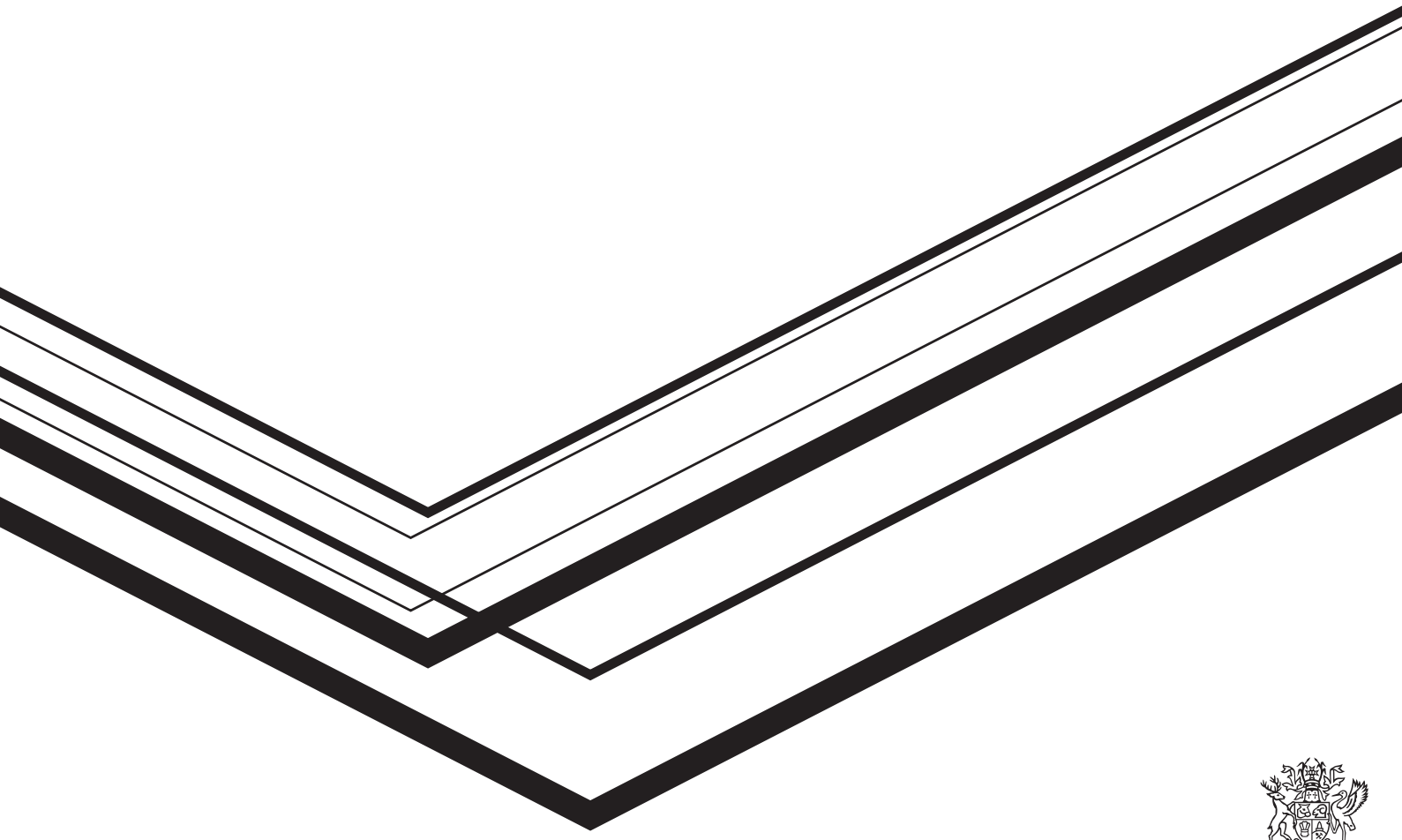
Queensland Budget 2015-16

Service Delivery Statements

Queensland Health



Queensland
Government

2015-16 Queensland Budget Papers

1. Budget Speech
2. Budget Strategy and Outlook
3. Capital Statement
4. Budget Measures
5. Service Delivery Statements

Appropriation Bills

Jobs Now, Jobs for the Future - Queensland Government employment plan

Budget Highlights

The suite of Budget Papers is similar to that published in 2014-15.

The Budget Papers are available online at www.budget.qld.gov.au

Service Delivery Statements

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ISSN 1445-4904 (Online)

Queensland Government

Health Portfolio

Summary of portfolio

Portfolio overview

Ministerial and portfolio responsibilities

The tables below represent the agencies and services which are the responsibility of the Minister for Health and Minister for Ambulance Services.

The Minister for Health and Minister for Ambulance Services

The Honourable Cameron Dick MP

Department of Health

Director-General: Michael Walsh

Service area 1: Acute Inpatient Care
Service area 2: Outpatient Care
Service area 3: Emergency Care
Service area 4: Sub and Non-Acute Care
Service area 5: Integrated Mental Health Services and Alcohol, Tobacco and Other Drug Services (community only)
Service area 6: Prevention, Primary and Community Care

Queensland Ambulance Service

Director-General: Michael Walsh

Commissioner: Russell Bowles

Service area 1: Ambulance Services

Objective: To provide timely and quality ambulance services which meet the needs of the Queensland community.

Hospital and Health Services

Objective: Hospital and Health Services are independent statutory bodies established on 1 July 2012 to provide public hospital and health services in accordance with the *Hospital and Health Boards Act 2011*, the principles and objectives of the national health system and the Queensland Government's priorities for the public health system.

Cairns and Hinterland Hospital and Health Service

Board Chair: Robert Norman

Chief Executive: Julie Hartley-Jones

Central Queensland Hospital and Health Service
Board Chair: Charles Ware
Chief Executive: Len Richards

Central West Hospital and Health Service
Board Chair: Edward Warren
Chief Executive: Michel Lok

Children's Health Queensland Hospital and Health Service
Board Chair: Susan Johnston
Chief Executive: Fionnagh Dougan

Darling Downs Hospital and Health Service
Board Chair: Michael Horan
Chief Executive: Peter Bristow

Gold Coast Hospital and Health Service
Board Chair: Ian Langdon
Chief Executive: Ron Calvert

Mackay Hospital and Health Service
Board Chair: Colin Meng
Chief Executive: Clare Douglas

Metro North Hospital and Health Service
Board Chair: Paul Alexander
Chief Executive: Ken Whelan

Metro South Hospital and Health Service
Board Chair: Terry White
Chief Executive: Richard Ashby

North West Hospital and Health Service
Board Chair: Paul Woodhouse
Chief Executive: Sue Belsham

South West Hospital and Health Service
Board Chair: Lindsay Godfrey
Chief Executive: Glynis Schultz

Sunshine Coast Hospital and Health Service
Board Chair: Paul Thomas
Chief Executive: Kevin Hegarty

Torres and Cape Hospital and Health Service
Board Chair: Robert McCarthy
Chief Executive: Jill Newland

Townsville Hospital and Health Service

Board Chair: John Bearne

Chief Executive: Julia Squire

West Moreton Hospital and Health Service

Board Chair: Mary Corbett

Chief Executive: Sue McKee

Wide Bay Hospital and Health Service

Board Chair: Dominic Devine

Chief Executive: Adrian Pennington

The Council of the Queensland Institute of Medical Research (QIMR)

Council Chair: Douglas McTaggart

Director and Chief Executive Officer: Frank Gannon

Objective: To enhance health by developing improved diagnostics, treatments and prevention strategies in the areas of cancer, infectious diseases, mental health and complex disorders.

Queensland Mental Health Commission

Commissioner: Lesley van Schoubroeck

Objective: To drive ongoing reform towards a more integrated, evidence-based, recovery-oriented mental health, drug and alcohol system.

Office of the Health Ombudsman

Ombudsman: Leon Atkinson-MacEwen

Objective: To protect the health and safety of the public, promote professional, safe and competent practice by health practitioners, promote high standards of service delivery by health service organisations, and maintain confidence in Queensland's health system by managing health complaints in a timely, fair, impartial and independent manner, while operating transparently and reporting publicly on its performance.

Additional information can be sourced from:

www.health.qld.gov.au

www.qimrberghofer.edu.au

www.qmhc.qld.gov.au

www.oho.qld.gov.au

Health overview

The Queensland public healthcare system, collectively known as ‘Queensland Health,’ comprises 16 independent Hospital and Health Services (HHSs), the Queensland Ambulance Service (QAS), and the Department of Health. The Department of Health is responsible for managing the public health system, including purchasing services from the HHSs which are responsible for delivering public healthcare services.

The key challenges and emerging pressures for Queensland’s healthcare system include population growth, ageing, the impact of technological advances on the health sector, high levels of chronic disease, mental health, health related risk behaviours, poorer health outcomes for Aboriginal and Torres Strait Islander peoples, cultural barriers for people from non-English speaking backgrounds, and uncertainty around Commonwealth funding.

The Government has outlined key initiatives and election commitments in its plan to strengthen the Queensland public healthcare system. These include investments in our nursing workforce, patient safety activities, mental health services, and a range of preventative health programs designed to help Queenslanders make healthy choices.

OPERATING BUDGET

In 2015-16, Queensland Health's operating budget will be $14.183 billion, which is an increase of $560.6 million (4.1%) from the published 2014-15 operating budget of $13.622 billion.

The $14.183 billion operating budget comprises Queensland Government funding totalling $9.293 billion, Australian Government funding totalling $3.525 billion, user charges and fees totalling $1.229 billion, and $136 million in other revenue.

A total of $11.580 billion (81.6% of the total budget) will be allocated through service agreements to provide public healthcare services from HHSs and other organisations including Mater Health Services and St Vincent's Health Australia.

New Measures in the Budget

The Government is providing an additional $2.302 billion over four years (including $202.1 million in 2015-16) to ensure that health and ambulance services keep pace with the ongoing growth in demand for services.

In this Budget, the Government has also provided additional funding comprising of:

- $320.3 million over four years (including $54.2 million in 2015-16) to deliver on the Government’s election commitments, which reverse the former Government’s cuts to frontline services and address priority areas of need
- $361.2 million over four years (including $71.3 million in 2015-16) to tackle the significant number of people waiting longer than clinically recommended for an outpatient appointment with a specialist
- $193.5 million over four years (including $47.2 million in 2015-16) to support the reconfiguration of services across the Sunshine Coast HHS region to enable the safe start-up of the new Sunshine Coast Public University Hospital (SCPUH), which is opening in November 2016.

Growth Funding

The increase in funding required to ensure that health and ambulance services keep pace with the ongoing growth in demand for services is known as ‘growth funding’.

The growth funding that was in the forward estimates as at February 2015 was not sufficient to ensure that health and ambulance services keep pace with the ongoing growth in demand for services.

In this Budget, the Government is providing additional growth funding of $2.302 billion over four years to make up the shortfall left by the former Government. This comprises $202.1 million in 2015-16, $426.9 million in 2016-17, $719.3 million in 2017-18 and $954.2 million in 2018-19.

The calculation of the amount of growth funding required takes into account growth in demand for services, and growth in costs in line with projected increases in the Consumer Price Index (CPI).

Hospital and Health Services

HHSs will be funded in 2015-16 for overall growth in activity of 4% for clinical services, and growth in costs in line with the projected CPI. They will also be required to achieve an overall productivity dividend of 2% in the delivery of clinical services.

HHSs will be required to achieve this productivity dividend through real, genuine efficiencies, rather than cuts to frontline services as occurred under the former Government.

Queensland Ambulance Service

The QAS will be funded in 2015-16 for growth in activity of 4%, and growth in costs in line with the projected CPI. It will also be required to achieve a productivity dividend of 2%.

This funding increase will enable the QAS to recruit an additional 75 paramedics throughout the State in 2015-16.

Department of Health

The Department of Health will be funded in 2015-16 for no growth in activity, and growth in costs in line with the projected CPI. It will also be required to achieve a productivity dividend of 2.5%.

This productivity dividend will be achieved by reducing the use of contractors and consultants and through other sensible savings measures. Unlike the former Government, it will not be achieved through redundancies, cuts to programs that deliver frontline services, or cuts to health promotion and prevention programs.

Federal funding cuts

The Abbott Government announced changes in the 2014-15 Federal Budget that will reduce federal funding for public hospitals nationwide by $57 billion from 2017-18 to 2024-25 according to Commonwealth Treasury figures. The Queensland Department of Health estimates that Queensland's share of these cuts on a population basis is $11.8 billion.

It is not possible for the Queensland Government to make up a federal funding cut of this magnitude. This means that unless these federal funding cuts are reversed, there will be a shortfall in funding for Queensland hospitals – and a resultant decline in the quality and timeliness of services – from 1 July 2017.

Election Commitments

In this Budget, the Government is providing additional funding of $320.3 million over four years (including $54.2 million in 2015-16) to deliver on its election commitments, which reverse the former Government's cuts to frontline services and address priority areas of need.

Nursing Workforce

The Government is committed to priority nursing workforce initiatives to support patient safety across the public healthcare system in Queensland, including:

- providing additional funding of $110.7 million over four years (including $26.6 million in 2015-16) for the Refresh Nursing election commitment which will provide for up to 4,000 new graduate nursing and midwifery places in Queensland public hospitals over four years. This commitment will provide nurses and midwives with the opportunity to gain valuable clinical experience and is an important long-term investment in the professional development of this workforce

- providing additional funding of $101.6 million over four years (including $9.3 million in 2015-16) for the Nursing Guarantee election commitment to recruit 400 additional Nurse Navigator positions in HHSs across Queensland. These positions will work with patients to navigate across the healthcare system

- providing additional funding of $11.4 million over four years (including $2.7 million in 2015-16) to re-establish a primary school aged nurse service to vulnerable communities in Logan and surrounding suburbs and extend this service to other communities across the State, to undertake earlier screening and other school readiness support services.

Patient Safety and Quality Improvements

The Government is committed to further patient safety initiatives, including:

- legislating a safe nurse-to-patient ratio to ensure fair workloads, improve patient safety and deliver quality healthcare outcomes
- re-establishing patient safety and quality improvement services with 20 new positions
- providing additional funding of $2.5 million over three years (including $800,000 in 2015-16) to establish a service agreement with Health Consumers Queensland to advocate independently for patients and their families and to empower health consumers in the planning, design, delivery, monitoring and evaluation of HHSs.

Mental Health

The Government is working to reverse neglect and policy drift in mental health, following cuts in both staff and expenditure by the former Government. Initiatives in this Budget include:

- providing additional funding of $20 million over four years (including $2.3 million in 2015-16) to provide grants to non-government organisations to provide long day respite which caters to the specific needs of elderly people with dementia and other degenerative neurological disorders living in the community
- internally reallocating up to $5 million in 2015-16 to progress delivery of the election commitment for a new adolescent service for South East Queensland to replace the Barrett Centre and to support the Commission of Inquiry into the closure of the Barrett Centre. The full cost of the new service centre will be determined following the finalisation of the Commission of Inquiry and project business case
- providing additional funding of $11.8 million over four years (including $2.8 million in 2015-16) to deliver the first stage of the Government's plan to rebuild intensive mental healthcare for young people through expanded youth residential mental health services in Townsville
- providing additional funding of $1.5 million in 2015-16 to continue the delivery of Mental Health Support Workshops and interventions as part of the existing Drought Assistance Package.

In addition, the Government recently commenced work on a new package of suicide prevention training for emergency department staff. The estimated cost is $380,000 which will be met from within existing resources.

In 2015-16 these investments will be supported by additional policy work, including:

- a sentinel events review to help reduce preventable deaths among Queenslanders with a mental illness headed by Professor James R. P. Ogloff AM
- completion of consultation for a new Mental Health Bill
- continued investment of $8.3 million to fund the Queensland Mental Health Commission's work to drive ongoing reform towards a more integrated, evidence-based, recovery-oriented mental health, drug and alcohol system in Queensland
- enhancement of the existing 1800 Alcohol and Drug Information Service and Drug and Alcohol Advice and Referral Service, which will provide additional support, advice and referrals to individuals and families affected by social and mental health aspects of the drug methyl amphetamine (more commonly referred to as ice).

Preventive Health

The Government is working to reverse the damage wrought by the former Government on Queensland's capacity for health promotion and prevention through the following initiatives:

- providing additional funding of $27.2 million over four years (including $2.0 million in 2015-16) to implement the Health for Life! Taking action on Diabetes community based prevention program, which will target 10,000 Queenslanders at high risk of developing Type 2 Diabetes, and help them make positive changes to their lifestyles

- providing additional funding of $7.5 million over four years (including $600,000 in 2015-16) to establish a statewide Health Promotion Commission to provide strategic leadership for whole-of-government initiatives aimed at maintaining and improving the health and wellbeing of Queenslanders by preventing and slowing the increase of chronic illnesses such as diabetes, heart disease and cancer

- providing additional funding of $1.4 million over four years (including $278,000 in 2015-16) to encourage increased physical activity, by supporting the 10,000 steps program to increase incidental exercise and encouraging participation in the Heart Foundation Walking Program

- providing additional funding of $5.1 million over four years (including $1.3 million in 2015-16) to update the multimedia health promotion program 'Go for 2&5' to increase fruit and vegetable consumption

- providing additional funding of $525,000 over two years (including $400,000 in 2015-16) to implement kilojoule menu labelling for fast-food in Queensland

- providing additional funding of $1.3 million over four years (including $350,000 in 2015-16) to improve cardiac rehabilitation and prevention through the development of an electronic version of 'My Heart, My Life' and develop key performance indicators to support a long-term quality improvement program

- internally reallocating $2.7 million over three years (including $1.1 million in 2015-16) to provide a comprehensive communication strategy to support amendments to vaccination legislation that would give the person in charge of an early childhood education and care service the option to refuse to allow children who are not fully immunised to enrol in the early childhood facility or to participate in activities or services provided by the facility

- providing additional funding of $13.2 million over four years (including $3.4 million in 2015-16) to restore services at the Biala Sexual Health Clinic in Brisbane to provide a range of testing counselling and information services

- providing additional funding of $5.3 million over four years (including $906,000 in 2015-16) to develop and implement a statewide sexual health strategy

- providing additional funding of $420,000 in 2015-16 to provide incentives for local governments to create local smoke-free laws, enforce statewide smoke-free laws and initiate community consultation to assess further strategies to prevent passive smoking.

Outpatient Long Wait Reduction Strategy

On coming to office, the Government discovered that more than 100,000 Queenslanders had been waiting longer than clinically recommended for a specialist outpatient appointment as at 1 January 2015. That was almost half of the 229,737 Queenslanders who were on the outpatient waiting list as at 1 January 2015.

Prior to the Budget, the Government announced a number of initiatives to start the process of tackling the significant number of outpatient long waits:

- On 10 March 2015, the Government announced that an extra $30 million funding would be provided to HHSs from existing resources to deliver additional activity by 30 June 2015. This will fund more than 10,000 additional specialist outpatient appointments, more than 5,000 additional endoscopies and more than 2,000 additional inpatient procedures.

- On 29 April 2015, the Minister for Health convened a Wait Times Summit which brought together around 30 dedicated health professionals from all parts of the State who deal with waiting lists on a daily basis. Participants included Chairs of Hospital and Health Boards, Chief Executives of HHSs, general practitioners, surgeons, specialist physicians, nurses and allied health workers.

- On 4 May 2015, the Government announced that $30 million funding would be provided from existing resources over the next two years to clear the backlog of patients waiting longer than clinically recommended for an outpatient appointment with an Ear, Nose and Throat (ENT) specialist. This funding will ensure that long wait ENT patients receive their outpatient appointment and any required follow-up treatment by 30 June 2017. Around 14,000 children and adults had been waiting longer than clinically recommended for an outpatient appointment with an ENT specialist as at 1 January 2015.

In this Budget, the Government is providing additional funding of $361.2 million over four years (including $71.3 million in 2015-16) to tackle the significant number of people waiting longer than clinically recommended to see a specialist at an outpatient appointment.

The Government will announce further details in regards to the initiatives that the additional funding will support following further consultation with the health sector.

Other Recent Announcements

Queensland Health is committed to clinical innovation and supporting the development of ground breaking research and collaboration through establishing and maintaining strong partnerships with both the government and non-government sectors.

In acknowledgement of the integral role the non-government sector plays in providing health support services in our community, and as a result of uncertainty in recent years, the Department is undertaking a review of the funding and support provided to organisations under the Community Self Care Grant funding program with a report due in July 2015. With reference to the broader context of transformational changes in the social services sector, the review will examine and report on:

- the impacts on the organisations of the Government's investment in the funding and support packages
- the nature of any prospective investment in these organisations to ensure these groups keep pace with the change in the social service sector.

The Government will continue its support of world-leading medical research, partnerships in health care and collaborative approaches. In 2015-16, the Queensland Institute of Medical Research (QIMR) will receive $18.9 million to leverage funding to secure competitive peer-reviewed medical research grants and other income.

The Government's support of world-leading research also includes the future launch of medicinal cannabis trials in conjunction with New South Wales and Victoria. This will be the first trial conducted into the possible benefits of medicinal cannabis in Queensland’s history. The trial will examine the potential use of medicinal cannabis to treat patients suffering from a range of medical conditions such as severe, drug resistant epilepsy.

The recently established statewide specialised support service for Queenslanders living without a fully functioning spleen in partnership with the Victorian based service, Spleen Australia, is an example of this Government’s commitment to successful collaboration and partnerships in health care.

To address concerns raised about the commissioning of the Lady Cilento Children’s Hospital, a formal review is underway to examine the building and operational commissioning processes carried out in late 2014. The outcomes of this review will inform future commissioning processes. The outcomes of this review and the additional investment of $193.5 million over four years will also support the safe start-up of the SCPUH.

ICT AND INFRASTRUCTURE CAPITAL

In 2015-16, a total capital investment program for the health portfolio of $1.299 billion (including capital grants) will progress a range of health infrastructure priorities including hospitals, health technology, research and scientific services, mental health services and information technologies.

New Measures in the Budget

In this Budget, the Government is:

- providing additional funding of $180 million over four years (including $20.6 million in 2015-16) for the Enhancing Regional Hospitals Program. This funding will be used to undertake essential upgrades to Queensland Health facilities including Caloundra Hospital Service, Roma Hospital, Hervey Bay Emergency Department and Gladstone Emergency Department
- internally reallocating $9 million in 2015-16 toward the commencement of ICT at the SCPUH. The full cost of the project and required funding allocation will be determined following the finalisation of the project business case.

- internally reallocating $1.2 million over two years (including $200,000 in 2015-16) to finalise the planning for the refurbishment of Nambour General Hospital. Funding for the project will be determined following the finalisation of the business case.

Capital Program Highlights for 2015-16

Capital investment program highlights for 2015-16 include:

- $488.7 million to continue the delivery of the SCPUH and its Skills, Academic and Research Centre as a public private partnership, at a total estimated cost of $1.872 billion
- $40 million to complete construction of the $446.3 million Cairns Hospital Redevelopment
- $20.6 million to commence the $180 million, four year Enhancing Regional Hospitals Program
- $18.4 million to complete the $334 million Queensland and Australian Government jointly funded Townsville Hospital Expansion
- $5.1 million to complete the final stages of the $173.1 million Queensland and Australian Government funded Rockhampton Hospital Expansion
- $45 million to continue delivering a range of asset renewal and enhancement works across the State under the Priority Capital Program
- $113.6 million to finalise a number of major projects where construction is largely complete, including: Logan Hospital, Lady Cilento Children's Hospital, Centre for Children's Health Research, Mackay Base Hospital, Mount Isa Health Campus Redevelopment and the Gold Coast University Hospital
- $179 million to continue the state-wide roll out of clinical and administrative support systems and technology equipment replacement.

Service performance

Service approach

Queensland Health reports service delivery under seven Service Areas. The Service Areas outlined below have been re-aligned from those published in the 2014-15 Service Delivery Statement to better and more accurately reflect the objectives and key priorities of Queensland Health.

Performance statement

Acute Inpatient Care

Service area objective

To provide safe, timely, appropriately accessible, patient centred care that maximises the health outcomes of patients.

Service area description

Acute Inpatient Care includes a broad range of services provided to patients under a formal admission process and can refer to care provided in hospital and/or in a patient's home.

Health Consolidated	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Effectiveness measures Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	1	<2.0	<2.0	<2.0
Percentage of elective surgery patients treated within clinically recommended times:	2			
Category 1 (30 days)		100%	98%	>98%
Category 2 (90 days)		97%	94%	>95%
Category 3 (365 days)		98%	97%	>95%
Median wait time for elective surgery (days):	3			
Category 1 (30 days)		..	12	..
Category 2 (90 days)		..	49	..
Category 3 (365 days)		..	154	..
All categories		25	29	25
Percentage of admitted patients discharged against medical advice:	4			
Non-Aboriginal and Torres Strait Islander patients		0.8%	1.0%	0.8%
Aboriginal and Torres Strait Islander patients		1.4%	3.5%	1.2%
Percentage of babies born of low birth weight to:	4			

Health Consolidated	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Non-Aboriginal and Torres Strait Islander mothers		4.0%	4.7%	4.6%
Aboriginal and Torres Strait Islander mothers		8.4%	8.8%	8.1%
Efficiency measure Average cost per weighted activity unit for Activity Based Funding facilities	5	$4,613	$4,497	$4,597
Other measure Total weighted activity units – acute inpatient	6, 7	924,463	945,970	974,783

Notes:

1. Staphylococcus aureus are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/est. for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
2. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years.
3. The 2014-15 Est. Actual figures are provided from 11 months of actual performance from 1 July 2014 to 31 May 2015. There is no nationally agreed target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
4. The 2015-16 Target/Est. figures are based on the Closing the Gap trajectory. The estimated actual figures are based on data for the period 1 July 2014 to 31 March 2015.
5. The determination of the cost (funding) per Weighted Activity Unit (WAU) has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements. The Health consolidated figure includes Mater Health Services. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the Activity Based Funding (ABF) model Q18 and updated to Amendment Window 2 to enable comparison with 2015-16 Target/Est. figures.
6. The Weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
7. Statewide totals sum to more than the totals for individual HHSs because of public hospital activity by the Mater Public Hospitals and St Vincent's Hospital, and activity that has not yet been allocated to HHSs in Service Agreements (e.g. funding for activity held in the in-year activity pool and other amounts yet to be allocated).

Outpatient Care

Service area objective

To deliver coordinated care, clinical follow-up and appropriate discharge planning throughout the patient journey.

Service area description

Outpatient services are examinations, consultations, treatments or other services provided to patients who are not currently admitted to hospital that require specialist care. Outpatient services also provide associated allied health services (such as physiotherapy) and diagnostic testing.

Health Consolidated	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Effectiveness measure Percentage of specialist outpatients waiting within clinically recommended times:	1			
Category 1 (30 days)		48%	61%	..
Category 2 (90 days)		33%	44%	..
Category 3 (365 days)		90%	66%	..
Efficiency measure	2			
Other measure Total weighted activity units – Outpatients	3, 4, 5	224,283	226,459	239,452

Notes:

1. A 2015-16 Target/est. has not yet been set as work in relation to the setting of a more suitable target/measure is currently being investigated. This work will ensure an appropriate measure and target is set in line with the Government's priorities and the Service Agreements with the HHSs. The Government convened a Wait Times Summit and is currently undertaking further consultation with the health sector, which will inform work around the target/measure for future reporting. The 2014-15 Est. actual figures are provided using actual performance as at 1 April 2015. All data excludes Mater facilities. As at 1 April 2015, the data includes Princess Alexandra Hospital and therefore should not be compared with previous years.
2. An efficiency measure is being developed and will be included in future Service Delivery Statements.
3. The Health consolidated figure includes Mater Health Services. The 2014-15 Target/est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 to enable comparison with 2015-16 Target/est. figures.
4. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
5. Statewide totals sum to more than the totals for individual HHSs because of public hospital activity by the Mater Public Hospitals and St Vincent's Hospital, and activity that has not yet been allocated to HHSs in Service Agreements (e.g. funding for activity held in the in-year activity pool and other amounts yet to be allocated).

Emergency Care

Service area objective

To minimise early mortality and complications through diagnosing and treating acute and urgent illness and injury.

Service area description

Emergency Care is provided by a wide range of facilities and providers from remote nurse run clinics, general practices, ambulance services, retrieval services, through to Emergency Departments (EDs). EDs are dedicated hospital-based facilities specifically designed and staffed to provide 24 hour emergency care.

Health Consolidated	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Effectiveness measures Percentage of emergency department attendances who depart within 4 hours of their arrival in the department	1	86%	77%	90%
Percentage of emergency department patients seen within recommended timeframes:	2			
Category 1 (within 2 minutes)		100%	100%	100%
Category 2 (within 10 minutes)		80%	77%	80%
Category 3 (within 30 minutes)		75%	63%	75%
Category 4 (within 60 minutes)		70%	72%	70%
Category 5 (within 120 minutes)		70%	90%	70%
All categories		..	70%	..
Percentage of patients transferred off-stretcher within 30 minutes		90%	85%	90%
Median wait time for treatment in emergency departments (minutes)	3	20	20	20
Efficiency measure	4			
Other measure Total weighted activity units – Emergency Department	5, 6, 7	224,031	235,273	231,644

Notes:

1. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/est. and the 2015-16 Target/Est. are set as the midway point between the calendar years. The target aligns with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
2. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 and 2015-16 are based on the Australasian Triage Scale (ATS). The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
3. The 2014-15 Est. Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. There is no nationally agreed target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
4. An efficiency measure is being developed and will be included in future Service Delivery Statements.
5. The Health consolidated figure includes Mater Health Services. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 to enable comparison with 2015-16 Target/Est. figures.
6. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.

7. Statewide totals sum to more than the totals for individual HHSs because of public hospital activity by the Mater Public Hospitals and St Vincent's Hospital, and activity that has not yet been allocated to HHSs in Service Agreements (e.g. funding for activity held in the in-year activity pool and other amounts yet to be allocated).

Sub and Non-Acute Care

Service area objective

Subacute care is specialised multidisciplinary care that aims to optimise patients' functioning and quality of life.

Service area description

Sub and non-acute care comprises of rehabilitation care, palliative care, geriatric evaluation and management care, psychogeriatric care and maintenance care.

Health Consolidated	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Effectiveness measure	1			
Efficiency measure	2			
Total weighted activity units – sub acute	3, 4, 5	93,232	92,350	94,799

Notes:

1. An effectiveness measure is being developed and will be included in future Service Delivery Statements.
2. An efficiency measure is being developed and will be included in future Service Delivery Statements.
3. The Health consolidated figure includes Mater Health Services. The 2014-15 Target/est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 to enable comparison with 2015-16 Target/Est. figures.
4. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
5. Statewide totals sum to more than the totals for individual HHSs because of public hospital activity by the Mater Public Hospitals and St Vincent's Hospital, and activity that has not yet been allocated to HHSs in Service Agreements (e.g. funding for activity held in the in-year activity pool and other amounts yet to be allocated).

Integrated Mental Health Services and Alcohol, Tobacco and Other Drug Services (community only)

Service area objective

To promote the mental health of the community, prevent the development of mental health problems and address the harms arising from the use of alcohol and other drugs where possible, and to provide timely access to safe, high quality assessment and treatment services, from the specialist and non-specialist sectors.

Service area description

Integrated Mental Health Services span the health continuum through the provision of mental health promotion and prevention activities (including suicide prevention strategies), community-based services, acute inpatient services and extended treatment services. Alcohol, Tobacco and Other Drug Services (ATODS) provide prevention, treatment and harm reduction responses in community based services (note inpatient and non-government sector ATODS reported elsewhere).

Health Consolidated[1]	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Effectiveness measures Proportion of re-admissions to acute psychiatric care within 28 days of discharge	2	<12%	13.5%	<12%
Rate of community follow up within 1 – 7 days following discharge from an acute mental health inpatient unit	3	>60%	64.7%	>65%
Efficiency measure	4			
Other measures Percentage of the population receiving clinical mental health care	5	1.8% - 2.0%	2.0%	>1.9%
Ambulatory mental health service contact duration (hours)	6	>934,589	873,130	>879,550
Total weighted activity units – Mental Health	7, 8, 9	140,842	149,058	151,338

Notes:

1. These Service Standards reflect the performance of the specialist integrated mental health sector only. Alcohol, Tobacco and Other Drug Services. Mental health related admitted patient activity in non-specialist beds is excluded.
2. Queensland has made significant progress in reducing readmission rates over the past 5 years, with continued incremental improvements towards the nationally recommended target. The 2015-16 Target/Est. is the nationally recommended target.
3. The 2015-16 Target/Est. represents incremental progress towards the nationally recommended target.
4. An efficiency measure is being developed and will be included in future Service Delivery Statements.
5. The indicator provides a mechanism for monitoring population treatment rates and assesses these against what is known about distribution of a mental disorder in the community. This measure is also reported through the National Healthcare Agreement. The 2015-16 Target/Est. is based on the national average for 2012-13.
6. The 2014-15 Target/Est. was set utilising a standard formula based upon available clinical staffing. Due to a range of issues including known under-reporting within clinical information systems which capture the data, most HHSs are not expected to meet the target for 2014-15. The 2015-16 Target/Est. has been revised to take these issues into account. The 2015-16 Target/Est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance. The reduction from the 2014-15 Target/Est. is based on improved identification of non-clinical staff as well as actual reduction in available FTEs.
7. The Health consolidated figure includes Mater Health Services. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 to enable comparison with 2015-16 Target/Est. figures.
8. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
9. Statewide totals sum to more than the totals for individual HHSs because of public hospital activity by the Mater Public Hospitals and St Vincent's Hospital, and activity that has not yet been allocated to HHSs in Service Agreements (e.g. funding for activity held in the in-year activity pool and other amounts yet to be allocated).

Prevention, Primary and Community Care

Service area objective

To prevent illness and injury, address health problems or risk factors and protect the good health and wellbeing of Queenslanders.

Service area description

These services are provided by a range of healthcare professionals in socially appropriate and accessible ways and include health promotion, illness prevention, disease control, immunisation, screening, oral health services, environmental health, research, advocacy and community development, allied health, assessment and care planning and self-management support.

Health Consolidated	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Effectiveness measures				
Percentage of the Queensland population who consume recommended amounts of:	1			
fruits		56.6%	57.2%	58.4%
vegetables		9.2%	9.4%	9.6%
Percentage of the Queensland population who engaged in levels of physical activity for health benefit:	2			
Persons		64.0%	62.9%	64.1%
Male		69.7%	67.2%	68.6%
Female		58.2%	58.6%	59.7%
Percentage of the Queensland population who are overweight or obese:	1			
Persons		60.1%	59.6%	58.4%
Male		67.2%	66.1%	64.8%
Female		53.0%	53.1%	52.0%
Percentage of the Queensland population who consume alcohol at risky and high risk levels:	3			
Persons		11.4%	18.2%	17.9%
Male		13.2%	27.9%	27.4%
Female		9.5%	8.9%	8.7%
Percentage of the Queensland population who smoke daily:	1			
Persons		15.8%	14.0%	13.7%
Male		17.1%	14.9%	14.6%
Female		14.4%	12.4%	12.2%
Percentage of the Queensland population who were sunburnt in the last 12 months:	4			
Persons		53.0%	54.3%	52.7%
Male		55.0%	56.6%	55.4%

Health Consolidated	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Female		50.9%	52.2%	51.2%
Annual notification rate of HIV infection	5	5.0	5.3	5.0
Vaccination rates at designated milestones for:	6			
All children 12-15 months		92.5%	91.6%	95%
All children 24-27 months		92.5%	91.1%	95%
All children 60-63 months		92.5%	92.2%	95%
Percentage of target population screened for:	7			
Breast cancer		58.0%	56.5%	57.3%
Cervical cancer		57.2%	56.4%	56.3%
Bowel cancer		33.9%	32.2%	33.3%
Percentage of invasive cancers detected through BreastScreen Queensland that are small (<15mm) in diameter	8	57.0%	59.4%	58.6%
Ratio of potentially preventable hospitalisations - rate of Aboriginal and Torres Strait Islander hospitalisations to rate of non-Aboriginal and Torres Strait Islander hospitalisations	9	1.7	2.0	1.8
Percentage of women who, during their pregnancy were smoking after 20 weeks:	10			
Non-Aboriginal and Torres Strait Islander women		9.5%	8.7%	8.7%
Aboriginal and Torres Strait Islander women		37.6%	39.0%	35.8%
Efficiency measure	11			
Other measures Number of adult oral health weighted occasions of service (ages 16+)	12	2,275,265	2,554,272	2,400,000
Number of children and adolescent oral health weighted occasions of service (0-15 years)	13	1,300,000	1,224,118	1,300,000
Percentage of public general dental care patients waiting within the recommended timeframe of two years		95%	100%	95%
Percentage of oral health weighted occasions of service which are preventative	14	15%	12%	15%
Number of rapid HIV tests performed	15	1,500	3,000	3,000
Total weighted activity units – Interventions and procedures	16, 17, 18	139,852	136,467	144,205

Notes:

1. The 2014-15 Est. Actual is derived from the time trend for this indicator since 2001. The 2015-16 Target/Est. is based on an estimated improvement in indicator outcomes, recognising historical data. The target estimate should be interpreted with caution.
2. The 2014-15 Est. Actual is derived from the time trend for this indicator since 2004. The 2015-16 Target/Est. is based on an estimated improvement in indicator outcomes, recognising historical data. The target estimate should be interpreted with caution.

3. The 2014-15 Target/Est. was based on the 2001 National Health and Medical Research Council (NH&MRC) 'long-term harm' safe drinking guideline which has been rescinded. Consequently, the 2014-15 Est. actual and 2015-16 Target/Est are based on the more current, more conservative, NH&MRC 'lifetime harm' safe drinking guidelines.
4. The 2014-15 Est. Actual is derived from the time trend for this indicator since 2010. The 2015-16 Target/Est. is based on an estimated improvement in indicator outcomes, recognising historical data. The target estimate should be interpreted with caution.
5. The annual notification rate of HIV infection is a reflection of the number of notifications per 100,000 population. The 2014-15 Est. Actual is an estimate based on the number of first diagnoses of HIV in Queensland for the 2014 calendar year.
6. The 95% target is aspirational and aligns with the National Immunisation Strategy. The definition of fully immunised at 24-27 months changed at 1 October 2014 (now includes 3 additional vaccines), resulting in a decreased coverage rate. Est/Actual coverage data is rolling four quarters ending 31 March 2015.
7. The 2014-15 Est Actual relates to the latest period for which data is available: 2012-13 biennial period breast cancer and cervical cancer; 2012-13 financial year bowel cancer (when people aged 50, 55, 60 and 65 years of age were invited to participate). The 2015-16 Target/Est. relates to the following periods: 2013-2014 biennial period breast cancer and cervical cancer; 2013-14 financial year bowel cancer (when people aged 50, 55, 60 and 65 years of age were invited to participate).
8. The 2014-15 Est. Actual relates to the 2013 calendar year. The 2015-16 Target/Est. relates to the 2013-14 financial year.
9. The technical definition for potentially preventable hospitalisations (PPH) changed nationally from 14 January 2015. The 2014-15 Est. Actual and the 2015-16 Target/Est. figures are based on the new definition. The estimated actual figure is for PPH data recorded between 1 July 2014 and 28 February 2015.
10. The 2015-16 Target/Est. figures for Aboriginal and Torres Strait Islander women/mothers/patients are based on the Closing the Gap trajectory. The 2014-15 Est. Actual figures relate to all perinatal data within reporting databases as at 8 May 2015. The majority of this data relates to the period 1 July 2014 to 31 March 2015.
11. An efficiency measure is being developed and will be included in future Service Delivery Statements.
12. The 2014-15 Target/Est. is based on funding allocated by the Department of Health to Hospital and Health Services (HHSs), including Commonwealth funding under the National Partnership Agreement for Treating More Public Dental Patients. The 2014-15 Est. Actual is over target primarily due to Medicare payments claimed directly by HHSs under the Child Dental Benefits Schedule (CDBS) that were invested in additional adult dental services. The adult 2015-16 Target/Est. increase from the previous year's target reflects the level of funding expected under a new National Partnership Agreement in 2015-16.
13. The 2014-15 Est. Actual is below target due in part to the ongoing implementation of the Medicare Child Dental Benefits Schedule by HHS oral health services, which commenced on 1 January 2014.
14. Preventative treatment is reported according to item numbers recorded in each patient's clinical record. This measure includes procedures such as removal of plaque and calculus from teeth, application of fluoride to teeth, dietary advice, oral hygiene instruction, quit smoking advice, mouthguards and fissure sealants. All of these items are important to improve and maintain the health of teeth, gums and soft tissues within the mouth, and also have general health benefits.
15. The number of rapid HIV tests performed increased significantly above the predicted number in the 2014-15 Target/Est because of the roll out of this testing into the community sector where tests are largely performed by peers. This was part of an initiative funded by the Department of Health. The numbers in the community sector have increased almost four fold from the first quarter of the 2014-15 year to the third quarter. This rise is expected to stabilise at current levels and should be maintained at this higher level on the basis that the program and the demand for testing continues.
16. The Health consolidated figure includes Mater Health Services. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 to enable comparison with 2015-16 Target/est. figures.
17. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
18. Statewide totals sum to more than the totals for individual HHSs because of public hospital activity by the Mater Public Hospitals and St Vincent's Hospital, and activity that has not yet been allocated to HHSs in Service Agreements (e.g. funding for activity held in the in-year activity pool and other amounts yet to be allocated).

Ambulance Services

The Queensland Ambulance Service (QAS) provides key primary health care services in Queensland and is a core service area within the Health portfolio. The QAS section of the Service Delivery Statement provides more detailed information on QAS's operations and performance.

Discontinued measures

Performance measures included in the 2014-15 Service Delivery Statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the Service Delivery Statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Health consolidated	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Number of in-home visits, families with newborns	1	87,924	71,342	Discontinued measure
Percentage of oral health weighted occasions of service provided by private dental partners	2	8%	16%	Discontinued measure

Notes:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.
2. This measure has been discontinued as it only reports who treated the patient rather than the overall impact on waiting times or the cost per occasion. Therefore, this measure does not clearly report either increased effectiveness or efficiency.

Health consolidated budget summary

The table below shows the total resources available in 2015-16 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Health consolidated	2014-15 Budget $'000	2014-15 Est. Actual $'000	2015-16 Budget $'000
CONTROLLED			
Income			
Appropriation revenue[1]			
Deferred from previous year/s	..	..	..
Balance of service appropriation	8,971,194	8,920,998	9,406,668
Other revenue	4,641,839	4,637,031	4,761,378
Total income	**13,613,033**	**13,558,029**	**14,168,046**
Expenses[2]			
Acute Inpatient	6,957,144	6,963,254	..
Ambulatory	2,629,784	2,601,210	..
Integrated Mental Health	1,152,117	1,138,551	..
Rehabilitation and Extended Care	1,034,215	1,020,692	..
Prevention, Promotion and Protection	598,738	591,696	..
Primary care	729,264	720,297	..
Ambulance	520,688	524,556	..
Acute Inpatient Care	..	..	6,293,123
Outpatient Care	..	..	1,873,664
Emergency Care	..	..	1,394,113
Sub and Non Acute Care	..	..	528,814
Integrated Mental Health Services and Alcohol, Tobacco and Other Drug Services (community only)	..	..	1,493,982
Prevention, Primary and Community Care	..	..	2,035,158
Ambulance Services	..	..	563,707
Total expenses	**13,621,951**	**13,560,255**	**14,182,562**
Operating surplus/deficit	**(8,918)**	**(2,226)**	**(14,516)**
Net assets	**12,529,795**	**11,817,102**	**12,612,831**
ADMINISTERED			
Revenue			
Commonwealth revenue	..	..	..
Appropriation revenue	33,910	33,910	33,544
Other administered revenue	..	24	4
Total revenue	**33,910**	**33,934**	**33,548**
Expenses			

Health consolidated	2014-15 Budget $'000	2014-15 Est. Actual $'000	2015-16 Budget $'000
Transfers to government	..	..	..
Administered expenses	33,910	33,934	33,548
Total expenses	**33,910**	**33,934**	**33,548**
Net assets	**..**	**..**	**..**

Notes:

1. Includes State and Commonwealth funding.
2. Expenses for the 2015-16 Budget are broken down across the new Service Areas. Expenses for the 2014-15 Budget and the 2014-15 Est. Actual are shown against the previous Service Areas as a breakdown against the new Service Areas is not possible.

Service area sources of revenue

Sources of revenue 2015-16 Budget[1]					
Service area[2]	**Total cost $'000**	**State contribution $'000**	**User charges and fees $'000**	**C'wealth revenue $'000**	**Other revenue $'000**
Acute Inpatient Care	6,293,123	4,076,128	550,852	1,610,036	48,319
Outpatient Care	1,873,664	1,205,184	165,030	487,899	13,411
Emergency Care	1,394,113	898,784	122,541	360,935	10,217
Sub and Non-Acute Care	528,814	341,975	46,355	135,845	3,997
Integrated Mental Health Services and Alcohol, Tobacco and Other Drug Services (community only)	1,493,982	962,736	131,372	387,231	10,899
Prevention, Primary and Community Care	2,035,158	1,296,191	180,821	543,021	13,075
Ambulance Services[5]	563,707	511,853	32,348	0	20,990
Total[3]	**14,182,562[4]**	**9,292,851**	**1,229,320**	**3,524,967**	**120,908**

Notes:

1. Explanations of variances are provided in the financial statements.
2. The Service Areas for 2015-16 have been re-aligned from those published in the 2014-15 Service Delivery Statement to better and more accurately reflect the objectives and key priorities of Queensland Health.
3. Totals may vary due to rounding.
4. Revenue streams will not add to Total Cost as the balance of the funding source was from retained earnings.
5. Queensland Ambulance Service revenue and costs for internal transactions with the department have been eliminated on consolidation.

Budget measures summary

This table shows a summary of budget measures relating to the department since the 2014-15 State Budget. Further details are contained in Budget Paper 4.

Queensland Health	2014-15 $'000	2015-16 $'000	2016-17 $'000	2017-18 $'000	2018-19 $'000
Revenue measures					
Up to and including 2014-15 MYR					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
2015-16 Budget					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Total revenue measures					
Administered	**..**	**..**	**..**	**..**	**..**
Departmental	**..**	**..**	**..**	**..**	**..**
Expense measures					
Up to and including 2014-15 MYR					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
2015-16 Budget					
Administered	..	..	..	..	..
Departmental	(320,000)	286,682	594,146	851,362	968,034
Total expense measures					
Administered	**..**	**..**	**..**	**..**	**..**
Departmental	**(320,000)**	**286,682**	**594,146**	**851,362**	**968,034**
Capital measures					
Up to and including 2014-15 MYR					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
2015-16 Budget					
Administered	..	..	..	..	..
Departmental	..	20,600	113,400	35,000	11,000
Total capital measures					
Administered	**..**	**..**	**..**	**..**	**..**
Departmental	**..**	**20,600**	**113,400**	**35,000**	**11,000**

Note:

1. The totals for 2014-15 reconcile with Budget Paper 4.

Health consolidated capital program

In 2015-16, Queensland Health will invest $1.299 billion (including capital grants) on the capital infrastructure program, with an additional capital investment of $5.5 million for the Council of the Queensland Institute of Medical Research. This investment will progress a range of health infrastructure priorities including hospitals, ambulance stations and vehicles, health technology, research and scientific services, mental health services and information and communication technologies. In 2015-16, Queensland Health will develop a five year capital plan in partnership with Building Queensland. The capital plan will support the Government to formulate a comprehensive statewide view of priority infrastructure projects to achieve the best possible value for money, underpin the provision of better services for patients, and strengthen our public healthcare system to meet future needs.

Capital budget

Queensland Health	Notes	2014-15 Budget $'000	2014-15 Est. Actual $'000	2015-16 Budget $'000
Capital purchases	1			
Total property, plant and equipment	2	1,552,906	1,167,447	1,297,614
Total capital grants	3	1,000	100	1,500
Total capital purchases		**1,553,906**	**1,167,547**	**1,299,114**

Notes:

1. For more detail on the agency's capital acquisitions please refer to Budget Paper 3.
2. Decrease from 2014-15 Budget to the 2014-15 Estimated Actual relates to the realignment of programs and revised investment strategies and the deferred investment in the Information Communication and Technology (ICT) program.
3. Decrease from 2014-15 Budget to the 2014-15 Estimated Actual is due to the funding being provided as operating expense instead of a capital grant.

Staffing[1]

Service areas	Notes	2014-15 Budget	2014-15 Est. Actual[2]	2015-16 Budget[3]
Hospital and Health Services	4, 5	61,848	63,388	64,604
Queensland Ambulance Services	6	4,015	4,029	4,106
Department of Health	7	6,732	6,565	6,732
TOTAL		**72,595**	**73,982**	**75,442**

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and, for HHSs, may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs from the 2014-15 Budget to the 2014-15 Est. Actual reflect commissioning of new services and additional activity purchased from HHSs through amendments to the 2014-15 Service Agreements.
5. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased from HHSs.
6. Increase in FTEs due to additional funding for 75 ambulance officers for anticipated growth in QAS activities.
7. The reduction in FTEs from the 2014-15 Budget to the 2014-15 Est. Actual relates to decisions made by the department to set an internal staffing level target that was slightly less than the published target to allow for contingent and emergent needs.

Budgeted financial statements

Analysis of budgeted financial statements

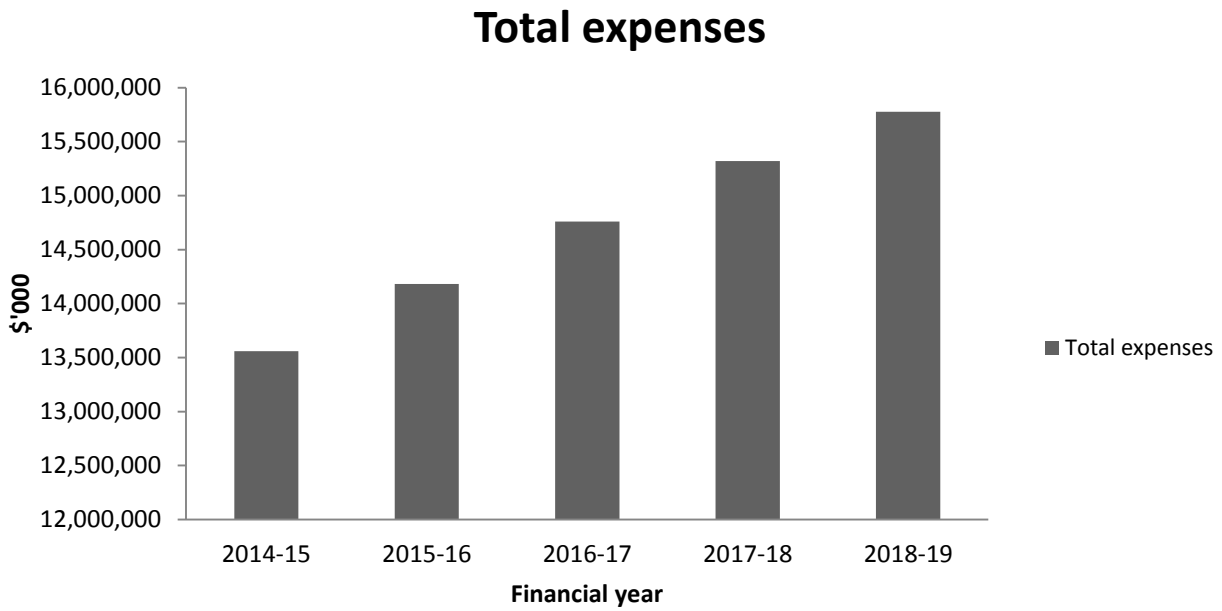
An analysis of Queensland Health's budgeted financial statements, inclusive of the Department of Health, Queensland Ambulance Service and HHSs, as reflected in the financial statements, is provided below.

