ANNUAL REPORT 2023–2024

North West Hospital and Health Service

Purpose of the report

This annual report details the non-financial and financial performance of the North West Hospital and Health Service during the 2023-2024 financial year.

It highlights the achievements, performance, outlook and financial position of the North West Hospital and Health Service and satisfies the requirements of the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2019* and detailed requirements set out in the *Annual Report Requirements for Queensland Government agencies.*

Open data

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

Public availability statement

An electronic copy of this report is available at https://www.northwest.health.qld.gov.au/about-us/corporate-documents-and-publications/.

Hard copies of the annual report are available by phoning the Office of the Chief Executive on (07) 4744 4469. Alternatively, you can request a copy by emailing NWHHS.HSCE@health.qld.gov.au.

Interpreter

Interpreter Service Statement

The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can contact us on telephone (07) 4744 4444 and we will arrange an interpreter to effectively communicate the report to you.

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

Acknowledgment of traditional custodians

North West Hospital and Health Service would like to acknowledge the Traditional Custodians of the land on which our services are located across the North West and Lower Gulf region. We pay our respects to the Elders both past and present and acknowledge all Aboriginal and Torres Strait Islander people across the state. We also acknowledge the passion and commitment of the existing First Nation workforce across the whole health sector and thank them for their effort and commitment to working with us towards achieving health equity.

Recognition of Australian South Sea Islanders

North West Hospital and Health Service formally recognises the Australian South Sea Islanders as a distinct cultural group within our geographical boundaries. North West Hospital and Health Service is committed to fulfilling the Queensland Government Recognition Statement: Australian South Sea Islander Community to ensure that present and future generations of Australian South Sea Islanders have equality of opportunity to participate in and contribute to the economic, social, political and cultural life of the state.

North West Hospital and Health Service is proud to recognise and celebrate the cultural diversity of our communities and workforce at the following locations:

Location	**Traditional Custodians**
Burketown	Gangalidda and Garawa
Camooweal	Indjalandji - Dhidhanu
Cloncurry	Mitakoodi, Kalkadoon and Pitta Pitta
Dajarra	Waluwarra and Yulluna
Doomadgee	Gangalidda, Waanyi and Garawa
Julia Creek	Kalkadoon, Yulluna, Mitatkoodi and Mayi
Karumba	Gkuthaarn, Kukatj and Kurtijar
McKinlay	Kalkadoon, Yulluna, Mitakoodi and Mayi
Mornington Island	Lardil Yangkaal Gangalidda and Kaiadilt
Normanton	Gkuthaarn, Kukatj and Kurtijar
Mount Isa	Kalkadoon
Urandangi	Marmanya

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31 August 2024

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

Dear Minister,

I am pleased to submit for presentation to the Parliament the Annual Report 2023–2024 and financial statements for North West Hospital and Health Service.

I certify that this Annual Report complies with:

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

A checklist outlining the annual reporting requirements is provided at page 54 of this annual report.

Yours sincerely,

Cheryl Vardon

Cheryl Vardon AO
Board Chair
North West Hospital and Health Board

Contents

Statement on Queensland Government objectives for the community

The health service's priorities are set in the *North West Hospital and Health Service's Strategic Plan 2024-2028 (*the Strategic Plan*).* This plan contributes to the Queensland Government's objectives for the community, through the delivery of quality, person-centred care, reflecting and responding to the needs of the community it serves.

The health service's priorities align with the Queensland Government's objectives for the community, *Good jobs, Better services, Great lifestyle* including:

- Good Jobs: Supporting and developing our workforce to attract and retain staff who call our region home. This commitment helps us build a more resilient local workforce.

- Better Services: Enhancing our frontline services by making the best use of our resources, ensuring effective and efficient healthcare for North West Queensland. This approach leads to sustainable resources, providing high-quality healthcare close to home and promoting the health and safety of all our residents.

- Great Lifestyle: Growing our regions by collaborating with partners, stakeholders, and communities to listen to their voices and act on feedback. This fosters collaborative partnerships that benefit everyone.

From the Board Chair

I am proud to present the North West Hospital and Health Service (HHS) Annual Report 2023-2024. This year, we have made significant strides in our transformative journey, marked by the implementation of innovative care models and strategic planning.

The revised North West HHS Strategic Plan 2024-2028 offers a fresh look at our approach to health equity for our First Nations consumers, drawing on the significant consultation previously undertaken to develop the North West Health Equity Strategy 2022-2025.

Our North West values, purpose, priorities, and strategic intent were also reviewed and updated in consultation with stakeholders to align with our shared vision of trusted, connected, quality healthcare for all.

Changes to the board's composition have shaped our path forward. We bid farewell to outgoing members Linda Ford, David Keenan, and Jane McMillan, whose dedicated service and invaluable contributions we deeply appreciate. Cath Brokenborough, another valued member of our North West Hospital and Health Board, will be returning to country interstate with her family and has tended her resignation.

We warmly welcomed new members, Anne Pleash, Steven Renouf and Loretta Seamer, exceptional individuals with a wealth of experience. Their addition to our board, alongside our returning members, will undoubtedly guide us towards continued success as we uphold our commitment to work closely with communities to enhance the delivery of high-quality healthcare across the region.

I sincerely thank my North West Hospital and Health Board colleagues for their support and participation. I also extend my gratitude to the Executive Leadership Team and to the health service staff whose dedication and hard work have supported our communities throughout the year.

Delivering healthcare in a remote setting presents unique obstacles, from geographic isolation to limited resources. Yet, in the face of these challenges, the resilience and determination of our staff and community shine brightest, inspiring us all.

Looking ahead, our commitment to providing high-quality healthcare remains unwavering. We will continue to listen, learn, and adapt to provide compassionate, inclusive, and safe health services across our region in partnership with the communities we serve.

Cheryl Vardon

Cheryl Vardon AO
Board Chair

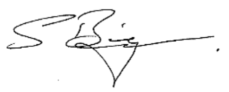
From the Health Service Chief Executive

The past year has been one of significant progress and innovation for North West HHS, as we navigate the evolving landscape of rural and remote healthcare. Our dedication to excellence, supported by our committed staff, has allowed us to meet and exceed community healthcare needs despite ongoing challenges.

This year North West HHS has introduced various service enhancements that will positively impact our communities:

- Enhancing community-focused services: In line with the North West HHS Clinical Services Plan, we strengthened partnerships with health providers, focusing on areas such as skin health, maternity, and rheumatic heart disease. The GP liaison officer has been pivotal in improving communication and care coordination, including implementing secure web transfer for safer clinical handovers.
- Focusing on First Nations health equity: We advanced the *North West Health Equity Strategy,* embedding First Nations voices into service design and delivery. Strong partnerships with local communities have been crucial in tailoring services to meet unique needs, including reducing preventable hospitalisations through the Connected Community Pathways program.
- Strengthening consumer and community engagement: Partnering with consumers remains central to our operations, with active participation in advisory groups, committees, and major projects. Increased engagement through social media and community events has amplified community voices, ensuring they play a key role in shaping healthcare services.
- Maintaining excellence in patient safety and quality: Our commitment to patient safety was reaffirmed with the renewal of our national accreditation by the Australian Council of Healthcare Standards (ACHS) following a successful short notice accreditation in February 2024. Strengthened incident review and reporting processes ensure continuous improvement in patient care.
- Expanding services to improve health outcomes: The addition of permanent dialysis units in Mornington Island, Cloncurry, and Doomadgee, along with a mobile community-led laundry service in partnership with Orange Sky, has improved access to essential services, reducing travel burdens for patients and contributing to better health outcomes.
- Investing in infrastructure for patients and staff: The Queensland Government's Building Rural and Remote Health Program is funding major upgrades for North West HHS, including refurbishments of Normanton Hospital, Camooweal Primary Health Clinic, Doomadgee Hospital, and staff accommodation in Camooweal, Dajarra and Mount Isa.

I sincerely thank our staff and healthcare partners for their dedication over the past year. Your efforts have been crucial in creating pathways for better health outcomes for our North West communities. I look forward to building on this momentum and continuing our work together in the year ahead.



Sean Birgan
Health Service Chief Executive

About us

North West HHS was established on 1 July 2012 under the *Hospital and Health Boards Act 2011*. Our vision is to be Queensland's premier provider of rural and remote health services, delivering exceptional care.

For a provider like us, this means ensuring access to clinical and support services in various locations throughout the region, delivering timely responses by our skilled staff. Mount Isa hosts a Royal Flying Doctor Service base, which handles rural retrievals, transfers, and numerous primary health care activities, including clinics at health centres across the North West.

We operate under a service agreement with the Department of Health, outlining the services provided, funding arrangements, performance indicators, and targets to achieve the expected health outcomes for our communities. This agreement is negotiated annually and is publicly accessible on the Queensland Health website at https://www.health.qld.gov.au/.

Additionally, we are committed to our role as a vital part of the Queensland Health service landscape, continuing to develop integrated care models with other hospital and health services and clinical networks.

Our strategic direction

The Strategic Plan ensures the continuation of delivering safe, sustainable healthcare with our diverse partners and communities for the period up until 30 June 2025. Our five key strategic objectives guide our annual priorities and contribute to achieving our vision to lead the delivery of safe, sustainable healthcare in our unique region with our diverse partners and communities.

Each of the strategic objectives is further defined through several key strategies for actioning through operational plans and health service planning to achieve our measures of success.

Focusing on Health

Ensuring the right care, right place, right time; Talking about and managing your healthcare.

Focusing on First Nations

Increase health equity and parity of life expectancy by 2031; Strengthen relationships with communities; Support First Nations workforce.

Focusing on Improvement

Deliver our services efficiently; Innovation; Technology; Financial integrity and sustainability.

Focusing on Working Together

Work with our communities; Improve the patient experience across our health services; Implement better ways to share data and to communicate across boundaries.

Focusing on Valuing and Growing our People

Support, develop and value our workplace culture; Grow our workforce; Increase our First Nations workforce.

Vision, purpose, values

Our vision

Trusted, connected, quality healthcare for all.

Our purpose

To provide kind, inclusive and safe health services across our region in partnership with the communities we serve.

Our values

We will respect, protect and promote human rights in our decision-making and actions through these processes:

- Honesty – we are always truthful.
- Innovation – we strive for continuous improvement.
- Respect – we listen and learn from each other.
- Engagement – we work with our communities and partners.
- Accountability – we own our actions and behaviours.
- Caring – we treat people with kindness and dignity.

The HHS's values underpin, and are consistent with, the Queensland Public service values of customers first, ideas into action, unleash potential, be courageous and empower people.

Our priorities

Our priority deliverables for 2023-2024 were shaped around the following key strategic priorities:

- Focus on preventative health and health promotion in our region to improve health outcomes.
- Action the Health Equity reform agenda specifically with First Nations peoples.
- Expand the use of technology and harness innovation to enable easy and safe access to healthcare in our settings or closer to home.
- Prioritise staff retention and development while optimising approaches to attract the right people with the right skills to the right roles.
- Mentor and grow our First Nations workforce to strengthen, support and promote career/ development opportunities.
- Partner with our diverse communities to understand and overcome social, economic and geographical barriers to healthcare.

- Invest in how we focus on growing our leadership culture and core structure.

Aboriginal and Torres Strait Islander Health

The *North West Health Equity Strategy* 2022-2025 describes our commitment to drive health equity, eliminate institutional racism across the public health system and achieve life expectancy parity for Aboriginal and Torres Strait Islander people by 2031.

The *North West Health Equity Strategy* 2022-2025 provides this pathway for cultural change and consists of six Key Priority Areas (KPAs) for inclusion in our Strategy:

1. Improving First Nations health and wellbeing outcomes.
2. Actively eliminating racial discrimination and institutional racism within the service.
3. Increasing access to health care services.
4. Influencing the social, cultural and economic determinants of health.
5. Delivering sustainable, culturally safe and responsive health services.
6. Working with First Nations' peoples, communities and organisations to design, deliver, monitor and review health services.

Key achievements for 2023-2024

Improving First Nations health and wellbeing outcomes

Rheumatic Heart Disease (RHD) related deliverables:

Orange Sky Laundry Service: North West HHS entered into collaboration with Orange Sky Australia and some of our local Aboriginal Community Controlled Organisations to establish community-based mobile laundry services in Doomadgee and Mount Isa. Commencing in Doomadgee in October 2023, the Orange Sky laundry service is delivered in partnership with Doomadgee Aboriginal Shire Council. A local resident has been employed to run the service and is enjoying the role helping the community. During the first nine months of service, 108 shifts were delivered for the community to complete 911 washes and create 759 hours of safe connection space. Following the overwhelming uptake of these services in Doomadgee and the success of a pilot program during March 2024, a second Orange Sky mobile laundry service was established in Mount Isa in June 2024, through a partnership between North West HHS, North West Queensland Indigenous Catholic Social Services and Orange Sky Australia. Planning is also underway to establish the same on Mornington Island, through a partnership with North West HHS, Mornington Shire Council, Mornington Island Health Council and Orange Sky Australia.

Connected Community Pathways First Nations Skin Health Initiative: Commencing in 2023 - 2024, the First Nations Skin Health Initiative represents a regional collaboration between North West Hospital and Health Service; Torres and Cape Hospital and Health Service; Cairns Hospital and Health Service; and Townsville Hospital and Health Service. With an annual funding provision of $4.7 million across the four regions, this initiative involves establishing teams that are resourced to actively address skin health and enhance access to early assessment and treatment; and establish community-based outreach models of care to enable active case finding and early detection of Group Strep A in environments where those most at risk, live, work, learn and play.

Bicillin Compliance: A substantial rise in Benzathine Benzylpenicillin (Bicillin) compliance among individuals with RHD has been continuing across the region, with North West HHS teams working collaboratively with our health partners to strengthen the services and support we provide to those with RHD.

Connected Community Pathways – Maternal and Child Health: This initiative with funding $1.7 million is aimed at First Nations mothers, infants and children, and aims to deliver culturally safe home visiting by Aboriginal Health Practitioners, partnered with midwives and child health nurses. This initiative also provides women's health physiotherapy to support First Nations women who may need post-delivery rehabilitation.

Actively eliminate racial discrimination and institutional racism within the service

North West HHS renewed its *Statement of Commitment to Reconciliation* jointly with Queensland Ambulance Service (QAS) in May 2024 during National Reconciliation Week. The statement is explicit in its intent that North West HHS and QAS Northern Region "will not tolerate racism, prejudice or harassment. We reject racially prejudiced attitudes, actions and ideologies that impede culturally inclusive relationships".

The Strategic Plan was released in April 2024 and includes a strong focus on health equity for our First Nations consumers, drawing on the significant consultation previously undertaken to develop the *North West Health Equity Strategy 2022-2025*. The Strategic Plan articulates a core objective that includes "Focusing on First Nations".

Increasing access to health care services

Renal dialysis: The Department of Health, North West HHS and Townsville HHS are continuing to work together to ensure all requirements for expanded dialysis services are being addressed. Following on from supported dialysis services that commenced at Cloncurry Hospital in July 2022, supported dialysis has also been available in Mornington Island and Doomadgee via temporary two chair units established while permanent units are constructed. Four people have been able to return to country in both Mornington Island and Doomadgee.

In Doomadgee, the temporary unit continues to operate until the permanent unit is constructed, and this is currently incorporated into the new build of Doomadgee Hospital due for completion in 2026. The construction of the permanent Mornington Island dialysis unit was completed in June 2024, which now allows further Mornington Island residents to return to community to reside and receive their dialysis.

Patient Transport Service Mount Isa: Having a population of approximately 22,000 people, Mount Isa does not have a public transport opportunity to assist patients that require care at its hospital. A taxi service does exist and is available, however this is dependent on the patient having the funds to support the use of the service. In response to this, North West HHS has continued operating a patient transport service out of Mount Isa Community Health that includes providing a transport service to the Mount Isa airport in the mornings and afternoons to drop off and pick up patients, as well as for appointments for local residents attending their outpatient appointments.

Eighty-five per cent of patients transported over the last three years have identified as First Nations and individual transports have increased from 6,143 in 2021- 2022 to over 9,575 in 2023-2024. With this additional support, patients have reported feeling less stressed about attending appointments and we have seen a reduction in missed appointments to our specialist clinics.

Influencing the social, cultural and economic determinants of health

Increased Public Health workforce: The Public Health team based in Mount Isa has increased from one to three senior level Environmental Health Officers. These positions will contribute to the Health Housing Program that will progress during 2024-2025 for Doomadgee and Mornington Island. These roles will also support existing public health and drinking water programs in those communities.

Delivering sustainable, culturally safe and responsive health services

North West HHS First Nations Leadership Program (FNLP): The FNLP has been provided in partnership with the Department of Health Centre for Leadership, Excellence, Clinical Planning and Service Strategy. The program supported First Nations participants to navigate the unique challenges and opportunities they experience within the health sector and their communities.

Ground Up: Secondary school work experience funded by Department of Employment, Small Business and Training, has successfully seen cohorts of students rotated through for a one-week long placement.

Deadly Start: The 2023-2024 cohort of Deadly Start school-based trainees saw 70 per cent of students successfully complete their school-based traineeship. Five school-based trainees completed the certificate-level course, with two now pursuing a university pathway into nursing; one has been recruited by the Townsville HHS; one has been recruited by Injilinji Aged Care and another has been employed by a community-based organisation in Mount Isa.

Aboriginal and Torres Strait Islander Cadetship Program 2024: North West HHS subscribed to Queensland Health's cadetship program for Aboriginal and/or Torres Strait Islander students studying their first undergraduate qualification as Health Practitioners.

Working with First Nations' peoples, communities and organisations to design, deliver, monitor and review health services

Making Tracks: North West HHS is investing $3.1 million annually in the Making Tracks programs to address the health needs of First Nations people in the region. This investment aims to enhance healthcare outcomes by aligning with the First Nations Aboriginal and Torres Strait Islander Health Equity Framework.

The Making Tracks programs focus on co-designing and implementing health equity strategies with First Nations communities to promote collaboration and shared decision-making. They work to eliminate racial discrimination and institutional racism, increase access to healthcare, and provide culturally safe and responsive services. Additionally, the programs address social, cultural, and economic health determinants and seek to boost First Nations workforce representation at all levels.

Specific programs include chronic disease management, targeting renal health, cardiac and Rheumatic Heart Disease, and diabetes care. The Maternity Outreach service aims to improve antenatal attendance, reduce smoking among pregnant mothers, decrease premature births and low birth weight, and enhance breastfeeding and immunisation rates in Doomadgee and Mornington Island.

Partnerships in health

Recognising the importance of early intervention and prevention models of care, improved health equity, and access to healthcare for the communities we serve, North West HHS has developed partnerships with many agencies. These include, but are not limited to:

- Gidgee Healing – Aboriginal Community Controlled Health Service
- Western Queensland Primary Health Network
- Royal Flying Doctor Service – provides emergency aeromedical retrievals and other primary health care services
- The Ramsay Street General Practice, Cloncurry Shire Council, and Rural Health Management Services
- General Practice providers across Mount Isa
- Clements Medical
- Other outreach allied health and medical service commissioners and providers, including CheckUp, Deadly Ears and Indigenous Respiratory Outreach Care (IROC), Women's Health Circle
- Other Hospital and Health Services in Queensland including Metro North HHS, Metro South HHS, Children's Health Queensland and Townsville University Hospital and Health Service
- Queensland Ambulance Service, Queensland Police Service and Queensland Fire and Emergency Services
- Universities and education providers, including Murtupuni Centre for Rural and Remote Health (James Cook University), Griffith University Menzies Institute and North Queensland Regional Training Hub
- Local pharmacies throughout our communities
- Mount Isa Family Support Service and Neighbourhood Centre
- 54 Reasons
- North and West Remote Health
- Local shire councils and local health councils, including Mornington Island Health Council and Yellagundimarra Aboriginal Health Council
- Gunawuna Jungai
- Jimaylya Topsy Harry Centre
- Aged care facilities including Laura Johnson Nursing Home, Injilinji Aged Care, Ngooderi House, Kukatja Place, and Kuba Natha Hostel
- Selectability
- Townsville Public Health Unit
- Orange Sky Australia
- Mithangkaya Nguli YPA Indigenous Corporation
- Kalkadoon Native Title Aboriginal Corporation
- Myuma Pty Ltd
- Centacare, Headspace and other charitable or not-for-profit enterprises
- Ngukuthati Children and Family Centre
- North West Queensland Indigenous Catholic Social Services
- Lead Alliance Mount Isa
- Department of Employment, Small Business and Training

Consumer and community engagement

Partnering with consumers in planning, delivering, and implementing services is essential for providing care that is safe, personal, effective, and connected. This collaboration is especially crucial in our geographically challenging region, which includes diverse cultural groups and unique health needs.

As a health service, consumers are at the centre of everything we do. To consistently provide the best person-centred care, we must continuously engage with our community. At North West HHS, consumers participate in a variety of areas, including advisory groups and committees, research, staff hiring, literature reviews, and major projects such as the redevelopment of Normanton Hospital, Doomadgee Hospital, and Camooweal Primary Health Clinic.

Many of our health service committees include consumer representatives, providing the essential perspective of those for whom the service is designed. These representatives voice consumer views and take part in strategic decision-making processes on behalf of consumers.

Consumer Advisory Groups (CAGs) and Consumer Advisory Networks (CANs) are vital advisory bodies to North West HHS. These collaborative meetings within our communities provide support and feedback to health service staff and executives, connect members, encourage their continued activity, and offer a forum for education, information, and sharing of ideas and activities. Membership of these groups and networks includes community members, representatives from other health partners, local councils, schools, businesses, senior North West HHS staff, executive sponsors and board members.

CAGs and CANs meet quarterly and are active in Mount Isa, Cloncurry, Julia Creek, Normanton, Karumba, and Burketown, with health councils active in Doomadgee and Mornington Island. We also use various informal approaches to engagement, such as consumer representatives assisting with recruitment activities, reviewing health literature, conducting surveys, consumer storytelling, and participating in community events. These methods help us capture feedback from the broader community and individuals who may not wish to register as consumer representatives.

Our consumer and community engagement tools continue to expand, utilising multiple social media channels, media releases, radio broadcasts, consumer emails, community events, surveys, and face-to-face interactions.

