2.4	(22,503)	(21,275)
Total expenses		(1,801,358)	(1,626,138)
Operating result for the year		(7,891)	(14,789)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to operating result</i>			
Increase in the asset revaluation surplus	C10.2	489,069	343,309
Other comprehensive income for the year		489,069	343,309
Total comprehensive income for the year		481,178	328,520

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Assets			
Current assets			
Cash and cash equivalents	C1	21,530	17,592
Trade and other receivables	C2	52,402	47,457
Inventories		8,776	7,770
Other current assets		5,052	4,434
Total current assets		87,760	77,253
Non-current assets			
Property, plant and equipment	C3	2,610,876	2,245,097
Intangibles	C4	820	1,069
Right-of-use assets	C5	449	725
Total non-current assets		2,612,145	2,246,891
Total assets		2,699,905	2,324,144
Liabilities			
Current liabilities			
Trade payables	C6	153,975	170,354
Lease liabilities		135	215
Interest bearing liability	C7	12,610	11,636
Accrued employee benefits		4,788	15,213
Contract liabilities	C8	5,175	5,417
Total current liabilities		176,683	202,835
Non-current liabilities			
Interest bearing liability	C7	458,514	471,125
Contract liabilities	C8	65,826	69,575
Lease liabilities		402	748
Total non-current liabilities		524,742	541,448
Total liabilities		701,425	744,283
Net assets		1,998,480	1,579,861
Equity			
Contributed equity	C10.1	699,791	762,350
Asset revaluation surplus	C10.2	1,364,905	875,836
Accumulated deficit		(66,216)	(58,325)
Total equity		1,998,480	1,579,861

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2024

	Note	Contributed equity \$'000	Asset revaluation surplus \$'000	Accumulated result \$'000	Total equity \$'000
Balance at 1 July 2022		836,818	532,527	(43,536)	1,325,809
Operating result for the year		-	-	(14,789)	(14,789)
Other comprehensive income for the year	C10.2	-	343,309	-	343,309
Total comprehensive income for the year		-	343,309	(14,789)	328,520
Transactions with owners in their capacity as owners:					
Cash injection from the Department for capital works and acquisitions		70,854	-	-	70,854
Reclassify equity received (to)/from revenue		(1,913)	-	-	(1,913)
Non cash injection of other capital assets		1,052	-	-	1,052
Equity injections		69,993	-	-	69,993
Non cash withdrawal for depreciation and amortisation		(144,461)	-	-	(144,461)
Non cash withdrawal for assets transferred to the Department		-	-	-	-
Equity withdrawals		(144,461)	-	-	(144,461)
Transactions with owners in their capacity as owners	C10.1	(74,468)	-	-	(74,468)
Balance at 30 June 2023		762,350	875,836	(58,325)	1,579,861
Balance at 1 July 2023		762,350	875,836	(58,325)	1,579,861
Operating result for the year		-	-	(7,891)	(7,891)
Other comprehensive income for the year	C10.2	-	489,069	-	489,069
Total comprehensive income for the year		-	489,069	(7,891)	481,178
Transactions with owners in their capacity as owners:					
Non appropriated cash injection from the Department		38,000	-	-	38,000
Cash injection from the Department for capital works and acquisitions		57,773	-	-	57,773
Reclassify equity received (to)/from revenue		5,566	-	-	5,566
Non cash injection of other capital assets		80	-	-	80
Equity injections		101,419	-	-	101,419
Non cash withdrawal for depreciation and amortisation		(163,850)	-	-	(163,850)
Non cash withdrawal for assets transferred to the Department or QH entities		(128)	-	-	(128)
Equity withdrawals		(163,978)	-	-	(163,978)
Transactions with owners in their capacity as owners	C10.1	(62,559)	-	-	(62,559)
Balance at 30 June 2024		699,791	1,364,905	(66,216)	1,998,480

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2024

	2024	2023
Note	\$'000	\$'000
Cash flows from operating activities		
Inflows		
Funding for public health services	1,434,632	1,263,717
User charges and fees	131,291	121,517
Grants and other contributions	14,326	12,392
Interest received	830	448
GST collected from customers	6,779	6,624
GST input tax credits	31,917	33,173
Other revenue	16,954	14,964
Outflows		
Employee and Health service employee expenses	(1,176,298)	(1,025,213)
Supplies and services	(407,282)	(344,153)
GST paid to suppliers	(30,610)	(34,214)
GST remitted	(6,767)	(6,567)
Interest expense	(38,840)	(33,823)
Other expenses	(21,970)	(20,883)
Net cash from / (used by) operating activities	CF.1 <u>(45,038)</u>	<u>(12,018)</u>
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	529	207
Payments for property, plant and equipment	(40,588)	(70,042)
Payments for intangibles	(241)	-
Net cash / (used by) investing activities	<u>(40,300)</u>	<u>(69,835)</u>
Cash flows from financing activities		
Proceeds from equity injections	101,339	70,854
Borrowing redemptions	CF.2 (11,637)	(10,737)
Principal payments of lease liabilities	CF.2 (426)	(214)
Net cash from / (used by) financing activities	<u>89,276</u>	<u>59,903</u>
Net increase / (decrease) in cash held	<u>3,938</u>	<u>(21,950)</u>
Cash and cash equivalents at the beginning of the financial year	<u>17,592</u>	<u>39,542</u>
Cash and cash equivalents at the end of the financial year	C1 <u><u>21,530</u></u>	<u><u>17,592</u></u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 30 June 2024

Notes to the Statement of Cash Flows

CF.1 Reconciliation of operating result to net cash from operating activities

	2024 \$'000	2023 \$'000
Operating result for the year	(7,891)	(14,789)
Adjustments for:		
Proceeds from disposal of property plant and equipment	(529)	(207)
Inventory written off	225	248
Losses on disposal of non-current assets	533	392
Depreciation and amortisation	163,850	144,461
Depreciation and amortisation funding offset from the Department	(163,850)	(144,461)
Derecognition / transfer out of plant and equipment	-	463
Donations of plant and equipment	(598)	(207)
Impairment losses on financial assets	1,211	1,647
Movements in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(9,033)	(4,256)
(Increase)/decrease in GST input tax credits receivables	1,319	(984)
(Increase)/decrease in inventories	(1,006)	(1,378)
(Increase)/decrease in accrued revenue	2,773	(6,669)
(Increase)/decrease in other current assets	(618)	(702)
Increase/(decrease) in trade payables	(20,741)	6,861
Increase/(decrease) in salaries and wages accrued	(10,492)	12,717
Increase/(decrease) in other employee benefits payable	67	(94)
Increase/(decrease) in contract liabilities	(258)	(5,060)
Net cash from / (used by) operating activities	(45,038)	(12,018)

CF.2 Changes in liabilities arising from financing activities

2024	Opening balance \$'000	Non-cash changes		Cash flows	
		New leases acquired \$'000		Cash repayments \$'000	Closing balance \$'000
Lease liabilities	963	-		(426)	537
Interest bearing liabilities	482,761	-		(11,637)	471,124
Total	483,724	-		(12,063)	471,661

2023	Opening balance \$'000	Non-cash changes		Cash flows	
		New leases acquired \$'000		Cash repayments \$'000	Closing balance \$'000
Lease liabilities	1,177	-		(214)	963
Interest bearing liabilities	493,498	-		(10,737)	482,761
Total	494,675	-		(10,951)	483,724

CF.3 Non-cash investing and financing activities

Assets received or donated/transferred by the Department are recognised as revenue (refer Note B1.3) and property, plant and equipment (refer Note C3) as applicable.

Notes to the Financial Statements

For the year ended 30 June 2024

Section A: About the entity and this Financial Report

A1 General information

Sunshine Coast Hospital and Health Service (SCHHS) is a not-for-profit statutory body established on 1 July 2012 under the *Hospital and Health Boards Act 2011*. SCHHS is controlled by the State of Queensland (State Government) which is the ultimate parent.

The principal address of SCHHS is:
Sunshine Coast University Hospital
6 Doherty Street, Birtinya, QLD 4575

For information in relation to SCHHS's financial statements, email sc-communications@health.qld.gov.au or visit the website at: <https://www.health.qld.gov.au/sunshinecoast>.

A2 Objectives and principal activities

A description of the nature, objectives and principal activities of SCHHS is included in the Annual Report.

A3 Compliance with prescribed requirements

These general-purpose financial statements have been prepared pursuant to Section 62(1) of the *Financial Accountability Act 2009*, Section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. The financial statements comply with Queensland Treasury's Financial Reporting Requirements for Queensland Government Agencies for reporting periods beginning on or after 1 July 2023.

The general-purpose financial statements are prepared on an accrual basis (except for the statement of cash flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

No new accounting standards or interpretations applied to SCHHS for the first time in 2023-24. No Australian Accounting Standards have been early adopted for 2023-24.

A4 Presentation

Currency and rounding

Amounts included in the financial statements are in Australian dollars and 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.

Comparatives

Comparative information reflects the audited 2022-23 financial statements. Comparatives have been reclassified where appropriate for consistency with current year classification.

Current/non-current classification

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

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the entity does not have the right at the end of the reporting period to defer settlement to beyond 12 months after the reporting date.

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

Notes to the Financial Statements

For the year ended 30 June 2024

A5 Authorisation of financial statements for issue

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

A6 Basis of measurement

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

- Land and building assets which are measured at fair value;
- Right-of-use assets and lease liabilities which are measured at present value; and
- Inventories which are measured at the lower of cost and net realisable value.

Historical cost

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

Fair value

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

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

Where fair value is used, the fair value approach is disclosed. Further information on fair value is disclosed at Note D1 Fair value measurement.

Present value

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

Net realisable value

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

A7 The reporting entity

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

A8 Economic dependency

SCHHS has prepared these financial statements on a going concern basis which assumes it will be able to meet its financial obligations as and when they fall due. SCHHS is economically dependent on funding received from its Service Agreement with the Department of Health (the Department).

The Service Agreement provides performance targets and terms and conditions in relation to provision of funding commitments and agreed purchased activity for this period. The Board and management of SCHHS believe that the terms and conditions of its funding arrangements under the Service Agreement Framework, and with support as required by the Department, will provide SCHHS with sufficient cash resources to meet its financial obligations for at least the next financial year. During the year SCHHS received a non appropriated cash injection from the Department of \$38 million to fund operating activities.

SCHHS has no intention to liquidate or to cease operations. Under section 18 of the *Hospital and Health Boards Act 2011*, SCHHS represents the State of Queensland and thus has all the privileges and immunities of the State in this respect.

Notes to the Financial Statements

For the year ended 30 June 2024

Section B: Notes about our Financial Performance

B1 Revenue

B1.1 Funding for public health services

	2024 \$'000	2023 \$'000
Revenue from contracts with customers		
Activity based funding	1,249,191	1,138,592
Other funding for public health services		
Depreciation funding	163,850	144,461
Block funding	113,937	101,980
Other system manager funding	88,802	59,763
COVID-19 funding	-	1,624
Total	1,615,780	1,446,420

Accounting policy – Funding for public health services

Funding for public health services primarily comprises revenue from the Department as System Manager for the public health system in Queensland.

Of the total funding for public health services received in 2024, \$1,102.126m (2023: \$999.120m) was received from the State Government with \$513.654m (2023: \$447.300m) received from the Commonwealth Government.

The Service Agreement between the Department and SCHHS is reviewed periodically and updated for changes in activities and prices of services delivered by SCHHS. At the end of the financial year an agreed technical adjustment between the Department and SCHHS is undertaken according to the provisions of the Service Agreement, for the level of services performed above or below the agreed levels. The technical adjustments ensure that the revenue recognised in each financial year correctly reflects SCHHS delivery of health services and may result in a recognition of accrued revenue, contract asset, deferred revenue, or contract liabilities.

Activity Based Funding (ABF)

ABF is recognised over time as activity is delivered, or as otherwise agreed, in line with AASB 15 *Revenue from Contracts with Customers*. Delivery of activity includes provision of hospital services to patients.

Depreciation funding

The Service Agreement specifies that the Department funds SCHHS's depreciation and amortisation charges via non-cash revenue. This transaction is shown in the Statement of Changes in Equity as a non-appropriated equity withdrawal.

Block funding

Block funding is received for non-ABF facilities and other services SCHHS has agreed to provide under the Service Agreement. This funding is recognised upon receipt of funds and accords with the requirements of AASB 1058 *Income of Not-for-Profit Entities*.

