

NT Health

ANNUAL REPORT

2022-23





Acknowledgement of Traditional Owners, Custodians and Elders

We respectfully acknowledge the Traditional Owners, Custodians and Elders past, present and emerging of the lands and seas on which we work. We show our recognition and respect for Aboriginal people, their culture, traditions and heritage by working towards improving Aboriginal health and wellbeing.

Throughout this report, the term 'Aboriginal' should be taken to include Torres Strait Islander people. The term Aboriginal is used in acknowledgement that Aboriginal people are the original inhabitants of the Northern Territory.

Aboriginal people are advised this report may contain images of deceased Aboriginal people.



Department of HEALTH

Level 8
Manunda Place
38 Cavenagh St, Darwin, NT, 0800Postal address
GPO Box 40596
Casuarina, NT, 0811E officeofthechiefexecutive.doh@nt.gov.au

T 08 8999 2669

Dear Ministers

RE: 2022-23 AGENCY REPRESENTATION LETTER

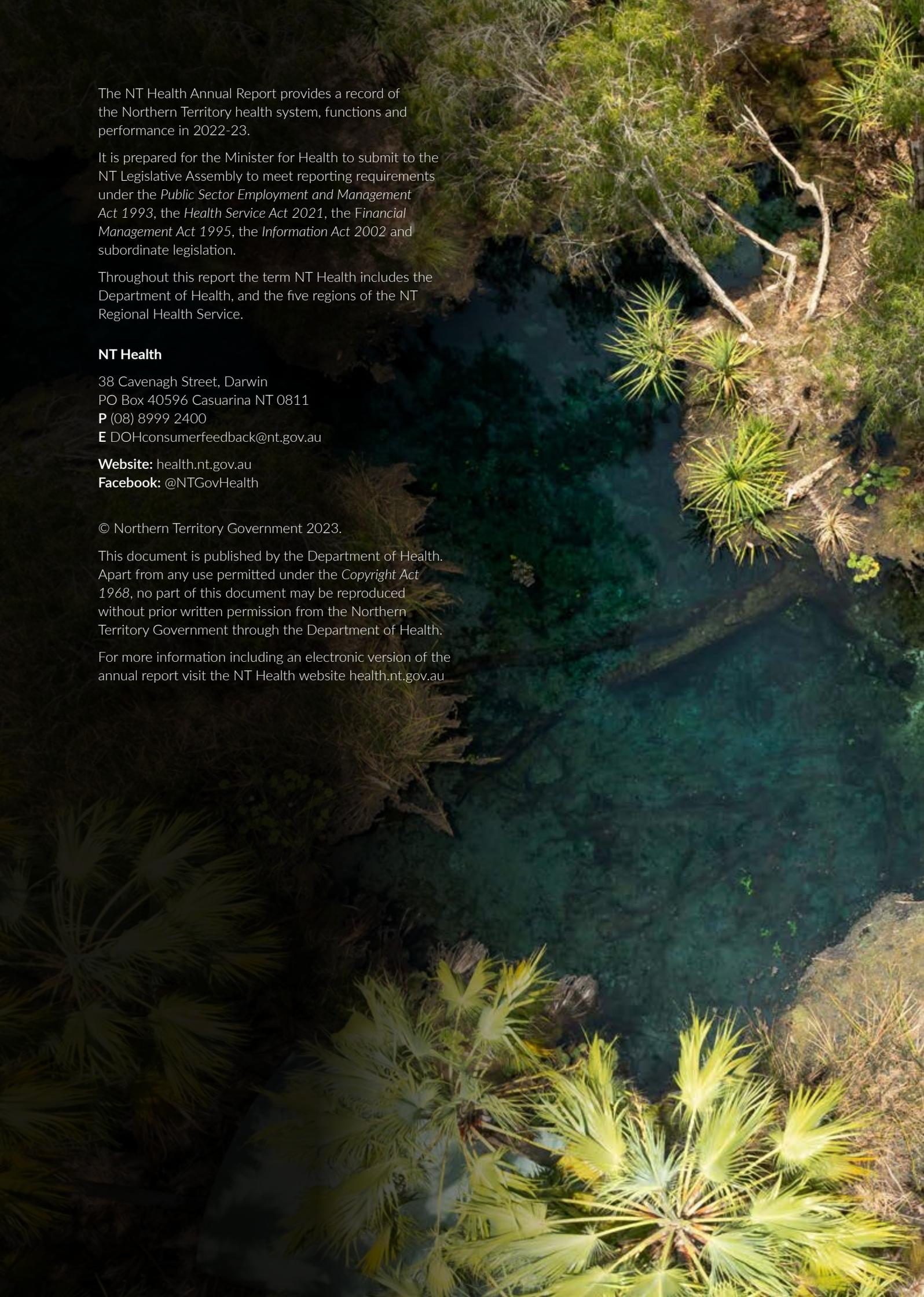
As part of the presentation of the agency's Annual Report, and in accordance with Treasurer's Direction R2.1.6, each accountable officer shall include a representation to the relevant minister that to the best of the accountable officer's knowledge and belief:

- a) proper records of all transactions affecting the agency are kept and that employees under their control observe the provisions of the Financial Management Act 1995, the Financial Management Regulations and Treasurer's Directions
- b) procedures within the agency afford proper internal control and a current description of such procedures is recorded in the accounting and property manual, which has been prepared in accordance with the requirements of the Financial Management Act 1995
- c) no indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from the accounts and records exists (or where this is not the case, details to be provided of any such instances)
- d) in accordance with the requirements of section 15 of the Financial Management Act 1995, the internal audit capacity available to the agency is adequate and the results of internal audits have been reported to the accountable officer
- e) the financial statements included in the annual report have been prepared from proper accounts and records and are in accordance with Treasurer's Directions
- f) reporting required under Employment Instructions issued by the Commissioner for Public Employment has been satisfied.

Yours sincerely

A handwritten signature in black ink, appearing to read "M. Briceno".

Dr Marco Briceno
BMBS, MRCS (England), FACRRM, AFACHSM
Chief Executive
31 August 2023



The NT Health Annual Report provides a record of the Northern Territory health system, functions and performance in 2022-23.

It is prepared for the Minister for Health to submit to the NT Legislative Assembly to meet reporting requirements under the *Public Sector Employment and Management Act 1993*, the *Health Service Act 2021*, the *Financial Management Act 1995*, the *Information Act 2002* and subordinate legislation.

Throughout this report the term NT Health includes the Department of Health, and the five regions of the NT Regional Health Service.

NT Health

38 Cavenagh Street, Darwin
PO Box 40596 Casuarina NT 0811
P (08) 8999 2400
E DOHconsumerfeedback@nt.gov.au

Website: health.nt.gov.au
Facebook: @NTGovHealth

© Northern Territory Government 2023.

This document is published by the Department of Health. Apart from any use permitted under the *Copyright Act 1968*, no part of this document may be reproduced without prior written permission from the Northern Territory Government through the Department of Health.

For more information including an electronic version of the annual report visit the NT Health website health.nt.gov.au

Contents

Chief Executive Officer introduction	04
Part 1: Organisational Overview	06
About us	08
Our locations	10
Our strategic plan	16
Our functions	14
Our legislation	15
Aboriginal cultural security	16
Corporate governance	17
Part 2: Our People	26
Workforce overview	28
Valuing and developing our people	30
Awards and achievements	33
Part 3: Performance Overview	38
Our performance	40
1. Support and develop our workforce	42
2. Promote wellbeing and prevent illness	48
3. Provide high-quality health care that reflects personal and community needs	56
4. Connect service delivery and support systems for a sustainable future	59
COVID-19 response	62
Regional reports	63
National Critical Care and Trauma Response Centre	74
NT Health Financial Statements	76

Chief Executive Officer

Introduction

I am proud to present the 2022-23 Annual Report for NT Health, and my first as Chief Executive.

The Annual Report sets out our achievements over the last year, and highlights the actions we are taking to meet our responsibilities and the needs of our unique community.

Thanks to the hard work of our staff and partners, much has been achieved over the past year, and we have progressed a number of priority projects in 2022-23. We have also had the additional support of two Ministers this year: Hon Natasha Fyles MLA, Minister for Health, and Hon Lauren Moss MLA, Minister for Mental Health and Suicide Prevention.

In December 2022, we released the 2023-28 Strategic Plan, the first since NT Health integration in 2021. The Strategic Plan delivers a clear vision for us over the next five years, structured around four focus areas:

- Support and develop our workforce
- Promote wellbeing and prevent illness
- Provide high quality health care that reflects personal and community needs
- Connect service delivery and support systems for a sustainable future.

As part of the Strategic Plan, we also relaunched our NT Health values: **Safe, Responsive and Kind**. These values are embedded in everything that we do, from decision making to service delivery.

I am particularly pleased to report NT Health:

- transitioned primary health care in Warruwi, Imanpa and Yulara to Aboriginal Community Controlled Health Services
- opened the 2023 NT Health Aboriginal Scholarships scheme
- launched the NT Health Nursing and Midwifery Plan 2023 - 2028
- announced an Expression of Interest for a new residential aged care facility
- celebrated graduates from our Aboriginal Cadetship Program



- awarded a construction tender for Royal Darwin Hospital's new Mental Health Inpatient Unit and Stabilisation Assessment and Referral Area
- welcomed more than 100 graduate nurses and midwives across the Territory
- officially opened the cyclotron facility at Royal Darwin Hospital.