Our community-based and hospital-based services

North West HHS is the primary provider of public hospital and health services in North West Queensland, spanning over 300,000 square kilometres. Serving a population of around 27,000 people, our health service includes several remote and discrete Aboriginal communities. We collaborate closely with healthcare partners to ensure timely and appropriate care in this challenging environment. North West Queensland is rich in Aboriginal and Torres Strait Islander culture, with these communities comprising around 30 per cent of the population, making North West HHS one of Australia's largest providers of health services to Aboriginal and Torres Strait Islander peoples.

In 2023-2024, North West HHS delivered health services through one regional hospital, two multi-purpose health services, three remote hospitals, five primary health clinics, and one health clinic. Our comprehensive range of services includes specialist inpatient and outpatient care, including but not limited to:

- Allied health
- Mental health, alcohol and other drugs services
- Cancer care
- Palliative care
- Oral health
- Outpatients
- Advanced care planning
- Pharmacy services
- Telehealth
- Medical imaging
- Emergency medicine
- Intensive care
- Obstetrics and gynaecology
- Surgical services
- Maternal, child and youth health services
- Aboriginal and Torres Strait Islander health services
- Aged care
- Chronic disease
- Sexual health
- Outreach services
- Women's health
- Infectious diseases
- Rehabilitation

As part of the Queensland Government's Building Rural and Remote Health Program, an initiative established to improve infrastructure critical to the delivery of health services in rural and remote communities, it was announced that Normanton Hospital, Camooweal Primary Health Clinic, Doomadgee Hospital and staff accommodation in Camooweal and Dajarra will be upgraded.

In June 2023, it was announced that the staff accommodation at the Mount Isa Hospital would undergo refurbishment in addition to the replacement of other health facilities in the North West. The project will encompass a comprehensive overhaul of all rooms and ensuites, providing a fresh and modern living space for staff. The first stage of the onsite refurbishment project was delivered in June 2024 with the final stage scheduled for completion late 2024. North West HHS is committed to providing an improved and comfortable living environment for its valued staff members and is confident the hospital and staff accommodation upgrades will improve their experience while working in our region.

In response to an increased demand for renal services, services expanded to include three new dialysis units across the region, including permanent six-chair dialysis unit for Mornington Island, with four more people returning to country. A permanent six-chair dialysis unit for Doomadgee is incorporated into the Doomadgee Hospital rebuild scheduled for completion in early 2026.

As a result of the expansion, residents who previously receiving treatment in Townsville were able to receive dialysis closer to home.

The Camooweal Primary Health Clinic is currently under construction and is scheduled to operate in late 2024. The Normanton Hospital project is currently on hold pending cultural heritage discussions.

Our services

Mount Isa Hospital

Mount Isa Hospital serves as the primary referral centre within the North West HHS service area. Patients from various facilities across the North West region requiring specialist treatment and care are referred to Mount Isa Hospital or other major hospitals in Queensland, such as those in Townsville, Cairns, and Brisbane. North West HHS also utilises telehealth to facilitate access to specialist appointments and reviews for patients and facilities.

The hospital manages specialist outreach patient services and serves as the major hub for telehealth services across the entire North West service area. This includes two multi-purpose health services, three remote hospitals, five primary health clinics, and one health clinic site, all of which have access to 24/7 medical, nursing, and midwifery support for advice and management of lower-risk emergency department presentations and other outpatient care.

Burketown Primary Health Clinic

Burketown Primary Health Clinic provides low-risk ambulatory care through its nursing, administration, and operational staff. The clinic operates under a nurse-led primary health care model and functions as a hospital-based ambulance site, offering emergency services, including treatment and triage for lower acuity medical conditions and minor procedures, as well as stabilisation prior to transfer to a higher-level health service.

A Royal Flying Doctor Service doctor visits the clinic weekly, with periodic support from a social worker, child health nurse, or chronic disease nurse. Other visiting services include an endocrinologist, cardiologist, mobile dental van, skin specialist, and mobile breast screening van. Additionally, the clinic offers allied health services such as podiatry, exercise physiology, speech pathology, occupational therapy, and physiotherapy.

Camooweal Primary Health Clinic

Camooweal Primary Health Clinic offers emergency treatment and low-risk ambulatory, and acute, and preventative care through its dedicated nursing, administration, and operational staff. This nurse-led facility provides a 24-hour acute and emergency on-call service with a hospital-based ambulance.

The clinic employs advanced nurse and nurse practitioner models of care, emphasising chronic disease management, preventative health, health promotion, and health education. Services include pharmacy, antenatal care, child health, immunisation, school-based wellness health checks, and community home visits. Allied health services have been provided via telehealth, where possible, from Mount Isa Hospital since May 2024.

Dajarra Primary Health Clinic

Dajarra Primary Health Clinic operates under a nurse-led primary health care model and functions as a hospital-based ambulance site, offering emergency services such as treatment and triage for lower acuity medical conditions, minor procedures, and stabilisation prior to transfer to a higher-level health service. The clinic also provides outpatient care, visiting specialist services, and chronic disease management through traditional appointments, walk-in services, hospital-based ambulance, telehealth, and visiting specialist services.

Visiting services include the Royal Flying Doctor Service, endocrinology, cardiology, child health nurse, women's health nurse, chronic disease nurse, dentistry, diabetes dietitian, and the North and West Remote Health team, which consists of health professionals specialising in diabetes, podiatry, occupational therapy and exercise physiology.

Karumba Primary Health Clinic
Karumba Primary Health Clinic offers low-risk ambulatory care provided by dedicated nursing, administration, and operational staff. The facility operates a nurse-led 24-hour acute and emergency on-call service, with patients requiring higher levels of care being transferred to a higher-level facility by the Queensland Ambulance Service or the Royal Flying Doctor Service.

In addition to the services provided by the nurse practitioner, CheckUp offers doctors for skin check clinics, a women's health GP, a general practitioner, and telehealth services for complex patient care. Psychology services are available both face-to-face and via telephone.

McKinlay Primary Health Clinic
McKinlay Primary Health Clinic provides a nurse-led 24-hour acute and emergency on-call service. The clinic offers low-risk ambulatory, acute, and preventative care through its nursing staff, with a focus on chronic disease management, preventative health, health promotion, and health education.

Doomadgee Hospital and Community Health Centre
Doomadgee Hospital offers 24-hour acute inpatient and accident and emergency care. The hospital provides assisted renal dialysis services supported by staff from Mount Isa Hospital, and home therapies dialysis for two patients able to self-treat, supported by the Townsville home therapies service.

Culturally appropriate care is provided by Aboriginal and Torres Strait Islander health workers, along with nursing, medical, administration, and operational staff. North West HHS community health staff collaborate with Gidgee Healing Aboriginal Medical Service and Western Queensland Primary Health Network, with Gidgee Healing providing primary health care and chronic disease management.

Mornington Island Hospital and Aboriginal Community Health Centre
Mornington Island Hospital also offers 24-hour acute inpatient and accident and emergency care. Renal patients receive assisted dialysis services supported by staff from Mount Isa Hospital, along with home therapies dialysis for two patients able to self-treat, supported by the Townsville home therapies service.

Gidgee Healing Aboriginal Medical Service provides primary and community health care from the community health building. Their model of care includes clinical review, health education, and promotion programs. Some of these programs include Deadly Ears, child and adult respiratory care provided by the Indigenous Respiratory Outreach Care Program, women's health and child health, allied health services, cardiac and respiratory services, sexual health, and alcohol and other drugs counselling.

Normanton Hospital and Community Health Centre
Normanton Hospital provides 24-hour acute inpatient and accident and emergency care. Outpatient services include general outpatients, dressings, pathology, immunisations, staff vaccination clinic, rheumatic heart disease program and medical clinic, as well as specialist outreach clinics.

Normanton's community health services include Aboriginal health workers, a clinical nurse consultant, a community midwife and administration support offering a range of services including discharge planning, home visits, health screening, patient liaison and advocacy, education and support, visiting clinics including Australian Hearing Services, delivery of medication and patient recall for various other clinics, including hospital-based clinics.

Cloncurry Multipurpose Health Service
Cloncurry Multipurpose Health Service provides rural and remote hospital services including an inpatient facility, a residential aged care facility, an emergency department and an outpatient department. Assisted renal dialysis services are also provided to renal patients, supported by staff from Mount Isa Hospital.

Community health services provide sexual health, chronic disease management, diabetes education, mental health, alcohol and drug service, telehealth, school health, child and youth health, women's health, palliative care, physiotherapy, dietitian, optometry services and an aged care assessment team. North and West Remote Health provides allied health services and diabetes education.

Julia Creek Multipurpose Health Service
Julia Creek Multipurpose Health Service, also known as Julia Creek Hospital, provides rural and remote hospital services, including an emergency department, general ward, and a general practice clinic.

The facility coordinates visiting specialist services including dental, mental health, optometry, allied health, women's health, child health and diabetes education. The facility also provides residential aged care services.

Urandangi Health Clinic
Urandangi Health Clinic services around 20 people, with services provided by North and West Remote Health and the Royal Flying Doctor Service, who provide regular clinics including maternal, child and youth, and women's Health.

Targets and challenges

North West HHS continues to provide healthcare to our remote communities, acknowledging the unique challenges of our region, while still supporting the health service to be an agile and connected health system to better meet the diverse needs of our communities. In 2023-2024, we focused on achieving our strategic objectives:

Our targets

Actions	Measures of success
Focusing on Health *Ensuring the right care, right place, right time* *Talking about and managing your healthcare*	• Exceeded or met targets for emergency and planned care • Increased patient reported outcome measures • Achievement of *North West HHS Clinical Services Plan* directives • Increased engagement and consumer/ community voice representation
Focusing on First Nations	• Implemented *North West HHS Health Equity Strategy*

Increase health equity and parity of life expectancy by 2031 *Strengthen relationships with communities* *Support First Nations workforce*	• Strengthened relationships with community and local leaders • Reduced rates of preventable hospitalisations
Focusing on Improvement *Deliver our services efficiently* *Innovation* *Technology* *Financial integrity and sustainability*	• Improved and maintained patient safety and quality measures • Increased equity in access to digital healthcare and health technologies • Achievement of a balanced budget with maximised own source revenue • Increased embedding of data analytics and data insights • Improved health outcomes in our communities • Achieved capital expenditure KPIs
Focusing on Working Together *Work with our communities* *Improve the patient experience across our health services* *Implement better ways to share data and to communicate across boundaries*	• Embedded feedback from community consultation into service planning • Increased community voice represented in service planning • Strengthened relationships, collaborations and data sharing with regional partners • Improved functionality of our CAN and CAGs • Improved consumer experience, navigation and delivery pathways
Focusing on Valuing and Growing our People *Support, develop and value our workplace culture* *Grow our workforce* *Increase our First Nations workforce*	• Improved cultural and staff wellbeing indicators • Aligned workforce rates to community requirements • Increased Aboriginal and Torres Strait Islander peoples workforce engagement • Improved staff retention rates and employment/development pathways • Increased clinician-led healthcare improvement initiatives

Our challenges

The Strategic Plan outlines key priorities and highlights ongoing challenges that must be addressed to ensure high-quality healthcare for our communities.

- **Fit-for-purpose Business Systems:** Ensuring our systems, data and infrastructure enable ongoing improvements/innovation in care delivery.

- **Disrupted Finance and Funding Models:** The complexities of state and federal funding models may disrupt our strategic goals of delivering committed, connected care close to home.

- **Health Equity amongst our First Nations peoples:** The rural and remote nature of our work, and the access challenges our geography brings puts achieving genuine health equity at risk. Failure to walk this path with our First Nations people could undermine achieving our shared goal of health equity across our region.

- **Sustainable Health Workforce:** Our remote location, employment competition and high workforce turnover could reduce our capacity to maintain safe, high quality, culturally respectful services. Partnering will be essential, while acknowledging we cannot control the delivery capacity of our partners.

- **Security of Technology:** Cyber threats, access vulnerabilities and connectivity risks pose potential harm to patient data and operational integrity. Robust safeguards are essential for a resilient healthcare system.

- **Investment in Mental Health Services:** The growing need for mental healthcare across the state and our region requires additional investment in these services.

Governance

Our people

Board membership

The North West Hospital and Health Board (the Board) was appointed on 1 April 2022 by the Governor in Council on the recommendation of the Minister in accordance with section 23 of the *Hospital and Health Boards Act 2011.*

Cheryl Vardon AO (Board Chair)	
Appointed: 1 April 2022	**Current Term:** 1 April 2022 – 31 March 2026
Ms Vardon AO has a distinguished career in education, community and children's services developing complex public policy, with a sound track record of leadership and expertise in policy implementation including 25 years as a Director-General and Chief Executive of public and private sector organisations. Ms Vardon led the creation of a contemporary Children's Commission as the inaugural Chief Executive and Principal Commissioner of the Queensland Family and Child Commission. Ms Vardon AO established and was Chair of the Queensland Child Death Review Board which reviews the deaths of Queensland's vulnerable children. Ms Vardon is a Fellow of the Australian Institute of Management and a Fellow of the Australian College of Education. She is also a member of the Australian Institute of Company Directors. Her work in Indigenous education and services for Indigenous children and young people has received a Prime Minister's Reconciliation Award. She is an Adjunct Professor at Griffith University and was awarded an Honorary Doctorate by the University in 2018. Ms Vardon AO is the Board Chair and the Chair of the Board Executive Committee.	

Professor Eleanor Milligan (Deputy Board Chair)	
Appointed: 1 April 2022	**Current Term:** 1 April 2022 – 31 March 2026
Professor Milligan is an experienced, solution focused leader with recognised local, state, and national outcomes in health practitioner regulation and education, organisational governance and culture, healthcare and research ethics and health program and facility accreditation. Her multidisciplinary background in Humanities (Ethics - PhD, BA-Hons 1st), Education (Grad Dip Ed) and Biomedical Science (BSc-Micro/Biochemistry), coupled with Fellowship of the Australian College of Health Service Managers (FCHSM) and GAICD qualifications bring diverse and comprehensive skills in strategic leadership and stakeholder engagement across the education, health and government sectors. She has held multiple statutory appointments including the Medical Board of Australia, the Australian Medical Council, NHMRC Australian Health Ethics and Audit Committees and most recently Metro South Hospital and Health Board. Professor Milligan is the current Chair of the Board Safety and Quality Committee and a member of the Board Executive Committee.	

Dr Marco Giuseppin	
Appointed: 1 April 2022	**Current Term:** 1 April 2022 – 31 March 2026
Dr Marco Giuseppin is a Rural Generalist with a passion for rural health. Originally trained at the University of Queensland, Dr Giuseppin's career has taken him throughout rural and regional Queensland in roles encompassing general practice, emergency medicine, retrieval medicine and anaesthesia. As Fellow of the Australian College of Rural and Remote Medicine and an advocate for primary health care on the national stage, Dr Giuseppin's interests now lie in primary care strategy and governance. Dr Giuseppin is also a Graduate of the Australian Institute of Company Directors. Dr Giuseppin is the current Chair of the Board Audit and Risk Committee, a member of the Board Safety and Quality Committee and the Board Executive Committee.	

Thomas (Bill) Armagnacq	
Appointed: 1 April 2022	**Current Term:** 1 April 2022 – 31 March 2026
Mr Armagnacq is an experienced non-executive director, senior executive and chartered accountant. Mr Armagnacq's current roles include Director, Railways Credit Union Limited trading as MOVE Bank; Director, CEnet Limited; Director, Empire Theatres Pty Ltd; Chair, People First Bank Foundation Limited and Independent Chair, Inner Darling Downs Community Consultative Committee for Inland Rail. His roles have had a broad remit and have included governance, risk management, compliance, internal audit, lending, facilities, taxation and corporate regulation. Mr Armagnacq is the current Chair of the Board Finance and Performance Committee and is a member of the Board Audit and Risk Committee. In May 2024, he was appointed a member of the Board Executive Committee and ceased his position on the Board Stakeholder Engagement Committee.	

Catherine Brokenborough	
Appointed: 1 April 2022	**Current Term:** 1 April 2022 – 31 July 2024
Ms Brokenborough is a proud Wiradjuri First Nations woman, born on Dharug Country and now living and working on Andamooka Country, Southern Moreton Bay Islands, Queensland. Ms Brokenborough is the Chair of the Australian Indigenous Leadership Centre; Chair of the Dhawura Ngilan Business and Investor Initiative; Chair of NSW Treasury First Nations Advisory Council; and a graduate member of the Australian Institute of Company Directors. She is also the Executive Lead for First Nations engagement at Lendlease where she has led the development of three Reconciliation Action Plans, including their current Elevate RAP. Ms Brokenborough is the current Chair of the Board Stakeholder Engagement Committee and is a member of the Board Executive Committee and Board Finance and Performance Committee. In April 2024 she tendered her resignation effective 31 July 2024.	

Dr Mellissa Naidoo	
Appointed: 1 April 2022	**Current Term:** 1 April 2022 – 31 March 2026
Dr Mellissa Naidoo is a specialist medical administrator with more than 20 years' experience working in clinical, health leadership and medical executive roles across both the public and private sector. Dr Naidoo holds a Masters in Health Management, dual fellowships with the Royal Australasian College of Medical Administrators and Australasian College of Health Service Management and certification in health informatics. An advocate for equity and inclusion, she is actively mentoring and training the next generation of diverse medical leaders through her college and university roles. Dr Naidoo is a member of the Board Safety and Quality Committee and the Board Audit and Risk Committee.	

Linda Ford	
Appointed: 1 April 2022	**Term Completed:** 31 March 2024
Ms Ford is an Aboriginal woman from the Bigambul people of south west Queensland who grew up on Kalkadoon land in north west Queensland. Ms Ford has 26 years' experience as a social worker in rural, remote and urban settings mainly in the fields of child protection, health, mental health and more recently tertiary education. In May 2021, Ms Ford was appointed Senior Academic Lead, Allied Health at the Centre for Rural and Remote Health at James Cook University, Mount Isa. She is the current Vice President of the Australian Association of Social Work and in January 2021 was appointed as the Australia representative for the International Federation of Social Work (IFSW) Indigenous Commission. Ms Ford completed her term with the Board on 31 March 2024; and was a member of the Board Safety and Quality Committee, Board Audit and Risk Committee and Board Stakeholder Engagement Committee.	

David Keenan	
Appointed: 1 April 2022	**Term Completed:** 31 March 2024
Mr Keenan has worked in local government for over 25 years. Mr Keenan is the former Chief Executive Officer at Mount Isa City Council and is the current Chief Executive officer at Scenic Rim Regional Council. He has also had similar roles at Southern Downs Regional Council, Tweed Shire Council and Mitchell Shire Council. Mr Keenan holds a Masters of Business, as well as qualifications in town planning and environmental science. Mr Keenan has completed the Australian Institute of Company Directors course and has been on the boards of peak bodies, such as the Local Government Managers Association (Queensland) as Vice President. Mr Keenan completed his term with the Board on 31 March 2024; and was a member of the Board Executive Committee and Board Finance and Performance Committee.	

Jane McMillan	
Appointed: 1 April 2022	**Term Completed:** 31 March 2024
Ms McMillan is a registered nurse with over 28 years' experience working in rural and remote health in the north-west region. She brings a valuable connection to frontline healthcare service delivery and knowledge, experiencing firsthand the community needs of rural and remote Queenslanders. Ms McMillan knows the importance that the availability of health services plays in maintaining a strong, sustainable region and has represented her community in local government and private business. Ms McMillan completed her term with the Board on 31 March 2024; and was a member of the Board Finance and Performance Committee, Board Audit and Risk Committee and the Board Safety and Quality Committee.	

Fiona Hill	
Appointed: 1 December 2022	**Current Term:** 1 April 2024 – 31 March 2028
Fiona Hill is a proud First Nations woman of the Waluwarra, Alyawarra, Yirendali and Ngawun peoples of Australia. Ms Hill has worked for over 30 years in Government and the social and community services sector, managing and delivering social programs and services with the community-controlled sector, the not-for-profit sector, and the government in Mount Isa and the Gulf communities of Doomadgee, Mornington Island, and Normanton. Ms Hill was reappointed to the Board on 1 April 2024 and continues her membership of the Board Stakeholder Engagement Committee.	

Anne Pleash	
Appointed: 1 April 2024	**Current Term:** 1 April 2024 - 31 March 2026.
Anne Pleash is an experienced executive and non-executive director with wide-ranging experience in stakeholder relations, government relations, media, health, and advocacy in the private and government sectors. She holds a Bachelor of Arts and a Bachelor of Business, owns a consulting business, and is a member of several Boards, including Cancer Council Australia and National Seniors Australia.	

Ms Pleash is passionate about the North West health district - the communities, and its people, having grown up in Normanton and the Mid-West and moving back to Normanton to live and work for several years after university. Appointed to the Board on 1 April 2024, Ms Pleash is a member of the Board Finance and Performance Committee and the Board Stakeholder Engagement Committee.

Steven Renouf	
Appointed: 1 April 2024	**Current Term:** 1 April 2024 - 31 March 2028
Steven Renouf, a Gunggari and Gubbi Gubbi, claimed numerous accolades during a decade-long international sporting career. Awarded the Australian Sports Medal for his contribution to this country's global standing in rugby league, he is a member of Australia's Indigenous Team of the Century and a Brisbane Broncos Hall of Fame recipient. Upon retiring from professional football, he embarked upon guiding and driving the state government's Get Active Program. A state-wide health, well-being, and sports program was a legacy project of the 2000 Olympics, during which he travelled extensively across the state, utilising his sporting profile to inspire young people to get involved in sports activities. Mr Renouf has been an Ambassador for the Institute for Urban Indigenous Health for the last 12 years, where he led the highly effective and successful rollout of the Deadly Choices preventative health strategy. Through this role, he has made many connections with mobs and elders across the state and Australia. Appointed to the Board on 1 April 2024, Mr Renouf is a member of the Board Safety and Quality Committee and the Board Stakeholder Engagement Committee.	

Loretta Seamer	
Appointed: 1 April 2024	**Current Term:** 1 April 2024 - 31 March 2028
Loretta Seamer is an accomplished health executive and board director with extensive domestic and international health sector experience. She has held senior roles, including Chief Finance Officer at Children's Health Queensland, Sunshine Coast Hospital and Health Services, and Mater Public and Private Hospital Group in Queensland. Internationally, she served as CFO at Great Ormond Street Hospital (NHS, London UK) and Sidra Medicine in Qatar. Ms Seamer's expertise spans healthcare business performance, financial operations, strategic planning, health service planning, governance, and health service infrastructure. She holds a Business Degree, MBA, and Graduate Certificate in Applied Finance, and is a Fellow of CPA Australia and a Graduate of the Institute of Company Directors. Appointed to the Board on 1 April 2024, Ms Seamer is a member of the Board Finance and Performance Committee and the Board Audit and Risk Committee.	