Other system manager funding

Other system manager funding includes revenue provided for specific purposes, including project related costs. This funding is either recognised under AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*.

COVID-19 funding

In March 2020, the Commonwealth and states entered into a National Partnership on COVID-19 response. Under this agreement, the parties agreed to work together in response to the COVID-19 pandemic and to jointly fund additional health expenditure incurred to effectively manage the COVID-19 outbreak. Some funding was also provided through the Service Agreement. The COVID-19 funding ceased in the 2022-23 financial year. COVID-19 funding is recognised under AASB 1058 *Income of Not-for-Profit Entities*.

Notes to the Financial Statements

For the year ended 30 June 2024

B1 Revenue (continued)

B1.2 User charges and fees

	2024 \$'000	2023 \$'000
Revenue from contracts with customers		
Sale of goods and services	17,753	15,807
Hospital fees	54,950	49,503
Pharmaceutical Benefits Scheme reimbursement	60,326	57,005
Total	133,029	122,315

Accounting policy – User charges and fees

Sale of goods and services and hospital fees

User charges principally includes public patients electing to use private health insurance, self-funded private patients, bulk-billed outpatients (Medicare) and research. User charges and fees from contracts with customers is recognised as revenue when the revenue has been earned and can be measured reliably with a sufficient degree of certainty. This involves either invoicing for related goods and services and/or the recognition of accrued revenue.

Pharmaceutical Benefits Scheme (PBS) reimbursement

Revenue in relation to PBS is recognised at the point in time when service obligations are met. SCHHS invoices patients for prescription medicines at the reduced PBS rate and is entitled to reimbursement under the scheme. Where SCHHS has satisfied the performance obligations but not yet claimed through PBS arrangement, a contract asset is raised.

B1.3 Grants and other contributions

	2024 \$'000	2023 \$'000
Revenue from contracts with customers		
State Government grants	-	90
Commonwealth Government grants	13,114	11,096
Other grants	709	577
	13,823	11,763
Other grants and other contributions		
Services received below fair value	11,408	10,615
Donations	1,101	836
	12,509	11,451
Total	26,332	23,214

Accounting policy – Grants and other contributions

Where the grant agreement is enforceable and contains sufficiently specific performance obligations, revenue is recognised in line with satisfaction of these obligations with reference to AASB 15 *Revenue from Contracts with Customers*. Otherwise, the grant is recognised upon receipt of funding in accordance with AASB 1058 *Income of Not-for-Profit Entities*.

Commonwealth Government grants

Commonwealth Government grants were received to support programmes such as Transition Care and Home Support Programme.

Other grants

Other grants occur when the grant or other funding agreement contains sufficiently specific performance obligations for SCHHS to transfer services.

Notes to the Financial Statements

For the year ended 30 June 2024

B1 Revenue (continued)

B1.3 Grants and other contributions (continued)

Accounting policy – Grants and other contributions (continued)

Services received below fair value

Services received below fair value represents corporate services received by SCHHS below fair value, from the Department for nil consideration. Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. The revenue is classified under AASB 1058 *Income of Not-for-Profit Entities*.

Donations

SCHHS receives various types of donations, primarily from the Sunshine Coast Health Foundation (Wishlist) for support services and equipment. The donations are recognised upon receipt under AASB 1058 *Income of Not-for-Profit Entities*.

B1.4 Other revenue

	2024 \$'000	2023 \$'000
Rental income	7,233	7,313
Recoveries	4,709	3,954
Interest income	840	491
Other revenue	5,015	7,435
Total	17,797	19,193

Accounting policy – Other revenue

Other revenue is recognised when the right to receive the revenue has been established. Revenue is measured at the fair value of the consideration received, or receivable. It is comprised of the following:

Rental income

SCHHS receives rental income from the Sunshine Coast University Hospital (SCUH) car parks and from Noosa Hospital (refer to Note C9 Public Private Partnerships (PPPs)).

Recoveries

Recovery income is received as reimbursement of goods, services or staff provided by SCHHS to other hospital and health services and government agencies.

Interest income

Interest income is earned from cash on deposit with Queensland Treasury Corporation.

Other revenue

Other revenue includes gain on sale of property, plant and equipment, research, and other fees.

Notes to the Financial Statements

For the year ended 30 June 2024

B2 Expenses

B2.1 Employee and Health service employee expenses

(a) Employee expenses

Employee expenses include Board members, contracted health service executives, and Senior Medical Officers (including Visiting Medical officers) directly engaged by SCHHS.

	2024 \$'000	2023 \$'000
Wages and salaries	151,945	134,258
Employer superannuation contributions	18,968	11,158
Annual leave levy	20,666	17,929
Long service leave levy	4,065	3,434
Workers' compensation	2,174	1,899
Other employee related expenses	231	264
Total	198,049	168,942

Wages and salaries

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

Sick leave is included in wages and salaries. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Employer superannuation contributions

Employer superannuation contributions are paid to employee nominated superannuation funds. Contributions are expensed in the period in which they are payable and the obligation of SCHHS is limited to its contribution to employee nominated superannuation funds.

Annual leave levy and long service leave levy

SCHHS participates in the State Government's Annual Leave and Long Service Leave Central Schemes. Levies are payable by SCHHS under these schemes quarterly in arrears to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. These levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave and long service leave are claimed from the schemes quarterly in arrears which is currently facilitated by the Department.

No provision for annual leave or long service leave is recognised in the financial statements of SCHHS, as the liability for these schemes is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Workers' compensation

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

Other employee related expenses

Other employees related expenses include professional development, professional memberships, recruitment costs, relocation expenses and redundancy expenses.

Notes to the Financial Statements

For the year ended 30 June 2024

B2 Expenses (continued)

B2.1 Employee and Health service employee expenses (continued)

(b) Health service employee expenses

The *Hospital and Health Boards Act 2011* (the Act) outlines the employment arrangements for SCHHS. Effective 15 June 2020, a legislative change was enacted regarding employer arrangements within Queensland Health. From this date, non-executive employees of prescribed HHSs became employees of the Department.

Under this arrangement, the Department provides employees to perform work for SCHHS. SCHHS is responsible for the day-to-day management of these employees and reimburses the Department for their salaries and related on-costs. Following this change, direct labour postings and related assets and liabilities of these employees have been classified as Health service employee expenses.

	2024 \$'000	2023 \$'000
Health service employee expenses reimbursed to the Department	<u>952,667</u>	<u>892,574</u>

(c) Number of full-time equivalent employees

The number of employees is measured on a full-time equivalent basis reflecting Minimum Obligatory Human Resource Information (MOHRI) as at 30 June 2024. Members of the Board are not included in the number of HHS employees.

	2024	2023
HHS employees	373	351
Health service employees	<u>6,997</u>	<u>6,463</u>
Total employees	<u>7,370</u>	<u>6,814</u>

(d) Key management personnel remuneration

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

B2.2 Supplies and services

	2024 \$'000	2023 \$'000
Clinical supplies and services	103,377	88,667
Drugs	79,304	73,178
Pathology, blood and biomedical technical services	43,113	36,334
Repairs and maintenance	45,729	37,448
Services purchased from private providers	28,420	23,181
Building services and utilities	17,221	17,294
Communications	30,962	20,275
Catering and domestic supplies	16,593	15,163
Computer services	15,180	14,434
Services received below fair value	11,408	10,615
Clinical consultants and contractors	10,936	9,353
Expenses relating to capital works	6,112	3,641
Other consultants, professional services and contractors	3,632	2,894
Patient travel	3,338	2,848
Lease expenses	2,324	1,993
Motor vehicles	1,965	1,336
Other supplies and services	4,861	4,980
Total	<u>424,475</u>	<u>363,634</u>

B1.3

Notes to the Financial Statements

For the year ended 30 June 2024

B2 Expenses (continued)

B2.2 Supplies and services (continued)

Services purchased from private providers

Services purchased from private providers during the year amounted to \$28.420m (2023: \$23.181m). These expenses largely reflect the agreement with Noosa Privatised Hospital Pty Ltd for the provision of health services to public patients within the Noosa Hospital (refer to Note C9 Public Private Partnerships (PPPs)), Buderim Private Hospital and Eden Private Hospital.

Sunshine Coast University Hospital (SCUH) Public Private Partnership (PPP) Arrangement

A total of \$38.402m (2023: \$33.786m) was expensed across various categories of supplies and services in relation to quarterly service payments due to Exemplar Health in relation to the facility management of SCUH. Refer to Note C9 Public Private Partnerships (PPPs).

B2.3 Interest expense

	2024 \$'000	2023 \$'000
Interest expense	38,603	33,605
Total	38,603	33,605

Interest expense

Interest expenses are incurred in connection with the borrowing of funds in relation to the Sunshine Coast University Hospital Public Private Partnership Arrangement and the lease liabilities. Interest expenses are recognised as expenses within the period in which they are incurred.

B2.4 Other expenses

	2024 \$'000	2023 \$'000
Insurance premiums	14,965	14,441
Legal costs	502	615
Inventory written off	225	248
Losses from the disposal of non-current assets	533	392
Special payments	16	6
Other	6,262	5,573
Total	22,503	21,275

External audit fees

Total audit fees quoted by the Queensland Audit Office relating to the 2024 financial year, included in the Other category, were \$0.258m (2023: \$0.270m). There are no non-audit services included in this amount.

Insurance premiums

Certain losses including property, general liability, professional indemnity, and health litigation costs are insured with the Queensland Government Insurance Fund (QGIF). The total insurance premium paid to QGIF was \$13.172m (2023: \$12.313m). The maximum excess amount payable is \$20,000 for each claim event. Upon notification by QGIF of the acceptance of a claim, revenue will be recognised for the agreed settlement amount and disclosed in Other revenue. Other insurances relate to the Sunshine Coast Health Institute (SCHI) Joint Venture, SCUH Public Private Partnership and motor vehicles.

Special payments

Special payments relate to ex-gratia expenditure that is not contractually or legally obligated to be made to other parties.

In compliance with the *Financial and Performance Management Standard 2019*, SCHHS maintains a register setting out details of all special payments greater than \$5,000. During the year, no payments were made in excess of \$5,000 (2023: no payments in excess of \$5,000).

Notes to the Financial Statements

For the year ended 30 June 2024

Section C: Notes about our Financial Position

C1 Cash and cash equivalents

	2024 \$'000	2023 \$'000
Cash at bank and on hand	6,211	2,979
Cash on deposit	15,319	14,613
Total	21,530	17,592
Cash at bank and on hand		

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

Cash on deposit

Cash on deposit, which is held on-call, relates to invested monies which are not grouped within the Whole-of-Government set-off arrangement and are able to be invested and earn interest. Cash on deposit with QTC earned interest at an annual effective rate of 4.82% (2023: 4.23%).

Restricted cash

SCHHS receives cash contributions primarily from private practice clinicians and external entities for the provision of education, study and research in clinical areas, and for the purchase of specific non-current assets. Contributions are also received from benefactors in the form of gifts, bequests, donations and legacies for stipulated purposes. At 30 June 2024, an amount of \$17.080m (2023: \$15.036m) is set aside for specified purposes defined by the contribution. The majority of the balance is held as cash on deposit in the General Trust.

C2 Trade and other receivables

	2024 \$'000	2023 \$'000
Trade receivables	24,903	24,252
Less: Allowance for credit losses	(1,043)	(998)
	23,860	23,254
GST receivable	2,078	3,385
GST payable	(1,490)	(1,478)
	588	1,907
Accrued revenue	14,267	17,040
Contract assets - funding for public health services	13,687	5,256
Total	52,402	47,457

Receivables are measured at amortised cost which approximates their fair value at reporting date.

Trade receivables

Trade receivables are recognised at the amounts due at the time of sale or service delivery (i.e. the agreed purchase/contract price). Settlement of these amounts is required within 30 days from invoice date unless otherwise agreed with the debtor. Patient accommodation billing for private patients makes up the majority of trade receivables.

Allowance for credit losses

The allowance for credit losses for trade receivables reflects lifetime expected credit losses and incorporates forward-looking information where applicable.

Where SCHHS has no reasonable expectation of recovering an amount owed by a debtor, the debt is written-off by directly reducing the receivable against the loss allowance. If the amount of debt written-off exceeds the loss allowance, the excess is recognised as an impairment loss.