From frontline in our hospitals and clinics to behind the scenes, the work our staff do is wide-reaching, extending across the lifespan and throughout the Territory. Our workforce know their communities, and are best placed to design and deliver health care that works, improving the patient journey and providing equitable standards of care Territory wide.

Our regional achievements include:

Barkly

- Tennant Creek Hospital was awarded the 2022 NT General Practice Education Training Post of the Year 2022, recognising the quality of the teaching program offered to all medical students and doctors at the hospital.
- Dr Sarah Goddard was awarded as Indigenous Doctor of the Year by Australian Indigenous Doctors' Association.

Big Rivers

- Katherine Hospital was the first hospital within NT Health to roll out the Acacia patient administration system. Acacia delivers a single, secure, Territory-wide electronic health record for patients across NT Health services and facilities.
- The Big Rivers Region's Health Leadership Committee was restructured to ensure strategic leadership over each division for the region.

Central

- The Alice Springs Hospital multi-storey car park officially opened in November 2022, providing additional onsite parking for staff and the community. Parking in the facility is free for hospital patients, visitors and staff and includes disabled parking, electric vehicle charging stations and 80 solar panels, demonstrating our commitment to improving sustainability and reducing our impact on the environment.
- In December 2022, Alice Springs opened its Staff Support Services Hub, to revamp recruitment and retention processes post COVID-19 recovery. The Hub ensures a strong customer service focus for potential and new employees, facilitating a smooth and seamless application process and on-boarding.
- Dr Anna Holwell, Head of the Department of Medicine and stroke lead at Alice Springs Hospital has been recognised for her remarkable work at ASH by the Stroke Foundation, winning the prestigious 2023 Stroke Care Champion Award. ASH has become an accredited Stroke Capable Regional Hospital, joining just eight other hospitals across Australia as part of a new certification program designed to improve stroke care.

East Arnhem

- Gove District Hospital celebrated 50 years of service in September 2022.
- The East Arnhem Regional Health Service was a joint winner in the 2022 Chief Minister's Awards for Excellence in the Public Sector for 'Advancing Aboriginal and Community Development' category for the Groote Archipelago Local Decision Making Agreement.

Top End

- A community based treatment team was established for people experiencing an acute mental illness/disorder and/or severe psychological or emotional distress, with clients able to access as a 'step up' or 'step down' service. The service operates extended hours, 7 days a week/365 days a year.
- The \$27 million cyclotron facility at Royal Darwin Hospital opened in May 2023 producing radioisotopes used in the Positron Emission Tomography (PET) scanner for cancer and other scans. This means radioisotopes are now being produced locally in the Territory for the first time. The cyclotron is one of the most powerful of its kind in Australia, improving cancer care services in the Territory, and providing additional types of radiopharmaceuticals in the future, creating access to new scans and treatments not currently available in the NT.

We face significant challenges but recognising accomplishments, both large and small, go a long way to supporting staff and the great work that they do. This past year, we celebrated long-term contribution and commitment of many of our staff through Recognition of Service Milestones, Chief Minister's Awards for Excellence in the Public Sector, Nursing and Midwifery Excellence Awards, and Aboriginal and Torres Strait Islander Health Worker and Practitioner Excellence Awards.

I applaud our staff for their ongoing commitment to Territorians and am proud of the work they do.

By working together and in partnership with individuals, families, the community, Aboriginal health organisations and stakeholders, we continue to deliver on our Strategic Plan focus areas to achieve our vision: Great health for all Territorians.

Dr Marco Briceno
Chief Executive Officer



Part 1

Organisational Overview



About us

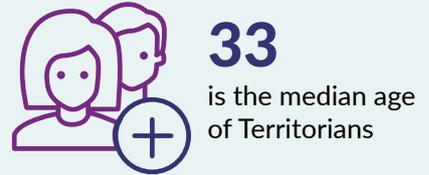
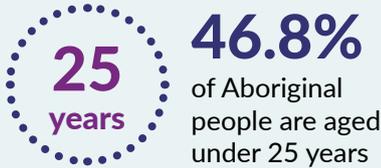
NT Health was established on 1 July 2021 bringing together the Department of Health, the Central Australia Health Service, and the Top End Health Service.

As NT Health, we work together as one system in partnership with individuals, families, the community, Aboriginal health organisations and stakeholders, to provide high-quality, evidence-based, patient-centred care.

NT Health is responsible for an operating budget of \$1.9 billion. We employ 7,366 staff who operate across five regions to provide a full spectrum of essential, quality health services; from health promotion and prevention to treatment, rehabilitation, and palliative care services, across the life course.



Statistics



Our vital signs



Our locations

We strive to provide culturally appropriate, evidence-based, accessible, and close to home care for all Territorians.

NT Health covers



5

regions



6

hospitals



74

health
clinics*

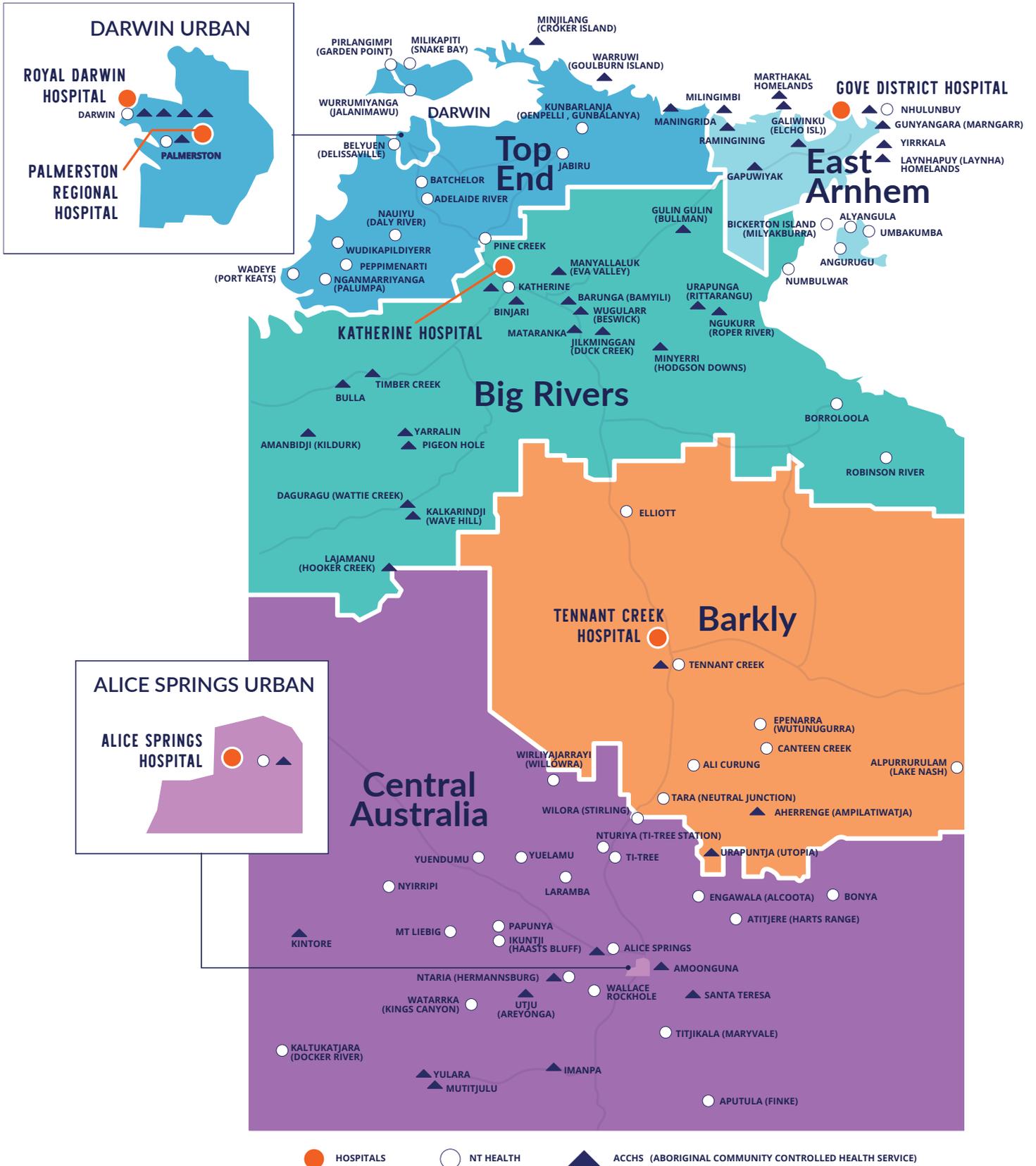


7

corporate
offices

* Located in urban, rural and remote communities and homelands across the Territory. Our dedicated primary and public health teams work to provide outreach services to community centres, remote healthcare clinics and schools.

NT Health service locations



Our strategic plan

The NT Health Strategic Plan 2023-28 reflects our strength as a single integrated health care service and provides a clear vision for service delivery over the next five years.