Table 1: North West Hospital and Health Board Overview

Name of Government body *North West Hospital and Health Board*					
Act or instrument	*Hospital and Health Boards Act 2011*				
Functions	The Hospital and Health Board is responsible for the governance and control of the HHS, appointing the Health Service Chief Executive, setting the HHS's strategic direction, and monitoring the HHS's financial and operational performance.				
Achievements	Refer to Performance on page 39				
Financial reporting	Refer to Financial Statements on page 55				
Remuneration					
Position	Name	Meetings/sessions attendance	Approved annual fee	Approved sub-committee fees if applicable	Actual fees received ^^
Board Chair	*Cheryl Vardon AO*	10 Board * 2 Safety and Quality 1 Finance and Performance 2 Audit and Risk 5 Executive * 1 Stakeholder Engagement	$68,243	As Chair: $2,500	$79,673.66
Deputy Board Chair	*Professor Eleanor Milligan*	10 Board 4 Safety and Quality* 4 Executive Committee	$35,055	As Chair: $2,500 As Member: $2,000	$50,668.42
Board Member	*Thomas (Bill) Armagnacq*	11 Board 3 Finance and Performance* 4 Audit and Risk 1 Executive 1 Stakeholder Engagement	$35,055	As Chair: $2,500 As Member: $4,000	$52,163.07
Board Member	*Catherine Brokenborough*	12 Board 4 Finance and Performance 4 Executive 2 Stakeholder Engagement *	$35,055	As Chair: $2,500 As Member: $4,000	$50,946.64
Board Member	*Dr Marco Giuseppin*	11 Board 4 Safety and Quality 4 Audit and Risk * 3 Executive	$35,055	As Chair: $2,500 As Member: $4,000	$51,537.07
Board Member	*Linda Ford*	6 Board 3 Safety and Quality 3 Audit and Risk 1 Stakeholder Engagement	$35,055	As Member: $6,000	$39,008.23
Board Member	*Fiona Hill*	7 Board 0 Stakeholder Engagement	$35,055	As Member: $2,000	$42,924.36
Board Member	*David Keenan*	8 Board 3 Finance and Performance 3 Executive	$35,055	As Member: $4,000	$36,411.42
Board Member	*Jane McMillan*	9 Board 3 Safety and Quality 3 Finance and Performance 2 Audit and Risk	$35,055	As Member: $6,000	$39,040.55
Board Member	*Dr Mellissa Naidoo*	9 Board 4 Safety and Quality 2 Audit and Risk	$35,055	As Member: $4,000	$46,711.34

Board Member	*Anne Pleash*	3 Board 1 Finance and Performance 0 Stakeholder Engagement	$35,055	As Member: $4,000	$9,781.32
Board Member	*Steven Renouf*	3 Board 1 Safety and Quality 0 Stakeholder Engagement	$35,055	As Member: $4,000	$9,781.32
Board Member	*Loretta Seamer*	3 Board 1 Finance and Performance 1 Audit and Risk	$35,055	As Member: $4,000	$9,781.32
No. scheduled meetings/sessions	*Board* *Board Finance and Performance Committee (BFPC)* *Board Audit and Risk Committee (BARC)* *Board Safety, Quality and Clinician Engagement Committee (BSQC)* *Board Executive Committee (BEC)* *Board Stakeholder Engagement Committee (Established June 2023) (BSEC)*		*12 meetings* *4 meetings* *4 meetings* *4 meetings* *4 meetings* *5 meeting* *2 meetings*		
Total out of pocket expenses	*$16,124.80*				

* Indicates Board Committee Chair roles

Board Committees

Five of the Board committees are prescribed, while the Board Stakeholder Engagement Committee is a nonprescribed committee.

Executive Committee

Under section 32B of the Act, its function is to support the Board in its role of Hospital and Health Service oversight, by working with the North West HHS Health Service Chief Executive to progress strategic issues.

Finance and Performance Committee

The role of the Finance and Performance Committee is to oversee the financial performance, systems and requirements of the health service.

The committee advises the Board on a range of matters regarding financial strategy and policies, capital expenditure, cash flow, revenue, and budgeting, to ensure alignment with key strategic priorities and performance objectives.

Safety and Quality Committee

The Safety and Quality Committee provides strategic clinical governance leadership and promotes the delivery of safe, quality clinical patient services.

The committee oversees the safety and quality healthcare governance arrangements and compliance with relevant plans and strategies while monitoring the safety and quality of care provided to promote a safe and efficient environment that continually fosters improvements to the well-being of the people who access our services and our staff.

Audit and Risk Committee

The Audit and Risk Committee delivers its function in alignment with internal risk and compliance frameworks and external responsibilities as prescribed in the *Financial Accountability Act 2009, Auditor-General Act 2009, Financial Accountability Regulation 2009,* and *Financial and Performance Management Standard 2019*. The committee considers all performance reporting and insights released by the Queensland Audit Office to enhance its effectiveness.

The committee advises the Board on a range of matters regarding internal audit planning processes, oversight of the effectiveness of risk management practices including those relating to compliance and legal risk and monitoring and the review and performance of the health service risk register.

Stakeholder Engagement Committee

Established in June 2023, the Stakeholder Engagement Committee is a nonprescribed committee established to monitor and promote the service's reputation by ensuring there is clear and meaningful communication and engagement with staff, community, and other stakeholders.

The committee also acts as the pathway committee for the Partnering with Consumers Committee to the Board.

Executive management

As at 30 June 2024, the Health Service Chief Executive was supported by an executive team including the following members:

Health Service Chief Executive	
Sean Birgan	**Term during reporting period:** 1 July 2023 – 30 June 2024
• The Health Service Chief Executive is responsible and accountable for the day-to-day management of the HHS and for operationalising the Board's strategic vision and direction • The Health Service Chief Executive is appointed by, and reports to, the Board.	

Chief Operating Officer	
Dr Theodore Chamberlain (Acting)	**Term during reporting period:** 1 July 2023 – 30 June 2024
• Works collaboratively with the Health Service Chief Executive and Executive Leadership Team to manage and coordinate all commissioning, planning and positioning of services to ensure optimal levels of health service delivery and patient safety are achieved	

• Ensures effective, efficient and safe delivery of clinical services, non-clinical services and resources required for the North West HHS to achieve and sustain its responsibilities to its stakeholders • Strategically leads the development of strategies to address key service gaps, high level risks and performance issues • Provides advice to the Health Service Chief Executive and Board as required.

Executive Director Aboriginal and Torres Strait Islander Health	
Christine Mann	**Term during reporting period:** 1 July 2023 – 30 June 2024
• Provides strategic oversight and executive leadership for Indigenous liaison, First Nations Health workforce management, cultural practices, consumer engagement and consumer liaison. • Executive Lead for the First Nations Health Equity reform agenda collaboratively with the health sector to ensure local needs are met with a more regionally coherent system of health care.	

Executive Director Nursing, Midwifery and Clinical Governance	
Michelle Garner	**Term during reporting period:** 1 July 2023 – 28 November 2023
Troy Lane (Acting)	**Term during reporting period:** 29 November 2023 – 30 June 2024
• Provides strategic oversight and executive leadership for nursing and midwifery workforce and clinical governance for the North West HHS • Provides clinical leadership in the education of the nursing and midwifery workforce • Monitors and reports on compliance and performance functions of the North West HHS, including clinical benchmarks, clinical performance, risk and credentialing • Provides high-level expert advice and input relating to clinical governance, patient safety.	

Executive Director Medical and Clinical Services	
Dr Anthea Woodcock (Acting)	**Term during reporting period:** 1 July 2023 – 15 December 2023
Dr Theodore Chamberlain (Acting)	**Term during reporting period:** 8 January 2024 – 28 January 2024
Dr Anthony Bell	**Term during reporting period:** 29 January 2024 - 30 June 2024
• Provides strategic oversight and executive leadership for medical and clinical workforce and clinical governance for the North West HHS • Provides clinical leadership in the education of the medical and clinical workforce	

• Monitors and reports on compliance and performance functions of the North West HHS, including clinical benchmarks, clinical performance, risk and credentialing • Provides high-level expert advice and input relating to clinical governance, patient safety and medico-legal.

Chief Finance Officer	
Tanya Mason	**Term during reporting period:** 1 July 2023 – 30 June 2024
• Provides strategic oversight and leadership of finance, building, engineering and maintenance and ICT • Provides oversight of the financial direction of the North West HHS budget across a diverse portfolio of clinical and corporate streams • Provides expert and authoritative financial and commercial analysis and reporting • Ensures fidelity and reliability of funding and costing information and modelling as a key part of service planning and performance governance • Leads the annual financial audit process and audited financial accounts.	

Executive Director People, Culture and Planning	
Sylvie Brdjanovic (Acting)	**Term during reporting period:** 1 July 2023 – 17 September 2023; and 9 December 2023 - 30 June 2024
Jennifer Rossiter (Acting)	**Term during reporting period:** 18 September 2023 – 8 December 2023
• Provides strategic oversight and executive leadership of human resources, workplace health and safety and corporate and support services • Provides oversight of key service planning activities • Strategic leadership and oversight of corporate governance, strategy development and innovation • Ensures compliance with all necessary legislation and statutory obligations through management systems, governance, policies and procedures • Provides leadership of recruitment and retention to ensure North West HHS is an employer of choice.	

Executive Director Allied Health	
Andrew Quabba	**Term during reporting period:** 24 July 2023 – 30 June 2024
• Provides strategic oversight and executive leadership of allied health and pharmacy • Provides oversight of key service planning activities • Strategic leadership and oversight of allied health and pharmacy credentialing, workforce planning, education, and research • Ensures compliance with all necessary legislation and statutory obligations through management systems, governance, policies and procedures	

• Provides high-level expert advice and input relation to clinical governance and patient safety • Deliver on the agreed financial, activity and outcomes performance targets and reporting requirements.

Executive Director Remote Health Services	
Clare Newton	**Term during reporting period:** 22 April 2024 – 30 June 2024
• Provides strategic oversight and executive leadership to remote health service facilities within North West hospital and Health Service to ensure that teams deliver services and achieve high levels of service quality, safety, efficiency and effectiveness. • Strategically and collegiately work with the Executive Director First Nations Health, Community Elders and senior staff to achieve service improvements for First Nations people through a contemporary understanding of Aboriginal and Torres Strait Islander health, cultural issues and the social determinants of health • Provides oversight of key service planning activities. • Provide strategic leadership and innovation in the management of all available resources within the portfolio with an emphasis on focussed recruitment. • Deliver on the agreed financial, activity and outcomes performance targets and reporting requirements.	

Chief Information Officer	
Helen Murray	**Term during reporting period:** 1 July 2023 – 30 June 2024
• Provides operational and strategic oversight and executive leadership for the ICT and Digital Health portfolio for North West HHS • Provide the strategic leadership required to drive measurable improvements in clinical and business practice with the continued development and delivery of ICT systems that serve the clinical and business needs of the HHS • Sets the governance, audit, risk and compliance systems for ICT and Digital Health, working with key stakeholders to maximise the benefits and minimize the risks associated with the use of information technology. • Establishes, monitors and the ICT and information management and strategic agenda for the three western HHSs • Provides advice to the Health Service Chief Executive, Executive Leadership Team and Board as required.	

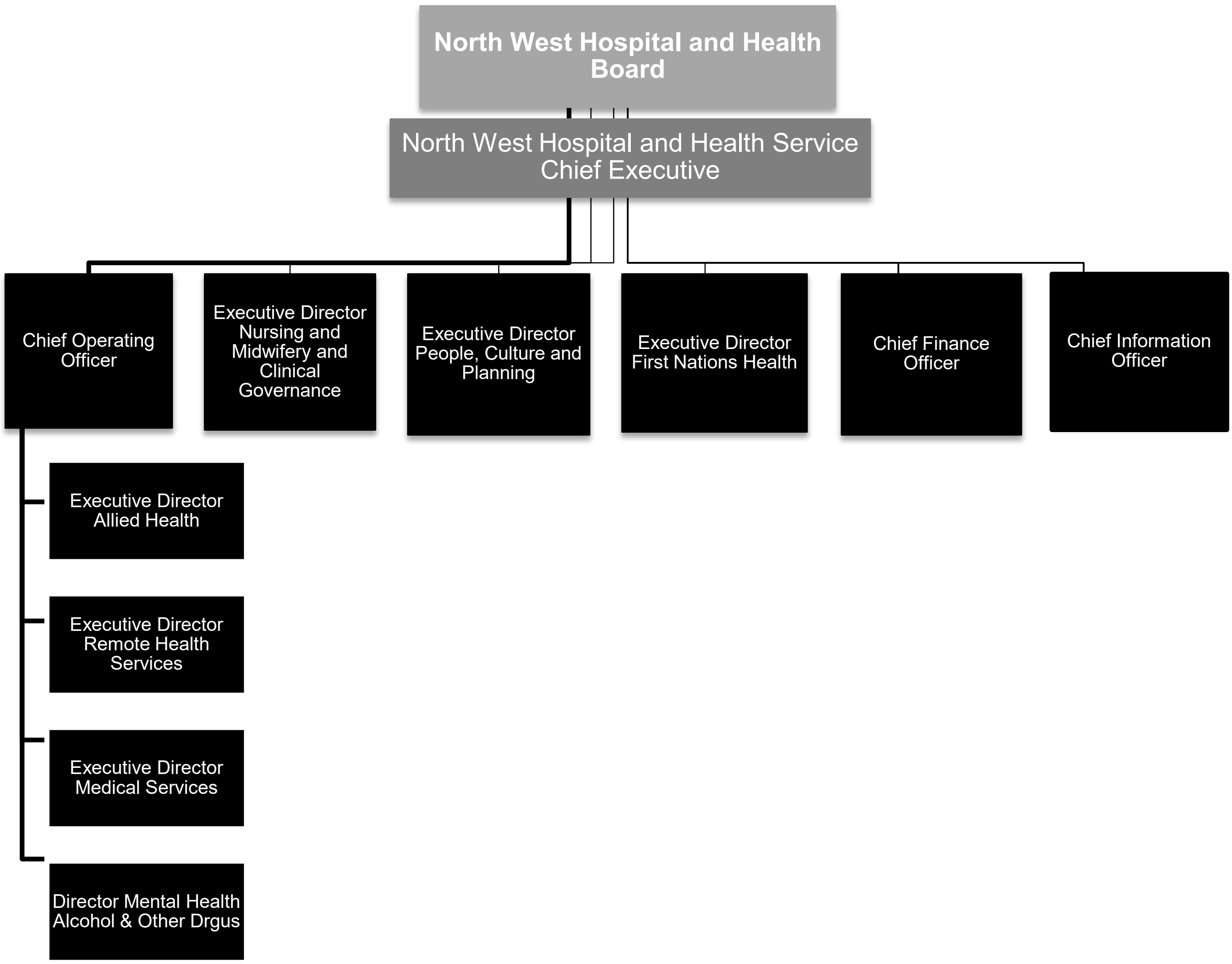
Organisational structure and workforce profile

In accordance with the Act, the Board is accountable to the local community and the Minister for Health, Mental Health and Ambulance Services and Minister for Women, for the services provided by North West HHS.

The Health Service Chief Executive is accountable to the Board for ensuring patient safety through effective executive leadership and day-to-day operational management of all local hospital and health services, as well as the associated support functions.

Achieving the ambitions articulated through the Strategic Plan requires good governance, which includes robust organisational structures, clear accountabilities, and a shift from acute models of care to an integrated primary healthcare model which focuses on preventative health care in North West Queensland communities. It is also supporting stronger integration of clinically led acute services across Mount Isa Hospital.

The North West HHS organisational structure, as at 30 June 2024, is shown below.



Strategic workforce planning and performance

North West HHS has crafted workforce plans and strategies aimed at attracting and retaining a skilled team to meet the needs of our local communities. This year's new employment strategies have led to an increase in staffing levels, with 889 full-time equivalent (FTE) employees now on board—a rise of 8.6 per cent from the previous reporting period. This is the highest number of staff employed by North West HHS, achieved despite global health worker shortages.

Table 1: Total staffing for North West HHS*

Total Staffing	
Headcount	964
Paid FTE	885.23

Table 3: Occupation types by FTE for North West HHS*

Occupation types by FTE	FTE	Percentage
Corporate	58.43	6.60%
Frontline and Frontline Support	826.80	93.40%

Table 4: Appointment type by FTE for North West HHS*

Appointment type by FTE	FTE	Percentage
Permanent	680.91	76.92%
Temporary	171.20	19.34%
Casual	30.09	3.40%
Contract	3	0.34%

Table 5: Employment status by headcount for North West HHS*

Employment status by headcount	FTE	Percentage
Full-time	712.61	80.50%
Part-time	117.55	13.28%
Casual	55.06	6.22%

Source: *Minimum Obligatory Human Resource Information (MOHRI) as at the last full fortnight of the June quarter, provided by the Public Sector Commission

Workforce diversity and inclusion

North West HHS is committed to reflecting the diversity of the communities we serve and leading in workforce diversity and inclusion.

The latest Equity and Diversity audit report shows that women constitute the majority of the health service's workforce and exceeded the organisations goal for women in senior leadership roles. The HHS is on track to meet its 2026 target for women in these positions.

We continue to focus on increasing First Nations representation within the workforce. While The HHS currently has a higher proportion of Aboriginal and Torres Strait Islander employees compared to many other health services and the Queensland public sector, we are committed to meeting the 2026 equity target and aligning with the local First Nations population in North West Queensland.

The Queensland Workforce Strategy 2022-2032 supports removing barriers to participation and providing necessary support and training to all Queenslanders, including those who are underrepresented. North West HHS, though exceeding many priority group targets, acknowledges the need for continued improvement in diversity.

Our efforts to close the health outcomes gap for Aboriginal and Torres Strait Islander peoples and to increase our First Nations workforce are ongoing. The *Aboriginal and Torres Strait Islander Workforce Strategy 2019-2026* outlines our plans to enhance our workforce representation. Currently, people living with disabilities make up 1.35 per cent of our workforce, below our 2026 target of 4 per cent, but they are well-distributed across various roles.

North West HHS has made significant progress towards our diversity and equity goals, thanks to effective leadership, the Health Equity Strategy, and initiatives under the Employee Wellbeing Framework. Our commitment includes engaging with staff and communities, providing career development opportunities, and implementing our *Diversity and Equity Plan 2024 - 2027.*

Table 2: Gender*

Gender	Headcount	Percentage
Woman	763	79.15%
Man	201	20.85%
Non-binary	0	0.00%

Table 3: Diversity target group data*

Diversity Groups	Headcount	Percentage
Women	763	79.15%
Aboriginal Peoples and Torres Strait Islander Peoples	97	10.06%
People with disability	13	1.35%
Culturally and Linguistically Diverse – speak a language at home other than English^	152	15.77%

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

Table 4: Target group data for Women in Leadership Roles*

Group	Headcount	Percentage
Senior Officers (Classified and s122 equivalent combined)	2	100.00%
Senior Executive Service and Chief Executives (Classified and s122 equivalent combined)	3	75.00%

Source: *Minimum Obligatory Human Resource Information (MOHRI) as at the last full fortnight of the June quarter, provided by the Public Sector Commission

Medical Workforce

The Medical Workforce Unit has successfully filled critical medical positions, leading to vacancy rates for junior and senior medical officers that are now below the statewide average. Notably, remote sites in Doomadgee, Mornington Island, and Normanton are now fully staffed with permanent Senior Medical Officers. This achievement enhances our ability to develop more effective Rural Training Pathways, improves attraction and retention, and strengthens our existing workforce.

Between 2023 and 2024, North West HHS welcomed an additional five medical interns to Mount Isa Hospital. Securing these highly sought-after roles is competitive, and these interns benefit from diverse clinical experiences and support to address the unique challenges of serving remote communities.

Recruitment efforts have also successfully fully staffed the Paediatric and Obstetrics and Gynaecology Units. Upcoming recruitment for the remaining units is expected to fill medical staffing gaps that have persisted for an extended period.

Additionally, we are excited to introduce several new International Medical Graduates (IMGs) from Ghana, Sri Lanka, Kenya, India, and Sweden. North West HHS supports a vibrant, culturally diverse workforce, and these new IMGs enhance our commitment to diversity. They are supported by experienced supervisors and a dedicated team of professional administration officers.

Early retirement, redundancy and retrenchment

No redundancy, early retirement or retrenchment packages were paid during the period.

Open data

North West HHS has Open Data to report on expenditure on consultancy and implementation of the Queensland Language Services Policy, and that data can be found on the Queensland Government Open Data portal at www.data.qld.gov.au.

North West HHS has no open data to report for overseas travel in the 2023-2024 reporting period.

Our risk management

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

- North West HHS *enacted the* statewide pathway in full following this direction.

- During the 23-23 reporting period Mount Isa Hospital met the timelines and KPI’s consistently with no breaches.

Internal audit

The *Financial Accountability Act 2009* requires each accountable officer and statutory body to establish and maintain appropriate systems of internal control and risk management. During the reporting period, North West HHS implemented organisational structural reforms to strengthen its executive leadership and governance functions. North West HHS Executives and Board undertook a review of the internal risk management system to ensure it was updated and more responsive to address the current risk environment.

During the reporting period the North West HHS also worked closely with Internal Auditors, O’Connor Marsden & Associates, which undertook a range of operational reviews regarding:

- ISMS attestation
- IT asset management review
- Fleet management processes

Following each audit, a range of practical recommendations and other observations were provided to further enhance our internal processes and procedures. Recommendation progression is monitored with recommendations independently validated once implemented. We will continue to work closely with O’Connor Marsden & Associates and both the Finance and Performance and the Safety, Quality and Clinician Engagement Committees during the 2024–2025 financial year in relation to an ongoing work program that will further consolidate and strengthen North West HHS’s internal controls.

Release of Information (ROI)

The Release of Information (ROI) team at North West HHS manages the administration of the *Right to Information Act 2009* (RTI Act), *Information Privacy Act 2009* (IP Act), part 7 of the *Hospital and Health Boards Act 2011* (HHB Act), and the Queensland Government’s Open Data Policy. They oversee:

- Managing applications under the RTI and IP Acts for access and amendment to documents in the possession of the agency
- Managing privacy complaints and privacy breaches
- Implementing and administering the Open Data Policy.