Notes to the Financial Statements

For the year ended 30 June 2024

C2 Trade and other receivables (continued)

Accrued revenue

Accrued revenue relates to funding for public health services owing to SCHHS that does not arise from contracts with customers.

Contract assets - funding for public health services

Revenue relates to funding for public health services owing to SCHHS that arises from contracts with customers.

Credit risk exposure of receivables

The maximum exposure to credit risk at balance date for receivables is the carrying amount of those assets.

The loss allowance for trade and other debtors reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking information. Economic changes impacting SCHHS's debtors and relevant industry data form part of the impairment assessment. SCHHS uses a provision matrix to measure the expected credit losses on trade and other debtors. Loss rates are calculated separately for the groupings of customers with similar revenue profiles and historical loss patterns experienced. Consideration is given to reasonable and supportable forward-looking information and related business processes that may impact future recovery of those receivables and may result in an adjustment to the historical loss rates for the groupings.

Set out below is the credit risk exposure on SCHHS's trade receivables.

	2024			2023		
	Trade receivables \$'000	Loss rate %	Allowance for credit losses \$'000	Trade receivables \$'000	Loss rate %	Allowance for credit losses \$'000
Aging						
Current	8,699	2%	(148)	10,050	1%	(132)
1 - 30 days overdue	6,210	2%	(139)	4,530	2%	(107)
31 - 60 days overdue	3,616	4%	(153)	2,769	4%	(99)
61 - 90 days overdue	2,475	4%	(111)	2,605	7%	(172)
More than 90 days overdue	3,903	13%	(492)	4,298	11%	(488)
Total	24,903		(1,043)	24,252		(998)

Movements in the loss allowance for trade receivables are as follows:

	2024 \$'000	2023 \$'000
Opening balance	998	785
Additional provisions recognised in operating result	1,211	1,647
Receivables written off during the year as uncollectable	(1,166)	(1,434)
Closing balance	1,043	998

Notes to the Financial Statements

For the year ended 30 June 2024

C3 Property, plant and equipment

	2024 \$'000	2023 \$'000
Land - at fair value	111,545	105,592
Buildings - at fair value	2,927,078	2,843,179
Less: Accumulated depreciation	<u>(567,061)</u>	<u>(876,570)</u>
	2,360,017	1,966,609
Plant and equipment - at cost	238,630	235,176
Less: Accumulated depreciation	<u>(154,455)</u>	<u>(142,664)</u>
	84,175	92,512
Capital works in progress - at cost	<u>55,139</u>	<u>80,384</u>
Total	<u><u>2,610,876</u></u>	<u><u>2,245,097</u></u>

Reconciliation of carrying amount

	Land Level 2 \$'000	Buildings Level 2 \$'000	Buildings Level 3 \$'000	Plant and equipment \$'000	Capital works in progress \$'000	Total \$'000
Carrying amount at 1 July 2022	84,863	680	1,751,390	98,961	40,062	1,975,956
Additions	-	-	103	18,122	51,806	70,031
Disposals	-	-	-	(392)	-	(392)
Revaluation increments	20,729	90	322,490	-	-	343,309
Transfers in / Donations	-	-	-	207	-	207
Derecognition / Transfers out	-	-	-	(272)	(191)	(463)
Transfers between classes	-	-	8,711	2,582	(11,293)	-
Depreciation expense	-	(59)	(116,796)	(26,696)	-	(143,551)
Carrying amount at 30 June 2023	105,592	711	1,965,898	92,512	80,384	2,245,097
Carrying amount at 1 July 2023	105,592	711	1,965,898	92,512	80,384	2,245,097
Additions	-	-	16	13,998	26,574	40,588
Disposals	-	-	-	(1,264)	-	(1,264)
Revaluation increments	5,953	42	483,074	-	-	489,069
Revaluation decrements	-	-	-	-	-	-
Transfers in / Donations	-	-	-	598	-	598
Derecognitions / Transfers out	-	-	-	(128)	-	(128)
Transfers between classes	-	-	48,464	3,355	(51,819)	-
Depreciation expense	-	(68)	(138,120)	(24,896)	-	(163,084)
Carrying amount at 30 June 2024	111,545	685	2,359,332	84,175	55,139	2,610,876

Recognition

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

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

Notes to the Financial Statements

For the year ended 30 June 2024

C3 Property, plant and equipment (continued)

Expenditure on property, plant and equipment is capitalised where it is probable that the expenditure will produce future service potential for SCHHS. 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.

Componentisation of complex assets

Complex assets comprise of 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. SCHHS considers its hospital buildings as complex assets.

On initial recognition, the asset recognition thresholds outlined above apply to the complex asset as a single item. Where the complex asset qualifies for recognition, components are then separately recorded when their value is significant relative to the total cost of the complex asset.

When a separately identifiable component (or group of components) of significant value is replaced, the existing component(s) is derecognised. The replacement component(s) is capitalised when it is probable that future economic benefits from the significant component will flow to SCHHS in conjunction with the other components comprising the complex asset and the cost exceeds the asset recognition thresholds specified above. Replacement components that do not meet the asset recognition thresholds for capitalisation are expensed.

Components are valued on the same basis as the asset class to which they relate. The accounting policy for depreciation of complex assets, and estimated useful lives of components, are disclosed below.

Acquisition

Property, plant and equipment are initially recorded at consideration plus any other costs directly incurred in ensuring the asset is ready for use.

Assets under construction (Capital works in progress) are initially recorded at cost until they are ready for use. The construction of major health infrastructure assets relating to SCHHS is funded by the Department and managed by SCHHS. These assets are assessed at fair value upon practical completion by an independent valuer. They are then transferred from the Department to SCHHS via an equity adjustment.

Depreciation

Property, plant and equipment are depreciated on a straight-line basis to allocate the net cost or revalued amount of each asset progressively over its estimated useful life. It is assumed that all assets have a residual value of zero. This is based on the general practice that SCHHS uses assets until there is no longer any economic benefit to be derived.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset. Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the assets to which they relate and are depreciated accordingly.

Useful lives of assets are reviewed annually and where necessary are adjusted to better reflect the pattern of future economic benefits. Depreciation is not charged against land which has an indefinite life or assets under construction (capital works in progress) until they are ready for their intended use.

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

Class	Depreciation rates used	Useful lives
Buildings (including land improvements)	1.0% - 4.3%	23 - 100 years
Plant and equipment	4.4% - 33.3%	3 - 23 years

Notes to the Financial Statements

For the year ended 30 June 2024

C3 Property, plant and equipment (continued)

Key judgement

Management estimates the useful lives and residual values of buildings and plant and equipment based on the expected period of time over which economic benefits from the use of the asset will be derived. Management reviews useful life assumptions on an annual basis having considered variables including historical and forecast usage rates, technological advancements, changes in legal and economic conditions and external valuer assessments. All depreciable assets have a nil residual value.

Impairment

A review is conducted annually to identify indicators of impairment in accordance with AASB 136 *Impairment of Assets*. If an indicator of impairment exists, SCHHS determines the asset's recoverable amount (the higher of value in use or fair value less costs of disposal). Any amount by which the asset's carrying amount exceeds the recoverable amount is considered an impairment loss and is accounted for as follows:

- for assets measured at cost, an impairment loss is recognised immediately in the Statement of Comprehensive Income.
- for assets measured at fair value, the impairment loss is treated as a revaluation decrease and 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 cost, impairment losses are reversed through the Statement of Comprehensive Income. No impairment losses were recognised for the 2023-24 financial year (2023: Nil).

Asset revaluation

Land and buildings are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment*, AASB 13 *Fair Value Measurement* as well as Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector.

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

SCHHS engage external valuers to determine fair value through comprehensive and indexed revaluations. Comprehensive revaluations are undertaken at least once every five years on a rolling program. However, if a particular asset class experiences significant volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal.

Where there is a significant change in fair value of an asset from one period to another, an analysis is undertaken by management with the external valuer. This analysis includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Where indices are used, these 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 comprehensively valued by the valuer, and analysing the trend of changes in values over time. Management also performs an assessment of the reasonableness of the indices applied.

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. 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.

On revaluation, for assets valued using a cost valuation approach, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life. On revaluation, for assets valued using a market approach, accumulated depreciation is eliminated against the gross amount of the asset prior to restating for valuation.

Notes to the Financial Statements

For the year ended 30 June 2024

C3 Property, plant and equipment (continued)

Land

Land parcels are subject to comprehensive valuation under a rolling 5-year valuation program using a market approach. Where not comprehensively valued, land values are adjusted for an annual index in line the valuation recommended. Gray Robinson & Cottrell Pty Ltd (GRC) has been engaged to perform this valuation exercise for the year ended 30 June 2024 (previously, the State Valuation Service has been engaged for this purpose).

Key inputs into the valuations include publicly available data on sales of similar land in nearby localities prior to the date of revaluation. Adjustments are made to the sales data to take into account the location, size, street/road frontage and access, and any significant restrictions for each individual parcel of land.

For 2023-24, the effective date of valuation is 30 June 2024. Three land parcels were comprehensively valued at this date, with remaining land parcels being indexed at an average rate of 2 percent. The net revaluation increase was \$5.953m.

Buildings

Buildings are categorised between Level 2 and Level 3 fair value hierarchies as explained further in Note D1. Level 2 buildings are non-specialised buildings with fair value measurement derived from price inputs that are observable. These buildings include the Gympie and District Women's Health Centre and several residencies at various locations. Level 3 buildings are specialised buildings that contain significant, unobservable price inputs.

Under a rolling 5-year valuation program, Gray Robinson & Cottrell Pty Ltd (GRC) performs a comprehensive valuation of buildings on a current replacement cost basis. In addition, GRC provide the annual indexation for market movement to assess the fair value of buildings not comprehensively valued. If the market movement is greater than 5 percent, building values are adjusted for the annual indexation.

Key inputs into the valuation on replacement cost basis includes internal records of the original cost of the specialised fit out and more contemporary design/construction costs published for various standard components of buildings. Significant judgement is also used to assess the remaining service potential of the buildings given local environmental conditions and the records of the current condition of the building.

For 2023-24, the effective date of valuation is 30 June 2024. 11 building assets were subject to comprehensive valuation in the year. All other buildings were indexed using a rate of 6.57 percent. The index is made up of key component Building Price Index of 6.57 percent. The net revaluation increase was \$483.116m.

Revaluation movement

The revaluation movement for land and buildings is at Note C10.2 Asset revaluation surplus.

C4 Intangibles

	2024 \$'000	2023 \$'000
Developed software	17,032	17,032
Developed software - Accumulated amortisation	<u>(16,430)</u>	<u>(15,967)</u>
	602	1,065
Purchased software	478	238
Purchased software - Accumulated amortisation	<u>(260)</u>	<u>(234)</u>
	218	4
Total	<u><u>820</u></u>	<u><u>1,069</u></u>

Notes to the Financial Statements

For the year ended 30 June 2024

C4 Intangibles (continued)

Reconciliation of carrying amounts

	Developed software: At Cost \$'000	Purchased software: At Cost \$'000	Software work in progress \$'000	Total \$'000
Carrying amount at 30 June 2022	1,593	64	-	1,657
Derecognitions	-	-	-	-
Amortisation	(528)	(60)	-	(588)
Carrying amount at 30 June 2023	1,065	4	-	1,069
Additions	-	-	241	241
Derecognitions	-	-	-	-
Transfers between classes	-	241	(241)	-
Transfer to plant and equipment	-	-	-	-
Transfers to the Department	-	-	-	-
Amortisation	(463)	(27)	-	(490)
Carrying amount at 30 June 2024	602	218	-	820

Recognition

Intangible assets are measured at their historical cost as there is no active market for these assets. Intangible assets with a cost or other value equal to or greater than \$100,000 are recognised as assets in the financial statements. Items with a lesser value are expensed. Each intangible asset is amortised over its estimated useful life.

Class	Amortisation Rates Used	Useful lives
Software	20% - 50%	2 - 5 years

All intangible assets are assessed for indicators of impairment on an annual basis in accordance with AASB 136 *Impairment of Assets*.