Our vision

Great health for all Territorians

Our values

Safe | Responsive | Kind



Strategic focus areas



Our outcomes

- 1.1** Improved attraction and retention of our skilled workforce
- 1.2** Our Aboriginal workforce is sustainably increased
- 1.3** We demonstrate a culture where staff feel valued, safe and supported
- 1.4** Provide culturally responsive services – supporting and encouraging culturally safe practice

- 2.1** Territorians' lifetime physical and mental health improves
- 2.2** Partner to build a health promoting environment
- 2.3** Children have the best start in life, from before birth to under five years
- 2.4** Territorians are supported to have healthy lives

- 3.1** Community capability in managing health and wellbeing improves
- 3.2** People have more choice in access to health care
- 3.3** Access to treatment and care that meets individual circumstances
- 3.4** Territorians feel safe in our care

- 4.1** Our governance and financial systems support a sustainable future
- 4.2** Partner to address social determinants, challenges and trends in our community
- 4.3** Enable, incentivise and implement new models of care
- 4.4** We are a learning health system

Our functions

NT Health covers a full spectrum of services from primary care, public health care, and community services to emergency and acute care through our hospitals.

Through our primary health care services, we provide prevention and early intervention treatment, visiting specialist and allied health services, rehabilitation and recovery services. Outreach child, youth and family services, school-based services and prison health and remote morgues are also managed through this function.

Through our public health services, we provide mental health, oral health, hearing health, aged care, alcohol and other drug services, as well as specialist outreach, cancer screening and pathology services. Environmental health, the Centre for Disease Control, and the Sexual Assault Referral Service are also managed through this function.

Through our hospitals, we provide acute care services including 24-hour accident and emergency care, general medicine, general surgery, maternity and child health, mental health, alcohol and other drug services.

Additionally, our hospitals provide 'subacute care' through our Geriatric Evaluation Management Unit, inpatient rehabilitation services, interim aged care and renal services. We take pride in our commitment to providing clinical support, extending outreach to remote health centres, mortuary and general supplies.

Through our corporate services, we provide strategic leadership and funding, system-wide policy development and planning, system governance, performance and accountability, and emergency management support.

In collaboration with the Australian Government, the National Critical Care and Trauma Response Centre (NCCTRC) works to enable the reception and management of local, national, and international victims of disaster. The NCCTRC program ensures an enhanced clinical trauma surge capacity and rapid response capabilities in the event of a critical emergency in the region.



Our legislation

NT Health works within a statutory framework and complies with all Northern Territory and Commonwealth legislation. NT Health has responsibility for the administration of the following Acts and Regulations:

LEGISLATION

- *Alcohol Harm Reduction Act 2017*
- *Cancer (Registration) Act 2009*
- *Disability Services Act 1993 (Parts 3 to 7)*
- *Emergency Medical Operations Act 1973*
- *Food Act 2004*
- *Health Practitioners Act 2004 (except Part 3)*
- *Health Practitioner Regulation (National Uniform Legislation) Act 2010*
- *Health Service Act 2021*
- *Medical Services Act 1982*
- *Medicines, Poisons and Therapeutic Goods Act 2012*
- *Mental Health and Related Services Act 1998 (except part 15)*
- *National Disability Insurance Scheme (Authorisations) Act 2019*
- *National Health Funding Pool and Administration (National Uniform Legislation) Act 2012*
- *Notifiable Diseases Act 1981*
- *Private Hospitals Act 1981*
- *Public and Environmental Health Act 2011*
- *Radiation Protection Act 2004*
- *Surrogacy Act 2022*
- *Termination of Pregnancy Law Reform Act 2017*
- *Tobacco Control Act 2002 (except provisions about smoking in liquor licensed premises, licensing and enforcement)*
- *Transplantation and Anatomy Act 1979*
- *Volatile Substance Abuse Prevention Act 2005*

REGULATIONS

- *Alcohol Harm Reduction Regulations 2017*
- *Cancer (Registration) Regulations 2010*
- *Food Regulations 2014*
- *Medical Services (Traffic, Parking and General Conduct) By-Laws 2017*
- *Medicines, Poisons and Therapeutic Goods Regulations 2014*
- *Mental Health and Related Services Regulations 2009*
- *Public and Environmental Health Regulations 2014*
- *Radiation Protection Regulations 2007*
- *Surrogacy Regulations 2022*
- *Termination of Pregnancy Law Reform Regulations 2017*
- *Tobacco Control Regulations 2002*
- *Volatile Substance Abuse Prevention Regulations 2006*

Aboriginal cultural security

Cultural responsiveness and safety in healthcare remains a matter of great importance. The Aboriginal population in the Northern Territory (NT) constitutes approximately 26.3% of the population, but accounts for approximately 70% of hospitalisations and 90% of remote services.

NT Health is committed to achieving health equity for Aboriginal people and prioritises working with Aboriginal communities to design approaches tailored to their specific needs. We continue to build upon our efforts to recognise and enable Aboriginal leadership and local decision-making processes and are partnering with Aboriginal people to achieve cultural security in the health system by co-developing and co-delivering culturally safe and secure health services.

NT Health has several policies that provide the framework for improving health outcomes and service delivery for Aboriginal Territorians, including the Aboriginal Health Plan and the Aboriginal Cultural Security Framework. We continue to strengthen relationships and connections with Aboriginal Community Controlled Health Organisations to improve local decision-making and engagement in health service provision.

In 2022, we worked closely with Red Lily Health Board to transfer local decision-making for primary health care in Warruwi.

NT Health has collaborated with Central Australian Aboriginal Congress to transition three Health Centres in Central Australia. Imanpa and Yulara Health Centres transitioned on 1 March 2023.

Cultural security is a clinical imperative and must be embedded into systematic business practices. Aboriginal cultural security is fundamental to NT Health delivering safe, quality health care and addressing the health inequity and significant burden of disease experienced by Aboriginal people.

NT Health employs a number of Aboriginal staff who play a key role in closing the health gap by prioritising culturally responsive, safe, holistic and patient-centred care in often challenging circumstances and locations. These staff include Aboriginal Liaison Officers, Aboriginal Health Practitioners and Aboriginal Interpreters to ensure the provision of culturally responsive care for our patients.

The Aboriginal Health and Workforce branch is prioritising significant projects such as the NT Health Equity Review, the mid-term review of the Aboriginal Cultural Security Framework, and the development of Aboriginal Workforce Strategy and Cultural Governance. These initiatives seek to contribute to closing the health gap for Aboriginal Territorians.

Corporate governance

Becoming NT Health

On 1 July 2021, the *Health Service Act 2021* (the Act) commenced establishing NT Health as a single integrated entity responsible for the delivery of health services across the Northern Territory.

The Chief Executive Officer is the System Manager responsible for the planning and delivery of health services to clinical and operational standards and within budget.

The Act also establishes NT Regional Health Service as the local hospital network for the purposes of the National Health Reform Agreement. The Regional Health Service is separated into five service delivery areas: Barkly, Big Rivers, Central Australia, East Arnhem and Top End.

As part of the transition to NT Health, significant changes were made to the governance structure to reflect the integration whilst maintaining an existing leadership group, the NT Health Leadership Committee.

Key changes have included the establishment of the Northern Territory Health Advisory Committee. The Northern Territory Health Advisory Committee is a community representative committee that provides advice on how we can better connect with and provide health care service to the community.

The Chief Executive Officer also ceased the Governance and Assurance Committee and re-established a Risk and Audit Committee and the Strategic Finance Committee. Those committees are chaired by external members.

Further to this the Chief Executive Officer redesigned sub-committees of the NT Health Leadership Committee and established the following committees:

- People And Safety Committee
- Strategy Policy and Innovation Committee
- Clinical Governance Committee
- NT Health Emergency Management Committee



The Honourable Natasha Fyles MLA
Chief Minister
Minister for Health

Our Ministers

The Chief Executive Officer of NT Health is accountable to the Minister for Health, the Hon Natasha Fyles MLA, and the Minister for Mental Health and Suicide Prevention, the Hon Lauren Moss MLA.