Departmental income statement

Total expenses are estimated to be $14.183 billion in 2015-16, an increase of $560.6 million from the 2014-15 Budget.

The 2015-16 Budget supports growing demand and critical service needs and includes increased expenditure for Enterprise Bargaining Agreements and depreciation and new initiatives including the Outpatient Long Wait Strategy, Refresh Nursing, Nursing Guarantee, Action for a Healthier Queensland and additional funding to support the ongoing growth in demand for health services.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

Queensland Health's major assets are in Property, Plant and Equipment - $11.867 billion, which is expected to increase by 10.9 per cent over the next three years to 2018-19, as a result of commissioning of major capital projects and building revaluations. Queensland Health's main liabilities relate to Payables of an Operating Nature - $563.970 million and Accrued Employee Benefits - $401.914 million, which are expected to remain at a similar level over the next three years to 2018-19.

Reporting Entity Financial Statements

Reporting Entity comprises:

- **Queensland Health and Hospital and Health Services (excluding Administered);**

Reporting entity income statement

Queensland Health and Hospital and Health Services	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
Appropriation revenue		8,971,194	8,920,998	9,406,668
Taxes		..	..	..
User charges and fees		1,108,868	1,204,978	1,229,320
Royalties and land rents		..	..	..
Grants and other contributions		3,426,789	3,356,244	3,463,530
Interest		5,405	4,438	5,152
Other revenue		99,972	70,309	62,550
Gains on sale/revaluation of assets		805	1,062	826
Total income		**13,613,033**	**13,558,029**	**14,168,046**
EXPENSES				
Employee expenses		8,208,161	8,426,540	8,717,214
Supplies and services		4,286,865	4,059,494	4,403,892
Grants and subsidies		267,233	160,026	156,285
Depreciation and amortisation		673,555	669,599	721,185
Finance/borrowing costs		..	..	..
Other expenses		163,792	155,687	159,453
Losses on sale/revaluation of assets		22,345	88,909	24,533
Total expenses		**13,621,951**	**13,560,255**	**14,182,562**
Income tax expense/revenue		..	..	..
OPERATING SURPLUS/(DEFICIT)		**(8,918)**	**(2,226)**	**(14,516)**

Reporting entity balance sheet

Queensland Health and Hospital and Health Services	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets		443,656	375,709	397,794
Receivables		534,265	518,029	600,513
Other financial assets		..	254	254
Inventories		124,282	126,448	128,580
Other		148,486	149,242	153,744
Non financial assets held for sale		7,196	21,804	21,804
Total current assets		**1,257,885**	**1,191,486**	**1,302,689**
NON-CURRENT ASSETS				
Receivables		424,464	372,831	372,831
Other financial assets		103,339	102,087	102,087
Property, plant and equipment		11,821,309	10,992,782	11,866,588
Deferred tax assets		..	..	..
Intangibles		295,259	257,713	250,277
Other		3,598	90	90
Total non-current assets		**12,647,969**	**11,725,503**	**12,591,873**
TOTAL ASSETS		**13,905,854**	**12,916,989**	**13,894,562**
CURRENT LIABILITIES				
Payables		387,445	430,789	563,970
Current tax liabilities		..	..	..
Accrued employee benefits		706,134	372,384	401,914
Interest bearing liabilities and derivatives		9,073	9,159	9,159
Provisions		630	620	620
Other		2,127	11,209	11,209
Total current liabilities		**1,105,409**	**824,161**	**986,872**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Deferred tax liabilities		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		265,797	247,283	247,283
Provisions		..	..	..
Other		4,853	20,088	19,963
Total non-current liabilities		**270,650**	**267,371**	**267,246**
TOTAL LIABILITIES		**1,376,059**	**1,091,532**	**1,254,118**
NET ASSETS/(LIABILITIES)		**12,529,795**	**11,825,457**	**12,640,444**
EQUITY				
TOTAL EQUITY		**12,529,795**	**11,825,457**	**12,640,444**

Reporting entity cash flow statement

Queensland Health and Hospital and Health Services	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		8,971,194	8,839,980	9,406,668
User charges and fees		1,113,282	1,218,107	1,135,156
Royalties and land rent receipts		..	..	..
Grants and other contributions		3,426,789	3,353,081	3,463,478
Interest received		5,405	4,438	5,173
Taxes		..	..	..
Other		452,317	413,892	414,388
Outflows:				
Employee costs		(8,176,925)	(8,604,875)	(8,692,661)
Supplies and services		(4,629,307)	(4,513,617)	(4,618,273)
Grants and subsidies		(263,195)	(132,608)	(144,217)
Borrowing costs		..	..	..
Taxation equivalents paid		..	..	..
Other		(183,657)	(179,094)	(176,459)
Net cash provided by or used in operating activities		**715,903**	**399,304**	**793,253**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		469	20,055	512
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets		(1,552,906)	(1,164,836)	(1,277,014)
Payments for investments		..	..	..
Loans and advances made		(309)	(309)	(309)
Net cash provided by or used in investing activities		**(1,552,746)**	**(1,145,090)**	**(1,276,811)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		1,404,879	815,575	1,090,390
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(475,642)	(456,485)	(584,747)
Dividends paid		..	..	..
Net cash provided by or used in financing activities		**929,237**	**359,090**	**505,643**
Net increase/(decrease) in cash held		**92,394**	**(386,696)**	**22,085**
Cash at the beginning of financial year		**351,262**	**740,141**	**375,709**
Cash transfers from restructure		..	22,264	..
Cash at the end of financial year		**443,656**	**375,709**	**397,794**

Department of Health overview

The Department of Health is responsible for providing leadership and direction to ensure the health system delivers safe and responsive services for all Queenslanders.

The department's strategic objectives, as identified in its 2015 Strategic Plan update, align with and support the Queensland Government's objective to deliver quality frontline services and its commitment to strengthen the public healthcare system by providing an effective, efficient and sustainable health system which prioritises safety, health promotion and disease prevention, including:

- Healthy Queenslanders: Promoting and protecting the health and wellbeing of current and future generations of Queenslanders.
- Safe, equitable and quality services: Ensure there is access to safe, equitable and quality services that maintain dignity and consumer empowerment.
- A well-governed system: Sound management of funding and delivery of performance for the whole system.
- Strategic policy leadership: Develop, implement and evaluate evidence-based policy that sets system-wide direction.
- Broad engagement with partners: Build partnerships with all levels of the community to plan, design, deliver and oversee health services.
- Engaged people: Cultivate a culture that harnesses capability and values our people.

The Department of Health's key responsibilities include the following:

Purchase and monitor the equitable distribution and effective delivery of health services through service agreements with Hospital and Health Services (HHSs) and other organisations such as Mater Health Services:

- The current HHS Service Agreements cover a three year period from 2012-13 to 2015-16 but are revised each year to reflect annually negotiated funding and activity levels. Development of the 2015-16 revision of the current Service Agreements commenced in early 2015 in consultation with all HHS Chief Executives and Boards to ensure that these agreements support the health requirements of each individual HHS.
- HHS performance against their Service Agreements will be monitored through the Relationship Management Group meetings. Any amendments to the HHS service agreements will be negotiated and finalised during set periods of time during the year (amendment windows).

Support Hospital and Health Services in maximising patient safety outcomes and patient experience:

- The Queensland Government has made a commitment to prioritise patient safety. In addition to regulated patient safety activities, an increased focus will be provided through a range of election commitments aimed at protecting Queenslanders from harm and improving the quality of health service provision.

Manage and monitor the financial performance of the health system:

- The Department of Health is committed to responsible fiscal management over the forward estimates to ensure a financially sustainable public health system which can meet the health needs of Queenslanders now and in the future.
- This commitment has been demonstrated through significant improvements in productivity and efficiency which have led to the generation of surpluses over the last three years while still delivering increased activity across the system. This control will be maintained over the current financial year.

Lead the development and implementation of health promotion activities, legislation, policy and regulatory frameworks to protect Queenslanders' health:

- The Queensland Government has set a clear platform to support Queenslanders to live a long and healthy life through practical programs of proven effectiveness to specifically address obesity and a range of preventable diseases such as Type 2 Diabetes, high blood pressure, heart disease and some cancers to support.
- During 2015-16, the department will undertake a range of reviews to ensure that current legislation and policy are aligned with contemporary and appropriate models of care, commencing with public consultation on the State's outdated mental health legislation.
- The department is leading discussions with representatives of medical officers regarding the implementation of the Government's election commitment to abolish individual statutory contracts. Medical officers will transition from their current individual contracts to coverage under a collective Award and Certified Agreement following amendments to the *Industrial Relations Act 1999*.

Lead statewide planning activities to ensure health infrastructure and information technology provides the flexibility and capacity to meet future service requirements:

- The department is developing a Digital Prospectus (DP) which will provide a collective health system view of ICT risk and the investment priorities essential for supporting the seamless provision of patient centric healthcare services and information across care setting and health service provider boundaries.
- During 2015-16, Queensland Health will develop a five year capital plan in partnership with Building Queensland. The capital plan will support the Government to formulate a comprehensive statewide view of priority infrastructure projects to achieve the best possible value for money outcome for Queensland's capital investment.
- To ensure that both ICT and capital infrastructure projects are strategically aligned, the department has implemented an Investment Management Framework (IMF). The IMF will enable the department to consistently assess proposed investments across a number of fair, transparent and consistent criteria and to standardise assessments by calculating the value and complexity of a proposed investment.

Advocate at jurisdictional and whole-of-Government levels to promote the health needs of Queenslanders:

- The department will advocate for an equitable allocation of funding and policy position on any matters that affect Queenslanders. This includes input into the White Paper on the Reform of the Federation and supporting the Director-General and Minister for Health and Minister for Ambulance Services at nation-wide forums and committees.

Improve effectiveness and efficiency of corporate operations through capability development and system improvement:

- During 2015-16, the department will deliver a range of training programs including the leadership development program, management capability development program and administration profession program. In addition, a range of targeted clinical programs will be delivered for our frontline staff.
- In 2014-15, the department overhauled its recruitment method and introduced a new model called Recruit for Fit. Recruit for Fit assesses candidates for organisational fit in addition to role fit with candidates selected through this process able to contribute faster, perform better and stay longer with the organisation.
- The department is committed to gender equality. In May 2015, the department held its inaugural Aspiring Women Leaders' Summit to provide staff with inspiration, strategies and practical skills to support the achievement of personal goals. Further strategies to balance gender equality will be undertaken throughout the year.
- The Department of Health has established its own Women's Network Committee to oversee a range of initiatives including revised recruitment and development plans to ensure fair representation for women on selection panels and as interviewees. This builds on the department's commitment to encourage increased participation for women in leadership positions.

Service performance

Performance statement

Queensland Health Corporate and Clinical Support

Service area objective

To deliver safe and responsive services for Queenslanders.

Service area description

The responsibilities of this service area are to:

- manage, guide and coordinate the healthcare system through policy and regulation
- manage statewide planning, industrial relations and major capital works
- purchase health services
- monitor the performance of individual HHSs and the system as a whole
- employ departmental staff and non-prescribed HHS staff
- own land and buildings and enter into occupancy agreements with the HHSs, prior to proposed devolution to HHSs.

Department of Health	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Efficiency measures Percentage of capital infrastructure projects delivered on budget and within time and scope within a 5% unfavourable tolerance	1	95%	96%	95%
Percentage of correct, on time pays	2	98.5%	99.2%	99.0%
Percentage of calls to 13HEALTH answered within 20 seconds	3	80%	82.4%	80.0%
Effectiveness measures Percentage of ICT availability for major enterprise applications:	4			
Metro		99.8%	99.9%	99.8%
Regional		95.7%	99.9%	95.7%
Remote		92.0%	99.5%	92.0%
Percentage of all high level ICT incidents resolved within targets defined in the Service Catalogue	5	80.0%	91.1%	80.0%
Other measures Percentage of initiatives with a status reported as critical (Red)	6	<20.0%	8.6%	<20.0%
Percentage of formal reviews undertaken on Hospital and Health Service responses to significant negative variance in Variable Life Adjusted Displays and other National Safety and Quality indicators		100%	100%	100%

Notes:

1. Although all projects were completed or are forecast to be completed within scope, a small number of projects did not meet or are forecast not to meet the time or budget tolerance.
2. The 2014-15 Est. Actual and 2015-16 Target/Est. data represent a combination of the number of underpayment payroll enquiries received and the number of overpayments identified each fortnight divided by the number of employee pays processed, based on an average across the last six pay periods for the year of reporting.
3. Funding and human resources is calculated to achieve the performance indicator of 80% of calls answered in 20 seconds as this is internationally recognised as a suitable target/grade of service for health call centres.
4. This service standard measures continuity and availability of ICT services via the wide area network (WAN).
5. This service standard measures ICT incidents resolved within recommended timeframes.
6. This measure relates to all new initiatives and initiatives that are not yet fully operational. The 2014-15 Est. Actual figure of 8.6% is based on actual reported critical (Red) status for July 2014 to March 2015. The Health Services Information Agency ICT Portfolio Office continues to monitor and report on performance status on a monthly basis to the Queensland Health ICT Portfolio Board.

Discontinued measures

Performance measures included in the 2014-15 Service Delivery Statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the Service Delivery Statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Department of Health	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Percentage of Hospital and Health Services improving or maintaining their performance category	1	100%	N/A	Discontinued measure
Percentage of Hospital and Health Services participating in Statewide Clinical Networks	2	100%	N/A	Discontinued measure

Notes:

1. This measure related to the previous Performance Management Framework. A revised Performance Management Framework was implemented on 1 July 2014 which replaces performance rankings with close management of key performance indicators.
2. This measure does not demonstrate the effectiveness or efficiency of participation. Discontinuation of this measure will not result in a reduction in HHS participation in Statewide Clinical Networks.

Staffing[1]

Department of Health	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Department of Health	2, 3, 4, 5	6,732	6,565	6,732

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs.
4. The reduction in FTEs from the 2014-15 Budget to the 2014-15 Est. Actual relates to decisions made by the department to set an internal staffing level target that was slightly less than the published target to allow for contingent and emergent needs.
5. The staffing figures exclude QAS which is reported separately in the QAS SDS.

Controlled income statement

Department of Health	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
Appropriation revenue	1,10,17	8,971,194	8,920,998	9,406,668
Taxes		..	..	..
User charges and fees	2,11,18	8,469,887	3,222,917	3,319,712
Royalties and land rents		..	..	..
Grants and other contributions	3,12,19	3,199,704	3,128,599	3,261,255
Interest		1,902	1,902	1,959
Other revenue	4,20	6,765	8,280	6,043
Gains on sale/revaluation of assets		..	181	..
Total income		**20,649,452**	**15,282,877**	**15,995,637**
EXPENSES				
Employee expenses	2,11,21	8,182,598	2,806,286	2,941,076
Supplies and services	5,13,22	11,863,661	11,955,087	12,605,925
Grants and subsidies	6,14,23	248,741	141,164	137,209
Depreciation and amortisation	7,15,24	219,866	195,226	183,237
Finance/borrowing costs		..	..	..
Other expenses	8,16	132,654	121,856	125,228
Losses on sale/revaluation of assets	9,25	950	62,776	1,478
Total expenses		**20,648,470**	**15,282,395**	**15,994,153**
OPERATING SURPLUS/(DEFICIT)		**982**	**482**	**1,484**

Controlled balance sheet

Department of Health	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	26,36,46	(248,182)	(440,347)	(323,151)
Receivables	27,37	971,710	772,882	651,302
Other financial assets		..	254	254
Inventories		55,719	53,980	56,202
Other		138,067	138,886	142,145
Non financial assets held for sale	28,38	7,569	21,804	21,804
Total current assets		**924,883**	**547,459**	**548,556**
NON-CURRENT ASSETS				
Receivables	29,39	424,464	372,831	372,831
Other financial assets		103,339	102,087	102,087
Property, plant and equipment	30,40,47	2,655,541	1,001,964	1,648,629
Intangibles	30,40,48	293,740	253,387	247,641
Other		3,394	..	..
Total non-current assets		**3,480,478**	**1,730,269**	**2,371,188**
TOTAL ASSETS		**4,405,361**	**2,277,728**	**2,919,744**
CURRENT LIABILITIES				
Payables	31,41,49	344,224	314,345	327,231
Accrued employee benefits	32,42,50	704,842	244,119	253,580
Interest bearing liabilities and derivatives		9,073	9,159	9,159
Provisions		..	..	..
Other		92	63	63
Total current liabilities		**1,058,231**	**567,686**	**590,033**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	33,43	265,797	247,283	247,283
Provisions		..	..	..
Other	34,44	4,703	20,088	19,963
Total non-current liabilities		**270,500**	**267,371**	**267,246**
TOTAL LIABILITIES		**1,328,731**	**835,057**	**857,279**
NET ASSETS/(LIABILITIES)		**3,076,630**	**1,442,671**	**2,062,465**
EQUITY				
TOTAL EQUITY	**35,45,51**	**3,076,630**	**1,442,671**	**2,062,465**

Controlled cash flow statement

Department of Health	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	52,62,71	8,971,194	8,839,980	9,406,668
User charges and fees	53,63,72	8,442,858	3,365,753	3,448,821
Royalties and land rent receipts		..	..	..
Grants and other contributions	54,64,73	3,203,742	3,132,637	3,261,255
Interest received		1,902	1,902	1,980
Taxes		..	..	..
Other		153,709	155,224	159,307
Outflows:				
Employee costs	53,63,74	(8,151,516)	(3,112,122)	(2,936,592)
Supplies and services	55,65,75	(11,995,184)	(12,148,961)	(12,739,320)
Grants and subsidies	56,66,76	(248,741)	(117,784)	(125,141)
Borrowing costs		..	..	..
Other	57,67	(155,447)	(144,649)	(141,559)
Net cash provided by or used in operating activities		**222,517**	**(28,020)**	**335,419**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets	58,77	1,500	19,037	1,500
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	59,68,78	(1,438,697)	(1,001,788)	(1,106,428)
Payments for investments		..	..	..
Loans and advances made		(309)	(309)	(309)
Net cash provided by or used in investing activities		**(1,437,506)**	**(983,060)**	**(1,105,237)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	60,69,79	1,858,568	1,256,105	1,567,635
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	61,70,80	(567,220)	(528,260)	(680,621)
Net cash provided by or used in financing activities		**1,291,348**	**727,845**	**887,014**
Net increase/(decrease) in cash held		**76,359**	**(283,235)**	**117,196**
Cash at the beginning of financial year		**(324,541)**	**(157,791)**	**(440,347)**
Cash transfers from restructure		..	679	..
Cash at the end of financial year		**(248,182)**	**(440,347)**	**(323,151)**

Administered income statement

Department of Health	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
Appropriation revenue		33,910	33,910	33,544
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions		..	..	..
Interest		..	..	..
Other revenue		..	24	4
Gains on sale/revaluation of assets		..	..	..
Total income		**33,910**	**33,934**	**33,548**
EXPENSES				
Employee expenses		..	..	..
Supplies and services		..	..	..
Grants and subsidies	81,83,85	27,361	29,283	29,606
Depreciation and amortisation		..	..	..
Finance/borrowing costs	82,84,86	6,549	4,651	3,942
Other expenses		..	..	..
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government		..	..	..
Total expenses		**33,910**	**33,934**	**33,548**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Administered balance sheet

Department of Health	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets		5	4	4
Receivables	87,91,95	10,058	11,434	12,190
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	..	..
Non financial assets held for sale		..	..	..
Total current assets		**10,063**	**11,438**	**12,194**
NON-CURRENT ASSETS				
Receivables	88,92,96	58,247	53,815	41,626
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**58,247**	**53,815**	**41,626**
TOTAL ASSETS		**68,310**	**65,253**	**53,820**
CURRENT LIABILITIES				
Payables		..	..	..
Transfers to Government payable		6	5	5
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	89,93,97	10,057	11,433	12,189
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**10,063**	**11,438**	**12,194**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	90,94,98	58,247	53,815	41,626
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**58,247**	**53,815**	**41,626**
TOTAL LIABILITIES		**68,310**	**65,253**	**53,820**
NET ASSETS/(LIABILITIES)		**..**	**..**	**..**
EQUITY				
TOTAL EQUITY		**..**	**..**	**..**

Administered cash flow statement

Department of Health	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		33,910	33,910	33,544
User charges and fees		..	..	..
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest received		..	..	..
Taxes		..	..	..
Other		..	24	4
Outflows:				
Employee costs		..	..	..
Supplies and services		..	..	..
Grants and subsidies	99,102,105	(27,361)	(29,283)	(29,606)
Borrowing costs	100,103,106	(6,549)	(4,651)	(3,942)
Other		..	..	..
Transfers to Government		..	..	..
Net cash provided by or used in operating activities		**..**	**..**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed	101,104,107	8,862	10,723	11,433
Outflows:				
Payments for non financial assets		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**8,862**	**10,723**	**11,433**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions	101,104,107	(8,862)	(10,723)	(11,433)
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		**(8,862)**	**(10,723)**	**(11,433)**
Net increase/(decrease) in cash held		**..**	**..**	**..**
Cash at the beginning of financial year		**5**	**4**	**4**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**5**	**4**	**4**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. Decrease due to State program funding deferrals to future years offset by the reprofiling of both State and Commonwealth funding. Deferrals include 2014-15 estimated surplus which is to be redirected to support funding commitments from 2015-16.
2. Decrease is driven by changes to Prescribed Employer status for a number of Hospital and Health Services resulting in a change in internal funding arrangements with the Department. At the time of preparing the 2014-15 State Budget, it was anticipated that this status change would be approved by the Minister and prescribed by regulation in the 2014-15 financial year.
3. Decrease is due to revised activity estimates and a subsequent adjustment to revenue received under the National Health Reform Agreement funding offset by increases in general grants and donations.
4. Increase relates to higher revenues from licencing activities and increased recoveries and reimbursements.
5. Increase due to reclassification of Grants Expense to Supplies and Services in line with Queensland Treasury Accounting Policy Guideline 20. This has been offset by a decrease due to deferrals to future years.
6. Decrease due to reclassification of Grants Expense to Supplies and Services in line with Queensland Treasury Accounting Policy Guideline 20. This has been offset by an increase in expense to recognise the assets transferred to non-Government entities (Sunshine Coast Public University Hospital).
7. Decrease relates to the transfer of assets from Department of Health to Hospital and Health Services.
8. Decrease due to a reduction in overall advertising expense and reclassification of some expenses previously recognised in advertising costs to supplies and services.
9. Increase relates to capital works in progress as a result of revaluation of works in progress prior to capitalisation and transfer to Hospital and Health Services.

Major variations between 2014-15 Budget and 2015-16 Budget include:

10. Increase in appropriation includes increased funding for Enterprise Bargaining Agreements indexation and growth funding for frontline services. This has been offset by reductions in funding for the Carbon Tax repeal, the transfer of the Community Helicopters program and ceased programs funded through the Commonwealth funding for National Partnership Agreements.
11. Decrease is driven by changes to Prescribed Employer status for a number of Hospital and Health Services resulting in a change in internal funding arrangements with the Department. At the time of preparing the 2014-15 State Budget, it was anticipated that this status change would be approved by the Minister and prescribed by regulation in the 2014-15 financial year.
12. Increase is driven by greater National Health Reform Agreement funding plus increased general grants.
13. Increase due to the inclusion of expenses associated with deferred and new funding programs, such as growth funding for frontline services, and indexation to account for likely overall increase in line with CPI.
14. Decrease due to reclassification of Grants Expense to Supplies and Services in line with Queensland Treasury Accounting Policy Guideline 20. This has been offset by an increase in expense for assets transferred to non-Government entities (Sunshine Coast Public University Hospital).
15. Decrease relates to the transfer of assets from Department of Health to Hospital and Health Services.
16. Decrease due to a reduction in overall advertising expense and reclassification of some expenses previously recognised in advertising costs to supplies and services.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

17. Increase in appropriation includes additional funding for Enterprise Bargaining Agreement indexation and growth funding for frontline services. This has been offset by reductions in funding for the transfer of Community Helicopters program, the reprofiling of funding within the Department and a change in service delivery for the Essential Vaccines program.
18. Increase driven by indexation of contract labour revenues (in line with Enterprise Bargaining Agreement indexation) from Non-Prescribed Hospital and Health Services as well as indexation of Fee For Service agreements.

19. Increase is driven by greater National Health Reform Agreement funding offset by reductions in general grants.
20. Decrease is due to reduced insurance recoveries estimates and sundry type revenues.
21. Increase due to indexation in line with Enterprise Bargaining Agreement rates and other expected increases in employee expenses such as change in Fringe Benefits Taxation legislation for payday transition loans.
22. Increase due to the inclusion of expenses associated with deferred and new funding programs, such as growth funding for frontline services, and indexation to account for likely overall increase in line with CPI.
23. Decrease due to reclassification of Grants Expense to Supplies and Services in line with Queensland Treasury Accounting Policy Guideline 20.
24. Decrease relates to the transfer of assets from Department of Health to Hospital and Health Services.
25. Increase relates to capital works in progress as a result of revaluation of works in progress prior to capitalisation and transfer to Hospital and Health Services.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

26. Decrease in cash assets relates predominantly to deferral of operating and capital funding to future years.
27. Decrease due to reduction in employee costs receivable from Hospital and Health Services that are not Prescribed Employers. This is offset by reclassification of non-current receivables.
28. Increase due to delay of land asset transfer, now scheduled for 2015-16 year.
29. Decrease due to reduction in finance leases and greater than expected amount reclassified to current receivables.
30. Decrease due to deferrals relating to the timing of capital projects to future years.
31. Decrease due to an overall reduction in expenditure, including employee expenses, advertising and consultancies, as well as the reprofiling of expenditure relating to deferred programs.
32. Decrease due to prescribed employer status obtained for Children's Health Qld, Gold Coast, Metro North, Metro South, North West, Sunshine Coast, Townsville and West Moreton Hospital and Health Services, resulting in a reduction in associated employee provisions.
33. Decrease due to reclassification of non-current liability.
34. Increase due to reclassification of non-current liability.
35. Decrease relates to deferral of capital funding and delay in commissioning of assets.

Major variations between 2014-15 Budget and 2015-16 Budget include:

36. Decrease in cash assets relates predominantly to deferral of operating and capital funding to future years.
37. Decrease due to reduction in employee costs receivable from Hospital and Health Services that are not Prescribed Employers.
38. Increase due to delay of land asset transfer, now scheduled for 2015-16 year.
39. Decrease due to reduction in finance leases and greater than expected amount reclassified to current receivables.
40. Decrease due to the reduced activity and associated commissioning forecast in the Capital Acquisition Plan.
41. Decrease due to an overall reduction in expenditure, including employee expenses, advertising and consultancies, as well as the reprofiling of expenditure relating to deferred programs.
42. Decrease due to prescribed employer status obtained for Children's Health Qld, Gold Coast, Metro North, Metro South, North West, Sunshine Coast, Townsville and West Moreton Hospital and Health Services, resulting in a reduction in associated employee provisions.
43. Decrease due to reclassification of non-current liability.
44. Increase due to reclassification of non-recurrent liability.
45. Decrease due to the reduced activity and associated funding forecast in the Capital Acquisition Plan, offset by deferral of capital funding from 2014-15.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

46. Increase in cash assets relates predominantly to deferral of operating and capital funding from prior years.
47. Increase due to deferred capital funding to 2015-16 and associated delay in commissioning forecast in the Capital Acquisition Plan from 2014-15.
48. Decrease due to deferrals relating to the reduced activity and associated funding forecast in the Capital Acquisition Plan.
49. Increase due to indexation to account for likely overall increase in expenditure in line with CPI.
50. Increase due to indexation in line with Enterprise Bargaining Agreement rates and other expected increases in employee expenses such as change in FBT legislation around payday transistion loans.
51. Increase due to deferred funding and delayed commissioning forecast in the Capital Acquisition Plan.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

52. Decrease due to State program funding deferrals to future years, the reprofiling of Departmental funding and the reprovision of deferred Commonwealth funding. Deferrals include 2014-15 estimated surplus which is to be redirected to support funding commitments from 2015-16. This has been offset by increased Commonwealth funding.
53. Decrease is driven by changes to Prescribed Employer status for a number of Hospital and Health Services resulting in a change in internal funding arrangements with the Department. At the time of preparing the 2014-15 State Budget, it was anticipated that this status change would be approved by the Minister and prescribed by regulation in the 2014-15 financial year.
54. Decrease is due to reduced National Health Reform Agreement funding offset by increases in general grants and donations.
55. Increase due to reclassification of Grants Expense to supplies and Services in line with Queensland Treasury Accounting Policy Guideline 20. This has been offset by a decrease due to deferrals to future years and the reprofiling of Departmental expenditure.
56. Decrease due to reclassification of Grants Expense to supplies and Services in line with Queensland Treasury Accounting Policy Guideline 20.
57. Decrease due to a reduction in overall advertising expense and reclassification of some expenses previously recognised in advertising costs to supplies and services.
58. Increase due to delay of land transfer out, now scheduled for 2015-16 year.
59. Decrease due to deferrals relating to the reduced commissioning forecast in the Capital Acquisition Plan, including ICT and software projects, offset by deferrals from 2014-15 into 2015-16 year.
60. Decrease relates to deferrals in Capital Acquisition Plan funding.
61. Decrease relates to the return of cash for depreciation funding.

Major variations between 2014-15 Budget and 2015-16 Budget include:

62. Increase in appropriation includes increased funding for Enterprise Bargaining Agreements indexation and growth funding for frontline services. This has been offset by reductions in funding for the Carbon Tax repeal, the transfer of the Community Helicopters program and ceased programs funded through the Commonwealth funding for National Partnership Agreements.
63. Decrease is driven by changes to Prescribed Employer status for a number of Hospital and Health Services resulting in a change in internal funding arrangements with the Department. At the time of preparing the 2014-15 State Budget, it was anticipated that this status change would be approved by the Minister and prescribed by regulation in the 2014-15 financial year.
64. Increase is driven by greater National Health Reform Agreement funding plus increased general grants.
65. Increase due to expenses associated with new funding programs such as growth funding for frontline services.
66. Decrease due to reclassification of Grants Expense to Supplies and Services in line with Queensland Treasury Accounting Policy Guideline 20.
67. Decrease due to a reduction in overall advertising expense and reclassification of some expenses previously recognised in advertising costs to supplies and services.

68. Decrease due to deferrals relating to the reduced commissioning forecast in the Capital Acquisition Plan, including ICT and software projects, offset by deferrals from 2014-15 into 2015-16 year.

69. Decrease relates to deferrals in Capital Acquisition Plan funding.

70. increase relates to the return of cash for depreciation funding.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

71. Increase in appropriation includes increased funding for Enterprise Bargaining arrangements, growth funding for frontline services. This has been offset by the transfer of Community Helicopters program and a reduction in Commonwealth funding for National Partnership Agreements.

72. Increase due to indexation in line with Enterprise Bargaining Agreement rates and other expected increases in employee expenses such as change in Fringe Benefit Taxation legislation around payday transition loans.

73. Increase is driven by greater National Health Reform Agreement funding plus increased general grants.

74. Decrease due to timing of non-cash accrued employee expenses, offset by increase due to indexation in line with Enterprise Bargaining Agreement rates and other expected increases in employee expenses such as change in Fringe Benefits Taxation legislation around payday transition loans.

75. Increase due to increased expenses associated with deferred and new funding programs such as growth funding for frontline services.

76. Increase due to indexation to account for likely overall increase in line with CPI and other growth parameters.

77. Decrease due to delay of land asset transfer out, now scheduled for 2015-16 year.

78. Increase due to deferrals relating to the reduced activity and associated funding forecast in the Capital Acquisition Plan in 2014-15 year, resulting in increased activity in the 2015-16 year.

79. Increase relates to deferrals from the 2014-15 Capital Acquisition Plan activity, offset by an overall reduction in the Capital Acquisition Plan.

80. increase relates to the return of cash for depreciation funding.

Administered income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

81. Increase relates to realignment of expenses to reflect loan schedule interest.

82. Decrease relates to realignment of expenses to reflect loan schedule interest.

Major variations between 2014-15 Budget and 2015-16 Budget include:

83. Increase relates to realignment of expenses to reflect loan schedule interest.

84. Decrease relates to realignment of expenses to reflect loan schedule interest.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

85. Increase relates to realignment of expenses to reflect loan schedule interest.

86. Decrease relates to realignment of expenses to reflect loan schedule interest.

Administered balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

87. Increase due to reclassification of non-current portion of loan receivable to current as per loan schedule.

88. Decrease due to reclassification of non-current portion of loan receivable to current as per loan schedule.

89. Increase due to reclassification of non-current portion of loan payable to current as per loan schedule.

90. Decrease due to reclassification of non-current portion of loan payable to current as per loan schedule.

Major variations between 2014-15 Budget and 2015-16 Budget include:

91. Increase due to reclassification of non-current portion of loan receivable to current as per loan schedule.

92. Decrease due to reclassification of non-current portion of loan receivable to current as per loan schedule.

93. Increase due to reclassification of non-current portion of loan payable to current as per loan schedule.

94. Decrease due to reclassification of non-current portion of loan payable to current as per loan schedule.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

95. Increase due to reclassification of non-current portion of loan receivable to current as per loan schedule.
96. Decrease due to reclassification of non-current portion of loan receivable to current as per loan schedule.
97. Increase due to reclassification of non-current portion of loan payable to current as per loan schedule.
98. Decrease due to reclassification of non-current portion of loan payable to current as per loan schedule.

Administered cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

99. Increase relates to realignment of expenses to reflect loan schedule interest.
100. Decrease relates to realignment of expenses to reflect loan schedule interest.
101. Increase due to increased Mater loan receipts as per loan schedule.

Major variations between 2014-15 Budget and 2015-16 Budget include:

102. Increase relates to realignment of expenses to reflect loan schedule interest.
103. Decrease relates to realignment of expenses to reflect loan schedule interest.
104. Increase due to increased Mater loan receipts as per loan schedule.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

105. Increase relates to realignment of expenses to reflect loan schedule interest.
106. Decrease relates to realignment of expenses to reflect loan schedule interest.
107. Increase due to increased Mater loan receipts as per loan schedule.

Queensland Ambulance Service

Overview

The Queensland Ambulance Service (QAS) is an integral part of the primary health care sector in Queensland. Its mission is to deliver value to the community through timely, patient focussed ambulance services. Established by the *Ambulance Service Act 1991*, the QAS operates as a statewide service within Queensland Health, and is accountable for the delivery of pre-hospital ambulance response services, emergency and non-emergency pre-hospital patient care and transport services, inter-facility ambulance transport, casualty room services, and planning and coordination of multi-casualty incidents and disasters.

The QAS delivers ambulance services through 15 Local Ambulance Service Networks (LASNs) which are aligned to the State's Hospital and Health Services (HHSs). A 16th statewide LASN comprises the Operations Centres (OpCens). There are seven QAS OpCens throughout Queensland responsible for emergency call taking, operational deployment and dispatch, and coordination of non-urgent patient transport services.

The QAS is committed to enhancing patient and staff safety, delivering quality ambulance services in a timely manner and retaining a well-trained, well-equipped workforce. This objective aligns with the Government's commitment to strengthen the public healthcare system and for emergency services to be able to respond to emergencies with maximum speed and effectiveness.

Service performance

The QAS delivers services from 290 response locations across Queensland. In 2014-15, the QAS had an approved staff establishment of 4,029 full-time equivalents (FTEs). The QAS's achievements in 2014-15 included:

- recruiting an additional 100 ambulance officers to provide enhanced roster coverage in response to increasing demand for services
- completing the implementation of the Lower Acuity Response Unit (LARU) service model in Townsville, Metro North, Metro South and Gold Coast LASNs. The LARU program supports a more appropriate and efficient model of care to meet patients' needs. This response model provides a treatment pathway for non-emergency patients which helps ease the burden on emergency departments and frees up more resources to attend higher-acuity cases
- expanding the 'Emergency Vehicle Priority' capability which provides green lights at traffic signals for ambulance and other emergency service vehicles. This capability reduces ambulance travel time by 17% to 26% and increases safety for both paramedics and the general public
- commencing the two year statewide rollout of replacement defibrillators
- commissioning 155 new and replacement ambulance vehicles
- completing construction of new, replacement or refurbished stations at Gladstone, Spring Hill, Pittsworth and Injune.

In 2015-16, the QAS will have an operating budget of $633.3 million which is an increase of $44 million (7.5%) from the published 2014-15 operating budget of $589.3 million. Key deliverables for the QAS through 2015-16 include:

- the recruitment of 75 additional ambulance officers to provide enhanced roster coverage to manage increasing demand for services
- commissioning 155 new and replacement ambulance vehicles and commencing the rollout of the new power assisted stretchers. Power assisted stretchers will provide an enhanced work platform for paramedics and greatly assist in improving patient and officer safety
- completing the statewide rollout of replacement defibrillators which will provide state of the art vital signs monitoring, defibrillation and early detection of life threatening cardiac conditions
- an $8.4 million investment in planning or delivering new, replacement, refurbished or redeveloped ambulance stations at Bundaberg, Collinsville, Coral Gardens, Kenilworth, Yandina, Miriam Vale, Russell Island, Rainbow Beach, Thursday Island and Birtinya
- the expansion of extended acute therapy for patients suffering the most serious form of heart attack. Previously only critical care paramedics would deliver clot busting drugs or refer patients directly to cardiologists in cardiac catheter laboratories. The QAS will extend this capability to all advanced care paramedics, approximately 92% of the paramedic workforce, utilising a decision support model
- reviewing extended paramedic practice options so as to ensure the service compliments the evolving needs of the community. The service will ensure that lower acuity and chronic illness management are aligned to the patient's circumstances and are flexible enough to change as the patient's condition changes. This will involve working with

the community and Hospital and Health Services to identify alternative pathways of care better suited to the patient's needs rather than mandatory referral to an emergency department

- expanding the Higher Acuity Response Unit (HARU) service, a 24 hour a day service to attend to patients with severe injuries. The scope of practice for critical care paramedics has been expanded to include major trauma resuscitation. A HARU currently exists in Brisbane and the service is expanding to the Gold Coast
- finalising the rollout of operational iPads to paramedics as part of the QAS operational mobility strategy. The strategy will provide a mobile platform for the provision of real time in-field communications and training, including access to the new digital Clinical Practice Manual, Field Reference Guide, stream line administrative functions and in addition will facilitate the future transition to a new electronic patient care record.

Performance statement

Ambulance Services

Service area objective

To provide timely and quality ambulance services which meet the needs of the Queensland community.

Service area description

The QAS achieves this objective by providing pre-hospital ambulance response services, emergency and routine pre-hospital patient care and transport services, coordination of aero medical services, inter-facility ambulance transport, planning and coordination of multi-casualty incidents and disasters, and casualty room services.

Queensland Ambulance Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Effectiveness measures				
Time within which code 1 incidents are attended:	1, 2			
50th percentile response time	3	8.2 minutes	8.2 minutes	8.2 minutes
90th percentile response time	4	16.5 minutes	16.5 minutes	16.5 minutes
Percentage of Triple Zero (000) calls answered within 10 seconds	5	90%	91%	90%
Percentage of non-urgent incidents attended to by the appointment time	2, 6	>70%	85%	>70%
Percentage of patients who report a clinically meaningful pain reduction	7	>85%	89%	>85%
Patient satisfaction	8	New measure	New measure	>97%
Efficiency measure				
Gross cost per incident	2, 9	$642	$622	$632

Notes:

1. A code 1 incident is potentially life threatening necessitating the use of ambulance warning devices (lights and/or siren) en route.
2. An incident is an event that results in one or more responses by the ambulance service.
3. This measure reports the time within which 50% of the first responding ambulance resources arrive at the scene of an emergency in code 1 situations.
4. This measure reports the time within which 90% of the first responding ambulance resources arrive at the scene of an emergency in code 1 situations.
5. This measure reports the percentage of Triple Zero (000) calls answered by ambulance service communication centre staff in a time equal to or less than ten seconds.

6. This measure reports the proportion of medically authorised road transports (code 3) (excluding Queensland Health and aero-medical transports) which arrive on time for a designated appointment, or are met for returned transport within two hours of notification of completion of an appointment (code 4).
7. Clinically meaningful pain reduction is defined as a minimum two point reduction in pain score from first to final recorded measurement. Includes patients aged 16 years and over who received care from the ambulance service which included the administration of pain medication (analgesia). Includes patients where at least two pain scores (pre- and post-treatment) were recorded and, on a numeric rating scale of one to ten, the initial pain score was at least seven.
8. This is the total number of patients who were either 'satisfied' or 'very satisfied' with ambulance services they had received, divided by the total number of patients that responded to the National Patient Satisfaction Survey of the Council of Ambulance Authorities.
9. This measure reports ambulance service expenditure divided by the number of incidents.

Staffing[1]

Queensland Ambulance Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Queensland Ambulance Service	2,3	4,015	4,029	4,106

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs for the 2015-16 financial year.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Queensland Ambulance Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Gross cost per head of population	1	$122	$119	Discontinued measure

Note:

1. This measure has been discontinued as the measure of 'gross cost per incident' is already utilised and is a better measure of efficiency.

Controlled income statement

Queensland Ambulance Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
Appropriation revenue	7,11	468,583	471,152	511,853
Taxes		..	..	..
User charges and fees	1,8	106,723	102,110	101,895
Royalties and land rents		..	..	..
Grants and other contributions	2,9	14,445	19,109	20,215
Interest		..	..	..
Other revenue		484	2,054	775
Gains on sale/revaluation of assets		..	160	..
Total income		**590,235**	**594,585**	**634,738**
EXPENSES				
Employee expenses	3,10,12	419,219	438,122	463,391
Supplies and services	4,13	122,482	114,744	123,617
Grants and subsidies	5,14	8,141	5,820	8,458
Depreciation and amortisation	6	36,985	33,029	35,221
Finance/borrowing costs		..	..	..
Other expenses		1,476	1,557	1,617
Losses on sale/revaluation of assets		950	831	950
Total expenses		**589,253**	**594,103**	**633,254**
OPERATING SURPLUS/(DEFICIT)		**982**	**482**	**1,484**

Controlled balance sheet

Queensland Ambulance Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	19,25	20,543	19,084	16,488
Receivables	15,20	31,447	38,245	38,245
Other financial assets		..	254	254
Inventories	16,21	4,047	1,478	1,478
Other		1,299	1,739	1,739
Non financial assets held for sale		465	200	200
Total current assets		**57,801**	**61,000**	**58,404**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	17,22,26	429,877	442,979	448,010
Intangibles	23,27	(81)	785	4,434
Other		..	..	..
Total non-current assets		**429,796**	**443,764**	**452,444**
TOTAL ASSETS		**487,597**	**504,764**	**510,848**
CURRENT LIABILITIES				
Payables	18,24	21,860	24,934	24,934
Accrued employee benefits		16,192	17,867	17,867
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		52	23	23
Total current liabilities		**38,104**	**42,824**	**42,824**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**38,104**	**42,824**	**42,824**
NET ASSETS/(LIABILITIES)		**449,493**	**461,940**	**468,024**
EQUITY				
TOTAL EQUITY		**449,493**	**461,940**	**468,024**

Controlled cash flow statement

Queensland Ambulance Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	32,38	468,583	471,152	511,853
User charges and fees	28,33	105,773	101,295	100,945
Royalties and land rent receipts		..	..	..
Grants and other contributions	29,34	14,445	19,109	20,215
Interest received		..	..	..
Taxes		..	..	..
Other		484	2,054	775
Outflows:				
Employee costs	30,35,39	(419,219)	(438,122)	(463,391)
Supplies and services	31,36,40	(122,482)	(114,744)	(123,617)
Grants and subsidies		(8,141)	(5,820)	(8,458)
Borrowing costs		..	..	..
Other		(1,476)	(1,557)	(1,617)
Net cash provided by or used in operating activities		**37,967**	**33,367**	**36,705**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		1,500	1,500	1,500
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	37,41	(41,353)	(39,125)	(45,401)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(39,853)**	**(37,625)**	**(43,901)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		4,600	4,600	4,600
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		**4,600**	**4,600**	**4,600**
Net increase/(decrease) in cash held		**2,714**	**342**	**(2,596)**
Cash at the beginning of financial year		**17,829**	**18,742**	**19,084**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**20,543**	**19,084**	**16,488**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. Decrease in user charges is principally due to the reallocation of workcover compensation regulator revenue being reclassified as grants and contributions and reduced activity from public educational training due to increased competition and a decline from the mining sector.
2. Increase in grants and contributions is principally due to the reallocation of workcover compensation regulator revenue being reclassified from user charges, and an increase in the allocation of Motor Accident insurance Commission (MAIC) funds from DoH and Veteran Affairs for CPI increases.
3. Increase in employee expenses principally relates to additional ambulance offices as part of the industrial relation determination, the implementation of the aggregate rate for ambulance officers, additional recruitment costs, staff uniforms and protective equipment.
4. Decrease in supplies and services is principally due to reduced property costs, contractor and professional services, operating leases and revised shared services costs.
5. Variance in grants and subsidies is principally due to the reprioritisation of our information, communications and technologies program (ICT) delivered by PSBA on behalf of QAS. As part of the MoG change 2013 to the DoH, communications assets were transferred to PSBA to be maintained by PSBA to enable efficiencies and consistency across the network. QAS pay an operating grant for their ongoing communications capital program.
6. Decrease in depreciation was due to the transfer of residential properties to the Department of Housing and Public Works.

Major variations between 2014-15 Budget and 2015-16 Budget include:

7. Increase in appropriation revenue is due to additional funding for 75 ambulance officers for anticipated growth in QAS activities.
8. Decrease in user charges is principally due to the reallocation of workcover compensation regulator revenue being reclassified as grants and contributions and reduced activity from patient transports and educational training due to increased competition and a decline from the mining sector.
9. Increase in grants and contributions in principally due to the reallocation of workcover compensation regulator revenue being reclassified from user charges, and an increase in the allocation of MAIC funds from DoH and Veteran Affairs for CPI increases.
10. Increase in employee expenses is principally due to additional funding received for the anticipated growth in QAS activities. These funds are primarily for additional operational staff costs.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

11. Increase in appropriation revenue is due to additional funding for 75 ambulance officers for anticipated growth in QAS activities.
12. Increase in employee expenses is principally due to additional funding received for the anticipated growth in QAS activities. These funds are primarily for additional operational staff costs.
13. Increase in supplies and services is principally due to operational costs associated additional ambulance officers, leasing costs for stretcher maintenance and for defibrillators and an allocation for CPI cost increases.
14. Increase in grants and subsidies is principally due to the ICT program delivered by PSBA, which includes opcentre modernisation upgrades, GWN and ACMA harmonisation work.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

15. Increase in receivables is primarily due to a higher than expected opening balance flow through effect and Increase in the outstanding amounts for medically authorised and interstate patient transport.
16. Decrease in inventories is due to QAS ordering pharmaceuticals and medical consumables directly from DoH Central Pharmacy. QAS no longer hold these items as inventory.
17. Increase in property plant and equipment is due to additional capital expenditure incurred during 2014-15.

18. Increase in payables is principally due to a higher than originally estimated opening balance for 2014-15.

Major variations between 2014-15 Budget and 2015-16 Budget include:

19. Decrease in cash assets is principally due to the planned capital expenditure for 2015-16.
20. Increase in receivables is primarily due to a higher than expected opening balance flow through effect and Increase in the outstanding amounts for medically authorised and interstate patient transport.
21. Decrease in inventories is due to the QAS ordering pharmaceuticals and medical consumables directly from DoH Central Pharmacy. QAS no longer hold these items as inventory.
22. Increase in property, plant and equipment is due to the capital expenditure planned for 2015-16.
23. Increase in intangibles is due to the capital expenditure planned for 2015-16 for internally generated computer software.
24. Increase in payables is principally due to a higher than originally estimated opening balance for 2014-15.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

25. Decrease in cash assets is principally due to the planned capital expenditure for 2015-16.
26. Increase in property, plant and equipment is due to the capital expenditure planned for 2015-16.
27. Increase in intangibles is due to the capital expenditure planned for 2015-16 for internally generated computer software.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

28. Decrease in user charges is principally due to the reallocation of workcover compensation regulator revenue being reclassified as grants and contributions and reduced activity from educational training due to increased competition and a decline from the mining sector.
29. Increase in grants and contributions is principally due to the reallocation of workcover compensation regulator revenue being reclassified from user charges, and an increase in the allocation of MAIC funds from DoH and Veteran Affairs for CPI increases.
30. Increase in employee expenses principally relates to additional ambulance offices as part of the industrial relation determination, the implementation of the aggregate rate for ambulance officers, additional recruitment costs, staff uniforms and protective equipment.
31. Decrease in supplies and services is principally due to reduced property costs, contractor and professional services, operating leases and revised shared services costs.

Major variations between 2014-15 Budget and 2015-16 Budget include:

32. Increase in appropriation revenue is due to additional funding for 75 ambulance officers for anticipated growth in QAS activities.
33. Decrease in receipts for user charges is principally due to the reallocation of workcover compensation regulator revenue being reclassified as grants and contributions and reduced activity from patient transports and educational training due to increased competition and a decline from the mining sector.
34. Increase in grants and contributions is principally due to the reallocation of workcover compensation regulator revenue being reclassified from user charges, and an increase in the allocation of MAIC funds from DoH and Veteran Affairs for CPI increases.
35. Increase in employee expenses is principally due to additional funding received for the anticipated growth in QAS activities. These funds are primarily for additional operational staff costs.
36. Increase in supplies and services is principally due to operational costs associated with additional ambulance officers, leasing costs for stretcher maintenance and for defibrillators and an allocation for CPI cost increases.
37. Increase in payments for property, plant and equipment and intangibles is due to the capital expenditure planned for 2015-16.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

38. Increase in appropriation revenue is due to additional funding for 75 ambulance officers for anticipated growth in QAS activities.