C5 Right-of-use assets

	2024 \$'000	2023 \$'000
Opening balance	725	1,048
Additions	-	-
Depreciation	(276)	(323)
Closing balance	449	725

AASB 16 *Leases* requires a lessee to recognise the right-of-use asset for leases. Right-of-use assets are recognised at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are initially recognised at cost comprising of the following; the amount of the initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date, less lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

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

Notes to the Financial Statements

For the year ended 30 June 2024

C6 Trade payables

	2024	2023
	\$'000	\$'000
Trade payables	113,634	103,286
Funding for public health services repayable	13,238	24,558
Health service employee expenses payable to the Department	17,529	32,686
Other payables	9,574	9,824
Total	153,975	170,354

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

Refer Note C9 Public Private Partnerships (PPPs) for details of Trade payables relating to PPP arrangements.

C7 Interest bearing liability

	2024	2023
	\$'000	\$'000
Current		
Interest bearing liability - PPP arrangement	12,610	11,636
Total	12,610	11,636
Non-current		
Interest bearing liability - PPP arrangement	458,514	471,125
Total	458,514	471,125
Total	471,124	482,761

Refer to Note C9 Public Private Partnerships (PPPs) for details of the PPP arrangement at SCUH to which this interest-bearing liability relates.

C8 Contract liabilities

	2024	2023
	\$'000	\$'000
Current		
SCUH car park revenue	3,738	3,738
Funding for public health services	255	531
Grants funding	1,176	435
Other	6	713
Total	5,175	5,417
Non-current		
SCUH car park revenue	61,219	64,957
Grants funding	4,206	3,447
Other	401	1,171
Total	65,826	69,575
Total	71,001	74,992

Sunshine Coast University Hospital (SCUH) car park revenue

The majority of contract liabilities relates to two car parks constructed by Exemplar Health in return for a licence to operate the car parks over 25 years. Refer Note C9 Public Private Partnerships (PPPs) for details of the arrangement. The associated revenue will be unwound over the 25-year term of the agreement.

Notes to the Financial Statements

For the year ended 30 June 2024

C9 Public Private Partnerships (PPPs)

SCHHS has PPP arrangements for the construction and operation of public health facilities. These arrangements are located on land recognised as assets of SCHHS. The PPP arrangements that were operating during 2024 and 2023 are as follows:

Facility	Commencement Date	Termination Date	Counterparty and Operator
Noosa Hospital	1 July 2020	30 June 2030	Noosa Privatised Hospital Pty Limited
Sunshine Coast University Hospital	16 November 2016	15 November 2041	Exemplar Health
Sunshine Coast University Hospital Car Parks	16 November 2016	15 November 2041	Exemplar Health

SCHHS does not have any current agreements which are service concession arrangements within the scope of AASB 1059 *Service Concession Arrangements: Grantors*. A service concession arrangement is a contract between a grantor and an operator in which the operator:

- has right of access to the service concession assets to provide public services on behalf of the grantor for a period of time;
- is responsible for at least some of the management of the public services provided through the service concession asset and does not act merely as an agent on behalf of the grantor; and
- is compensated for its services over the period of the service concession arrangement.

C9.1 Public Private Partnerships (PPPs) outside AASB 1059

The PPPs held by SCHHS are not within the scope of AASB 1059 as not all requirements of a service concession arrangement are met. Other accounting standards and policies apply to these arrangements and are described for each arrangement below.

	Note	2024 \$'000	2023 \$'000
Assets			
Land and Buildings	C3		
SCUH		1,666,565	1,472,456
SCUH Car Parks		166,689	148,388
Noosa Hospital		42,753	37,813
		<u>1,876,007</u>	<u>1,658,657</u>
Liabilities			
Trade payables	C6		
Noosa Hospital payable for service provisions		9,333	3,790
Interest bearing liability	C7		
PPP arrangement for SCUH		471,124	482,761
Contract liabilities	C8		
Deferred SCUH car park revenue		64,957	68,695
		<u>545,414</u>	<u>555,246</u>

Sunshine Coast University Hospital (SCUH) (Year 8 of 25)

In 2012 the State, represented by the Department, entered into a PPP with Exemplar Health (EH) to finance, design, build and operate SCUH. During 2016-17 the Department novated all rights and obligations to SCHHS as the State representative and legal counterparty to the PPP arrangement. The 25 year operating phase of the PPP commenced on the 16th of November 2016, this being the date of commercial acceptance. For an agreed fee EH provides specialist building and amenity services to SCUH. As part of the arrangement, EH manages all SCUH building and plant infrastructure including refurbishment and renewal, repairs and maintenance and replacement of certain equipment. EH is obligated to ensure all infrastructure and assets (including car parks) are kept in a fit for use condition throughout the operating term.

This arrangement is not a service concession arrangement under AASB 1059 because the specialist building, and amenity services provided by EH are not assessed as contributing significantly to the public services provided by SCUH. SCHHS operates the facility, employs or contracts the vast majority of clinical and administrative staff, and manages all health care provided at SCUH.

Notes to the Financial Statements

For the year ended 30 June 2024

C9 Public Private Partnerships (PPPs) (continued)

C9.1 Public Private Partnerships (PPPs) outside AASB 1059 (continued)

Sunshine Coast University Hospital (SCUH) (Year 8 of 25) (continued)

For accounting purposes, SCUH is recognised as a complex asset as part of property, plant and equipment, carried at fair value. At the end of the 25-year term, the assets will remain under the control of SCHHS. Correspondingly, an interest-bearing liability representing the fair value of the payable to EH for the construction of SCUH as at the date of commercial acceptance is included in Note C7 Interest bearing liability and is carried at fair value.

Service payments are recognised as supplies and services expenses each period when incurred, and interest payments recognised each period when incurred. The amounts are disclosed in Note C9.2 Operating statement impact below. The licence to occupy SCUH incorporates the commitment of EH to occupy and operate, or sublease, dedicated commercial areas to provide defined retail services at SCUH.

SCHHS is entitled to receive a minimum entitlement for the designated commercial areas which is disclosed in Note C9.2 Operating statement impact. This is considered to be an operating lease and is included in the disclosed balance of lessor revenue commitments at Note D4 Commitments.

SCUH car parks (Year 8 of 25)

As part of the SCUH PPP, EH constructed two car parks on the SCUH site. The State has granted EH a licence to undertake car parking operations for the duration of the 25 year operating term which entitles EH to generate revenue from the operations themselves.

This arrangement is not a service concession arrangement under AASB 1059 because the services provided by EH are not assessed as contributing significantly to the public services provided by SCUH. As part of the PPP, SCHHS may be contractually obligated to reimburse EH if a number of independent contractual tests are not met. One such test relates to ensuring SCHHS employs a minimum number of staff physically based at SCUH from 1 July 2017 onwards. As at 30 June 2024, SCHHS has exceeded the minimum staff threshold.

As part of the agreement staff and public car parking rates are subject to Consumer Price Index.

SCHHS has deferred revenue from the carpark licence to operate the carpark granted to EH. Refer to Note C8 Contract liabilities. The revenue will be unwound over the 25-year term of the agreement. This is considered to be an operating lease and future revenue to be recognised from the agreement is included in Lessor revenue commitments disclosed in Note D4 Commitments.

Noosa Hospital (Year 4 of 10)

Under this arrangement, SCHHS funds the Operator for the provision of combined services which includes public patient services and ambulatory services.

This arrangement is not a service concession arrangement under AASB 1059 because the Operator employs the clinical and administrative staff, and manages all health care provided at Noosa Hospital, including separate operation as a private hospital.

The Operator is required to provide certain minimum licensed services and make available certain minimum public patient service categories and minimum outpatient service categories. Public patients will be allocated sufficient beds and outpatients allocated outpatient sessions in the private hospital to meet the projected demand for each contract year. The provision of public patient services and outpatient services is managed according to demand throughout each contract year. The Operator is not permitted to charge any fees to public patients other than those normally charged for a service in a public hospital.

Notes to the Financial Statements

For the year ended 30 June 2024

C9 Public Private Partnerships (PPPs) (continued)

C9.2 Operating statement impact

	Note	SCUH \$'000	SCUH car parks \$'000	Noosa Hospital \$'000	Total \$'000
2023-24					
Revenue					
Rental income	B1.4	-	3,738	3,485	7,223
Expenses					
Supplies and services	B2.2	(38,402)	-	(25,204)	(63,606)
Depreciation	C3	(88,844)	(6,219)	(4,114)	(99,177)
Interest expense	B2.3	(38,489)	-	-	(38,489)
Net impact on operating result		(165,735)	(2,481)	(25,833)	(194,049)
2022-23					
Revenue					
Rental income	B1.4	-	3,738	3,485	7,223
Expenses					
Supplies and services	B2.2	(33,786)	-	(22,486)	(56,272)
Depreciation	C3	(75,226)	(5,468)	(3,516)	(84,210)
Interest expense	B2.3	(33,597)	-	-	(33,597)
Net impact on operating result		(142,609)	(1,730)	(22,517)	(166,856)

Notes to the Financial Statements

For the year ended 30 June 2024

C9 Public Private Partnerships (PPPs) (continued)

C9.3 Estimated future cash flows

The estimated future cash flows on an undiscounted basis for the SCHHS PPPs are as follows.

	SCUH \$'000	Noosa Hospital \$'000	Total \$'000
As at June 30 2024			
Cash inflows			
No later than 1 year	-	3,485	3,485
Later than 1 year but not later than 5 years	-	13,940	13,940
Later than 5 years but not later than 10 years	-	3,485	3,485
Later than 10 years	-	-	-
	<u>-</u>	<u>20,910</u>	<u>20,910</u>
Cash outflows			
No later than 1 year	(88,855)	(24,200)	(113,055)
Later than 1 year but not later than 5 years	(363,296)	(90,400)	(453,696)
Later than 5 years but not later than 10 years	(499,158)	(22,600)	(521,758)
Later than 10 years	(740,875)	-	(740,875)
	<u>(1,692,184)</u>	<u>(137,200)</u>	<u>(1,829,384)</u>
As at June 30 2023			
Cash inflows			
No later than 1 year	-	3,485	3,485
Later than 1 year but not later than 5 years	-	13,940	13,940
Later than 5 years but not later than 10 years	-	6,970	6,970
Later than 10 years	-	-	-
	<u>-</u>	<u>24,395</u>	<u>24,395</u>
Cash outflows			
No later than 1 year	(82,784)	(22,600)	(105,384)
Later than 1 year but not later than 5 years	(353,889)	(90,400)	(444,289)
Later than 5 years but not later than 10 years	(483,704)	(45,200)	(528,904)
Later than 10 years	(822,940)	-	(822,940)
	<u>(1,743,317)</u>	<u>(158,200)</u>	<u>(1,901,517)</u>

There are no future cash flows relating to the SCUH car parks.

Estimated future cash inflows from the SCUH PPP interest bearing liability arise when the actual interest rate is lower than the base case interest rate, outlined in the Project Deed with Exemplar Health. Refer to C9.1 for more information on the SCUH PPP arrangement. As at 30 June 2024, there are estimated future cash outflows relating to the interest bearing liability due to the interest rate being higher than base case interest rate.

Notes to the Financial Statements

For the year ended 30 June 2024

C10 Equity

C10.1 Contributed equity

Contributed equity represents equity provided by the State of Queensland to SCHHS. Non-reciprocal transfers of assets and liabilities between wholly owned Queensland State Public Sector entities are adjusted to contributed equity in accordance with AASB 1004 *Contributions* and AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*. Appropriations for equity adjustments are similarly designated.

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

	2024 \$'000	2023 \$'000
Balance at 1 July	762,350	836,818
Transactions with owners in their capacity as owners:		
Non appropriated cash injection from the department	38,000	-
Cash injection from the Department for capital works and acquisitions	57,773	70,854
Reclass equity received (to)/from revenue	5,566	(1,913)
Non cash injection of other capital assets	80	1,052
Non cash withdrawal for depreciation offset	(163,850)	(144,461)
Non cash withdrawal for assets transferred to the Department or QH entities	(128)	-
Balance at 30 June	699,791	762,350

C10.2 Asset revaluation surplus

Movements in the asset revaluation surplus during the current year are set out below:

	Land \$'000	Building \$'000	Total \$'000
Balance at 1 July 2022	25,434	507,093	532,527
Revaluation increment for the year	20,729	322,580	343,309
Balance at 30 June 2023	46,163	829,673	875,836
Revaluation increment for the year	5,953	483,116	489,069
Balance at 30 June 2024	52,116	1,312,789	1,364,905

Notes to the Financial Statements

For the year ended 30 June 2024

Section D: Notes about risks and other accounting uncertainties

D1 Fair value measurement

Fair value definition

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

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

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

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

Fair value measurement hierarchy

Only land and building assets are measured at fair value and are set out in the tables at Note C3 which also includes further disclosure regarding the key judgements underpinning fair value measurement.