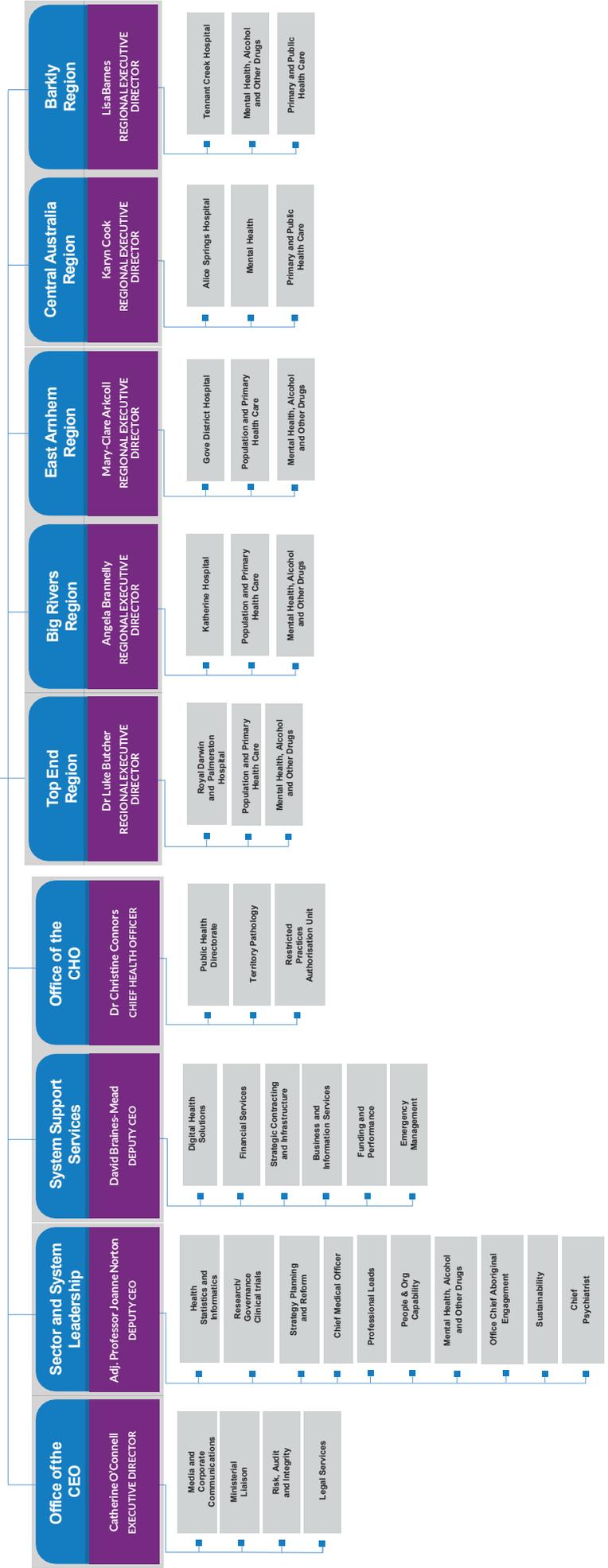
NT Health Functional Structure

Effective 30 June 2023

National Critical Care & Trauma Response Centre
 Professor Len Nolaras
 EXECUTIVE DIRECTOR

NT Health
 Dr Marco Briceno
 CEO

NT Regional Health Service



Our leaders

as at 30 June 2023



Dr Marco Briceno
Chief Executive Officer



Catherine O'Connell
Executive Director, Office
of the Chief Executive



**Adj. Professor
Joanne Norton**
Deputy Chief Executive,
Sector & System Leadership



David Braines-Mead
Deputy Chief Executive,
System Support Services



Dr Christine Connors
Chief Health Officer



Dr Luke Butcher
Regional Executive Director
Top End Region



Angela Brannelly
Regional Executive Director
Big Rivers Region



Mary-Clare Arkcoll
Regional Executive Director
East Arnhem Region



Karyn Cook
Regional Executive Director
Central Australia Region



Lisa Barnes
Regional Executive Director
Barkly Region



Professor Len Notaras
Executive Director
National Critical Care and
Trauma Response Centre

Corporate governance principles

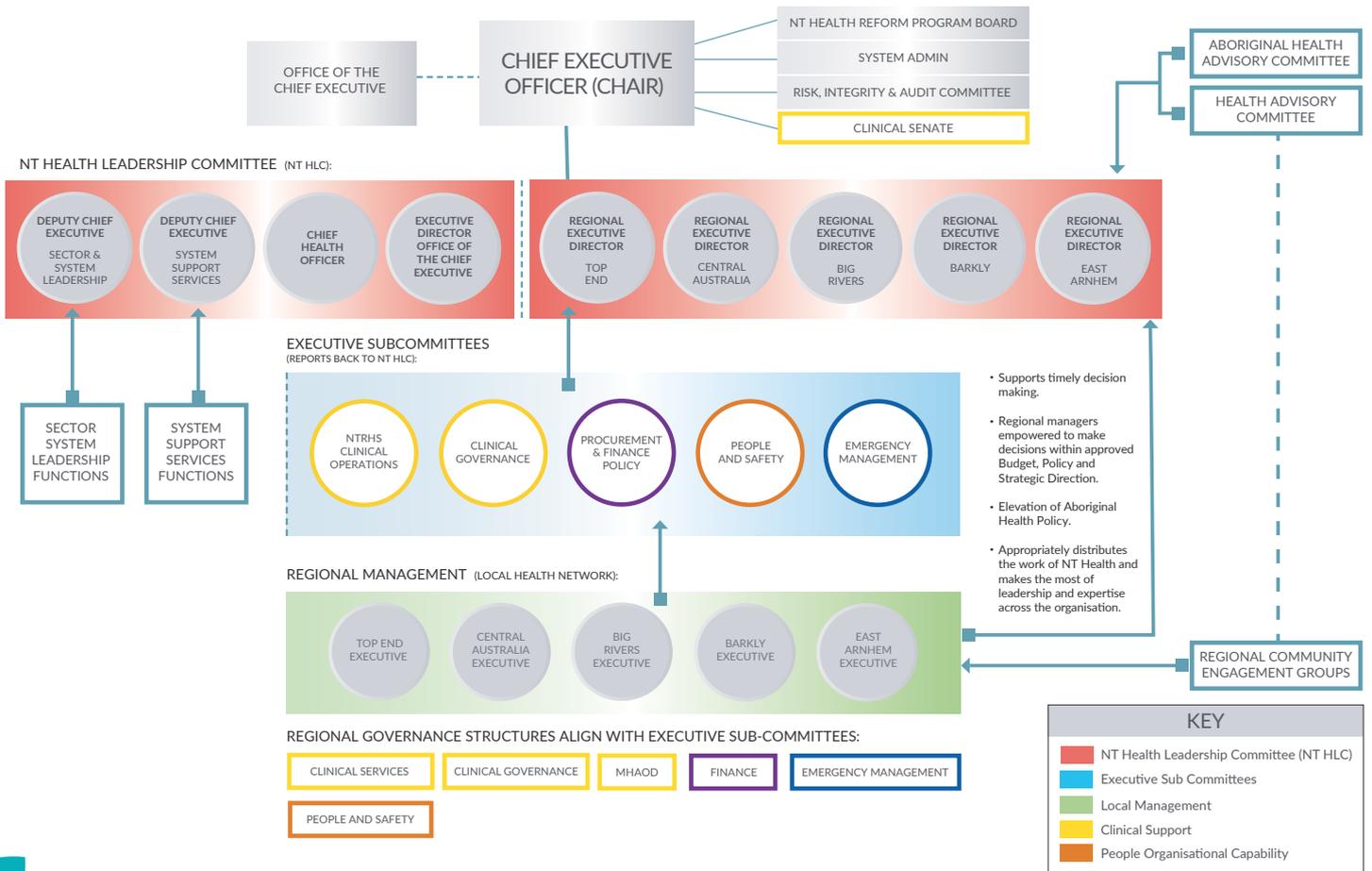
A new governance structure was developed following the integration of health care services into NT Health. It has been critical to develop the new structure while continuing to deliver important health services across the Territory.

NT Health Corporate Governance follows six key principals to ensure good governance in public sector management.



NT Health Governance Structure

as at 30 June 2023



HEALTH LEADERSHIP COMMITTEE

Purpose: Accountable for the strategic leadership, clinical and corporate governance and direction of the NT Health system.

The Health Leadership Committee ensures the sustainable, safe, accessible and contemporary operation of health services to meet community needs and the effective and efficient use of resources.

Members: Chief Executive Officer, Deputy Chief Executive System Support Services, Deputy Chief Executive Sector and System Leadership, Chief Health Officer, Executive Director Office of the Chief Executive, Barkly Regional Executive Director, Big Rivers Regional Executive Director, Central Australia Regional Executive Director, East Arnhem Regional Executive Director, Top End Regional Executive Director.

RISK INTEGRITY AND AUDIT COMMITTEE

Purpose: Provide independent and objective advice and recommendations to the Chief Executive Officer about the effectiveness of corporate governance principles and practices; risk, control and compliance frameworks; internal audit function and activities; and financial reporting obligations and responsibilities.

CLINICAL SENATE

Purpose: Provide the Chief Executive Officer with informed advice, based on best practice and available evidence, regarding the improvement of clinical quality and safety of health services across the Northern Territory.

The Clinical Senate promotes clinical engagement to underpin healthcare reform.

CLINICAL GOVERNANCE COMMITTEE

Purpose: Provide clinical governance and strategic direction towards safety and quality within NT Health. Identify strategic safety, quality and quality improvement issues and promote safe and effective healthcare provision.

STRATEGIC FINANCE COMMITTEE

Purpose: Provide financial governance and strategic direction towards systemising effectiveness and efficiency within NT Health.

The Strategic Finance Committee identifies strategic financial issues (including with procurement and grants), develops risk mitigation strategies, reports on and provides subject matter expert advice to the NT Health Leadership Committee.

PEOPLE AND SAFETY COMMITTEE

Purpose: Provide planning, strategy development, compliance, and evaluation of workforce and work health matters across NT Health.

The People and Safety Committee develops innovative programs and responses to strategic workforce issues while improving work health and safety performance and compliance.

EMERGENCY MANAGEMENT COMMITTEE

Purpose: Provide leadership, governance and oversight to NT Health emergency management and business continuity activities and processes.

The Emergency Management Committee improves our capabilities across the NT Health system while managing business continuity planning and implementation, crisis response and system recovery.

External committees

HEALTH ADVISORY COMMITTEE

Purpose: A community representative committee that supports NT Health's core purpose to deliver better health for all Territorians, in line with the National Safety and Quality Health Service Standards.

The Health Advisory Committee provides advice to the Chief Executive Officer through the NT Health Leadership Committee.

The Committee includes 10 members, representing all five regions of the Northern Territory.

REGIONAL COMMUNITY ENGAGEMENT GROUPS

Purpose: Regional advisory bodies that provide a voice for consumers, carers and the community to the NT Regional Health Services, through the local health service.