39. Increase in employee expenses is principally due to additional funding received for the anticipated growth in QAS activities. These funds are primarily for additional operational staff costs.

40. Increase in supplies and services is principally due to operational costs associated additional ambulance officers, leasing costs for stretcher maintenance and for defibrillators and an allocation for CPI cost increases.

41. Increase in payments for property, plant and equipment and intangibles is due to the capital expenditure planned for 2015-16.

Cairns and Hinterland Hospital and Health Service

Overview

The Cairns and Hinterland Hospital and Health Service (HHS) is an independent statutory body overseen by a local Hospital and Health Board. The Cairns and Hinterland HHS is responsible for the delivery of public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services to a population of approximately 250,000 people residing in the geographical area stretching from Jumbun in the south to Cow Bay in the north and Croydon in the west.

The Cairns and Hinterland HHS is responsible for the direct management of the facilities within the HHS's geographical boundaries including:

- Atherton Hospital
- Babinda Hospital
- Cairns Hospital
- Gordonvale Memorial Hospital
- Herberton Hospital/Aged Care Unit
- Innisfail Hospital
- Mareeba Hospital
- Mossman Multi-Purpose Health Service
- Tully Hospital

The Cairns and Hinterland HHS operates a number of Community Health Centres and Primary Health Care Centres providing a comprehensive range of community and primary health services, including aged care assessment; Aboriginal and Torres Strait Islander health programs; child and maternal health services; alcohol, tobacco and other drug services; home care services; community health nursing; sexual health service; allied health services; oral health; offender and refugee health services; and health promotion programs.

The Cairns and Hinterland HHS is determined to achieve its vision of providing world-class health services to improve the social, emotional and physical well-being of people in Cairns and Hinterland and the North East Australian region.

In working towards better health for Queenslanders, the Cairns and Hinterland HHS strategic plan aligns with State health priorities such as revitalising services for patients and the Queensland Government's objectives for the community to strengthening our public health system, delivering quality frontline services and restoring integrity and accountability.

The Cairns and Hinterland HHS will achieve this through the following strategic objectives:

- health services focused on patients and people
- empowering the community and our health workforce
- providing Queenslanders with value in health services
- investing, innovating and planning for the future.

Service performance

The Cairns and Hinterland HHS has an operating budget of $712.8 million for 2015-16 which is an increase of $45.5 million (6.8%) from the published 2014-15 operating budget of $667.3 million.

The Service Agreement between the Cairns and Hinterland HHS and the Department of Health identifies the health services to be provided, funding arrangements for those services and defined performance indicators and targets to ensure outputs and outcomes are achieved. The Cairns and Hinterland HHS will manage activity to achieve the requirements and performance standards identified in the Service Agreement and ensure that all services are provided to patients within the time limits prescribed.

In 2015-16, additional funding has been prioritised to assist in the treatment of patients within four hours of arrival in the emergency department. The Cairns and Hinterland HHS will also continue its focus on improving elective surgery targets and reducing waiting times for outpatients.

Performance statement

Cairns and Hinterland Hospital and Health Service

Service area objective

To deliver public hospital and health services for the Cairns and Hinterland community.

Service area description

The Cairns and Hinterland HHS is responsible for the delivery of public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services.

Cairns and Hinterland Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards *Effectiveness measures* Percentage of patients attending emergency departments seen within recommended timeframes:	1			
Category 1 (within 2 minutes)		100%	100%	100%
Category 2 (within 10 minutes)		80%	75%	80%
Category 3 (within 30 minutes)		75%	60%	75%
Category 4 (within 60 minutes)		70%	67%	70%
Category 5 (within 120 minutes)		70%	87%	70%
All categories		..	67%	
Percentage of emergency department attendances who depart within four hours of their arrival in the department	2	86%	68%	90%
Percentage of elective surgery patients treated within clinically recommended times:	3			
Category 1 (30 days)		100%	99%	>98%
Category 2 (90 days)		97%	97%	>95%
Category 3 (365 days)		98%	95%	>95%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	4	<2.0	0.6	<2.0
Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit	5	>60%	65.7%	>65%
Proportion of readmissions to an acute mental health inpatient unit within 28 days of discharge	6	<12%	15.5%	<12%
Percentage of specialist outpatients waiting within clinically recommended times:	7			
Category 1 (30 days)		49%	59%	..

Cairns and Hinterland Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Category 2 (90 days)		38%	36%	..
Category 3 (365 days)		90%	54%	..
Median wait time for treatment in emergency departments (minutes)	8	20	21	20
Median wait time for elective surgery (days)	9	25	21	25
Efficiency measure Average cost per weighted activity unit for Activity Based Funding facilities	10, 12	$4,455	$4,374	$4,268
Other measures Total weighted activity units:	10, 11			
Acute Inpatient		57,559	57,519	59,529
Outpatients		13,809	13,716	14,604
Sub-acute		10,378	11,129	10,778
Emergency Department		16,072	17,775	17,113
Mental Health		7,169	7,362	7,961
Interventions and Procedures		10,923	11,209	11,116
Ambulatory mental health service contact duration (hours)	13	>73,433	77,510	>77,500

Notes:

1. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 and 2015-16 are based on the Australasian Triage Scale (ATS). The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
2. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years. The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
3. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years
4. Staphylococcus aureus are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Est. for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
5. This represents incremental progress towards the nationally recommended target.
6. Queensland has made significant progress in reducing readmission rates over the past 5 years, with continued incremental improvements towards the nationally recommended target. The 2015-16 Target/Est. is the nationally recommended target.
7. A 2015-16 Target/est. has not yet been set as work in relation to the setting of a more suitable target/measure is currently being investigated. This work will ensure an appropriate measure and target is set in line with the Government's priorities and the Service Agreements with the HHSs. The Government convened a Wait Times Summit and is currently undertaking further consultation with the health sector, which will inform work around the target/measure for future reporting. The 2014-15 Est. actual figures are provided using actual performance as at 1 April 2015.
8. The 2014-15 Est. Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. There is no nationally agreed 2015-16 target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
9. The 2014-15 Est. Actual figures are provided from 11 months of actual performance from 1 July 2014 to 31 May 2015. There is no nationally agreed target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.

10. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 and updated to Amendment Window 2 to enable comparison with 2015-16 Target/Est. figures.
11. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
12. The determination of the cost (funding) per WAU has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements.
13. The 2015-16 Target/Est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance.

Staffing[1]

Cairns and Hinterland Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Cairns and Hinterland Hospital and Health Service	2, 3, 4, 5, 6	3,965	4,076	4,178

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs from the 2014-15 Budget to the 2014-15 Est. Actual reflect commissioning of new services and additional activity purchased from HHSs through amendments to the 2014-15 Service Agreements.
5. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased from HHSs.
6. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Cairns and Hinterland Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Number of in-home visits, families with newborns	1	4,936	4,904	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

Cairns and Hinterland Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,7,13	643,565	688,146	691,582
Grants and other contributions	2,8	17,453	15,363	14,853
Interest		94	94	96
Other revenue		6,158	6,158	6,281
Gains on sale/revaluation of assets		..	..	..
Total income		**667,270**	**709,761**	**712,812**
EXPENSES				
Employee expenses	3,9,14	975	41,972	59,654
Supplies and Services				
Other supplies and services	4,10	182,314	200,179	157,125
Department of Health contract staff	5,11,15	451,677	431,686	455,012
Grants and subsidies		550	550	550
Depreciation and amortisation	6,12,16	26,564	30,184	35,127
Finance/borrowing costs		..	..	..
Other expenses		3,360	3,360	3,464
Losses on sale/revaluation of assets		1,830	1,830	1,880
Total expenses		**667,270**	**709,761**	**712,812**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Balance sheet

Cairns and Hinterland Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	17,27,36	32,565	36,458	20,903
Receivables	18,28	10,940	18,989	19,347
Other financial assets		..	..	..
Inventories	19,29,37	1,453	2,907	1,964
Other	20,30,38	408	33	42
Non financial assets held for sale		..	..	..
Total current assets		**45,366**	**58,387**	**42,256**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	21,31,39	469,635	738,162	781,861
Intangibles	22,32	71	373	338
Other		..	..	..
Total non-current assets		**469,706**	**738,535**	**782,199**
TOTAL ASSETS		**515,072**	**796,922**	**824,455**
CURRENT LIABILITIES				
Payables	23,33,40	42,732	54,179	38,070
Accrued employee benefits	24,41	45	65	43
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	25,34	153	2,175	2,175
Total current liabilities		**42,930**	**56,419**	**40,288**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**42,930**	**56,419**	**40,288**
NET ASSETS/(LIABILITIES)		**472,142**	**740,503**	**784,167**
EQUITY				
TOTAL EQUITY	**26,35,42**	**472,142**	**740,503**	**784,167**

Cash flow statement

Cairns and Hinterland Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	43,49,55	641,544	686,125	689,465
Grants and other contributions	44,50	17,453	15,363	14,853
Interest received		94	94	96
Other		21,846	21,846	22,051
Outflows:				
Employee costs	45,51,56	(970)	(41,967)	(59,676)
Supplies and services		(644,726)	(644,299)	(643,203)
Grants and subsidies		(550)	(550)	(550)
Borrowing costs		..	..	..
Other		(3,360)	(3,360)	(3,464)
Net cash provided by or used in operating activities		**31,331**	**33,252**	**19,572**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	46,52,57	(5,315)	(11,928)	(7,533)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(5,315)**	**(11,928)**	**(7,533)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	47,53,58	5,315	9,361	7,533
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	48,54,59	(26,564)	(30,184)	(35,127)
Net cash provided by or used in financing activities		**(21,249)**	**(20,823)**	**(27,594)**
Net increase/(decrease) in cash held		**4,767**	**501**	**(15,555)**
Cash at the beginning of financial year		**27,798**	**35,957**	**36,458**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**32,565**	**36,458**	**20,903**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. Increase relates to additional funding provided through amendments to the Service Agreement between Cairns & Hinterland Hospital and Health Service (CHHHS) and the Department of Health (DoH). Additional funding is provided for increases in service activity, enterprise bargaining agreements, non-labour escalation and depreciation revenue. This increase is inflated by approx. $6M which should be coded to Grants and Other Contributions.
2. The reduction relates to a reclassification of Grants and Other Contributions to User Charges, offset by an increase in CHECKUP (Outreach Services), MPHS centres and COAG s19.2 Exemption sites.
3. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. Additional movement relates to increased Health Service Executive Staff and Board costs.
4. The increase relates to additional costs for Block D which became operational in June 2014. Increased Digital Exemplar costs also contribute to this increase.
5. The reduction relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been partially offset by increases in Enterprise Bargaining Agreements, Digital Exemplar costs and reflected amendments between CHHHS and DoH.
6. The increase relates to the revised commissioning of buildings in 2014-15.

Major variations between 2014-15 Budget and 2015-16 Budget include:

7. The increase relates to additional funding provided through the Service Agreement between CHHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
8. The reduction relates to a reclassification of Grants and Other Contributions to User Charges, offset by an increase in CHECKUP (Outreach Services), MPHS centres and COAG s19.2 Exemption sites.
9. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS and increased Health Service Executive Staff and Board costs.
10. The decrease relates to incorrect coding between DoH Contract Staff and Other Supplies & Services (Approx. $17M). The remainder of the decrease relates to cessation of the Digital Exemplar consultancy costs.
11. The increase relates to additional expenditure associated with the increase in FTE numbers, due to growth in activity and programs such as Digital Hospital and Enterprise Bargaining Agreements, offset by the implementation of Senior Medical Officer Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS.
12. Increase relates predominantly to the commissioning of assets in the 2015-16 financial year.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

13. The increase relates to additional funding provided through the Service Agreement between CHHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
14. The increase relates to growth in Health Service Executive Staff and Board costs and Senior Medical Officers.
15. The increase relates to additional expenditure associated with the increase in FTE numbers, due to growth in activity and programs such as Digital Hospital and Enterprise Bargaining Agreements.
16. Increase relates predominantly to the commissioning of assets in the 2015-16 financial year.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

17. The increase relates predominantly to increases in revenue received from the DoH.

18. The increase is due to additional funding payable from the DoH to CHHHS as a result of Window 4 end of financial year technical adjustments.
19. The increase in is predominantly due to increase in Pharmacy Inventory due to the full year effect of Block D and an overall increase in activity.
20. The decrease relates entirely to Prepayments. By year end, this will re-align.
21. The increase relates to the commissioning of non-current assets and as a result of the annual asset revaluation program.
22. The increase relates to software costs related to Digital Exemplar project which CHHHS commenced in November.
23. The increase is as a result of a higher operational expenditure on supplies and services.
24. The increase relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS, which resulted in accrued payroll liabilities now being classified as accrued employee expenses. This item is inflated, however, as the 1 July 2015 pay run will be back-posted to 30 June 2015.
25. The increase relates to unearned revenue from DoH. This will align by year end.
26. The increase relates to increases in the asset revaluation reserve due to the annual revaluation program and increases to contributed equity for the transfer of commissioned assets from the DoH.

Major variations between 2014-15 Budget and 2015-16 Budget include:

27. The decrease reflects the higher receivables in 2015-16
28. Increase in line with higher estimated User Charges and Fees per the Service Agreement.
29. The increase is predominantly due to increase in Pharmacy Inventory due to the full year effect of Block D and an overall increase in activity.
30. The decrease relates entirely to Prepayments. By year end, this will re-align.
31. The increase relates to the commissioning of non-current assets and as a result of the annual asset revaluation program.
32. The increase in Intangibles relates to software costs related to Digital Exemplar project which CHHHS commenced in November.
33. The decrease is as a result of a lower operational expenditure on supplies and services.
34. The increase in relates to unearned revenue from DoH. This will align by year end.
35. The increase relates to increases in the asset revaluation reserve due to the annual revaluation program and increases to contributed equity for the transfer of commissioned assets from the DoH.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

36. The decrease is a result of higher payables.
37. The decrease relates to a change in Pharmacy purchasing habits, whereby CHHHS is looking at the possibility of sourcing pharmaceutical supplies locally, rather than from Central Pharmacy, which would decrease the number of items we would have to hold in inventory.
38. The increase relates to prepayment of expenses that span over the 2 financial years.
39. The increase relates to the commissioning of non-current assets and as a result of the annual asset revaluation program.
40. The decrease is as a result of a lower operational expenditure on supplies and services.
41. The decrease relates to an inflated Accrued employee Benefits for 2014-15 estimated actual.
42. The increase relates to increases in the asset revaluation reserve due to the annual revaluation program and increases to contributed equity for the transfer of commissioned assets from the DoH.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

43. The increase relates to additional funding provided through amendments to the Service Agreement between CHHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining agreements, non-labour escalation and depreciation revenue.
44. The reduction relates to a reclassification of Grants and Other Contributions to User Charges, offset by an increase in CHECKUP (Outreach Services), MPHS centres and COAG s19.2 Exemption sites.
45. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. Additional movement relates to increased Health Service Executive Staff and Board costs.
46. The increase relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding.
47. The increase relates to the commissioning of assets to be transferred from the DoH to CHHHS via contributed equity.
48. The increase relates to additional depreciation revenue, which is subsequently returned to Queensland Treasury.

Major variations between 2014-15 Budget and 2015-16 Budget include:

49. The increase relates to additional funding provided through the Service Agreement between CHHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
50. The reduction relates to a reclassification of Grants and Other Contributions to User Charges, offset by an increase in CHECKUP (Outreach Services), MPHS centres and COAG s19.2 Exemption sites.
51. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS and increased Health Service Executive Staff and Board costs.
52. The increase relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding.
53. The increase relates to the commissioning of assets to be transferred from the DoH to CHHHS via contributed equity.
54. The increase relates to additional depreciation revenue, which is subsequently returned to Queensland Treasury.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

55. The increase relates to additional funding provided through the Service Agreement between CHHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
56. The increase relates to growth in Health Service Executive Staff and Board and Senior Medical Officer costs.
57. The decrease relates to purchases of other plant and equipment were higher in 2014-15 as this value includes unspent minor capital funding from the previous year. The 2015-16 Budget reflects the current year minor capital allocation only.
58. The decrease relates to a reduction of cash received from the DoH for capital items.
59. The increase relates to additional depreciation revenue, which is subsequently returned to Queensland Treasury.

Central Queensland Hospital and Health Service

Overview

The Central Queensland Hospital and Health Service (HHS) is an independent statutory body overseen by a local Hospital and Health Board. The Central Queensland HHS is responsible for providing public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services.

The Central Queensland HHS is responsible for the direct management of more than 16 hospitals and facilities including:

- Baralaba Hospital
- Biloela Hospital
- Blackwater Hospital
- Capricorn Coast Hospital
- Emerald Hospital
- Gladstone Hospital
- Moura Hospital
- Rockhampton Hospital
- Springsure Hospital
- Woorabinda Hospital

The Central Queensland HHS provides Mental Health Services and Oral Health Services, with a number of facilities also providing Community Health Services.

The Central Queensland HHS has six strategic objectives:

- provide safe, reliable services
- provide sustainable, cost effective services
- promote an excellent patient experience and healthcare outcomes
- develop the Central Queensland HHS as a great place to work
- undertake initiatives to develop a strong reputation in the health sector
- develop effective partner relationships.

The objectives of the Central Queensland HHS contribute to the Queensland Government's objectives for the community to deliver quality frontline services including strengthening the public health system and building safe, caring and connected communities.

The Central Queensland HHS is committed to the delivery of safe services and the focus of healthcare resources on models of care that are patient-centred, safe, effective, economically sustainable and responsive to community needs. Key activities undertaken in this area include:

- improving data collection processes, reporting and analysis of patient outcomes, patient experience and processes of care
- managing statewide data collection to facilitate and support safe and effective care and service delivery
- National Safety and Quality Health Service Standards are implemented and monitored
- progressing clinical governance system improvements.

Service performance

The Central Queensland HHS has an operating budget of $488 million for 2015-16 which is an increase of $22.0 million (4.7%) from the published 2014-15 operating budget of $466 million.

During 2014-15, the Central Queensland HHS has recorded an improvement in patient access and reduced waiting times for patients across Central Queensland and a reduction in the use of locum medical officers through improved recruitment processes allowing resources to be redirected to front-line services

Specific activities to improve clinical services have been undertaken at various sites and include:

- the establishment of an ophthalmology service, development of the new cancer centre and employment of two oncologists and the completion of construction of the new ward block development at the Rockhampton Hospital
- stabilisation and increase in medical staffing, introduction of pharmacist services and the introduction of a CT scanner at the Capricorn Coast Hospital

- refurbishment of the high dependency unit and operating theatres, recruitment of 10 additional doctors and the introduction of a state-of-the-art low dose CT scanner at the Gladstone Hospital
- increase in Royal Flying Doctor Service (RFDS) visits, stabilisation of the rural generalist medical officer workforce, completion of $8 million refurbishment works and the introduction of a CT scanner at the Emerald Hospital
- increase in RFDS visits and completion of $7 million refurbishment works at Biloela Hospital
- opening of the new Moura Hospital.

During 2015-16, the radiation oncology service will be established at the Rockhampton Hospital which will enable cancer patients to receive their treatment closer to home. Other major deliverables include:

- the introduction of a cardiac catheter laboratory
- the completion of the development of a new Intensive Care Unit and launch of the new rooftop helipad at the Rockhampton Hospital
- open the new Mental Health Services Community Care Unit and Older Persons Unit
- open the new Ward Block at the Rockhampton Hospital.

Performance statement

Central Queensland Hospital and Health Service

Service area objective

To deliver public hospital and health services for the Central Queensland community.

Service area description

The Central Queensland HHS is responsible for providing public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services.

Central Queensland Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Effectiveness measures				
Percentage of patients attending emergency departments seen within recommended timeframes:	1			
Category 1 (within 2 minutes)		100%	100%	100%
Category 2 (within 10 minutes)		80%	90%	80%
Category 3 (within 30 minutes)		75%	88%	75%
Category 4 (within 60 minutes)		70%	86%	70%
Category 5 (within 120 minutes)		70%	95%	70%
All categories		..	88%	..
Percentage of emergency department attendances who depart within four hours of their arrival in the department	2	86%	83%	90%
Percentage of elective surgery patients treated within clinically recommended times:	3			
Category 1 (30 days)		100%	98%	>98%

Central Queensland Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Category 2 (90 days)		97%	95%	>95%
Category 3 (365 days)		98%	100%	>95%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	4	<2.0	0.1	<2.0
Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit	5	>60%	75.9%	>65%
Proportion of readmissions to an acute mental health inpatient unit within 28 days of discharge	6	<12%	10.9%	<12%
Percentage of specialist outpatients waiting within clinically recommended times:	7			
Category 1 (30 days)		51%	77%	..
Category 2 (90 days)		31%	57%	..
Category 3 (365 days)		90%	91%	..
Median wait time for treatment in emergency departments (minutes)	8	20	12	20
Median wait time for elective surgery (days)	9	25	56	25
Efficiency measure Average cost per weighted activity unit for Activity Based Funding facilities	10, 12	$4,660	$4,789	$4,574
Other measure Total weighted activity units:	10, 11			
Acute Inpatient		32,447	32,441	33,032
Outpatients		9,021	8,967	8,852
Sub-acute		4,440	3,761	5,032
Emergency Department		14,521	14,239	14,729
Mental Health		2,893	2,833	3,740
Interventions and Procedures		3,531	3,086	4,484
Ambulatory mental health service contact duration (hours)	13	>39,230	34,727	>35,000

Notes:

1. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 and 2015-16 are based on the Australasian Triage Scale (ATS). The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
2. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years. The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
3. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years
4. Staphylococcus aureus are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Est. for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
5. This represents incremental progress towards the nationally recommended target
6. Queensland has made significant progress in reducing readmission rates over the past 5 years, with continued incremental improvements towards the nationally recommended target. The 2015-16 Target/Est. is the nationally recommended target.
7. A 2015-16 Target/est. has not yet been set as work in relation to the setting of a more suitable target/measure is currently being investigated. This work will ensure an appropriate measure and target is set in line with the Government's priorities and the Service Agreements with the HHSs. The Government convened a Wait Times Summit and is currently undertaking further consultation with the health sector, which will inform work around the target/measure for future reporting. The 2014-15 Est. actual figures are provided using actual performance as at 1 April 2015.
8. The 2014-15 Est. Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. There is no nationally agreed 2015-16 target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
9. The 2014-15 Est. Actual figures are provided from 11 months of actual performance from 1 July 2014 to 31 May 2015. There is no nationally agreed target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
10. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 and updated to Amendment Window 2 to enable comparison with 2015-16 Target/Est. figures.
11. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
12. The determination of the cost (funding) per WAU has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements.
13. The 2014-15 Target/Est. was set utilising a standard formula based upon available clinical staffing. Due to a range of issues including known under-reporting within clinical information systems which capture the data, most HHSs are not expected to meet the target for 2014-15. The 2015-16 Target/Est. has been revised to take these issues into account. The 2015-16 Target/Est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance. The reduction from the 2014-15 Target/est. is based on improved identification of non-clinical staff as well as actual reduction in available FTEs.

Staffing[1]

Central Queensland Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Central Queensland Hospital and Health Service	2, 3, 4, 5	2,623	2,623	2,678

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased from HHSs.
5. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Central Queensland Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Number of in-home visits, families with newborns	1	3,937	4,392	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

Central Queensland Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,9,16	444,344	462,758	466,437
Grants and other contributions		19,266	17,695	18,138
Interest	2,10	248	174	179
Other revenue	3,11	2,115	3,169	3,248
Gains on sale/revaluation of assets		..	76	..
Total income		**465,973**	**483,872**	**488,002**
EXPENSES				
Employee expenses	4,12,17	1,652	32,216	35,243
Supplies and Services				
Other supplies and services	5,18	145,350	177,825	144,149
Department of Health contract staff	6,13,19	294,239	256,422	276,724
Grants and subsidies	7,14	395	328	336
Depreciation and amortisation	15,20	22,569	24,089	30,198
Finance/borrowing costs		..	..	..
Other expenses		1,502	1,057	1,066
Losses on sale/revaluation of assets	8,21	266	1,335	286
Total expenses		**465,973**	**493,272**	**488,002**
OPERATING SURPLUS/(DEFICIT)		**..**	**(9,400)**	**..**

Balance sheet

Central Queensland Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	22,28,35	42,424	34,085	13,766
Receivables	23,29	5,253	8,466	8,523
Other financial assets		..	..	..
Inventories		2,970	3,135	3,163
Other	24,30	527	1,488	1,542
Non financial assets held for sale		..	..	..
Total current assets		**51,174**	**47,174**	**26,994**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	25,31	462,389	531,708	532,483
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**462,389**	**531,708**	**532,483**
TOTAL ASSETS		**513,563**	**578,882**	**559,477**
CURRENT LIABILITIES				
Payables	32,36	33,599	34,360	23,057
Accrued employee benefits	26,33	89	16	16
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		10	21	21
Total current liabilities		**33,698**	**34,397**	**23,094**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**33,698**	**34,397**	**23,094**
NET ASSETS/(LIABILITIES)		**479,865**	**544,485**	**536,383**
EQUITY				
TOTAL EQUITY	**27,34,37**	**479,865**	**544,485**	**536,383**

Cash flow statement

Central Queensland Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	38,45,53	444,150	463,054	466,741
Grants and other contributions		19,266	17,695	18,138
Interest received		248	174	179
Other	39,46	19,093	14,654	15,307
Outflows:				
Employee costs	40,47,54	(1,652)	(32,216)	(35,243)
Supplies and services	41,48	(453,600)	(442,701)	(444,289)
Grants and subsidies	42,49	(395)	(328)	(336)
Borrowing costs		..	..	..
Other		(1,502)	(1,700)	(1,741)
Net cash provided by or used in operating activities		**25,608**	**18,632**	**18,756**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets	43,55	..	2,156	96
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	44,50	(22,280)	(15,108)	(15,424)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(22,280)**	**(12,952)**	**(15,328)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	51,56	4,064	4,065	6,451
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	52,57	(22,569)	(24,089)	(30,198)
Net cash provided by or used in financing activities		**(18,505)**	**(20,024)**	**(23,747)**
Net increase/(decrease) in cash held		**(15,177)**	**(14,344)**	**(20,319)**
Cash at the beginning of financial year		**57,601**	**48,429**	**34,085**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**42,424**	**34,085**	**13,766**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. The increase relates to additional funding provided through amendments to the Service Agreement between Central Queensland Hospital and Health Service (CQHHS) and the Department of Health (DoH). Additional funding is provided for increases in service activity, enterprise bargaining agreements and depreciation revenue.
2. The decrease is due to a reduction of Bank and QTC interest rates affecting General Trust and Patient Trust investments as well as lower investment balances.
3. The increase is due to Insurance recoveries and Contract Staff costs and Workcover recoveries.
4. The increase primarily reflects the reclassification of costs of engaging senior medical officers. On the 4th August Senior Medical Officers Contracts were established, effectively establishing a direct employer-employee relationship with CQHHS. At the time of the 2014-15 original budget, these costs were reflected in Supplies and services. Additional movement relates to increased Health Service Executive Staff and Board costs.
5. The increase is due to an increases in contractor payments $12.4M, general supplies $8.4M, outsourced medical imaging services $7M, repairs and maintenance $3.3M and consultancies $1M.
6. The decrease reflects the reclassification of costs associated with the direct engagement of Senior Medical Officer to Employee expenses ($30M) instead of these staff being classified as Department of Health Contract staff. Additionally there was a reduction in medical imaging staff costs of $4.4M relating to the outsourcing of medical imaging services.
7. The decrease is due to an amendment to the Service Agreement between CQHHS and The Theodore Council of The Ageing.
8. The increase is due predominately to the Outsourcing of Medical Imaging services at CQHHS and subsequent loss on sale of equipment to the private sector.

Major variations between 2014-15 Budget and 2015-16 Budget include:

9. The increase relates to additional funding provided through the Service Agreement between CQHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
10. The decrease is due to a reduction of Bank and QTC interest rates effecting General Trust and Patient Trust investments as well as lower investment balances.
11. The increase is due to Insurance recoveries, Contract Staff costs and Workcover recoveries.
12. The increase primarily reflects the reclassification of costs of engaging senior medical officers. On the 4th August Senior Medical Officers Contracts were established, effectively establishing a direct employer-employee relationship with CQHHS. At the time of the 2014-15 original budget these costs were reflected in Supplies and Services. Subsequent increases in Employee Expenses in 2015-16 represents anticipated enterprise bargaining increases of approximately 2.2%.
13. The decrease is due to the reclassification of costs associated with the direct engagement of Senior Medical Officer to Employee expenses resulted in a decline in Other Supplies and Services of approximately $30M. The decrease also relates to the projected 2014-15 deficit position for CQHHS of $13M.
14. The decrease is due to an amendment to the Service Agreement between CQHHS and The Theodore Council of The Ageing.
15. The increase represents the impact of higher building valuations on depreciation and the full year impact of depreciation of new buildings commissioned by DoH to CQHHS in 2014-15.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

16. The increase relates to additional funding provided through the Service Agreement between CQHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
17. The increase relates to growth in Health Service Executive Staff, EB increases and increased Board costs.
18. The decrease reflects the impact of savings strategies implemented to reduce CQHHS expenditure in 2015-16.

19. The increase is due to the impact of estimated Enterprise Bargaining increase of 2.2%.

20. The increase represents the impact of higher building valuations on depreciation and the full year impact of depreciation of new buildings commissioned by DoH to CQHHS in 2014-15.

21. The decrease is due predominately to the Outsourcing of Medical Imaging services at CQHHS and subsequent loss on sale of equipment to the private sector that occurred in 2014-2015.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

22. The decrease represents lower than forecast cash balances at 30 June 14 of $9.1M plus higher net cash outflows in 2014-15 from operations $10M. Partially offsetting these outflows are additions receipts as a result of the sale of CQ radiology equipment $2M and lower cash outflow for capital purchases from delays in project works for the Rockhampton hospital helipad and ICU beds from 2014-15 to 2015-16 $7M.

23. The increase represents higher than forecast receivables at 30 June 2014 representing increased Private Patient billings (RoPP Option A) resulting from a catchup in processing backlog billings plus additional participation in the scheme by SMOs and additional funding payable from DoH to CQHHS as a result of Window 3 funding adjustments and Window 4 end of financial year technical adjustments.

24. The increase relates to an increase in prepayments to external service providers i.e. Vanguard Health and Rona Consulting.

25. Significant upward revaluations of buildings in 2013-14 $44M and 2014-15 $31M have increased property plant and equipment values. Contracted Valuers have comprehensively revalued 90% of buildings during this period. Buildings valuations increased primarily as a result of the model applied to assessing replacement cost for buildings. Increases of this magnitude were not forecast at the time of the original budget in 2014-15.

26. Reduction relates to reduced end of year payroll accrual days i.e. 23 days for 2014-15 versus 11 days for 2015-16.

27. The increase is as a result of the rolling revaluation program for buildings in 2013-14 and 2014-15 with improved asset reserves of $65M (including an offset of $11M relating to a land revaluation decrement in 2013-14) and higher levels of asset commissionings from the DoH $17M. These increases were partially offset by the decline in the retained surpluses of $23M representing two years of losses not forecast at the time of the original budget.

Major variations between 2014-15 Budget and 2015-16 Budget include:

28. The decrease is a combination of lower cash balances in 2014-15 outlined in Note 22 above, additional outflows for employee costs with 27 pays (instead of 26) scheduled for 2015-16 resulting in additional costs of $12M as well as capital cash outflows of $16M over two years (2014-15 and 2015-16) for the Rockhampton Hospital helipad and ICU ward.

29. The increase reflects higher private patient billings and additional funding adjustments between the DoH and CQHHS - see Note 23.

30. The increase relates to an increase in prepayments to external service providers i.e. Vanguard Health and Rona Consulting.

31. Significant upward revaluations of buildings in 2013-14 $44M and 2014-15 $31M have increased property plant and equipment values. Contracted Valuers have comprehensively revalued 90% of buildings during this period. Buildings valuations increased primarily as a result of the model applied to assessing replacement cost for buildings. Increases of this magnitude were not forecast at the time of the original budget in 2014-15.

32. The decrease relates to reduced end of year payroll accrual days i.e. 23 days for 2014-15 versus 11 days for 2015-16.

33. The decrease relates to reduced end of year payroll accrual days i.e. 23 days for 2014-15 versus 11 days for 2015-16.

34. Equity increases in 2014-15 outlined in note 27 are partially offset in 2015-16 by higher net equity withdrawals as the level of depreciation funding clawed back through equity exceeds equity injections for capital purchases.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

35. The decrease primarily represents the additional cash outflow for payroll in 2015-16 $12M and the completion of the capital project - Rockhampton Hospital helipad and ICU ward in 2015-16 ($7M).
36. The decrease relates to reduced end of year payroll accrual days i.e. 23 days for 2014-15 versus 11 days for 2015-16.
37. Equity decreases in 2015-16 represents a return to more modest valuation increases of 4% and a net equity reduction from CQHHS by DoH as outlined in Note 34.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

38. The increase relates to additional funding provided through amendments to the Service Agreement between CQHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining agreements and depreciation revenue.
39. The decline primarily represents a downward revision of estimated reimbursements from the Australian Taxation Office for GST paid to suppliers during the year to closer reflect GST receipts in 2013-14. This was partially offset by revised modest increases to sundry revenue.
40. The increase primarily reflects the reclassification of costs of engaging senior medical officers. On the 4th August Senior Medical Officers Contracts were established, effectively establishing a direct employer-employee relationship with CQHHS. At the time of the 2014-15 original budget these costs were reflected in Supplies and services. Additional movement relates to increased Health Service Executive Staff and Board costs.
41. The reclassification of costs associated with the direct engagement of Senior Medical Officer to Employee expenses resulted in a decline in Supplies and Services of approximately $30M. Consistent with Note 40 the downward revision of GST paid to suppliers to closer reflect previous years also contributed to a decline in cash outflows for supplies. These declines have been partially offset by increased outsourcing of services for Capricorn Hospital (Vanguard) and Medical Imaging $8M and higher payments for contractors of $3.6M and Supplies (approx $12M) reflecting increased activities purchased by the DoH.
42. The decrease is due to an amendment to the Service Agreement between CQHHS and The Theodore Council of The Ageing.
43. The increase relates to the outsourcing of Medical Imaging which has resulted in the subsequent sale of associated equipment not previously included in the preparation of the 2014-15 original budget.
44. The decrease relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding. Delays in completion of the Rockhampton Hospital helipad has also contributed.

Major variations between 2014-15 Budget and 2015-16 Budget include:

45. The increase relates to additional funding provided through the Service Agreement between CQHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
46. The decline in other inflows primarily represents a downward revision of estimated reimbursements from the Australian Taxation Office for GST paid to suppliers during the year to closer reflect GST receipts in previous years adjusted for estimated growth in the cost of supplies. This was partially offset by revised modest increases to sundry revenue.
47. As identified in Note 41 the costs associated with engaging senior medical officers have been reclassified from Supplies and Services (at the time of the 2014-15 original budget) to Employee costs. Subsequent increases in Employee costs in 2015-16 represents estimated enterprise bargaining increases of 2.2% and additional service levels delivered by CQHHS.
48. The reclassification of costs associated with the direct engagement of Senior Medical Officer to Employee expenses resulted in a decline in Supplies and services of approximately $30M. Consistent with Note 39 the downward revision of GST paid to suppliers to closer reflect previous years also contributed to a decline in cash outflows for supplies. These declines have been partially offset by increased outsourcing of services for Capricorn Hospital (Vanguard) and Medical Imaging ($8M) and higher payments for contractors ($3.6M) and Supplies (approx $12M) reflecting increased activities purchased by the DoH.
49. The decrease is due to an amendment to the Service Agreement between CQHHS and The Theodore Council of The Ageing.

50. The decrease relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding.

51. The increase relates to the delayed of some Health Technology Equipment Replacement Program assets transferred from the DoH to CQHHS via contributed equity.

52. The increase relates to additional depreciation revenue, which is subsequently returned to Queensland Treasury.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

53. The increase relates to additional funding provided through the Service Agreement between CQHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.

54. The increase represents estimated enterprise bargaining increases of 2.2% and additional service levels delivered by CQHHS.

55. The decrease is due to the one off inflow of revenue associated with the sale of Medical Imaging equipment associated with the outsourcing of medical imaging services at CQHHS.

56. The increase relates to the delayed of some Health Technology Equipment Replacement Program assets transferred from the DoH to CQHHS via contributed equity.

57. The increase relates to additional depreciation revenue, which is subsequently returned to Queensland Treasury.

Central West Hospital and Health Service

Overview

The Central West Hospital and Health Service (HHS) is an independent statutory body overseen by a local Hospital and Health Board (HHB). The Central West HHS is responsible for providing public hospital and health services including acute care, general surgery, emergency care, medical, paediatrics, gynaecology and obstetrics to the communities of rural central west Queensland from Tambo, in the south-east, to Boulia in the north-west and serves a population of approximately 12,500 people.

The model of service delivery is based on five hospital hubs in Alpha, Barcaldine, Blackall, Longreach and Winton with satellite primary health clinics at Aramac, Bedourie, Birdsville, Boulia, Isisford, Jericho, Jundah, Muttaburra, Tambo and Windorah and a procedural hub at Longreach.

The Central West HHS provides region-wide services for child and maternal health, Aboriginal and Torres Strait Islander health and chronic disease management, together with a range of allied health and community health services based in Longreach and other service hubs.

Central West HHS doctors also work in general practices across the region under contract or right of private practice arrangements to deliver an integrated approach to primary and acute health care.

The Central West HHS will continue to invest in strategies that reduce the health disadvantage in western Queensland communities through the restoration of general practice, integration of primary and acute healthcare and providing more services locally and by telehealth. The 'one practice' strategy will connect patient records and clinicians across the region and better help our residents take responsibility for the management of their care.

Further integration and collaboration will be realised as the three western Queensland HHSs establish and operate the Western Queensland Primary Health Network from 1 July 2015. The collaborative will drive comprehensive planning across this vast region, integrate primary health care and share resources to ensure the effective use of health funding.

The Central West HHS remains committed to the highest standards of care and safety and will work with clinicians to implement practices that achieve the best outcomes for our patients. During 2015-16, the health service will revitalise regional health services, expanding nursing care in remote primary health clinics to better manage chronic disease in isolated towns. The health service will also offer additional places for graduate nurses to experience rural healthcare, making a major contribution to building tomorrow's rural health workforce.

The Central West HHS's vision is 'excellence in healthcare for remote Queenslanders'. The Central West HHS's strategic objectives, are:

- ensure patients have access to safe and high quality healthcare
- integrate primary and acute care services to support patient wellbeing
- deliver more services locally where it is safe and sustainable to do so
- attract, retain and develop a motivated healthcare workforce to meet our communities future needs
- involve our communities and stakeholders in the planning, design and delivery of services in our unique region
- provide responsible governance and effective leadership of the healthcare system in the central west.

The Central West HHS contributes to the Government's objectives for the community to deliver quality frontline services including strengthening the public health system and building safe, caring and connected communities.

Service performance

The Central West HHS has an operating budget of $62.0 million for 2015-16 which is an increase of $4.5 million (7.8%) from the published 2014-15 operating budget of $57.5 million.

In 2014-15, the Central West HHS:

- delivered more than 20% additional services, with surgical and procedural services almost doubling
- increased general dental care services by 20%, with no resident waiting longer than clinically recommended
- saw close to 1,100 residents used a telehealth consultation rather than travelling to seek care elsewhere in the State, significantly reducing the travel burden on local families
- saw 95% of children fully immunised at five years of age, protecting our communities from preventable illness.

In 2015-16, the Central West HHS will continue to focus on the integration of primary health and hospital care, targeting avoidable presentations and preventable conditions. General practices, together with the HHS's community health and outlying primary care nursing staff, will collaborate on a single healthcare plan to help residents manage their own care.

Together with its regional partners, the Central West HHS will implement priorities identified in the 10-year regional health plan "Health of the West".

The Central West HHS will also provide additional funding to enable increase operating time in Longreach for the Flying Surgical Service and Flying Obstetric and Gynaecology Service, in addition to the provision of increased surgical and orthopaedic services.

Service performance

Performance statement

Central West Hospital and Health Service

Service area objective

To deliver public hospital and health services for the Central West Queensland community.

Service area description

The Central West HHS is responsible for providing public hospital and health services including acute care, general surgery, emergency care, medical, paediatrics, gynaecology and obstetrics.

Central West Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/est.
Service standards *Effectiveness measures*	1			
Efficiency measures	2			
Total weighted activity units:	3, 4			
Acute Inpatient		1,797	2,196	2,016
Outpatients		817	1,075	817
Sub-acute		260	332	260
Emergency Department		1,095	1,184	1,095
Mental Health		126	107	126
Interventions and Procedures		27	83	27
Ambulatory mental health service contact duration (hours)	5	>2,214	1,964	>1,996

Notes:

1. An effectiveness measure is being developed and will be included in future Service Delivery Statements.
2. An efficiency measure is being developed and will be included in future Service Delivery Statements.
3. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 to enable comparison with 2015-16 Target/Est. figures.
4. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
5. The 2014-15 Target/Est. was set utilising a standard formula based upon available clinical staffing. Due to a range of issues including known under-reporting within clinical information systems which capture the data, most HHSs are not expected to meet the target for 2014-15. The 2015-16 Target/Est. has been revised to take these issues into account. The 2015-16 Target/Est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance. The reduction from the 2014-15 Target/est. is based on improved identification of non-clinical staff as well as actual reduction in available FTEs.

Staffing[1]

Central West Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. actual	2015-16 Budget
Central West Hospital and Health Service	2, 3, 4, 5, 6	304	313	316

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs from the 2014-15 Budget to the 2014-15 Est. Actual reflect commissioning of new services and additional activity purchased from HHSs through amendments to the 2014-15 Service Agreements.
5. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased from HHSs.
6. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Central West Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Number of in-home visits, families with newborns	1	233	162	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

Central West Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,6	55,177	58,797	59,754
Grants and other contributions		2,121	2,243	2,044
Interest		2	..	2
Other revenue	2,10	166	1,103	171
Gains on sale/revaluation of assets		..	..	..
Total income		**57,466**	**62,143**	**61,971**
EXPENSES				
Employee expenses	3,7	239	9,040	10,006
Supplies and Services				
Other supplies and services		25,526	26,119	26,857
Department of Health contract staff	4,8	28,214	22,901	21,118
Grants and subsidies		..	..	..
Depreciation and amortisation	5,9	3,343	3,939	3,846
Finance/borrowing costs		..	..	..
Other expenses		69	69	69
Losses on sale/revaluation of assets		75	75	75
Total expenses		**57,466**	**62,143**	**61,971**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Balance sheet

Central West Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	11,18,25	3,205	3,773	2,401
Receivables	12,19	409	1,354	1,361
Other financial assets		..	..	..
Inventories		481	459	463
Other	13,20,26	160	44	52
Non financial assets held for sale		..	..	..
Total current assets		**4,255**	**5,630**	**4,277**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	14,21	50,095	57,994	58,754
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**50,095**	**57,994**	**58,754**
TOTAL ASSETS		**54,350**	**63,624**	**63,031**
CURRENT LIABILITIES				
Payables	15,22,27	2,490	4,365	3,012
Accrued employee benefits	16,23	18	27	27
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**2,508**	**4,392**	**3,039**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**2,508**	**4,392**	**3,039**
NET ASSETS/(LIABILITIES)		**51,842**	**59,232**	**59,992**
EQUITY				
TOTAL EQUITY	17,24	**51,842**	**59,232**	**59,992**

Cash flow statement

Central West Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	28,40	55,170	58,790	59,746
Grants and other contributions		2,121	2,243	2,044
Interest received		2	..	2
Other	29,41	1,967	2,904	1,981
Outflows:				
Employee costs	30,35	(239)	(9,040)	(10,006)
Supplies and services	31,36	(56,112)	(51,392)	(51,224)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(69)	(69)	(69)
Net cash provided by or used in operating activities		**2,840**	**3,436**	**2,474**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	32,37,42	(1,039)	(808)	(1,638)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(1,039)**	**(808)**	**(1,638)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	33,38	1,039	1,569	1,638
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	34,39	(3,343)	(3,939)	(3,846)
Net cash provided by or used in financing activities		**(2,304)**	**(2,370)**	**(2,208)**
Net increase/(decrease) in cash held		**(503)**	**258**	**(1,372)**
Cash at the beginning of financial year		**3,708**	**3,515**	**3,773**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**3,205**	**3,773**	**2,401**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. The increase relates to additional funding provided through amendments to the Service Agreement between Central West Hospital and Health Service and the Department of Health. Additional funding provided for patient transport cost increases, surgical activity increases, enterprise bargaining revenue and depreciation revenue.
2. The increase is due to additional locally receipted own source revenue within the private medical practices.
3. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. Additional movement relates to increased Health Service Executive Staff and Board costs.
4. The decrease relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been offset by increases in Employee Expenses.
5. The increase is due to the capitalisation of major works at Longreach Hospital.

Major variations between 2014-15 Budget and 2015-16 Budget include:

6. The increase relates to additional funding provided through amendments to the Service Agreement between Central West Hospital and Health Service and the Department of Health. Additional funding provided for patient transport cost increases, surgical activity increases, enterprise bargaining revenue and depreciation revenue.
7. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS and increased Health Service Executive Staff and Board costs.
8. The decrease relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been offset by increases in Employee Expenses.
9. The increase is due to the capitalisation of major works at Longreach Hospital.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

10. The decrease will be removed following an own source revenue funding adjustment included in window 3 to increase Other Revenue in line with 2014-15 Estimated Actuals.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

11. The increase relates to changes in estimated timing of departmental funding payments.
12. The increase is due to additional funding payable from the DoH to CWHHS as a result of Window 3 end of financial year technical adjustments.
13. The decrease relates to changes in estimated timing of workcover prepayment being expensed.
14. The increase relates to the transfer of non-current assets from the Department of Health.
15. The increase is due to changes in estimated timing of payroll and invoicing payments.
16. The increase is due to accrued payroll liabilities for Senior Medical Officers now being classified as accrued employee expenses.
17. The increase is due to the transfer of non-current assets from the Department of Health.

Major variations between 2014-15 Budget and 2015-16 Budget include:

18. The decrease relates to changes in estimated timing of departmental funding payments.
19. The increase is due to changes in the estimated timing of departmental funding payments. This increase is offset by decreases in cash assets.
20. The decrease relates to changes in estimated timing of workcover prepayment being expensed.
21. The increase relates to the transfer of non-current assets from the Department of Health.

22. The increase is due to changes in estimated timing of payroll and invoicing payments.
23. The increase is due to accrued payroll liabilities for Senior Medical Officers now being classified as accrued employee expenses.
24. The increase is due to the transfer of non-current assets from the Department of Health.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

25. The decrease relates to changes in estimated timing of departmental funding payments.
26. The decrease relates to changes in estimated timing of workcover prepayment being expensed.
27. The decrease is due to changes in estimated timing of payroll and invoicing payments.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

28. The increase relates to additional funding provided through amendments to the Service Agreement between Central West Hospital and Health Service and the Department of Health. Additional funding provided for patient transport cost increases, surgical activity increases, enterprise bargaining revenue and depreciation revenue.
29. The increase is due to additional locally receipted own source revenue within the private medical practices.
30. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. Additional movement relates to increased Health Service Executive Staff and Board costs.
31. The decrease relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been offset by increases in Employee Costs.
32. The decrease is due to a reduction in HTER program spend.
33. The increase relates to the commissioning of assets to be transferred from the DoH to CWHHS via contributed equity.
34. The increase relates to additional depreciation revenue, which is subsequently returned to Queensland Treasury.

Major variations between 2014-15 Budget and 2015-16 Budget include:

35. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS and increased Health Service Executive Staff and Board costs.
36. The decrease relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been offset by increases in Employee Costs.
37. The increase relates to additional HTER spend expected.
38. The increase relates to the commissioning of assets to be transferred from the DoH to CWHHS via contributed equity.
39. The increase relates to additional depreciation revenue, which is subsequently returned to Queensland Treasury.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

40. The increase relates to additional funding provided through amendments to the Service Agreement between Central West Hospital and Health Service and the Department of Health. Additional funding provided for patient transport cost increases, surgical activity increases, enterprise bargaining revenue and depreciation revenue.
41. The decrease will be removed following an own source revenue funding adjustment included in window 3 to increase Other Revenue in line with 2014-15 Estimated Actuals.
42. The increase relates to additional HTER spend expected.

Children's Health Queensland Hospital and Health Service

Overview

The Children's Health Queensland Hospital and Health Service (HHS) is an independent statutory body overseen by a Hospital and Health Board. It is a specialist statewide Hospital and Health Service providing care to children and young people from across Queensland and Northern New South Wales. The Children's Health Queensland HHS's vision is for the best possible health for every child and young person, in every family, in every community in Queensland. The Children's Health Queensland HHS provides the following services:

- tertiary paediatric services at the Lady Cilento Children's Hospital (LCCH)
- statewide paediatric service co-ordination and support
- child and youth community health services including child health, child development, and child protection services
- child and youth mental health services
- outreach children's specialist services across Queensland
- paediatric education and research
- advocacy of children's health service needs across the State and nationally.

The Children's Health Queensland HHS 2015-16 key priorities and objectives align with and support the Queensland Government's objectives to deliver quality frontline services for families including strengthening the public health system, protect the environment and build safe caring and connected communities. These priorities include:

- to be an exemplar organisation in the provision of safe and reliable paediatric care
- to leverage the LCCH to develop new models of care and fully realise the potential the new building creates
- to further develop the HHS's statewide role to improve care for children and health outcomes across the state, and support and empower local communities and providers
- to build strong engagement and develop closer working relationships with patients, families, community groups, general practitioners, and other primary health providers
- to enhance financial stewardship and accountability to focus resources on frontline services and revitalise services for patients
- to improve the value of the service through translating innovation, research and education into health outcomes
- to leverage the LCCH ICT infrastructure to enhance clinical care by implementing the LCCH Digital Hospital program.

Service performance

The Children's Health Queensland HHS has an operating budget of $612.3 million for 2015-16 which is an increase of $151.5 million (32.9%) from the published 2014-15 operating budget of $460.8 million. This increase reflects the amalgamation of Mater Children's Hospital services with existing Children's Health Queensland HHS services from 29 November 2014.

The service agreement between the Children's Health Queensland HHS and Queensland Health identifies the services to be provided, the funding arrangements for those services and defined performance indicators and targets to ensure outputs and outcomes are achieved.