SCHHS does not recognise any financial assets or financial liabilities at fair value.

Land and building assets are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

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

None of SCHHS's valuations of assets are eligible for categorisation into level 1 of the fair value hierarchy.

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

D2 Financial instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when SCHHS becomes party to the contractual provisions of the financial instrument. SCHHS holds financial instruments in the form of cash, receivables, payables and interest bearing liabilities (borrowings).

SCHHS does not enter into derivative and other financial instrument transactions for speculative purposes nor for hedging.

The effective interest rate on the interest-bearing liability as at 30 June 2024 is 7.2% (2023: 7.1%). No interest has been capitalised during the current period.

Notes to the Financial Statements

For the year ended 30 June 2024

D2 Financial instruments (continued)

Categorisation of financial instruments

SCHHS has the following categories of financial assets and financial liabilities.

	2024	2023
	\$'000	\$'000
Financial assets		
Cash and cash equivalents	21,530	17,592
Trade and other receivables	52,402	47,457
Total	73,932	65,049
Financial liabilities		
Trade payables	153,975	170,354
Lease liabilities	537	963
Interest bearing liability	471,124	482,761
Total	625,636	654,078

Financial risk management

SCHHS has exposure to a variety of financial risks arising from financial instruments - credit risk, liquidity risk and market risk.

Financial risk management is implemented pursuant to Queensland Government and SCHHS policies. The policies provide principles for overall risk management and aim to minimise potential adverse effects of risk events on the financial performance of SCHHS.

Credit risk

Credit risk is the potential for financial loss arising from SCHHS's debtors defaulting on their obligations. Credit risk is measured by conducting an ageing analysis for cash inflows at risk. The maximum exposure to credit risk at balance date is the carrying value of receivable balances adjusted for impairment. Refer to Note C2 Trade and other receivables. Credit risk is considered minimal for SCHHS.

Liquidity risk

Liquidity risk refers to the situation when SCHHS may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets. Liquidity risk is measured through monitoring of cash flows by active management of accrual accounts. An approved debt facility of \$16 million under Whole-of-Government banking arrangements to manage any short-term cash shortfalls has been established. \$Nil funds had been withdrawn against this debt facility as at 30 June 2024 (2023: \$nil). During the 2023-24 year the overdraft facility was utilised in the normal course of business.

The following table sets out the liquidity risk of financial liabilities held by SCHHS. They represent the contractual maturity of financial liabilities, calculated based on cash flows relating to the liabilities at reporting date. Per the funding arrangements as per Note A8 Economic dependency, the Department will provide SCHHS with sufficient cash resources to meet its financial obligations.

	2024				2023			
	Total	Contractual maturity			Total	Contractual maturity		
	\$'000	<1 Yr	1-5 Yrs	>5Yrs	\$'000	<1 Yr	1-5 Yrs	>5Yrs
		\$'000	\$'000	\$'000		\$'000	\$'000	\$'000
Trade payables	153,975	153,975	-	-	170,354	170,354	-	-
Lease liabilities	537	135	402	-	963	215	714	34
Interest bearing liability	471,124	12,610	61,938	396,576	482,761	11,636	57,148	413,977
Total	625,636	166,720	62,340	396,576	654,078	182,205	57,862	414,011

Notes to the Financial Statements

For the year ended 30 June 2024

D2 Financial instruments (continued)

Market risk - Interest rate risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Market risk comprises interest rate risk.

SCHHS has interest rate exposure on the cash on deposits with Queensland Treasury Corporation. Changes in interest rates have a minimal effect on the operating result of SCHHS.

In relation to the interest-bearing liability, interest rate change impacts the floating rate component of this liability however any change is fully offset by an adjustment in funding for public health services. As a consequence, there is no impact on operating surplus or equity as a result of interest rate changes, with all other variables held constant.

D3 Contingencies

Contingent liabilities - litigation in progress

As at 30 June 2024, the following cases were files in the courts naming the State of Queensland acting through the SCHHS as defendant:

	2024		Completed/ Closed Cases	2023
	No. of cases	New Cases		No. of cases
Health litigation	9	-	2	11
General liability	2	-	-	2
Property	-	-	-	-
	11	-	2	13

Litigation is underwritten by the QGIF and SCHHS's liability in this area is limited to an excess per insurance event. The maximum exposure to SCHHS under this policy is up to \$20,000 for each insurable event.

All SCHHS indemnified claims are managed by QGIF. As at 30 June 2024, there were 73 (70 at 30 June 2023) claims being managed by QGIF, some of which may never be litigated or result in claim payments.

Notes to the Financial Statements

For the year ended 30 June 2024

D4 Commitments

Commitments at reporting date (exclusive of GST) are as follows:

	2024	2023
	\$'000	\$'000
<i>Capital expenditure commitments</i>		
Committed at reporting date but not recognised as liabilities, payable:		
within one year	17,177	13,218
one year to five years	-	16,845
Total	<u>17,177</u>	<u>30,063</u>

Lessor revenue commitments

Committed at reporting date but not recognised as assets, receivable:

within one year	8,299	8,270
one to two years	8,300	8,271
two to three years	8,286	8,271
three to four years	8,279	8,257
four to five years	8,279	8,250
more than five years	62,943	70,839
Total	<u>104,386</u>	<u>112,158</u>

Lessor revenue commitments

SCHHS is the beneficiary of rental income arising from Noosa Hospital, and the lease of commercial retail space and commercial car parks at SCUH. The lease receipts from Noosa Hospital and the SCUH commercial retail space comprise of fixed components which include inflation. The SCUH commercial car park lease receipts are fixed. The revenue from the commercial car parks will be unwound over the 25-year term of the agreement. Refer to Note C8 Contract liabilities.

D5 Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the operations of SCHHS, the results of those operations, or the state of affairs of SCHHS in future financial years.

Notes to the Financial Statements

For the year ended 30 June 2024

Section E: Notes on our performance compared to budget

This section contains explanations of major variances between SCHHS's actual 2023-24 financial results and the Queensland Government State Budget 2023-24. Note, the budget figures have been recast to reflect the annual financial statement classifications.

E1 Original budget to actual comparison – Statement of Comprehensive Income

	Variance Notes	Budget 2024 \$'000	Actual 2024 \$'000	Variance 2024 \$'000	Variance %
Income					
Funding for public health services	E1.1	1,454,088	1,615,780	161,692	11%
User charges and fees	E1.2	113,027	133,029	20,002	18%
Grants and other contributions	E1.3	22,537	26,332	3,795	17%
Other revenue		18,802	17,797	(1,005)	(5%)
Total revenue		1,608,454	1,792,938	184,484	11%
Gains on disposal of assets		15	529	514	3427%
Total income from continuing operations		1,608,469	1,793,467	184,998	12%
Expenses					
Employee expenses	E1.4	(190,576)	(198,049)	(7,473)	4%
Health service employee expenses	E1.4	(861,098)	(952,667)	(91,569)	11%
Supplies and services	E1.5	(351,184)	(424,475)	(73,291)	21%
Grants and subsidies		(6)	-	6	(100%)
Depreciation and amortisation	E1.6	(147,371)	(163,850)	(16,479)	11%
Impairment losses		(1,251)	(1,211)	40	(3%)
Interest expense		(38,677)	(38,603)	74	(0%)
Other expenses	E1.7	(18,306)	(22,503)	(4,197)	23%
Total expenses		(1,608,469)	(1,801,358)	(192,889)	12%
Operating result for the year		-	(7,891)	(7,891)	-%
Other comprehensive income					
<i>Items that will not be reclassified subsequently to operating result</i>					
Increase in the asset revaluation surplus	E1.8	65,667	489,069	423,402	645%
Other comprehensive income for the year		65,667	489,069	423,402	645%
Total comprehensive income for the year		65,667	481,178	415,511	633%

To be consistent with the financial statements, original budgeted figures are reclassified at the line-item level where necessary.

Notes to the Financial Statements

For the year ended 30 June 2024

E2 Original budget to actual comparison – Statement of Financial Position

	Variance Notes	Budget 2024 \$'000	Actual 2024 \$'000	Variance 2024 \$'000	Variance %
Assets					
Current assets					
Cash and cash equivalents	E2.1	12,618	21,530	8,912	71%
Trade and other receivables	E2.2	27,046	52,402	25,356	94%
Inventories	E2.3	6,675	8,776	2,101	31%
Other current assets		3,856	5,052	1,196	31%
Total current assets		50,195	87,760	37,565	75%
Non-current assets					
Property, plant and equipment	E2.4	1,930,451	2,610,876	680,425	35%
Intangibles	E2.5	10,344	820	(9,524)	(92%)
Right-of-use assets		710	449	(261)	(37%)
Total non-current assets		1,941,505	2,612,145	670,640	35%
Total assets		1,991,700	2,699,905	708,205	36%
Liabilities					
Current liabilities					
Trade payables	E2.6	159,590	153,975	(5,615)	(4%)
Lease liabilities		346	135	(211)	(61%)
Interest bearing liability		12,610	12,610	-	-%
Accrued employee benefits		4,281	4,788	507	12%
Contract liabilities		4,537	5,175	638	14%
Total current liabilities		181,364	176,683	(4,681)	(3%)
Non-current liabilities					
Interest bearing liability		458,515	458,514	(1)	(0%)
Contract liabilities		65,786	65,826	40	0%
Lease liabilities		773	402	(371)	(48%)
Total non-current liabilities		525,074	524,742	(332)	(0%)
Total liabilities		706,438	701,425	(5,013)	(1%)
Net assets		1,285,262	1,998,480	713,218	55%
Equity					
Contributed equity		684,777	699,791	15,014	2%
Asset revaluation surplus	E2.4	663,862	1,364,905	701,043	106%
Accumulated deficit	E2.7	(63,377)	(66,216)	(2,839)	4%
Total equity		1,285,262	1,998,480	713,218	55%

Notes to the Financial Statements

For the year ended 30 June 2024

E3 Original budget to actual comparison – Statement of Cash Flows

	Variance Notes	Budget 2024 \$'000	Actual 2024 \$'000	Variance 2024 \$'000	Variance %
Cash flows from operating activities					
Funding for public health services	E1.1	1,306,717	1,434,632	127,915	10%
User charges and fees	E1.2	110,925	131,291	20,366	18%
Grants and other contributions	E1.3	11,284	14,326	3,042	27%
Interest received		338	830	492	146%
GST collected from customers		6,414	6,779	365	6%
GST input tax credits		28,691	31,917	3,226	11%
Other revenue		14,944	16,954	2,010	13%
Employee and Health service employee expenses	E1.4	(1,050,423)	(1,176,298)	(125,875)	12%
Supplies and services	E1.5	(330,134)	(407,282)	(77,148)	23%
Grants and subsidies		-	-	-	-%
GST paid to suppliers		(28,691)	(30,610)	(1,919)	7%
GST remitted		(6,413)	(6,767)	(354)	6%
Interest expense		(38,912)	(38,840)	72	(0%)
Other expenses	E1.7	(17,867)	(21,970)	(4,103)	23%
Net cash from/(used by) operating activities		6,873	(45,038)	(51,911)	(755%)
Cash flows from investing activities					
Proceeds from disposal of property, plant and equipment		-	529	529	-%
Payments for property, plant and equipment	E3.1	-	(40,588)	(40,588)	-%
Payments for intangibles		(12)	(241)	(229)	1908%
Net cash / (used by) investing activities		(12)	(40,300)	(40,288)	335733%
Cash flows from financing activities					
Proceeds from equity injections	E3.2	10,655	101,339	90,684	851%
Borrowing redemptions		(11,636)	(11,637)	(1)	0%
Principal payments of lease liabilities		(9)	(426)	(417)	4633%
Net cash from / (used by) financing activities		(990)	89,276	90,266	(9118%)
Net (decrease) in cash held		5,871	3,938	(1,933)	(33%)
Cash and cash equivalents at the beginning of the financial year	E2.1	6,747	17,592	10,845	161%
Cash and cash equivalents at the end of the financial year		12,618	21,530	8,912	71%

Notes to the Financial Statements

For the year ended 30 June 2024

E4 Explanation of material variances

Statement of Comprehensive Income

E1.1 Funding for public health services

The variance to budget mainly relates to additional funding provided through amendments to the Service Agreement with the Department of Health (the Department). This included funding for the additional costs associated with depreciation expenses and enterprise bargaining agreements during the year.