North West HHS is committed to maintaining public trust in how personal and sensitive information is handled, protected, and disclosed. Patients and clients of North West HHS can obtain access to records by applying under the RTI and IP Acts. Information and processes are in place to help patients gain access to their medical records.

Medical Records

North West HHS manages the safe custody of administrative records in accordance with the Records Governance Policy and the *Public Records Act 2002*. The Medical Records team collates and provides charts for daily clinics.

During this reporting period, the Medical Records team moved 200,012 records. The Emergency Department had the largest number of record movements, with the team handling 32,535 movements of records.

Information Security Attestation

During the 2023-2024 financial year, North West HHS have an informed opinion that information security risks were actively managed and assessed against the North West HHS's risk appetite with appropriate assurance activities undertaken in line with the requirements of the Queensland Government Enterprise Architecture (QGEA) Information security policy (IS18:2018).

External Scrutiny, Information Systems and Record Keeping

The Queensland Auditor-General holds statutory appointment as auditor of all public sector entities and is responsible for reporting independently to Parliament on a range of matters including conducting financial audits and undertaking performance audits of important aspects of public services—examining efficiency and effectiveness and sharing opportunities to apply best practice. The 2023-2024 financial statements are provided from page 55 of this annual report.

North West HHS complies with the *Public Records Act 2002* in the ongoing management of both clinical and corporate records. Procedures for managing these records align with Queensland Health policies and standards. The health service adheres to the general retention and disposal schedule for corporate records and the Health Sector (Clinical Records) Retention and Disposal Schedule for clinical records.

Information security and privacy are high priorities, with a focus on implementing digital clinical records and clinical information systems. North West HHS monitors appropriate use and access to ensure compliance with recommendations from the Crime and Corruption Commission's (CCC) Operation Impala. Any inappropriate access is referred to CCC for investigation and appropriate action.

Code of Conduct, Public Sector Ethics, Human Rights

As a public service agency, North West HHS is committed to upholding the ethics values outlined in the *Public Sector Ethics Act 1994*, namely:

- integrity and impartiality
- promoting the public good
- commitment to the system of government
- accountability and transparency.

The Code of Conduct for the Queensland Public Service applies to all employees of North West HHS, with training provided to staff as part of their mandatory induction training and subsequently at regular intervals. The Code is also reflected in the values of North West HHS.

Employees are required to undertake awareness training regarding inappropriate workplace behaviours such as bullying, harassment, and discrimination, as well as training in relation to ethics, fraud, and conflicts of interest.

Such training is made available to staff through orientation sessions and online learning modules via Learning-on-Line. Significant work was undertaken this year to update and improve the North West HHS Learning-on-Line platform.

During the year, the health service contributed to the development of the statewide Conflict of Interest Policy as well as developing its own Conflict of Interests procedure.

North West HHS is committed to respecting, protecting, and promoting human rights in our decision-making and actions. All governing policies and procedures, when being developed or reviewed, undergo a compliance check to ensure our delivery of care is compatible with the *Human Rights Act 2019*.

North West HHS engages professional interpreters to facilitate communication between the service and consumers who speak languages other than English, ensuring they can provide feedback and receive a response in their first language, translated by interpreter services.

In the financial year 2023-2024, the health service received no human rights complaints.

Confidential information

The *Hospital and Health Boards Act 2011* requires annual reports to state the nature and purpose of any confidential information disclosed in the public interest during the financial year. The Health Service Chief Executive did not authorise the disclosure of confidential information during the reporting period.

Performance

Non-financial performance

The Strategic Plan states the strategic objectives and key performance measures to be achieved over a four-year period. Progress for the 2023-2024 period is outlined below.

Focusing on Health - Ensuring the right care, right place, right time; Talking about and managing your healthcare.

Exceed or met targets for emergency and planned care

North West HHS has consistently exceeded expectations in both emergency and planned care. Over the financial year, overall purchased activity targets were surpassed, reflecting a strong commitment to meeting the healthcare needs of the community.

The Emergency Department consistently performed above the state-wide National Emergency Access Target of 80 per cent, ensuring timely and efficient care for patients. Additionally, services have been expanded by establishing Specialist Allied Health and Orthopaedic telehealth clinics in partnership with QEII Hospital in Brisbane, enhancing access to specialist care. Looking ahead, a gastroenterologist has been contracted to join in 2024-2025, further strengthening the capacity to provide comprehensive care.

Achievement of NWHHS Clinical Services Plan directives

North West HHS continues to collaborate with health service providers to enhance access to community-focused services, especially in Skin Health, Maternity, and Rheumatic Heart Disease. In 2023-2024, the GP liaison officer played a key role in strengthening these partnerships by improving communication, including the introduction of Secure Web Transfer for safer clinical handovers and continuity of care.

The health service has advanced the development of innovative workforce models to enhance self-sufficiency, resilience, and diversity within its workforce. This includes securing additional funding for Obstetrics and Gynaecology, integrating both traditional specialists and rural generalist GP obstetricians to better meet local needs. Additionally, North West HHS has used Connected Communities Pathways funding to establish a more integrated medical workforce in the lower Gulf communities, strengthen partnerships with primary care, attain training accreditation, and launch a rural generalist recruitment campaign.

To improve access to care, the health service has utilised technology and innovative workforce models within the Hospital In The Home program, extending medical services into the watchhouse environment through virtual consultations.

North West HHS has also trained medical and nursing staff to provide support and conduct clinical and forensic assessments for victims of sexual assault, ensuring timely and culturally appropriate care.

Increased patient reported outcome measures

For the reportable period, a total of 1,873 responses were recorded for the Patient Reported Experience Measures (PREMs) surveys, resulting in a participation rate of 6 per cent. This rate remains unchanged from the previous financial year and is lower compared to a peer group average of 13 per cent.

The implementation of the PREMs outpatient and emergency department surveys has provided North West HHS with valuable data in areas where it was previously limited and has also encouraged greater consumer participation.

A year-over-year comparison of consumer feedback from 2022-2023 to 2023-2024 reveals a significant increase of 85.7 per cent in total feedback submissions. Notably, the number of compliments nearly doubled, reflecting a more positive consumer experience. While there was a slight increase in complaints, they represent a smaller percentage of the total feedback, suggesting an overall improvement in consumer satisfaction or increased engagement in providing positive feedback.

Increased engagement and consumer/ community voice representation

Partnering with consumers is essential for providing safe, personal, effective, and connected care, especially in our diverse and geographically challenging region. At North West HHS, consumers are central to our operations, participating in advisory groups, committees, research, staff hiring, and major projects like hospital redevelopments.

Consumer Advisory Groups and Networks, meeting quarterly, provide crucial support and feedback. These groups include community members, health partners, and local leaders. Informal engagement methods, like surveys and community events, help capture broader feedback. Our growing social media presence and active support for health promotion events demonstrate our commitment to increasing engagement and representing the community's voice.

Focusing on First Nations - Increase health equity and parity of life expectancy by 2031; Strengthen relationships with communities; Support First Nations workforce.

Implemented NWHHS Health Equity Strategy

North West HHS has launched a comprehensive health equity strategy in partnership with various stakeholders to improve health outcomes and achieve life expectancy parity for Aboriginal and Torres Strait Islander peoples by 2031.

Co-designed with community and health organisations, the strategy focuses on embedding First Nations voices into service design and delivery. The strategy addresses the social, economic, and environmental determinants of health inequity, ensuring that services are safe and accessible for First Nations people, and fostering strong partnerships to drive lasting change.

Strengthened relationships with community and local leaders

North West HHS is deeply committed to building and sustaining strong relationships with community and local leaders, including our Aboriginal Community Controlled Health Organisations. Recognising that local solutions are best suited to address local issues, North West HHS tailors its partnerships to meet the unique needs of each community.

These collaborations may involve subcontracting arrangements to strengthen the local health workforce, such as with the Doomadgee Aboriginal Shire Council and North West Queensland Indigenous Catholic Social Services. We also establish formal Memoranda of Understanding and Partnership Agreements, like those with the Mornington Island Health Council, to ensure an integrated approach to planning, implementing, and evaluating health services.

Reduced rates of preventable hospitalisations

North West HHS is actively working to reduce the rates of preventable hospitalisations, particularly among First Nations people across the region. We closely monitor these rates, which are influenced by various factors in both primary and secondary care. In response, the health service has launched several new hospital avoidance initiatives in the 2023-2024 year, in collaboration with our primary health care partners.

These initiatives, under the Connected Community Pathways program, focus on improving health outcomes in Child and Maternal Health, Skin Health, and the Medical Workforce sectors. By enhancing early detection and management of chronic diseases, improving referrals and integration between hospital and community services, and supporting self-management through better health promotion and education, these innovative programs are designed to significantly reduce preventable hospitalisations in our communities.

There is still further work required by primary and secondary health services to reduce potentially preventable hospitalisations as it has increased from 18.1 per cent in the 2022-2023 financial year, to 19.1 per cent as of March 2024.

Focusing on Improvement - Deliver our services efficiently; Innovation; Technology; Financial integrity and sustainability.

Improved and maintained patient safety and quality measures

North West HHS has had its national accreditation renewed by the Australian Council of Healthcare Standards (ACHS) after successfully completing Short Notice Accreditation for the National Safety Quality Health Service Standards in February 2024. The extension of the accreditation underscores the health service's dedication to upholding and delivering the highest standards of healthcare, patient safety and quality.

Safe patient care remains the top priority for North West HHS and the Board. This accreditation affirms our fundamental obligations outlined in the national standards. All Serious Adverse Event Category 1 clinical incidents have been thoroughly analysed, with recommendations to be implemented by the North West. Additionally, all other incidents undergo review by responsible clinical staff within their respective areas, ensuring that lessons learned are disseminated across the workforce.

This review process is further reinforced through regular weekly incident panel meetings. Enhanced reporting mechanisms have been implemented for the North West Board Safety and Quality Committee, utilising data from local, state, and federal sources. This reporting framework is designed to support the Board in fulfilling its governance responsibilities by providing critical information that informs decision-making and assists in identifying priorities and strategic directions to ensure the delivery of safe and high-quality healthcare. The Framework for Safety and Quality Performance and Assurance was updated and approved in May 2024. The primary objective of this Framework is to foster a safe, high-quality health system through enhanced transparency and accountability, from operational work units through to the governing body.

Improved health outcomes in our communities

The health service has improved patient-reported outcomes by enhancing the accessibility and quality of care across the region. The addition of permanent dialysis units at Mornington Island, Cloncurry, and Doomadgee, set to be fully operational by early 2026, marks a critical development in providing rural renal patients with essential care closer to home. This initiative not only reduces the need for long-distance travel but also fosters a more consistent and supportive treatment experience, which is crucial for better health outcomes.

An innovative partnership with Orange Sky to establish a mobile community-led laundry service has addressed a vital aspect of public health – hygiene. Since its inception in October 2023, this service has completed hundreds of washes, ensuring that community members have reliable access to clean laundry. This initiative has been instrumental in supporting the dignity and well-being of our patients, further contributing to the positive health outcomes we strive to achieve.

Increased embedding of data analytics and data insights

North West HHS is advancing its capabilities in data analytics and insights by embedding innovative systems that enhance decision-making and patient care. The successful establishment of the Statewide Management Information System (SWMIS) as part of the first tranche marks a significant milestone in this journey. SWMIS provides a robust framework for collecting, analysing, and utilising data across the healthcare network, enabling more informed and timely decisions that directly benefit patient outcomes.

In addition, the launch of the QH refer web-based platform, now integrated with the existing Smart Referrals Workflow Solution, represents a key advancement in streamlining referral processes. This integration not only improves efficiency but also ensures that data-driven insights are seamlessly incorporated into patient care pathways, leading to better coordination and more effective treatment planning.

Achievement of a balanced budget with maximised own source revenue

North West HHS concluded the financial year with a deficit, prompting the organisation to take proactive steps toward financial recovery.

Recognising the importance of maintaining fiscal responsibility while continuing to provide high-quality care, the health service is actively developing a comprehensive rectification plan for the 2024-2025 financial year. This plan will involve a thorough review of current expenditures, operational efficiencies, and potential revenue-generating opportunities.

The goal is to realign the budget while ensuring that essential services remain accessible and that patient care standards are upheld. The health service is committed to working closely with stakeholders, including government bodies and community partners, to implement this plan effectively and achieve a sustainable financial position moving forward.

Achieved capital expenditure KPIs

During the reporting period, all capital works projects in the region were successfully completed within the approved budgets. This achievement reflects effective financial management and project oversight throughout the planning and execution phases.

Projects were carefully monitored to ensure adherence to budgetary constraints, with close attention given to both cost control and quality standards. The successful completion of these capital works demonstrates fiscal responsibility while contributing to the enhancement of regional infrastructure and services. This includes the development of new facilities, upgrades to existing structures, and the implementation of critical improvements that support the overall functionality and efficiency of the health service.

The completion of these projects on budget underscores North West HHS's commitment to delivering value while investing in the region's healthcare capabilities and infrastructure.

Increased equity in access to digital healthcare and health technologies

The health service has joined the world's largest melanoma imaging trial, installing a cutting-edge 3D total body skin imaging system at Mount Isa Hospital. This advanced system provides a comprehensive 360-degree view of the skin, allowing for precise tracking of mole changes over time, greatly improving the ability to monitor and manage skin health.

In Cloncurry, North West HHS has been involved in research associated with a world-first cardiac robotic ultrasound system, which enables remote, high-quality cardiac care. This research involving innovative technology enables patients to receive essential diagnostic imaging locally, eliminating the need for travel to metropolitan hospitals and facilitating cardiac care accessibility in community.

The health service has also upgraded its facilities with fibre optic network technology, significantly improving connectivity, speed, and bandwidth. To further enhance communication, particularly in emergencies, indoor satellite phone technology has been installed in resuscitation rooms, ensuring reliable telecommunication during critical situations.

At Doomadgee Hospital, a successful trial of new technologies in staff accommodation has led to the implementation of a wired Starlink service across all units on the hospital campus. This upgrade not only improves the quality of life for staff in this remote community but also enhances their ability to contact emergency services via wifi calling.

Additionally, the health service has implemented an upgraded version of general practice software at Julia Creek and introduced secure electronic clinical communication, which improves information sharing between the health service and primary care providers.

North West HHS continues to actively participate in the implementation of priorities outlined in the Digital Strategy for Rural and Remote Healthcare. By collaborating with eHealth Queensland, the health service is contributing to improvements in data accessibility, network resilience, and wifi access across its facilities, ensuring that patients and staff benefit from the latest advancements in digital healthcare.

Focusing on Working Together - Work with our communities; Improve the patient experience across our health services; Implement better ways to share data and to communicate across boundaries.

Embedded feedback from community consultation into service planning

Community feedback on the health service needs of the region was gathered through extensive consultation during the compilation of the North West HHS Local Area Needs Assessment (LANA) in November 2022. Throughout the 2023-2024 reporting period, the health service continuously engaged with stakeholders to ensure that service outcomes and impacts continue to align with the health priorities of our communities. Additionally, considerable progress has been made in aligning organisational reporting and operational planning with the priorities outlined in the *Clinical Services Plan 2022-2037.*

Community consultation and feedback informed our infrastructure master planning for Cloncurry and Mount Isa focusing on fit-for-purpose infrastructure to support health service planning.

Increased community voice represented in service planning

During the 2023-24 reporting period, the health service focused on aligning our services with the priorities identified by our communities through the LANA, particularly in the areas of mental health and chronic disease.

The HHS' commitment to community and consumer engagement is demonstrated by the development of our models of care. The Model of Care for the new Healthy Skin initiative was designed in collaboration with partners, community groups, Traditional Owner groups, Aboriginal health councils, local community councils, and other decision-making bodies.

Similarly, the development of the Model of Care for the Mental Health Transition Service and the Regional Step-Up Step-Down Service was driven by extensive consultations with community members, consumer and cultural representatives, and our mental health, alcohol, and other drugs (MHAOD) staff and management. Strategically, this initiative is integral to the implementation of Better Care Together, Queensland's plan for state-funded mental health and alcohol and other drug services through 2027 across the northwest region.

Additionally, we extensively engaged our communities in the enhancement or replacement of aged infrastructure in Normanton, Doomadgee and Camooweal as part of Queensland Health's Building Rural and Remote Health Program investment.

Strengthened relationships, collaborations and data sharing with regional partners

As part of our commitment to integrated care we have been working closely with regional partners like Gidgee Healing, Townsville Hospital and Health Service and our partners at Better Health North Queensland Alliance to ensure that, where possible, barriers to accessing data are actively overcome. Further, have forged strong relationships across Queensland with Metro South Health (Queen Elizabeth II Hospital), Children's Health Queensland and Metro North Health to provide ongoing services and support for our communities.

With the support of eHealth Queensland, we have improved our ability to identify the primary care partners involved in our patients' care and implemented solutions to enhance communication with these partners. This has been especially important for coordinating follow-up care after treatment in our emergency departments and specialist outpatient clinics, ensuring that patients receive the right care in the right place at the right time.

Improved functionality of our CAN and CAGs

The functionality of CANs and CAGs has been significantly enhanced by assigning each group an executive sponsor and strengthening the reporting structure through the newly implemented Board Stakeholder Committee. This committee, which includes the chairs of all CANs and CAGs, ensures that action registers are consistently reported to the Board, Partnering with Consumer Committee, and Clinical Governance Committee, fostering greater accountability and alignment with organisational goals.

Additionally, the Terms of Reference for each CAN and CAG have been refreshed to clearly define the roles and responsibilities of chairs and members, further supporting their work and effectiveness.

Improved consumer experience, navigation and delivery pathways

The North West HHS regularly engages with consumers through committee engagement, and evaluates feedback received to ensure continued improvement of patient experience in line with the *North West HHS Service Feedback Strategy.* Multiple avenues are available for patients to provide feedback, and the HHS continues to work on innovative ways to grow with the community ensuring ever increasing representation of First Nations individuals in consumer engagement.

Focusing on Valuing and Growing our People - Support, develop and value our workplace culture; Grow our workforce; Increase our First Nations workforce.

Improved cultural and staff wellbeing indicators

The 2023 Working for Queensland Survey for North West HHS saw improvement across almost all survey categories, despite a decrease in participation.

- Staff pride in working at North West HHS: Employee engagement has improved, with more staff expressing pride in their work and feeling inspired to do their best. The survey results also indicate that this sense of pride is above the average compared to the broader public sector.
- Clear understanding of roles and trust in leadership: There has been a significant improvement in staff understanding of their roles and in their trust in the executive leadership team.
- Reduced intention to leave: Fewer staff are considering leaving the organisation. Survey results also show a stronger connection to the organisation and its goals, along with a greater belief in ongoing improvement.
- Positive performance discussions: There has been noticeable improvement in performance discussions, with North West HHS outperforming the public sector average in this area.

To further support staff wellbeing, North West HHS has implemented several initiatives, including enhancing security services, offering professional development training, and continuing the Peer Support program. This reporting period saw the introduction of sexual harassment contact officers, strengthening of the Executive Director First Nations role, and increased recognition of staff achievements.

The health service has partnered with Gold Coast HHS to boost the Workplace Health and Safety team's capabilities, improved staff accommodation, advanced initiatives under the Wellbeing Framework, and launched the *Diversity and Equity Plan for 2024-2027.*

Increased clinician-led healthcare improvement initiatives

The health service is leading clinician-driven healthcare improvements through innovative programs. The launch of the virtual allied health-led Orthopaedics Musculoskeletal Management Clinic (MMC) and Primary Contact Occupational Therapy Hands (PCOTH) in partnership with QEII Jubilee Hospital shows this dedication, offering more specialised and accessible care.

North West HHS also introduced a hybrid virtual reality model to train staff in managing births in remote areas, overcoming the challenges of isolation and distance. Additionally, Mount Isa Hospital now features advanced 3D body scanning technology as part of the ACEMID research project, enhancing melanoma diagnostics and research capabilities.

The North West HHS returned rehabilitation to an internal service in 2024, providing inpatient rehabilitation to facilitate earlier interhospital transfers for patients back to Mount Isa following significant traumas, surgeries, or neurological incidents. The outpatient rehabilitation service provides group and individual therapy to patients to support a safe discharge back into community and improved independence at home.

Improved staff retention rates and employment/development pathways

North West HHS is actively involved in a range of activities to attract and retain a workforce that both reflects the community we service and supports the models of care offered to the community. Such activities include offering:

- school-based traineeships and cadetships
- medical internships
- graduate programs
- work experience programs
- training and opportunities for career progression and professional development
- the ability to use state-of-the art health technology
- flexible work arrangements

During the 2023-2024 financial year the role of Executive Director Medical Services; Executive Director People, Culture and Planning; Executive Director Remote Health Services, and the Executive Director Allied Health were all recruited to permanently.

While the overall turnover rate for staff in the reporting period increased by 1.23 per cent from the previous report, North West HHS has had success in the recruitment of vacant roles in certain streams. The turnover rate for professional and technical roles, which includes health practitioners, has decreased by 6 per cent and all allied health roles are now filled. The turnover percentage for Aboriginal and Torres Strait Islander workforce decreased by 8 per cent.

Increased Aboriginal and Torres Strait Islander peoples workforce engagement

A suite of workforce initiatives has been operationalised during the 2023-2024 year. These span the continuum from schoolwork experience programs; school based traineeships; and tertiary cadetships. The 2023-2024 cohort of Deadly Start school-based trainees saw 70 per cent of students successfully complete their school based traineeship.

North West HHS First Nations Leadership Program was also provided in partnership with the Department of Health Centre for Leadership Excellence, Clinical Planning and Service Strategy. This program is designed to support our First Nations staff navigate the unique challenges and opportunities they experience within the health sector and their communities. As at June 2024, 10 per cent of the North West HHS workforce identifies as Aboriginal and/or Torres Strait Islander.

Aligned workforce rates to community requirements

The health service developed and launched its *Diversity and Equity Plan 2024 – 2027*. This plan outlines the Health Services commitment to achieve a more equitable and diverse workforce that reflects the diversity in our community. As at June 2024, North West HHS has 10 per cent of staff who identify as Aboriginal and/or Torres Strait Islander, while the average across all of Queensland Health is 2.61 per cent.

As part of the HHS pathways to inclusion outlined in the *North West HHS Aboriginal and Torres Strait Islander Workforce Strategy 2019-2026,* there is more work to be done to increase the workforce diversity and achieve the target of 26 per cent of staff who identify as First Nations by 2026.