The Children's Health Queensland HHS Strategic Plan reflects priorities for children's health services in line with Whole-of-Government and statewide plans and commitments.

The Children's Health Queensland HHS is the only statewide HHS, which provides a unique opportunity to work with other HHSs and healthcare providers to improve the healthcare of children across the State. Since establishment with input from a wide range of key stakeholders, the Children's Health Queensland HHS defined and progressively implemented key initiatives in accordance with its statewide paediatric role. The Children's Health Queensland HHS is committed to the ongoing implementation of and enhancements to key initiatives including improved complex care coordination, paediatric education and training and paediatric advice.

The building and operational commissioning of the new LCCH, Children's Research Facility and Foundation Building occurred during 2014 culminating with the opening of the hospital in late November 2014. The LCCH brings together the existing specialist paediatric services delivered at the Royal Children's Hospital and Mater Children's Hospital. Children's Health Queensland reflects the consolidation of acute clinical services, along with the integration of Child and Youth Community Health Services and Child and Youth Mental Health Services to provide an improved quality of care and health outcomes for children across the State.

Service performance

Performance statement

Children’s Health Queensland Hospital and Health Service

Service area objective

To deliver specialist statewide hospital and health services for children and young people from across Queensland and Northern New South Wales.

Service area description

The Children's Health Queensland HHS provides the following services:

- tertiary paediatric services at the Lady Cilento Children’s Hospital (LCCH)
- statewide paediatric service co-ordination and support
- child and youth community health services including child health, child development, and child protection services
- child and youth mental health services
- outreach children’s specialist services across Queensland
- paediatric education and research
- advocacy of children’s health service needs across the State and nationally.

Children's Health Queensland Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards *Effectiveness measures* Percentage of patients attending emergency departments seen within recommended timeframes:	1			
Category 1 (within 2 minutes)		100%	100%	100%
Category 2 (within 10 minutes)		80%	94%	80%
Category 3 (within 30 minutes)		75%	75%	75%
Category 4 (within 60 minutes)		70%	80%	70%
Category 5 (within 120 minutes)		70%	97%	70%
All categories		..	82%	..
Percentage of emergency department attendances who depart within four hours of their arrival in the department	2	86%	81%	90%
Percentage of elective surgery patients treated within clinically recommended times:	3			
Category 1 (30 days)		100%	100%	>98%
Category 2 (90 days)		97%	81%	>95%
Category 3 (365 days)		98%	86%	>95%

Children's Health Queensland Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	4	<2.0	1.5	<2.0
Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit	4	>60%	53.8%	>65%
Proportion of readmissions to an acute mental health inpatient unit within 28 days of discharge	6	<12%	10.5%	<12%
Percentage of specialist outpatients waiting within clinically recommended times:	7			
Category 1 (30 days)		68%	64%	..
Category 2 (90 days)		43%	44%	..
Category 3 (365 days)		90%	92%	..
Median wait time for treatment in emergency departments (minutes)	8	20	17	20
Median wait time for elective surgery (days)	9	25	62	25
Efficiency measure Average cost per weighted activity unit for Activity Based Funding facilities	10, 12	$4,974	$4,916	$4,306
Other measures Total weighted activity units:	10, 11			
Acute Inpatient		38,544	40,237	47,581
Outpatients		8,933	7,959	13,136
Sub-acute		642	851	680
Emergency Department		6,317	6,354	8,824
Mental Health		1,855	1,418	2,485
Interventions and Procedures		2,430	1,740	2,582
Ambulatory mental health service contact duration (hours)	13	>37,666	50,456	>65,116

Notes:

1. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 and 2015-16 are based on the Australasian Triage Scale (ATS). The 2014-15 Target aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
2. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target and the 2015-16 Target are set as the midway point between the calendar years. The 2014-15 Target aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.

3. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target and the 2015-16 Target are set as the midway point between the calendar years
4. Staphylococcus aureus are bacteria commonly found on the skin and in the nose of around 30% of the population and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
5. This represents incremental progress towards the nationally recommended target
6. Queensland has made significant progress in reducing readmission rates over the past 5 years, with continued incremental improvements towards the nationally recommended target. The 2015-16 Target is the nationally recommended target.
7. A 2015-16 Target/est. has not yet been set as work in relation to the setting of a more suitable target/measure is currently being investigated. This work will ensure an appropriate measure and target is set in line with the Government's priorities and the Service Agreements with the HHSs. The Government convened a Wait Times Summit and is currently undertaking further consultation with the health sector, which will inform work around the target/measure for future reporting. The 2014-15 Est. actual figures are provided using actual performance as at 1 April 2015.
8. The 2014-15 Est. Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. There is no nationally agreed 2015-16 Target for this measure. The 2015-16 Target is based on the 2014-15 Target and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
9. The 2014-15 Est. Actual figures are provided from 11 months of actual performance from 1 July 2014 to 31 May 2015. There is no nationally agreed target for this measure. The 2015-16 Target is based on the 2014-15 Target and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
10. The 2014-15 Target published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 and updated to Amendment Window 2 to enable comparison with 2015-16 Target figures.
11. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
12. The determination of the cost (funding) per WAU has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements.
13. The 2015-16 Target is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance.

Staffing[1]

Children's Health Queensland Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Children's Health Queensland Hospital and Health Service	2, 3, 4, 5	3,073	3,060	3,183

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased from HHSs.
5. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.

Income statement

Children's Health Queensland Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,10,19	448,280	502,363	607,196
Grants and other contributions	2,11	7,040	1,253	1,376
Interest		270	278	265
Other revenue	3,12,20	5,242	7,644	3,454
Gains on sale/revaluation of assets		..	..	..
Total income		**460,832**	**511,538**	**612,291**
EXPENSES				
Employee expenses	4,13,21	4,361	365,867	414,545
Supplies and Services				
Other supplies and services	5,14,22	117,687	111,783	137,845
Department of Health contract staff	6,15	306,888	..	..
Grants and subsidies	7,16,23	792	1,571	1,050
Depreciation and amortisation	8,17,24	24,658	36,224	56,237
Finance/borrowing costs		..	..	..
Other expenses	9,18	6,110	2,429	2,488
Losses on sale/revaluation of assets		336	164	126
Total expenses		**460,832**	**518,038**	**612,291**
OPERATING SURPLUS/(DEFICIT)		**..**	**(6,500)**	**..**

Balance sheet

Children's Health Queensland Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	25,33,41	39,967	49,622	51,159
Receivables	26,34	8,771	14,560	14,794
Other financial assets		..	..	..
Inventories		5,747	5,476	5,515
Other		142	136	152
Non financial assets held for sale		..	..	..
Total current assets		**54,627**	**69,794**	**71,620**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	27,35,42	1,071,834	1,314,576	1,254,827
Intangibles	28,36,43	..	923	606
Other		..	..	..
Total non-current assets		**1,071,834**	**1,315,499**	**1,255,433**
TOTAL ASSETS		**1,126,461**	**1,385,293**	**1,327,053**
CURRENT LIABILITIES				
Payables	29,37	36,461	29,031	30,857
Accrued employee benefits	30,38	114	20,233	20,233
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	31,39	..	5,439	5,439
Total current liabilities		**36,575**	**54,703**	**56,529**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**36,575**	**54,703**	**56,529**
NET ASSETS/(LIABILITIES)		**1,089,886**	**1,330,590**	**1,270,524**
EQUITY				
TOTAL EQUITY	**32,40**	**1,089,886**	**1,330,590**	**1,270,524**

Cash flow statement

Children's Health Queensland Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	44,54,65	446,963	501,175	606,839
Grants and other contributions	45,55	7,040	1,253	1,376
Interest received		270	278	265
Other	46,56,66	10,091	12,493	8,329
Outflows:				
Employee costs	47,57,67	(4,361)	(345,867)	(414,545)
Supplies and services	48,58,68	(423,260)	(117,785)	(140,952)
Grants and subsidies	49,59,69	(792)	(1,571)	(1,050)
Borrowing costs		..	..	..
Other	50,60,70	(3,182)	(2,429)	(2,488)
Net cash provided by or used in operating activities		**32,769**	**47,547**	**57,774**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	51,61,71	(2,891)	(3,572)	(4,306)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(2,891)**	**(3,572)**	**(4,306)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	62,72	2,891	2,903	4,306
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	52,63,73	(24,658)	(36,224)	(56,237)
Net cash provided by or used in financing activities		**(21,767)**	**(33,321)**	**(51,931)**
Net increase/(decrease) in cash held	**53,64,74**	**8,111**	**10,654**	**1,537**
Cash at the beginning of financial year		**31,856**	**38,968**	**49,622**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**39,967**	**49,622**	**51,159**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. Increase in User Charges from the 2014-15 Budget to the 2014-15 Estimated Actuals relates to additional funding provided through amendments to the Service Agreement between CHQ Hospital and Health Service (CHQ HHS) and the Department of Health (DoH). The additional funding was provided for increases in service activity, enterprise bargaining agreements and depreciation as a direct result of the commissioning of Lady Cilento Children`s Hospital (LCCH) in November 2014.
2. Decrease in Grants & Contributions due to the Evolve Therapeutic Program and Healthy Home Visiting Programs included 2014-15 Budget but has been reclassified to Other Revenue.
3. Increase in Other Revenue Estimated Actuals is due to transfer of the Evolve Therapeutic Program and Healthy Home Visiting Programs from Grants & Contributions included 2014-15 Budget and lower than expected Salary recoveries.
4. The increase of Employee expenses from the 2014-15 Budget to the 2014-15 Estimated Actuals relates to CHQ HHS becoming the employer of health service employees effective 1 July 2014. At the time of preparing the 2014-15 State Budget, this decision had not been approved by the Minister or prescribed by regulation, hence the decision to continue to classify DoH employee related expenditure as Supplies and Services - DoH Contract Staff. The Employee expenses also increased due to Enterprise Bargaining Agreements.
5. Decrease in Other supplies and services costs is a direct result of the part year effect relating to the commissioning of LCCH (7 months).
6. The decrease in Department of Health Contract staff costs from the 2014-15 Budget to the 2014-15 Estimated Actuals relates to CHQ HHS becoming the employer of health service employees effective 1 July 2014, requiring employee related expenditure to be reclassified from Supplies and Services - DoH Contract Staff to Employee Expenses.
7. Increase in Grants & Subsidies is related to the Golden Casket Grant now administered by CHQHHS.
8. Increase in Depreciation and amortisation from the 2014-15 Budget to Estimated actual reflects the additional depreciation of the new LCCH building commissioned in the 2014-15 financial year.
9. Decrease in Other expenses relates to a reclassification of costs that was redistributed to Other supplies and Services expense category.

Major variations between 2014-15 Budget and 2015-16 Budget include:

10. Increase in User Charges from the 2014-15 Budget to the 2015-16 Budget relates to additional funding provided through the Service Agreement between CHQ HHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue as a direct result of the full year effect commissioning of the LCCH.
11. Decrease in Grants & Contributions due to the Evolve Therapeutic Program and Healthy Home Visiting Programs included 2014-15 Budget which have been reclassified to Other Revenue as it is a Service provision.
12. Decrease in Other revenue 2015-16 Budget is the result of the removal of Salary recoveries as a revenue item to an offset against labour expenses, and the change in classification for Grants & Contributions as per note 11.
13. The increase of Employee expenses from the 2014-15 Budget to the 2014-15 Estimated Actuals relates to CHQ HHS becoming the employer of health service employees effective 1 July 2014. At the time of preparing the 2014-15 State Budget, this decision had not been approved by the Minister or prescribed by regulation, hence the decision to continue to classify DoH employee related expenditure as Supplies and Services - DoH Contract Staff. The Employee expenses also increased due to Enterprise Bargaining Agreements.
14. An increase in Other supplies and services expenses reflects the full year of operating the new LCCH.
15. The decrease in Department of Health Contract staff costs from the 2014-15 Budget to the 2014-15 Estimated Actuals relates to CHQ HHS becoming the employer of health service employees effective 1 July 2014, requiring employee related expenditure to be reclassified from Supplies and Services - DoH Contract Staff to Employee Expenses.
16. Increase in Grants & Subsidies is related to the Golden Casket Grant.

17. Increased in Depreciation and amortisation variance between Budget and 2015-16 Budget reflects the full year effect of the depreciation for the new Lady Cilento Children's Hospital buildings and property , plant and equipment as well as the Royal Children's Hospital buildings which is expected to be transferred to Metro North Hospital and Health Service in early 2015/16.

18. Decrease in Other expenses relates to a reallocation in 2014-15 Budget costs to the Other supplies and Services category during 2014-15.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

19. Increase in User Charges from the 2014-15 Budget to the 2015-16 Budget relates to additional funding provided through the Service Agreement between CHQ HHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue as a direct result of the full year effect commissioning of the LCCH.

20. Decrease in Other revenue 2015-16 Budget is the result of the removal of Salary recoveries as a revenue item to a offset to labour expense as a result of a change in accounting practice by the DoH.

21. The increase in Employee expenses from the 2014-15 Estimated Actuals and 2015-16 Budget relates to additional expenditure associated with the full year cost of operating the LCCH and includes Enterprise Bargaining Agreements.

22. An increase in Other supplies and services expenses is a direct result of the full year effect of operating the new LCCH.

23. Decrease in Grants and Subsidies reflects removal of a non-recurrent program from 2015/16 Budget.

24. Increased in Depreciation and amortisation variance between Budget and 2015-16 Budget reflects the full year effect of the depreciation for the new Lady Cilento Children's Hospital buildings and property , plant and equipment as well as the Royal Children's Hospital buildings which is expected to be transferred to Metro North Hospital and Health Service in early 2015/16.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

25. Increase in cash assets relates predominantly to the surplus generated in the 2013-14 financial year and increases in revenue received from the DoH.

26. The increase in current receivables is due to additional funding payable from the DoH to CHQ HHS as a result of Window 3 end of financial year technical adjustments and the part year effect of the transfer of Mater budget to CHQ HHS resulting in higher budgets in 2015-16.

27. Increase in property, plant and equipment due commissioning of the new LCCH, Centre for Children`s Research (CCHR) and Foundation Building during 2014-15. This also includes the revaluation decrement of the RCH buildings.

28. Increase in intangibles due to the 2014-15 acquisition of computer software.

29. Decrease in payables due to revised closing balance from the final 2014-15 financial statements and CHQ becoming a prescribed employer resulting in a reduction in the EOM accrual.

30. Increase in employee benefits due to the 2014-15 commencement of the Prescribed Employer Status for Children`s Health Queensland employees.

31. Increase in other current liabilities due to recognition of unearned special purpose program funding at the end of 2014-15.

32. Increase in contributed equity due to the transfer of property, plant and equipment in relation to the commissioning of the new LCCH, Children's Research Facility and Foundation Building from the Department of Health during 2014-15.

Major variations between 2014-15 Budget and 2015-16 Budget include:

33. Increase in cash assets due to revised closing cash balance for the 2014-15 financial year and additional revenue received from DoH.

34. Increase in receivables is the result of the full year effect of the transfer of Mater budget to CHQ HHS resulting in higher budgets in 2015-16.

35. ncrease in property, plant and equipment due to commissioning of the new LCCH, CCHR and Foundation Building during 2014-15. This also includes the revaluation decrement of the RCH buildings.

36. Increase in intangibles due to the 2014-15 acquisition of computer software.

37. Decrease in payables due to lower expected payables on hand at 30 June 2015. 2014-15 assumed an increase aligned with the increased budget of integrating RCH and LCCH. 2015-16 budget is now recognising actuals occurring in 2014-15.

38. Increase in employee benefits due to the 2014-15 commencement of the Prescribed Employer Status for Children`s Health Queensland employees.

39. Increase in other current liabilities due to recognition of unearned special purpose program funding at the end of 2015-16.

40. Increase in Total Equity due to full year effect of commissioning of the new LCCH, Children's Research Facility and Foundation Building during 2014-15.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

41. Increase in cash assets due to revised closing cash balance for the 2014-15 financial year and additional revenue received from DoH.

42. Decrease in property, plant and equipment due to decommissioning of the old RCH site and increased depreciation on LCCH precinct.

43. Decrease in intangibles due to the 2015-16 planned pattern of amortisation of computer software.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

44. Increase in User Charges from the 2014-15 Budget to the 2014-15 Estimated Actuals relates to additional funding provided through amendments to the Service Agreement between CHQ Hospital and Health Service (CHQ HHS) and the Department of Health (DoH). Additional funding is provided for increases in service activity, enterprise bargaining agreements and depreciation revenue as a direct result of the commissioning of Lady Cilento Children`s Hospital (LCCH).

45. Decrease in Grants & Contributions due to the Evolve Therapeutic Program and Healthy Home Visiting Programs included 2014-15 Budget which have been reclassified to Other Revenue as it is a Service provision.

46. Increase in Estimated Actuals is due to movement of Grants & Contributions revenue moving into Other operating inflow (as now classified as a service provision) in estimated actuals. This is partially offset by salary recoveries no longer being classified as a revenue item.

47. The increase from the 2014-15 Budget to the 2014-15 Estimated Actuals relates to CHQ HHS becoming the employer of health service employees effective 1 July 2014. At the time of preparing the 2014-15 State Budget, this decision had not been approved by the Minister or prescribed by regulation, hence the decision to continue to classify DoH employee related expenditure as Supplies and Services - DoH Contract Staff. Employee expenses has also increased due to Enterprise Bargaining Agreements.

48. Decrease in other supplies and services costs is a direct result of CHQ HHS becoming a prescribed employer effective 1 July 2014.

49. Increase in Grants & Subsidies related to the Golden Casket Grant administered by Children's Health Foundation (CHF). The Estimated Actuals also includes the grant for a other dedicated program.

50. Decrease in Other expenses relates to contingency allocation in 2014-15 Budget being redistributed to Other supplies and Services in during 2014-15.

51. Increase in payments for non-financial assets due to lower estimated spend in 2014-15.

52. The increase in equity withdrawals relates to additional depreciation revenue, which is subsequently returned to Queensland Treasury.

53. Increase in cash held due to deferrment of cash received for services not yet provided.

Major variations between 2014-15 Budget and 2015-16 Budget include:

54. Increase in User Charges from the 2014-15 Budget to the 2015-16 Budget relates to additional funding provided through the Service Agreement between CHQ HHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue as a direct result of the full year effect commissioning of the LCCH.

55. Decrease in Grants & Contributions due to the Evolve Therapeutic Program and Healthy Home Visiting Programs included 2014-15 Budget which have been reclassified to Other Revenue as it is a Service provision.

56. Decrease in 2015-16 Budget is the result of the removal of Salary recoveries as a revenue item as well as Grants not classified in this category. Guidance from DoH advised a change in accounting practice to move Salary recoveries from revenue to a contra labour expense.

57. The increase of from the 2014-15 Budget to the 2015-16 Budget relates to CHQ HHS becoming the employer of health service employees effective 1 July 2014. At the time of preparing the 2014-15 State Budget, this decision had not been approved by the Minister or prescribed by regulation, hence the decision to continue to classify DoH employee related expenditure as Supplies and Services - DoH Contract Staff. Employee expenses has also increased due to Enterprise Bargaining Agreements.

58. The decrease in other supplies and services costs is a direct result of CHQ HHS becoming a prescribed employer effective 1 July 2014.

59. Increase in Grants & Subsidies related to the Golden Casket Grant administered by Children's Health Foundation (CHF).

60. Decrease in Other expenses relates to contingency allocation in 2014-15 Budget being redistributed to Other supplies and Services in during 2014-15.

61. Increase in payments for non-financial assets due to lower planned spend in 2015-16 compared to the 2014-15 budget.

62. The increase relates to the commissioning of assets to be transferred from the DoH to CHQ HHS via contributed equity.

63. Increase in equity withdrawals to match the expected increase in depreciation following the transfer of property, plant and equipment in relation to the commissioning of the part year (7 months) new LCCH, Centre for Children's Research (CCHR) and Foundation Building from the Department of Health during 2015-16.

64. Decrease in cash held due to deficit position reported for 2014-15.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

65. Increase in User Charges from the 2014-15 Budget to the 2015-16 Budget relates to additional funding provided through the Service Agreement between CHQ HHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue as a direct result of the full year effect commissioning of the LCCH.

66. Decrease in 2015-16 Budget is the result of the removal of Salary recoveries as a revenue item. Guidance from DoH advised a change in accounting practice to move Salary recoveries from revenue to a contra labour expense during 2014-15.

67. The increase from the 2014-15 Estimated Actuals and 2015-16 Budget relates to additional expenditure associated with the increase in FTE numbers within CHQ HHS as a result of the full year effect relating to the LCCH commissioning. The change also reflects and includes Enterprise Bargaining Agreements.

68. The increase is a direct result of the full year effect or operating the new LCCH.

69. Decrease in Grants and Subsidies reflects removal of a other dedicated program from 2015/16 Budget.

70. Increase in other costs include additional costs and activity for the full year effect of the commissioning of LCCH due to the integration of the Mater and Royal Children's hospitals.

71. The increase relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding.

72. The increase relates to the commissioning of assets to be transferred from the DoH to CHQ HHS via contributed equity.

73. Increase in equity withdrawals to match the expected increase in depreciation following the transfer of property, plant and equipment in relation to the commissioning of the full year of LCCH, CCHR and Foundation Building from the Department of Health during 2015-16.

74. Decrease in cash held due to deferrment of cash received for services not yet provided in 2014-15,to be provided in 2015-16.

Darling Downs Hospital and Health Service

Overview

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

Geographically, the Darling Downs HHS provides services across an area of approximately 90,000 square kilometres, covering the local government areas of the Toowoomba Regional Council, Western Downs Regional Council, Southern Downs Regional Council, South Burnett Regional Council, Goondiwindi Regional Council, Cherbourg Aboriginal Shire Council and part of the Banana Shire Council (community of Taroom).

The Darling Downs HHS delivers clinical services to approximately 300,000 people from 20 hospitals and several outpatient clinics. The majority of the Darling Downs HHS residents receive inpatient care either at their local hospital or at the Toowoomba Hospital.

The Darling Downs HHS is committed to the Queensland Government's objective of delivering quality frontline service in partnership with our community including strengthening our public health system, through the following strategic approaches:

- delivering quality healthcare
- ensuring resources are sustainable
- ensuring processes are clear
- ensuring dedicated trained staff.

Service performance

The Darling Downs HHS has an operating budget of $637.8 million for 2015-16 which is an increase of $21.3 million (3.5%) from the 2014-15 published operating budget of $616.5 million.

A key focus for the Darling Downs HHS 2014-15 was:

- ensuring elective surgery long waits, endoscopy and outpatient waiting lists were maintained within clinically recommended timeframes
- the expansion of the endoscopy suite at the Toowoomba Hospital
- completion of the Commonwealth Government funded mental health community care unit
- completion and operation of the rebuilt Wandoan Primary Health Care
- completion of the refurbishment of the Stanthorpe Hospital maternity unit
- completion of the refurbishment to create a dedicated palliative care suite and quiet room at the Goondiwindi Hospital
- continued oral health wait list reduction, including prosthetics
- successfully tendering with GP Connections to operate the Primary Health Care Network for Darling Downs West Moreton
- ongoing works on the Backlog Maintenance Remediation Program.

The HHS reported a $17.7 million surplus for 2013-14. Key investments from this surplus were:

- underwriting $5 million of additional surgery and endoscopy procedures
- $1 million for the endoscopy suite expansion at the Toowoomba Hospital
- $1.8 million on equipment
- $400,000 on education and development.

As well as delivering core health services, priorities for 2015-16 include:

- continuing work on a $50 million backlog maintenance and rehabilitation program to improve buildings across the Darling Downs HHS. Examples of works include re-painting, roof and guttering repairs and replacements, roadworks, plumbing, air conditioning upgrades, improved security and electrical switchboard upgrades
- focus on safety, quality and patient centred care.

Service performance

Performance statement

Darling Downs Hospital and Health Service

Service area objective

To deliver public hospital and health services for the Darling Downs community.

Service area description

The Darling Downs HHS is responsible for providing public hospital and health services including acute care, general surgery, emergency care, medical, paediatrics, gynaecology and obstetrics.

Darling Downs Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards *Effectiveness measures* Percentage of patients attending emergency departments seen within recommended timeframes:	1			
Category 1 (within 2 minutes)		100%	100%	100%
Category 2 (within 10 minutes)		80%	94%	80%
Category 3 (within 30 minutes)		75%	74%	75%
Category 4 (within 60 minutes)		70%	67%	70%
Category 5 (within 120 minutes)		70%	84%	70%
All categories		..	74%	..
Percentage of emergency department attendances who depart within four hours of their arrival in the department	2	86%	83%	90%
Percentage of elective surgery patients treated within clinically recommended times:	3			
Category 1 (30 days)		100%	100%	>98%
Category 2 (90 days)		97%	98%	>95%
Category 3 (365 days)		98%	98%	>95%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	4	<2.0	0.4	<2.0
Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit	5	>60%	72.1%	>65%

Darling Downs Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Proportion of readmissions to an acute mental health inpatient unit within 28 days of discharge	6	<12%	11.1%	<12%
Percentage of specialist outpatients waiting within clinically recommended times:	7			
Category 1 (30 days)		64%	90%	..
Category 2 (90 days)		20%	61%	..
Category 3 (365 days)		90%	80%	..
Median wait time for treatment in emergency departments (minutes)	8	20	16	20
Median wait time for elective surgery (days)	9	25	46	25
Efficiency measure Average cost per weighted activity unit for Activity Based Funding facilities	10, 12	$4,449	$4,036	$4,405
Other measures Total weighted activity units:	10, 11			
Acute Inpatient		42,856	45,276	43,551
Outpatients		8,748	8,932	9,420
Sub-acute		5,278	4,742	5,440
Emergency Department		15,968	16,457	16,164
Mental Health		24,843	24,593	25,705
Interventions and Procedures		6,005	7,042	6,082
Ambulatory mental health service contact duration (hours)	13	>56,680	60,567	>60,500

Notes:

1. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 and 2015-16 are based on the Australasian Triage Scale (ATS). The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
2. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years. The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
3. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years
4. Staphylococcus aureus are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Est. for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
5. This represents incremental progress towards the nationally recommended target
6. Queensland has made significant progress in reducing readmission rates over the past 5 years, with continued incremental improvements towards the nationally recommended target. The 2015-16 Target/Est. is the nationally recommended target.

7. A 2015-16 Target/est. has not yet been set as work in relation to the setting of a more suitable target/measure is currently being investigated. This work will ensure an appropriate measure and target is set in line with the Government's priorities and the Service Agreements with the HHSs. The Government convened a Wait Times Summit and is currently undertaking further consultation with the health sector, which will inform work around the target/measure for future reporting. The 2014-15 Est. actual figures are provided using actual performance as at 1 April 2015.
8. The 2014-15 Est. Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. There is no nationally agreed 2015-16 target for this measure. The 2015-16 Target/est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
9. The 2014-15 Est. Actual figures are provided from 11 months of actual performance from 1 July 2014 to 31 May 2015. There is no nationally agreed target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
10. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 and updated to Amendment Window 2 to enable comparison with 2015-16 Target/Est. figures.
11. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
12. The determination of the cost (funding) per WAU has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements.
13. The 2015-16 Target/Est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance.

Staffing[1]

Darling Downs Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Darling Downs Hospital and Health Service	2, 3, 4, 5, 6	3,849	3,934	4,039

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs from the 2014-15 Budget to the 2014-15 Est. Actual reflect commissioning of new services and additional activity purchased from HHSs through amendments to the 2014-15 Service Agreements.
5. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased from HHSs.
6. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Darling Downs Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Number of in-home visits, families with newborns	1	4,633	4,356	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

Darling Downs Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,4	581,841	604,901	604,359
Grants and other contributions		30,936	29,949	29,724
Interest		111	111	111
Other revenue		3,568	3,568	3,568
Gains on sale/revaluation of assets		..	..	..
Total income		**616,456**	**638,529**	**637,762**
EXPENSES				
Employee expenses	2,5	1,693	48,220	49,019
Supplies and Services				
Other supplies and services		157,359	158,304	161,400
Department of Health contract staff	3,6,7	431,700	387,698	398,900
Grants and subsidies		1,655	1,647	1,645
Depreciation and amortisation		21,584	22,932	23,840
Finance/borrowing costs		..	..	..
Other expenses		1,104	1,183	1,188
Losses on sale/revaluation of assets		1,361	1,545	1,770
Total expenses		**616,456**	**621,529**	**637,762**
OPERATING SURPLUS/(DEFICIT)		**..**	**17,000**	**..**

Balance sheet

Darling Downs Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	8,12	50,457	59,728	56,888
Receivables	9,13	7,981	10,679	10,930
Other financial assets		..	..	..
Inventories		4,874	5,590	5,645
Other		206	490	502
Non financial assets held for sale		..	..	..
Total current assets		**63,518**	**76,487**	**73,965**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	10,14	294,266	301,737	299,756
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**294,266**	**301,737**	**299,756**
TOTAL ASSETS		**357,784**	**378,224**	**373,721**
CURRENT LIABILITIES				
Payables		29,752	31,757	33,788
Accrued employee benefits		97	984	1,196
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		29	..	..
Total current liabilities		**29,878**	**32,741**	**34,984**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**29,878**	**32,741**	**34,984**
NET ASSETS/(LIABILITIES)		**327,906**	**345,483**	**338,737**
EQUITY				
TOTAL EQUITY	**11,15,16**	**327,906**	**345,483**	**338,737**

Cash flow statement

Darling Downs Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	17,22	580,528	602,230	602,840
Grants and other contributions		30,936	29,949	29,724
Interest received		111	111	111
Other	18,23	15,985	10,977	11,053
Outflows:				
Employee costs	19,24	(1,683)	(47,287)	(48,807)
Supplies and services	20,25	(597,615)	(563,521)	(566,323)
Grants and subsidies		(1,655)	(1,647)	(1,645)
Borrowing costs		..	..	..
Other		(1,104)	(1,153)	(1,188)
Net cash provided by or used in operating activities		**25,503**	**29,659**	**25,765**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		(196)	(195)	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	21	(5,449)	(13,289)	(12,134)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(5,645)**	**(13,484)**	**(12,134)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		5,449	5,191	6,107
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(21,584)	(22,575)	(22,578)
Net cash provided by or used in financing activities		**(16,135)**	**(17,384)**	**(16,471)**
Net increase/(decrease) in cash held		**3,723**	**(1,209)**	**(2,840)**
Cash at the beginning of financial year		**46,734**	**60,937**	**59,728**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**50,457**	**59,728**	**56,888**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. The increase reflects additional funding from amendments to the Service Agreement between Darling Downs Hospital and Health Service (DDHHS) and the Department of Health (DoH). In 2014-15 the largest amendment was for the treatment of additional public patients at activity based funded facilities ($4.6m). The initial budget was based on the confirmed window 2 Service Agreement with the DoH. There are further windows for negotiation to the Service Agreement in the 2014-15 year and revenue will be adjusted for any changes under these negotiations. Increase includes projected increases in own source revenue generation.
2. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. Additional movement relates to increased Health Service Executive Staff and Board costs.
3. The reduction relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been offset by increases in Enterprise Bargaining Agreements.

Major variations between 2014-15 Budget and 2015-16 Budget include:

4. The increase relates to additional funding provided through the Service Agreement between DDHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
5. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS and increased Health Service Executive Staff and Board costs.
6. The reduction relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been offset by increases in Enterprise Bargaining Agreements.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

7. The increase relates to additional expenditure associated with the increase in FTE numbers (3934 to 4039) and Enterprise Bargaining Agreements.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

8. Increase reflects the forecast surplus offset by investment in non-current assets.
9. The increase is due to additional funding payable from the DoH to DDHHS as a result of Window 3 end of financial year technical adjustments.
10. Increase reflects higher commissioning of building assets than incorporated into the 2014-15 budget.
11. Increase reflects 2014-15 projected surplus. Non-current assets commissioned exceeded the levels incorporated into the budget. Non-current asset revaluations indicated that there were no material movements in the value of assets but the original budget provided revaluation increments.

Major variations between 2014-15 Budget and 2015-16 Budget include:

12. Increase in cash reflects the forecast surplus offset by investment in non-current assets.
13. Increase reflects increases in user charges and fees revenue.
14. Increase reflects higher commissioning of building assets than incorporated into the 2014-15 budget.
15. Increase reflects 2014-15 projected surplus. Non-current assets commissioned exceeded the levels incorporated into the budget. Non-current asset revaluations indicated that there were no material movements in the value of assets but the original budget provided revaluation increments.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

16. Decrease represents equity withdrawals for depreciation offset by equity injections for minor capital acquisitions and asset revaluations.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

17. The increase reflects additional funding from amendments to the Service Agreement between DDHHS and the DoH. In 2014-15 the largest amendment was for the treatment of additional public patients at activity based funded facilities ($4.6m). The initial budget was based on the confirmed window 2 Service Agreement with the Department of Health. There are further windows for negotiation to the Service Agreement in the 14-15 year and revenue will be adjusted for any changes under these negotiations. Increase includes projected increases in own source revenue generation.
18. The decrease reflects estimated GST receivable. This is offset against estimated GST payable in Supplies and Services.
19. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. Additional movement relates to increased Health Service Executive Staff and Board costs.
20. The reduction relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been offset by increases in Enterprise Bargaining Agreements and increases expenditure associated with Service Agreement amendments between DDHHS and DoH.
21. The increase reflects commissioning of non-current assets above budgeted levels.

Major variations between 2014-15 Budget and 2015-16 Budget include:

22. The increase from the 2014-15 Budget to the 2015-16 Budget relates to additional funding provided through the Service Agreement between DDHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
23. The decrease reflects estimated GST receivable. This is offset against estimated GST payable in Supplies and Services.
24. The increase from the 2014-15 Budget to the 2015-16 Budget is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS and increased Health Service Executive Staff and Board costs.
25. The reduction relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been offset by increases in Enterprise Bargaining Agreements.

Gold Coast Hospital and Health Service

Overview

The Gold Coast Hospital and Health Service (HHS) is an independent statutory body overseen by a local Hospital and Health Board. The Gold Coast HHS is responsible for the delivery of quality frontline public health services from the New South Wales border in the south to the Coomera region and beyond. The Gold Coast HHS services a population of over 580,000 people in Queensland and an additional population of approximately 300,000 people in Northern New South Wales for tertiary services including trauma care.

The Gold Coast University Hospital (GCUH) provides the combination of world-class infrastructure, a highly talented and committed workforce, partnerships with universities, the Gold Coast Primary Health Network and the private and non-government sectors, which together creates an unprecedented opportunity for innovation and enhancement to healthcare delivery.

The Gold Coast HHS delivers a broad range of tertiary and secondary health services across two public hospitals and a number of health precincts and community health centres throughout the Gold Coast including the newly established Southport Health Precinct. Additionally, the Gold Coast HHS delivers key primary health services including community child health clinics and oral health services for both adults and children.

The Gold Coast HHS supports the Queensland Government's objectives for the community by delivering quality frontline services and strengthening our public health system by delivering services to rival the best healthcare providers in the world. It is achieved by working hard to maintain, monitor and measure quality care against national and international standards.

Other goals include building a greater research profile and driving change to care provision that better suits patients and carers. Targets, goals and standardised care plans are important as we strive to use public resources wisely. This objective extends to rewarding staff who identify better or more efficient ways to deliver services, such as through our Improver Awards Program.

The Gold Coast HHS continues to recognise and develop better support for workers across the service. The core values of the organisation are shared with employees from the day they arrive and programs are in place to develop positive workplace culture and ability. Patient and carer feedback is valued and our strategic plan review reflects those comments and input shared with the service. These objectives are to:

- provide access to safe and high quality healthcare
- provide Integrated Healthcare
- engage our community
- value and empower staff
- increase transparency
- use resources wisely
- develop the Gold Coast Health and Knowledge Precinct as part of research and education initiatives.

Service performance

The Gold Coast HHS has an operating budget of $1.193 billion for 2015-16 which is an increase of $128.8 million (12.1%) from the published 2014-15 operating budget of $1.064 billion.

In 2014-15 the Gold Coast HHS continued to develop and implement the new services at the GCUH to reflect the higher acuity status of the GCUH and the achievement of higher clinical service capabilities as per the Clinical Services Capability Framework in Cardiac Surgery, Children’s Critical Care, Neonatal Intensive Care, Level 1 Trauma, Cancer Centre and Maternal Fetal Medicine. In 2015-16 these services will continue to be developed in complexity and there is a plan to implement the additional services of autologous stem cell transplantation and Mother Baby Mental Health Unit.

The Emergency Departments at the GCUH and the Robina Hospital have maintained performance despite unprecedented demand. In order to manage such large growth, initiatives were implemented across outpatient and elective surgery waiting lists, to ensure long waiting patients were adequately seen and treated as necessary. In 2014-15 the Gold Coast HHS successfully met the National Elective Surgery Target (NEST) by December 2014 and this will continue in 2015-16. In addition, the Gold Coast HHS continues to decrease the percentages of patients waiting outside clinically recommended timeframes for Categories 1, 2 and 3 outpatients reflecting that the operational action plan for outpatients is improving performance and this will continue in 2015-16.

The ability to manage growth and maintain standards is attributable to the GCUH, where the Clinical Decision Unit (CDU) and a navigator nurse dedicated to managing flow through Minors, Short Stay Unit and Patient Intervention at Triage has improved performance. A CDU will be implemented in 2015-16 at the Robina Hospital to further assist in meeting the National Emergency Access Target (NEAT).

Elective surgery waiting lists were successfully addressed with a variety of initiatives to ensure patients were seen within clinically recommended timeframes to meet the NEST key performance indicators. This will continue in 2015-16.

Such ongoing demand requires the use of timely accurate data for management and responsiveness. The Gold Coast HHS developed this capability in the 2014-15 financial year via the use of transparent, daily monitoring data provision by the Management Information System (MIS). The MIS provides retrospective and prospective monitoring and response capability for demand management, productivity and efficiency achievement, and resource adaptation/allocation requirements. Enhancement and refinement of the MIS will occur in 2015-16.

Integrated care will be pursued via the Gold Coast Integrated Care project and the engagement of our partners in healthcare provision to better manage chronic disease within our community. This commenced in 2014-15 and will continue to be a focus throughout the four year proof of concept period.

We will pursue the empowerment of our staff and recognise their contribution via the implementation of robust professional development plans and establishment of the MAGNET recognition program which allows nurses to recognise excellence in other nurses.

Service performance

Performance statement

Gold Coast Hospital and Health Service

Service area objective

To deliver public hospital and health services for the Gold Coast community.

Service area description

The Gold Coast HHS is responsible for providing public hospital and health services including acute care, general surgery, emergency care, medical, paediatrics, gynaecology and obstetrics.

Gold Coast Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards *Effectiveness measures* Percentage of patients attending emergency departments seen within recommended timeframes:	1			
Category 1 (within 2 minutes)		100%	100%	100%
Category 2 (within 10 minutes)		80%	59%	80%
Category 3 (within 30 minutes)		75%	39%	75%
Category 4 (within 60 minutes)		70%	57%	70%
Category 5 (within 120 minutes)		70%	81%	70%
All categories		..	49%	..
Percentage of emergency department attendances who depart within four hours of their arrival in the department	2	86%	75%	90%

Gold Coast Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Percentage of elective surgery patients treated within clinically recommended times:	3			
Category 1 (30 days)		100%	99%	>98%
Category 2 (90 days)		97%	96%	>95%
Category 3 (365 days)		98%	99%	>95%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	4	<2.0	0.6	<2.0
Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit	5	>60%	65.9%	>65%
Proportion of readmissions to an acute mental health inpatient unit within 28 days of discharge	6	<12%	10.6%	<12%
Percentage of specialist outpatients waiting within clinically recommended times:	7			
Category 1 (30 days)		44%	61%	..
Category 2 (90 days)		27%	54%	..
Category 3 (365 days)		90%	90%	..
Median wait time for treatment in emergency departments (minutes)	8	20	33	20
Median wait time for elective surgery (days)	9	25	38	25
Efficiency measure Average cost per weighted activity unit for Activity Based Funding facilities	10, 12	$4,690	$4,401	$4,877
Other measures Total weighted activity units:	10, 11			
Acute Inpatient		93,274	96,927	108,038
Outpatients		22,257	24,304	22,638
Sub-acute		10,137	9,706	7,558
Emergency Department		19,272	22,511	21,928
Mental Health		9,100	13,075	13,567
Interventions and Procedures		16,722	15,478	19,561
Ambulatory mental health service contact duration (hours)	13	>91,963	84,205	>86,601

Notes:

1. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 and 2015-16 are based on the Australasian Triage Scale (ATS). The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
2. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years. The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
3. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years
4. Staphylococcus aureus are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Est. for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
5. This represents incremental progress towards the nationally recommended target
6. Queensland has made significant progress in reducing readmission rates over the past 5 years, with continued incremental improvements towards the nationally recommended target. The 2015-16 Target/Est. is the nationally recommended target.
7. A 2015-16 Target/est. has not yet been set as work in relation to the setting of a more suitable target/measure is currently being investigated. This work will ensure an appropriate measure and target is set in line with the Government's priorities and the Service Agreements with the HHSs. The Government convened a Wait Times Summit and is currently undertaking further consultation with the health sector, which will inform work around the target/measure for future reporting. The 2014-15 Est. actual figures are provided using actual performance as at 1 April 2015.
8. The 2014-15 Est. Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. There is no nationally agreed 2015-16 Target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
9. The 2014-15 Est. Actual figures are provided from 11 months of actual performance from 1 July 2014 to 31 May 2015. There is no nationally agreed target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
10. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 and updated to Amendment Window 2 to enable comparison with 2015-16 Target/Est. figures.
11. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
12. The determination of the cost (funding) per WAU has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements.
13. The 2014-15 Target/Est. was set utilising a standard formula based upon available clinical staffing. Due to a range of issues including known under-reporting within clinical information systems which capture the data, most HHSs are not expected to meet the target for 2014-15. The 2015-16 Target/Est. has been revised to take these issues into account. The 2015-16 Target/Est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance. The reduction from the 2014-15 Target/Est. is based on improved identification of non-clinical staff as well as actual reduction in available FTEs.

Staffing[1]

Gold Coast Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Gold Coast Hospital and Health Service	2, 3, 4, 5	6,182	6,182	6,447

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased from HHSs.
5. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Gold Coast Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Number of in-home visits, families with newborns	1	9,149	6,736	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

Gold Coast Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,7,13	1,037,056	1,097,174	1,168,903
Grants and other contributions	2,8	18,651	15,097	15,307
Interest		105	105	108
Other revenue		8,499	8,499	8,797
Gains on sale/revaluation of assets		..	..	..
Total income		**1,064,311**	**1,120,875**	**1,193,115**
EXPENSES				
Employee expenses	3,9,14	3,175	733,774	783,274
Supplies and Services				
Other supplies and services	4,10,15	265,363	299,362	319,901
Department of Health contract staff	5,11	707,766	..	..
Grants and subsidies		994	1,313	1,401
Depreciation and amortisation		82,812	79,597	81,248
Finance/borrowing costs		..	..	..
Other expenses		1,365	2,060	2,201
Losses on sale/revaluation of assets	6,12	2,836	4,769	5,090
Total expenses		**1,064,311**	**1,120,875**	**1,193,115**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Balance sheet

Gold Coast Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	16,21,26	60,381	78,048	54,825
Receivables		12,006	11,160	11,476
Other financial assets		..	..	..
Inventories	17,22	5,729	7,194	7,283
Other		981	793	1,060
Non financial assets held for sale		..	..	..
Total current assets		**79,097**	**97,195**	**74,644**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	18,23	1,941,740	1,851,846	1,859,907
Intangibles		1,074	1,421	890
Other		..	..	..
Total non-current assets		**1,942,814**	**1,853,267**	**1,860,797**
TOTAL ASSETS		**2,021,911**	**1,950,462**	**1,935,441**
CURRENT LIABILITIES				
Payables	19,24,27	72,753	78,669	56,164
Accrued employee benefits		133	56	10
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		287	53	53
Total current liabilities		**73,173**	**78,778**	**56,227**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**73,173**	**78,778**	**56,227**
NET ASSETS/(LIABILITIES)		**1,948,738**	**1,871,684**	**1,879,214**
EQUITY				
TOTAL EQUITY	**20,25**	**1,948,738**	**1,871,684**	**1,879,214**

Cash flow statement

Gold Coast Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	28,32	1,034,197	1,092,434	1,163,823
Grants and other contributions		18,651	15,097	15,307
Interest received		105	105	108
Other		16,507	16,507	16,847
Outflows:				
Employee costs	29,33,37	(3,166)	(733,765)	(783,320)
Supplies and services	30,34,38	(976,148)	(302,307)	(350,877)
Grants and subsidies		(994)	(1,313)	(1,401)
Borrowing costs		..	..	..
Other		(1,365)	(2,060)	(2,201)
Net cash provided by or used in operating activities		**87,787**	**84,698**	**58,286**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		(119)	(245)	(261)
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	31,35,39	(6,139)	(8,772)	(9,843)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(6,258)**	**(9,017)**	**(10,104)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	36,40	6,139	5,949	9,843
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(82,812)	(79,597)	(81,248)
Net cash provided by or used in financing activities		**(76,673)**	**(73,648)**	**(71,405)**
Net increase/(decrease) in cash held		**4,856**	**2,033**	**(23,223)**
Cash at the beginning of financial year		**55,525**	**76,015**	**78,048**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**60,381**	**78,048**	**54,825**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. Additional revenue reflects the amendments in the Service Agreement between Gold Coast HHS and the Department of Health including growth in healthcare activity. Reallocation of Outsourced Service Delivery revenue item from `Grants and other contributions` to `User charges and fees`. In 2014-15, revenue recognition principles regarding external salary and wages recoveries were changed. Following advice from Queensland Treasury, recoveries pertaining to university appointment, outreach services and inter-departmental secondments were changed during 2014-15 to be recognised as credits to expenditure.
2. Reallocation of Outsourced Service Delivery revenue item from `Grants and other contributions` to `User charges and fees`.
3. Increase in expenses reflects additional resources required by the HHS to service the unexpected growth in demand for healthcare services along with wage growth caused by new enterprise bargaining agreements. In 2014/15, revenue recognition principles regarding external salary and wages recoveries were changed. Following advice from Queensland Treasury, recoveries pertaining to university appointment, outreach services and inter-departmental secondments were changed during 2014/15 to be recognised as credits to expenditure.
4. Increase in expenses reflects additional resources required by the HHS to service the unexpected growth in demand for healthcare services.
5. Reclassification of employee expenses from Department of Health contracted staff to HHS employee expenses as Gold Coast HHS became a prescribed employer from 1 July 2014.
6. Increase caused by higher than expected debt write-downs and asset writeoffs.

Major variations between 2014-15 Budget and 2015-16 Budget include:

7. Additional revenue reflects the amendments in the Service Agreement between Gold Coast HHS and the Department of Health including growth in healthcare activity.
8. Reallocation of Outsourced Service Delivery revenue item from `Grants and other contributions` to `User charges and fees`.
9. Increase in expenses reflects additional resources required by the HHS to service the unexpected growth in demand for healthcare services along with wage growth caused by new enterprise bargaining agreements. In 2014/15, revenue recognition principles regarding external salary and wages recoveries were changed. Following advice from Queensland Treasury, recoveries pertaining to university appointment, outreach services and inter-departmental secondments were changed during 2014/15 to be recognised as credits to expenditure.
10. Increase in expenses reflects additional resources required by the HHS to service the unexpected growth in demand for healthcare services.
11. Reclassification of employee expenses from Department of Health contracted staff to HHS employee expenses as Gold Coast HHS became a prescribed employer from 1 July 2014.
12. Increase caused by higher than expected debt write-downs and asset writeoffs.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

13. Additional revenue reflects the amendments in the Service Agreement between Gold Coast HHS and the Department of Health including growth in healthcare activity.
14. Increase in expenses reflects additional resources required by the HHS to service the unexpected growth in demand for healthcare services along with wage growth caused by new enterprise bargaining agreements.
15. Increase in expenses reflects additional resources required by the HHS to service the unexpected growth in demand for healthcare services along with CPI growth.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

16. Increase due to the provision and timing of additional funds from the Department to the HHS for underlying activity growth, combined with the timing around settlement of current payables.
17. Increase based on higher than expected stock levels due to unexpected activity growth.
18. Decrease due to lower valuation applied to the Gold Coast University Hospital.
19. Increase due to additional activity combined with the timing around settlement of current payables.
20. Decrease due to lower valuation applied to the Gold Coast University Hospital.

Major variations between 2014-15 Budget and 2015-16 Budget include:

21. Decrease due to working capital management.
22. Increase based on higher than expected stock levels due to unexpected activity growth.
23. Decrease due to the timing around settlement of current payables.
24. Decrease due to the timing around settlement of current payables.
25. Decrease due to the timing around settlement of current payables.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

26. Decrease due to the timing around settlement of current payables.
27. Decrease due to working capital management.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

28. In 2014/15, revenue recognition principles regarding external salary and wages recoveries were changed. Following advice from Queensland Treasury, recoveries pertaining to university appointment, outreach services and inter-departmental secondments were changed during 2014/15 to be recognised as credits to expenditure. Additional revenue reflects the amendments in the Service Agreement between Gold Coast HHS and the Department of Health including growth in healthcare activity.
29. Reclassification of employee expenses from Department of Health contracted staff to HHS employee expenses as Gold Coast HHS became a prescribed employer from 1 July 2014. Increase in expenses reflects additional resources required by the HHS to service the unexpected growth in demand for healthcare services. Increase reflects wage growth caused by new enterprise bargaining agreements.
30. Reclassification of employee expenses from Department of Health contracted staff to HHS employee expenses as Gold Coast HHS became a prescribed employer from 1 July 2014. Increase in expenses due to additional resources required by the HHS to service the unexpected growth in demand for healthcare services.
31. The increase relates to additional Minor Capital expenditure.

Major variations between 2014-15 Budget and 2015-16 Budget include:

32. Additional revenue reflects the amendments in the Service Agreement between Gold Coast HHS and the Department of Health including growth in healthcare activity.
33. Reclassification of employee expenses from Department of Health contracted staff to HHS employee expenses as Gold Coast HHS became a prescribed employer from 1 July 2014. Increase in expenses reflects additional resources required by the HHS to service the unexpected growth in demand for healthcare services. Increase reflects wage growth caused by new enterprise bargaining agreements.
34. Reclassification of employee expenses from Department of Health contracted staff to HHS employee expenses as Gold Coast HHS became a prescribed employer from 1 July 2014. Increase in expenses due to additional resources required by the HHS to service the unexpected growth in demand for healthcare services.
35. The increase relates to additional Minor Capital expenditure.
36. The increase relates to the commissioning of assets to be transferred from the DoH to GCHHS via contributed equity.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

37. Increase in expenses reflects additional resources required by the HHS to service the unexpected growth in demand for healthcare services. Increase reflects wage growth caused by new enterprise bargaining agreements.
38. Increase in expenses reflects additional resources required by the HHS to service the unexpected growth in demand for healthcare services along with CPI growth.
39. The increase relates to additional Minor Capital expenditure.
40. The increase relates to the commissioning of assets to be transferred from the DoH to GCHHS via contributed equity.