E1.2 User charges and fees

The variance in user charges is principally due to recoveries of the expensed component of capital projects (\$13.9m), revenue received for purchases of pharmaceuticals subsidised by the Commonwealth Government under the Pharmaceutical Benefits Scheme (\$2.6m), and hospital fees (\$3.2m).

E1.3 Grants and other contributions

The variance is principally due to increases associated with the Glenbrook Aged Care Facility, funding received for research projects, and donations of non-current assets.

E1.4 Employee expenses and Health service employee expenses

The additional employee expenses are associated with growth in service delivery activity and wage increases from the enterprise bargaining agreements. Additional revenue was provided by the Department to fund the majority of these additional costs.

E1.5 Supplies and services

The variance is primarily due to general Consumer Price Index (CPI) increases, the new Integrated Electronic Medical Record charges by the Department and higher levels of activity. Additional expenditure was incurred on information and communications technology, outsourced services, repairs and maintenance, pharmaceuticals, pathology services, clinical supplies and prosthetics, supply chain and logistics services and minor works and equipment.

E1.6 Depreciation and amortisation

The variance in depreciation and amortisation is associated with the prior year building revaluation increment and additional transfers from work-in-progress to buildings for the Nambour Hospital redevelopment.

E1.7 Other expenses

The variance in other expenses is due to losses on the disposal of plant and equipment assets, higher insurance premiums, facility operating costs at the Sunshine Coast University Hospital, and library costs.

E1.8 Increase in the asset revaluation surplus

At the time the budget was set revaluation movements could not be reliably determined. The revaluation of SCHHS's land and building assets resulted in an increase to the assets revaluation surplus.

Statement of Financial Position

E2.1 Cash and cash equivalents

The variance to budget is predominantly due to an equity injection of cash in late June 2024.

E2.2 Trade and other receivables

The variance mainly relates to receivables from the Department at year end as part of the year end technical budget adjustments.

E2.3 Inventories

The variance is due to higher holdings of pharmaceuticals at year end.

Notes to the Financial Statements

For the year ended 30 June 2024

E4 Explanations of material variances (continued)

E2.4 Property, plant and equipment and Asset revaluation surplus

The variance to budget relates to the revaluation of land and building assets. At the time the budget was set revaluation movements could not be reliably determined.

E2.5 Intangibles

The variance to budget relates to expenditure on software assets. At the time the budget was set expenditure on software assets could not be reliably determined.

E2.6 Trade payables

The variance is largely due to the timing of cash settlement of trade payables at year end.

E2.7 Accumulated deficit

The higher accumulated deficit is driven by the operating result for the year.

Statement of Cash Flows

E3.1 Payments for property, plant and equipment

The budget recognises only cash outflows for projects funded by SCHHS. SCHHS pays for all capital purchases and is reimbursed through equity injections from the Department monthly in arrears. Projects funded on behalf of SCHHS include the Nambour Hospital redevelopment program and projects associated with Sunshine Coast University and Gympie Hospitals.

E3.2 Proceeds from equity injections

In addition to funding payments for property, plant and equipment (refer to Note E3.1 above), non appropriated cash was injected to fund operating activities.

Notes to the Financial Statements

For the year ended 30 June 2024

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

F1 Agency and patient fiduciary transactions and balances

(a) Granted private practice

SCHHS acts as a billing agency for medical practitioners who use SCHHS facilities for the purpose of seeing patients under their Grant of Private Practice agreements.

Granted private practice permits Senior Medical Officers (SMOs) and non-contractor Visiting Medical Officers (VMOs) employed in the public health system to treat individuals who elect to be treated as private patients. Granted private practice provides the option for SMOs and VMOs to either assign all of their private practice revenue to the HHS (assignment arrangement) and in return receive an allowance, or for SMOs and VMOs to share in the revenue generated from billing patients and to pay service fees to SCHHS (retention arrangement) to cover the use of the facilities and administrative support provided to the medical officer.

Assigned arrangement revenue and retention arrangement fees are included as revenue in the statement of comprehensive income of SCHHS on an accrual basis.

All monies received for granted private practice are deposited into a separate bank account that is administered by SCHHS on behalf of the granted medical officers. The funds are then subsequently transferred from the granted private practice bank accounts to retention doctors and SCHHS's operating and General Trust bank account.

	2024 \$'000	2023 \$'000
Granted Private Practice Revenues and Expenses		
Revenue		
Billing revenue - assigned arrangement	11,913	10,463
Billing revenue - retention arrangement	12,858	11,921
Interest revenue	65	40
Expenses		
Payments to SCHHS relating to the assignment arrangement and interest	(11,978)	(10,504)
Payments to retention doctors	(4,740)	(4,639)
Payments to SCHHS for recoverable costs relating to the retention arrangement	(6,052)	(5,186)
Payments to SCHHS's Study, education and research trust account fund	(2,066)	(2,095)
	<u>-</u>	<u>-</u>
Closing balance of bank account not yet disbursed	<u>2,226</u>	<u>2,423</u>

(b) Patient fiduciary

SCHHS acts in a custodial capacity in relation to patient fiduciary accounts. These transactions and balances are not recognised in the financial statements. Fiduciary activities are included in the audit performed annually by the Queensland Audit Office.

	2024 \$'000	2023 \$'000
Patient Trust receipts and payments		
Opening balance	90	91
Amounts received on behalf of patients	2,515	2,056
Amounts paid to or on behalf of patients	(2,530)	(2,057)
Closing balance	<u>75</u>	<u>90</u>

Notes to the Financial Statements

For the year ended 30 June 2024

F1 Agency and patient fiduciary transactions and balances (continued)

(c) Refundable accommodation deposits

Refundable accommodation deposits (RADs) represent amounts received from residents in aged care facilities for their accommodation. Refundable accommodation deposits are refundable to residents within 14 days of when they leave a residential aged care facility. These funds are retained in the Queensland Treasury Corporation Cash Fund. These transactions and balances are not recognised in the financial statements. Interest earned from RADs is offset against operating and capital costs of the aged care facilities concerned.

	2024	2023
	\$'000	\$'000
Refundable accommodation deposits		
Opening balance	923,848	-
Amounts receipted on behalf of patients	1,050,000	929,264
Amounts paid to or on behalf of patients	(357,846)	(5,416)
Closing balance	<u>1,616,002</u>	<u>923,848</u>

Notes to the Financial Statements

For the year ended 30 June 2024

Section G: Other information

G1 Key management personnel and remuneration expenses

G1.1 Key management personnel

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of SCHHS during the 2022-23 and 2023-24 financial year.

(a) Minister for Health, Mental Health and Ambulance Services

The Minister for Health, Mental Health and Ambulance Services is identified as part of SCHHS's key management personnel, consistent with AASB 124 *Related Party Disclosures*.

(b) The Board

The following Board members were considered key management personnel of SCHHS during the 2023-24 financial year. The Board sub-committee are listed below, and the memberships outlined in the table are at 30 June 2024.

- Executive Committee
- Finance and Performance Committee
- Safety and Quality Committee
- Audit and Risk Committee
- Workforce Committee

Position and Name	Responsibilities, Appointment Authority and Memberships	Date of Initial Appointment	Date of Resignation or Cessation
Board Chair – Dr David Rowlands OAM	Perform duties of Chair as prescribed in the <i>Hospital and Health Boards Act 2011</i> Member – Executive Committee Member – Safety and Quality Committee	1 April 2024 (Appointed as Board member 1 April 2022)	
Acting Board Chair - Brian Anker	Perform duties of Chair as prescribed in the <i>Hospital and Health Boards Act 2011</i>	23 July 2023 (Appointed as Board member from 18 May 2013)	31 March 2024
Board Chair – Sabrina Walsh	Perform duties of Chair as prescribed in the <i>Hospital and Health Boards Act 2011</i>	11 June 2021 (Appointed as Board Member 18 May 2020)	21 December 2023
Board Member - Emeritus Professor Birgit Lohmann	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> Member – Executive Committee Member – Finance and Performance Committee Member – Workforce Committee	18 May 2019	
Board Member - Debra Blumel	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> Member – Safety and Quality Committee	18 May 2019	
Board Member - Bruce Cowley	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> Member – Executive Committee Member – Audit and Risk Committee	18 May 2021	
Board Member - Rod Cameron	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> Member – Finance and Performance Committee Member – Audit and Risk Committee	11 June 2021	
Board Member - Terry Bell	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> Member – Executive Committee Member – Workforce Committee	18 May 2020	
Board Member - Professor Jody Currie	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> Member – Finance and Performance Committee Member – Safety and Quality Committee	1 April 2024	
Board Member - Sandra McCullagh	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> Member – Audit and Risk Committee Member – Workforce Committee	1 April 2024	
Board Member - Dr Sue McAvoxy	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i> Member – Finance and Performance Committee Member – Safety and Quality Committee	1 April 2024	
Board Member – Dr Abbe Anderson	Perform duties of Board Member as prescribed in the <i>Hospital and Health Boards Act 2011</i>	1 April 2022	25 September 2022

Notes to the Financial Statements

For the year ended 30 June 2024

G1 Key management personnel and remuneration expenses (continued)

G1.1 Key management personnel (continued)

(c) Executives

The following Executive were considered key management personnel of SCHHS during the 2023-24 financial year. The below only includes acting / interim arrangements for a period of more than two months in the financial year.

Health Service Chief Executive

Responsibilities

Accountable to the Sunshine Coast Hospital and Health Board for all aspects of the performance of the Hospital and Health Service. Responsible for ensuring the HHS provides safe and quality services and meets the key performance and financial management requirements and targets as outlined in the Service Agreement the HHS has with the System Manager. This includes compliance with all relevant legislation.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Dr Peter Gillies	Current	S24S70 <i>Hospital and Health Boards Act 2011 Section 33</i>	4 October 2021	

Chief Operating Officer

Responsibilities

Responsible for providing operational leadership, direction and day to day management, to optimise quality health care and business outcomes.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Joanne Shaw	Current	HES3-4 (reclassified from HES3-1) <i>Hospital and Health Boards Act 2011 Section 74</i>	6 December 2021	

Chief Finance Officer

Responsibilities

Responsible for development and execution of strategy and full accountability with respect to the financial stewardship, commercial matters and procurement.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Karen Dean	Current	HES3-1 <i>Hospital and Health Boards Act 2011 Section 74</i>	14 June 2022	

Senior Director Capital Assets and Infrastructure

Responsibilities

Responsible for providing strategic leadership in the development and delivery of capital and lifecycle management for assets and infrastructure across SCHHS.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Andrew Leggate	Current	DSO1 <i>Hospital and Health Boards Act 2011 Section 74</i>	12 April 2022	

Notes to the Financial Statements

For the year ended 30 June 2024

G1 Key management personnel and remuneration expenses (continued)

G1.1 Key management personnel (continued)

(c) Executives (continued)

Executive Director Workforce

Responsibilities

Responsible for providing leadership and guidance regarding culture, human resources, workforce services, diversity and inclusion.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Hayley Farry	Current	HES2-5 <i>Hospital and Health Boards Act 2011 Section 74</i>	17 June 2024	
Warren Campbell	Former (Interim)	HES2-5 <i>Hospital and Health Boards Act 2011 Section 74</i>	15 April 2024	16 June 2024
Silven Simmons	Former	HES2-5 <i>Hospital and Health Boards Act 2011 Section 74</i>	1 July 2022	26 April 2024

Executive Director Medical Services

Responsibilities

Responsible for providing professional leadership for the SCHHS Medical Workforce and is the single point of accountability to the Health Service Chief Executive for the organisation's Clinical Governance, quality of care, clinical and consumer engagement, professional standards of clinical practice and research.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Marlene Pearce	Current	MMOI1 <i>Hospital and Health Boards Act 2011 Section 74</i>	7 March 2022	

Executive Director Nursing and Midwifery

Responsibilities

Responsible for providing professional, operation and advisory support ensuring that Nursing and Midwifery Services provided by SCHHS are delivered to the highest professional, safety and ethical standards.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Lisa Newport	Current	NRG13-2 <i>Queensland Health Nurses and Midwives Award - State 2015</i>	2 January 2023	
	Former (Interim)	NRG13-2 <i>Queensland Health Nurses and Midwives Award - State 2015</i>	1 January 2022	1 January 2023
Suzanne Metcalf	Former	NRG13-2 <i>Queensland Health Nurses and Midwives Award - State 2015</i>	13 February 2017	5 September 2022

Notes to the Financial Statements

For the year ended 30 June 2024

G1 Key management personnel and remuneration expenses (continued)

G1.1 Key management personnel (continued)

(c) Executives (continued)

Chief Digital Officer⁽¹⁾

Responsibilities

Responsible for providing strategic and technical leadership and direction to define and direct the use of Information Communication Technology across SCHHS.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Jake Penrose	Current	HES2-3 <i>Hospital and Health Boards Act 2011 Section 74</i>	14 August 2023	
	Former	DSO1 <i>Hospital and Health Boards Act 2011 Section 74</i>	12 April 2022	13 August 2023

⁽¹⁾ On the 13 August 2023 the Senior Director Digital Health and Technology was changed to Chief Digital Officer.