North West HHS has exceeded its target of women in senior leadership positions (SO and equivalent) with just over 83 per cent of employees in this cohort being women. North West HHS is tracking well to meet the 45 per cent target set for women in senior leadership roles (SES2 and equivalent) by 2026.

Service standards

North West HHS delivers services in line with its obligations outlined in the Service Agreement with the Department of Health. The Service Agreement specifies the health services provided by North West HHS, the funding for these services, and performance measures to ensure the achievement of outcomes.

Our performance against 2023-2024 Service Delivery Statement targets is summarised in the following table:

Table 5: Service Standards – Performance 2023-2024

North West Hospital and Health Service	2023–2024 Target	2023–2024 Actual
Effectiveness measures		
Percentage of emergency department patients seen within recommended timeframes		
Category 1 (within 2 minutes)	100%	100%
Category 2 (within 10 minutes)	80%	88%
Category 3 (within 30 minutes)	75%	82%
Category 4 (within 60 minutes)	70%	84%
Category 5 (within 120 minutes)	70%	96%
Percentage of emergency department attendances who depart within 4 hours of their arrival in the department	>80%	87%
Percentage of elective surgery patients treated within the clinically recommended times		
Category 1 (30 days)	>98%	93%
Category 2 (90 days)[1]	..	90%
Category 3 (365 days)[1]	..	97%
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days[2]	≤1.0	0.4
Percentage of specialist outpatients waiting within clinically recommended times[3]		
Category 1 (30 days)	98%	46%
Category 2 (90 days)[4]	..	62%
Category 3 (365 days)[4]	..	53%
Percentage of specialist outpatients seen within clinically recommended times		
Category 1 (30 days)	98%	62%
Category 2 (90 days)[4]	..	64%
Category 3 (365 days)[4]	..	54%
Median wait time for treatment in emergency departments (minutes)[5]	..	12
Median wait time for elective surgery treatment (days)	..	25
Efficiency measure		

North West Hospital and Health Service	2023–2024 Target	2023–2024 Actual
Average cost per weighted activity unit for Activity Based Funding facilities[6]	$6,186	$6,904
Other measures		
Number of elective surgery patients treated within clinically recommended times		
Category 1 (30 days)	288	291
Category 2 (90 days)[1]	..	197
Category 3 (365 days)[1]	..	102
Number of Telehealth outpatients service events[7]	5,795	5,383
Total weighted activity units (WAU)[8]		
Acute Inpatients	11,505	10,488
Outpatients	3,130	4,073
Sub-acute	1,482	1,394
Emergency Department	6,955	7,681
Mental Health	308	296
Prevention and Primary Care	419	332
Ambulatory mental health service contact duration (hours)[9]	>7,591	4,138
Staffing[10]	845	885.23

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

Financial summary

North West HHS exceeded its activity against the Activity Based Funding health services target in 2023-2024.

Total revenue received by North West HHS for 2023–2024 totalled $272.82 million, which is an increase of $36.36 million (15.3 per cent) from the prior year. Expenditure for the year totalled $275.0 million, with a $2.2 million operating deficit for the year.

Labour costs are 64 per cent of total expenditure consistent with 2022–2023 level. Patient travel remains a major and integral part of our service provision, making up 5 per cent of total expenditure in 2023–2024, a slight decrease from the previous reporting period. Expenditure on drugs increased by 4 per cent on 2022-2023 levels, at 2 per cent of the total budget. Repairs and maintenance proportionally increased at 2.9 per cent of total budget for 2023-2024.

North West HHS strives to achieve a balanced budget and maintain a sustainable financial position to meet the health care needs of our remote community.

Refer to the financial statements for 2023-24.

Deferred maintenance

Deferred maintenance is a common building maintenance strategy used by both public and private sector industries to manage building upkeep. All Queensland Health entities, including North West HHS, adhere to the Queensland Government Maintenance Management Framework, which mandates the reporting of deferred maintenance.

According to this framework, deferred maintenance refers to maintenance activities that are delayed until a future budget cycle or when funds become available. In some cases, these maintenance tasks can be postponed without immediately affecting the building's functionality. Each deferred maintenance item undergoes a risk assessment to evaluate any potential impact on users and services and is closely monitored to ensure that all facilities remain safe.

As of 30 June 2024, North West HHS reported deferred maintenance totalling $14.68 million.

Glossary

Accessible	Accessible healthcare is characterised by the ability for people to obtain appropriate healthcare at the right place and right time, irrespective of income, geography or cultural background.
Accreditation	Accreditation is independent recognition that an organisation, service, program, or activity.
Activity Based Funding (ABF)	A management tool with the potential to enhance public accountability and drive technical efficiency in the delivery of health services by: • capturing consistent and detailed information on hospital sector activity and accuracy • measuring the costs of delivery • creating an explicit relationship between funds allocated and services provided • strengthening management's focus on outputs, outcomes and quality • encouraging clinicians and managers to identify variations in costs and practices so they can be managed at a local level in the context of improving efficiency and effectiveness • providing mechanisms to reward good practice and support quality initiatives
Acute	Having a short and relatively severe course of care.
Admission	The process whereby a hospital accepts responsibility for a patient's care and/or treatment. It follows a clinical decision, based on specified criteria, that a patient requires same-day or overnight care or treatment.
Allied Health staff (Health Practitioners)	Professional staff who meet mandatory qualifications and regulatory requirements in the following areas: audiology; clinical measurement sciences; dietetics and nutrition; exercise physiology; medical imaging; nuclear medicine technology; occupational therapy; orthoptics; pharmacy; physiotherapy; podiatry; prosthetics and orthotics; psychology; radiation therapy; sonography; speech pathology and social work.
Ambulatory care	Care provided to hospital patients who are not admitted to the hospital, such as patients of emergency departments and outpatient clinics.
Antenatal	Antenatal care constitutes screening for health, psychosocial and socioeconomic conditions likely to increase the possibility of specific adverse pregnancy outcomes, providing therapeutic interventions known to be effective; and educating pregnant women about planning for safe birth, emergencies during pregnancy and how to deal with them (WHO, 2011).
Block Funding	Block funding is typically applied for small public hospitals where there is an absence of economies of scale that mean some hospitals would not be financially viable under Activity Based Funding (ABF), and for community based services not within the scope of Activity Based Funding.
Consumer Advisory Group (CAG) and Consumer	A Consumer Advisory Group and Consumer Advisory Network is made up of community representatives who work with the health service to improve our local health system.

Advisory Network (CAN)	
Chronic disease	Chronic disease: Diseases which have one or more of the following characteristics: (1) is permanent, leaves residual disability (2) is caused by non-reversible pathological alteration. (3) requires special training of the individual for rehabilitation, and/or may be expected to require a long period of supervision, observation or care.
Clinical Governance	A framework by which health organisations are accountable for continuously improving the quality of their services and safeguarding high standards of care by creating an environment in which excellence in clinical care will flourish.
Closing the Gap	A government strategy that aims to reduce disadvantage among Aboriginal and Torres Strait Islander peoples with respect to life expectancy, child mortality, access to early childhood education, educational achievement, and employment outcomes.
Deadly Ears	Queensland Health's statewide Aboriginal and Torres Strait Islander Ear Health Program for children. Middle ear disease, medically known as otitis media, affects up to 8 out of 10 Aboriginal and Torres Strait Islander children living in remote communities and is conducive to hearing loss, which impacts upon health, child development and educational outcomes of children, their families and communities
Deadly Start Program	The Deadly Start Program gives school students a head start in healthcare through completion of a relevant traineeship
Emergency department	Dedicated area of a hospital organised and administered to provide emergency care to those in the community who perceive the need for, or are in need of, acute or urgent care.
Full-time equivalent (FTE)	Refers to full-time equivalent staff currently working in a position.
GP (general practitioner)	A general practitioner is a registered medical practitioner who is qualified and competent for general practice in Australia. General practitioners operate predominantly through private medical practices.
General Retention and Disposal Schedule (GRDS)	Authorises the disposal of common and administrative public records created by all Queensland Government agencies
Governance	Governance focuses on achieving organisational goals through responsibilities, practices, policies, and procedures that provide strategic direction, manage risks, and ensure efficient resource use. It supports accountability, transparency, and ethical decision-making.
Hospital	Healthcare facility established under Commonwealth, state or territory legislation as a hospital or a free-standing day-procedure unit and authorised to provide treatment and/or care to patients.
Hospital and Health Board	The Hospital and Health Boards are made up of a mix of members with expert skills and knowledge relevant to managing a complex healthcare organisation.
Hospital and Health Service (HHS)	Hospital and Health Service (HHS) is a separate legal entity established by Queensland Government to deliver public hospital service.
Human rights	Human rights are moral principles or norms that describe certain standards of human behaviour and are regularly protected as natural and legal rights in municipal and international law.

Local Assessment Needs Analysis (LANA)	A systematic method of identifying unmet health and healthcare needs of a population and determining if changes are required to meet those unmet needs.
Inpatient	A patient who is admitted to a hospital or health service for treatment that requires at least one overnight stay.
Intern	A medical practitioner in the first postgraduate year, learning further medical practice under supervision.
Internal Audit	Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.
Key Performance Indicators	Key performance indicators are metrics used to help a business define and measure progress towards achieving its objectives or critical success factors.
Minimum Obligatory Human Resource Information (MOHRI)	MOHRI is a whole of government methodology for producing an Occupied Full Time Equivalent (FTE) and headcount value sourced from the Queensland Health payroll system data for reporting and monitoring.
Multipurpose Health Service (MPHS)	Provide a flexible and integrated approach to health and aged care service delivery for small rural communities. They are funded through pooling of funds from Hospital and Health Services (HHS) and the Australian Government Department of Health and Ageing.
National Safety and Quality Health Service Standards (NSQHS)	The NSQHS Standards provide a nationally consistent statement of the level of care consumers can expect from health service organisations.
Nurse practitioner	A registered nurse educated and authorised to function autonomously and collaboratively in an advanced and extended clinical role.
Outpatient	A non-admitted, non-emergency patient provided with a service such as an examination, consultation, treatment or other service.
Outreach	Services delivered to sites outside of the service's base to meet or complement local service needs.
Palliative care	Palliative care is an approach that improves quality of life of patients and their families facing the problems associated with life threatening illness, through the prevention of suffering by means of early identification and assessment and treatment of pain and other problems, physical, psychological and spiritual.
Patient Reported Experience Measures (PREMs)	PREMs –a patient reported experience survey asks patients and parents/carers about their recent experience with the care they/their child received at the hospital. Queensland Health Patient Reported Experience Measures provide the ability to capture real-time patient experience to support clinicians in partnering with patients to achieve safe, high quality care.
Performance indicator	Measures the extent to which agencies are achieving their objectives.
Primary care	First level healthcare, including health promotion, advocacy and community development, provided by general practitioners (GPs) and a range of other healthcare professionals.
Primary Health Network	Established by Federal Government with the key objectives of increasing the efficiency and effectiveness of medical services for

	patients – particularly those at risk of poor health outcomes – and improving coordination of care to ensure patients receive the right care in the right place at the right time.
Public Health Unit	Public Health Unit (PHU) focus on protecting health; preventing disease, illness and injury; and promoting health and wellbeing at a population or whole of community level. This is distinct from the role of the rest of the health system which is primarily focused on providing healthcare services to individuals and families.
Renal dialysis	Renal dialysis is a medical process of filtering the blood with a machine outside of the body.
Rheumatic Heart Disease (RHD)	A notifiable chronic condition caused by damage to the heart valves, which occurs after single or repeated episodes of acute rheumatic fever (ARF).
Royal Flying Doctor Service (RFDS)	A not-for-profit organisation, supported by the Commonwealth, State and Territory Governments but also relying heavily on fundraising and donations from the community to purchase and medically-equip its aircraft, and to finance other major capital initiatives. Today, the RFDS has a fleet of 63 aircraft operating from 21 bases located across the nation and provides medical assistance to over 290,000 people every year.
Rural Generalist Pathway	A dedicated medical training pathway to attract, retain and support rural generalist doctors.
Strategic plan	A short, forward-looking document to set direction and provide local objectives and strategies to ensure alignment with the government's objectives for the community.
Telehealth	Delivery of health-related services and information through telecommunication technology, including: • Live interactive video and audio links for clinical consultations and education purposes • Store and forward systems to enable the capture of digital images, video, audio and clinical data stored on a computer and forwarded to another location to be studied and reported on by specialists. • Remote reporting and provision of clinical advice associated with diagnostic images. • Other services and equipment for home monitoring of health.
Visiting Medical Officer	A medical practitioner who is employed as an independent contractor or an employee to provide services on a part time, sessional basis.
Working for Queensland (WfQ)	Queensland Health Working for Queensland employee opinion survey. WfQ is an annual survey which measures Queensland public sector employee perceptions of their work, manager, team and organisation.

Compliance Checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	• **A letter of compliance from the accountable officer or statutory body to the relevant Minister/s**	ARRs – section 7	4
Accessibility	• **Table of contents** • **Glossary**	ARRs – section 9.1	5 51
	• **Public availability**	ARRs – section 9.2	2
	• **Interpreter service statement**	*Queensland Government Language Services Policy* ARRs – section 9.3	2
	• **Copyright notice**	*Copyright Act 1968* ARRs – section 9.4	2
	• **Information Licensing**	*QGEA – Information Licensing* ARRs – section 9.5	2
General information	• **Introductory Information**	ARRs – section 10	9
Non-financial performance	• **Government's objectives for the community and whole-of-government plans/specific initiatives**	ARRs – section 11.1	6
	• **Agency objectives and performance indicators**	ARRs – section 11.2	10, 39
	• **Agency service areas and service standards**	ARRs – section 11.3	48
Financial performance	• **Summary of financial performance**	ARRs – section 12.1	50
Governance – management and structure	• **Organisational structure**	ARRs – section 13.1	32
	• **Executive management**	ARRs – section 13.2	28
	• **Government bodies (statutory bodies and other entities)**	ARRs – section 13.3	21
	• **Public Sector Ethics**	*Public Sector Ethics Act 1994* ARRs – section 13.4	37
	• **Human Rights**	*Human Rights Act 2019* ARRs – section 13.5	37
	• **Queensland public service values**	ARRs – section 13.6	37
Governance – risk management and accountability	• **Risk management**	ARRs – section 14.1	35
	• **Audit committee**	ARRs – section 14.2	28
	• **Internal audit**	ARRs – section 14.3	36
	• **External scrutiny**	ARRs – section 14.4	37

Summary of requirement		Basis for requirement	Annual report reference
	• **Information systems and recordkeeping**	ARRs – section 14.5	37
	• **Information Security attestation**	ARRs – section 14.6	37
Governance – human resources	• **Strategic workforce planning and performance**	ARRs – section 15.1	33
	• **Early retirement, redundancy and retrenchment**	Directive No.04/18 *Early Retirement, Redundancy and Retrenchment* ARRs – section 15.2	35
Open Data	• **Statement advising publication of information**	ARRs – section 16	35
	• **Consultancies**	ARRs – section 31.1	https://data.qld.gov.au
	• **Overseas travel**	ARRs – section 31.2	https://data.qld.gov.au
	• **Queensland Language Services Policy**	ARRs – section 31.3	https://data.qld.gov.au
Financial statements	• **Certification of financial statements**	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	57
	• **Independent Auditor's Report**	FAA – section 62 FPMS – section 46 ARRs – section 17.2	Following financial statements

Financial Statements 2023-2024

as at 30 June 2024

FINANCIAL STATEMENTS CONTENTS

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2024 $'000	2023 $'000
Income			
User charges and fees	A1-1	**9,418**	9,060
Funding for public health services	A1-2	**255,950**	221,651
Grants and other contributions	A1-3	**2,987**	2,743
Other revenue	A1-4	**4,470**	3,006
Total income		**272,825**	236,460
Expenses			
Employee expenses	A2-1	**29,590**	29,044
Health service employee expenses	A2-2	**118,551**	104,710
Supplies and services	A2-3	**105,077**	88,155
Grants and other contributions	A2-4	**523**	423
Depreciation	B5-1,B7-1	**15,467**	12,995
Interest on lease liabilities	B7-1	**319**	91
Other expenses	A2-5	**5,542**	3,564
Total expense		**275,069**	238,982
Operating result for the year		**(2,244)**	(2,522)
Other comprehensive income			
Items that will not be subsequently reclassified to operating result:			
Increase in asset revaluation surplus	B8	**10,582**	3,933
Total other comprehensive income		**10,582**	3,933
Total comprehensive income		**8,338**	1,411

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

	Notes	2024 $'000	2023 $'000
Current assets			
Cash and cash equivalents	B1	**2,172**	3,672
Receivables	B2	**6,009**	2,241
Inventories	B3	**1,575**	1,422
Other assets	B4	**1,919**	3,615
Total current assets		**11,675**	10,950
Non-current assets			
Property, plant and equipment	B5	**153,386**	135,979
Right-of-use assets	B7	**7,176**	4,862
Other assets	B4	**65**	199
Total non-current assets		**160,627**	141,040
Total assets		**172,302**	151,990
Current liabilities			
Payables	B6	**25,440**	21,934
Lease liabilities	B7	**2,183**	1,817
Accrued employee benefits		**517**	1,884
Other		**14**	241
Total current liabilities		**28,154**	25,876
Non-current liabilities			
Lease liabilities	B7	**4,958**	2,973
Total non-current liabilities		**4,958**	2,973
Total liabilities		**33,112**	28,849
Net assets		**139,190**	123,141
Equity			
Contributed equity		**91,182**	83,468
Accumulated deficit		**(9,266)**	(7,019)
Asset revaluation surplus	B8	**57,274**	46,692
Total equity		**139,190**	123,141

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

	Contributed equity $'000	Accumulated deficit $'000	Asset revaluation surplus $'000	Total equity $'000
Balance as at 1 July 2022	82,648	(4,607)	42,759	120,800
Operating Result	-	(2,522)	-	(2,522)
Net effect of prior year adjustments	-	110	-	110
Total other comprehensive income				
- Increase in asset revaluation surplus (Note B5)	-	-	3,933	3,933
Transactions with owners				
- Non-appropriated equity injections	13,697	-	-	13,697
- Non-appropriated equity withdrawals	(12,995)	-	-	(12,995)
- Non-appropriated equity asset transfers	118	-	-	118
Balance at 30 June 2023	83,468	(7,019)	46,692	123,141
Balance as at 1 July 2023	**83,468**	**(7,019)**	**46,692**	**123,141**
Operating Result	**-**	**(2,244)**	**-**	**(2,244)**
Net effect of prior year adjustments	-	(3)	-	(3)
Total other comprehensive income			.	
- Increase in asset revaluation surplus (Note B5)	**-**	**-**	**10,582**	**10,582**
Transactions with owners				
- Non-appropriated equity injections	23,181	-	-	23,181
- Non-appropriated equity withdrawals	(15,467)	-	-	(15,467)
Balance at 30 June 2024	**91,182**	**(9,266)**	**57,274**	**139,190**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

	Notes	2024 $'000	2023 $'000
Cash flows from operating activities			
Inflows:			
User charges, fees and funding for public health		**249,758**	214,531
Grants and other contributions		**1,514**	1,163
GST collected from customers		**469**	250
GST input tax credits from ATO		**8,144**	6,829
Donated Assets		**78**	-
Other		**4,359**	2,951
Outflows:			
Employee expenses		**(31,039)**	(27,453)
Health service employee expenses		**(120,554)**	(101,864)
Supplies and services		**(101,024)**	(81,629)
Grants and subsidies		**(523)**	(423)
GST paid to suppliers		**(8,202)**	(6,765)
GST remitted to ATO		**(497)**	(218)
Other		**(4,582)**	(3,366)
Net cash (used in)/provided by operating activities		**(2,099)**	4,006
Cash flows from investing activities			
Inflows:			
Sales of property, plant and equipment		**89**	(35)
Outflows:			
Payments for property, plant and equipment		**(20,446)**	(13,362)
Net cash used in investing activities		**(20,357)**	(13,397)
Cash flows from financing activities			
Inflows:			
Equity injections		**23,181**	13,697
Outflows:			
Lease payments		**(2,225)**	(1,706)
Net cash provided by financing activities		**20,956**	11,991
Net (decrease)/increase in cash and cash equivalents		**(1,500)**	2,600
Cash and cash equivalents at the beginning of the financial year		**3,672**	1,072
Cash and cash equivalents at the end of the financial year	**B1**	**2,172**	3,672

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

NOTES TO THE STATEMENT OF CASH FLOWS

CF-1 Reconciliation of surplus to net cash from operating activities

	2024 $'000	2023 $'000
Operating result	**(2,244)**	(2,522)
Adjustments for:		
Depreciation and amortisation	**15,467**	12,995
Depreciation and amortisation funding	**(15,467)**	(12,995)
Net loss on disposal of property, plant and equipment	**249**	106
Donated Assets	**78**	(18)
Provision for Doubtful Debts	**314**	(365)
Doubtful Debts Written Off	**(163)**	145
Inventory Write Off	**115**	83
Changes in assets and liabilities:		
(Increase)/decrease in receivables	**(3,922)**	(299)
Increase/(decrease) in inventories	**(268)**	88
(Increase) in contract assets	**1,743**	(2,253)
(Increase)/decrease in prepayments	**87**	528
Increase/(decrease) in contract liabilities	**1,310**	(272)
Increase in accrued health services labour (DOH)	**(2,001)**	2,846
Increase in accrued employee benefits	**(1,367)**	1,598
Increase/(decrease) in unearned revenue	**466**	61
Increase/(decrease) in payable	**3,504**	4,280
Net cash (used in)/provided by operating activities	**(2,099)**	4,006

CF-2 Changes in liabilities arising from financing activities

2024

		Non-cash changes			Cash flows		
	Opening balance $'000	Transfers to/(from) other Queensland Government entities $'000	New leases acquired $'000	Other $'000	Cash received $'000	Cash repayments $'000	Closing balance $'000
Lease liabilities	4,790		**4,575**	**-**		**(2,225)**	**7,140**
Total	**4,790**	**-**	**4,575**	**-**	**-**	**(2,225)**	**7,140**

2023

		Non-cash changes			Cash flows		
	Opening balance $'000	Transfers to/(from) other Queensland Government entities $'000	New leases acquired $'000	Other $'000	Cash received $'000	Cash repayments $'000	Closing balance $'000
Lease liabilities	3,094		3,402	-		(1,706)	4,790
Total	3,094	-	3,402	-	-	(1,706)	4,790

Non-Cash investing and financing activities

Assets received or liabilities donated/transferred by the Hospital and Health Service to agencies outside of State Health portfolio agencies are recognised as revenues (refer Note A1-3) or expenses (refer Note A2-5) as applicable. Assets received or liabilities transferred by the Hospital and Health Service as a result of administrative arrangements are set out in the Statement of Changes in Equity.