Mackay Hospital and Health Service

Overview

The Mackay Hospital and Health Service (HHS) is an independent statutory body overseen by a local Hospital and Health Board. The Mackay HHS is responsible for the delivery of public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services to a population of approximately185,000 people residing in a geographical area from Sarina in the south, Clermont in the west, Bowen in the north and Collinsville in the north-west.

The Mackay HHS is responsible for the direct management of the facilities within the HHS's geographical boundaries, including:

- Mackay Base Hospital
- Bowen Hospital
- Dysart Hospital
- Clermont Hospital
- Collinsville Hospital
- Moranbah Hospital
- Sarina Hospital
- Proserpine Hospital

The Mackay HHS also provides a comprehensive range of community and primary health services, including aged care assessment, Aboriginal and Torres Strait Islander programs; child and maternal health services; alcohol, tobacco and other drug services; home care services; community health nursing; sexual health services; allied health services; oral health and health promotion programs.

The Mackay HHS vision is 'national excellence in regional healthcare'. In line with the Queensland Government's objective to deliver quality frontline services including strengthening our public health system, in 2015-16 the Mackay HHS will have a strong focus on:

- providing better access to health services
- addressing and improving key population health challenges and risks
- supporting Government commitments to improving safety and frontline services for consumers and deliver better infrastructure
- enhancing engagement and developing closer working relationships with patients, families, community groups, general practitioners and other primary healthcare providers.

Service performance

The Mackay HHS has an operating budget of $327.7 million for 2015-16 which is an increase of $6.9 million (2.1%) from the published 2014-15 operating budget of $320.8 million.

The Service Agreement between the Mackay HHS and the Department of Health identifies the health services to be provided, funding arrangements for those services and defined performance indicators and targets to ensure outputs and outcomes are achieved.

An extensive redevelopment of the Mackay Base Hospital has been undertaken and is principally complete. Minor programmes concerning the rehabilitation of car parks are in progress and will be completed in 2015-16. The overall cost of the Mackay Base Hospital redevelopment is $408 million, the completed redevelopment is to provide 318 beds.

The redeveloped hospital will offer the local community a wider range of public health services and will be equipped to offer additional and extended specialised services, enabling more patients to be treated locally and minimise the need to travel for certain types of care and treatment.

In addition to the Mackay Base Hospital, the Bowen Hospital has received $5.3 million under the Priority Capital Program for the refurbishment and replacement of infrastructure to improve health service continuity.

Service performance

Performance statement

Mackay Hospital and Health Service

Service area objective

To deliver public hospital and health services for the Mackay community.

Service area description

The Mackay HHS is responsible for providing public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services.

Mackay Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards *Effectiveness measures* Percentage of patients attending emergency departments seen within recommended timeframes:	1			
Category 1 (within 2 minutes)		100%	100%	100%
Category 2 (within 10 minutes)		80%	83%	80%
Category 3 (within 30 minutes)		75%	78%	75%
Category 4 (within 60 minutes)		70%	80%	70%
Category 5 (within 120 minutes)		70%	95%	70%
All categories		..	81%	..
Percentage of emergency department attendances who depart within four hours of their arrival in the department	2	86%	81%	90%
Percentage of elective surgery patients treated within clinically recommended times:	3			
Category 1 (30 days)		100%	100%	>98%
Category 2 (90 days)		97%	100%	>95%
Category 3 (365 days)		98%	100%	>95%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	4	<2.0	0.4	<2.0
Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit	5	>60%	73.4%	>65%

Mackay Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Proportion of readmissions to an acute mental health inpatient unit within 28 days of discharge	6	<12%	15.4%	<12%
Percentage of specialist outpatients waiting within clinically recommended times:	7			
Category 1 (30 days)		47%	59%	..
Category 2 (90 days)		42%	53%	..
Category 3 (365 days)		90%	83%	..
Median wait time for treatment in emergency departments (minutes)	8	20	16	20
Median wait time for elective surgery (days)	9	25	34	25
Efficiency measure Average cost per weighted activity unit for Activity Based Funding facilities	10, 12	$4,745	$4,671	$4,890
Other measures Total weighted activity units:	10, 11			
Acute Inpatient		23,954	24,337	24,442
Outpatients		8,289	8,348	8,588
Sub-acute		2,943	2,410	2,275
Emergency Department		8,942	9,616	9,110
Mental Health		3,172	3,162	3,238
Interventions and Procedures		4,203	3,818	4,285
Ambulatory mental health service contact duration (hours)	13	>27,106	26,825	>27,000

Notes:

1. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 and 2015-16 are based on the Australasian Triage Scale (ATS). The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
2. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years. The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
3. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years
4. Staphylococcus aureus are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Est. for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
5. This represents incremental progress towards the nationally recommended target.
6. Queensland has made significant progress in reducing readmission rates over the past 5 years, with continued incremental improvements towards the nationally recommended target. The 2015-16 Target/Est. is the nationally recommended target.

7. A 2015-16 Target/est. has not yet been set as work in relation to the setting of a more suitable target/measure is currently being investigated. This work will ensure an appropriate measure and target is set in line with the Government's priorities and the Service Agreements with the HHSs. The Government convened a Wait Times Summit and is currently undertaking further consultation with the health sector, which will inform work around the target/measure for future reporting. The 2014-15 Est. actual figures are provided using actual performance as at 1 April 2015.
8. The 2014-15 Est. Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. There is no nationally agreed 2015-16 Target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
9. The 2014-15 Est. Actual figures are provided from 11 months of actual performance from 1 July 2014 to 31 May 2015. There is no nationally agreed target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
10. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 and updated to Amendment Window 2 to enable comparison with 2015-16 Target/Est. figures.
11. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
12. The determination of the cost (funding) per WAU has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements.
13. The 2014-15 Target/Est. was set utilising a standard formula based upon available clinical staffing. Due to a range of issues including known under-reporting within clinical information systems which capture the data, most HHSs are not expected to meet the target for 2014-15. The 2015-16 Target/Est. has been revised to take these issues into account. The 2015-16 Target/Est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance. The reduction from the 2014-15 Target/Est. is based on improved identification of non-clinical staff as well as actual reduction in available FTEs.

Staffing[1]

Mackay Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Mackay Hospital and Health Service	2, 3, 4, 5	1,871	1,871	1,908

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased from HHSs.
5. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Mackay Hospital and Health Service	Notes	2014-15 Target/est.	2014-15 Est. actual	2015-16 Target/est.
Service standards				
Number of in-home visits, families with newborns	1	3,915	2,893	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

Mackay Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,7	309,702	321,586	319,070
Grants and other contributions		9,198	8,554	8,342
Interest		66	66	65
Other revenue	2,8,12	1,864	144	235
Gains on sale/revaluation of assets		..	..	..
Total income		**320,830**	**330,350**	**327,712**
EXPENSES				
Employee expenses	3,9	296	34,602	33,912
Supplies and Services				
Other supplies and services	4	100,108	104,422	99,983
Department of Health contract staff	5,10	199,746	166,136	169,069
Grants and subsidies		14	14	14
Depreciation and amortisation	11,13	19,607	21,117	23,659
Finance/borrowing costs		..	..	..
Other expenses		844	844	857
Losses on sale/revaluation of assets	6,14	215	3,215	218
Total expenses		**320,830**	**330,350**	**327,712**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Balance sheet

Mackay Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	15,21,28	39,672	70,083	61,971
Receivables	16,22	3,533	5,695	5,769
Other financial assets		..	..	..
Inventories		1,732	1,665	1,685
Other	17,23	618	388	427
Non financial assets held for sale		..	..	..
Total current assets		**45,555**	**77,831**	**69,852**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	18,24,29	442,119	474,019	490,117
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**442,119**	**474,019**	**490,117**
TOTAL ASSETS		**487,674**	**551,850**	**559,969**
CURRENT LIABILITIES				
Payables	19,25,30	18,200	23,258	15,279
Accrued employee benefits	26	37	25	25
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	58	58
Total current liabilities		**18,237**	**23,341**	**15,362**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**18,237**	**23,341**	**15,362**
NET ASSETS/(LIABILITIES)		**469,437**	**528,509**	**544,607**
EQUITY				
TOTAL EQUITY	**20,27,31**	**469,437**	**528,509**	**544,607**

Cash flow statement

Mackay Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	32	309,555	321,439	318,913
Grants and other contributions		9,198	8,554	8,342
Interest received		66	66	65
Other	33,38	7,164	5,444	5,563
Outflows:				
Employee costs	34,39	(296)	(34,602)	(33,912)
Supplies and services	35,40	(303,527)	(274,231)	(282,553)
Grants and subsidies		(14)	(14)	(14)
Borrowing costs		..	..	..
Other		(844)	(844)	(857)
Net cash provided by or used in operating activities		**21,302**	**25,812**	**15,547**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	36,41,45	(2,667)	(3,407)	(4,236)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(2,667)**	**(3,407)**	**(4,236)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	42,46	2,667	2,722	4,236
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	43,47	(19,607)	(21,117)	(23,659)
Net cash provided by or used in financing activities		**(16,940)**	**(18,395)**	**(19,423)**
Net increase/(decrease) in cash held		**1,695**	**4,010**	**(8,112)**
Cash at the beginning of financial year	**37,44**	**37,977**	**66,073**	**70,083**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**39,672**	**70,083**	**61,971**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. The increase relates to additional funding provided through amendments to the Service Agreement between Mackay Hospital and Health Service (MHHS) and the Department of Health (DoH). Additional funding is provided for increases in service activity, enterprise bargaining agreements and depreciation revenue.
2. The decrease relates to revised estimates of salary recoveries from external agencies and other government departments.
3. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS and increased Health Service Executive Staff and Board costs.
4. The increase predominantly relates to additional electricity usage at the redeveloped Mackay Base Hospital, primarily due to the opening of Administration Block `A` and the Women`s and Children`s area Block `B`.
5. The reduction relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been offset by increases in Enterprise Bargaining Agreements.
6. The increase relates to a comprehensive revaluation of the land in MHHS, which resulted in a decrement of $3M.

Major variations between 2014-15 Budget and 2015-16 Budget include:

7. The increase relates to additional funding provided through the Service Agreement between MHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services and teaching, training and research funding.
8. The decrease relates to revised estimates of salary recoveries from external agencies and other government departments.
9. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS and increased Health Service Executive Staff and Board costs.
10. The reduction relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been offset by increases in Enterprise Bargaining Agreements.
11. The increase is due mainly to the commissioning of Block `A` and Block `B` of the Mackay Base Hospital redevelopment and the recognition of the year to date depreciation expense.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

12. The increase relates to revised estimates of salary recoveries from external agencies and other government departments.
13. The increase is due to the commissioning of Block `A` and Block `B` of the Mackay Base Hospital redevelopment.
14. The decrease relates to a comprehensive revaluation of the land in MHHS, which resulted in a decrement of $3M in 2014-15.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

15. The increase relates predominantly to the surplus generated in the 2013-14 financial year.
16. The increase is due to additional funding payable from the DoH to MHHS as a result of Window 3 and of financial year technical adjustments.
17. The decrease relates to a reduction in prepaid expenditure.
18. The increase relates to the commissioning of the Mackay Base Hospital redevelopment and as a result of the annual asset revaluation program.
19. The increase is predominantly due to the revised opening balance following finalisation of the 2013-14 financial statements.

20. The increase relates to the surplus generated in the 2013-14 financial year, increases in the asset revaluation reserve due to the annual revaluation program and increases to contributed equity for the transfer of commissioned assets from the DoH.

Major variations between 2014-15 Budget and 2015-16 Budget include:

21. The increase relates predominantly to the surplus generated in the 2013-14 financial year.
22. The increase is due to additional funding payable from the DoH to MHHS as a result of Window 3 and of financial year technical adjustments.
23. The decrease relates to a reduction in prepaid expenditure.
24. The increase relates to the commissioning of the Mackay Base Hospital redevelopment and as a result of the annual asset revaluation program.
25. The decrease reflects reduced other supplies and services expenditure in 2015-16.
26. The reduction relates to the revision of opening balances following finalisation of the 2013-14 financial statements.
27. The increase relates to the surplus generated in the 2013-14 financial year, increases in the asset revaluation reserve due to the annual revaluation program and increases to contributed equity for the transfer of commissioned assets from the DoH.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

28. The decrease is attributed to the reduction in funding from the DoH to MHHS from the 2014-15 Window 2 Service Agreement to the 2015-16 Initial Contract value.
29. The increase relates to the commissioning of the Mackay Base Hospital redevelopment and as a result of the annual asset revaluation program.
30. The decrease reflects reduced other supplies and services expenditure in 2015-16.
31. The increase relates to increases in the asset revaluation reserve due to the annual revaluation program and increases to contributed equity for the transfer of commissioned assets from the DoH.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

32. The increase relates to additional funding provided through amendments to the Service Agreement between MHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining agreements and depreciation revenue.
33. The decrease relates to revised estimates of salary recoveries from external agencies and other government departments.
34. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS and increased Health Service Executive Staff and Board costs.
35. The reduction predominantly relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS.
36. The increase relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding.
37. The increase relates predominantly to the surplus generated in the 2013-14 financial year.

Major variations between 2014-15 Budget and 2015-16 Budget include:

38. The decrease relates to revised estimates of salary recoveries from external agencies and other government departments.
39. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS and increased Health Service Executive Staff and Board costs.
40. The reduction relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS.

41. The increase relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding.
42. The increase relates to the commissioning of assets to be transferred from the DoH to MHHS via contributed equity.
43. The increase in equity withdrawals relates to additional depreciation revenue, which is subsequently returned to Queensland Treasury.
44. The increase relates predominantly to the surplus generated in the 2013-14 financial year.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

45. The increase relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding.
46. The increase relates to the commissioning of assets to be transferred from the DoH to MHHS via contributed equity.
47. The increase relates to additional depreciation revenue, which is subsequently returned to Queensland Treasury.

Metro North Hospital and Health Service

Overview

The Metro North Hospital and Health Service (HHS) is responsible for the delivery of public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services to a population of approximately 900,000 people residing in a geographical area extending from the Brisbane River to north of Kilcoy.

The Metro North HHS is responsible for the direct management of the facilities within the HHS's geographical boundaries including:

- Royal Brisbane and Women's Hospital
- The Prince Charles Hospital
- Redcliffe Hospital
- Caboolture Hospital
- Kilcoy Hospital
- Brighton Health Campus and Services

As well as acute care facilities, the Metro North HHS also operates a number of Primary and Community Health Services, Mental Health Services, Oral Health Services and Sub-acute Services.

The Metro North HHS strategic objectives for 2015-16 are to:

- support and enable our people to lead and deliver excellent patient-centred care and high quality services
- prioritise effort and investment to meet the most significant health needs of our communities
- work with healthcare partners to improve service integration and coordination across primary, community and hospital care
- provide our community with value by making the best use of health resources to improve health equity and outcomes.

The objectives of the Metro North HHS contribute to the Queensland Government's objectives for the community to deliver quality frontline services including strengthening the public health system and building safe, caring and connected communities.

To achieve these strategic objectives, the Metro North HHS will employ a range of strategies including:

- involve our staff in decisions about service priorities and design of delivery models
- provide our staff with opportunities to seek knowledge, achieve excellence and improve competencies
- develop approaches and a suite of tools to ensure the 'voice of the patient/consumer and their carers/family' is heard at all levels of the organisation
- develop and adopt robust process improvement approaches, tools and education to support clinician driven continuous improvement and organisational learning
- deliver education and training for all staff and leaders across the domains of quality and safety in healthcare
- undertake planning to ensure continuity of service delivery and to minimise clinical risk
- develop research and education strategies that enhance capability to further strengthen the organisation's position as a world-class provider of healthcare and attract and retain highly competent clinicians and leaders from around the world
- target the Government commitment to increase nurse numbers to areas that align with the Metro North HHS's priorities, namely mental health, rehabilitation, older people's health and chronic disease services
- increase capacity in selected centres to improve health equity and meet increased demand from population growth, particularly in the Redcliffe and Caboolture areas
- prioritise increased access to health services in the key areas of mental health, children's health, stroke services and selected statewide and regional services
- partner with international and national leaders in rehabilitation science and medicine to establish the Metro North HHS as a centre of best practice for rehabilitation services.

Work with other service delivery partners and the Primary Health Network to:

- encourage an appropriate balance in health investment between prevention, management and treatment of disease
- develop an integrated program of action for addressing the needs of the growing proportion of older people in our population

- ensure there are clear protocols in place for the management of chronic diseases, including clear referral pathways between primary, community and acute care
- develop pathways for patient-centred end of life care
- review best practice options for managing obesity to ensure that future service provision remains sustainable
- develop and identify sustainable funding for models of care which reduce avoidable demand for hospital services
- identify services presently provided in hospitals that could be better provided in other settings, and develop and implement new models of care that provide services in the community and the home
- ensure that all our current models of service delivery are economically viable and that services are provided effectively and efficiently
- develop innovative investment models that incentivise integration and service coordination.

Service performance

The Metro North HHS has an operating budget of $2.173 billion for 2015-16 which is an increase of $84.8 million (4.1%) from the published 2014-15 operating budget of $2.088 billion.

The Service Agreement between the Metro North HHS and the Department of Health identifies the health services to be provided, funding arrangements for those services and defined performance indicators and targets to ensure outputs and outcomes are achieved.

During 2014-15, the key initiatives the Metro North HHS focused on included:

- improving Outpatient Access by reducing long wait patients
- continued improvement in reducing emergency room waiting times in accordance with the NEAT
- continuing to build on 2013-14 successes in reducing long wait patients on the elective surgery waiting lists
- investing and enhancing the Metro North HHS information, communications and technology infrastructure and services
- integrated Electronic Medical Record implementation
- repairing and improving plant, building and equipment through the Backlog Maintenance Remediation Program
- expansion of the Redcliffe and Caboolture Paediatric Services.

A number of these initiatives were funded through prior year retained earnings, including the $42.8 million reported in 2013-14. The Metro North HHS will continue to focus on a number of these key initiatives in 2015-16.

Service performance

Performance statement

Metro North Hospital and Health Service

Service area objective

To deliver public hospital and health services for the Metro North Queensland community.

Service area description

The Metro North HHS is responsible for providing public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services.

Metro North Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Effectiveness measures				
Percentage of patients attending emergency	1			

Metro North Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
departments seen within recommended timeframes:				
Category 1 (within 2 minutes)		100%	99%	100%
Category 2 (within 10 minutes)		80%	72%	80%
Category 3 (within 30 minutes)		75%	61%	75%
Category 4 (within 60 minutes)		70%	75%	70%
Category 5 (within 120 minutes)		70%	92%	70%
All categories		..	69%	
Percentage of emergency department attendances who depart within four hours of their arrival in the department	2	86%	73%	90%
Percentage of elective surgery patients treated within clinically recommended times:	3			
Category 1 (30 days)		100%	95%	>98%
Category 2 (90 days)		97%	93%	>95%
Category 3 (365 days)		98%	97%	>95%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	4	<2.0	1.1	<2.0
Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit	5	>60%	61.3%	>65%
Proportion of readmissions to an acute mental health inpatient unit within 28 days of discharge	6	<12%	14.9%	<12%
Percentage of specialist outpatients waiting within clinically recommended times:	7			
Category 1 (30 days)		49%	63%	..
Category 2 (90 days)		37%	38%	..
Category 3 (365 days)		90%	61%	..
Median wait time for treatment in emergency departments (minutes)	8	20	20	20
Median wait time for elective surgery (days)	9	25	25	25
Efficiency measure Average cost per weighted activity unit for Activity Based Funding facilities	10, 12	$4,414	$4,349	$4,507

Metro North Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Other measures Total weighted activity units:	10, 11			
Acute Inpatient		196,321	200,024	199,968
Outpatients		47,580	43,949	50,742
Sub-acute		15,726	16,469	16,142
Emergency Department		35,820	37,129	36,617
Mental Health		28,616	33,121	29,223
Interventions and Procedures		29,900	28,533	30,458
Ambulatory mental health service contact duration (hours)	13	>161,211	157,738	>161,759

Notes:

1. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 and 2015-16 are based on the Australasian Triage Scale (ATS). The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
2. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years. The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
3. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years
4. Staphylococcus aureus are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Est. for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
5. This represents incremental progress towards the nationally recommended target.
6. Queensland has made significant progress in reducing readmission rates over the past 5 years, with continued incremental improvements towards the nationally recommended target. The 2015-16 Target/est. is the nationally recommended target.
7. A 2015-16 Target/est. has not yet been set as work in relation to the setting of a more suitable target/measure is currently being investigated. This work will ensure an appropriate measure and target is set in line with the Government's priorities and the Service Agreements with the HHSs. The Government convened a Wait Times Summit and is currently undertaking further consultation with the health sector, which will inform work around the target/measure for future reporting. The 2014-15 Est. actual figures are provided using actual performance as at 1 April 2015.
8. The 2014-15 Est. Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. There is no nationally agreed 2015-16 Target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
9. The 2014-15 Est. Actual figures are provided from 11 months of actual performance from 1 July 2014 to 31 May 2015. There is no nationally agreed target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
10. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 and updated to Amendment Window 2 to enable comparison with 2015-16 Target/Est. figures.
11. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
12. The determination of the cost (funding) per WAU has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements.
13. The 2015-16 Target/Est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance.

Staffing[1]

Metro North Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Metro North Hospital and Health Service	2, 3, 4, 5, 6	12,602	12,935	12,935

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs from the 2014-15 Budget to the 2014-15 Est. Actual reflect commissioning of new services and additional activity purchased from HHSs through amendments to the 2014-15 Service Agreements.
5. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased from HHSs.
6. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Metro North Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Number of in-home visits, families with newborns	1	16,181	14,366	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

Metro North Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,9,16	2,039,116	2,150,582	2,142,161
Grants and other contributions	2,17	16,331	21,373	15,215
Interest		700	..	634
Other revenue	3,10	32,318	14,877	15,284
Gains on sale/revaluation of assets		..	..	..
Total income		**2,088,465**	**2,186,832**	**2,173,294**
EXPENSES				
Employee expenses	4,11,18	3,997	1,548,187	1,521,139
Supplies and Services				
Other supplies and services	5,12	541,268	552,135	550,194
Department of Health contract staff	6,13	1,457,430	..	..
Grants and subsidies		2,109	1,167	1,147
Depreciation and amortisation	7,14	75,424	80,170	83,940
Finance/borrowing costs		..	..	..
Other expenses	8,15	2,301	9,104	8,945
Losses on sale/revaluation of assets		5,936	8,069	7,929
Total expenses		**2,088,465**	**2,198,832**	**2,173,294**
OPERATING SURPLUS/(DEFICIT)		**..**	**(12,000)**	**..**

Balance sheet

Metro North Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	19,23,27	54,717	129,233	135,729
Receivables		47,207	50,309	51,584
Other financial assets		..	..	..
Inventories		16,272	14,536	14,741
Other		3,960	3,309	3,595
Non financial assets held for sale		..	..	..
Total current assets		**122,156**	**197,387**	**205,649**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	20,24,28	1,334,063	1,302,513	1,358,631
Intangibles		279	1,054	295
Other		204	90	90
Total non-current assets		**1,334,546**	**1,303,657**	**1,359,016**
TOTAL ASSETS		**1,456,702**	**1,501,044**	**1,564,665**
CURRENT LIABILITIES				
Payables		75,553	80,279	79,659
Accrued employee benefits	21,25,29	152	45,138	54,020
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		1,086	1,866	1,866
Total current liabilities		**76,791**	**127,283**	**135,545**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		150	..	..
Total non-current liabilities		**150**	**..**	**..**
TOTAL LIABILITIES		**76,941**	**127,283**	**135,545**
NET ASSETS/(LIABILITIES)		**1,379,761**	**1,373,761**	**1,429,120**
EQUITY				
TOTAL EQUITY	**22,26,30**	**1,379,761**	**1,373,761**	**1,429,120**

Cash flow statement

Metro North Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	31,39,47	2,033,113	2,151,646	2,133,907
Grants and other contributions	32,48	16,331	21,373	15,215
Interest received		700	..	634
Other	33,40	71,833	54,392	55,007
Outflows:				
Employee costs	34,41,49	(3,986)	(1,503,125)	(1,512,257)
Supplies and services	35,42,50	(2,035,119)	(663,874)	(591,054)
Grants and subsidies		(2,109)	(1,167)	(1,147)
Borrowing costs		..	..	..
Other	36,43	(2,301)	(9,104)	(8,945)
Net cash provided by or used in operating activities		**78,462**	**50,141**	**91,360**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	(940)	(924)
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	37,44,51	(22,617)	(30,183)	(40,364)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(22,617)**	**(31,123)**	**(41,288)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	45,52	22,617	22,687	40,364
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	38,46	(75,424)	(80,170)	(83,940)
Net cash provided by or used in financing activities		**(52,807)**	**(57,483)**	**(43,576)**
Net increase/(decrease) in cash held		**3,038**	**(38,465)**	**6,496**
Cash at the beginning of financial year		**51,679**	**167,698**	**129,233**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**54,717**	**129,233**	**135,729**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. The Budget for 2014-15 was prepared while contract negotiations between the Department of Health and Metro North HHS were ongoing. Consequently, there was a funding adjustment for the Improving Outpatient Access program in addition to increased funding to deliver programs such as FDG manufacture (Nuclear Medicine), backlog maintenance, Neonatal centralised funding, Cardiac Info Solution Program and Enterprise Bargaining increases, all contributing to an increase in Estimated Actuals. Building revaluations and commissioned assets depreciation adjustments have also led to an increase in Estimated Actual of funding. Own Source Revenue generation exceeded expectations, particularly in relation to Pharmaceutical Benefits Scheme Reimbursements, Prosthetic Recoveries and Research Project income. Inter-HHS and Staff Recovery income were both reclassified to User Charges in 2014-15, which also led to an increase in Estimated Actuals. See note 3.
2. Estimated Actuals vary from the Budget due to timing differences in the receipt of transition care payments, higher than anticipated occupancy at nursing homes and a capital grant from the University of Queensland for the Herston Imaging Research Facility.
3. Inter-HHS Recoveries and Staff Recoveries were reclassified to User Charges in 2014-15, previously being reported as Other Revenue in 2013-14. See Note 1.
4. In 2014-15, Metro North HHS became a prescribed employer resulting in a reclassification of expense from Payments to QH for Contracted Staff to Employee Expenses. Increases in Department of Health funding through amendment windows 1 and 2, as well as the Improving Outpatient Access Initiative, saw additional FTE employed to deliver services. See Note 6.
5. The increase in the Estimated Actual of Supplies and Services against the Budget was the result of additional funding post contract offer for the Improving Outpatient Initiative and other adjustments received across the year in amendment windows to deliver those services and activities as outlined in Note 1.
6. In 2014-15, Metro North HHS became a prescribed employer resulting in a reclassification of Salaries and Wages expenditure from Payments to QH for Contracted Staff to Employee Expenses. See Note 4.
7. The increase in Estimated Actuals for Depreciation is the result of building revaluations across the HHS in addition to newly commissioned assets.
8. The Budget for 2014-15 was lower prior to amendment windows 1 and 2, following which, greater Estimated Actual expenditure was realised related to new services and initiatives.

Major variations between 2014-15 Budget and 2015-16 Budget include:

9. The Budget 2015-16 figures have been prepared while 2015-16 contract offer negotiations have yet to be finalised. The Budget 2015-16 is higher than the 2014-15 Budget due to a number of programs approved during the 2014-15 year that have become part of base funding in 2015-16. Salary and Wages growth related to Enterprise Bargaining increments, as well as funding for the Improving Outpatients Access initiative have all increased the 2015-16 allocation. Own Source Revenue targets in Budget 2015-16 are considerably higher than the 2014-15 Budget amounts, particularly in the Inpatient, Outpatient and Non-patient categories. The full year impact of commissioned assets and building revaluations performed during 2014-15 has necessitated additional funding in 2015-16. The reclassification of Inter-HHS and Staff Recovery amounts from Other Revenue have also contributed to a higher 2015-16 budget. See Note 10.
10. Inter-HHS Recoveries and Staff Recoveries were reclassified to user charges in 2014-15, previously being reported as Other Revenue in 2013-14. This has led to a decrease in 2015-16 budget for Other Revenue and an increase in User charges and Fees. See note 9.
11. In 2014-15, Metro North HHS became a prescribed employer resulting in a reclassification of expense from Payments to QH for Contracted Staff to Employee Expenses. Continued delivery of the Improving Outpatients Access Initiative in 2015-16 is the primary driver of an increase in Employee Expenses beyond amounts detailed in the Budget. The increase in Employee Expenses has seen a commensurate increase in HHS FTE.
12. The increase in the Estimated Actual of Supplies and Services against the Budget was the result of additional funding post contract offer for the Improving Outpatient Initiative and other adjustments received across the year in amendment windows to deliver those services and activities as outlined in Note 9.
13. In 2014-15, Metro North HHS became a prescribed employer resulting in a reclassification of Salaries and Wages budgets in 2015-16 from Payments to QH for Contracted Staff to Employee Expenses. See Note 11

14. The increase in the 2015-16 Budget for Depreciation is the result of full year impact of building revaluations performed during 2014-15 in addition to newly commissioned assets.

15. The Budget for 2014-15 was prepared prior to new initiatives and services commenced in 2014-15. In line with higher Estimated Actuals in 2014-15, the 2015-16 Budget has been increased commensurately with new work and in line with increased income.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

16. The variance of Estimated Actual versus 2015-16 Budget in user charges is related to non-recurrent funding adjustments to the 2015-16 base offer. Also contributing to the reduction for 2015-16 includes changes to the Activity Based Funding (ABF) Model and reductions in Own Source Revenue steams due to removal of one-off revenue items.

17. The reduction recorded in the 2015-16 Budget against the 2014-15 Estimated Actuals is the result of a reduction in transition funding payments, adjusting for one-off timing differences in 2014-15 receipts in combination with realigning nursing home occupancy assumptions.

18. The reduction in Employee expenses between 2015-16 Budget and Estimated Actuals has arisen due to the completion of a number of non-recurrent work programs and no further residual voluntary redundancy payments. During 2014-15, the HHS invested retained earnings to deliver a number of initiatives, with the majority of funds allocated to staff resources. While planning continues for 15-16, FTE levels are likely to remain similar to 2014-15 until HHS strategies are finalised.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

19. The variance between the Budget and Estimated Actual is related to the 2013-14 reported surplus alongside expected increased cash reserves for the first pay run at the beginning of July 2015 as well as timing differences in asset commissioning.

20. The decrease in Property, Plant and Equipment is due to changes in timing of asset commissioning and transfers from the Department of Health to the HHS.

21. In 2014-15 Metro North HHS became a prescribed employer resulting in the recognition of Accrued Employee Benefits of all HHS employed staff. The Estimated Actual takes account of this change.

22. The decrease in Equity relates to a lower number of commissioned assets than expected.

Major variations between 2014-15 Budget and 2015-16 Budget include:

23. The variance between the Budget and the 2015-16 Budget is related to the 2013-14 reported surplus. Additionally, a reduction in Property, Plant and Equipment acquisitions has increased cash reserves. See note 24.

24. The variance has arisen due to changes in timing of asset commissioning and transfer from Department of Health to the HHS and planned minor capital acquisitions in 2015-16.

25. In 2014-15, Metro North HHS became a prescribed employer resulting in the recognition of Accrued Employee Benefits of all HHS employed staff. This was not reflected in the Budget.

26. The increase in Equity relates to increases in the Asset Revaluation Reserve due to the annual revaluation program and increases to Contributed Equity for the transfer of commissioned assets from the Department of Health.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

27. The variance between the Cash Assets Estimated Actual and the 2015-16 Budget is the result of a higher value of Accrued Employee Benefits in the 2015-16 budget along with slightly reduced value of Payables outstanding.

28. Increase Estimated Actual in Property, Plant and Equipment due to changes in timing of asset commissioning and transfer of assets from the Department of Health to the HHS.

29. The increase in Accrued Employee Benefits in Budget 2015-16 against Estimated Actuals is the results of an 11 day year end accrual in June 2016. This is 2 additional days on the Estimated Actual for 2014-15.

30. The increase in Equity relates to increases in the Asset Revaluation Reserve due to the annual revaluation program and increases to Contributed Equity for the transfer of commissioned assets from the Department of Health.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

31. The Budget for 2014-15 was prepared while contract negotiations between the Department of Health and Metro North HHS were ongoing. Consequently, there was a funding adjustment for the Improving Outpatient Access program in addition to increased funding to deliver programs such as FDG manufacture (Nuclear Medicine), backlog maintenance, Neonatal centralised funding, Cardiac Info Solution Program and Enterprise Bargaining increases, all contributing to an increase in Estimated Actuals. Building revaluations and commissioned assets depreciation adjustments have also led to an increase in Estimated Actual of funding. Own Source Revenue generation exceeded expectations, particularly in relation to Pharmaceutical Benefits Scheme Reimbursements, Prosthetic Recoveries and Research Project income. Inter-HHS and Staff Recovery accounts were both reclassified to User Charges in 2014-15, which also led to an increase in Estimated Actuals. See note 33.
32. Estimated Actuals vary from the Budget due to timing differences in the receipt of transition care payments, higher than anticipated occupancy at nursing homes and a capital grant from the University of Queensland for the Herston Imaging Research Facility.
33. Inter-HHS Recoveries and Staff Recoveries were reclassified to user charges in 2014-15, previously being reported as Other Revenue in 2013-14 leading to lower other operating inflows. See note 31.
34. In 2014-15, Metro North HHS became a prescribed employer resulting in a reclassification of expense from Payments to QH for Contracted Staff (which sits under Other Supplies and Services) to Employee Expenses. Increases in Department of Health funding through amendment windows 1 and 2, as well as the Improving Outpatient Access Initiative saw additional FTE employed to deliver services. See note 35
35. In 2014-15, Metro North HHS became a prescribed employer resulting in a reclassification of expense from Payments to QH for Contracted Staff (which sits under Other Supplies and Services) to Employee Expenses. Increases in Department of Health funding through amendment windows 1 and 2, as well as the Improving Outpatient Access Initiative saw additional FTE employed to deliver services. See note 34
36. The Budget for 2014-15 was lower prior to amendment windows 1 and 2, following which, greater Estimated Actual expenditure was realised related to new services and initiatives.
37. The increase relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding.
38. The increase in Equity Withdrawals relates to additional Depreciation revenue, which is subsequently returned to Queensland Treasury.

Major variations between 2014-15 Budget and 2015-16 Budget include:

39. The Budget for 2014-15 was prepared while contract negotiations between the Department of Health and Metro North HHS were ongoing. Consequently, there was a funding adjustment for the Improving Outpatient Access program in addition to increased funding to deliver programs such as FDG manufacture (Nuclear Medicine), backlog maintenance, Neonatal centralised funding, Cardiac Info Solution Program and Enterprise Bargaining increases, all contributing to an increase in Estimated Actuals. Building revaluations and commissioned assets depreciation adjustments have also led to an increase in Estimated Actual of funding. Own Source Revenue generation exceeded expectations, particularly in relation to Pharmaceutical Benefits Scheme Reimbursements, Prosthetic Recoveries and Research Project income. Inter-HHS and Staff Recovery accounts were both reclassified to User Charges in 2014-15, which also led to an increase in Estimated Actuals.
40. Inter-HHS Recoveries and Staff Recoveries were reclassified to User Charges in 2014-15, previously being reported as Other Revenue in 2013-14 leading to lower Other Operating Inflows. See note 39.
41. In 2014-15, Metro North HHS became a prescribed employer resulting in a reclassification of expense from Supplies and Services (Payments to QH for Contracted Staff) to Employee Expenses. Continued delivery of the Improving Outpatients Initiative in 2015-16 is the primary driver of an increase in Employee Expenditure beyond amounts detailed in the Budget. The increase in Employee Expenses has seen a commensurate increase in HHS FTE.
42. In 2014-15 Metro North HHS became a prescribed employer resulting in a reclassification of Salaries and Wages budgets in 2015-16 from Supplies as Services (Payments to QH for Contracted Staff) to Employee Expenses. The reclassification of Interstate Hospital fees to Outsourced Service Delivery has also reduced the value of the Other Supplies and Services 2015-16 Budget.
43. The Budget for 2014-15 was prepared prior to new initiatives and services commenced in 2014-15. In line with higher Estimated Actuals in 2014-15, the 2015-16 Budget has been increased commensurately with new work and in line with increased income.

44. The increase relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding.

45. The Equity increase relates to the commissioning of assets to be transferred from the Department of Health to MNHHS via Contributed Equity, Minor Capital and Health Technology Equipment Replacement program.

46. The increase in Equity Withdrawals relates to additional Depreciation revenue, which is subsequently returned to Queensland Treasury.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

47. The reduction of Estimated Actual versus 2015-16 Budget in User Charges is related to non-recurrent funding adjustments to the 2015-16 base offer. Also contributing to the reduction for 2015-16 includes changes to the Activity Based Funding (ABF) Model and reductions in Own Source Revenue steams due to removal of one-off revenue items.

48. The reduction recorded in the 2015-16 Budget against the 2014-15 Estimated Actuals is the result of a reduction in transition funding payments, adjusting for one-off timing differences in 2014-15 receipts in combination with realigning nursing home benefits with initial expectations.

49. The reduction in Employee Expenses between 2015-16 Budget and Estimated Actuals has arisen due to the completion of a number of non-recurrent work programs and no further residual voluntary redundancy payments. During 2014-15, the HHS invested retained earnings to deliver a number of initiatives, with the majority of funds allocated to staff resources. While planning continues for 2015-16, FTE levels are likely to remain similar to 2014-15 until MNHHS strategies are finalised.

50. The 2014-15 Estimated Actual includes the final fortnight payment (Pay 27) of Department of Health contract staff from 2013-14. As there are only 26 pays in 2015-16 and costs associated with being a prescribed employer are now classified under Employee Expenses, a reduction in expenditure is apparent in the 2015-16 budget. Additionally, the reduction in funding in 2015-16 against the 2014-15 Estimated Actual will also see a reduction in Supplies and Services expenditure.

51. The increase relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding.

52. The increase relates to the commissioning of assets to be transferred from the Department of Health to MNHHS via contributed equity.

Metro South Hospital and Health Service

Overview

The Metro South Hospital and Health Service (HHS) is an independent statutory body overseen by a local Hospital and Health Board. Metro South is the most populated HHS in Queensland with a resident population of over 1 million people. Metro South HHS covers 3,856 square kilometres and includes Brisbane City south of the Brisbane River, Redland City, Logan City, Beaudesert and the eastern portion of the Scenic Rim.

The Metro South HHS operates five hospitals (Princess Alexandra, Logan, Redland, Queen Elizabeth II Jubilee (QEII), Beaudesert, the Wynnum Health Service, and an emergency clinic on North Stradbroke Island. It also comprises a number of residential care facilities, community health centres, mental health and oral health services, as well as outreach and home visiting services.

Through these facilities, the Metro South HHS delivers a full suite of specialties from eight clinical and five non-clinical streams.

The clinical streams are:

- Aged Care and Rehabilitation Services
- Cancer Services
- Emergency and Clinical Support Services
- Medicine and Chronic Disease Services
- Addiction and Mental Health Services
- Surgical Services
- Patient Flow, Ambulatory Care and Hospital Avoidance
- Women's and Children's Services

The non-clinical streams are:

- Clinical Governance
- Corporate Services
- Finance
- Information Technology
- Planning, Engagement and Reform

The Metro South HHS contributes to the Queensland Government's objectives for the community to deliver quality frontline services including strengthening the public health system and building safe, caring and connected communities.

Key strategic directions of the Metro South HHS include:

Strengthening the Nursing Workforce

- Undertake globally recognised nursing standards designation and lead the rollout of Nursing Excellence Programs across Queensland.
- develop a sustainable Clinical Placement Model for Nurse Endoscopist candidates
- prepare and implement Nurse Navigator roles across the HHS
- increase intake of Graduate Nurse positions against vacancies by a further 50 places.

Improving Patient Safety

- pioneer the first public Digital Hospital Project in Australia
- build redesign and improvement capability across the Metro South HHS
- pursue external accreditation for patient centred care
- develop strategies to translate evidence into clinical practice.

Building Adolescent Mental Health Services

- participating in statewide planning.

Greater Investment in Preventive Health

- develop and implement an Integrated Health System through strategic partnerships with the primary health care sector
- support non-hospital service providers to safely manage high risk patients in the community
- promote and expand critical health screening programs

- partner with key education providers to develop shared professional development opportunities across the continuum of care.

Service performance

The Metro South HHS has an operating budget of $2.018 billion for 2015-16 which is an increase of $127.9 million (6.8%) from the published 2014-15 base budget of $1.89 billion.

The Service Agreement between the Metro South HHS and the Department of Health identifies the health services to be provided, funding arrangements for those services and defined performance indicators and targets to ensure outputs and outcomes are achieved.

The Metro South HHS's achievements in 2014-15 included:

- four hospitals achieved full accreditation against the National Safety and Quality Health Service (NSQHS) Standards
- achieved Prescribed Employer status under the *Hospital and Health Boards Act 2011*
- legal ownership of land and assets transferred to the HHS
- clinical governance operational plans developed and implemented for all hospitals and services
- extensive clinical redesign reforming patient care (e.g. operating theatres at Logan and Redlands Hospitals, Oral Health, integrated diabetes and kidney disease clinics, community based services)
- Rapid Response Service established to provide immediate services for Home and Community Care eligible clients
- CARE-PACT program established to provide specialist outreach to nursing homes (to prevent emergency presentations)
- innovative workforce engagement strategy implemented – PAVE – to continue to improve workforce culture
- Own Source Revenue optimisation processes developed and implemented.
- completion of new Emergency Department, Rehabilitation Unit and Paediatric Inpatient Unit as part of the $145.2M Logan Hospital expansion project
- opened a 10 bed short-stay unit in the Redland Hospital emergency department
- graduated Queensland's first two Nurse Endoscopists at the Logan Hospital
- supporting the Central Referral Hub and it's link with Division/Department managers in line with effective service provision (long wait reduction and effective management)
- elective surgery strategy - this led the Princess Alexandra Hospital to achieve zero long waits at the end of the 2014 calendar year
- Supporting technological advancement through developing the Digital Hospital, participating in Advisory Board post evaluation of Robotic Surgery and Gamma Knife
- Successful integration of the Community Aids, Equipment and Assistive Technologies Initiative (CAEATI) and Vehicle Options Subsidy Scheme (VOSS) into the Medical Aids Subsidy Scheme as a single entity from the Department of Community Child Safety and Disabilities Services
- addiction and mental health - opening of Community Care Units (CCUs) at Logan and Redlands
- opening of the new Logan Acute Mental Health Inpatient wards.

In 2015-16, the Metro South HHS will focus on:

- completion of Logan Hospital's new Cardiac Catheter laboratory and day procedure unit
- Logan Hospital car park solution involving the development of a new 585 space staff car park on the Logan TAFE site, freeing up substantial patient parking on the Logan Hospital campus
- implementation of a multidisciplinary ear, nose and throat (ENT) clinic model to address long waits in specialist ENT outpatients
- completion of University of Queensland Training Facility
- installation and commissioning of a MRI unit as a consequence of the renegotiated radiology services
- nursing accreditation process Pathway to Excellence
- Oral Health Consolidation Project – the fit out of a fit-for-purpose leased and refurbishment of existing facilities at Logan Central Community Health Centre
- launch on 1 July 2015 of MHCALL to be based at Logan. This will be a 24 hour clinician lead service and will cover the Metro South HHS area. Staff are trained in triage processes and will have a new intake mechanism to ensure consistency of practice and outcomes.

Some of the major deliverables for the Metro South HHS in 2015-16 include:

- establishment of the Digital Hospital Program
- capital projects delivery – including construction of the Wynnum Integrated Health Care Centre, Oral Health consolidation project, the Princess Alexandra Hospital patient amenities redevelopment and the Logan Hospital Car Park project
- development and implementation of the Metro South HHS Integrated Health Strategy
- implementation of the Hospital Avoidance and Substitution Plan
- expansion of the MSHealth@Home model.

Service performance

Performance statement

Metro South Hospital and Health Service

Service area objective

To deliver public hospital and health services for the Metro South Queensland community.

Service area description

The Metro South HHS is responsible for providing public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services.

Metro South Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards *Effectiveness measures* Percentage of patients attending emergency departments seen within recommended timeframes:	1			
Category 1 (within 2 minutes)		100%	99%	100%
Category 2 (within 10 minutes)		80%	75%	80%
Category 3 (within 30 minutes)		75%	64%	75%
Category 4 (within 60 minutes)		70%	75%	70%
Category 5 (within 120 minutes)		70%	93%	70%
All categories		..	71%	..
Percentage of emergency department attendances who depart within four hours of their arrival in the department	2	86%	72%	90%
Percentage of elective surgery patients treated within clinically recommended times:	3			
Category 1 (30 days)		100%	99%	>98%

Metro South Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Category 2 (90 days)		97%	90%	>95%
Category 3 (365 days)		98%	95%	>95%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	4	<2.0	1.1	<2.0
Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit	5	>60%	57.6%	>65%
Proportion of readmissions to an acute mental health inpatient unit within 28 days of discharge	6	<12%	15.2%	<12%
Percentage of specialist outpatients waiting within clinically recommended times:	7			
Category 1 (30 days)		63%	46%	..
Category 2 (90 days)		34%	32%	..
Category 3 (365 days)		90%	49%	..
Median wait time for treatment in emergency departments (minutes)	8	20	18	20
Median wait time for elective surgery (days)	9	25	28	25
Efficiency measure Average cost per weighted activity unit for Activity Based Funding facilities	10, 12	$4,706	$4,673	$4,623
Other measures Total weighted activity units:	10, 11			
Acute Inpatient		162,514	163,725	168,547
Outpatients		40,164	39,010	42,009
Sub-acute		13,881	13,914	17,446
Emergency Department		37,385	37,803	38,155
Mental Health		23,810	26,935	24,485
Interventions and Procedures		30,319	29,694	30,280
Ambulatory mental health service contact duration (hours)	13	>189,627	170,248	>170,500

Notes:

1. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 and 2015-16 are based on the Australasian Triage Scale (ATS). The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.

2. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years. The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
3. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years.
4. Staphylococcus aureus are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Est. for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
5. This represents incremental progress towards the nationally recommended target.
6. Queensland has made significant progress in reducing readmission rates over the past 5 years, with continued incremental improvements towards the nationally recommended target. The 2015-16 Target/Est. is the nationally recommended target.
7. A 2015-16 Target/est. has not yet been set as work in relation to the setting of a more suitable target/measure is currently being investigated. This work will ensure an appropriate measure and target is set in line with the Government's priorities and the Service Agreements with the HHSs. The Government convened a Wait Times Summit and is currently undertaking further consultation with the health sector, which will inform work around the target/measure for future reporting. The 2014-15 Est. actual figures are provided using actual performance as at 1 April 2015.
8. The 2014-15 Est. Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. There is no nationally agreed 2015-16 Target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
9. The 2014-15 Est. Actual figures are provided from 11 months of actual performance from 1 July 2014 to 31 May 2015. There is no nationally agreed target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
10. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 and updated to Amendment Window 2 to enable comparison with 2015-16 Target/Est. figures.
11. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
12. The determination of the cost (funding) per WAU has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements.
13. The 2014-15 Target/Est. was set utilising a standard formula based upon available clinical staffing. Due to a range of issues including known under-reporting within clinical information systems which capture the data, most HHSs are not expected to meet the target for 2014-15. The 2015-16 Target/Est. has been revised to take these issues into account. The 2015-16 Target/est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance. The reduction from the 2014-15 Target/est. is based on improved identification of non-clinical staff as well as actual reduction in available FTEs.