Risk management

NT Health identifies and mitigates key risks which could affect the achievement of its strategic directions and objectives. The NT Health Risk Management Framework complies with the *Financial Management Act 1995* and aligns with the AS/NZS ISO 31000:2009 Risk Management Principles and Guidelines.

The risk framework and risk assessment matrix forms part of internal control arrangements that enable the executive to control risk exposure consistent with the level of risk maturity of NT Health.

Strategic risks are managed and reviewed by the NT Health Leadership Committee and the Risk and Audit Committee. Risk reviews ensure the strategic internal audit program aligns with NT Health's risk profile.

INTERNAL AUDIT

Seven internal audits were completed during the 2022-23 strategic internal audit program. In addition, the NT Auditor-General completed five external audits.

Recommendations and agreed actions arising from the audits are monitored by the Risk, Audit and Integrity branch and reported to the Chief Executive Officer, NT Health Leadership Committee, and the Risk and Audit Committee.

To assist management with compliance matters and business improvements, a number of ad-hoc audits and compliance verifications were also completed.

INFORMATION AND PRIVACY

The Legal Services, Information and Privacy Unit manages formal applications made to NT Health for access to personal or government information, pursuant to the freedom of information provisions of the *Information Act 2002*. The Information and Privacy Unit is also responsible for facilitating requests for correction of personal information and oversees the management of privacy complaints.

The Information and Privacy Unit provides guidance and support to staff with regard to appropriate information sharing and privacy protection, and assists members of the public and other organisations to access information held by NT Health. The Unit provides education sessions to ensure all staff are aware of, and are complying with, their obligations under the *Information Act 2022* and other information sharing legislation.

The Information and Privacy Unit has experienced a slight decrease in personal applications this reporting period. NT Health continues to experience an increase in queries relating to the privacy and security of medical records and the Information and Privacy Unit remains focused on ensuring the security and integrity of personal information held by the agency.

Applications to access information	2021-22	2022-23
Applications lodged	508	482
Applications granted in full	268	221
Applications granted in part	49	67
Applications refused in full	114	125
Applications transferred	2	0
Applications withdrawn	32	36
Applications outstanding	43	33



Coronial recommendations

The NT Coroner's Office investigates deaths and unexpected deaths in the NT on behalf of the community. The types of deaths which the Coroner investigates are called 'reportable deaths'.

Criteria for a reportable death includes:

- Appears to have been unexpected, unnatural or violent.
- Appears to have resulted, directly or indirectly, from an accident or injury.
- Occurred during an anaesthetic, or as a result of an anaesthetic, and is not due to natural causes.
- Occurred when a person was held in, or immediately before death, was held in care or custody.

During 2022-23, two coronial inquests relating to NT Health were held. Both inquests did not have any recommendations for NT Health.

Sentinel events

A 'sentinel event' is an event that is considered wholly preventable but has resulted in serious harm to, or death of, a patient.

Serious harm is indicated where, as a result of the incident, the patient:

- Requires life-saving surgical or medical intervention.
- Has shortened life expectancy.
- Has experienced permanent or long-term physical harm.
- Has experienced permanent or long-term loss of function.

Two sentinel events were reported during the 2022-23. Both cases were reported to the Coroner; one involving a medication error and the other a suspected suicide whilst in the care of NT Health.

Sentinel events in the NT	2022-23
1. Surgery or other invasive procedure performed on the wrong site resulting in serious harm or death	0
2. Surgery or other invasive procedure performed on the wrong patient resulting in serious harm or death	0
3. Wrong surgical or other invasive procedure performed on a patient resulting in serious harm or death	0
4. Unintended retention of a foreign object in a patient after surgery or other invasive procedure resulting in serious harm or death	0
5. Haemolytic blood transfusion reaction resulting from ABO incompatibility, resulting in serious harm or death	0
6. Suspected suicide of a patient in an acute psychiatric unit or acute psychiatric ward	1
7. Medication error resulting in serious harm or death	1
8. Use of physical or mechanical restraint resulting in serious harm or death	0
9. Discharge or release of an infant or child to an unauthorised person	0
10. Use of an incorrectly positioned oro- or naso- gastric tube, resulting in serious harm or death	0



Consumer feedback

Consumer feedback is integral to reviewing the safety and quality of our service and ensures we are accountable to the public. It also provides valuable prompts to review organisational performance and assists in guiding opportunities for improvement in the quality of the services we provide.

Consumer feedback can be provided through a range of avenues including:

- Speaking to a NT Health staff member caring for you, or the manager of a service you are accessing.
- Speaking with a Consumer Services team member who can support you while in hospital.
- Using the 'Talk to Us' program which invites consumers to provide feedback on what we do (and don't do) well and what we could do better.
- Submitting a privacy complaint form.
- Submitting a patient complaint and/or compliment form.
- Contacting the NT Health Complaints Coordinator.
- Contacting Workforce Services.

As at 30 June 2023, NT Health received 3,650 feedback items during the reporting period.

These included:

- 138 comments
- 1,267 complaints
- 1,696 compliments
- 285 enquiries
- 264 suggestions.

All complaints are reviewed and investigated in a confidential, fair and just manner.

Compliments are shared with staff and executive members so positive outcomes can be recognised and replicated in other areas of the service.

We are constantly looking at ways to improve how we invite and collect feedback from consumers, particularly for vulnerable and/or difficult to reach groups.

Consumer feedback	2021-22	2022-23
Access To facility, to subsidies, refusal to admit or treat, service availability, waiting list delays	236	300
Communication / Information Attitude and manner, inadequate information provided, incorrect/misleading information provided, special needs not accommodated	444	518
Consent / Decision making Consent not obtain or inadequate, involuntary admission or treatment, uninformed consent	22	23
Discharge / Transfers Delay, inadequate discharge, patient not reviewed	36	66
Environment / Management Administrative processes, availability of activities, cleanliness and hygiene of facility, food and/or drink, physical environment of facility, staffing and rostering, statutory obligations/accreditation	113	200
Fees / Cost billing Billing practices, cost of treatment, financial consent	24	18
Grievances Complaint information not provided, inadequate or no response	33	16
Medical records Access to/transfer of records, record keeping	14	27
Medication Administering medication, dispensing medication, prescribing medication, supply/security/storage of medication	25	71
Patient property Damage or loss of patient property	10	20
Professional conduct Unsatisfactory professional conduct	39	32
Reports Accuracy of report/certificate, timeliness of report/certificate	7	10
Treatment Coordination of, diagnosis, inadequate consultation, infection control, no/inappropriate referral, public/private election, rough and painful, unexpected treatment outcome, wrong/inappropriate	300	361
Total	1 303	1 699

*More than one issue group may be assigned to a single complaint







Part 2

Our People

Workforce overview

NT Health employs a diverse, highly capable and engaged workforce that is committed to improving the health and wellbeing of all Territorians.

NT Health
employed
7,366

**full time equivalent
(FTE) employees**

At 30 June 2023

Statistics

NT Health workforce by Classification
2022-2023



Nursing staff
(2824)



Support staff
(1452)



Physical workforce
(956)



Medical staff
(915)



Professional workforce
(780)



Aboriginal Health (67),
Dental (17), Technical
(309), Executive (37)
and other classification
streams (9)

Diversity

June 2023



25.4%

identify as culturally and linguistically diverse



1%

report having a disability



7.8%

identify as Aboriginal



25.7%

male



74.2%

female

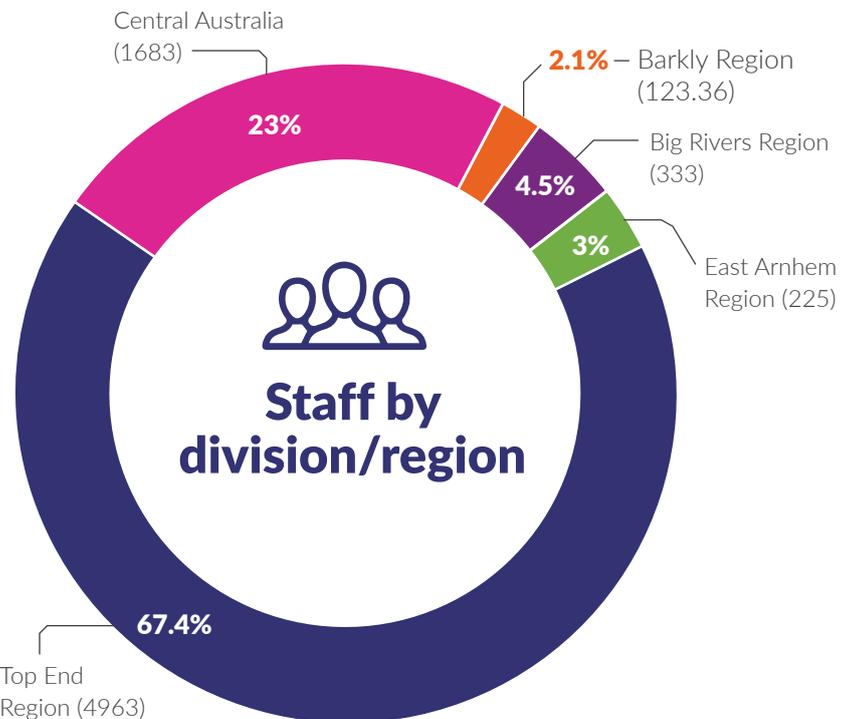
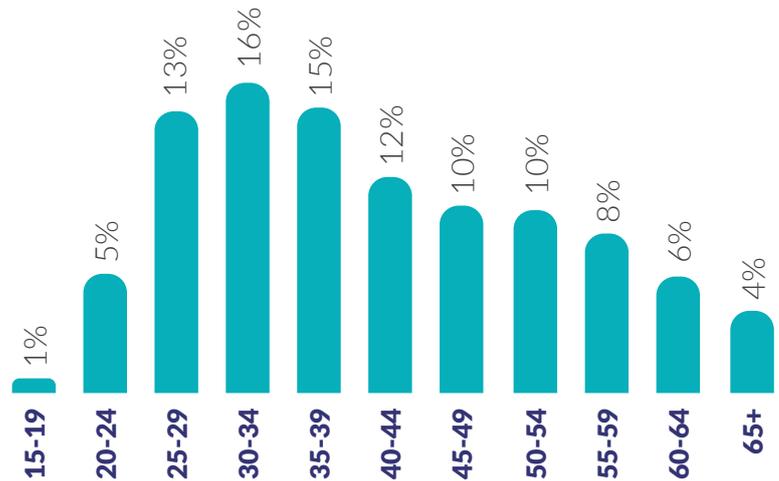