BASIS OF FINANCIAL STATEMENT PREPARATION

General Information

The North West Hospital and Health Service (North West HHS) is a not-for-profit statutory body under the *Hospital and Health Boards Act 2011* and is domiciled in Australia. The North West HHS is responsible for providing public sector health services to communities within the area assigned under the Hospital and Health Boards Regulation 2023. Its principal place of business is:

30 Camooweal Street

Mount Isa QLD 4825

Funding is obtained predominately through the purchase of health services by the Department of Health (DOH) on behalf of both the State and Australian Governments. In addition, health services are provided on a fee for service basis mainly for private patient care.

The ultimate parent entity is the State of Queensland.

The Reporting Entity

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of North West Hospital and Health Service. The North West Hospital and Health Service does not have any controlled entities.

Investment in Western Queensland Primary Care Collaborative Limited

Western Queensland Primary Care Collaborative Limited (WQPCC) was registered in Australia as a public company limited by guarantee on 22 May 2015. North West HHS is one of three founding members with Central West HHS and South West HHS, each holding one voting right in the company. The principal place of business of WQPCC is Mount Isa, Queensland. Each founding member is entitled to appoint one Director to the Board of the company.

Since formation, 12 additional members have been added to the company membership. On 12 January 2018 the Constitution of WQPCC was amended to allow the transition from a public-sector entity to a non-public sector entity to meet the requirements of the WQPCC funding agreement with the Commonwealth. At this time the Queensland Audit Office were consulted and agreed to the amendment of the Constitution to remove the Auditor-General from auditing WQPCC.

WQPCC's principal purposes is to increase the efficiency and effectiveness of health services for patients in Western Queensland, particularly those at risk of poor health outcomes; and improve co-ordination to facilitate improvement in the planning and allocation of resources enabling the providers to provide appropriate patient care in the right place at the right time. These purposes align with the strategic objective of North West HHS to integrate primary and acute care services to support patient wellbeing.

Each member's liability to WQPCC is limited to $10. WQPCC's Constitution legally prevents it from paying dividends to the members and also prevents the income or property of the company being transferred directly or indirectly to the members. This does not prevent WQPCC from making loan repayments to North West HHS or reimbursing North West HHS for goods or services delivered to WQPCC.

North West HHS's interest in WQPCC is immaterial in terms of the impact on North West HHS 's financial performance because it is not entitled to any share of profit or loss or other income of WQPCC. Accordingly, the carrying amount of North West HHS 's investment and subsequent changes in its value due to annual movements in the profit and loss of WQPCC are not recognised in the financial statements.

North West HHS does not have any contingent liabilities or other exposures associated with its interests in WQPCC.

Investment in Tropical Australian Academic Health Centre Limited

Tropical Australian Academic Health Centre Limited (TAAHCL) registered as a public company limited by guarantee on 3 June 2019. North West Hospital and Health Service is one of seven founding members along with Cairns and Hinterland Hospital and Health Service, Mackay Hospital and Health Service, Torres and Cape Hospital and Health Service, Townsville Hospital and Health Service, Northern Queensland Primary Health Network and James Cook University. Each founding member holds two voting rights in the company and is entitled to appoint two directors.

The principal place of business of TAAHCL is Townsville, Queensland. The company's principal purpose is the advancement of health through the promotion of the study and research topics of special importance to people living in the tropics.

As each member has the same voting entitlement (14.3%), it is considered that none of the individual members has power or significant influence over TAAHCL (as defined by AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates and Joint Ventures). Each member's liability to TAAHCL is limited to $10. TAAHCL's constitution prevents any income or property of the company being transferred directly or indirectly to or amongst the members. Each member must pay annual membership fees as determined by the board of TAAHCL.

As TAAHCL is not controlled by North West HHS and is not considered a joint operation or an associate of North West HHS, financial results of TAAHCL are not required to be disclosed in these statements.

Collaboration in Better Health North Queensland Alliance

Better Health NQ Alliance (BHNQA) is a collaboration between Cairns and Hinterland Hospital and Health Service, Mackay Hospital and Health Service, North West Hospital and Health Service, Torres and Cape Hospital and Health Service, Townsville Hospital and Health Service, North Queensland Primary Health Network, Western Queensland Primary Health Network, Queensland Aboriginal and Island Health Council and the Department of Health.

The principal function of the BHNQA is to improve the health outcomes of North Queensland residents by undertaking a collective approach to planning, designing, alliancing and commissioning of health services.

BHNQA is not controlled by North West HHS and is not considered a joint operation or an associate of North West HHS.

Statement of Compliance

The financial statements:

- have been prepared in compliance with section 62(1) of the *Financial Accountability Act 2009* and section 39 of the *Financial and Performance Management Standard 2019*;
- are general purpose financial statements prepared on a historical cost basis, except where stated otherwise;
- are presented in Australian dollars;
- have been rounded to the nearest $1,000 or, where the amount is $500 or less, to zero unless the disclosure of the full amount is specifically required;
- present reclassified comparative information where required for consistency with the current year's presentation;
- have been prepared in accordance with all applicable new and amended Australian Accounting Standards and Interpretation as well as the Queensland Treasury's *Financial Reporting Requirements for Queensland Government Agencies for reporting periods beginning on or after 1 July 2023*, and other authoritative pronouncements.

Measurement

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

• Land and buildings, which are measured at fair value;

• Inventories which are measured at weighted average cost.

Historical cost

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

Fair value

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

• The market approach uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.

• The cost approach reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current replacement cost methodology.

• The income approach converts multiple future cash flow amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts. Where fair value is used, the fair value approach is disclosed.

Present value

Present value represents the present discounted value of the future net cash inflows that the item is expected to generate (in respect of assets) or the present discounted value of the future net cash outflows expected to settle (in respect of liabilities) in the normal course of business. Net realisable value represents the amount of cash or cash equivalents that could currently be obtained by selling an asset in an orderly disposal

Current/Non-Current Classification

Assets and Liabilities are classified as either 'current' or 'non-current' in the statement of financial position and associated notes.

Assets are classified as 'current' when the carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or North West HHS does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

Economic Dependency

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

The Service Agreement provides performance targets and terms and conditions in relation to provision of funding commitments and agreed purchased activity for this period. Accordingly, the Board and management of North West HHS believe that the terms and conditions of its funding arrangements under the Service Agreement Framework, and with support as required by the Department, will provide North West HHS with sufficient cash resources to meet its financial obligations for at least the next financial year.

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

Authorisation of financial statements for issue

The general-purpose financial statements are authorised for issue by the Chair and the Chief Executive, at the date of signing the Management Certificate.

Further information

For information in relation to North West HHS's financial statements:

- Email nwhhs.finance@health.qld.gov.au or
- Visit the North West HHS website at: www.health.qld.gov.au/mt_isa

A NOTES ABOUT FINANCIAL PERFORMANCE

This section considers the income and expenses of North West Hospital and Health Service.

A1 INCOME

Note A1-1: User charges and fees

	2024 $'000	2023 $'000
Revenue from contracts with customers		
Sales of goods and services	**3,316**	2,529
Pharmaceutical benefits scheme	**3,868**	3,941
Hospital fees	**2,234**	2,590
Total user charges and fees	**9,418**	9,060

Revenue in this category primarily consists of payment for claims made under the rural remote Medicare Benefits Scheme, hospital fees (patients who elect to utilise their private health cover or are not covered by Medicare) and sale of goods and services which includes retail sales and reimbursement of pharmaceutical benefits. Revenue from the sale of goods is recognised at the time of transfer of the goods to the customer, which is the sole performance obligation. Revenue from the sale of services is recognised progressively as the services are provided, in line with the agreement, and a contract asset is recognised representing the HHS's right to consideration for services delivered but not yet billed.

Note A1-2: Funding for public health services

	2024 $'000	2023 $'000
Revenue from contracts with government agencies		
Activity based funding	**126,094**	109,452
Block funding	**56,843**	43,596
General Purpose Funding	**57,546**	55,608
Depreciation funding	**15,467**	12,995
Total funding for public health services	**255,950**	221,651

Funding is provided predominantly from the Department of Health (DOH) for specific public health services purchased by the Department in accordance with a service agreement. The Australian Government pays its share of National Health funding directly to the Department of Health, for on forwarding to the Hospital and Health Service. The service agreement is reviewed periodically and updated for changes in activities and prices of services delivered by North West HHS. Cash funding from the Department of Health is received fortnightly for State payments and monthly for Australian Government payments and is recognised as revenue as the performance obligations under the service level agreement are discharged. Commonwealth funding to North West HHS in 2024 was $65.21 million (2023: $57.60 million).

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

At the end of the financial year, an agreed technical adjustment between the Department of Health and North West HHS may be required for the level of services performed above or below the agreed levels, which may result in a receivable or unearned revenue. This technical adjustment process is undertaken annually according to the provisions of the service level agreement and ensures that the revenue recognised in each financial year correctly reflects North West HHS's delivery of health services.

Activity-based funding is recognised as public health services delivered under the National Health Reform Agreement, with any estimated penalties accrued in the applicable month. Following the end of the Minimum Funding Guarantee by the Department of Health in the 2021-22 financial year, North West HHS incurred no penalties for 2023-2024 ($1.587 million for 2022-23) related to the under delivery of in-scope activity at Mount Isa Hospital, and clawback of $0.199 million for 2023-2024 ($1.394 million for 2022-23) related to the under delivery of activity for Oral Health.

Block funding is received for all facilities within North West HHS, with the exception of Mount Isa, and is receipted based on the applicable days in the month. There are no specific reporting requirements against the recognition of block funding. General purpose funding includes all other funding arrangements such as community state wide services, third party funded health services, commonwealth grant programs and other revenue received by North West HHS.

The HHS received funding from the First Nations Health Branch of the Department of Health in 2023-24 for the Making Tracks Investment Strategy of $3.6 million. In 2023-24 the First Nations Health Branch advised funding would be reinvested recurrently to North West HHS.

A1 INCOME (Continued)

Note A1-3: Grants and other contributions

	2024 $'000	2023 $'000
Other grants and contributions		
Services received below fair value	**1,473**	1,580
Grants from other bodies	**1,497**	1,119
Other donations and contributions	**17**	33
State Government grants	**-**	11
Total grants and contributions	**2,987**	2,743

Grants and contributions are transactions where North West HHS receives funds to further its objectives. Where an agreement is enforceable and contains sufficiently specific performance obligations for North West HHS to transfer goods or services to a third-party on the grantor's behalf, the transaction is accounted for under AASB 15 Revenue from Contracts with Customers.

In this case, revenue is initially deferred (as a contract liability) and recognised as or when the performance obligations are satisfied. A contract asset representing North West HHS's right to consideration for services delivered but not yet billed will be raised where applicable. Otherwise, the grant is accounted for under AASB 1058 Income of Not - for - Profit Entities, whereby revenue is recognised upon receipt of the grant funding.

North West HHS receives corporate services support from the Department of Health for no direct cost. Corporate services received would have been purchased if they were not provided by the Department of Health and include payroll services, accounts payable and banking services. The fair value of corporate services received in 2023-24 are estimated by the Department of Health as $1.226 million (2023: $1.105 million) for payroll services and $0.269 million (2023: $0.475 million) for accounts payable and banking services. An equal amount of expense is recognised as services below fair value, under supplies and services, refer Note A2-3.

Note A1-4: Other revenue

	2024 $'000	2023 $'000
Interest	**27**	18
Capital Recoveries	**2,564**	1,308
Other[1]	**1,879**	1,680
Total other revenue	**4,470**	3,006

[1]Other predominantly relates to lease revenue, salary recoveries and other ad-hoc reimbursements.

Revenue recognition for other revenue is based on either invoicing for related goods, services and/or the recognition of accrued revenue based on estimated volumes of goods or services delivered.

A2 EXPENSES

Note A2-1: Employee expenses

	2024 $'000	2023 $'000
Employee expenses		
Wages and salaries	**23,934**	25,117
Annual leave levy	**2,324**	1,767
Employer superannuation contributions	**2,697**	1,447
Long service leave levy	**629**	534
Redundancies	**2**	140
Workers compensation premium	**4**	39
Total employee expenses	**29,590**	29,044

Effective 15 June 2020, a legislative change to the employer arrangements within Queensland Health was implemented. From this date, all non-executive employees of the North West Hospital and Health Service (i.e. other than senior executives, senior medical officers and visiting medical officers) became the employees of the Director-General, Queensland Health. Direct labour postings, in addition to related assets and liabilities including accrued employee benefits, for these employees will be classified from employee expense to contract labour expense.

The amounts paid are separately classified and disclosed on the face of the Statement of Comprehensive Income.

Salaries and wages due but unpaid at reporting date are recognised in the statement of financial position at the remuneration rates expected to apply at the time of settlement.

Workers' compensation insurance is an employee expense but is not part of an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

A2 EXPENSES (Continued)

Annual leave, long service leave and sick leave

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

Superannuation

Superannuation schemes comprise defined benefit and defined contribution categories. Employer superannuation contributions are paid to employee nominated superannuation funds, however payments to the defined benefit superannuation scheme for Queensland Government employees are at rates determined by the Treasurer on the advice of the State Actuary. Contributions are expensed in the period in which they are paid, or payable and North West HHS's obligation is limited to the rate determined by the Treasurer on the advice of the State Actuary. The liability for defined benefits is held on a Whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Key management personnel and remuneration disclosures are detailed in Note D1.

Number of full time equivalent employees (FTE)*	**2024**	**2023**
	No.	**No.**
Number of Employees	**41**	**38**
Number of Health Service Employees	**746**	**697**
Total FTE as at 30 June	787	735

*reflecting Minimum Obligatory Human Resource Information (MOHRI)

Note A2-2: Health service employee expenses

	2024	**2023**
	$'000	**$'000**
Department of Health	**118,551**	104,710
Total health service employee expenses	**118,551**	104,710

Health Services Employee Expenses

As at 30 June 2024, North West HHS through service agreements with the Department of Health engaged 746 full time equivalent persons (2023: 697 Full time equivalent).

In accordance with the Hospital and Health Boards Act 2011, the employees of the Department of Health are referred to as Health service employees. Under this arrangement:

- The Department provides employees to perform work for the North West HHS and acknowledges and accepts its obligations as the employer of these employees.
- North West HHS is responsible for the day to day management of these departmental employees.
- North West HHS reimburses the Department for the salaries and on-costs of these employees. This is disclosed as Health service employee expense.

Recoveries of salaries and wages costs for North West HHS employees working for other agencies are recorded as revenue. Refer Note A1-4 Other Revenue.

A2 EXPENSES (Continued)

Note A2-3: Supplies and services

	2024 $'000	2023 $'000
Patient travel	**20,210**	18,706
Other consultancies and contract labour[1]	**18,420**	11,750
Medical consultancies and contract labour	**8,382**	8,100
Repairs and maintenance	**7,547**	6,538
Drugs	**5,564**	5,368
Pathology and blood supplies and services	**5,669**	5,047
Outsourced service delivery[2]	**5,101**	4,720
Clinical supplies and services	**4,512**	4,396
Lease expenses	**4,170**	3,871
Other travel	**4,539**	3,397
Building services	**4,678**	3,003
Communications	**2,727**	2,723
Electricity and other energy	**3,311**	2,236
Other	**2,352**	1,889
Catering and domestic supplies	**2,194**	1,773
Computer services	**1,886**	1,691
Services received below fair value[3]	**1,473**	1,580
Minor plant and equipment	**1,162**	572
Water	**915**	550
Motor vehicles	**265**	245
Total supplies and services	**105,077**	88,155

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. When this is the case, an equal amount is recognised as revenue and an expense.

Lease expenses: Lease expenses include lease rentals for short-term leases, leases of low value assets and variable lease payments. Refer to Note B8 for breakdown of lease expenses and other lease disclosures.

[1] Other consultancies and contract labour includes temporary employment services amounting to $16.2 million (2023: $8.5 million).

[2] Outsourced service delivery consists of externally provided radiology services and outsourced surgical service.

[3] Services received below fair value relates to corporate services support from the Department of Health. An equal amount of revenue is recognised as donations under grants and contributions, refer Note A1-3

Note A2-4: Grants and other contributions

	2024 $'000	2023 $'000
Public hospital support services	**523**	423
Total grants and subsidies	**523**	423

Public hospital support services include grants provided to James Cook University for patient rehabilitation services and The Lead Alliance for community health and risk prevention including blood lead testing and other community programs.

A2 EXPENSES (Continued)

Note A2-5: Other expenses

	2024 $'000	2023 $'000
Insurance	**1,764**	1,744
Professional Services	**1,845**	590
Other	**877**	343
Legal costs	**217**	292
External audit fees	**179**	171
Net loss from disposal of property, plant and equipment	**363**	106
Advertising - recruitment	**62**	103
Other audit fees	**117**	94
Inventory written off	**115**	83
Special payments	**3**	38
Total other expenses	**5,542**	3,564

Total audit fees paid or payable to the Queensland Audit Office in the 2023-24 financial year was $0.179 million (2023: $0.171 million). There are no non-audit services included in these amounts.

The HHS's non-current physical assets and other risks are insured through the Queensland Government Insurance Fund (QGIF), premiums being paid on a risk assessment basis.

Certain losses of public property are insured with the QGIF. Upon notification by QGIF of the acceptance of the claims, revenue will be recognised for the agreed settlement amount and disclosed as Other Revenues.

B NOTES ABOUT OUR FINANCIAL POSITION

This section provides information on the assets used in the operation of North West HHS 's service and the liabilities incurred as a result.

B1 CASH AND CASH EQUIVALENTS

	2024 $'000	2023 $'000
Cash at bank and on hand	**1,897**	3,407
Queensland Treasury Corporation cash fund	**275**	265
Total cash and cash equivalents in the statement of cash flows	**2,172**	3,672

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits at call with financial institutions.

North West HHS's bank accounts are grouped with the whole of Government set-off arrangement with Commonwealth Bank of Australia. As a result, North West HHS does not earn interest on surplus funds. Interest earned on the aggregate set-off arrangement balance accrues to the Consolidated Fund.

Overdraft Facility

North West HHS has approval from Queensland Treasury to operate bank accounts in overdraft up to a limit of $2.5 million in 2023-2024 (2022-2023: $2.5 million). This overdraft facility utilised amount is nil at 30 June 2024 (2023: nil).

B2 RECEIVABLES

Note B2-1: Receivables

	2024 $'000	2023 $'000
Trade receivables	**5,743**	1,922
Payroll receivables	**12**	-
Less: Loss allowance	**(516)**	(365)
	5,239	1,557
GST input tax credits receivable	**798**	740
GST payable	**(28)**	(56)
	770	684
Total receivables	**6,009**	2,241

Receivables are measured at amortised cost, which approximates their fair value at reporting date. Trade receivables are initially recognised at the amount invoiced to customers for services provided with settlement being 30 days from invoice date. Other receivables generally arise from transactions outside the usual operating activities of the HHS and are recognised at their assessed values. Receivables includes end of year funding accrual of $4.036 million (2023: $0.115 million).

Disclosure – Credit Risk Exposure of Receivables

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets inclusive of any provisions for impairment.

North West HHS assesses whether there is objective evidence that receivables are impaired or uncollectible on an ongoing basis. Objective evidence includes financial difficulties of the debtor, the class of debtor, changes in debtor credit ratings and default or delinquency in payments (more than 60 days overdue). When there is evidence that an amount will not be collected it is provided for and then written off. If receivables are subsequently recovered the amounts are credited against other expenses in the statement of comprehensive income when collected.

North West HHS uses a provision matrix to calculate percentages based on historical credit loss experience, adjusted by current conditions and forward-looking data to calculate the expected credit losses.

The individually impaired receivables mainly relate to Medicare ineligible patients without insurance.

Disclosure – Receivables

The closing balance of receivables arising from contracts with customers at 30 June 2024 is $5.2 million (2023: $1.557 million).

B2 RECEIVABLES (Continued)

Note B2-2: Expected Credit Loss

	2024			2023		
	Gross receivables	Loss rate	Expected credit loss	Gross receivables	Loss rate	Expected credit loss
	$'000	%	$'000	$'000	%	$'000
Ineligible patients	**163**	**57.86%**	**94**	**241**	**94.19%**	**227**
Inpatient	**343**	**72.57%**	**249**	**251**	**47.01%**	**118**
Outpatient	**60**	**20.51%**	**12**	**138**	**14.49%**	**20**
Other	**1,141**	**14.02%**	**161**	**1,177**	**0.00%**	**-**
Other - Dept of Health	**4,036**	**0.00%**	**-**	**115**	**0.00%**	**-**
Total	**5,743**		**516**	**1,922**		**365**

Note B2-3: Impairment of Receivables

	2024	2023
	$'000	$'000
Balance at beginning of the financial year	**365**	231
Amounts written-off during the year	**(163)**	(11)
Increase in allowance recognised in operating result	**314**	145
Balance at the end of the financial year	**516**	365

B3 INVENTORIES

	2024	2023
	$'000	$'000
Clinical supplies and equipment	**1,559**	1,412
Other	**16**	10
Total inventories	**1,575**	1,422

Inventories consist mainly of clinical supplies and pharmaceuticals held for distribution to hospital and health service facilities. Inventories are measured at weighted average cost, adjusted for obsolescence. Unless material, inventories do not include supplies held for ready use in the wards throughout the hospital and health service facilities.

B4 OTHER ASSETS

	2024	2023
	$'000	$'000
Current		
Other prepayments	**407**	360
Contract assets	**1,512**	3,255
	1,919	3,615
Non-Current		
Other prepayments	**65**	199
	65	199
Total other assets	**1,984**	3,814

Disclosure – Contract Assets

Contract assets arise from contracts with customers and are transferred to receivables when North West HHS's right to payment becomes unconditional. This usually occurs when the invoice is issued to the customer. Accrued revenue that does not arise from contracts with customers is reported as part of other significant changes in contract assets balances during the year.