Executive Director Allied Health

Responsibilities

Responsible for providing proactive professional, operational and strategic leadership that provides advisory support, ensuring that Allied Health services provided by SCHHS are delivered to the highest professional safety and ethical standards.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Dr Gemma Turato	Current	HP8 <i>Health Practitioners and Dental Officers (Queensland Health) Award – State 2015</i>	1 September 2017	

Executive Director Legal and Governance

Responsibilities

Responsible for providing leadership and guidance to the organisation on corporate governance and legal matters including risk management, legislative compliance, records management, fraud and corruption and internal audit.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Julian Tommei	Current	HES2-1 <i>Hospital and Health Boards Act 2011 Section 74</i>	31 January 2022	

Notes to the Financial Statements

For the year ended 30 June 2024

G1 Key management personnel and remuneration expenses (continued)

G1.1 Key management personnel (continued)

(c) Executives (continued)

Senior Director Aboriginal and Torres Strait Islander Health

Responsibilities

Responsible for providing professional, operational and advisory support to ensure the organisations safety and quality priorities address the specific health equity needs of Aboriginal and Torres Strait Islander peoples. Responsible to lead, provide oversight of strategies to improve the cultural awareness and competency of the workforce to meet the needs of Aboriginal and Torres Strait Islander peoples.

Name	Incumbent status	Contract Classification and Appointment Authority	Date of Initial Appointment	Date of Resignation or Cessation
Sharon Barry	Current	HWF8 <i>Aboriginal and Torres Strait Islander Health Workforce (Queensland Health) Certified Agreement (No. 1) 2019</i>	29 October 2023	
	Former	DSO1 <i>Hospital and Health Boards Act 2011 Section 74</i>	7 July 2023	28 October 2023
	Former	AO8 <i>Hospital and Health Service General Employees (Queensland Health) Award – State 2015</i>	10 January 2022	6 July 2023

G1.2 Remuneration expense

Key management personnel remuneration – Minister

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

Key management personnel remuneration – Board

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

Key management personnel remuneration – Executive

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

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

- Short term employee expenses which includes salary, allowances, salary sacrifice component and leave entitlements expensed for the entire year or for that part of the year during which the employee occupied the specified position. Performance bonuses are not paid under the contracts in place.
- Short term non-monetary benefits consisting of provision of vehicle and other non-monetary benefits including Fringe Benefits Tax (FBT) exemptions on benefits.
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- Long term employee expenses include amounts expensed in respect of long service leave.

Notes to the Financial Statements

For the year ended 30 June 2024

G1 Key management personnel and remuneration expenses (continued)

G1.2 Remuneration expense (continued)

- Termination benefits include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment.

For Executive positions, all expenses incurred by SCHHS that are attributable to that position are included for the respective reporting period, regardless of the number of personnel filling the position in either substantive or interim capacity.

(a) Board

Position Title Position Holder	Short term monetary benefits		Post employment benefits		Total	
	2024	2023	2024	2023	2024	2023
	\$'000					
Board Chair						
Dr David Rowlands OAM	61	51	7	5	68	56
Sabrina Walsh	5	90	3	10	8	100
Brian Anker	69	51	10	5	79	56
Board Member						
Emeritus Professor Birgit Lohmann	52	51	7	5	59	56
Debra Blumel	51	52	7	5	58	57
Bruce Cowley	54	49	7	5	61	54
Rod Cameron	51	52	7	5	58	57
Terry Bell	50	51	7	5	57	56
Professor Jody Currie	12	-	1	-	13	-
Sandra McCullagh	12	-	1	-	13	-
Dr Sue McAvoy	12	-	1	-	13	-
Dr Abbe Anderson	-	13	-	1	-	14
Total	429	460	58	46	487	506

During the year, there were nil out-of-pocket expenses for Board members (2023: nil).

Notes to the Financial Statements

For the year ended 30 June 2024

G1 Key management personnel and remuneration expenses (continued)

G1.2 Remuneration expense (continued)

(b) Executives

Position Title Position Holder	Short term benefits		Non-		Post employment benefits		Long term benefits		Termination benefits		Total	
	Monetary		monetary									
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000											
Health Service Chief Executive	532	552	121	13	71	53	12	13	-	-	736	631
Chief Operating Officer	259	241	-	-	35	25	6	6	-	-	300	272
Chief Finance Officer	233	244	-	-	31	24	5	6	-	-	269	274
Senior Director Capital Assets and Infrastructure	174	174	-	-	20	20	4	4	-	-	198	198
Executive Director Workforce (to 26 April 2024)	185	239	-	-	25	24	4	6	-	-	214	269
Executive Director Workforce (to 15 April to 16 June 2024)	40	-	-	-	4	-	1	-	-	-	45	-
Executive Director Workforce (from 17 June 2024)	7	-	-	-	1	-	-	-	-	-	8	-
Executive Director Medical Services	375	358	-	-	48	28	8	8	-	-	431	394
Chief Digital Officer (1)	229	169	-	-	26	19	5	4	-	-	260	192
Executive Director Nursing and Midwifery (from 1 January 2022)	298	334	-	-	42	28	7	7	-	-	347	369
Executive Director Nursing and Midwifery (to 5 September 2022)	-	60	-	-	-	8	-	2	-	465	-	535
Executive Director Allied Health	237	210	-	-	28	24	5	5	-	-	270	239
Executive Director Legal and Governance	218	214	-	-	32	18	5	5	-	-	255	237
Senior Director Aboriginal and Torres Strait Islander Health	187	144	-	-	22	16	4	3	-	-	213	163
Total	2,974	2,939	121	13	385	287	66	69	-	465	3,546	3,773

⁽¹⁾During the 2023-24 financial year the position of Senior Director Digital Health and Technology was abolished, and a new position was created, Chief Digital Officer.

During the financial year, Executive positions may be occupied by a person acting in the role while the substantive occupant is on leave or may be an interim appointment while the position is vacant. The table only includes interim arrangements while a position is vacant.

Notes to the Financial Statements

For the year ended 30 June 2024

G2 Related party transactions

Related parties of SCHHS include:

- the Minister
- each KMP of the State (all Ministers responsible for Whole-of-Government)
- all non-ministerial KMP
- any close family members of the above three groups
- any entity controlled or jointly controlled by a person from any of the above four groups.

Transactions with Queensland Government controlled entities

SCHHS 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	Note	Revenue	Expenses	Assets	Liabilities
		\$'000	\$'000	\$'000	\$'000
		For the year ended 30 June 2024		As at 30 June 2024	
Department of Health	(a)	1,642,440	1,101,736	28,756	92,259
Queensland Treasury Corporation	(b)	733	18	15,377	2
Workcover Queensland	(c)	1,446	13,599	45	1,625
CS Energy	(d)	-	7,530	-	225
Department of Energy and Public Works	(e)	-	2,432	-	1,259
Department of Energy and Climate (QFleet)	(f)	-	1,602	-	8
		For the year ended 30 June 2023		As at 30 June 2023	
Department of Health	(a)	1,469,476	959,362	22,081	122,394
Queensland Treasury Corporation	(b)	442	19	14,663	-
Workcover Queensland	(c)	1,177	10,099	-	-
CS Energy	(d)	-	8,273	-	1,192
Department of Energy and Public Works	(e)	-	2,047	-	2,314
Department of Energy and Climate (QFleet)	(f)	-	1,005	-	-

(a) Department of Health

SCHHS receives funding from the Department in accordance with a Service Agreement. Refer to Note B1.1 Funding for public health services.

In addition to the provision of corporate services support (refer to Note B2.2 Supplies and services) the Department manages, on behalf of SCHHS, a range of services including procurement, communication and information technology, payroll, pathology, drug supplies, medical equipment repairs and maintenance and linen supply.

The Department also provides employees to perform work for SCHHS. Refer to Note B2.1(b) Health service employee expenses.

SCHHS also received assets from the Department transferred via equity under an enduring designation from the Minister for Health, Mental Health and Ambulance Services. Refer to Note C10.1 Contributed equity.

(b) Queensland Treasury Corporation

SCHHS holds cash investments with Queensland Treasury Corporation. Refer to Note C1 Cash and cash equivalent.

Notes to the Financial Statements

For the year ended 30 June 2024

G2 Related party transactions (continued)

(c) WorkCover Queensland

SCHHS takes out an annual policy with WorkCover Queensland for worker's compensation insurance. Refer to Note B2.1 Employee and Health service employee expenses.

(d) CS Energy

SCHHS uses CS Energy as its main electricity retailer.

(e) Department of Energy and Public Works

SCHHS uses the services of the Department of Energy and Public Works for leasing commercial office space.

(f) Department of Energy and Climate (QFleet)

SCHHS engages QFleet as a fleet manager. QFleet provides vehicle leasing and strategic fleet management services for SCHHS.

Transactions with other related parties

The Sunshine Coast Health Institute (SCHI) is a recognised related party to SCHHS. Refer to Note G3.

G3 Joint operations

SCHHS is a partner together with TAFE East Coast Queensland, the University of the Sunshine Coast and Griffith University in the operation of SCHI. The SCHI operates as an unincorporated joint operation under a Joint Venture Agreement (JVA), based at SCUH.

The primary aims of the SCHI is to advance the education of trainee medical officers, nurses, midwives and other health care professionals, whilst providing outstanding patient care and extending research knowledge.

SCHHS has a 28.9% (2023: 28.9%) interest in the SCHI. Each joint operator has rights and obligations to the assets, liabilities, revenue and expenses of the SCHI according to their interest in the joint operation. Under the JVA, the joint operators contribute to the running costs of the SCHI at set percentage allocations, which are a reflection of the relative space and resource utilisation of each joint operator under the Agreement.

All joint operators have equal decision-making rights, irrespective of the underlying interests. The assets of SCHI include specialist equipment to facilitate medical research and teaching, in addition to the building fit out within the shared joint operation areas.

The financial impacts of the SCHI, as they relate to SCHHS, are included within the main statements of SCHHS. Summary information about SCHI is as follows:

	SCHI	SCHHS share (28.9%)	SCHI	SCHHS share (28.9%)
	2024	2024	2023	2023
	\$'000	\$'000	\$'000	\$'000
Total income	5,177	1,496	4,322	1,249
Total expenses	(6,282)	(1,815)	(5,690)	(1,644)
Total comprehensive result	(1,105)	(319)	(1,368)	(395)
Current assets	1,965	568	1,707	493
Non-current assets	12,007	3,470	12,713	3,674
Total assets	13,972	4,038	14,420	4,167
Current liabilities	1,833	530	1,658	479
Total liabilities	1,833	530	1,658	479
Net assets	12,139	3,508	12,762	3,688

Notes to the Financial Statements

For the year ended 30 June 2024

G4 Taxation

The only federal taxes that SCHHS is assessed against are Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). All FBT and GST reporting to the Commonwealth is managed centrally by the Department with payments/receipts made on behalf of SCHHS reimbursed to/from the Department on a monthly basis. GST credits receivable from, and GST payable to the Australian Tax Office (ATO), are recognised on this basis.

Both SCHHS and the Department satisfy section 149-25 of the *A New Tax System (Goods and Services Tax) Act 1999 (Cth)* (the GST Act). Consequently, they were able, with other HHSs, to form a group for GST purposes under Division 149 of the GST Act. Any transactions between the members of the group do not attract GST.

G5 Climate risk

Whole-of-Government climate-related reporting

The State of Queensland has published a wide range of information and resources on climate related risks, strategies and actions accessible via <https://www.energyandclimate.qld.gov.au/climate>.