0.1%

self-specified

Age profiles

(years)



Valuing and developing our people

Employee performance development

The Work Partnership Plan is the NT Health performance goal setting tool used to promote and improve employee engagement, development and succession planning. Work Partnership Plans are completed annually to ensure employees and managers mutually align individual and team performance goals and development needs within agreed timeframes for quality outcomes, with NT Health's overall strategic direction.

NT Health also has access to whole of sector capability training programs. Work Partnership Plans are used by individuals and managers to identify and develop the skills, knowledge and abilities to meet workplace priorities and personal goals.

Orientation program

NT Health has a systematic process of welcoming new employees via a Chief Executive text message, a new starter feedback survey, and information regarding corporate essential training which includes online orientation. A cross-government orientation program, OneNTG Orientation provides employees with a high-level overview of the Northern Territory Public Sector.

NT Health has an agency-specific online orientation program available for new starters which introduces employees to the fundamental operations of NT Health, government frameworks, code of conduct, Aboriginal cultural awareness, relevant legislation, mandatory reporting, training and key policies and guidelines.

NT Health provides a comprehensive orientation and induction program for employees, enabling them to develop the skills and mindset necessary to provide long-term contributions to NT Health and the community. A total of 1,216 employees completed the NT Health orientation program in 2022-23, as recorded in MyLearning.



Leadership programs

Nine senior leaders were awarded fellowship with the Australasian College of Health Service Management (ACHSM), following an intensive eight-month program. The ACHSM Fellowship is an investment in our leaders and people to support achievement of our strategic objectives, enhance performance and create a positive organisational culture.

One participant registered for the Public Sector Management Program for 2022-23. The Public Sector Management Program is designed for mid-level and senior managers and enhances their existing knowledge, skills, attitudes and behaviours to improve public sector outcomes.

70 candidates were directly nominated to participate in the Clinical Leadership Program. The multi-disciplinary program focusses on the development of targeted leadership and management capability, providing evidence-based training to refine leadership and management skills. Program workshops and activities will continue during 2023-24

NT Mentoring Program

The 2023 NT Health Mentoring Program aims to establish a supportive mentoring culture to grow the capability of our NT Health workforce. 26 mentors and 24 mentees commenced the 12-month program for 2022-23.



Aboriginal Cultural Awareness Program

The Aboriginal Cultural Awareness Program is an interactive and essential training program for all NT Health employees. It is designed to enhance employee knowledge of culturally appropriate practices for improved service delivery and health outcomes of Aboriginal people.

NT Health continued to support employee capability and development in cultural awareness and understanding through Foundational Cross-Cultural Training modules and the Aboriginal Cultural Awareness Program.

Program	Course completions: 2022-23
Foundational Cross-Cultural Training	1 392
Aboriginal Cultural Awareness Program	922

Workers compensation

Workers Compensation claims within the NT Public Sector are managed by Gallagher Bassett which, as the contracted service provider, manages all injury-related claims, in accordance with Northern Territory Return to Work legislation.

Injured workers are provided with access to support throughout their recovery with the objective to return employees to their pre-injury duties in a timely manner. Injured workers may be entitled to payment of medical and other reasonable expenses, weekly payments of income maintenance while absent from the workplace, rehabilitation services and assistance to return to work.

Workers Compensation claims are monitored against broader work, health and safety targets to identify any systemic issues where a trend of injury or illness themes may occur. Where an issue is identified, prevention strategies to reduce the risk of injury and illness are developed in consultation with the relevant workforce area.

NT Health workers compensation claim costs

	FY 2021-22 \$,000	FY 2022-23 \$,000	YTD Variance \$,000	YTD Variance %
NT Health	\$6 397	\$7 764	\$1 367	21%



Human resource actions

The following table is a record of Human Resource actions 2022-23, in accordance with the *Public Sector Employment Management Act 1993*.

<i>Public Sector Employment and Management Act 1993</i>	2022-23 Actions
S32 (3)(b) Probation – termination of employment	3
S33 Termination of fixed period or casual contract	14
S41 Declaration of potentially surplus employee	1
S43 Redeployment	1
S43 Redundancy voluntary	1
S43 Redundancy non-voluntary	0
S44 Inability or unsatisfactory performance	4
S48 Retirement on the grounds of invalidity	1
S49 Discipline	27
S50 Summary dismissal	0
S54 Abandonment of employment	7
S59 Grievances	30
S59(1)(a) Grievances about termination on probation	1
S59A Discipline and inability appeals	3
S59B Promotion appeals	8
TOTAL	101

Awards and achievements

NT Health wishes to acknowledge and congratulate the following award recipients for their significant commitment and dedication to providing excellent health care for all Territorians.



Chief Minister's Awards 2022

EXCELLENCE IN CROSS-GOVERNMENT COLLABORATION AND PARTNERSHIPS

Acacia 1.0 - Transforming Patient Centre Care in the Northern Territory



CHIEF MINISTER'S MEDAL IN 2022

Raelene Joyce Mungatopi, Aboriginal Health Practitioner



ADVANCING ABORIGINAL AND COMMUNITY DEVELOPMENT

Groote Archipelago Local Decision Making Agreement



OUTSTANDING ACHIEVEMENT OF THE YEAR

Centre for National Resilience Expansion and Repatriation



2023 Nursing and Midwifery Excellence Awards

Registered Undergraduate Student of Nursing/ Midwifery of the Year

Nicole Baylis, Registered Undergraduate Student of Nursing, Katherine Hospital

Australian Nursing and Midwifery Federation NT's Excellence in Early Career Nurse/Midwife of the Year

Holly Engelhardt, Remote Outreach Practice Nurse, Public and Primary Health Care, Central Australia region

Flinders University Award for Excellence in Nursing/Midwifery Education

Teresa Raines, Clinical Educator, Miwatj Health Aboriginal Corporation

Excellence in Nursing/Midwifery Research/ Quality Improvement

Justine Williams, Cardiology Research Coordinator and Cardiac Quality Nurse, and Chair of the Cardiac Research Committee, Cardiac Care Unit, Royal Darwin Hospital

Excellence in Aged Care Nursing

Caroline Phillips, Clinical Nurse Consultant, Memory Service Aged Care Unit, Population and Primary Health, Top End region

Excellence in Nursing/Midwifery Leadership

Priscilla Moore, District Manager, Prison Health and Watch House, Top End Region, NT Health

Nursing/Midwifery Aboriginal Health

Alysha Maceachern, Remote Area Nurse, Gunbalanya Health Centre, Top End region

Team Award for Excellence in Nursing/ Midwifery

DonateLife NT, NT Health

Client Appreciation Award for Excellence in Nursing/Midwifery

Reetha Girishkumar, Registered Midwife, Jabiru Ward, Darwin Private Hospital

NT Administrator's Medal for Lifetime Achievement in Nursing/Midwifery

Caroline Phillips, Clinical Nurse Consultant, Memory Service Aged Care Unit, Population and Primary Health, Top End Region

Charles Darwin University Nurse of the Year

Esther McAdam, Registered Nurse, Inpatient Services, Top End Mental Health Alcohol and Other Drugs Services, NT Health

Midwife of the Year

Helen Nenke, Midwife/Child Birth Educator Women, Pandanus Childbirth Education & Perinatal Support, Anglicare NT



2022 Northern Territory Aboriginal and Torres Strait Islander Health Worker and Practitioner Excellence Awards

Student Award - Emerging Aboriginal Health Practitioner

Encouragement Award: Rebecca Challenger

Highly Commended: Michelle Williams

Winner: Grace Dodson

Remote Aboriginal Health Worker

Highly Commended: Damien Guyula

Winner: Brando Yambalpal

New Aboriginal Health Practitioner

Highly Commended 1: Chris Rankine-Johnson

Highly Commended 2: Darren Braun

Winner: Amber Dunn-Mellett

Urban Aboriginal Health Practitioner

Highly Commended: Shauna Downman

Winner: Rowena Young

Remote Aboriginal Health Practitioner

Highly Commended 1: Lionel Inkamala

Highly Commended 2: Stella Minitjapuyngu Gondarra

Winner: Raymond Anderson

Specialist Aboriginal Health Practitioner

Highly Commended 1: Elizabeth Coombes

Highly Commended 2: Jeannie Campbell

Winner: Natasha Tatipata

Dr John Hargrave Honour Roll

Congratulations to Bernadette Shields and Kathy Abbott who have been recognised on the Dr John Hargrave Honour Roll, acknowledging lifetime career achievement and role modelling behaviour that is an inspiration to others.