B5 PROPERTY, PLANT AND EQUIPMENT

Note B5-1: Balances and reconciliation of carrying amounts

	Land (at fair value) $'000	Buildings (at fair value) $'000	Plant and equipment (at cost) $'000	Capital works in progress (at cost) $'000	Total $'000
Year ended 30 June 2023					
Opening net book value	2,767	116,108	9,040	1,999	129,914
Acquisitions	-	-	4,121	9,241	13,362
Disposals	-	-	(71)	-	(71)
Revaluation increments	26	3,907	-	-	3,933
Transfer of assets from Department of Health	-	-	118	-	118
Transfer of assets between asset classes	-	7,096	-	(7,096)	-
Donated Assets	-	-	18	-	18
Depreciation expense	-	(9,592)	(1,703)	-	(11,295)
Carrying amount at 30 June 2023	2,793	117,519	11,523	4,144	135,979
At 30 June 2023					
At cost/fair value	2,793	351,247	24,459	4,144	382,643
Accumulated depreciation	-	(233,728)	(12,936)	-	(246,664)
	2,793	117,519	11,523	4,144	135,979
Year ended 30 June 2024					
Opening net book value	**2,793**	**117,519**	**11,523**	**4,144**	**135,979**
Acquisitions	**-**	**275**	**2,136**	**18,035**	**20,446**
Disposals	**-**	**-**	**(416)**	**-**	**(416)**
Revaluation (decrements)/increments	**(49)**	**10,631**	**-**	**-**	**10,582**
Transfer of assets between asset classes	**-**	**486**	**96**	**(582)**	**-**
Depreciation expense	**-**	**(11,283)**	**(1,922)**	**-**	**(13,205)**
Carrying amount at 30 June 2024	**2,744**	**117,628**	**11,417**	**21,597**	**153,386**
At 30 June 2024					
At cost/fair value	**2,744**	**411,459**	**24,171**	**21,597**	**459,971**
Accumulated depreciation	**-**	**(293,831)**	**(12,754)**	**-**	**(306,585)**
	2,744	**117,628**	**11,417**	**21,597**	**153,386**

Note B5-2: Accounting Policies

Property, Plant and Equipment

Recognition threshold

Items of a capital nature with a cost or other value equal to or more than the following thresholds and with a useful life of more than one year or greater are recognised at acquisition. Items below these values are expensed.

Class	Threshold
Land	$1
Buildings	$10,000
Plant and Equipment	$5,000

Key Judgement:

North West HHS has a comprehensive annual maintenance program for its buildings. Expenditure is only capitalised if it increases the service potential or useful life of the existing asset. Maintenance expenditure that merely restores original service potential (arising from ordinary wear and tear) is expensed.

Acquisition

Actual cost is used for the initial recording of all non-current asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use. Any training costs are expensed as incurred.

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

B5 PROPERTY, PLANT AND EQUIPMENT (Continued)

Componentisation of complex assets

Complex assets comprise separately identifiable components (or groups of components) of significant value, that require replacement at regular intervals and at different times to other components comprising the complex asset.

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

When a separately identifiable component (or group of components) of significant value is replaced, the existing component(s) is derecognised. The replacement component(s) are capitalised when it is probable that future economic benefits from the significant component will flow to North West HHS in conjunction with the other components comprising the complex asset and the cost exceeds the asset recognition thresholds specified above.

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

North West HHS's complex assets are its special purpose buildings.

Subsequent measurement

Land and buildings are subsequently measured at fair value as required by *AASB 116 Property, Plant and Equipment, AASB 13 Fair Value Measurement* and Queensland Treasury's Non -Current Asset Policies for the Queensland Public Sector. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and accumulated impairment losses where applicable. The cost of items acquired during the financial year has been judged by management to materially represent their fair value at the end of the reporting period.

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

Depreciation

Property, plant and equipment is depreciated on a straight-line basis progressively over its estimated useful life to the HHS. Land is not depreciated. Assets under construction (work-in-progress) are not depreciated until they are ready for use.

Key Estimate – Management estimates the useful lives and residual values of property, plant and equipment based on the expected period of time over which economic benefits from use of the asset will be derived. Management reviews useful life assumptions on an annual basis having considered variables including historical and forecast usage rates, technological advancements and changes in legal and economic conditions. North West HHS has assigned nil residual values to all depreciable assets. Any consequential adjustments to remaining useful life estimates are implemented prospectively.

For each class of depreciable assets, the following useful lives were used:

Class	Useful Life
Buildings	26 – 88 years
Plant and Equipment	5 – 30 years

Impairment

Key Judgement and Estimate: All property, plant and equipment assets are assessed for indicators of impairment on an annual basis or, where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed. Where indicators of a material change in fair value or service potential since the last valuation arise, the asset is revalued at the reporting date under AASB 13 *Fair Value Measurement*. If an indicator of possible impairment exists, the HHS determines the asset's recoverable amount under AASB 136 *Impairment of Assets*. Recoverable amount is equal to the higher of the fair value less costs of disposal and the asset's value in use subject to the following:

- As a not-for-profit entity, certain property, plant and equipment of the HHS is held for the continuing use of its service capacity and not for the generation of cash flows. Such assets are typically specialised in nature. In accordance with AASB 136, where such assets measured at fair value under AASB 13, that fair value (with no adjustment for disposal costs) is effectively deemed to be the recoverable amount. Therefore, AASB 136 does not apply to such assets unless they are measured at cost.
- For other non-specialised property, plant and equipment measured at fair value, where indicators of impairment exist, the only difference between the asset's fair value and its fair value less costs of disposal is the incremental costs attributable to the disposal of the asset. Consequently, the fair value of the asset determined under AASB 13 will materially approximate its recoverable amount where the disposal costs attributable to the asset are negligible. After the revaluation requirements of AASB 13 are first applied to these assets, applicable disposal costs are assessed and, in the circumstances where such costs are not negligible, further adjustments to the recoverable amount are made in accordance with AASB 136.

For all other remaining assets measured at cost, recoverable amount is equal to the higher of the fair value less costs of disposal and the asset's value in use.

Value in use is equal to the present value of the future cash flows expected to be derived from the asset, or where the HHS no longer uses an asset and has made a formal decision not to reuse or replace the asset, the value in use is the present value of net disposal proceeds.

B5 PROPERTY, PLANT AND EQUIPMENT (Continued)

Impairment (Continued)

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

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Note B5-3: Valuation

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every five years. However, if a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practical, regardless of the timing of the last specific appraisal.

In the intervening years, North West HHS uses appropriate publicly available cost indices for the region and asset type to form the basis of a management valuation for relevant asset classes in addition to management's engagement of independent, professionally qualified valuers to perform a "desktop" valuation. A desktop valuation involves management providing updated information to the valuer regarding additions, deletions and changes in key assumptions. The valuer then determines suitable indices which are applied to each asset class.

On revaluation, for assets revalued using a cost valuation approach (e.g. current replacement cost) - accumulated depreciation is adjusted to equal the difference between the gross amount and carrying amount, after taking into account accumulated impairment losses. This is generally referred to as the 'gross method'. For assets revalued using a market or income-based valuation approach - accumulated depreciation and accumulated impairment losses are eliminated against the gross amount of the asset prior to restating for the revaluation. This is generally referred to as the 'net method'.

In determining the values reported in the accounts for North West HHS land and buildings we have relied on the information provided by the independent valuers.

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

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

All assets and liabilities of North West HHS for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- Level 1: represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;

- Level 2: represents fair value measurements that are substantially derived from inputs (other than quoted prices included in level 1) that are observable, either directly or indirectly; and

- Level 3: represents fair value measurements that are substantially derived from unobservable inputs.

Land Component

AECOM were engaged to perform a indexation revaluation for movements in fair value, as at 30 June 2024, related to land assets controlled by North West HHS. AECOM outsourced this work to McGees Property.

Level 2 input evidence is available for 12 North West HHS properties and therefore the market comparison approach has been utilised to assess the value of freehold land owned by North West HHS. Four of the assessments were considered Level 3 however Level 2 market input is considered appropriate methodology in active markets for similar assets or liabilities, with the value adjusted to reflect the assumption of risk, rarely traded restrictive zoning and non freehold tenure characteristics that market participants would use when pricing the asset or liability.

Under this approach, properties have been directly compared to recent sales evidence, after first making appropriate adjustments for variations in:

- shape
- location
- land area
- topography and
- planning.

In Burketown, McKinlay, Doomadgee and Mornington Island, where the leasehold land is held by the local Council on behalf of the Queensland Government and leased to various users, including North West HHS, no value has been attributed to land due to the absence of any interest/tenure to North West HHS.

B5 PROPERTY, PLANT AND EQUIPMENT (Continued)

Building Component

North West HHS engaged AECOM to provide a comprehensive revaluation for movements in seven (7) of one hundred and twenty (120) building values in 2023-24 financial year. The seven (7) buildings renovated in 2024 were comprehensively revalued by AECOM as at 30 June 2024, using a cost valuation approach based on gross replacement cost.

The assessment of physical deterioration, functional (technical)/economic (external) obsolescence and remaining economic life of the Buildings has been assessed on an elemental basis in accordance with the schedule of Building Elements published by the Australian Institute of Quantity Surveyors.

The age of Buildings and the elements within them has been based upon site inspections, interviewing site personnel and a review of the documents that has been made available. The remaining effective lives of Buildings have been based on the valuer's professional opinion, discussions with North West HHS personnel, industry available information and schedules of effective lives published in Australian Tax Rulings.

The Gross Replacement Cost has been based on the building as it stands today and does not include any design upgrades in accordance with current building standards. An allowance for builder's preliminaries, profit and professional fees has been included. Allowan ces for additional costs due to remote locations has also been considered and incorporated.

North West HHS has classified land and buildings into the two levels prescribed under the accounting standards.

	Level 2 $'000	Level 3 $'000	Total $'000
2023			
Land	**2,793**	**-**	2,793
Buildings	**-**	**117,519**	117,519
Fair value at 30 June 2023	2,793	117,519	120,312
2024			
Land	**2,744**	**-**	**2,744**
Buildings	**-**	**117,628**	**117,628**
Fair value at 30 June 2024	**2,744**	**117,628**	**120,372**

The following table details a reconciliation of level 3 movements:

	Buildings $'000
Fair value at 30 June 2022	116,108
Transfers in (work-in-progress)	**7,096**
Depreciation	**(9,592)**
Gains recognised in other comprehensive income:	
Increase in asset revaluation reserve	**3,907**
Fair value at 30 June 2023	117,519
Fair value at 30 June 2023	**117,519**
Additions	**275**
Transfers in (work-in-progress)	**486**
Depreciation	**(11,283)**
Gains recognised in other comprehensive income:	
Increase in asset revaluation reserve	**10,631**
Fair value at 30 June 2024	**117,628**

B6 PAYABLES

These amounts represent liabilities for goods and services provided to North West HHS prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade payables and accruals are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

	2024 $'000	2023 $'000
Trade payables	**19,501**	15,997
Contract Liabilities	**3,162**	1,852
Accrued labour - Department of Health	**2,005**	4,006
Other	**772**	79
Total payables	**25,440**	21,934

B7 RIGHT OF USE ASSETS AND LEASE LIABILITIES

Note B7-1: Leases as a lessee - Right-of-use assets

	Buildings $'000	Total $'000
Year ended 30 June 2023		
Opening balance 1 July	3,160	3,160
Additions	3,402	3,402
Depreciation charge for the year	(1,700)	(1,700)
Other adjustments	-	-
Carrying amount at 30 June 2023	4,862	4,862
Year ended 30 June 2024		
Opening balance 1 July	**4,862**	**4,862**
Additions	**4,576**	**4,576**
Disposals	**-**	**-**
Depreciation expense	**(2,262)**	**(2,262)**
Carrying amount at 30 June 2024	**7,176**	**7,176**

Note B7-1: Lease liabilities	2024 $'000	2023 $'000
Current		
Lease liabilities	**2,183**	1,817
Non-current		
Lease liabilities	**4,958**	2,973
Total lease liabilities	**7,141**	4,790

Lease Liability Maturity	2024 $'000	2023 $'000
Not later than one year	**2,182**	1,822
Later than one year and no later than five years	**3,381**	2,413
Later than five years	**1,578**	555
Total lease liabilities	**7,141**	4,790

B7 RIGHT OF USE ASSETS AND LEASE LIABILITIES (Continued)

Accounting policies – Leases as lessee

Right-of-use assets

Right-of-use assets are initially recognised at cost comprising the following:
- the amount of the initial measurement of the lease liability
- lease payments made at or before the commencement date, less any lease incentives received
- initial direct costs incurred, and
- the initial estimate of restoration costs

Right-of-use assets are subsequently depreciated over the lease term and are subject to impairment testing on an annual basis.

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

North West HHS measures right-of-use assets from concessionary leases at cost on initial recognition, and measures all right-of-use assets at cost after initial recognition.

North West HHS has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets. The lease payments are recognised as expenses on a straight-line basis over the lease term. An asset is considered low value where it is expected to cost less than $10,000 when new.

Where a contract contains both a lease and non-lease components such as asset maintenance services, North West HHS allocates the contractual payments to each component on the basis of their stand-alone prices. However, for leases of plant and equipment, North West HHS has elected not to separate lease and non-lease components and instead accounts for them as a single lease component.

Lease liabilities

Lease liabilities are initially recognised at the present value of lease payments over the lease term that are not yet paid. The lease term includes any extension or renewal options that the department is reasonably certain to exercise. The future lease payments included in the calculation of the lease liability comprise the following:
- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the department under residual value guarantees
- the exercise price of a purchase option that the department is reasonably certain to exercise
- payments for termination penalties if the lease term reflects the early termination

When measuring the lease liability, North West HHS uses its incremental borrowing rate as the discount rate where the interest rate implicit in the lease cannot be readily determined, which is the case for all North West HHSs leases. To determine the incremental borrowing rate, North West HHS uses loan rates provided by Queensland Treasury Corporation that correspond to the commencement date and term of the lease.

After initial recognition, the lease liabilities are increased by the interest charge and reduced by the amount of lease payments. Lease liabilities are also remeasured in certain situations such as a change in variable lease payments that depend on an index or rate (e.g. a market rent review), or a change in the lease term.

Disclosures – Leases as lessee

(i) Office accommodation, employee housing and motor vehicles

The Department of Housing, Local Government, Planning and Public Works (DHLPPW) provides the department with access to office accommodation, employee housing and motor vehicles under government-wide frameworks. These arrangements are categorised as procurement of services rather than as leases because DHLPPW has substantive substitution rights over the assets. The related service expenses are included in Note A2-3.

Buildings – North West Hospital and Health Service (North West HHS) enters into residential lease contracts with real estate agents or individual house owners to provide rural and remote housing assistance to attract employees in isolated areas.

Office accommodation - Effective 1 July 2019, the internal-to-government leases for office accommodation and storage facilities through the Department of Housing, Local Government, Planning and Public Works (DHLPPW) are exempt from lease accounting under AASB 16. This is due to DHLPPW having substantive substitution rights over the non-specialised, commercial office accommodation assets used within these arrangements. North West HHS has adopted Queensland Treasury's guidelines to categorise these leases as purchases of accommodation services and expenses are recorded as building services in this note and are no longer reported as noncancellable lease commitments.

B7 RIGHT OF USE ASSETS AND LEASE LIABILITIES (Continued)

(ii) Amounts recognised in profit or loss

	2024 $'000	2023 $'000
Interest expense on lease liabilities	**319**	91
Breakdown of 'Lease expenses' included in Note A2-3		
Expenses relating to short-term and low value leases	**4,170**	3,871

B8 ASSET REVALUATION SURPLUS BY CLASS

	2024 $'000	2023 $'000
Land		
Balance at the beginning of the financial year	**124**	98
Revaluation (decrements)/increments	(49)	26
	75	124
Buildings		
Balance at the beginning of the financial year	**46,568**	42,661
Revaluation increments	10,631	3,907
	57,199	46,568
Balance at the end of the financial year	**57,274**	46,692

C NOTES ABOUT RISKS AND OTHER ACCOUNTING UNCERTAINTIES

C1 FINANCIAL RISK MANAGEMENT

North West HHS is exposed to a variety of financial risks – credit risk, liquidity risk and market risk. North West HHS holds the following financial instruments by category:

	Note	2024 $'000	2023 $'000
Financial assets			
Cash and cash equivalents	B1	**2,172**	3,672
Financial assets at amortised cost:			
Receivables	B2	**6,009**	2,241
Total		**8,181**	5,913
Financial liabilities			
Bank overdraft		**-**	-
Financial liabilities at amortised cost:			
Payables	B6	**25,440**	21,934
Lease liabilities	B7	**7,141**	4,790
Total		**32,581**	26,724

(a) Credit Risk

Credit risk is the potential for financial loss arising from a counterparty defaulting on its obligations. The maximum exposure to credit risk at balance date is equal to the gross carrying amount of the financial asset, inclusive of any allowance for impairment. The carrying amount of financial assets, which are disclosed in more detail in notes B1 and B2, represent the maximum exposure to credit risk at the reporting date.

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

There are no significant concentrations of credit risk.

Overall credit risk is considered minimal.

(b) Liquidity risk

Liquidity risk is the risk that North West HHS will not have the resources required at a particular time to meet its obligations to settle its financial liabilities.

North West HHS is exposed to liquidity risk through its trading in the normal course of business. North West HHS aims to reduce the exposure to liquidity risk by ensuring that sufficient funds are always available to meet employee and supplier obligations.

Under the whole-of-government banking arrangements, North West HHS has an approved working debt facility of $2.5 million (2023: $2.5 million) to manage any short-term cash shortfalls. This facility was not drawn down as at 30 June 2024 (2023: $nil).

Due to the short-term nature (less than 12 months) of the current payables, their carrying amount is assumed to approximate the total contractual cash flow.

As at 30 June 2024, the North West HHS was in a net current liability position of $16.479 million (2023: $14.926 million) and had an accumulated deficit of $9.266 million (2023: $7.019 million). For the year ended 30 June 2024, the HHS recorded a net operating cash deficit of $2.099 million (2023: cash surplus $4.006 million) and a net operating deficit of $2.244 million (2023: $2.522 million).

The current year operating deficit is due to increasing cost pressures across the workforce, supplies and services as well as increased locum and agency staff from workforce model changes. Expenditure on patient travel including aeromedical retrievals increased by $1.5 million (8.0%) in 2023-24 over the prior year. Other areas of increased expenditure included repairs and maintenance, consultancy services and clinical related labour.

North West HHS are committed to a focus on delivering and meeting clinical service demand in order to meet associated targets. The HHS has arrangements in place with the Department of Health to ensure there is minimal impact on the level of health services delivered and relies on the Department of Health to provide flexibility in cash advances to address short- and medium-term cash shortfalls as they arise. North West HHS is economically dependent on funding received from its Service Agreement with the Department of Health (the Department).

(c) Interest rate risk

North West HHS is exposed to interest rate risk on its cash deposited in interest bearing accounts with Queensland Treasury Corporation.

North West HHS does not undertake any hedging in relation to interest rate risk.

Changes in interest rate have a minimal effect on the operating result of North West HHS.

C1 FINANCIAL RISK MANAGEMENT (Continued)

(d) Fair value measurement

Cash and cash equivalents are measured at fair value. All other financial assets or liabilities are measured at cost less any allowance for impairment, which given the short-term nature of these assets, is assumed to represent fair value.

C2 CONTINGENCIES

Litigation

As at 30 June 2024, there are no cases filed in the courts naming the State of Queensland acting through the North West Hospital and Health Service as defendant (2023: no cases). North West HHS management believe it would be misleading to estimate the final amount payable (if any) in respect of the litigation before the courts at this time. Health litigation is underwritten by the Queensland Government Insurance Fund (QGIF). North West HHS liability in this area is limited to an excess per insurance event. As at 30 June 2024, North West HHS has 13 claims (2023: 12 claims) currently managed by QGIF (some of which may never be litigated or result in payments to claimants). At year end, the maximum exposure to North West HHS associated with these claims is $220,000 ($10,000 for all other policy sections and $20,000 for each medical indemnity insurable event).

C3 COMMITMENTS

	2024 $'000	2023 $'000
No later than 1 year	**1,284**	3,253
Later than 1 year but no later than 5 years	**582**	388
Total	**1,866**	3,641

As at 30 June 2024, North West HHS commitments for the 12 months predominantly included short term rental lease payment of $0.562 million (2023: $2.89 million) and $nil (2023: $nil) rental lease payments due later than one year but no more than 5 years, QFleet vehicle lease payments $0.722 million (2023: $0.363 million) and payments of $0.582 million (2023: $0.388 million) due later than one year but no more than 5 years

Capital Commitments

As at 30 June 2024, North West HHS capital commitment is $1.16M (2023: $1.16 million) for Mornington Island Primary Health Care facility. North West HHS have a further capital commitment of $41.34M funded by the Department of Health for Mount Isa staff accommodation, Pathology upgrades, Medical Ward upgrades and other infrastructure capital commitments.

D KEY MANAGEMENT PERSONNEL

D1 KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of North West HHS, directly or indirectly, including the Minister for Health, Mental Health and Ambulance Services and Minister for Women, Board members and Executive management of North West HHS.

The following details for non-Ministerial key management personnel include those positions that had authority and responsibility for planning, directing, and controlling the activities of North West HHS during the financial year. Further information about these positions can be found in the body of the Annual report under the section relating to Executive Management.

Position	Position Responsibility
Non-executive Director – Board Chair	The North West HHS board is accountable to the local community and the Minister for Health, Mental Health and Ambulance Services and Minister for Women for the services provided by the North West HHS. The Board serves to strengthen local decision making and accountability by promoting local consumer, community and clinician engagement and setting the local health system planning and coordination agenda, including financial management and oversight.
Non-executive Director – Board Member	The North West HHS board is accountable to the local community and the Minister for Health, Mental Health and Ambulance Services and Minister for Women for the services provided by the North West HHS. The Board serves to strengthen local decision making and accountability by promoting local consumer, community and clinician engagement and setting the local health system planning and coordination agenda, including financial management and oversight.
Health Service Chief Executive	Responsible for the overall management of North West HHS through functional areas to ensure the delivery of hospital and health service objectives.
Chief Finance Officer	Responsible for the overall financial management of North West HHS, including budgeting, activity-based funding measurement and departmental relationship management. Also responsible for the delivery of non-clinical support services, include building, engineering and maintenance services, capital infrastructure and contract management.
Chief Operating Officer	Responsible for the overall management of the day-to-day administration and operational functions of North West HHS.
Executive Director, People, Culture and Planning	Responsible for all strategic, tactical, and operational strategy and service delivery, including Workforce and Organisational Planning, Recruitment, Talent Management, Organisational Development, Workforce Diversity, Employee Relations, Safety and Wellbeing and Human Resource operations and statutory compliance.
Executive Director Medical Services	Responsible for the overall management and coordination of clinical operational and medical services for the health service.
Executive Director Nursing, Midwifery and Clinical Governance	Responsible for the professional leadership of nursing services for the Mount Isa and remote Hospitals and clinical governance for the health service.
Executive Director, Aboriginal and Torres Strait Islander Health Services	Responsible for transforming the HHS services to improve the health outcomes of Aboriginal people through building strong partnerships.
Chief Information Officer, Rural and Remote	Responsible for the operational and strategic leadership of the eHealth and Communication Technology portfolio within rural and remote hospital and health services. The role is hosted by ehealth Queensland and proportionally on-charged to each of the rural and remote hospital and health services.
Executive Director Allied Health	Responsible for clinical governance and professional leadership, direction and education of allied health services.
Executive Director Remote Health Services	Responsibile for delivering effective and efficient services of all clinical and non-clinical services and resources within the portfolio.