Staffing[1]

Metro South Hospital and Health Service	Notes	2014-15 budget	2014-15 Est. actual	2015-16 Budget
Metro South Hospital and Health Service	2, 3, 4, 5	11,504	11,801	11,852

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs from the 2014-15 Budget to the 2014-15 Est. Actual reflect commissioning of new services and additional activity purchased from HHSs through amendments to the 2014-15 Service Agreements.
5. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased by the Department of Health.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Metro South Hospital and Health Service	Notes	2014-15 Target/est.	2014-15 Est. actual	2015-16 Target/est.
Service standards				
Number of in-home visits, families with newborns	1	22,999	14,514	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

Metro South Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,8,16	1,838,823	1,940,582	1,971,478
Grants and other contributions	2,9,17	33,155	39,779	27,700
Interest		1,245	1,050	1,054
Other revenue	3,10,18	16,469	5,060	1,289
Gains on sale/revaluation of assets		805	805	826
Total income		**1,890,497**	**1,987,276**	**2,002,347**
EXPENSES				
Employee expenses	4,11,19	2,017	1,363,100	1,385,272
Supplies and Services				
Other supplies and services	5,12,20	497,875	538,958	554,208
Department of Health contract staff	6,13	1,307,975	..	..
Grants and subsidies	14,21	3,063	3,265	3,808
Depreciation and amortisation		67,379	67,250	67,171
Finance/borrowing costs		..	..	..
Other expenses		8,098	6,327	6,294
Losses on sale/revaluation of assets	7,15	4,090	1,411	1,594
Total expenses		**1,890,497**	**1,980,311**	**2,018,347**
OPERATING SURPLUS/(DEFICIT)		**..**	**6,965**	**(16,000)**

Balance sheet

Metro South Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	22,28	156,540	131,159	136,548
Receivables	23,29	18,016	28,116	28,886
Other financial assets		..	..	..
Inventories		12,928	13,918	14,063
Other		1,652	1,720	1,860
Non financial assets held for sale		..	..	..
Total current assets		**189,136**	**174,913**	**181,357**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	24,30	1,185,742	1,214,657	1,218,105
Intangibles		29	403	376
Other		..	..	..
Total non-current assets		**1,185,771**	**1,215,060**	**1,218,481**
TOTAL ASSETS		**1,374,907**	**1,389,973**	**1,399,838**
CURRENT LIABILITIES				
Payables	25,31,34	123,020	64,465	77,765
Accrued employee benefits	26,32,35	274	37,500	47,208
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**123,294**	**101,965**	**124,973**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**123,294**	**101,965**	**124,973**
NET ASSETS/(LIABILITIES)		**1,251,613**	**1,288,008**	**1,274,865**
EQUITY				
TOTAL EQUITY	**27,33,36**	**1,251,613**	**1,288,008**	**1,274,865**

Cash flow statement

Metro South Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	37,44,52	1,837,157	1,936,993	1,969,693
Grants and other contributions	38,45,53	33,155	39,779	27,700
Interest received		1,245	1,050	1,054
Other	39,46,54	49,210	37,801	34,201
Outflows:				
Employee costs	40,47	(1,905)	(1,325,637)	(1,375,564)
Supplies and services	41,48	(1,827,104)	(650,798)	(574,422)
Grants and subsidies	49,55	(3,063)	(3,265)	(3,808)
Borrowing costs		..	..	..
Other		(8,098)	(6,327)	(6,294)
Net cash provided by or used in operating activities		**80,597**	**29,596**	**72,560**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		(551)	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	42,50,56	(17,800)	(24,062)	(39,742)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(18,351)**	**(24,062)**	**(39,742)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	43,51,57	17,800	22,165	39,742
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(67,379)	(67,250)	(67,171)
Net cash provided by or used in financing activities		**(49,579)**	**(45,085)**	**(27,429)**
Net increase/(decrease) in cash held		**12,667**	**(39,551)**	**5,389**
Cash at the beginning of financial year		**143,873**	**170,710**	**131,159**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**156,540**	**131,159**	**136,548**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. Increase is due to additional funding received for the expansion of Logan Hospital services, backlog maintenance remediation program, outpatient and chronic disease initiatives, Community Aids Equipment and Assistive Technologies Initiative, Vehicle Options Subsidy Scheme and the development of Princess Alexandra Hospital as a digital hospital exemplar site. Patient-related revenue has also increased due to additional activity.
2. Increase is due to inflation of current programs, increased activity and new funding arrangements.
3. Decrease reflects the reclassification of salary recoveries reimbursement which is now recorded under employee expenses.
4. Increase reflects a change in accounting treatment due to Metro South Health becoming a prescribed employer from 1 July 2014. Staff expense is now to be treated as employee expense instead of Department of Health contract staff. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase also reflects additional service provision and enterprise bargaining agreements.
5. Increase is due to additional activity to reduce patient wait lists and additional and expanded services. Additional and expanding services include the development of Princess Alexandra Hospital as a digital hospital exemplar site, the Community Aids Equipment and Assistive Technologies Initiative, Vehicle Options Subsidy Scheme and the expansion of Logan Hospital services.
6. Decrease is due to Metro South Health becoming a prescribed employer from 1 July 2014. This has required employee related expenditure to be reclassified from Department of Health contract staff to employee expenses. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.
7. Decrease predominantly due to a decrease in expected asset writedowns as well as a reduction to impairment losses as a result of improved patient billing processes.

Major variations between 2014-15 Budget and 2015-16 Budget include:

8. Increase is due to additional funding received in 2014-15 for the expansion of Logan Hospital services, backlog maintenance remediation program, outpatient and chronic disease initiatives, the Community Aids Equipment and Assistive Technologies Initiative and Vehicle Options Subsidy Scheme. In 2015-16 additional funding has been provided for the novation of the St Vincents Hospital, Kangaroo Point contract and Mater Hospital, Springfield contract through Metro South Health, plus escalation for labour and non-labour. Patient-related revenue has also increased due to additional activity.
9. Decrease is due to Home and Community Care services no longer being provided as a result of the Australian Government`s reform of aged care services.
10. Decrease reflects the reclassification of salary recoveries reimbursement which is now recorded under employee expenses.
11. Increase reflects a change in accounting treatment due to Metro South Health becoming a prescribed employer from 1 July 2014. Staff expense is now to be treated as employee expense instead of Department of Health contract staff. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase also reflects additional service provision and enterprise bargaining agreements.
12. Increase is due to additional activity to reduce patient wait lists and additional and expanded services. Additional and expanding services include the development of Princess Alexandra Hospital as a digital hospital exemplar site, the Community Aids Equipment and Assistive Technologies Initiative, Vehicle Options Subsidy Scheme, the expansion of Logan Hospital services and service provision agreements with Mater Hospital, Springfield and St Vincents Hospital, Kangaroo Point novated through Metro South Health.
13. Decrease due to Metro South Health becoming a prescribed employer from 1 July 2014. This has required employee related expenditure to be reclassified from Department of Health contract staff to employee expenses. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.
14. Increase relates to additional post-natal program activity in 2015-16.

15. Decrease predominantly due to a decrease in expected asset writedowns as well as a reduction to impairment losses as a result of improved patient billing processes.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

16. Increase is due to additional funding provided for the novation of the St Vincents Hospital, Kangaroo Point contract and Mater Hospital, Springfield contract through Metro South Health, plus escalation for labour and non-labour. Patient-related revenue has also increased due to expected activity growth.
17. Decrease is due to Home and Community Care services no longer being provided as a result of the Australian Government`s reform of aged care services.
18. Decrease reflects significant one-off revenue received in 2014-15.
19. Increase reflects additional service provision as well as the impact of enterprise bargaining agreements.
20. Increase is due to service provision agreements with Mater Hospital, Springfield and St Vincents Hospital, Kangaroo Point novated through Metro South Health and increasing focus on the development of Princess Alexandra Hospital as a digital hospital exemplar site.
21. Increase relates to additional post-natal program activity in 2015-16.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

22. Decrease is mainly due to an additional payroll payment in 2014-15 due to change in pay date in 2012-13 financial year.
23. Increase is predominantly due to a higher opening balance than budgeted and reduction of allowance of impairment due to improved debt management.
24. Increase is mainly due to additional funding for plant and equipment in 2014-15 financial year.
25. Decrease is predominantly due to reclassification of payables to accrued employee benefits due to prescribed employer status from 2014-15 financial year and additional payroll payment due to change in pay date carried from 2012-13.
26. Increase is predominantly due to reclassification of payables to accrued employee benefits due to prescribed employer status from 2014-15 financial year.
27. Increase is attributable to earlier than budgeted non-appropriated equity transfer of the Logan Hospital building, the impact of the 2013-14 operating result on accumulated surplus offset by a decrease in asset revaluation surplus due to lower than budgeted movement in 2013-14 impacting on the 2014-15 opening balance.

Major variations between 2014-15 Budget and 2015-16 Budget include:

28. Decrease is mainly due to an additional payroll payment in 2014-15 due to change in pay date in 2012-13 financial year.
29. Increase is predominantly due to a higher opening balance in 2014-15 than budgeted and reduction of allowance for impairment due to improved debt management.
30. Increase is due to additional funding for capital projects in both financial years since published budget.
31. Decrease is predominantly due to reclassification of payables to accrued employee benefits due to prescribed employer status from 2014-15 financial year and additional payroll payment due to change in pay date carried from 2012-13.
32. Increase is predominantly due to reclassification of payables to accrued employee benefits due to prescribed employer status from 2014-15 financial year and additional days for payroll accruals in 2015-16.
33. Increase is attributable to additional equity injection in 2014-15 for asset purchases offset by the combined impact of the operating results of 2014-15 and 2015-16 financial year and an increase in asset revaluation reserve due to a 2.5% index applied to the land and building portfolio.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

34. Increase is predominantly due to higher payables to the Department of Health for payroll advance.
35. Increase is predominantly due to additional days for payroll accruals in 2015-16.

36. Decrease is predominantly due to completion of major redevelopment projects in 2014-15 resulting in higher equity withdrawal for depreciation than equity injection for asset purchases in 2015-16, the combined operating result estimated for 2014-15 and 2015-16 financial years offset by an increase to the asset revaluation reserve due to a 2.5% index applied to the land and building assets.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

37. Increase is due to additional funding received for the expansion of Logan Hospital services, backlog maintenance remediation program, outpatient and chronic disease initiatives, Community Aids Equipment and Assistive Technologies Initiative, Vehicle Options Subsidy Scheme and the development of Princess Alexandra Hospital as a digital hospital exemplar site. Patient-related revenue has also increased due to additional activity.
38. Increase is due to inflation of current programs, increased activity and new funding arrangements.
39. Decrease reflects the reclassification of salary recoveries reimbursement which is now recorded under employee expenses.
40. Increase reflects a change in accounting treatment due to Metro South Health becoming a prescribed employer from 1 July 2014. Staff expense is now to be treated as employee expense instead of supplies and services. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase also reflects additional service provision and enterprise bargaining agreements.
41. Decrease is due to Metro South Health becoming a prescribed employer from 1 July 2014. This has required employee related expenditure to be reclassified from supplies and services to employee expenses. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. This is offset by additional activity to reduce patient wait lists.
42. Increase is mainly due to additional funding for plant and equipment in 2014-15 financial year.
43. Increase is due to additional funding for asset acquisition since published budget.

Major variations between 2014-15 Budget and 2015-16 Budget include:

44. Increase is due to additional funding received in 2014-15 for the expansion of Logan Hospital services, backlog maintenance remediation program, outpatient and chronic disease initiatives, the Community Aids Equipment and Assistive Technologies Initiative and the Vehicle Options Subsidy Scheme. In 2015-16 additional funding has been provided for the novation of the St Vincents Hospital, Kangaroo Point contract and Mater Hospital, Springfield contract through Metro South Health, plus escalation for labour and non-labour. Patient-related revenue has also increased due to additional activity.
45. Decrease is due to Home and Community Care services no longer being provided as a result of the Australian Government`s reform of aged care services.
46. Decrease reflects the reclassification of salary recoveries reimbursement which is now recorded under employee expenses.
47. Increase reflects a change in accounting treatment due to Metro South Health becoming a prescribed employer from 1 July 2014. Staff expense is now to be treated as employee expense instead of supplies and services. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase also reflects additional service provision and enterprise bargaining agreements.
48. Decrease is due to Metro South Health becoming a prescribed employer from 1 July 2014. This has required employee related expenditure to be reclassified from supplies and services to employee expenses. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. This is offset by additional activity to reduce patient wait lists plus service provision agreements with Mater Hospital, Springfield and St Vincents Hospital, Kangaroo Point novated through Metro South Health.
49. Increase relates to additional post-natal program activity in 2015-16.
50. Increase is due to additional funding for capital projects in both financial years since published budget.
51. Increase is due to additional funding for asset acquisition and capital projects in both financial years since published budget.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

52. Increase is due to additional funding provided for the novation of the St Vincents Hospital, Kangaroo Point contract and Mater Hospital, Springfield contract through Metro South Health, plus escalation for labour and non-labour. Patient-related revenue has also increased due to expected activity growth.
53. Decrease is due to Home and Community Care services no longer being provided as a result of the Australian Government`s reform of aged care services.
54. Decrease reflects significant one-off revenue received in 2014-15
55. Increase relates to additional post-natal program activity in 2015-16.
56. Increase is due to additional capital projects in 2015-16.
57. Increase is due to additional funding for asset acquisition and capital projects.

North West Hospital and Health Service

Overview

The North West Hospital and Health Service (HHS) is an independent statutory body overseen by a local Hospital and Health Board. The North West HHS is responsible for the delivery of public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services to a population of around 34,000 people residing in a geographical area within north western Queensland and the Gulf of Carpentaria including Mount Isa, Burketown, Camooweal, Cloncurry, Dajarra, Doomadgee, Julia Creek, Karumba, Mornington Island, Normanton and Urandangi.

The North West HHS also provides emergency ambulance retrieval and treatment support services across the Northern Territory border for communities towards Tennant Creek and Lake Nash.

The North West HHS is responsible for the direct management of the facilities within the HHS's geographical boundaries including its main referral centre, the Mount Isa Hospital, two Multipurpose Health Services, three rural/remote hospitals, four Primary Healthcare Centres and five Community Healthcare Centres. Partly due to the distances involved from North West HHS facilities to the communities within the area of responsibility, a number of service agreements exist with adjoining HHSs to provide services to some of these communities.

The North West HHS provides a comprehensive range of community and primary health services, including aged care assessment, Aboriginal and Torres Strait Islander health programs; child and maternal health services; alcohol, tobacco and other drug services; home care services; community health nursing, sexual health service, allied health, oral health and health promotion programs.

The North West HHS (NWHHS) has five Strategic priorities, each mapped to service objectives, as outlined below:

Strategic Priority:	**Objective:**
• Safe, quality service delivery through continuous improvement	• NWHHS will be recognised as delivering best practice in contemporary healthcare service in remote locations
• Implement priority strategies to recruit and retain staff	• NWHHS will be regarded as an employer of choice for rural and remote healthcare
• Deliver coordinated, integrated and sustainable services in the North West region	• Sustainable improvements in our rates of avoidable admissions will be achieved
• Implementation of State and National Health priorities to enhance and produce better health for the individual, family and community	• Culturally appropriate and equitable healthcare will be accessible for all individuals, families and communities of the NWHHS
• A financially accountable and responsible Hospital and Health Service	• The delivery of contemporary safe, quality healthcare to meet the needs of the community in a remote location in a cost effective manner

The objectives of the North West HHS contribute to the Government's objectives for the community to deliver quality frontline services including strengthening the public health system and building safe, caring and connected communities.

Service performance

The North West HHS has an operating budget of $148.8 million for 2015-16 which is an increase of $8.3 million (5.9%) from its 2014-15 operating budget of $140.5 million.

The Service Agreement between the North West HHS and the Department of Health identifies the services to be provided, the funding arrangements for those services and defined performance indicators and targets to ensure outputs and outcomes are achieved.

The North West HHS has made considerable achievements against its strategic objectives in 2014-15 including:

- a significant decrease in the number of patients waiting longer than clinically recommended times for specialist outpatient appointments
- achievement of the elective surgery long wait target with zero patients waiting longer than the recommended time for elective surgery

- achievement of a balanced operating position year to date
- employment of the highest number of nurse practitioners in Queensland across a variety of clinical specialty areas, including renal, heart failure, cardiac, emergency department, maternal and child health, as well as five rural and remote nurse practitioners.

The North West HHS has identified key initiatives to support its strategic objectives. The key initiatives will be a key focus for 2015-16 and include:

- providing better access to health services
- addressing and improving key population health challenges and risks
- supporting the Government commitments to revitalise frontline services for families and deliver better infrastructure
- enhancing engagement and developing closer working relationships with patients, families, community groups, general practitioners and other primary healthcare providers
- development of a Cultural Capability Plan.

Service performance

Performance statement

North West Hospital and Health Service

Service area objective

To deliver public hospital and health services for the North West Queensland community.

Service area description

The North West HHS is responsible for providing public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services.

North West Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Effectiveness measures				
Percentage of patients attending emergency departments seen within recommended timeframes:	1			
Category 1 (within 2 minutes)		100%	100%	100%
Category 2 (within 10 minutes)		80%	96%	80%
Category 3 (within 30 minutes)		75%	86%	75%
Category 4 (within 60 minutes)		70%	74%	70%
Category 5 (within 120 minutes)		70%	84%	70%
All categories		..	80%	..
Percentage of emergency department attendances who depart within four hours of their arrival in the department	2	86%	88%	90%
Percentage of elective surgery patients treated within clinically recommended times:	3			

North West Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Category 1 (30 days)		100%	95%	>98%
Category 2 (90 days)		97%	96%	>95%
Category 3 (365 days)		98%	99%	>95%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	4	<2.0	0	<2.0
Percentage of specialist outpatients waiting within clinically recommended times:	5			
Category 1 (30 days)		28%	44%	..
Category 2 (90 days)		39%	81%	..
Category 3 (365 days)		90%	93%	..
Median wait time for treatment in emergency departments (minutes)	6	20	18	20
Median wait time for elective surgery (days)	7	25	33	25
Efficiency measure Average cost per weighted activity unit for Activity Based Funding facilities	8, 10	$5,444	$5,878	$5,125
Other measures Total weighted activity units:	8, 9			
Acute Inpatient		6,764	7,174	6,792
Outpatients		4,912	4,237	4,961
Sub-acute		302	855	325
Emergency Department		5,139	5,984	5,142
Mental Health		101	158	102
Interventions and Procedures		486	440	486
Ambulatory mental health service contact duration (hours)	11	>6,447	6,293	>7,223

Notes:

1. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 and 2015-16 are based on the Australasian Triage Scale (ATS). The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
2. 2014-15 estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years. The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
3. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years.

4. Staphylococcus aureus are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Est. for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
5. A 2015-16 Target/est. has not yet been set as work in relation to the setting of a more suitable target/measure is currently being investigated. This work will ensure an appropriate measure and target is set in line with the Government's priorities and the Service Agreements with the HHSs. The Government convened a Wait Times Summit and is currently undertaking further consultation with the health sector, which will inform work around the target/measure for future reporting. The 2014-15 Est. actual figures are provided using actual performance as at 1 April 2015.
6. The 2014-15 Est. Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. There is no nationally agreed 2015-16 Target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
7. The 2014-15 Est. Actual figures are provided from 11 months of actual performance from 1 July 2014 to 31 May 2015. There is no nationally agreed target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
8. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 and updated to Amendment Window 2 to enable comparison with 2015-16 Target/Est. figures.
9. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
10. The determination of the cost (funding) per WAU has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements.
11. The 2015-16 Target/Est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance.

Staffing[1]

North West Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
North West Hospital and Health Service	2, 3, 4, 5	639	639	651

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased from HHSs.
5. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

North West Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Number of in-home visits, families with newborns	1	755	673	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

North West Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1	137,997	144,050	145,211
Grants and other contributions		2,270	3,955	3,367
Interest		16	15	16
Other revenue		200	193	207
Gains on sale/revaluation of assets		..	..	..
Total income		**140,483**	**148,213**	**148,801**
EXPENSES				
Employee expenses	2,4,6	926	72,722	74,624
Supplies and Services				
Other supplies and services	3,5	59,541	66,834	64,953
Department of Health contract staff		71,524	..	..
Grants and subsidies		..	..	..
Depreciation and amortisation		7,784	7,949	8,498
Finance/borrowing costs		..	..	..
Other expenses		606	606	622
Losses on sale/revaluation of assets		102	102	104
Total expenses		**140,483**	**148,213**	**148,801**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Balance sheet

North West Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	7,11	7,750	10,021	7,260
Receivables		2,378	4,251	4,264
Other financial assets		..	..	..
Inventories		470	515	526
Other		78	27	26
Non financial assets held for sale		..	..	..
Total current assets		**10,676**	**14,814**	**12,076**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	8,10,12	125,282	118,213	142,818
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**125,282**	**118,213**	**142,818**
TOTAL ASSETS		**135,958**	**133,027**	**154,894**
CURRENT LIABILITIES				
Payables	9	9,036	12,156	9,418
Accrued employee benefits		45	50	50
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**9,081**	**12,206**	**9,468**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**9,081**	**12,206**	**9,468**
NET ASSETS/(LIABILITIES)		**126,877**	**120,821**	**145,426**
EQUITY				
TOTAL EQUITY		**126,877**	**120,821**	**145,426**

Cash flow statement

North West Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	13	137,948	144,001	145,160
Grants and other contributions		2,270	3,955	3,367
Interest received		16	15	16
Other		4,409	4,402	4,438
Outflows:				
Employee costs	14,16,17	(926)	(72,722)	(74,624)
Supplies and services	15	(134,726)	(70,495)	(71,998)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(606)	(606)	(622)
Net cash provided by or used in operating activities		**8,385**	**8,550**	**5,737**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets		(1,183)	(1,630)	(1,498)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(1,183)**	**(1,630)**	**(1,498)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		1,183	1,242	1,498
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(7,784)	(7,949)	(8,498)
Net cash provided by or used in financing activities		**(6,601)**	**(6,707)**	**(7,000)**
Net increase/(decrease) in cash held		**601**	**213**	**(2,761)**
Cash at the beginning of financial year		**7,149**	**9,808**	**10,021**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**7,750**	**10,021**	**7,260**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. The increase relates to additional funding provided through amendments to the Service Agreement between North West Hospital and Health Service (NWHHS) and the Department of Health (DoH). Additional funding is provided for increases in service activity, enterprise bargaining agreements and depreciation revenue.
2. The increase relates to NWHHS becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.
3. The increase is due to an increase in the price of services to NWHHS. Supplies and Services is a broad category and the main items NWHHS has seen an increase in include electricity charges, contract labour, patient travel and telecommunications.

Major variations between 2014-15 Budget and 2015-16 Budget include:

4. The increase relates to NWHHS becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.
5. The increase is due to an increase in the price of services to NWHHS. Supplies and Services is a broad category and the main items NWHHS has seen an increase in include electricity charges, contract labour, patient travel and telecommunications.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

6. The increase relates to additional expenditure associated with the increase in FTE numbers within NWHHS and Enterprise Bargaining Agreements.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

7. The increase relates predominantly to the increases in revenue received from the DoH.
8. The decrease relates to the transfer of buildings to the DoH.
9. The increase relates to accrued payroll liabilities now classified as accrued employee expenses and movement in opening balances following the finalisation of the 2013-14 financial statements.

Major variations between 2014-15 Budget and 2015-16 Budget include:

10. The increase relates to the commissioning of non-current assets and as a result of the annual asset revaluation program. Mount Isa Hospital Redevelopment is the main source of the increase.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

11. The decrease relates predominantly to the decrease in revenue expected to be received from the DoH.
12. The increase relates to the commissioning of non-current assets and as a result of the annual asset revaluation program. Mount Isa Hospital Redevelopment is the main source of the increase.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

13. The increase relates to additional funding provided through amendments to the Service Agreement between NWHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining agreements and depreciation revenue.
14. The increase relates to NWHHS becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.

15. The decrease relates to NWHHS becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.

Major variations between 2014-15 Budget and 2015-16 Budget include:

16. The increase relates to NWHHS becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

17. The increase relates to additional expenditure associated with the increase in FTE numbers within NWHHS and Enterprise Bargaining Agreements.

South West Hospital and Health Service

Overview

The South West Hospital and Health Service (HHS) is an independent statutory body overseen by a local Hospital and Health Board. The South West HHS is responsible for the delivery of public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services to a population of approximately 26,000 residing over 319,000 square kilometres including the three main centres, Roma, Charleville and St George, and the surrounding areas of Augathella, Bollon, Cunnamulla, Dirranbandi, Injune, Mitchell, Morven, Mungindi, Quilpie, Surat, Thargomindah and Wallumbilla.

The South West HHS is responsible for the direct management of the facilities and services within the HHS's geographical boundaries including its four hospitals at Charleville, Cunnamulla, Roma and St George. It also manages Multi-Purpose Health Services (MPHS), two aged care facilities and other facilities:

- Augathella MPHS
- Bollon Community Clinic
- Dirranbandi MPHS
- Injune MPHS
- Mitchell MPHS
- Morven Community Clinic
- Mungindi MPHS
- Quilpie MPHS
- Surat MPHS
- Thargomindah Community Clinic
- Wallumbilla Community Clinic
- Waroona Aged Care Facility
- Westhaven Aged Care Facility

The South West HHS operates a number of Community and Allied Health Services and Outpatients Clinics providing a comprehensive range of community and primary health services, including aged care assessment, Aboriginal and Torres Strait Islander health programs; child and maternal health services; alcohol, tobacco and other drug services; home care services; community health nursing, sexual health service, allied health services, oral health and health promotion programs.

The South West HHS strategic objectives in 2015-16 focus on building on current strategies to deliver the principal themes articulated in the Queensland Government's objectives for the community to deliver quality frontline services, build safe, caring and connected communities and deliver new infrastructure through:

- building on continuous improvement and patient safety programs to embed them as part of everyday business
- attracting, retaining and developing a motivated healthcare workforce to meet our communities' future needs
- addressing and improving population health challenges and risks
- enhancing engagement and developing closer working relationships with community groups, general practice and other primary health providers to deliver mental health services.

These objectives are to:

- strengthen the nursing workforce through the creation, development and support of Nurse Practitioner candidate positions, building on the case load midwifery models and establishing service models that have a strong nursing focus
- advance the targeted community projects in partnership with key Aboriginal medical services and local government
- advance the partnership with a key Aboriginal medical service to deliver improved primary care
- complete the transition of heath service delivery in Bollon in partnership with the Queensland Ambulance Service
- advance the implementation of an integrated cancer service on an outreach model supported by telehealth
- expand the range of public theatre services available locally.

Service performance

The South West HHS has an operating budget of $126.9 million for 2015-16 which is an increase of $7.9 million (6.7%) from its 2014-15 published operating budget of $118.9 million.

The Service Agreement between the South West HHS and the Department of Health identifies the services to be provided, the funding arrangements for those services and defined performance indicators and targets to ensure outputs and outcomes are achieved.

The South West HHS's performance in 2014-15 has maintained or exceeded targets for each of the key performance indicators included in its service agreement with the Department of Health. Key achievements include:

- reduction in Aboriginal and Torres Strait Islander preventable hospitalisations
- exceeded utilisation of telehealth through the HHS
- significantly reduced the dental waiting list with zero patients waiting longer than two years for general dental care
- meeting targets for the backlog maintenance remediation program to support building compliance regulations
- commenced ophthalmology and urology public services to meet the needs of the community
- increase in overall activity
- improving local access to services and building relationships with community and key stakeholders.

In 2015-16 the South West HHS will focus on:

- further expansion of telehealth service and the use of information communication technology
- progress master planning for the Roma Hospital Campus
- delivering clinical services closer to home with additional funding to support the establishment of surgical services providing outpatient services and simple procedures two days per month. Other service improvements include cancer, ophthalmology, urology and peri operative services.

Service performance

Performance statement

South West Hospital and Health Service

Service area objective

To deliver public hospital and health services for the South West Queensland community.

Service area description

The South West HHS is responsible for providing public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services.

South West Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards *Effectiveness measures*	1			
Efficiency measures	2			
Other measures Total weighted activity units:	3, 4			
Acute Inpatient		5,017	4,924	5,066
Outpatients		1,363	1,339	1,363
Sub-acute		509	502	509
Emergency Department		2,825	2,808	2,825

South West Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Mental Health		126	126	126
Interventions and Procedures		150	150	150
Ambulatory mental health service contact duration (hours)	5	>4,397	4,858	<4,842

Notes:

1. An effectiveness measure is being developed and will be included in future Service Delivery Statements.
2. An efficiency measure is being developed and will be included in future Service Delivery Statements.
3. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 to enable comparison with 2015-16 Target/Est. figures.
4. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
5. The 2015-16 Target/Est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance.

Staffing[1]

South West Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
South West Hospital and Health Service	2, 3, 4	709	689	689

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.
5. The decrease in FTEs from the 2014-15 Budget is due to a lack of available Medical and Allied Health professionals in the region, necessitating the use of medical, podiatry and dietician contractors as an interim measure while undertaking strategies to employ permanent staff.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

South West Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Number of in-home visits, families with newborns	1	511	501	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

South West Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,6,12	107,113	115,619	114,797
Grants and other contributions		11,377	11,764	11,710
Interest		15	19	19
Other revenue		436	358	358
Gains on sale/revaluation of assets		..	..	..
Total income		**118,941**	**127,760**	**126,884**
EXPENSES				
Employee expenses	2,7,13	942	5,807	7,388
Supplies and Services				
Other supplies and services	3,8,14	41,177	46,261	45,883
Department of Health contract staff	4,9,15	70,696	67,495	66,930
Grants and subsidies		..	..	..
Depreciation and amortisation		5,560	5,258	5,595
Finance/borrowing costs		..	..	..
Other expenses	5,10,16	437	1,096	1,045
Losses on sale/revaluation of assets	11,17	129	126	43
Total expenses		**118,941**	**126,043**	**126,884**
OPERATING SURPLUS/(DEFICIT)		**..**	**1,717**	**..**

Balance sheet

South West Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	18,24,29	12,149	16,097	13,202
Receivables	19,25	1,798	1,000	1,027
Other financial assets		..	..	..
Inventories		636	633	637
Other	20,26	42	181	183
Non financial assets held for sale		..	..	..
Total current assets		**14,625**	**17,911**	**15,049**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	21,27,30	101,299	87,972	88,658
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**101,299**	**87,972**	**88,658**
TOTAL ASSETS		**115,924**	**105,883**	**103,707**
CURRENT LIABILITIES				
Payables	22,31	8,926	11,801	8,991
Accrued employee benefits	23,28	25	13	13
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	51	51
Total current liabilities		**8,951**	**11,865**	**9,055**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**8,951**	**11,865**	**9,055**
NET ASSETS/(LIABILITIES)		**106,973**	**94,018**	**94,652**
EQUITY				
TOTAL EQUITY		**106,973**	**94,018**	**94,652**

Cash flow statement

South West Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	32,38,42	107,037	115,573	114,761
Grants and other contributions		11,377	11,712	11,658
Interest received		15	19	19
Other		5,106	5,028	5,053
Outflows:				
Employee costs	33,39,43	(942)	(5,807)	(7,388)
Supplies and services	34,40,44	(115,867)	(117,707)	(120,358)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	35,41	(437)	(1,096)	(1,045)
Net cash provided by or used in operating activities		**6,289**	**7,722**	**2,700**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets	45	..	(42)	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	36,46	(1,361)	(6,432)	(1,586)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(1,361)**	**(6,474)**	**(1,586)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	37,47	1,361	2,683	1,586
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(5,560)	(5,258)	(5,595)
Net cash provided by or used in financing activities		**(4,199)**	**(2,575)**	**(4,009)**
Net increase/(decrease) in cash held		**729**	**(1,327)**	**(2,895)**
Cash at the beginning of financial year		**11,420**	**17,424**	**16,097**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**12,149**	**16,097**	**13,202**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. The Increase of $8.06M is related to increased funding for special projects and Own Sourced Revenue generated by the HHS.
2. The increase of $4.65M from the 2014-15 Budget to the 2014-15 Estimated Actuals is due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 This established a direct employer-employee relationship with the HHS. Also additional Board funding aligned with current membership.
3. The increase of $5.08M in Other Supplies and Services is due to increases in the patient travel subsidy scheme, operational expenditure & deferral of Building Maintenance Remediation Program and higher locum medical staff as a result of market conditions.
4. The reduction of $3.2M relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been offset by increases in Enterprise Bargaining Agreements and funded projects.
5. The increase of $659,000 is due to additional legal costs for Prescribed employer, asset ownership and Contract Management requirements.

Major variations between 2014-15 Budget and 2015-16 Budget include:

6. The Increase of $7.68M is related to increased funding for special projects and Own Sourced Revenue generated by the HHS.
7. The increase of $6.4M from the 2014-15 Budget to the 2014-15 Estimated Actuals is due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 This established a direct employer-employee relationship with the HHS. Also additional Board costs as 2 new members were appointed.
8. The increase of $4.07M in Other Supplies and Services is due to increases in the patient travel subsidy scheme, operational expenditure & Building Maintenance Backlog Program and higher locum medical staff as a result of market conditions.
9. The reduction of $3.76M relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been offset by increases in Enterprise Bargaining Agreements and funded projects.
10. The increase of $608,000 is due to additional legal costs for Prescribed employer, asset ownership and Contract Management requirements. 2015-16 will require additional funds to complete works.
11. The decrease $86,000 is expected as new procedures for Asset Replacement and Whole of Life are implemented.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

12. The decrease of $822,000 in funding relates to the net impact of deferrals from 2013-14 into 2014-15 and from 2014-15 into 2015-16 partially offset by an increase in expected Own Source Revenue generated by the HHS for 2015-16.
13. The Increase of $1.6M in salaries for 2015-16 is due to the Enterprise Bargaining Agreements.
14. The decrease of $378,000 is due to non recurrent funding for maintenance of our hub hospital.
15. The decrease of $565,000 is due to non recurrent funding not being reprovided in 2015-16 e.g. deferred funds. (NB: Prescribed Employer deferred - not occuring in 2015-16)
16. The reduction of $51,000 is due to a one-off audit conducted in 2014-15.
17. The decrease $83,000 is expected as new procedures for Asset Replacement and Whole of Life are implemented.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

18. The increase of $3.95M in cash assets relates predominantly to cash rollover from previous year and this year's operational surplus.
19. The decrease of $798,000 is due to more timely collection of receivables.
20. The increase of $139,000 is due to prepayments being higher due to Rentals (Government employee housing assets transferred to Department of Public Works now being rented) , Rates and Workcover premiums (previously paid by DoH).
21. The decrease of $13.3M to our property plant & equipment is due to Government employee housing transfer to Department of Public Works, and the decrement of revaluation on one of our buildings.
22. The Increases of $2.88M is due to capital projects and timing of these.
23. The decrease of $12,000 is due to end of year payroll accrual related to the timing of payroll. The 2014-15 budget was prepared on the basis of 23 accrual days to account for the time between the final payrun and the end of the financial year, however there will only be 9 days to accrue.

Major variations between 2014-15 Budget and 2015-16 Budget include:

24. The increase of $1.05M in cash assets relates predominantly to cash rollover from current year.
25. The decrease of $771,000 is due to more timely collection of receivables.
26. The increase of $141,000 is due to prepayments being higher due to Rentals (Government employee housing assets transferred to Department of Public Works now being rented) , Rates and Workcover premiums (previously paid by DoH).
27. The decrease of $12.6M to our property plant & equipment is due to Government employee housing transfer to Department of Public Works, and the decrement of revaluation on one of our buildings.
28. The decrease of $12,000 is due to end of year payroll accrual related to the timing of payroll. A similar accrual for the period between the final payrun and the end of financial year, has been budgeted for 2015-16 as has been forecast in 2014-15, meaning a reduction in actual accrual days when compared to the 2014-15 budget.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

29. The decrease of $2.9M in cash assets relates to the decrease in funding that will be received from the DoH in 15/16.
30. The increase of $686,000 is due to capital reinvestments planned for 15-16 & the capitalisation of projects.
31. The decrease of $2.81M is due to 14/15 capital spend from tender processes being received and accrued at year end. This is not expected to occur in 15/16.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

32. The Increase of $8.54M is related to increased funding for special projects and Own Sourced Revenue.
33. The increased employee cost impact of $4.87M in from the 2014-15 Budget to the 2014-15 Estimated Actuals is due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 establishing a direct employer-employee relationship with the HHS. Also additional Board costs aligned with current membership.
34. The increased Supplies and Services impact of $1.84M is occurring due to locum medical staff, employment agencies, patient travel and electricity charges.
35. The increased negative impact of $659,000 is due to additional legal costs for Prescribed employer, asset ownership and Contract Management requirements.
36. The increase to payments of $5.1M is due to equipment purchases and capital projects including work in progress.
37. The increase of $1.3M is due to asset base increases from completion of capital projects and equipment purchases.

Major variations between 2014-15 Budget and 2015-16 Budget include:

38. The Increase of $7.7M is related to increased funding for special projects and Own Sourced Revenue.
39. The increase of $6.4M from the 2014-15 Budget to the 2014-15 Estimated Actuals is due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 This established a direct employer-employee relationship with the HHS. Also additional Board costs aligned with current membership.
40. The increase of $4.5M in the 2015-16 budgets to allow for locum medical staff, employment agencies, patient travel and electricity charges.
41. The increase of $608,000 is due to additional legal costs for Prescribed employer, asset ownership and Contract Management requirements. 2015-16 will require additional funds to complete works.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

42. The decrease of $812,000 in funding relates to the net impact of deferrals from 2013-14 into 2014-15 and from 2014-15 into 2015-16 partially offset by an increase in expected Own Source Revenue for 2015-16.
43. The Increase of $1.6M in salaries for 2015-16 is due to the Enterprise Bargaining Agreements.
44. The increase of $2.7M is due to 2015-16 budget compared to the 2014-15 actual forecasts because we anticipate that there will be further increases with patient travel and market conditions for contracted staff.
45. The decrease of $42,000 in Sales of non financial assests relates to a one off disposal of obsolete equipment through community tender in 2014-15 which is not expected to repeat in the 2015-16 budget.
46. The decrease of $4.8M is due to asset purchases from previous years surplus and special projects.
47. The decrease of $1.1M reflects the lower capital spend for the budget year.

Sunshine Coast Hospital and Health Service

Overview

The Sunshine Coast Hospital and Health Service (HHS) provides public health services through the geographical area that extends from Caloundra in the south to Gympie in the north. The Sunshine Coast HHS operates the following facilities:

- Caloundra Hospital
- Gympie Hospital
- Glenbrook Residential Aged Care Facility
- Nambour General Hospital
- Maleny Soldiers Memorial Hospital

As well as the above facilities that are operated in the Sunshine Coast HHS, under contractual arrangements public patients also have access to care at Noosa Hospital and the Sunshine Coast University Private Hospital.

Designed as a 738 bed tertiary hospital, procured through a Public Private Partnership (PPP), the new Sunshine Coast Public University Hospital (SCPUH) will provide the Sunshine Coast HHS with the capacity to meet projected demand for health services into the future and will see tertiary level services developed and provided. When the SCPUH is commissioned in November 2016 it will utilise approximately 450 beds. The development of the SCPUH is the largest commitment to the expansion of healthcare on the Sunshine Coast that has ever occurred.

The Sunshine Coast HHS is committed to delivering the highest standards of safe, accessible, evidenced based healthcare with a highly skilled and valued workforce that optimises the wellbeing of our community.

The Sunshine Coast HHS's strategic objectives are:

- care is person centred and responsive
- care is safe, accessible, appropriate and reliable
- care is through engagement and partnerships with our consumers and community
- caring for people through sustainable, responsible and innovative use of resources
- care is delivered by an engaged, competent and valued workforce.

These objectives support the Queensland Government's objectives for the community to deliver quality frontline services including strengthening our public health system. The Sunshine Coast HHS is actively pursuing the Government's health priorities which include strengthening the nursing workforce with opportunities for graduate nurses, improving patient safety through ongoing clinician engagement and ownership of patient safety and quality initiatives, building adolescent mental health services through specific child and adolescent mental health capacity within the SCPUH and greater investment in preventative health with an intense focus on improving vaccination rates.

Service performance

The Sunshine Coast HHS has an operating budget of $752.7 million for 2015-16 which is an increase of $57.2 million (8.2%) from the published 2014-15 operating budget of $695.5 million.

The Service Agreement between the Sunshine Coast HHS and the Department of Health identifies the services to be provided, the funding arrangements for those services and defined performance indicators and targets to ensure outputs and outcomes are achieved.

The Sunshine Coast HHS continues to increase its capacity to treat patients through a planned expansion of existing services, together with the development of new services. The 2014-15 year has again seen the Sunshine Coast HHS provide more care to more people while delivering the care in an even more timely way. The achievement of virtually no long wait elective surgery patients is one that the staff of the Sunshine Coast HHS are extremely proud of. In line with the Government's commitment, the Sunshine Coast HHS is heightening its focus on improving waiting times for specialist outpatient appointments. The Sunshine Coast HHS's commitment to improving patient waiting times in this area has been assisted by the receipt of a share of the Government's $30 million funding to address this challenge. The Sunshine Coast HHS will utilise this additional funding to improve patient access in specialties including gynaecology, urology, ophthalmology and orthopaedic.

As well as continuing to provide an increasing range of quality health services to its local community, the 2015-16 financial year will see the Sunshine Coast HHS significantly advance its planning and preparation for the commissioning of the SCPUH which will open in November 2016.

QH has allocated $9M in 2015-16 toward the commencement of ICT at the SCPUH. The full cost of the project and required funding allocation will be determined following the finalisation of the project business case.

The Government has approved the internal reallocation of $1.2 million over two years to finalise the planning for the refurbishment of Nambour General Hospital. A funding provision for the capital works will be made once the detailed planning process and project business case has been completed.

The 2015-16 financial year will see the finalisation of models of care for delivery of services at the SCPUH and the completion and commencement of implementation of its workforce plan. The recruitment of the highest calibre staff to join with those already working in the Sunshine Coast HHS is of course the most critical action that needs to occur in the lead up to the opening of the new hospital.

The Sunshine Coast HHS is working closely with the Department of Health to ensure that all required action to transition the Sunshine Coast HHS to its future role as a provider of tertiary level services, occurs in a planned and effective way. Central to this is ensuring that all necessary preparation for the physical commissioning of the new hospital is meticulously planned and implemented.

Service performance

Performance statement

Sunshine Coast Hospital and Health Service

Service area objective

To deliver public hospital and health services for the Sunshine Coast community.

Service area description

The Sunshine Coast HHS is responsible for providing public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services.

Sunshine Coast Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards *Effectiveness measures* Percentage of patients attending emergency departments seen within recommended timeframes:	1			
Category 1 (within 2 minutes)		100%	100%	100%
Category 2 (within 10 minutes)		80%	83%	80%
Category 3 (within 30 minutes)		75%	63%	75%
Category 4 (within 60 minutes)		70%	69%	70%
Category 5 (within 120 minutes)		70%	86%	70%
All categories		..	70%	..
Percentage of emergency department attendances who depart within four hours of their arrival in the department	2	86%	77%	90%

Sunshine Coast Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Percentage of elective surgery patients treated within clinically recommended times:	3			
Category 1 (30 days)		100%	97%	>98%
Category 2 (90 days)		97%	94%	>95%
Category 3 (365 days)		98%	99%	>95%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	4	<2.0	0.6	<2.0
Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit	5	>60%	69.5%	>65%
Proportion of readmissions to an acute mental health inpatient unit within 28 days of discharge	6	<12%	13.0%	<12%
Percentage of specialist outpatients waiting within clinically recommended times:	7			
Category 1 (30 days)		68%	85%	..
Category 2 (90 days)		36%	58%	..
Category 3 (365 days)		90%	70%	..
Median wait time for treatment in emergency departments (minutes)	8	20	21	20
Median wait time for elective surgery (days)	9	25	23	25
Efficiency measure Average cost per weighted activity unit for Activity Based Funding facilities	10, 12	$4,608	$4,509	$4,492
Other measures Total weighted activity units:	10, 11			
Acute Inpatient		65,350	65,329	68,800
Outpatients		13,410	13,012	14,479
Sub-acute		5,885	5,715	6,737
Emergency Department		15,175	16,120	15,438
Mental Health		7,148	7,470	7,920
Interventions and Procedures		9,805	11,429	10,780
Ambulatory mental health service contact duration (hours)	13	>59,648	64,413	>64,500

Notes:

1. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 and 2015-16 are based on the Australasian Triage Scale (ATS). The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
2. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years. The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
3. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years
4. Staphylococcus aureus are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Est. for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
5. This represents incremental progress towards the nationally recommended target.
6. Queensland has made significant progress in reducing readmission rates over the past 5 years, with continued incremental improvements towards the nationally recommended target. The 2015-16 Target/Est. is the nationally recommended target.
7. A 2015-16 Target/est. has not yet been set as work in relation to the setting of a more suitable target/measure is currently being investigated. This work will ensure an appropriate measure and target is set in line with the Government's priorities and the Service Agreements with the HHSs. The Government convened a Wait Times Summit and is currently undertaking further consultation with the health sector, which will inform work around the target/measure for future reporting. The 2014-15 Est. actual figures are provided using actual performance as at 1 April 2015.
8. The 2014-15 Est. Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. There is no nationally agreed 2015-16 Target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
9. The 2014-15 Est. Actual figures are provided from 11 months of actual performance from 1 July 2014 to 31 May 2015. There is no nationally agreed target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
10. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 and updated to Amendment Window 2 to enable comparison with 2015-16 Target/Est. figures.
11. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
12. The determination of the cost (funding) per WAU has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements.
13. The 2015-16 Target/Est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance.

Staffing[1]

Sunshine Coast Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Sunshine Coast Hospital and Health Service	2, 3, 4, 5, 6	3,700	3,847	3,868

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs from the 2014-15 Budget to the 2014-15 Est. Actual reflect commissioning of new services and additional activity purchased from HHSs through amendments to the 2014-15 Service Agreements.
5. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased from HHSs.
6. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Sunshine Coast Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Number of in-home visits, families with newborns	1	4,833	4,720	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

Sunshine Coast Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,5,9	674,531	711,666	733,718
Grants and other contributions		15,028	13,748	14,205
Interest		139	135	135
Other revenue		5,765	5,679	4,640
Gains on sale/revaluation of assets		..	..	..
Total income		**695,463**	**731,228**	**752,698**
EXPENSES				
Employee expenses	2,6	1,598	457,310	468,478
Supplies and Services				
Other supplies and services	3,7	224,620	260,308	260,844
Department of Health contract staff	4,8	447,115	..	..
Grants and subsidies		..	87	..
Depreciation and amortisation		19,961	20,527	21,652
Finance/borrowing costs		..	..	..
Other expenses		1,112	1,366	1,394
Losses on sale/revaluation of assets		1,057	330	330
Total expenses		**695,463**	**739,928**	**752,698**
OPERATING SURPLUS/(DEFICIT)		**..**	**(8,700)**	**..**

Balance sheet

Sunshine Coast Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	10,16	53,053	37,534	40,489
Receivables	11,17	6,462	14,113	14,358
Other financial assets		..	..	..
Inventories		3,736	4,126	4,229
Other		243	426	465
Non financial assets held for sale		..	..	..
Total current assets		**63,494**	**56,199**	**59,541**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	12,18,22	307,544	295,607	285,598
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**307,544**	**295,607**	**285,598**
TOTAL ASSETS		**371,038**	**351,806**	**345,139**
CURRENT LIABILITIES				
Payables	13,19	53,192	33,165	33,991
Accrued employee benefits	14,20,23	53	13,417	15,933
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**53,245**	**46,582**	**49,924**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**53,245**	**46,582**	**49,924**
NET ASSETS/(LIABILITIES)		**317,793**	**305,224**	**295,215**
EQUITY				
TOTAL EQUITY	**15,21,24**	**317,793**	**305,224**	**295,215**

Cash flow statement

Sunshine Coast Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	25,29,32	673,548	713,051	733,199
Grants and other contributions		15,028	10,637	14,205
Interest received		139	135	135
Other		21,860	23,513	22,920
Outflows:				
Employee costs	26,30	(1,598)	(443,916)	(465,962)
Supplies and services	27,31	(686,814)	(293,971)	(278,416)
Grants and subsidies		..	(87)	..
Borrowing costs		..	..	..
Other		(1,112)	(1,367)	(1,394)
Net cash provided by or used in operating activities		**21,051**	**7,995**	**24,687**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		(133)	70	(80)
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	28,33	(8,790)	(6,306)	(8,197)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(8,923)**	**(6,236)**	**(8,277)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		4,375	4,690	8,197
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(19,961)	(20,527)	(21,652)
Net cash provided by or used in financing activities		**(15,586)**	**(15,837)**	**(13,455)**
Net increase/(decrease) in cash held		**(3,458)**	**(14,078)**	**2,955**
Cash at the beginning of financial year		**56,511**	**51,612**	**37,534**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**53,053**	**37,534**	**40,489**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. The increase relates to additional funding provided through amendments to the Service Agreement between the Sunshine Coast Hospital and Health Service and the Department of Health. Additional funding is provided for increases in service activity, transition to the Sunshine Coast Public University Hospital, enterprise bargaining agreements and to cover depreciation expense.
2. The increase relates to the Sunshine Coast Hospital and Health Service becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to transition to the Sunshine Coast Public University Hospital, enterprise bargaining agreements and increases in service activity.
3. The increase relates to additional funding provided through amendments to the Service Agreement between the Sunshine Coast Hospital and Health Service and the Department of Health, increased activity to meet growth in emergency presentations and medical admissions demand, and additional expenditure in relation to the transition to the Sunshine Coast Public University Hospital.
4. The decrease relates to the Sunshine Coast Hospital and Health Service becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.

Major variations between 2014-15 Budget and 2015-16 Budget include:

5. The increase relates to additional funding provided through the Service Agreement between the Sunshine Coast Hospital and Health Service and the Department of Health. Additional funding is provided for increases in service activity, transition to the Sunshine Coast Public University Hospital, enterprise bargaining agreements, teaching, training and research, and to cover depreciation expense.
6. The increase relates to the Sunshine Coast Hospital and Health Service becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to enterprise bargaining agreements and expenditure in relation to the transition to the Sunshine Coast Public University Hospital.
7. The increase relates to additional funding provided through amendments to the Service Agreement between the Sunshine Coast Hospital and Health Service and the Department of Health including expenditure in relation to the transition to the Sunshine Coast Public University Hospital.
8. The decrease relates to the Sunshine Coast Hospital and Health Service becoming the prescribed employer of health service employees effective 1 July 2014, requiring employee related expenditure to be reclassified from Supplies and services - Department of Health contract staff to Employee expenses.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

9. The increase relates to additional funding provided through the Service Agreement between the Sunshine Coast Hospital and Health Service and the Department of Health. Additional funding is provided for increases in service activity, transition to the Sunshine Coast Public University Hospital, enterprise bargaining agreements, teaching, training and research and to cover depreciation expense.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

10. The decrease relates to the deficit forecast in the 2014-15 financial year and an increase in receivables due to the forecast timing of revenue receipts at year end.
11. The increase relates to an increase in user charges revenues and the forecast timing of receipt of revenues at year end.
12. The decrease relates to lower than expected expenditure on plant and equipment including the re-prioritisation of some planned 2014-15 expenditure due to the deficit forecast in the 2014-15 financial year.

13. The decrease relates to the movement in the forecast timing of payment of expenditure at year end and the reclassification of accrued staff expenses from Payables to Accrued employee benefits due to the Sunshine Coast Hospital and Health Service becoming the prescribed employer of health service employees effective from 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.
14. The increase relates to the reclassification of accrued staff expenses from Payables to Accrued employee benefits due to the Sunshine Coast Hospital and Health Service becoming the prescribed employer of health service employees effective from 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.
15. The decrease relates to the deficit forecast in the 2014-15 financial year and lower than expected asset revaluation increments.

Major variations between 2014-15 Budget and 2015-16 Budget include:

16. The decrease relates to the deficit forecast in the 2014-15 financial year and an increase in receivables due to the forecast timing of revenue receipts at year end.
17. The increase relates to an increase in user charges revenues and the forecast timing of receipt of revenues at year end.
18. The decrease relates to lower than expected expenditure on plant and equipment including the re-prioritisation of some planned 2014-15 expenditure due to the deficit forecast in the 2014-15 financial year, and a decline in the net capital assets base due to depreciation on assets exceeding planned capital expenditure during the 2015-16 financial year.
19. The decrease relates to the movement in the forecast timing of payment of expenditure at year end and the reclassification of accrued staff expenses from Payables to Accrued employee benefits due to the Sunshine Coast Hospital and Health Service becoming the prescribed employer of health service employees effective from 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.
20. The increase relates to the reclassification of accrued staff expenses from Payables to Accrued employee benefits due to the Sunshine Coast Hospital and Health Service becoming the prescribed employer of health service employees effective from 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.
21. The decrease relates to the withdrawal of funding attributed to depreciation expense, the deficit forecast in the 2014-15 financial year and lower than expected asset revaluation increments.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

22. The decrease is due to depreciation on assets exceeding planned expenditure.
23. The increase is due to the increase in employee expenses from enterprise bargaining agreements and the timing of the payment of accrued employee benefits at year end.
24. The decrease relates to the withdrawal of funding attributed to depreciation expense.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

25. The increase relates to additional funding provided through amendments to the Service Agreement between the Sunshine Coast Hospital and Health Service and the Department of Health. Additional funding is provided for increases in service activity, transition to the Sunshine Coast Public University Hospital, enterprise bargaining agreements and to cover depreciation expense.
26. The increase relates to the Sunshine Coast Hospital and Health Service becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to transition to the Sunshine Coast Public University Hospital, enterprise bargaining agreements and increases in service activity.
27. The decrease relates to the Sunshine Coast Hospital and Health Service becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.
28. The decrease relates to lower than expected expenditure on plant and equipment including the re-prioritisation of some planned 2014-15 expenditure due to the deficit forecast in the 2014-15 financial year.