NT Health Notaras Australian College of Health Service Management (ACHSM) Fellowship Program 2022 successful recipients

Ms Amanda O'Keefe	Director, Allied Health
Ms Deborah Butler	Director, System Performance
Mrs Deirdre Logie	Senior Health Policy Advisor
Mr Jeff Gaden	Senior Director Service Planning
Ms Olivia Toune	A/Senior Director Performance Reporting Decision Support
Ms Renae Moore	Executive Director Allied Health
Dr Samuel Rigg	Anaesthesiologist Consultant
Ms Theresa Clasquin	Senior Midwifery Advisor
Mr William Monaghan	Chief Procurement Officer

Northern Territory 2022 Prevocational Medical Education and Training Awards

Northern Territory Junior Doctor of the Year

Winner: Dr Sibella Breidahl – Royal Darwin Hospital

NT Clinical Educator of the Year

Winner: Dr John Floridis – Gove District Hospital

Professional Excellence Status Scheme Recipients 2022

A key workforce initiative, the Professional Excellence Status Scheme offers reward and recognition for the exceptional performance of professional employees at a standard judged to be significantly higher than that required in their jobs.

- **Adam Barnes**, Senior Policy Officer, System and Policy Planning, Sector and System Leadership
- **Amanda Hart**, Manager Consumer Engagement and Patient Advocate at Royal Darwin and Palmerston Hospitals
- **Julie Bromley**, Occupational Therapist and Team Leader for the Territory Equipment Program and SEAT Services
- **Andrew Loughman**, Director Medical Imaging Services, Royal Darwin and Palmerston Hospitals
- **Cathy Chapple**, Senior Clinical Policy Officer, Mental Health Alcohol and Other Drugs, Sector and System Leadership.
- **Kelly Paterson**, Physiotherapy Professional Lead and Project Officer, Allied Health Directorate Top End, Big Rivers and East Arnhem
- **Katrina Edwards**, Manager of CT Services Royal Darwin and Palmerston Hospitals
- **Amanda Worrall**, Perinatal Mental Health Nurse and Project Officer, Central Australia Region
- **Bhavini Patel**, Executive Director, Medicines Management and Research Governance, Sector and System Leadership
- **Roger Weckert**, NT Manager, Medical Imaging Informatics
- **Joanna Wallace**, Director of Pharmacy, Royal Darwin and Palmerston Hospital
- **Yuejen Zhao**, Principal Health Economist, Sector and System Leadership
- **Anthony Draper**, Epidemiologist, Centre for Disease Control, Top End Public Health Unit
- **James McLeod**, Supervising Scientist Microbiologist, ASH Pathology, Central Australia Region.

Territory, national and international award recipients

Celebrating long-term contribution and commitment to the Northern Territory

40+ years of service to the Northern Territory Public Sector, retired as at June 30, 2022

Ms Cheryl Cole	Central Australia	Registered Nurse
Ms Fay Hatch	Central Australia	Registered Nurse
Ms Lynette Windsor	Central Australia	Strong Women Program Coordinator
Mr Robert McFarlane	Office of the Chief Health Officer	Network Supervising Scientist
Ms Janine Gibbett	Top End	Nurse Management Coordinator
Ms Dana Dabrowska	Top End	Nurse Management Consultant
Ms Josephine Bremner	Top End	Dental Therapist
Ms Bashira Bibi	Top End	Catering Assistant
Ms Elizabeth Tak	Top End	Nursing Recruitment Officer
Ms Diane Howard	Top End	Registered Nurse
Ms Shirell Nomoa	Top End	Registered Nurse
Ms Yvonne Franklin	Top End	Data Coordinator Medical Records
Ms Heidi Maruna-Saunders	Top End	Executive Officer
Mr Christopher Goslett	Top End	Mail Clerk

40 years of service to the Northern Territory Public Sector

Ms Margaret Visentin	Office of the Chief Health Officer	Tech Officer Clinical Lab
Ms Irene Ogilvie	Top End	Aboriginal Health Practitioner
Ms Kathryn Cooper	Top End	Registered Nurse
Ms Christina Heriot	Top End	Registered Nurse
Mr Paul Csizmadia	Top End	Environmental Health Officer
Ms Maryanne Isaacson	Central Australia	Switchboard Operator
Mrs Anna Chandler	Top End	Executive Administration Officer

35 years of service to the Northern Territory Public Sector

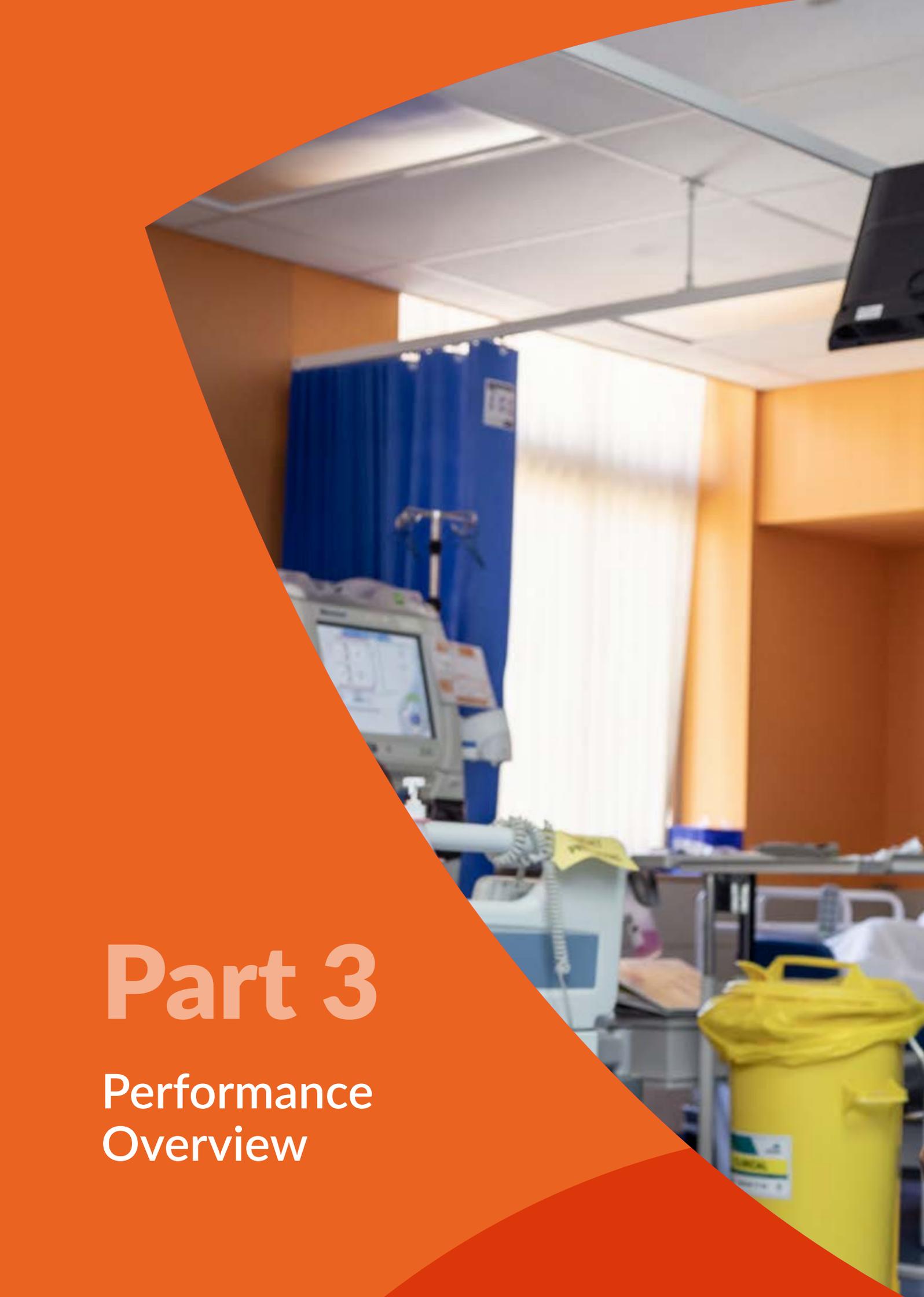
Ms Christine McGill	Top End	Senior Community Health Nursing Advisor
Ms Juliet Rankin	Top End	Occupational Therapist
Mr Gerry Herbert	Top End	PRH Laundry Hand/Driver
Ms Pauline Mattschoss	Sector and System Leadership	Nurse Project Consultant
Ms Maria Ferreira	Top End	Laundry Hand
Ms Toni Scheide	Top End	Clinical Nurse
Ms Jeanette Smith	Top End	District Manager
Mrs Terri Fleming	Top End	Data Integration Officer
Ms Wendy Corkill	Central Australia	Community Nurse Manager
Ms Angela Brannelly	Big Rivers	Regional Executive Director
Mr Terry Daye	Top End	Patient Equipment Officer

30 years of service to the Northern Territory Public Sector

Ms Kathleen Bresnehan	Top End	Registered Nurse
Ms Anna Beecham	Sector and System Leadership	Supernumerary
Ms Aurora Chilton	Top End	Patient Travel Clerk
Ms Julie Pagett	Top End	Bed Management Coordinator
Ms Kylie Innes	Top End	Senior Dental Therapist
Mrs Fiona Pettit	Central Australia	Physiotherapist Assistant
Ms Estelita Odquin	Big Rivers	Hospital Assistant
Ms Ai Ng	East Arnhem	Registered Nurse
Ms Linda Alexander	East Arnhem	Clinical Nurse Consultant
Ms Angela Agostini	Office of the Chief Health Officer	Principal Policy Officer
Ms Cherie Hamill	Sector and System Leadership	Leadership Quality Assurance Officer

20 and 25 years of service to the Northern Territory Public Sector

We have 50 NT Health employees who have achieved 20 years of service and 39 NT Health employees who have achieved 25 years of service as at 30 June 2022.