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

D1 KEY MANAGEMENT PERSONNEL (Continued)

The Governor in Council approves the remuneration arrangements for Hospital and Health Board Chair, Deputy Chair and Members. The Chair, Deputy Chair and Members are paid an annual salary consistent with the Government policy titled: *Remuneration of Part-time Chairs and Members of Government Boards, Committees and Statutory Authorities.*
Remuneration of other Key Management Personnel comprises the following components:

- Short-term employee benefits which include:
  - ***Base –*** consisting of base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the statement of comprehensive income
  - ***Non-monetary benefits –*** consisting of provision of housing and vehicle together with fringe benefits tax applicable to the benefit
- Long-term employee benefits include long service leave accrued
- Post-employment benefits include superannuation contributions
- Termination payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu on termination, regardless of the reason for termination.
- There were nil performance bonuses paid in the 2023-24 financial year (2022-23: $nil).

2024

Name	Short-term benefits		Long term benefits	Post employee benefits	Termination benefits	Total remuneration
	Base	Non-monetary benefits				
	$'000	$'000	$'000	$'000	$'000	$'000
BOARD MEMBERS						
Cheryl Vardon	72	-	-	8	-	**80**
Thomas Armagnacq	45	-	-	7	-	**52**
Cath Brokenborough	44	-	-	7	-	**51**
Linda Ford (to 31 March 2024)	34	-	-	5	-	**39**
Marco Giuseppin	45	-	-	7	-	**52**
David Keenan (to 31 March 2024)	31	-	-	5	-	**36**
Jane McMillan (to 31 March 2024)	34	-	-	5	-	**39**
Eleanor Milligan	44	-	-	7	-	**51**
Mellissa Naidoo	40	-	-	7	-	**47**
Fiona Hill	38	-	-	5	-	**43**
Anne Pleash (from 1 April 2024)	9	-	-	2	-	**11**
Steven Renouf (from 1 April 2024)	9	-	-	2	-	**11**
Loretta Seamer (from 1 April 2024)	9	-	-	2	-	**11**
EXECUTIVE MEMBERS						
Sean Birgan	336	39	7	38	-	**420**
Theodore Chamberlain	492	36	12	65	-	**605**
Michelle Garner (to 28 November 2023)	134	35	3	18	67	**258**
Elyse Mugridge (16 to 31 May 2024)	15	20	-	1	-	**36**
Christine Mann	182	-	4	21	-	**207**
Karen Slater (from 21 June 2024)	17	1	-	2	-	**20**
Tanya Mason	218	16	5	27	-	**266**
Sylvie Brdjanovic	193	23	4	28	-	**248**
Anthony Bell (from 29 January 2024)	463	19	11	37	-	**530**
Helen Murray	30	15	-	-	-	**45**
Andrew Quabba (from 24 July 2023)	218	12	5	22	-	**257**
Clare Newton (from 8 April 2024)	58	-	1	7	-	**66**

D1 KEY MANAGEMENT PERSONNEL (Continued)

2023

Name	Short-term benefits		Long term benefits	Post employee benefits	Termination benefits	Total remuneration
	Base	Non-monetary benefits				
	$'000	$'000	$'000	$'000	$'000	$'000
BOARD MEMBERS						
Cheryl Vardon	72	-	-	8	-	**80**
Thomas Armagnacq	42	-	-	6	-	**48**
Cath Brokenborough	41	-	-	4	-	**45**
Linda Ford	41	-	-	5	-	**46**
Marco Giuseppin	43	-	-	5	-	**48**
David Keenan	41	-	-	4	-	**45**
Jane McMillan	43	-	-	7	-	**50**
Eleanor Milligan	44	-	-	5	-	**49**
Mellissa Naidoo	41	-	-	4	-	**45**
Fiona Hill (from 1 December 2022)	20	-	-	2	-	**22**
EXECUTIVE MEMBERS						
Craig Carey (to 20 January 2023)	306	-	3	13	-	**322**
Sean Birgan (from 6 July 2022)	278	48	6	23	-	**355**
Michelle Garner	238	47	5	20	-	**310**
Troy Lane	80	-	2	8	-	**90**
Christine Mann	146	-	3	17	-	**166**
Jessie Henderson (to 14 May 2023)	189	-	4	14	-	**207**
Tanya Mason (from 2 May 2023)	35	2	1	4	-	**42**
Sylvie Brjdanovic	198	30	5	17	-	**250**
Theodore Chamberlain (from 10 October 2022)	561	26	12	42	-	**641**
Anthea Woodcock (from 9 October 2022)	366	28	9	27	-	**430**
Helen Murray	29	-	-	-	-	**29**

Board sub-committee remuneration

During the course of the financial year, an administrative error resulted in Board sub-committee members being paid in excess of remuneration rates approved by Payroll Transactional Services, Corporate Services Division by $30,357 relating to the period from 27 May 2022 to 30 April 2024. No amount has been recognised at balance date in respect of the overpayment. A receivable will be raised in FY25 to recover the overpayment from the Board sub-committee members.

D2 RELATED PARTY TRANSACTIONS

Transactions with Queensland Government controlled entities

North West HHS is controlled by its ultimate parent entity, the State of Queensland. All State of Queensland controlled entities meet the definition of a related party in AASB 124 Related Party Disclosures.

Department of Health

North West HHS receives funding in accordance with a service agreement with the Department of Health.

The funding from Department of Health is provided predominantly for specific public health services purchased by the Department from North West HHS in accordance with a service agreement between the Department and North West HHS. The service agreement is reviewed periodically and updated for changes in activities and prices of services delivered by HHS.

D2 RELATED PARTY TRANSACTIONS (Continued)

The signed service agreements are published on the Queensland Government website and publicly available. The 2023-24 service agreement was for $263.9 million (2022-23 $228.77 million).

In addition to the provision of corporate services support (refer Note A2-2 and A2-3), the Department of Health provides a number of services including, pathology testing, pharmaceutical drugs, clinical supplies, patient transport, telecommunications and technology services. These services are provided on a cost recovery basis. In 2023-24, these services totalled $26.09 million (2023: $20.73 million).

Queensland Treasury Corporation

Under the whole-of-government banking arrangements, North West HHS has an approved working debt facility with Queensland Treasury Corporation of $2.5 million. The facility was not drawndown at 30 June 2024. North West HHS have accounts with the Queensland Treasury Corporation for general trust monies.

Department of Housing, Local Government, Planning and Public Works

North West HHS pays rent to the Department of Housing, Local Government, Planning and Public Works for a number of properties. In addition, North West HHS provides property maintenance for Department of Housing, Local Government, Planning and Public Works on a fee for service arrangement.

Payment to and Receipts from other HHS's

Payments to and receipts from other HHSs occur to facilitate the transfer of patients, drugs, staff and other incidentals.

Western Queensland Primary Care Collaborative

North West HHS received $0.140 million for the General Practice Liaison Officer. The full amount was fully spent at 30 June 2024. In 2023-24 North West HHS utilised funds rolled over from prior year to fund the General Practice Liaison Officer position.

Transactions with other related parties

There are no other individually significant or collectively significant transactions with related parties.

E OTHER INFORMATION

E1 PATIENT TRUST FUNDS

North West HHS acts in a fiduciary trust capacity in relation to patient trust accounts. Consequently, these transactions and balances are not recognised in the financial statements but are disclosed below for information purposes. Although patient funds are not controlled by North West HHS, trust activities are included in the audit performed annually by the Auditor-General of Queensland.

	2024 $'000	2023 $'000
Patient trust funds		
Opening balance	**6**	6
Patient fund receipts	**-**	4
Patient fund related payments	**-**	(4)
Closing balance (represented by cash)	**6**	6

E2 TAXATION

North West HHS is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation except for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only Commonwealth taxes recognised by North West HHS.

Both North West HHS and the Department of Health satisfy section 149-25(e) of the *A New Tax System (Goods and Services) Act 1999 (Cth)* (the GST Act) and were able, with other hospital and health services, to form a "group" for GST purposes under Division 149 of the GST Act. This means that any transactions between the members of the "group" do not attract GST.

E3 ENTITY ACCOUNTING ESTIMATES AND JUDGEMENTS – CLIMATE-RELATED RISKS

The State of Queensland, as the ultimate parent of North West HHS has published a wide range of information and resources on climate related risks, stratefies and actions accessible via https://www.energyandclimate.qld.gov.au/climate.

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

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

North West HHS continues to monitor the emergence of material climate-related risks that may impact the financial statements of the department, including those arising under the Queensland Government Climate Action Plan 2020-2030 and other Government publications or directives.

E4 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN ACCOUNTING POLICY

Changes in accounting policy

North West HHS did not voluntarily change any of its accounting policies during 2023-24. No accounting standards have been implemented during 2023-24 Financial year that has had a material impact on the financial statements.

Accounting Standards early adopted for 2023-24

There have been no Australian Accounting Standards early adopted for 2023-24.

E5 FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE

At the date of authorisation of the financial report, no new standards are applicable or unlikely to have a material impact on North West HHS.

E6 SUBSEQUENT EVENTS

Up to the date of signing there are no matters or circumstances that have arisen since 30 June 2024 that have significantly affected or may significantly affect North West HHS's operations, the results of those operations, or the HHS's state of affairs in future financial years.

E7 IMPACT OF COVID-19 ON FINANCIAL REPORTING

E7-1 COVID-19 Financial Statement Disclosures

The following significant transactions were recognised by North West Hospital and Health Services during the period July 2023 to December 2023 in response to the COVID-19 pandemic.

	2024 $'000	2023 $'000
Significant Expense transactions arising from COVID-19		
COVID-19 Response	-	595
COVID-19 Vaccination Program	-	29
	-	624

Under the National Partnership Agreement (NPA) funding for the COVID-19 response is provided 50% by the Commonwealth and 50% by the State Government. Only expenditure that meets the definitions outlined in the NPA qualifies for reimbursement. Total COVID-19 response funding received by North West HHS during the 2023-24 financial year was nil (2023: $0.595 million) reimbursements related to COVID-19 ceased in December 2023, with adjustments to the base price utilised to subsidise the increased cost of services for these patients. During 2023-24 financial year there was $15k received for COVID test reimbursements.

F BUDGETARY REPORTING DISCLOSURES

a) Statement of comprehensive income

	Note	Actual 2024 $'000	Budget 2024 $'000	Variance $'000	Variance %
Income					
User charges and fees		**9,418**	**9,502**	(84)	(1%)
Funding for public health services	a	**255,950**	**227,590**	28,360	12%
Grants and other contributions		**2,987**	**4,498**	(1,511)	(34%)
Other revenue	b	**4,470**	**1,117**	3,353	300%
Total income		**272,825**	**242,707**	30,118	
Expenses					
Employee expenses	c	**29,590**	**30,682**	(1,092)	(4%)
Health service employee expenses		**118,551**	**112,129**	6,422	6%
Other supplies and services	d	**105,077**	**82,478**	22,599	27%
Grants and subsidies		**523**	**423**	100	24%
Depreciation and amortisation	e	**15,467**	**12,682**	2,785	22%
Interest on lease liabilities		**319**	**-**	319	0%
Other expenses		**5,542**	**4,313**	1,229	28%
Total expenses		**275,069**	**242,707**	32,362	
Operating result		**(2,244)**	**-**	(2,244)	
Other comprehensive income					
Items that will not be subsequently reclassified to operating result					
Increase/(decrease) in asset revaluation surplus	f	**10,582**	**-**	10,582	0%
Total other comprehensive income		**10,582**	**-**	10,582	
Total comprehensive income		**8,338**	**-**	8,338	

b) Statement of financial position

	Note	Actual 2024 $'000	Budget 2024 $'000	Variance $'000	Variance %
Current assets					
Cash and cash equivalents	g	**2,172**	**1,149**	1,023	89%
Receivables	**h**	**6,009**	**2,269**	3,740	165%
Inventories		**1,575**	**1,676**	(101)	(6%)
Other		**1,919**	**833**	1,086	130%
Total current assets		**11,675**	**5,927**	5,748	
Non-current assets					
Property, plant and equipment	i	**153,386**	**127,927**	25,459	20%
Right-of-use assets	j	**7,176**	**1,670**	5,506	330%
Other		**65**	**300**	(235)	(362%)
Total non-current assets		**160,627**	**129,897**	30,730	
Total assets		**172,302**	**135,824**	36,478	
Current Liabilities					
Payables	k	**25,440**	**18,745**	6,695	36%
Lease liabilities	l	**2,183**	**2,852**	(669)	(23%)
Accrued employee benefits		**517**	**363**	154	42%
Other		**14**	**862**	(848)	(98%)
Total current liabilities		**28,154**	**22,822**	5,332	
Non-Current Liabilities					
Lease liabilities	l	**4,958**	**871**	4,087	469%
Total non-current liabilities		**4,958**	**871**	4,087	
Total liabilities		**33,112**	**23,693**	**9,419**	
Net assets		**139,190**	**112,131**	27,059	
Equity					
Contributed equity	m	**91,182**	**71,219**	19,963	28%
Accumulated deficit		**(9,266)**	**(9,790)**	524	(5%)
Asset revaluation surplus	n	**57,274**	**50,702**	6,572	13%
Total equity		**139,190**	**112,131**	27,059	

c) Statement of cash flows

	Note	Actual 2024 $'000	Budget 2024 $'000	Variance $'000	Variance %
Cash flows from operating activities					
Inflows:					
User charges, fees and funding for public health	o	**249,758**	**236,887**	12,871	5%
Grants and other contributions		**1,514**	**3,037**	(1,523)	(50%)
GST collected from customers		**469**	**-**	469	0%
GST input tax credits from ATO		**8,144**	**4,231**	3,913	92%
Donated Assets		**78**	**-**	78	0%
Other		**4,359**	**1,117**	3,242	290%
Outflows:					
Employee expenses		**(31,039)**	**(30,653)**	(386)	1%
Health service employee expenses		**(120,554)**	**(112,129)**	(8,425)	8%
Supplies and services	p	**(101,024)**	**(81,101)**	(19,923)	25%
Grants and subsidies		**(523)**	**(423)**	(100)	24%
GST paid to suppliers		**(8,202)**	**-**	(8,202)	0%
GST remitted to ATO		**(497)**	**(4,233)**	3,736	(88%)
Other		**(4,582)**	**(2,590)**	(1,992)	77%
Net cash from/(provided by) operating activities		**(2,099)**	**14,143**	(16,242)	
Cash flows from investing activities					
Inflows:					
Sales of property, plant and equipment		**89**	**(2)**	91	(4,551%)
Outflows:					
Payments for property, plant and equipment	q	**(20,446)**	**-**	(20,446)	0%
Net cash from/(used by) investing activities		**(20,357)**	**(2)**	(20,355)	
Cash flows from financing activities					
Inflows:					
Equity injections	r	**23,181**	**1,287**	21,894	1701%
Outflows:					
Lease payments		**(2,225)**	**(259)**	(1,966)	759%
Equity Withdrawals	s	**-**	**(12,682)**	12,682	100%
Net cash from/(used by) financing activities		**20,956**	**(11,654)**	32,610	
Net (decrease)/increase in cash and cash equivalents		**(1,500)**	**2,487**	(3,987)	(160%)
Cash and cash equivalents at the beginning of the financial year		**3,672**	**(1,338)**	5,010	(374%)
Cash and cash equivalents at the end of the financial year		**2,172**	**1,149**	1,023	

Explanation of major variances:

Major variances are variances that are material within the 'Total' line item that the item falls within.

a. The variance to budget mainly relates to additional funding provided through amendments to the Service Agreement with the Department of Health. This included funding for the additional costs associated with enterprise bargaining agreements during the year and additional cashflow funding of $6.0 million received in 2024 from the Department of Health.
b. The increase in other revenue is predominantly due to funding of additional First Nations healthcare funding programs, and greater recoveries for the year.
c. The variance in employee expenses is due to higher employee funding from the Department for remote area incentives and enterprise bargaining agreements, and staff being employed by the Department of Health and charged to North West HHS rather than directly by North West HHS.
d. The variance in other supplies and services is due to the additional services provided to the community that were negotiated during the 2024 financial year causing increases in consultancy and professional services and patient travel expenses.
e. The variance in depreciation and amortisation is due to a change to values in fixed assets and an increase in new leases increasing amortisation or right-of-use assets in staff accommodation.

f. Selected assets were subject to a comprehensive valuation, the majority of assets were revalued on an indexed basis.

g. The variance to budget is predominantly due to additional funding received from the Department and the timing of payroll and creditor payments.

h. The increase mainly relates to receivables from the Department at year end, relating to additional employee expenses associated with enterprise bargaining agreements, various initiatives, and non-capital expenditure.

i. The movement in the property plant equipment is mainly a result of the land and buildings revaluations undertaken by AECOM and McGee's.

j. The budget did not consider new leases or the amortisation of the leases for right of use assets, and the increase in long term staff accommodation as redevelopment of the staff quarters occurs and changes in the workforce model.

k. The budget variance relates to the timing of capital expenditure and programme commencement dates being different from the original budget estimates, increased by $3.6M on prior year.

l. The variance in non-current lease liabilities is offset by the variance in current lease liabilities both relating to Right of Use Leases.

m. The variance to budget relates to the capital investments and at the time the budget could not be reliably determined.

n. The budget did not anticipate an increase in the asset revaluation surplus. The buildings have increased by $10.6 million based on 12% indexation and comprehensive revaluations of some assets as recommended by AECOM Valuers.

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

p. The variance is primarily due to general Consumer Price Index (CPI) increases in supplies and services. Additional expenditure was incurred on clinical supplies, pharmaceuticals, information and communications technology, building and asset services, pathology services, and medical contractors.

q. The variance to budget relates to the capital investments and at the time the budget could not be reliably determined.

r. The variance to budget relates to the reimbursement for capital expenditure and at the time the budget could not be reliably determined.

s. Budget included the depreciation equity withdrawal as a cash flow item. This is a non-cash flow item.

MANAGEMENT CERTIFICATE

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

(a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects;

(b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of North West Hospital and Health Service for the financial year ended 30 June 2024 and of the financial position of the Service at the end of the year.

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

Cheryl Vardon	Sean Birgan
Board Chair	**Health Service Chief Executive**
30/08/2024	30/08/2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of North West Hospital and Health Service

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of North West Hospital and Health Service.

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

In my opinion, the financial report:

a) gives a true and fair view of the entity's financial position as at 30 June 2024, and its financial performance and cash flows for the year then ended; and

b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

Basis for opinion

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

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

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

Key audit matters

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

Valuation of specialised buildings ($117.6 million)

Refer to Note B5 in the financial report.

<table>
<tr><th>Key audit matter</th><th>How my audit addressed the key audit matter</th></tr>
<tr><td>
Buildings are material to North West Hospital and Health Service at balance date and are measured at fair value using the current replacement cost method.
North West Hospital and Health Service performed a comprehensive revaluation of approximately 25% of its building assets across the following locations this year as part of the rolling revaluation program:

Mount Isa
Mornington Island
Cloncurry

Fair value of all other buildings was assessed using relevant indices.
The current replacement cost method comprises:

gross replacement cost, less
accumulated depreciation.

North West Hospital and Health Service derived the gross replacement cost of its buildings at balance date using unit prices that required significant judgements for:

identifying the components of buildings with separately identifiable replacement costs
developing a unit rate for each of these components, including:

estimating the current cost for a modern substitute (including locality factors and oncosts), expressed as a rate per unit (e.g. $/square metre)
identifying whether the existing building contains obsolescence or less utility compared to the modern substitute, and if so estimating the adjustment to the unit rate required to reflect this difference.

The measurement of accumulated depreciation involved significant judgements for determining condition and forecasting the remaining useful lives of building components.
The significant judgements required for gross replacement cost and useful lives are also significant judgements for calculating annual depreciation expense.
Using indexation required:

significant judgement in determining changes in cost and design factors for each asset type since the previous revaluation
reviewing previous assumptions and judgements used in the last comprehensive valuation to ensure ongoing validity of assumptions and judgements used.

</td><td>
My procedures included, but were not limited to:

assessing the adequacy of management's review of the valuation process and results
reviewing the scope and instructions provided to the valuer
assessing the appropriateness of the valuation methodology and the underlying assumptions with reference to common industry practices with support from our internal valuation experts
assessing the appropriateness of the components of buildings used for measuring gross replacement cost with reference to common industry practices
assessing the competence, capabilities and objectivity of the experts used to develop the models
evaluating the appropriateness of the unit rates applied with reference to general market rates and consistency of any changes in rates to relevant external indices
evaluating the relevance and appropriateness of the indices used for changes in cost inputs by comparing to other relevant external indices
evaluating useful life estimates for reasonableness by:

reviewing management's annual assessment of useful lives
at an aggregated level, reviewing asset management plans for consistency between renewal budgets and the gross replacement cost of assets
testing that no building asset still in use has reached or exceeded its useful life
enquiring of management about their plans for assets that are nearing the end of their useful life
reviewing assets with an inconsistent relationship between condition and remaining useful life

where changes in useful lives were identified, evaluating whether the effective dates of the changes applied for depreciation expense were supported by appropriate evidence.

</td></tr>
</table>

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Responsibilities of the entity for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
https://www.auasb.gov.au/auditors_responsibilities/ar6.pdf

This description forms part of my auditor's report.

Report on other legal and regulatory requirements

Statement

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

a) I received all the information and explanations I required.

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

Prescribed requirements scope

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

M. Claydon

30 August 2024

Michael Claydon
as delegate of the Auditor-General

Queensland Audit Office
Brisbane