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

SCHHS accounting estimates and judgements – climate-related risks

SCHHS considers climate-related risks when assessing material accounting judgements and estimates used in preparing its financial report. Key estimates and judgements identified include the potential for changes in asset useful lives, changes in the fair value of assets, impairment of assets, the recognition of provisions or the possibility of contingent liabilities.

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

SCHHS continues to monitor the emergence of material climate-related risks that may impact the financial statements, including those arising under the Queensland Government's Queensland 2035 Clean Economy Pathway, and other Queensland Government climate-related policies or directives.

Management Certificate

For the year ended 30 June 2024

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

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Sunshine Coast Hospital and Health Service for the financial year ended 30 June 2024 and of the financial position of Sunshine Coast Hospital and Health Service at the end of that year.

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

Dr David Rowlands *OAM*
Board Chair
Sunshine Coast Hospital and
Health Board



Dated 28 August 2024

Dr Peter Gillies *FRACMA MBA*
MBChB GAICD
Health Service Chief Executive
Sunshine Coast Hospital and
Health Service



Dated 28 August 2024

Karen Dean *F CPA*
Chief Finance Officer
Sunshine Coast Hospital and
Health Service



Dated 28 August 2024

INDEPENDENT AUDITOR'S REPORT

To the Board of Sunshine Coast Hospital and Health Service

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Sunshine Coast 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 2024, and its financial performance and cash flows for the year then ended; and
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

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

Basis for opinion

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

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

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

Key audit matters

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

Valuation of specialised buildings \$2.36 billion

Refer to note C3 in the financial report.

Key audit matter	How my audit addressed the key audit matter
<p>Buildings were material to Sunshine Coast Hospital and Health Service at balance date and were measured at fair value using the current replacement cost method.</p> <p>Sunshine Coast Hospital and Health Service performed a comprehensive revaluation of 11 material buildings this year as part of the rolling revaluation program. All other buildings were assessed using relevant indices.</p> <p>The current replacement cost method comprises:</p> <ul style="list-style-type: none"> • gross replacement cost, less • accumulated depreciation. <p>Sunshine Coast 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"> • identifying the components of buildings with separately identifiable replacement costs • developing a unit rate for each of these components, including: <ul style="list-style-type: none"> – estimating the current cost for a modern substitute (including locality factors and oncosts), expressed as a rate per unit (e.g. \$/square metre) – identifying whether the existing building contains obsolescence or less utility compared to the modern substitute, and if so estimating the adjustment to the unit rate required to reflect this difference. <p>The measurement of accumulated depreciation involved significant judgements for determining condition and forecasting the remaining useful lives of building components.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant judgements for calculating annual depreciation expense.</p> <p>Using indexation required:</p> <ul style="list-style-type: none"> • significant judgement in determining changes in cost and design factors for each asset type since the previous revaluation • reviewing previous assumptions and judgements used in the last comprehensive valuation to ensure ongoing validity of assumptions and judgements used. 	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • assessing the adequacy of management’s review of the valuation process and result • reviewing the scope and instructions provided to the valuer • assessing the appropriateness of the valuation methodology and the underlying assumptions with reference to common industry practices • assessing the appropriateness of the components of buildings used for measuring gross replacement cost with reference to common industry practices • assessing the competence, capabilities and objectivity of the experts used to develop the models • for unit rates, on a sample basis, evaluating the relevance, completeness and accuracy of source data used to derive the unit rate of the: <ul style="list-style-type: none"> – modern substitute (including locality factors and oncosts) – adjustment for excess quality or obsolescence. • evaluating the relevance and appropriateness of the indices used for changes in cost inputs by comparing to other relevant external indices • evaluating useful life estimates for reasonableness by: <ul style="list-style-type: none"> – reviewing management’s annual assessment of useful lives – at an aggregated level, reviewing asset management plans for consistency between renewal budgets and the gross replacement cost of assets – testing that no building asset still in use has reached or exceeded its useful life – enquiring of management about their plans for assets that are nearing the end of their useful life – reviewing assets with an inconsistent relationship between condition and remaining useful life • where changes in useful lives were identified, evaluating whether the effective dates of the changes applied for depreciation expenses were supported by appropriate evidence.

Other information

Those charged with governance are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

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

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

I have nothing to report in this regard.

Responsibilities of the entity for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

https://www.auasb.gov.au/auditors_responsibilities/ar6.pdf

This description forms part of my auditor's report.

Report on other legal and regulatory requirements

Statement

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

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

Prescribed requirements scope

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



D J Toma
as delegate of the Auditor-General

30 August 2024
Queensland Audit Office
Brisbane

Glossary

Accessible	An accessible hospital system delivers healthcare that is timely, within a reasonable geographic distance and provides services in a setting where skills and resources are appropriate to a person's medical need.
Accreditation	Accreditation is an evaluation process that involves assessment by qualified external peer reviewers to assess a health service organisation's compliance with safety and quality standards.
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"> • capturing consistent and detailed information on hospital sector activity and accurately measuring the costs of delivery • creating an explicit relationship between funds allocated and services provided • strengthening management's focus on outputs, outcomes, and quality • encouraging clinicians and managers to identify variations in costs and practices so they can be managed at a local level in the context of improving efficiency and effectiveness • providing mechanisms to reward good practice and support quality initiatives.
Acute	Acute conditions are severe and sudden in onset.
Admission	Admission is when the hospital accepts responsibility for the patient's care and/or treatment. Admission follows a clinical decision that a patient requires same-day, overnight or multi-day care or treatment.
Allied health	Professional staff who meet mandatory qualifications and regulatory requirements in the following areas: audiology, clinical measurement sciences, dietetics and nutrition, exercise physiology, leisure therapy, medical imaging, music therapy, nuclear medicine technology, occupational therapy, orthoptics, pharmacy, physiotherapy, podiatry,
Ambulatory care	prosthetics and orthotics, psychology, radiation therapy, sonography, speech pathology, and social work.
Board	Sunshine Coast Hospital and Health Service Board
CEO	Chief Executive Officer
Chronic condition	A chronic condition is a health condition or disease that is persistent or otherwise long-lasting in its effects or a disease that comes with time.
Clinical governance	Clinical governance is the set of relationships and responsibilities established by a health service organisation between its state or territory department of health, governing body, executive, workforce, patients, consumers and other stakeholders to ensure good clinical outcomes.
DAMA	Discharge Against Medical Advice is when a patient chooses to leave a hospital before the treating team recommends discharge.
Elective surgery categories	The category system ensures all patients who need surgery can be treated in order of priority. There are three urgency categories, where 1 is most urgent and 3 is least urgent. Category 1 – A condition that could worsen quickly to the point that it may become an emergency. The patient should have surgery within 30 days of being added to the waiting list. Category 2 – A condition causing some pain, dysfunction or disability, but is not likely to worsen quickly or become an emergency. The patient should have surgery within 90 days of being added to the waiting list. Category 3 – A condition causing minimal or no pain, dysfunction or disability, which is unlikely to worsen quickly and does not have the potential to become an emergency. The patient should have surgery within 365 days of being added to the waiting list.
Emergency department waiting time	Time elapsed for each patient from presentation to the emergency department to the 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.
FTA	Fail to attend – patient does not attend their appointment.
Full-time equivalent (FTE)	Refers to full-time equivalent staff currently working in a position.
GP	General Practitioner
Health equity strategy	The Aboriginal and Torres Strait Islander Health Equity Strategy is the roadmap for how we will achieve health equity and eliminate institutional racism.

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 Boards	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 is a separate legal entity established by Queensland Government to deliver public hospital services.
ICT	Information Communication Technology
ieMR	Replacing paper-based clinical charts, the integrated electronic Medical Record (ieMR) solution allows healthcare professionals to simultaneously access and update patient information.
Immunisation	Process of inducing immunity to an infectious agency by administering a vaccine.
Health workers/ Hospital Liaison Officer	An Aboriginal and/or Torres Strait Islander person who holds the specified qualification and works within a primary healthcare framework to improve health outcomes for Aboriginal and Torres Strait Islander Australians.
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 a category 1 patient, more than 90 days for a category 2 patient and more than 365 days for a category 3 patient.
MOHRI	Minimum Obligatory Human Resource Information
NGOs	Non-Government Organisations
Nurse Navigator	Highly experienced nurses who have an in-depth understanding of the health system and who will assist patients with complex healthcare needs to navigate to and from their referring general practitioner and/or other primary care providers, through hospital, the community and back home again.
Nurse practitioner	A registered nurse educated and authorised to function autonomously and collaboratively in an advanced and extended clinical role. The nurse practitioner role includes assessing and managing clients using nursing knowledge and skills and may include, but is not limited to, direct referral of clients to other healthcare professionals, prescribing medications, and ordering diagnostic investigations.
Occasions of Service (OoS)	Occasions of service include any examination, consultation, treatment, or other service provided to a non-admitted patient in each functional unit of a health service facility, on each occasion such a service is provided.
Outpatient	Non-admitted health service provided or accessed by an individual at a hospital or health service facility.
Outpatient service	Examination, consultation, treatment, or other service provided to non-admitted non-emergency patients in a speciality unit or under an organisational arrangement administered by a hospital.
Patient flow	Optimal patient flow means the patient's journey through the hospital system, be it planned or unplanned, happens in the safest, most streamlined and timely way to deliver good patient care
Performance indicator	A measure that provides an 'indication' of progress towards achieving the organisation's objectives and usually has targets that define the level of performance expected against the performance indicator.
PREMS	Patient reported experience and outcome measures.
Public hospital	Public hospitals offer free diagnostic services, treatment, care and accommodation to eligible patients.
SCHI	Sunshine Coast Health Institute
SCUH	Sunshine Coast University Hospital
Statutory bodies	A non-departmental government body, established under an Act of Parliament. Statutory bodies can include corporations, regulatory authorities and advisory committees/councils.
Sustainable	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.
VACS	Virtual Acute Care Service
Weighted Activity Unit	A standard unit used to measure all patient care activity consistently. The more resource intensive an activity is the higher the weighted activity unit. This is multiplied by the standard unit cost to create the 'price' for the episode of care.

Compliance Checklist

Summary of requirement	Basis for requirement	Annual report reference
Letter of compliance	• A letter of compliance from the accountable officer or statutory body to the relevant Minister/s ARRs – section 7	4
Accessibility	• Table of contents • Glossary ARRs – section 9.1	5 106
	• Public availability ARRs – section 9.2	2
	• Interpreter service statement <i>Queensland Government Language Services Policy</i> ARRs – section 9.3	2
	• Copyright notice <i>Copyright Act 1968</i> ARRs – section 9.4	2
	• Information Licensing <i>QGEA – Information Licensing</i> ARRs – section 9.5	2
General information	• Introductory Information ARRs – section 10	10
Non-financial performance	• Government's objectives for the community and whole-of-government plans/specific initiatives ARRs – section 11.1	13
	• Agency objectives and performance indicators ARRs – section 11.2	13, 33
	• Agency service areas and service standards ARRs – section 11.3	48
Financial performance	• Summary of financial performance ARRs – section 12.1	50
Governance – management and structure	• Organisational structure ARRs – section 13.1	28
	• Executive management ARRs – section 13.2	23
	• Government bodies (statutory bodies and other entities) ARRs – section 13.3	15
	• Public Sector Ethics <i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	32
	• Human Rights <i>Human Rights Act 2019</i> ARRs – section 13.5	32
	• Queensland public service values ARRs – section 13.6	32
Governance – risk management and accountability	• Risk management ARRs – section 14.1	31
	• Audit committee ARRs – section 14.2	20
	• Internal audit ARRs – section 14.3	31
	• External scrutiny ARRs – section 14.4	31
	• Information systems and recordkeeping ARRs – section 14.5	31
	• Information Security attestation ARRs – section 14.6	32
Governance – human resources	• Strategic workforce planning and performance ARRs – section 15.1	29
	• Early retirement, redundancy and retrenchment <i>Directive No.04/18 Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	29

Summary of requirement	Basis for requirement	Annual report reference	
Open Data	• Statement advising publication of information	ARRs – section 16	2
	• Consultancies	ARRs – section 31.1	http://data.qld.gov.au
	• Overseas travel	ARRs – section 31.2	http://data.qld.gov.au
	• Queensland Language Services Policy	ARRs – section 31.3	http://data.qld.gov.au
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	101
	• Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	102

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

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Sunshine Coast Hospital and Health Service

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