Major variations between 2014-15 Budget and 2015-16 Budget include:

29. The increase relates to additional funding provided through the Service Agreement between the Sunshine Coast Hospital and Health Service and the Department of Health. Additional funding is provided for increases in service activity, transition to the Sunshine Coast Public University Hospital, enterprise bargaining agreements, teaching, training and research, and to cover depreciation expense.
30. The increase relates to the Sunshine Coast Hospital and Health Service becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to enterprise bargaining agreements and expenditure in relation to the transition to the Sunshine Coast Public University Hospital.
31. The decrease relates to the Sunshine Coast Hospital and Health Service becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

32. The increase relates to additional funding provided through the Service Agreement between the Sunshine Coast Hospital and Health Service and the Department of Health. Additional funding is provided for increases in service activity, transition to the Sunshine Coast Public University Hospital, enterprise bargaining agreements, teaching, training and research, and to cover depreciation expense.
33. The increase relates to additional funding under the Health Technology Equipment Replacement program.

Torres and Cape Hospital and Health Service

Overview

On 1 July 2014 the Cape York Hospital and Health Service (HHS) and the Torres Strait-Northern Peninsula HHS merged to form the Torres and Cape Hospital and Health Service. The new Torres and Cape HHS delivers health services to approximately 25,500 people across an area of roughly 180,000 square kilometres, including the 18 populated Torres Strait islands. Those services are provided through four hospitals and 31 primary healthcare centres.

Through these facilities the Torres and Cape HHS provides a wide range of health services, including emergency care, general surgery, medical imaging, primary healthcare, chronic disease management, obstetric and birthing services, maternal and child health services, men's and women's health services, oral health, mental health, allied health, post-acute rehabilitation, aged care, palliative and respite services, visiting specialist services, general home and community care services, and family support.

Approximately 85% of the Torres Strait Island population and 51% of the Cape York population identify as being Aboriginal and/or Torres Strait Islander. The health status of Aboriginal and Torres Strait Islander people is significantly lower than that of other Queenslanders, and the Torres and Cape HHS is committed to closing this health gap by ensuring the provision of health services that meet the cultural, social and health needs of individuals and communities in the region.

The Torres and Cape HHS is an independent statutory body governed by a single Board, and managed from hubs in Weipa, Cooktown, Cairns and Thursday Island.

Over the coming year and beyond, the Torres and Cape HHS will build on its strengths. Opportunities will be identified and implemented to maximise the best use of critical resources across the region. The Torres and Cape HHS will work at improving its performance on key issues such as improving access to services, increasing volumes of services, redevelopment and delivery of effective, culturally-appropriate models of care, workforce sustainability and financial management. Collaboration will continue with community representatives and community groups, and with funders and other service providers to deliver health services. Most importantly, this will all be done in pursuit of achieving better health for the communities of Torres Strait and Cape York.

To ensure that communities across far north Queensland are strong and healthy, the Torres and Cape HHS will focus on achieving the following objectives:

- improving health outcomes for all the people of Torres Strait and Cape York
- providing innovative and effective healthcare in meeting the cultural, social and health needs of Torres Strait and Cape York communities
- partnering with service providers to ensure services are high quality, coordinated, safe and work towards greater community control of service delivery
- improving the integration of the Torres and Cape HHS, gain the trust of communities, and deliver value for money.

These objectives support the Queensland Government's objectives for the community to deliver quality frontline services including strengthening our public health system.

Service performance

The Torres and Cape HHS has an operating budget of $179.5 million for 2015-16 which is an increase of $7.8 million (4.5%) from the combined published operating budget of $171.7 million.

The Service Agreement between the Torres and Cape HHS and the Department of Health identifies the services to be provided, the funding arrangements for those services and defined performance indicators and targets to ensure outputs and outcomes are achieved.

In the 2014-15 financial year, the Torres and Cape HHS has delivered a range of services including primary health care, community based services, allied health, mental health, oral health, acute and sub-acute care, and public health and health promotion, through its facilities.

The Torres and Cape HHS has provided and will continue to support a wide range of services delivered by outreach teams, including visiting specialist services from other Health Services and non-government providers such as Apunipima Cape York Health Council and the Royal Flying Doctor Service.

The Torres and Cape HHS has delivered services beyond its expected targets. New services include the expansion of maternity services at Cooktown and renal dialysis services in Thursday Island have been commenced in response to community needs.

In 2014-15, the Torres and Cape HHS commenced a range of initiatives including:

- enhanced oral health services for the Northern sector through a targeted 'Dental Blitz'. This initiative included the additional cost of travel for patients and carers who require dental care in Thursday Island
- a birthing service was reinstated at the Cooktown Multi-Purpose Health Service (MPHS) for women from the Cooktown region who are assessed as having a low-risk pregnancy. Based on the success of the service in Cooktown, the Torres and Cape HHS plans to establish birthing services in Weipa in the future
- nurse assisted ambulatory renal dialysis services commenced on Thursday Island with three dialysis patients and will gradually build up to its full capacity with staffing for six chairs
- a new tele-chemotherapy program commenced in Cooktown, Weipa and Thursday Island. The new program allows nurses to administer chemotherapy locally while being guided and advised over a video link by medical oncologists and chemotherapy nurses located in Cairns. Tele-chemotherapy is suitable for selected cancer patients receiving low risk therapies and means patients no longer need to travel to Cairns for chemotherapy.
- oral services expanded at the Thursday Island Primary Health Care Centre (TI PHCC) to provide emergency and general courses of care to eligible patients in Torres Strait-Northern Peninsula Area communities, the visiting Dentist service to the Bamaga Clinic increased from one to three days per week and wait lists for residents requiring treatment under general anaesthetic were reduced.
- a 'Dental Blitz' dedicated to oral health checks for treating existing community members from the outer islands not captured on wait lists, which will continue until December 2015. Examinations are being provided to eligible adults and children on each of the Islands and those patients identified as needing treatment will be transported to Thursday Island at the cost of the Torres and Cape HHS for the treatment to be completed. A referral and transport process for outer island residents requiring emergency care to be treated at the TI PHCC is also being established.
- the North Queensland Continuous Quality Improvement Collaborative project which is a collaborative partnership between the Torres and Cape HHS, the Cairns and Hinterland HHS and the Townsville HHS. The project focusses on improving the health of rural and remote Aboriginal and Torres Strait Islander people through continuous quality improvement using information and feedback to inform and target prevention, early detection and management of chronic, acute and infectious diseases and reducing chronic disease burden. The project will continue into 2015-16.

Initiatives in the Torres and Cape HHS either continuing or commencing in 2015-16 include:

- plans to improve dental and ear, nose and throat services
- key deliverables such as the Torres and Cape HHS hosting a number of new health promotion initiatives to address chronic disease concerns on Saibai Island as part of the Commonwealth-funded Project Agreement for the Torres Strait Islander Health Protection Strategy. The initiative also aims to provide better management of multiple communicable and non-communicable diseases.
- continuing to host a Clinical Coordinator, Tuberculosis, as part of the Commonwealth-funded Project Agreement for the Management of Torres Strait/PNG Cross Border Health Issues (Tuberculosis Output). The project involves close liaison with cross-border agencies, a comprehensive education project, and supports the delivery of arrangements that contribute to the safe and ethical transfer of PNG tuberculosis (TB) patients to the PNG health system
- a program of works under the Backlog Maintenance Remediation Program (BMRP) to address outstanding maintenance issues. The BMRP is the single largest infrastructure project ever undertaken by the Torres and Cape HHS. Approximately $10 million dollars will be invested in Health Centres across the Torres and Cape HHS.
- delivery of 1,350m/sq of hard-stand surfacing placed throughout the Hospital to encapsulated soils which have been identified to hold Asbestos Containing Material under the Thursday Island Asbestos Encapsulation Project. Building upgrades at Bamaga and Thursday Island Hospitals, and at Aurukun and Lockhart River PHCCs. A new mortuary is planned for Thursday Island, major renovation works are programmed for staff accommodation at Kowanyama and Aurukun with construction of additional staff accommodation planned for Saibai Island.
- implementation of a non-clinical electronic document and records management business information management system that will improve business efficiency and legislative compliance, underpin accountability, reduce risk and enable business continuity.

Service performance

Performance statement

Torres and Cape Hospital and Health Service

Service area objective

To deliver public hospital and health services for the Torres and Cape community.

Service area description

The Torres and Cape HHS is responsible for providing a wide range of health services, including emergency care, general surgery, medical imaging, primary healthcare, chronic disease management, obstetric and birthing services, maternal and child health services, men's and women's health services, oral health, mental health, allied health, post-acute rehabilitation, aged care, palliative and respite services, visiting specialist services, general home and community care services, and family support.

Torres and Cape Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards *Effectiveness measures*	1			
Efficiency measures	2			
Other measures Total weighted activity units:	3, 4			
Acute Inpatient		3,894	4,789	3,894
Outpatients		1,091	1,041	1,930
Sub-acute		955	519	955
Emergency Department		1,500	2,145	1,500
Mental Health		114	117	114
Interventions and Procedures		50	74	50
Ambulatory mental health service contact duration (hours)	5	>6,046	8,013	>8,000

Notes:

1. An effectiveness measure is being developed and will be included in future Service Delivery Statements.
2. An efficiency measure is being developed and will be included in future Service Delivery Statements.
3. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 to enable comparison with 2015-16 Target/Est. figures.
4. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
5. The 2015-16 Target/Est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance.

Staffing[1]

Torres and Cape Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Torres and Cape Hospital and Health Service	2, 3, 4	822	822	822

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Torres and Cape Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Number of in-home visits, families with newborns	1	569	524	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

Torres and Cape Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,7,12	158,468	178,563	170,496
Grants and other contributions	2,8,13	12,045	15,784	8,048
Interest		36	34	38
Other revenue	9,14	1,155	1,196	923
Gains on sale/revaluation of assets		..	..	..
Total income		**171,704**	**195,577**	**179,505**
EXPENSES				
Employee expenses	3,10,15	664	7,757	8,086
Supplies and Services				
Other supplies and services	4,11,16	64,059	81,485	70,432
Department of Health contract staff		94,770	94,804	89,226
Grants and subsidies		..	..	..
Depreciation and amortisation	5,17	11,607	10,882	11,230
Finance/borrowing costs		..	..	..
Other expenses	6,18	563	608	526
Losses on sale/revaluation of assets		41	41	5
Total expenses		**171,704**	**195,577**	**179,505**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Balance sheet

Torres and Cape Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	19,24,32	16,605	17,382	13,928
Receivables	20,25	2,592	(4,577)	(4,430)
Other financial assets		..	..	..
Inventories	21,26	431	393	400
Other	22,27	37	43	43
Non financial assets held for sale		..	..	..
Total current assets		**19,665**	**13,241**	**9,941**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	28,33	201,460	202,535	211,994
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**201,460**	**202,535**	**211,994**
TOTAL ASSETS		**221,125**	**215,776**	**221,935**
CURRENT LIABILITIES				
Payables	29,34	14,537	14,659	11,369
Accrued employee benefits	30,35	28	28	18
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	23,31	..	680	680
Total current liabilities		**14,565**	**15,367**	**12,067**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**14,565**	**15,367**	**12,067**
NET ASSETS/(LIABILITIES)		**206,560**	**200,409**	**209,868**
EQUITY				
TOTAL EQUITY		**206,560**	**200,409**	**209,868**

Cash flow statement

Torres and Cape Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	36,45,55	158,341	184,973	170,351
Grants and other contributions	37,46,56	12,045	15,784	8,048
Interest received		36	34	38
Other	47,57	5,037	5,078	4,826
Outflows:				
Employee costs	38,48,58	(662)	(7,755)	(8,096)
Supplies and services	39,49,59	(165,771)	(183,231)	(166,865)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	40,50,60	(563)	(608)	(526)
Net cash provided by or used in operating activities		**8,463**	**14,275**	**7,776**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	41,51,61	(1,904)	(11,589)	(2,351)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(1,904)**	**(11,589)**	**(2,351)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	42,52,62	1,904	3,993	2,351
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	43,53,63	(11,607)	(10,882)	(11,230)
Net cash provided by or used in financing activities		**(9,703)**	**(6,889)**	**(8,879)**
Net increase/(decrease) in cash held		**(3,144)**	**(4,203)**	**(3,454)**
Cash at the beginning of financial year	**44,54,64**	**..**	**..**	**17,382**
Cash transfers from restructure		19,749	21,585	..
Cash at the end of financial year		**16,605**	**17,382**	**13,928**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. Increase relates to additional Department revenue relating mainly to backlog maintenance program and additional CheckUp revenue.
2. Increase relates to additional Grants revenue from Commonwealth programs rolled over from 2013-14 to 2014-15.
3. Increase is due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014. This resulted in the HHS being the employer.
4. Increase due to additional expenses expected for the Back log Maintenance program and commonwealth deferred programs.
5. Decrease in relation to the asset transfer to DHPW.
6. Increase due to additional expenses expected for insurance.

Major variations between 2014-15 Budget and 2015-16 Budget include:

7. Increase relates to additional Department revenue relating mainly to back log maintenance program budget increase of $12M.
8. Non recurrent Grants revenue from Commonwealth programs rolled over from 2013-14 to 2014-15.
9. Decrease due to reclassification of grants revenue to grants rather than recoveries.
10. Increase is due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014. This resulted in the HHS being the employer.
11. Increase due to additional expenses expected for deferred commonwealth projects.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

12. 2014-15 includes additional department revenue relating mainly to back log maintenance program.
13. Non Recurrent Grants revenue from Commonwealth programs rolled over from 2013-14 to 2014-15.
14. Reclassification of grants revenue to grants rather than recoveries.
15. Additional expense relating to senior medical officers.
16. Non recurrent expenses relating to commonwealth roll overs from 2013-14 to 2014-15.
17. Increase in depreciation associated with expected asset increases.
18. Non recurrent expenses expected for insurance in 2014-15.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

19. Increase due to revenue received in advance for programs not commenced.
20. Accrual of department funding.
21. Decrease in inventory relating non recurrent recognition of pharmacy inventory in 2014-15.
22. Increase in prepayments relating to additional lease arrangements.
23. Increase due to payables relating to revenue received in advance for programs not commenced.

Major variations between 2014-15 Budget and 2015-16 Budget include:

24. Decrease in cash reverses relating to expected transfer in cash relating settlement of payables.
25. Reversal of accrued department funding.
26. Increase in inventory relating recognition of pharmacy revenue not previously recorded.
27. Increase in prepayments relating to additional lease arrangements.

28. Expected asset acquisitions/transfer-ins relating to the land and building transfer project.
29. Decrease in payable relating to expected transfer in cash relating settlement of payables.
30. Decrease in employee liabilities due expected settlement of payables.
31. Increase due to payables relating to revenue received in advance for programs not commenced.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

32. Decrease relates to expected reduction in revenue in advance for Department of Health.
33. Expected asset acquisitions/transfer-ins relating to the land and building transfer project.
34. Decrease in payable relating to expected transfer in cash relating settlement of payables.
35. Decrease in employee liabilities due expected settlement of payables.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

36. Increase due to additional Department revenue relating mainly to backlog maintenance program $16M, additional CheckUp revenue of $4M.
37. Increase due to additional Grants revenue from deferred Commonwealth programs.
38. Increase is due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014. This resulted in the HHS being the employer.
39. Increase due to additional expenses expected for the Back log Maintenance program and deferred Commonwealth programs.
40. Additional expenses expected for insurance.
41. Capital expense relating to Back log Maintenance program.
42. Equity Injections for minor capital works.
43. Equity Withdrawals linking to movement in Depreciation.
44. Additional Department revenue relating mainly to backlog maintenance program $16M, additional CheckUp revenue of $4M.

Major variations between 2014-15 Budget and 2015-16 Budget include:

45. Additional Department revenue relating mainly to back log maintenance program budget increase of $12M.
46. Increase relates to additional Grants revenue from Commonwealth programs rolled over from 2013-14 to 2014-15.
47. Increase due to the reclassification of grants revenue to grants rather than recoveries.
48. Increase is due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014. This resulted in the HHS being the employer.
49. Increase due to additional expenses expected for the Back log Maintenance program and deferred commonwealth programs.
50. Increase due to additional expenses expected for insurance.
51. Increase due to capitalisation of Backlog Maintenance program expense.
52. Increase due to additional minor capital works.
53. Equity Withdrawals due to use of equity to fund depreciation expense.
54. Additional Department revenue relating mainly to backlog maintenance program, and additional CheckUp revenue.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

55. Additional Department revenue relating mainly to back log maintenance program budget in 2014-15.
56. Decrease relates to additional grants one off revenue from Commonwealth programs rolled over from 2013-14 to 2014-15.
57. Reclassification of grants revenue to grants rather than recoveries.

58. Increase is due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014. This resulted in the HHS being the employer.
59. Decrease due to additional expenses expected for the Back log Maintenance program and deferred commonwealth programs in 2014-15.
60. Increase due to additional expenses expected for insurance.
61. One off Capital expense relating to Back log Maintenance program in 2014-15.
62. Equity Injections resulting from the use of equity to fund capital acquisition.
63. Equity Withdrawals resulting from use of equity to fund depreciation expense.
64. Decrease due to additional expenses expected for the Back log Maintenance program and deferred commonwealth programs in 2014-15.

Townsville Hospital and Health Service

Overview

The Townsville Hospital and Health Service (HHS) is responsible for the delivery of local public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services to a population of approximately 240,000 people. The Townsville Hospital is the main referral hospital and also provides tertiary hospital services to the North, Central and Far North Queensland regions with a catchment population of approximately 650,000.

The Townsville HHS is responsible for the direct management of the facilities and services within the HHS's geographical boundaries including:

- The Townsville Hospital
- Charters Towers Hospital
- Charters Towers Rehabilitation Unit
- Home Hill Hospital
- Joyce Palmer Health Service
- Magnetic Island Health Service
- Eventide Residential Aged Care Facility
- Mental Health Adolescent Inpatient and Day Unit
- Ingham Hospital
- Richmond Hospital
- Ayr Hospital
- Cardwell Health Centre
- Hughenden Hospital
- Kirwan Mental Health Rehabilitation Unit
- Parklands Residential Aged Care Facility
- Kirwan Health Campus

The Townsville HHS also provides a comprehensive range of Community and Primary Health Services including aged care assessment, Aboriginal and Torres Strait Islander health programs, child and maternal health services, offender health, alcohol tobacco and other drug services, home care services, community health nursing, sexual health service, allied health services, public health services and oral health.

The vision for the Townsville HHS is "a Healthy North Queensland', and is supported by six strategic pillars which align with the Queensland Government's objective for the community of delivering quality frontline services including strengthening our public health system:

- build healthier communities
- focus on individual health outcomes
- work collaboratively
- provide safe, efficient, effective and sustainable services
- maintain an exceptional workforce
- lead excellence and innovation.

Service performance

The Townsville HHS has an operating budget of $804.6 million for 2015-16 which is an increase of $46.5 million (6.1%) from the published 2014-15 operating budget of $758.1 million.

The Service Agreement between the Townsville HHS and the Department of Health identifies the hospital and health services to be provided, funding arrangements for those services and defined performance indicators and targets to ensure outputs and outcomes are achieved.

During 2014-15, the Townsville HHS:

- improved its National Emergency Access Target performance continued to achieve its elective surgery targets by treating all Category 1, 2 and 3 patients within the clinically recommended times
- significantly improved the number of Category 1, 2 and 3 specialist outpatients seen within the clinically recommended times
- completed stages 3 and 4 of the redevelopment program were completed and delivered a new 66-bed ward block, expansion and upgrade of the Pathology Laboratory
- completed the Townsville Regional Cancer Centre expansion

- completed a clinical services support building including new and refurbished space for essential support services including Kitchen, Medical Records and Mortuary
- refurbished the Medium Secure Mental Health Unit.

The Townsville HHS recorded a $19.9 million surplus for 2013-14 which combined with the prior year's surplus, was used to deliver a range of projects in 2014-15 including the Palm Island accommodation and van enclosure and the Palm Island mobile health clinic.

Major deliverables for the Townsville HHS in 2015-16 include:

- operationalising the infrastructure investment from prior year surpluses
- continuing to improve performance against emergency, elective surgery and outpatient targets
- continue work on the final stage of the redevelopment program, which will be completed in 2017 and includes a Planned Procedure Unit and upgraded Central Sterilising Services
- developing innovative and complementary models of care through clinical redesign processes to identify and realise efficiencies while retaining the focus on safe, quality and strengthened service delivery.

Service performance

Performance statement

Townsville Hospital and Health Service

Service area objective

To deliver public hospital and health services for the Townsville community.

Service area description

The Townsville HHS is responsible for the delivery of public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services.

Townsville Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards *Effectiveness measures* Percentage of patients attending emergency departments seen within recommended timeframes:	1			
Category 1 (within 2 minutes)		100%	100%	100%
Category 2 (within 10 minutes)		80%	85%	80%
Category 3 (within 30 minutes)		75%	75%	75%
Category 4 (within 60 minutes)		70%	77%	70%
Category 5 (within 120 minutes)		70%	91%	70%
All categories		..	78%	..
Percentage of emergency department attendances who depart within four hours of their arrival in the department	2	86%	79%	90%

Townsville Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Percentage of elective surgery patients treated within clinically recommended times:	3			
Category 1 (30 days)		100%	100%	>98%
Category 2 (90 days)		97%	100%	>95%
Category 3 (365 days)		98%	100%	>95%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	4	<2.0	1.0	<2.0
Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit	5	>60%	78.2%	>65%
Proportion of readmissions to an acute mental health inpatient unit within 28 days of discharge	6	<12%	12.9%	<12%
Percentage of specialist outpatients waiting within clinically recommended times:	7			
Category 1 (30 days)		27%	99%	..
Category 2 (90 days)		20%	60%	..
Category 3 (365 days)		90%	81%	..
Median wait time for treatment in emergency departments (minutes)	8	20	14	20
Median wait time for elective surgery (days)	9	25	36	25
Efficiency measure Average cost per weighted activity unit for Activity Based Funding facilities	10, 12	$4,480	$4,262	$4,450
Other measures Total weighted activity units:	10, 11			
Acute Inpatient		68,212	73,001	71,043
Outpatients		14,872	16,978	15,931
Sub-acute		7,936	7,796	8,080
Emergency Department		14,541	14,615	14,752
Mental Health		11,214	10,161	11,292
Interventions and Procedures		12,068	11,829	12,286
Ambulatory mental health service contact duration (hours)	13	>66,489	54,348	>68,165

Notes:

1. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 and 2015-16 are based on the Australasian Triage Scale (ATS). The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
2. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years. The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
3. 2014-15 Estimated Actuals figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years
4. Staphylococcus aureus are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Est. for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
5. This represents incremental progress towards the nationally recommended target.
6. Queensland has made significant progress in reducing readmission rates over the past 5 years, with continued incremental improvements towards the nationally recommended target. The 2015-16 Target/Est. is the nationally recommended target.
7. A 2015-16 Target/est. has not yet been set as work in relation to the setting of a more suitable target/measure is currently being investigated. This work will ensure an appropriate measure and target is set in line with the Government's priorities and the Service Agreements with the HHSs. The Government convened a Wait Times Summit and is currently undertaking further consultation with the health sector, which will inform work around the target/measure for future reporting. The 2014-15 Est. actual figures are provided using actual performance as at 1 April 2015.
8. The 2014-15 Est. Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. There is no nationally agreed 2015-16 target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
9. The 2014-15 Est. Actual figures are provided from 11 months of actual performance from 1 July 2014 to 31 May 2015. There is no nationally agreed target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
10. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 and updated to Amendment Window 2 to enable comparison with 2015-16 Target/Est. figures.
11. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
12. The determination of the cost (funding) per WAU has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements.
13. The 2014-15 Target/Est. was set utilising a standard formula based upon available clinical staffing. Due to a range of issues including known under-reporting within clinical information systems which capture the data, most HHSs are not expected to meet the target for 2014-15. The 2015-16 Target/Est. has been revised to take these issues into account. The 2015-16 Target/est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance.

Staffing[1]

Townsville Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Townsville Hospital and Health Service	2, 3, 4, 5, 6	4,750	5,067	5,200

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs from the 2014-15 Budget to the 2014-15 Est. Actual reflect commissioning of new services and additional activity purchased from HHSs through amendments to the 2014-15 Service Agreements.
5. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased from HHSs.
6. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Townsville Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Number of in-home visits, families with newborns	1	5,132	5,002	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

Townsville Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,4,8	732,222	759,239	779,437
Grants and other contributions		21,531	20,216	20,687
Interest		346	346	358
Other revenue		3,973	3,973	4,112
Gains on sale/revaluation of assets		..	..	..
Total income		**758,072**	**783,774**	**804,594**
EXPENSES				
Employee expenses	2,5,9	863	538,255	551,331
Supplies and Services				
Other supplies and services		184,550	189,464	187,119
Department of Health contract staff	3,6	524,346	..	..
Grants and subsidies		8,555	8,555	8,695
Depreciation and amortisation	7,10	36,161	35,848	53,707
Finance/borrowing costs		..	..	..
Other expenses		1,486	1,541	1,596
Losses on sale/revaluation of assets		2,111	2,111	2,146
Total expenses		**758,072**	**775,774**	**804,594**
OPERATING SURPLUS/(DEFICIT)		**..**	**8,000**	**..**

Balance sheet

Townsville Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	11,17,25	73,643	86,645	66,271
Receivables		13,503	12,988	13,270
Other financial assets		..	..	..
Inventories		5,753	6,088	6,174
Other	18,26	462	472	531
Non financial assets held for sale		..	..	..
Total current assets		**93,361**	**106,193**	**86,246**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	12,19,27	693,512	1,011,756	1,113,825
Intangibles	13,20	..	120	120
Other		..	..	..
Total non-current assets		**693,512**	**1,011,876**	**1,113,945**
TOTAL ASSETS		**786,873**	**1,118,069**	**1,200,191**
CURRENT LIABILITIES				
Payables	21,28	56,727	54,694	34,747
Accrued employee benefits	14,22	40	17	17
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	15,23	405	630	630
Total current liabilities		**57,172**	**55,341**	**35,394**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**57,172**	**55,341**	**35,394**
NET ASSETS/(LIABILITIES)		**729,701**	**1,062,728**	**1,164,797**
EQUITY				
TOTAL EQUITY	**16,24,29**	**729,701**	**1,062,728**	**1,164,797**

Cash flow statement

Townsville Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	30,35,41	729,982	756,999	777,130
Grants and other contributions		21,531	20,216	20,687
Interest received		346	346	358
Other		19,841	19,841	20,063
Outflows:				
Employee costs	31,36,42	(863)	(538,255)	(551,331)
Supplies and services	32,37,43	(719,945)	(200,513)	(223,283)
Grants and subsidies		(8,555)	(8,555)	(8,695)
Borrowing costs		..	..	..
Other		(1,486)	(1,541)	(1,596)
Net cash provided by or used in operating activities		**40,851**	**48,538**	**33,333**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	33,38,44	(7,611)	(13,903)	(11,886)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(7,611)**	**(13,903)**	**(11,886)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections	39,45	7,611	8,119	11,886
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	40,46	(36,161)	(35,848)	(53,707)
Net cash provided by or used in financing activities		**(28,550)**	**(27,729)**	**(41,821)**
Net increase/(decrease) in cash held		**4,690**	**6,906**	**(20,374)**
Cash at the beginning of financial year	**34,48,47**	**68,953**	**79,739**	**86,645**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**73,643**	**86,645**	**66,271**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. The increase relates to additional funding provided through amendments to the Service Agreement between Townsville Hospital and Health Service (THHS) and the Department of Health (DoH). Additional funding is provided for increases in service activity, enterprise bargaining agreements and depreciation revenue.
2. The increase relates to THHS becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.
3. The decrease relates to THHS becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.

Major variations between 2014-15 Budget and 2015-16 Budget include:

4. The increase relates to additional funding provided through the Service Agreement between THHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
5. The increase relates to THHS becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.
6. The decrease relates to THHS becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.
7. The increase relates to the commissioning of new buildings in 2015-16.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

8. The increase relates to additional funding provided through the Service Agreement between THHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
9. The increase relates to additional expenditure associated with the increase in FTE numbers within THHS and Enterprise Bargaining Agreements.
10. The increase relates to the commissioning of new buildings in 2015-16.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

11. The increase relates predominantly to the surplus generated in the 2013-14 financial year.
12. The increase relates to the commissioning of non-current assets and as a result of the annual revaluation program.
13. The increase relates to the revision of opening balances following finalisation of the 2013-14 financial statements.
14. The reduction relates to the revision of opening balances following finalisation of the 2013-14 financial statements.
15. The increase relates to the revision of opening balances following finalisation of the 2013-14 financial statements.
16. The increase relates to the surplus generated in the 2013-14 financial year, increases in the asset revaluation reserve due to the annual revaluation program and increases to contributed equity for the transfer of commissioned assets from the DoH.

Major variations between 2014-15 Budget and 2015-16 Budget include:

17. The decrease relates to the payment of the 27th pay in the 2015-2016 year.
18. The increase relates to higher prepaid expenditure due to increased utility charges.

19. The increase relates to the commissioning of non-current assets and as a result of the annual revaluation program.
20. The increase relates to the revision of opening balances following finalisation of the 2013-14 financial statements.
21. The increase relates to the revision of opening balances following finalisation of the 2013-14 financial statements.
22. The decrease relates to the payment of the 27th pay in the 2015-2016 year.
23. The reduction relates to the revision of opening balances following finalisation of the 2013-14 financial statements.
24. The increase relates to the surplus generated in the 2013-14 financial year, increases in the asset revaluation reserve due to the annual revaluation program and increases to contributed equity for the transfer of commissioned assets from the DoH.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

25. The decrease relates to the payment of the 27th pay in the 2015-2016 year.
26. The increase in other current assets relates to higher prepaid expenditure due to increased utility charges.
27. The increase relates to the commissioning of non-current assets and as a result of the annual revaluation program.
28. The decrease relates to the payment of the 27th pay in the 2015-2016 year.
29. The increase relates to increases in the asset revaluation reserve due to the annual revaluation program and increases to contributed equity for the transfer of commissioned assets from the DoH.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

30. The increase relates to additional funding provided through amendments to the Service Agreement between THHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining agreements and depreciation revenue.
31. The increase relates to THHS becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.
32. The decrease relates to THHS becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.
33. The increase relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding.
34. The increase relates predominantly to the surplus generated in the 2013-14 financial year.

Major variations between 2014-15 Budget and 2015-16 Budget include:

35. The increase relates to additional funding provided through the Service Agreement between THHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
36. The increase relates to THHS becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.
37. The decrease relates to THHS becoming the prescribed employer of health service employees effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.
38. The increase relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding.
39. The increase relates to the commissioning of assets to be transferred from the DoH to MHHS via contributed equity.
40. The increase relates to additional depreciation revenue, which is subsequently returned to Queensland Treasury.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

41. The increase relates to additional funding provided through the Service Agreement between THHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
42. The increase relates to additional expenditure associated with the increase in FTE numbers within THHS and Enterprise Bargaining Agreements.
43. The increase relates to additional activity associated with the Service Agreement funding increase.
44. Purchases of other plant and equipment were higher in 2014-15 as this value includes unspent minor capital funding from the previous year. The 2015-16 Budget reflects the current year minor capital allocation only.
45. The increase relates to the commissioning of assets to be transferred from the DoH to THHS via contributed equity.
46. The increase relates to additional depreciation revenue, which is subsequently returned to Queensland Treasury.
47. The increase relates predominantly to additional funding provided by the DoH.
48. The increase relates predominantly to the surplus generated in the 2013-14 financial year.

West Moreton Hospital and Health Service

Overview

The West Moreton Hospital and Health Service (HHS) is an independent statutory body overseen by a local Hospital and Health Board. The West Moreton HHS is responsible for the delivery of public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care, sub-acute and clinical support services to a population of approximately 252,000 people residing in a geographical area covering 9,521km which extends from Ipswich in the east, to Boonah in the south, north to Esk and west to Gatton.

The West Moreton HHS is responsible for the direct management of the facilities within the HHS's geographical boundaries including:

- Ipswich Hospital
- Boonah Health Service
- Esk Health Service
- Gatton Health Service
- Gailes Community Care Unit
- Laidley Health Service
- The Park – Centre for Mental Health
- Goodna Community Health
- Ipswich Community Health

The West Moreton HHS also provides school-based primary oral health care services, community mental health services for all age groups and services for alcohol and other drug illnesses. Additionally, the West Moreton HHS has a large range of responsibilities for prison health services and statewide services including the Queensland Centre for Mental Health Learning, the Queensland Centre for Mental Health Research and the Queensland Mental Health Benchmarking Unit.

In 2015-16, the West Moreton HHS's strategic objectives are:

- excellence in patient and family centred care
- excellence in healthcare delivery through innovation, research and lifelong learning
- provide an agile, resilient health service that anticipates and responds to need
- enable staff to be their best and give their best
- remain commercially astute
- implement integrated governance and systems to transform the delivery of healthcare now and into the future.

The West Moreton HHS's strategic direction is aligned to the Queensland Government's objectives for the community of delivering quality frontline services, particularly strengthening our public health system and providing responsive and integrated government services.

Service performance

The West Moreton HHS has an operating budget of $469.8 million for 2015-16 which is an increase of $12.6 million (2.8%) from the published 2014-15 operating budget of $457.1 million.

The West Moreton HHS has made considerable achievements against its strategic objectives in 2014-15, the highlights of which include:

- 100% of Category 1 and Category 2 patients and 99% of Category 3 patients received their elective surgery within the clinically recommended times in 2014-15
- the number of patients waiting longer than clinically recommended times for specialist outpatient appointments has decreased from 5,452 on 1 July 2014 to 980 on 18 June 2015, of which 670 patients have scheduled appointments before 30 June 2015
- targets were met for the treatment of oral health and Breast Screen patients
- West Moreton's first Research and Innovation Strategy was approved and round one of internal research grants announced, which are a key part of positioning the West Moreton HHS as a leader in critical research aligned with the needs of our community to improve the care we provide to our patients
- the health service achieved a balanced operating position
- the capital works for the Gailes Community Care Unit were completed.

The operating surplus for 2013-14, generated through the identification and implementation of efficiencies while retaining a focus on safe, quality and strengthened service delivery, was reinvested in 2014-15 to:

- reduce long wait specialist outpatient lists
- improve access to elective surgery and oncology services
- expansion of the dedicated adult short stay unit in Ipswich Hospital's emergency department from six beds to 12
- enhance nursing hours per patient
- improve information technology systems
- fund innovative projects to improve patients' experience aligned with the strategic plan.

The West Moreton HHS has identified key initiatives to support its strategic objectives. The following key initiatives will be of focus for 2015-16:

- increase awareness about what healthcare services are available to the community and how they can be accessed
- provide increased hospital services within our community
- increase self-sufficiency and service capability in line with the healthcare needs of our community
- invest in new physical infrastructure to meet future population growth
- develop robust financial management systems to meet current and future healthcare needs with agility
- develop robust reporting platforms for day-to-day reporting efficiency and continuous improvement which supports making informed decisions
- develop an operational technology strategy that meets the needs of the service delivery strategy and supports future focused patient care
- implement integrated governance and systems to minimise duplication of patient information and maximise data usage.

Service performance

Performance statement

West Moreton Hospital and Health Service

Service area objective

To deliver public hospital and health services for the West Moreton community.

Service area description

The West Moreton HHS is responsible for the delivery of public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care, sub-acute and clinical support services.

West Moreton Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards *Effectiveness measures* Percentage of patients attending emergency departments seen within recommended timeframes:	1			
Category 1 (within 2 minutes)		100%	100%	100%
Category 2 (within 10 minutes)		80%	87%	80%

West Moreton Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Category 3 (within 30 minutes)		75%	45%	75%
Category 4 (within 60 minutes)		70%	62%	70%
Category 5 (within 120 minutes)		70%	87%	70%
All categories		..	59%	..
Percentage of emergency department attendances who depart within four hours of their arrival in the department	2	86%	84%	90%
Percentage of elective surgery patients treated within clinically recommended times:	3			
Category 1 (30 days)		100%	100%	>98%
Category 2 (90 days)		97%	100%	>95%
Category 3 (365 days)		98%	99%	>95%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	4	<2.0	0.6	<2.0
Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit	5	>60%	61.6%	>65%
Proportion of readmissions to an acute mental health inpatient unit within 28 days of discharge	6	<12%	9.7%	<12%
Percentage of specialist outpatients waiting within clinically recommended times:	7			
Category 1 (30 days)		84%	96%	..
Category 2 (90 days)		44%	61%	..
Category 3 (365 days)		90%	83%	..
Median wait time for treatment in emergency departments (minutes)	8	20	28	20
Median wait time for elective surgery (days)	9	25	39	25
Efficiency measure Average cost per weighted activity unit for Activity Based Funding facilities	10, 12	$4,682	$4,482	$4,637
Other measures Total weighted activity units:	10, 11			
Acute Inpatient		34,056	35,413	36,901
Outpatients		6,434	9,209	7,985

West Moreton Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Sub-acute		4,781	4,091	4,828
Emergency Department		9,669	9,569	10,368
Mental Health		14,996	12,192	15,059
Interventions and Procedures		3,295	2,493	3,479
Ambulatory mental health service contact duration (hours)	13	>46,972	40,719	>48,551

Notes:

1. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 and 2015-16 are based on the Australasian Triage Scale (ATS). The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
2. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years. The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
3. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years
4. Staphylococcus aureus are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Est. for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
5. This represents incremental progress towards the nationally recommended target.
6. Queensland has made significant progress in reducing readmission rates over the past 5 years, with continued incremental improvements towards the nationally recommended target. The 2015-16 Target/Est. is the nationally recommended target.
7. A 2015-16 Target/est. has not yet been set as work in relation to the setting of a more suitable target/measure is currently being investigated. This work will ensure an appropriate measure and target is set in line with the Government's priorities and the Service Agreements with the HHSs. The Government convened a Wait Times Summit and is currently undertaking further consultation with the health sector, which will inform work around the target/measure for future reporting. The 2014-15 Est. actual figures are provided using actual performance as at 1 April 2015.
8. The 2014-15 Est. Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. There is no nationally agreed 2015-16 Target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
9. The 2014-15 Est. Actual figures are provided from 11 months of actual performance from 1 July 2014 to 31 May 2015. There is no nationally agreed target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
10. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 and updated to Amendment Window 2 to enable comparison with 2015-16 Target/Est. figures.
11. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
12. The determination of the cost (funding) per WAU has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements.
13. The 2014-15 Target/Est. was set utilising a standard formula based upon available clinical staffing. Due to a range of issues including known under-reporting within clinical information systems which capture the data, most HHSs are not expected to meet the target for 2014-15. The 2015-16 Target/Est. has been revised to take these issues into account. The 2015-16 Target/Est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance.

Staffing[1]

West Moreton Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
West Moreton Hospital and Health Service	1, 2, 3, 4, 5, 6	2,650	2,804	2,859

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs from the 2014-15 Budget to the 2014-15 Est. Actual reflect commissioning of new services and additional activity purchased from HHSs through amendments to the 2014-15 Service Agreements.
5. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased from HHSs.
6. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

West Moreton Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Number of in-home visits, families with newborns	1	5,971	4,766	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

West Moreton Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,6,11	437,014	444,093	463,310
Grants and other contributions		4,800	5,686	5,851
Interest		30	29	31
Other revenue	2,7	5,400	529	558
Gains on sale/revaluation of assets		..	..	..
Total income		**447,244**	**450,337**	**469,750**
EXPENSES				
Employee expenses	3,8,12	1,377	343,051	355,384
Supplies and Services				
Other supplies and services	4,9,13	112,978	89,001	94,228
Department of Health contract staff	5,10	324,445	..	..
Grants and subsidies		365	365	430
Depreciation and amortisation		15,642	15,373	16,684
Finance/borrowing costs		..	..	..
Other expenses		1,494	1,494	1,737
Losses on sale/revaluation of assets		843	843	1,287
Total expenses		**457,144**	**450,127**	**469,750**
OPERATING SURPLUS/(DEFICIT)		**(9,900)**	**210**	**..**

Balance sheet

West Moreton Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	14,17	25,134	40,319	41,242
Receivables		5,224	6,808	6,889
Other financial assets		..	..	..
Inventories		2,337	2,411	2,434
Other		476	565	845
Non financial assets held for sale		..	..	..
Total current assets		**33,171**	**50,103**	**51,410**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	15,18,20	278,697	289,623	285,214
Intangibles		66	32	11
Other		..	..	..
Total non-current assets		**278,763**	**289,655**	**285,225**
TOTAL ASSETS		**311,934**	**339,758**	**336,635**
CURRENT LIABILITIES				
Payables	16,19	24,447	8,950	11,428
Accrued employee benefits		114	10,679	9,508
Interest bearing liabilities and derivatives		..	..	..
Provisions		630	620	620
Other		11	41	41
Total current liabilities		**25,202**	**20,290**	**21,597**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**25,202**	**20,290**	**21,597**
NET ASSETS/(LIABILITIES)		**286,732**	**319,468**	**315,038**
EQUITY				
TOTAL EQUITY		**286,732**	**319,468**	**315,038**

Cash flow statement

West Moreton Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	21,25,29	436,209	443,288	462,063
Grants and other contributions		4,800	5,686	5,851
Interest received		30	29	31
Other	22,26	14,862	9,991	10,069
Outflows:				
Employee costs	23,27,30	(1,372)	(332,418)	(356,555)
Supplies and services	24,28,31	(446,236)	(122,960)	(101,595)
Grants and subsidies		(365)	(365)	(430)
Borrowing costs		..	..	..
Other		(1,494)	(1,494)	(1,737)
Net cash provided by or used in operating activities		**6,434**	**1,757**	**17,697**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		(32)	214	181
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets		(3,563)	(6,881)	(4,857)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(3,595)**	**(6,667)**	**(4,676)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		3,563	2,883	4,857
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(15,642)	(14,849)	(16,955)
Net cash provided by or used in financing activities		**(12,079)**	**(11,966)**	**(12,098)**
Net increase/(decrease) in cash held		**(9,240)**	**(16,876)**	**923**
Cash at the beginning of financial year		**34,374**	**57,195**	**40,319**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**25,134**	**40,319**	**41,242**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. The increase relates to additional funding provided through amendments to the Service Agreement between West Moreton Hospital and Health Service (WMHHS) and the department of Health (DoH). Additional funding is provided for increases in service activity, enterprise bargaining agreements and depreciation revenue.
2. The decrease relates to the change in accounting treatment for Salary Recoveries. Salary Recoveries are now included in Employee Expenses
3. The increase mainly relates to WMHHS becoming a prescribed employer effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.
4. The decrease mainly relates to DoH contracted staff included in Other Supplies and Services.
5. The decrease mainly relates to WMHHS becoming a prescribed employer effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.

Major variations between 2014-15 Budget and 2015-16 Budget include:

6. The increase relates to additional funding provided through the Service Agreement between WMHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training, research funding, own source revenue and additional funding for Mater contract.
7. The decrease relates to the change in accounting treatment for Salary Recoveries. Salary Recoveries are now included in Employee Expenses
8. The increase mainly relates to WMHHS becoming a prescribed employer effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.
9. The decrease mainly relates to DoH contracted staff expensed in Other Supplies and Services.
10. The decrease mainly relates to WMHHS becoming a prescribed employer effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

11. The increase relates to additional funding provided through the Service Agreement between WMHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training, research funding, own source revenue and additional funding for Mater contract.
12. The increase mainly relates to additional expenditure associated with the increase in FTE numbers within WMHHS and Enterprise Bargaining Agreements. FTE numbers have increased for various reasons including the establishment of various nursing projects were established, including a new 23 Hour Ward, Acute Meducical Unit (AMU), and Coronary Care Unit; ICT Projects and BEMS work; and conversion from contracted staff to WMHHS employees.
13. This increase is driven by the Mid Year review in March 2015 with a view to revitalising the Health and Hospital service and aligns investments with core services.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

14. The increase relates predominantly to the surplus generated in the 2013-14 and 2014-15 financial years and increases in revenue received from the DoH.
15. The increase relates to the commissioning of non-current assets (PCP-West Moreton; Ipswich Hospital 84 Additional Beds and Gailes CCU) and as a result of the annual asset revaluation program.
16. As WMHHS became a prescribed employer, this variance relates mainly to the estimated accrual for payroll liabilities.

Major variations between 2014-15 Budget and 2015-16 Budget include:

17. The increase relates predominantly to the surplus generated in the 2013-14 and 2014-15 financial years and increases in revenue received from the DoH.
18. The increase relates to the commissioning of non-current assets (PCP-West Moreton; Ipswich Hospital 84 Additional Beds and Gailes CCU) and as a result of the annual asset revaluation program.
19. As WMHHS became a prescribed employer, this variance relates mainly to the estimated accrual for payroll liabilities.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

20. The decrease relates to West Moreton HHS expecting a lower value for commissioning than in the 2014-15 financial year.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

21. The increase mainly relates to additional funding provided through amendments to the Service Agreement between West Moreton Hospital and Health Service (WMHHS) and the department of Health (DoH). Additional funding is provided for increases in service activity, enterprise bargaining agreements and depreciation revenue.
22. The decrease relates to the change in accounting treatment for Salary Recoveries. Salary Recoveries are now included in Employee Expenses.
23. The decrease mainly relates to WMHHS becoming a prescribed employer effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.
24. The increase mainly relates to WMHHS becoming a prescribed employer effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.

Major variations between 2014-15 Budget and 2015-16 Budget include:

25. The increase mainly relates to additional funding provided through the Service Agreement between WMHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
26. The decrease relates to the change in accounting treatment for Salary Recoveries. Salary Recoveries are now included in Employee Expenses.
27. The decrease mainly relates to WMHHS becoming a prescribed employer effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.
28. The increase mainly relates to WMHHS becoming a prescribed employer effective 1 July 2014. This was not reflected in the 2014-15 State Budget, as the decision by the Minister for Health or prescribed by regulation were not finalised. The increase is also due to Enterprise Bargaining Agreements.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

29. The increase relates to additional funding provided through the Service Agreement between WMHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
30. The decrease mainly relates to additional expenditure associated with the increase in FTE numbers within WMHHS and Enterprise Bargaining Agreements. FTE numbers have increased for various reasons including Various nursing projects were established, including a new 23 Hour Ward, Acute Meducical Unit (AMU), and Coronary Care Unit; ICT Projects and BEMS work; and conversion from contracted staff to WMHHS employees.
31. The increase relates to additional expenditure associated with the increase in FTE numbers within WMHHS and Enterprise Bargaining Agreements.

Wide Bay Hospital and Health Service

Overview

The Wide Bay Hospital and Health Service (HHS) was established in July 2012 as an independent statutory body. Governance of the Wide Bay HHS is overseen by a local Hospital and Health Board. Together, the Board and the Wide Bay HHS deliver health services to more than 208,000 people across the Wide Bay.

The Wide Bay HHS is responsible for the delivery of public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services to people residing in a geographical area which incorporates the North Burnett, Bundaberg and Fraser Coast local government areas and part of Gladstone Regional Council (Miriam Vale).

The Wide Bay HHS is responsible for the direct management of the facilities and community health services based within the HHS's geographical boundaries including:

- Bundaberg Hospital
- Maryborough Hospital
- Hervey Bay Hospital
- Childers Multi-Purpose Health Service (MPHS)
- Mundubbera MPHS
- Gayndah Hospital
- Gin Gin Hospital
- Monto Hospital
- Biggenden MPHS
- Eidsvold MPHS
- Mount Perry Health Centre

The Wide Bay HHS undertook a comprehensive consultation process with local communities to give health consumers and clinicians a chance to shape the future of the public health system. For the first time, members of the community and staff were asked to submit comments and opinions to address the region's health challenges. Health advocacy groups, all levels of government, clubs, service organisations and the media were all participants in the innovative 'Your Hospital Your Say' campaign.

The comprehensive consultation process included 11 public meetings, 20,000 hits on the Wide Bay HHS website consultation document and online survey. This resulted in 924 formal responses to the document which lead to the launch of the Wide Bay HHS Strategic Plan 2014-2017 'Improving Health, Together' April 2014. The strategic plan includes 75 specific reportable initiatives allocated across 5 key pledges:

- delivering sustainable, patient centred, quality health services
- engaging with our communities and partners
- developing and empowering our workforce
- encouraging innovation and excellence
- delivering value for money.

The Wide Bay HHS contributes to the Government's objectives for the community to deliver quality frontline services including strengthening the public health system and building safe, caring and connected communities.

Service performance

The Wide Bay HHS has a proposed operating budget of $488.9 million for 2015-16, representing an increase of $30.6 million (6.7%) from the published 2014-15 operating budget of $458.3 million.

The Wide Bay HHS has been awarded Australian Council on Healthcare Standards (ACHS) full four year accreditation across all 11 facilities and has received national acclaim for the Wide Bay HHS Strategic Plan "Improving health, together" for our community consultation and development of a shared vision for 2014-2017 in healthcare provision within our HHS.

Following the implementation of the strategic plan, the following have been delivered in the Wide Bay HHS in 2014-15:

- implementation of the Education & Training Strategic Plan 2014-17 – "Developing and empowering our workforce"
- implementation of the Clinical Governance framework, "Quality Care Everyday"
- achievement of the National Emergency Access Target (NEAT), with Bundaberg the top performance in Australia

- achievement of the National Elective Surgery Target (NEST) in all parts, including non-reportable diagnostic categories
- outpatients appointment wait - from 16.3 years to 54 weeks wait to be assessed by a consultant
- diagnostics/endoscopy – wait time reduced from greater than 3 years to 28 weeks
- commissioning of the Hervey Bay Clinical Decision Unit
- enhancements of allied health, telehealth, chemotherapy and renal dialysis services to rural areas
- enhancement of services under private partnership
- palliative care services in Maryborough Hospital
- Bundaberg Mental Health Community Care Unit (21 beds) opened in April 2015 with patients in supported care in independent living units.

In line with the Government's commitments, the Wide Bay HHS's key priorities for 2015-16 are to:

Strengthen the nursing workforce with:

- launch of Refresher Nursing Program, Traineeships and Apprentice Staffing Models
- implementation of nurse-to-patient ratios.

Improve patient safety by:

- commissioning two new Oral Health and Cancer Care Buildings in July 2015
- continue achievement of the NEST with a maximum 28 week wait for all elective surgery
- continue trending towards achievement of the NEAT
- sustainable diagnostic cardiology service
- sustainable urology service for the Wide Bay HHS
- Oral Health reducing waiting times to 18 weeks
- increased services including Cardio Angiography and Ophthalmology.

Build mental health services through:

- launch and implementation of Mental Health Strategic Plan – "parity of esteem"

The launch of the Wide Bay Health for Life Strategic plan and programme 2015-18 will focus on the:

- cessation of smoking
- staff fitness in partnership with the YMCA
- school based programmes targeting obese families
- sun exposure programs
- nutritional programs for community, patients and staff
- binge drinking programs
- elderly nutritional and exercise program.

Service performance

Performance statement

Wide Bay Hospital and Health Service

Service area objective

To deliver public hospital and health services for the Wide Bay community.

Service area description

The Wide Bay HHS is responsible for the delivery of public hospital and health services including medical, surgical, emergency, obstetrics, paediatrics, specialist outpatient clinics, mental health, critical care and clinical support services.

Wide Bay Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Effectiveness measures				
Percentage of patients attending emergency departments seen within recommended	1			
Category 1 (within 2 minutes)		100%	100%	100%
Category 2 (within 10 minutes)		80%	85%	80%
Category 3 (within 30 minutes)		75%	76%	75%
Category 4 (within 60 minutes)		70%	71%	70%
Category 5 (within 120 minutes)		70%	89%	70%
All categories		..	74%	..
Percentage of emergency department attendances who depart within four hours of their arrival in the department	2	86%	79%	90%
Percentage of elective surgery patients treated within clinically recommended times:	3			
Category 1 (30 days)		100%	98%	>98%
Category 2 (90 days)		97%	99%	>95%
Category 3 (365 days)		98%	100%	>95%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	4	<2.0	0.8	<2.0
Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit	5	>60%	71.9%	>65%
Proportion of readmissions to an acute mental health inpatient unit within 28 days of discharge	6	<12%	5.6%	<12%
Percentage of specialist outpatients waiting within clinically recommended times:	7			
Category 1 (30 days)		44%	99%	..
Category 2 (90 days)		47%	94%	..
Category 3 (365 days)		90%	99%	..
Median wait time for treatment in emergency departments (minutes)	8	20	23	20
Median wait time for elective surgery (days)	9	25	29	25
Efficiency measure				
Average cost per weighted activity unit for Activity Based Funding facilities	10, 12	$4,823	$4,617	$5,096

Wide Bay Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Other measures Total weighted activity units:	10, 11			
Acute Inpatient		38,196	39,423	40,078
Outpatients		8,298	8,830	8,733
Sub-acute		4,602	4,432	4,711
Emergency Department		12,481	13,784	12,769
Mental Health		4,661	5,394	5,267
Interventions and Procedures		7,138	6,552	7,750
Ambulatory mental health service contact duration (hours)	13	>32,707	30,144	>31,785

Notes:

1. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 and 2015-16 are based on the Australasian Triage Scale (ATS). The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
2. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years. The 2014-15 Target/Est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
3. 2014-15 Estimated Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. The 2014-15 Target/Est. and the 2015-16 Target/Est. are set as the midway point between the calendar years.
4. Staphylococcus aureus are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Est. for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
5. This represents incremental progress towards the nationally recommended target.
6. Queensland has made significant progress in reducing readmission rates over the past 5 years, with continued incremental improvements towards the nationally recommended target. The 2015-16 Target/Est. is the nationally recommended target.
7. A 2015-16 Target/est. has not yet been set as work in relation to the setting of a more suitable target/measure is currently being investigated. This work will ensure an appropriate measure and target is set in line with the Government's priorities and the Service Agreements with the HHSs. The Government convened a Wait Times Summit and is currently undertaking further consultation with the health sector, which will inform work around the target/measure for future reporting. The 2014-15 Est. actual figures are provided using actual performance as at 1 April 2015.
8. The 2014-15 Est. Actual figures are provided from 10 months of actual performance from 1 July 2014 to 30 April 2015. There is no nationally agreed 2015-16 Target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
9. The 2014-15 Est. Actual figures are provided from 11 months of actual performance from 1 July 2014 to 31 May 2015. There is no nationally agreed target for this measure. The 2015-16 Target/Est. is based on the 2014-15 Target/Est. and is indicative only as work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the Government's priorities and the Service Agreements with the HHSs.
10. The 2014-15 Target/Est. published in the 2014-15 Service Delivery Statements have been recalculated based on the ABF model Q18 and updated to Amendment Window 2 to enable comparison with 2015-16 Target/Est. figures.
11. The weighted Activity Units are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements.
12. The determination of the cost (funding) per WAU has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements.
13. The 2014-15 Target/Est. was set utilising a standard formula based upon available clinical staffing. Due to a range of issues including known under-reporting within clinical information systems which capture the data, most HHSs are not expected to meet the target for 2014-15. The 2015-16 Target/Est. has been revised to take these issues into account. The 2015-16 Target/Est. is set via a standardised formula, based on available clinical hours, HHS rurality, and historical performance. The reduction from the 2014-15 Target/Est. is based on improved identification of non-clinical staff as well as actual reduction in available FTEs.

Staffing[1]

Wide Bay Hospital and Health Service	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Wide Bay Hospital and Health Service	1, 2, 3, 4, 5, 6	2,605	2,725	2,979

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015. The 2014-15 Budget reflects the full time equivalent in the start of year service.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015 in accordance with the 2014-15 Window 2 Service Agreement.
3. The 2015-16 Budget represents the forecast FTEs and may change due to updates to the 2015-16 Service Agreement throughout the financial year.
4. Increases in FTEs from the 2014-15 Budget to the 2014-15 Est. Actual reflect commissioning of new services and additional activity purchased from HHSs through amendments to the 2014-15 Service Agreements.
5. Increases in FTEs for the 2015-16 Budget reflect commissioning of new services and additional activity purchased from HHSs.
6. Where the HHS is not a prescribed employer, the staffing figures include employees of the Department of Health who have been contracted to the HHS.

Discontinued measures

Performance measures included in the 2014-15 service delivery statements that have been discontinued or replaced are reported in the following table with estimated actual results. For those measures which are being discontinued from the service delivery statement because they do not demonstrate the effectiveness or efficiency of services, please refer to the Notes below for further information about where these measures will continue to be reported.

Wide Bay Hospital and Health Service	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Number of in-home visits, families with newborns	1	4,170	2,829	Discontinued measure

Note:

1. This measure has been discontinued due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.

Income statement

Wide Bay Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,6,11	449,069	470,612	479,776
Grants and other contributions	2,7,12	5,883	5,186	5,708
Interest		80	80	82
Other revenue		3,279	3,279	3,382
Gains on sale/revaluation of assets		..	..	..
Total income		**458,311**	**479,157**	**488,948**
EXPENSES				
Employee expenses	3,8	788	18,374	18,783
Supplies and Services				
Other supplies and services	4,9,13	125,912	143,153	139,062
Department of Health contract staff	5,10,14	317,723	303,742	314,882
Grants and subsidies		..	..	..
Depreciation and amortisation		13,034	13,034	15,316
Finance/borrowing costs		..	..	..
Other expenses		687	687	733
Losses on sale/revaluation of assets		167	167	172
Total expenses		**458,311**	**479,157**	**488,948**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Balance sheet

Wide Bay Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	15,19,23	23,576	15,869	4,363
Receivables	16,20	6,839	11,831	11,958
Other financial assets		..	..	..
Inventories		3,014	3,422	3,456
Other		427	241	274
Non financial assets held for sale		(373)	..	..
Total current assets		**33,483**	**31,363**	**20,051**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	17,21,24	206,091	197,900	235,411
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**206,091**	**197,900**	**235,411**
TOTAL ASSETS		**239,574**	**229,263**	**255,462**
CURRENT LIABILITIES				
Payables		32,153	31,251	19,939
Accrued employee benefits		28	17	17
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		54	132	132
Total current liabilities		**32,235**	**31,400**	**20,088**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**..**	**..**	**..**
TOTAL LIABILITIES		**32,235**	**31,400**	**20,088**
NET ASSETS/(LIABILITIES)		**207,339**	**197,863**	**235,374**
EQUITY				
TOTAL EQUITY	**18,22,25**	**207,339**	**197,863**	**235,374**

Cash flow statement

Wide Bay Hospital and Health Service	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	26,30,35	448,891	470,434	479,581
Grants and other contributions	27,31,36	5,883	5,186	5,708
Interest received		80	80	82
Other		17,197	17,197	17,373
Outflows:				
Employee costs	28,32	(788)	(18,374)	(18,783)
Supplies and services	33,37	(454,862)	(458,122)	(479,418)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(687)	(687)	(733)
Net cash provided by or used in operating activities		**15,714**	**15,714**	**3,810**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets	29,34,38	(3,600)	(5,178)	(4,991)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(3,600)**	**(5,178)**	**(4,991)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		3,600	4,515	4,991
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(13,034)	(13,034)	(15,316)
Net cash provided by or used in financing activities		**(9,434)**	**(8,519)**	**(10,325)**
Net increase/(decrease) in cash held		**2,680**	**2,017**	**(11,506)**
Cash at the beginning of financial year		**20,896**	**13,852**	**15,869**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**23,576**	**15,869**	**4,363**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. The increase relates to additional funding provided through amendments to the Service Agreement between Wide Bay Hospital and Health Service (WBHHS) and the Department of Health (DoH). Additional funding is provided for increases in service activity, enterprise bargaining agreements and depreciation revenue.
2. The decrease is a result of withdrawal of Home and Community Care funding from the Commonwealth (tranfer to NGO sector).
3. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS.
4. The increase is attributable to additional funding provided through amendments to the Service Agreement between WBHHS and the DoH for non-labour items of clinical supplies, communications, drugs, outsourced service delivery and prosthetics.
5. The reduction relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been offset by increases in Enterprise Bargaining Agreements.

Major variations between 2014-15 Budget and 2015-16 Budget include:

6. The increase relates to additional funding provided through the Service Agreement between WBHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
7. The decrease is due to funding movements within the category with the largest being the withdrawal of Home and Community Care funding from the Commonwealth.
8. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS.
9. The increase relates to additional funding provided through the Service Agreement between WBHHS and the DoH. Additional funding is provided for increases in service activity particularly non-labour items of clinical supplies, communications, drugs, outsourced service delivery and prosthetics.
10. The reduction relates to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. This reduction has been offset by increases in Enterprise Bargaining Agreements.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

11. The increase relates to additional funding provided through the Service Agreement between WBHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
12. The increase relates to additional funding provided through the Service Agreement between WBHHS and the DoH. Additional funding is provided for increases in mutlipurpose health services, Transitional Care funding and own source revenue.
13. The decrease includes decrease in non-recurrent funding from the Department of Health.
14. The increase relates to additional expenditure associated with the increase in FTE numbers and Enterprise Bargaining Agreements. Increase in FTE numbers is attributable to increased patient services/demand.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

15. The decrease is due to timing differences forecast for receiving funding and payment of expenses, along with a higher demand on funds in the course of operations due to increased activity.
16. The increase is due to DoH funding recognised on finalisation of 2013-14 financial statements
17. The decrease is as a result of the sale of the Yaralla Aged Care Facility and partially offset by $6.8m capitalisation of the Bundaberg Mental Health Unit.

18. The decrease primarily relates to the opening balance of the asset revaluation surplus account incorrectly forecast for the 2014-15 budget.

Major variations between 2014-15 Budget and 2015-16 Budget include:

19. The decrease is due to timing differences forecast for receiving funding and payment of expenses, along with a higher demand on funds in the course of operations due to increased activity.
20. The increase is due to DoH funding recognised on finalisation of 2013-14 financial statements.
21. The increase relates to the commissioning of non-current assets (major projects include the Oral Health and Cancer Care buildings at Hervey Bay and Bundaberg hospitals and the transfer of 2 buildings for teaching/training from the University of Queenslandname) and as a result of the annual asset revaluation program.
22. The increase relates to increases in the asset revaluation reserve due to the annual revaluation program and increases to contributed equity for the transfer of commissioned assets from the DoH.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

23. The decrease is due to timing differences forecast for receiving funding and payment of expenses, along with a higher demand on funds in the course of operations due to increased activity.
24. The increase relates to the commissioning of non-current assets (major projects include the Oral Health and Cancer Care buildings at Hervey Bay and Bundaberg hospitals and the transfer of 2 buildings for teaching/training from the University of Queenslandname) and as a result of the annual asset revaluation program.
25. The increase relates to increases in the asset revaluation reserve due to the annual revaluation program and increases to contributed equity for the transfer of commissioned assets from the DoH.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

26. The increase relates to additional funding provided through amendments to the Service Agreement between WBHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining agreements and depreciation revenue.
27. The decrease is a result of withdrawal of Home and Community Care funding from the Commonwealth.
28. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS. Additional movement relates to increased Health Service Executive Staff and Board costs.
29. The increase relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding.

Major variations between 2014-15 Budget and 2015-16 Budget include:

30. The increase relates to additional funding provided through the Service Agreement between WBHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
31. The decrease is a result of withdrawal of Home and Community Care funding from the Commonwealth.
32. The increase is largely due to the implementation of Senior Medical Officers Contracts, which came into effect in August 2014 and established a direct employer-employee relationship with the HHS and increased Health Service Executive Staff and Board costs.
33. The increase relates primarily to additional funding provided through the Service Agreement between WBHHS and the DoH. Additional funding is provided for increases in service activity particularly non-labour items of clinical supplies, communications, drugs, outsourced service delivery and prosthetics.
34. The increase relates to additional Health Technology Equipment Replacement Program and prior year unspent Minor Capital Funding.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

35. The increase relates to additional funding provided through the Service Agreement between WBHHS and the DoH. Additional funding is provided for increases in service activity, enterprise bargaining, block funded services, teaching, training and research funding and own source revenue.
36. The increase relates to additional funding provided through the Service Agreement between WBHHS and the DoH. Additional funding is provided for increases in mutlipurpose health services and Transitional Care funding.

37. The increase relates primarily to additional funding provided through the Service Agreement between WBHHS and the DoH. Additional funding is provided for increases in service activity particularly non-labour items of clinical supplies, communications, drugs, outsourced service delivery and prosthetics.

38. The decrease relates to purchases of other plant and equipment were higher in 2014-15 as this value includes unspent minor capital funding from the previous year. The 2015-16 Budget reflects the current year minor capital allocation only.

The Council of the Queensland Institute of Medical Research

Overview

The Council of the Queensland Institute of Medical Research, known as the QIMR Berghofer Medical Research Institute ("QIMR Berghofer"), is a world-leading translational research institute, established as a statutory body under the *Queensland Institute of Medical Research Act 1945*. QIMR Berghofer's research strategy focuses on three major areas: Cancer, Infectious Diseases, and Mental Health/Complex Disorders.

QIMR Berghofer aims to improve health by developing prevention strategies, new diagnostics and better health treatments. Its strategic objectives for 2015–2019 are to:

- maintain a translational focus in research activities through clinical collaborations, clinical trials and commercial opportunities with the biotechnology and pharmaceutical sector
- increase knowledge and strengthen its reputation for scientific excellence
- attract and retain high quality researchers
- increase funding annually
- inform and involve the community in research activities at QIMR Berghofer
- play an active role in collaborative research initiatives such as the Brisbane Diamantina Health Partners and the Queensland Tropical Health Alliance.

QIMR Berghofer's scientists perform world class research with consequences and align with the Government's election commitments and priorities that aim to strengthen health services and protect Queenslanders through a greater investment in preventative health programs. QIMR Berghofer is an international pace-setter in medical research and is committed to translational outcomes and regionally relevant research.

The Institute is very aware of its stimulatory role in areas of particular importance to Queenslanders. This is well illustrated by the focus on Tropical Health Research. When founded 70 years ago, the main driver was to have Queensland-based expertise to address the diseases that are typically found in this northern region of Australia. QIMR Berghofer remains faithful to this mission with a strong emphasis on parasitic and mosquito mediated diseases, especially malaria, and skin cancer which is the bane of too many lives in the State.

The realisation of QIMR Berghofer's strategic objectives is dependent on its success in securing funding from both government and non-government sources, including community and philanthropic donations and income from commercialisation activities. In 2015–16, QIMR Berghofer will receive $18.9 million from the Queensland Government, representing 17.5% of total revenue. This, together with competitive peer-reviewed medical research grants, is QIMR Berghofer's most significant source of funding. The State Government grant, and the support operations it finances, enables QIMR Berghofer to leverage this funding to secure competitive peer-reviewed medical research grants and other income.

Service performance

QIMR Berghofer is continuing a period of growth, supported by external competitive grants. QIMR Berghofer is actively recruiting researchers in areas of high strategic importance to Queensland, including tropical diseases, immunotherapy, mental health, cancer and genetics to increase its capacity to approximately 1,000 staff, students and visiting scientists. During its current expansion phase QIMR Berghofer has attracted 10 new research teams, since 2012, in the departments of Biology; Immunology; Genetics and Computational Biology in the Cancer and Infectious Diseases programs.

The successful recruitment and retention of leading Australian and international scientists in Queensland and at QIMR Berghofer will be a critical issue in a highly competitive sector. In the face of much external competition, the Institute is achieving this.

During 2014–15, QIMR Berghofer:

- initiated 10 new investigator driven clinical trials which are the best indicators of an Institute that is discovering and translating research
- led Phase II/III trials, based on research at QIMR Berghofer, which are set to change international practice for the treatment of leukaemia patients undergoing bone marrow transplants
- acquired full ownership of Q-Pharm, Queensland's leading clinical trials facility, based within the Institute

- determined that some anti-inflammatory drugs have the potential to prevent the second most common type of skin cancer
- determined that sudden ‘chromosomal catastrophes’ may trigger a third of oesophageal tumours, the fastest rising cancer in Australia
- found a new treatment approach that could offer hope to patients with the aggressive blood cancer acute myeloid leukaemia (AML) after finding the drug to be highly effective against human leukaemia cells in pre-clinical trials
- established the only mainland colony of the Asian Tiger Mosquito (*Aedes albopictus)* in QIMR Berghofer's state-of-the-art insectary
- determined how a single DNA variant increases a woman’s risk of developing breast cancer
- found six new gene regions which increase a woman’s risk of ovarian cancer
- achieved, in an Australian first, TGA approval for its GMP level Cellular Therapy unit.

In the wider research community, QIMR Berghofer:

- is a founding member of the Brisbane Diamantina Health Partners
- is a key and founding member of the Queensland Tropical Health Alliance
- is a Centre of Research Excellence for oesophageal cancer, bringing together major research teams across the country
- has partnered with The University of Queensland (UQ) and Emory University (Georgia, USA) to establish the Queensland Emory Development Alliance (QED) to collaborate on new treatments in the areas of cancer, infectious diseases and brain health
- officially launched the Queensland Mental Health Research Alliance with the Queensland Brain Institute (QBI) and the Queensland Centre for Mental Health Research (QCMHR) to improve mental health outcomes
- is a partner, together with the Translational Research Institute and the Princess Alexandra Hospital in the Queensland Head and Neck Cancer Centre of Excellence
- partners with UQ in the Australian Infectious Diseases Research Centre
- has continued collaboration with the Herston Imaging Research Facility (HIRF) partners - QIMR Berghofer, RBWH, UQ, QUT and commercial provider, Siemens.

QIMR Berghofer’s community engagement activities in 2014–15 included:

- delivering the QIMR Berghofer education program, offering more than 1,600 Queensland students from over 60 schools the opportunity to participate in the Institute’s High School Lecture Series, work experience program and hands-on laboratory experience in the state-of-the-art education laboratory
- organising the largest fundraising cycle event in Queensland, with 1,124 direct participants in 2014
- partnering with the RBWH Foundation to stage the second Weekend to End Women’s Cancers in 2014, with 756 participants
- participating in Brisbane Open House, with over 250 visitors touring QIMR Berghofer research facilities on the weekend of the event
- hosting free public forums on the latest research in cancer, infectious diseases and complex disorders
- providing 122 tours and speaking engagements to over 3,560 members of the public.

In 2015–16, QIMR Berghofer will:

- test an experimental brain cancer treatment which the Institute has developed for patients with initial glioblastoma multiforme (GBM)
- commence new trials using immunotherapy in early stages of metastatic nasopharyngeal carcinoma (NPC) following promising results in a phase one clinical trial with terminal NPC patients
- conduct further clinical trials to test anti-malarial drugs on humans infected with malaria parasites
- develop a powerful predictor for aggressive breast cancers for more accurate prognosis and ensuring the most effective treatment
- begin analysing data from OPAL, the Ovarian Cancer Prognosis and Lifestyle study. OPAL is Australia’s first study into lifestyle factors that may improve survival and quality of life for women with ovarian cancer
- carry out a major study into malignant mesothelioma, investigating mutations, biomarkers and potential new therapeutic targets for the aggressive asbestos-related cancer
- continue leading D-Health, a five-year study investigating the role of Vitamin D in preventing disease
- continue developing brain-imaging technology for use in creating a diagnostic test for depression

- move cytomegalovirus vaccine development to an advanced stage, which could help prevent potential birth defects in babies
- explore the ability of snake, cone snail, hookworm and jellyfish venom to control the body's immune system and potentially play a role in cancer treatments
- advance the world leading work on new molecules and targets for immunotherapy use to treat cancers.

Staffing[1]

Queensland Institute of Medical Research	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Queensland Institute of Medical Research	2, 3, 4	535	480	535

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015. The 2015-16 Budget represents the forecast FTEs for the 2015-16 financial year.
2. The staffing figures do not include visiting scientists/affiliates, students, external collaborators on site or casual staff.
3. QIMR Berghofer is in an expansion phase and will increase the numbers of research staff commensurate with available laboratory space. Due to the refurbishment of the Bancroft Centre in 2014-15 and floors of laboratory space not being available for periods of time recruitment was delayed which is reflected in the Estimated actual FTE's for 2014-15.
4. Following the completion of the refurbishment of the Bancroft Centre recruiting efforts will continue in the 2015-16 Budget year.

Income statement

Council of the Queensland Institute of Medical Research	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
Taxes		..	..	..
User charges and fees		5,404	3,348	6,659
Grants and other contributions	1,3,6	85,542	77,789	90,307
Interest		1,541	1,395	846
Other revenue		1,480	1,015	1,698
Gains on sale/revaluation of assets	2,7	7,206	15,983	8,221
Total income		**101,173**	**99,530**	**107,731**
EXPENSES				
Employee expenses	4,8	51,223	50,411	54,940
Supplies and services	5,9	36,820	35,901	39,224
Grants and subsidies		..	..	..
Depreciation and amortisation		11,382	11,132	11,628
Finance/borrowing costs		..	..	..
Other expenses		1,748	2,065	1,939
Losses on sale/revaluation of assets		..	21	..
Total expenses		**101,173**	**99,530**	**107,731**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Balance sheet

Council of the Queensland Institute of Medical Research	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	10,14	34,794	27,814	31,691
Receivables		10,144	8,859	8,859
Other financial assets		..	..	..
Inventories		272	268	268
Other		1,045	385	385
Non financial assets held for sale		..	..	..
Total current assets		**46,255**	**37,326**	**41,203**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets	11,12	98,575	108,331	110,584
Property, plant and equipment	13,15	281,534	280,377	274,333
Intangibles		..	379	293
Other		..	..	..
Total non-current assets		**380,109**	**389,087**	**385,210**
TOTAL ASSETS		**426,364**	**426,413**	**426,413**
CURRENT LIABILITIES				
Payables		26,238	23,695	23,695
Accrued employee benefits		2,910	3,083	3,083
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		**29,148**	**26,778**	**26,778**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		869	881	881
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**869**	**881**	**881**
TOTAL LIABILITIES		**30,017**	**27,659**	**27,659**
NET ASSETS/(LIABILITIES)		**396,347**	**398,754**	**398,754**
EQUITY				
TOTAL EQUITY		**396,347**	**398,754**	**398,754**

Cash flow statement

Council of the Queensland Institute of Medical Research	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees		5,404	3,348	6,659
Grants and other contributions	16,18,20	85,542	77,789	90,307
Interest received		1,541	1,395	846
Taxes		..	..	..
Other		1,480	1,083	1,698
Outflows:				
Employee costs		(51,223)	(50,595)	(54,940)
Supplies and services		(36,909)	(35,478)	(38,701)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(1,748)	(2,066)	(1,939)
Net cash provided by or used in operating activities		**4,087**	**(4,524)**	**3,930**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	(21)	..
Investments redeemed	19,21	6,000	5,000	13,000
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets		(6,435)	(7,396)	(5,498)
Payments for investments		(6,748)	(3,000)	(7,555)
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**(7,183)**	**(5,417)**	**(53)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions	17	..	(1,324)	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		**..**	**(1,324)**	**..**
Net increase/(decrease) in cash held		**(3,096)**	**(11,265)**	**3,877**
Cash at the beginning of financial year		**37,890**	**39,079**	**27,814**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**34,794**	**27,814**	**31,691**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. Amounts of donation and bequest income received by the Institute in 2014-15 Estimated Actual were lower than budgeted amounts and historic trends reflecting the current economic climate.
2. Gains on sale/revaluation of assets includes increases in the market value of QIMR Berghofer's long term investments reflecting a stronger than budgeted performance of financial markets in 2014-15 Estimated Actual.

Major variations between 2014-15 Budget and 2015-16 Budget include:

3. QIMR Berghofer expects to achieve a small increase in research grant income as a reflection of its successful scientific recruitment strategy and its expanded medical research capacity following the completion of the refurbishment of the Bancroft Centre. In addition, donation and bequest income is budgeted to return to levels commensurate with historic trends.
4. The 2015-16 Budget reflects salary increases in line with the current enterprise bargaining agreement as well as changes in the composition of the scientific workforce due to the current recruitment strategy.
5. Research related expenses for supplies and services in the 2015-16 Budget increase in line with higher amounts of competitive research grant income budgeted for.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

6. QIMR Berghofer expects to achieve a small increase in research grant income as a reflection of its successful scientific recruitment strategy and its expanded medical research capacity following the completion of the refurbishment of the Bancroft Centre. In addition, donation, bequest and commercial income is budgeted to increase.
7. Gains on sale/revaluation of assets in the 2015-16 Budget includes conservatively budgeted increases in the market value of QIMR Berghofer's long term investments compared to the stronger than budgeted performance in 2014-15 Estimated Actual.
8. The 2015-16 Budget reflects salary increases in line with the current enterprise bargaining agreement as well as changes in the composition of the scientific workforce due to the current recruitment strategy.
9. Other supplies and services in the 2015-16 Budget increase in line with higher amounts of competitive research grant income budgeted for.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

10. The decrease in the 2014-15 Estimated Actual cash balance is mainly related to expenditure of project funds for the completion of the Bancroft Centre refurbishment.
11. The market value of QIMR Berghofer's long term investments reflects a stronger than budgeted performance of financial markets in 2014-15 Estimated Actual.

Major variations between 2014-15 Budget and 2015-16 Budget include:

12. The higher market value of QIMR Berghofer's long term investments is expected to be driven by above average performance of financial markets in the 2014-15 year providing a higher base asset value for the 2015-16 Budget year.
13. The 2015-16 Budget balance of property, plant and equipment decreases mainly due to the significant annual depreciation charges in relation to QIMR Berghofer's buildings.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

14. The higher 2015-16 Budget cash balance is mainly related to an increase in anticipated income as a result of QIMR Berghofer's expanded medical research capacity following the completion of the refurbishment of the Bancroft Centre.
15. The 2015-16 Budget balance of property, plant and equipment decreases mainly due to the significant annual depreciation charges in relation to QIMR Berghofer's buildings.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

16. Amounts of donation and bequest income received by the Institute in 2014-15 Estimated Actual were lower than budgeted amounts and historic trends.

17. QIMR Berghofer agreed to repay the loan provided by the State Government in relation to the Queensland Tropical Heal Alliance agreement before its maturity which is reflected in 2014-15 Estimated Actual.

Major variations between 2014-15 Budget and 2015-16 Budget include:

18. QIMR Berghofer expects an increase in income as a reflection of its successful scientific recruitment strategy and its expanded medical research capacity following the completion of the refurbishment of the Bancroft Centre.

19. The 2015-16 Budget includes increased redemptions from long term investments to fund QIMR Berghofer's operating and capital expenditure requirements.

Major variations between 2014-15 Estimated Actual and the 2015-16 Budget include:

20. QIMR Berghofer expects a small increase in income as a reflection of its successful scientific recruitment strategy and its expanded medical research capacity following the completion of the refurbishment of the Bancroft Centre.

21. The 2015-16 Budget includes increased redemptions from long term investments to fund QIMR Berghofer's operating and capital expenditure requirements.

Queensland Mental Health Commission

Overview

The Queensland Mental Health Commission (the Commission) was established on 1 July 2013 as an independent statutory body under the *Queensland Mental Health Commission Act 2013*.

The Commission's vision is a healthy and inclusive community, where people experiencing mental health difficulties or issues related to substance use have a life with purpose and access to quality care and support focused on wellness and recovery, in an understanding, empathic and compassionate society.

The Commission's purpose is to drive ongoing reform towards a more integrated, evidence-based, recovery-oriented mental health, drug and alcohol system in Queensland, with a broad objective to achieve better outcomes for people in Queensland living with mental health issues or substance misuse by:

- reaching consensus on and making progress towards achieving system wide reforms
- maximising the collective impact of lived experience and professional expertise.

The focus for the Commission's work is:

- developing, and facilitating the implementation of the whole-of-government Queensland Mental Health, Drug and Alcohol Strategic Plan 2014-2019
- research and reporting on issues impacting people experiencing mental health difficulties and issues relating to substance use
- mental health promotion, awareness and early intervention
- supporting systemic governance including support for the Mental Health and Drug Advisory Council.

This work contributes to the Queensland Government's objectives for the community, delivering quality front line services, creating jobs and a diverse economy and building safe, caring and connected communities with a focus on mental health issues and drug and alcohol problems. The Queensland Mental Health, Drug and Alcohol Strategic Plan 2014-2019 in particular reflects commitments to action that focus on a whole of government approach to improving mental health and wellbeing.

Service performance

The Commission has an operating budget of $8.3 million in 2015-16 reflecting minimal variation with the published 2014-15 operating budget of $8.5 million.

During 2014-15 the Commission's focus shifted from establishment to implementation, the key milestone of which was the finalisation and launch of the Queensland Mental Health, Drug and Alcohol Strategic Plan 2014-2019. Other achievements included:

- initiating the development of specified action plans identified in the Strategic Plan including Drug and Alcohol, Suicide Prevention and Rural and Remote
- delivered a $1 million grants program that focused on Stronger Community Mental Health and Wellbeing outcomes
- preparing an Ordinary Report to the Minister for tabling in Parliament, addressing social housing issues for clients with complex needs
- responding to Queensland Health's review of the *Mental Health Act 2000* with a focus on strengthening rights for consumers, families and carers
- developing and disseminating Options for Reform: least restrictive practices in acute mental health wards including locked wards
- presenting a case for increased support for Perinatal and Infant Mental Health Services and supporting development of an innovative project that links families who have experienced perinatal mental health issues with an ante-natal service provider
- supporting the work of the Mental Health and Drug Advisory Council, including development of strategies to enhance the engagement of consumers, families and carers and to improve outcomes for Aboriginal and Torres Strait Islander peoples
- reviews of programs novated from the Department of Health when the Commission was established.

During 2015-16, the Commission will:

- prepare the first report on the implementation of the Queensland Mental Health, Drug and Alcohol Strategic Plan 2014-2019

- consolidate the Stronger Community Mental Health and Wellbeing grants program
- finalise agreed cross Government action plans and commence work on action plans focused on mental health and the criminal justice system, human rights and disability
- continue to advocate for the rights of consumers, families and carers in mental health legislation, and in its implementation
- promote the implementation of the options for reform and recommendations of reports prepared in 2014-15
- increase the use of a variety of communication strategies to support better engagement of the Commission and the Advisory Council with the community
- contribute to the independent review of the performance of the Commission and of the *Queensland Mental Health Commission Act 2013.*

Performance statement

Queensland Mental Health Commission

Service area objective

The Commission aims to improve the mental health and wellbeing of Queenslanders by driving reform towards a more integrated, evidence-based, recovery-oriented mental health, drug and alcohol system in Queensland.

Service area description

The Commission's functions are to:

- Develop and facilitate, monitor and report on the implementation of the whole-of-government Queensland Mental Health, Drug and Alcohol Strategic Plan 2014-2019
- Undertake and facilitate reviews, research and reports that support better outcomes for people experiencing mental health difficulties and substance use problems
- Coordinate, facilitate and support mental health awareness and promotion activities
- Support and facilitate systemic governance arrangements that drive and support reform.

Queensland Mental Health Commission	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards *Effectiveness measures* Stakeholder satisfaction with:				
opportunities to provide consumer, support person and provider perspectives on mental health and substance misuse issues	1, 2, 3	75%	46%	75%
extent to which consumer and provider perspectives are represented in strategic directions articulated by the Commission to improve the system	1, 2	75%	51%	75%
the range of stakeholders involved in developing and implementing solutions	1, 2	75%	38%	75%
Efficiency measures	4			

Notes:

1. In 2014-15, the Commission has engaged an independent organisation to evaluate its effectiveness. A baseline survey was conducted in September 2014 to ascertain the views of key stakeholders including government and non-government organisations regarding the Commission's performance. This data will be compared to results from an annual survey to assess progress.
2. The Commission is progressively increasing the range and depth of consultation and collaboration in specific projects and also focusing more strongly on the use of social media to improve community understanding of our role and to seek feedback.
3. Support persons include families, carers and other supports.
4. An efficiency measure is being developed and will be included in future Service Delivery Statements.

Staffing[1]

Queensland Mental Health Commission	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Queensland Mental Health Commission	2, 3	15	15	15

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs for the 2015-16 financial year.

Income statement

Queensland Mental Health Commission	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
Taxes		..	..	..
User charges and fees		..	..	..
Grants and other contributions		8,504	8,504	8,265
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		**8,504**	**8,504**	**8,265**
EXPENSES				
Employee expenses		2,062	2,062	2,108
Supplies and services		2,476	2,476	3,185
Grants and subsidies		3,938	3,938	2,944
Depreciation and amortisation		..	..	..
Finance/borrowing costs		..	..	..
Other expenses		28	28	28
Losses on sale/revaluation of assets		..	..	..
Total expenses		**8,504**	**8,504**	**8,265**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Balance sheet

Queensland Mental Health Commission	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets		..	592	592
Receivables		..	60	60
Other financial assets		..	..	..
Inventories		..	..	..
Other		..	18	18
Non financial assets held for sale		..	..	..
Total current assets		**..**	**670**	**670**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	9	9
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**..**	**9**	**9**
TOTAL ASSETS		**..**	**679**	**679**
CURRENT LIABILITIES				
Payables		..	123	123
Accrued employee benefits		..	(50)	(50)
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	38	38
Total current liabilities		**..**	**111**	**111**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	140	140
Total non-current liabilities		**..**	**140**	**140**
TOTAL LIABILITIES		**..**	**251**	**251**
NET ASSETS/(LIABILITIES)		**..**	**428**	**428**
EQUITY				
TOTAL EQUITY		**..**	**428**	**428**

Cash flow statement

Queensland Mental Health Commission	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees		..	..	..
Grants and other contributions		8,504	8,504	8,265
Interest received		..	..	..
Taxes		..	..	..
Other		..	..	..
Outflows:				
Employee costs		(2,134)	(2,134)	(2,108)
Supplies and services		(2,476)	(2,476)	(3,185)
Grants and subsidies		(3,938)	(3,938)	(2,944)
Borrowing costs		..	..	..
Other		(28)	(28)	(28)
Net cash provided by or used in operating activities		**(72)**	**(72)**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**..**	**..**	**..**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**(72)**	**(72)**	**..**
Cash at the beginning of financial year		**72**	**664**	**592**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**..**	**592**	**592**

Office of the Health Ombudsman

Overview

The Health Ombudsman, supported by the Office of the Health Ombudsman (OHO), commenced dealing with health complaints on 1 July 2014. The primary functions of the Health Ombudsman are to:

- receive and investigate complaints about health services and health service providers, including registered and unregistered health practitioners
- decide what action should be taken in relation to those complaints and, in certain instances, take immediate action to protect the safety of the public
- monitor the health, conduct and performance functions of the Australian Health Practitioner Regulation Agency (AHPRA) and national health practitioner boards
- provide information about minimising and resolving health service complaints
- report publicly on the performance of its functions.

The OHO directly supports the Queensland Government's objective of delivering quality frontline services including strengthening the public health system by assessing, investigating, resolving or prosecuting complaints about registered practitioners, unregistered healthcare workers and health service providers and identifying systemic healthcare issues and making recommendations on improvements.

The key objectives of the OHO are:

- protecting the health and safety of the public
- promoting professional, safe and competent practice by health practitioners
- promoting high standards of service delivery by health service organisations
- maintaining public confidence in the management of complaints and other matters relating to the provision of health services.

Service performance

The OHO has an operating budget of $14.6 million for 2015-16 which is an increase of $4.4 million (42.7%) from the published 2014-15 operating budget of $10.2 million.

The OHO commenced operation on 1 July 2014 as Queensland’s health service complaints management agency. On commencement, the office not only started receiving enquiries and health service complaints, but assumed responsibility for 289 matters previously managed by the Health Quality and Complaints Commission (HQCC). All matters transitioned from the HQCC have been reviewed, audited and processed within the OHO’s health service complaints management system and are integrated within this data.

In addition, during August 2014, the OHO began reviewing AHPRA and the National Boards' matters to determine those that must be dealt with by the OHO (because they are serious matters), and those that should continue to be dealt with by AHPRA.

Key initiatives focused on by the OHO in 2014-15 include:

- establishment of the office under new legislative arrangements
- identification and management of serious matters
- oversight and reporting on AHPRA and the Boards

Key initiatives in focus for the OHO for 2015-16 include:

- improvements to service delivery (including bedding down governance frameworks and operational processes)
- continuing to identify and investigate serious matters and systemic issues
- oversight and reporting on AHPRA and the Boards.

Service performance

Performance statement

Office of the Health Ombudsman

Service area objective

To provide a transparent, accountable and fair system for effectively and quickly dealing with complaints and other healthcare matters in Queensland.

Service area description

The OHO:

- Receives and investigates complaints about health services and health service providers, including registered and unregistered health practitioners
- Decides what action to take in relation to those complaints and, in certain instances, take immediate action to protect the safety of the public
- Monitors the health, conduct and performance functions of the Australian Health Practitioner Regulation Agency and national health practitioner boards.

Office of the Health Ombudsman	Notes	2014-15 Target/Est.	2014-15 Est. Actual	2015-16 Target/Est.
Service standards				
Effectiveness measures				
Percentage of complaints received and accepted within 7 days	1	New measure	New measure	100%
Percentage of complaints assessed within timeframes	2	New measure	New measure	100%
Percentage of complaints resolved within timeframes	3	New measure	New measure	100%
Percentage of investigations finalised within 12 months	4	New measure	New measure	100%
Efficiency measures	5			

Notes:

1. Throughout 2014-15, the OHO saw a steady increase in the volume of contacts to the office, which impacted on the ability to process matters within the seven day timeframe. In order to address this, the OHO undertook recruitment for additional staff, as well as continued to refine existing, and implement new, operational processes to improve complaints processing.
2. Complaint assessments are to be completed within 30 days, or within 60 days with an approved extension. 34% of matters were completed outside of approved timeframes due to high levels of assessment matters, the complexity of certain matters, delays in receiving information from parties or in sourcing independent clinical advice required to appropriately assess matters.
3. Complaints are to be resolved within 30 days, or within 60 days with an approved extension. 4% of matters exceeded the legislated timeframes due to higher than expected levels of complaints.
4. Of the investigations closed within 2014-15, 26% took longer than 12 months to close; these matters represent investigations transitioned from AHPRA and the HQCC.
5. An efficiency measure is being developed and will be included in future Service Delivery Statements.

Staffing[1]

Office of the Health Ombudsman	Notes	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget
Office of the Health Ombudsman	1, 2, 3, 4	91	94	94

Notes:

1. The 2014-15 Budget reflects the forecast Full-Time Equivalents (FTEs) as at 30 June 2015.
2. The 2014-15 Est. Actual reflects the estimated FTEs as at 30 June 2015.
3. The 2015-16 Budget represents the forecast FTEs for the 2015-16 financial year.
4. Increases in FTEs from the 2014-15 Budget to the 2014-15 Est. Actual reflects an Immediate Action Team which has been established to manage serious matters that require an immediate response by the OHO to ensure public safety is maintained.

Income statement

Health Ombudsman	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
INCOME				
User charges and fees	1,5	..	4,500	4,500
Grants and other contributions		9,995	9,995	9,868
Interest		245	245	245
Other revenue		5	5	5
Gains on sale/revaluation of assets		..	..	..
Total income		**10,245**	**14,745**	**14,618**
EXPENSES				
Employee expenses	2,6	7,680	10,631	10,531
Supplies and Services				
Other supplies and services	3,7	2,115	3,957	3,930
Department of Health contract staff		..	..	..
Grants and subsidies		..	..	..
Depreciation and amortisation	4,8	413	120	120
Finance/borrowing costs		..	..	..
Other expenses		37	37	37
Losses on sale/revaluation of assets		..	..	..
Total expenses		**10,245**	**14,745**	**14,618**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

Balance sheet

Health Ombudsman	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CURRENT ASSETS				
Cash assets	9,15	2,010	5,011	5,011
Receivables		78	200	200
Other financial assets		..	..	..
Inventories		..	..	..
Other		79	108	108
Non financial assets held for sale		..	..	..
Total current assets		**2,167**	**5,319**	**5,319**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	10,16	877	346	226
Intangibles	11,17	175	..	..
Other		..	..	..
Total non-current assets		**1,052**	**346**	**226**
TOTAL ASSETS		**3,219**	**5,665**	**5,545**
CURRENT LIABILITIES				
Payables	12,18	152	2,274	2,274
Accrued employee benefits		562	398	398
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	13,19	139	..	..
Total current liabilities		**853**	**2,672**	**2,672**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		55	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	14,20	641	..	..
Total non-current liabilities		**696**	**..**	**..**
TOTAL LIABILITIES		**1,549**	**2,672**	**2,672**
NET ASSETS/(LIABILITIES)		**1,670**	**2,993**	**2,873**
EQUITY				
TOTAL EQUITY		**1,670**	**2,993**	**2,873**

Cash flow statement

Health Ombudsman	Notes	2014-15 Budget $'000	2014-15 Est. Act. $'000	2015-16 Budget $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees	21,24	..	4,380	4,380
Grants and other contributions		9,995	9,995	9,868
Interest received		245	245	245
Other		5	5	5
Outflows:				
Employee costs	22,25	(7,680)	(10,631)	(10,531)
Supplies and services	23,26	(2,115)	(3,957)	(3,930)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(37)	(37)	(37)
Net cash provided by or used in operating activities		**413**	**..**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non financial assets		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		**..**	**..**	**..**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**413**	**..**	**..**
Cash at the beginning of financial year		**..**	**3,705**	**5,011**
Cash transfers from restructure		1,597	1,306	..
Cash at the end of financial year		**2,010**	**5,011**	**5,011**

Explanation of variances in the financial statements

Income statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

1. User charges and fees - The increase of 4.5 million is due to the initial amount of regulatory funding determined by the Minister for Health to be provided to the Office of the Health Ombudsman by the Australian Health Practitioner Regulation Agency.
2. Employee expenses - increase is due to the ongoing establishment of the Office of the Health Ombudsman after commencement on 1 July 2014.
3. Other supplies and services - increase is due to the ongoing establishment of the Office of the Health Ombudsman after commencement on 1 July 2014. The original budget figures were transferred from the Health Quality and Complaints Commission and some increases are due to Legal fees, Postage, Stationery, Office Supplies and Telecommunications.
4. Depreciation and amortisation - decrease due to the lower than anticipated transfer of plant and equipment from the former Health Quality and Complaints Commission to the Office of the Health Ombudsman.

Major variations between 2014-15 Budget and 2015-16 Budget include:

5. User charges and fees - The increase of 4.5 million is due to the initial amount of regulatory funding determined by the Minister for Health to be provided to the Office of the Health Ombudsman by the Australian Health Practitioner Regulation Agency.
6. Employee expenses - increase is due to the ongoing establishment of the Office of the Health Ombudsman after commencement on 1 July 2014.
7. Other supplies and services - increase is due to the ongoing establishment of the Office of the Health Ombudsman after commencement on 1 July 2014.
8. Depreciation and amortisation - decrease due to the lower than anticipated transfer of plant and equipment from the former Health Quality and Complaints Commission to the Office of the Health Ombudsman.

Balance sheet

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

9. Cash assets - increase is due to the closing balance of the Office of the Health Ombudsman in 2013-14 carried forward to the opening balance in 2014-15. Approximately half of the available funds will offset the payables figure - refer to note 12.
10. Property, plant and equipment - decrease due to the lower than anticipated transfer of plant and equipment from the former Health Quality and Complaints Commission to the Office of the Health Ombudsman.
11. Intangibles - decrease due to the lower than anticipated transfer of intangibles from the former Health Quality and Complaints Commission to the Office of the Health Ombudsman.
12. Payables - increase is due to the closing balance of the Office of the Health Ombudsman in 2013-14 carried forward to the opening balance in 2014-15. Payables are paid up to date in this current financial year as there are sufficient funds under the cash assets section.
13. Current liabilities other - decrease is due to the lease incentive that was held by the former Health Quality and Complaints Commission which was surrended on 30 June 2014.
14. Non-Current liabilities other - decrease is due to the lease incentive that was held by the former Health Quality and Complaints Commission was surrended on 30 June 2014.

Major variations between 2014-15 Budget and 2015-16 Budget include:

15. Cash assets - increase is due to the closing balance of the Office of the Health Ombudsman in 2013-14 carried forward to the opening balance in 2014-15. Approximately half of the available funds will offset the payables figure - refer to note 18.
16. Property, plant and equipment - decrease due to the lower than anticipated transfer of plant and equipment from the former Health Quality and Complaints Commission to the Office of the Health Ombudsman.
17. Intangibles - decrease due to the lower than anticipated transfer of intangibles from the former Health Quality and Complaints Commission to the Office of the Health Ombudsman.

18. Payables - increase is due to the closing balance of the Office of the Health Ombudsman in 2013-14 carried forward to the opening balance in 2014-15. Payables are paid up to date in this current financial year as there are sufficient funds under the cash assets section.

19. Current liabilities other - decrease is due to the lease incentive that was held by the former Health Quality and Complaints Commission which was surrended on 30 June 2014.

20. Non-Current liabilities other - decrease is due to the lease incentive that was held by the former Health Quality and Complaints Commission was surrended on 30 June 2014.

Cash flow statement

Major variations between 2014-15 Budget and 2014-15 Estimated Actual include:

21. User charges and fees - The increase of 4.5 million is due to the initial amount of regulatory funding determined by the Minister for Health to be provided to the Office of the Health Ombudsman by the Australian Health Practitioner Regulation Agency.

22. Employee costs - increase is due to the ongoing establishment of the Office of the Health Ombudsman after commencement on 1 July 2014.

23. Supplies and services - increase is due to the ongoing establishment of the Office of the Health Ombudsman after commencement on 1 July 2014.

Major variations between 2014-15 Budget and 2015-16 Budget include:

24. User charges and fees - The increase of 4.5 million is due to the initial amount of regulatory funding determined by the Minister for Health to be provided to the Office of the Health Ombudsman by the Australian Health Practitioner Regulation Agency.

25. Employee costs - increase is due to the ongoing establishment of the Office of the Health Ombudsman after commencement on 1 July 2014.

26. Supplies and services - increase is due to the ongoing establishment of the Office of the Health Ombudsman after commencement on 1 July 2014.

Glossary of terms

Accrual accounting	Recognition of economic events and other financial transactions involving revenue, expenses, assets, liabilities and equity as they occur and reporting in financial statements in the period to which they relate, rather than when a flow of cash occurs.
Administered items	Assets, liabilities, revenues and expenses an entity administers, without discretion, on behalf of the Government.
Agency/entity	Used generically to refer to the various organisational units within Government that deliver services or otherwise service Government objectives. The term can include departments, commercialised business units, statutory bodies or other organisations established by Executive decision.
Appropriation	Funds issued by the Treasurer, under Parliamentary authority, to agencies during a financial year for: delivery of agreed services administered items adjustment of the Government's equity in agencies, including acquiring of capital.
Balance sheet	A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.
Capital	A term used to refer to an entity's stock of assets and the capital grants it makes to other agencies. Assets include property, plant and equipment, intangible items and inventories that an entity owns/controls and uses in the delivery of services.
Cash Flow Statement	A financial statement reporting the cash inflows and outflows for an entity's operating, investing and financing activities in a particular period.
Controlled Items	Assets, liabilities, revenues and expenses that are controlled by departments. These relate directly to the departmental operational objectives and arise at the discretion and direction of that department.
Depreciation	The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.
Equity	Equity is the residual interest in the assets of the entity after deduction of its liabilities. It usually comprises the entity's accumulated surpluses/losses, capital injections and any reserves.
Equity injection	An increase in the investment of the Government in a public sector agency.
Financial statements	Collective description of the Income Statement, the Balance Sheet and the Cash Flow Statement for an entity's controlled and administered activities.

Income statement	A financial statement highlighting the accounting surplus or deficit of an entity. It provides an indication of whether the entity has sufficient revenue to meet expenses in the current year, including non-cash costs such as depreciation.
Machinery-of-government	The redistribution of the public business of one government agency to another government agency. Also referred to as MoG.
Outcomes	Whole-of-government outcomes are intended to cover all dimensions of community wellbeing. They express the current needs and future aspirations of communities, within a social, economic and environment context.
Own-source revenue	Revenue that is generated by an agency, generally through the sale of goods and services, but it may also include some Commonwealth funding.
Priorities	Key policy areas that will be the focus of Government activity.
Services	The actions or activities (including policy development) of an agency which contribute to the achievement of the agency's objectives.

For a more detailed Glossary of Terms, please refer to the Reader's Guide available on the Budget website at www.budget.qld.gov.au