A photograph of a hospital room, slightly blurred, showing medical equipment, a blue curtain, a window with white curtains, and a yellow trash bin. The image is partially obscured by a large orange diagonal shape on the left side.

Part 3

Performance Overview



Our performance

SERVICE DELIVERY STATEMENT

Key Performance Indicators	2022-23 Target	2022-23 Actual
COMMUNITY SERVICES		
Percentage of eligible grants with 5-year terms	100%	100%
DISEASE PREVENTION AND HEALTH PROTECTION		
Reported environmental health incidents resolved within 3 months	≥ 85%	90%
Children fully immunised		
at age 12 months	≥ 95%	92% 1
at age 2 years	≥ 92%	90% 1
24-hour access to sterile injecting equipment in the five town centres of the Territory	100%	100%
COMMUNITY TREATMENT AND EXTENDED CARE		
Alcohol and other drugs		
Assessments undertaken in NGOs treatment services	3 160	2 795 2
Episodes of treatment commenced in NGO services	2 300	2 196 2
Episodes of treatment completed in NGO services	1 200	1 352
Assessments undertaken in Northern Territory Government (NTG) treatment services	1 382	942 2
Episodes of treatment commenced in NTG services	586	479 2
Episodes of treatment completed in NTG services	355	284 2
Mental Health		
Discharges from residential support services planned	300	270
Average daily bed usage in community supported accommodation facilities	≥ 85%	82%
Individuals receiving non-admitted public mental health services	8 850	7 490 2
Individuals under 18 receiving non-admitted public mental health services	1 680	1 183 2
Inpatient mental health readmissions within 28 days	≤ 10%	12%
Community follow-up within first 7 days of mental health inpatient discharge	≥ 80%	69% 2
Mental health inpatient seclusion rate (per 1,000 occupied bed days)	≤ 8	4.8
AGED CARE		
Aged care assessment program clients receiving timely intervention	≥ 90%	71% 2
PRIMARY HEALTH CARE		
Screened Aboriginal children under 5 years with anaemia	≤ 10%	8%
Aboriginal children between 6 months and 5 years of age tested for anaemia	≥ 80%	65% 2
Remote Aboriginal women who attended their first antenatal visit in the first trimester	≥ 70%	57% 2 3
Remote Aboriginal clients aged 15 and over with Type II Diabetes or coronary heart disease who have a chronic disease management plan	≥ 85%	78% 2 3
Remote Aboriginal clients aged 15 and over with Type II Diabetes whose latest HbA1c measurements are lower than or equal to 7%	≥ 41%	37% 2 4

Recent HbA1c test for clients aged 15 years and over	≥ 80%	72%	2 4
Resident remote Aboriginal population who have had an adult health check	≥ 70%	63%	2
Early intervention for conductive hearing loss in remote Aboriginal children	≥ 45%	38%	2 5
NATIONAL CRITICAL CARE AND TRAUMA RESPONSE			
Training participants	624	665	
Prevent alcohol and risk-related trauma in youth participants (secondary school participants)	720	350	6
HOSPITAL SERVICES AND SUPPORT			
Total weighted activity units	195 596	189 584	7
Elective Surgery timely admissions			
Category 1 patients admitted within clinically recommended time (30 days)	100%	75%	7 8
Category 2 patients admitted within clinically recommended time (90 days)	≥ 97%	62%	7 8
Category 3 patients admitted within clinically recommended time (365 days)	≥ 97%	57%	7 8
Emergency department presentations departing within 4 hours	≥ 80%	54%	7
Potentially preventable hospitalisations (excluding dialysis)	≤ 10%	15%	9
Hospital acquired complications (reduction from previous year)	< 1 708	2 004	10
Aboriginal clients discharged against medical advice (DAMA)	≤ 7%	11%	7 1
Sentinel events against nationally agreed events	0	0	
SAB infections (per 10,000 occupied bed days)	≤ 1.00	0.69	12
Hand hygiene compliance	≥ 85%	87%	
Telehealth occasions of service (Specialist Consultation)	52 000	46 265	13
Incident recommendation identified by the Health and Community Services Complaints Commissioner followed up within timeframes set	100%	100%	
Aboriginal health workforce as a proportion of overall FTE	≥ 10%	7.4%	

- 1 Immunisation rates are rolling annualised percentages for the Northern Territory as at June 2023 (*data source: Australian Immunisation Register*).
- 2 The variation in 2022-23 reflects clinical staffing shortages particularly for remote area clinics and in specialist disciplines.
- 3 Measure is calculated for services provided by remote Territory government primary care clinics only. Performance can be impacted where transient clients receive services from Aboriginal community-controlled clinics situated outside their resident community.
- 4 The glycated haemoglobin (HbA1c) test is used to check whether a patient's diabetes is under control. The more glucose in the blood, the more HbA1c will be present.
- 5 Measures hearing services provided to remote Aboriginal children aged 5 years and under as a proportion of total hearing services provided to remote Aboriginal children aged 16 years and under.
- 6 The variation in 2022-23 is due to a number of course cancellations due to unforeseen circumstances.
- 7 The variation in 2022-23 is due to challenges in hospital inpatient flows.
- 8 Elective surgery is planned surgery that can be booked in advance through referral following a specialist clinical assessment, resulting in placement on an elective surgery waiting list. The treating doctor determines how urgently surgery is needed, then assigns the patient to one of three urgency categories. Targets are based on national benchmarks.
- 9 Potentially preventable hospitalisations performance continues to deteriorate due to broader issues that influence a person's health such as social disadvantage.
- 10 The magnitude of the variation from the target has been affected by re-alignment of reporting specifications to align with Australian Commission on Safety and Quality in Health Care requirements.
- 11 The variation in 2022-23 is due to limited availability of after-hours Aboriginal interpreters and Aboriginal liaison officers.
- 12 Staphylococcus aureus bacteraemia (SAB) can cause serious harm to a patient and is often preventable. The rate of healthcare-associated SAB infections is a useful measure of the effectiveness of healthcare-associated infection control programs.
- 13 The variation reflects challenges with managing telehealth services at short-staffed clinics.

1.

Support and develop our workforce

We are committed to supporting a workforce that is safe, responsive and kind. Staff will be empowered to work to their full scope of practice and ability, doing the best job they can every day and supported to achieve their career aspirations.

NT Health is committed to:

- Improved attraction and retention of our skilled workforce
- Ensuring our Aboriginal workforce is sustainably increased
- Demonstrating a culture where staff feel valued, safe and supported
- Providing culturally responsive services and supporting and encouraging culturally safe practice

Bolstering our nursing and midwifery workforce

Nurses and midwives are essential health professionals who work across all settings in the Northern Territory (NT) to support patients (as well as families and carers), through their health care experience.

In the NT, nurses work in urban, rural and remote settings and make up about half of the overall NT Health workforce. There is a national shortage of nurses and midwives across Australia and NT Health has been working to actively manage staffing levels while undertaking targeted recruitment campaigns and retention initiatives.

NT Health has continued to support Assistants in Nursing and Midwifery (AINM) in acute hospital care settings, including at Royal Darwin, Palmerston, Katherine, Gove District and Alice Springs Hospitals. An AINM is a second or third-year student nurse or midwife employed as a healthcare worker who assists and supports registered nurses and/or midwives to deliver a high standard of patient care through developed activities. We are now seeing the AINM's transition into our Graduate Program and the Office of the Chief Nursing and Midwifery Officer has developed a fast track selection and prioritisation approach into Graduate positions. This demonstrates a pathway to value and grow our own NT workforce.

With the reestablishment of face-to-face conferences across Australia, NT Health secured exhibition booths at four key professional events to showcase unique career pathways and incentives for nurses and midwives. NT Health also participated in the Migration Team Information Sessions (held overseas) which focussed on what it's like to live and work in the Territory.



In January 2023, NT Health awarded its annual Nursing and Midwifery Scholarships to 13 nurses who were completing their post-registration studies. The scholarships were awarded to one recipient from the Central Australia Region, one recipient from the Big Rivers Region, three recipients from NT Health and eight recipients from the Top End Region.

NT Health, through the Office of the Chief Nurse and Midwifery Officer, continues to provide financial assistance to nurses and midwives undertaking further studies through post-registration scholarships.

Remote area nurses are required to have a range of skills to support emergency care as well as more general comprehensive primary health care issues. The Transition to Remote Practice Program is a supported clinical pathway for registered nurses to develop the skills and knowledge required to provide remote primary health care.

Nineteen nurses commenced the Transition to Remote Practice Program between August 2022 and February 2023. Of these 19 nurses, seven withdrew for personal reasons. Twelve continued and are providing care in remote communities. Participating clinics are located in Gunbalanya, Wurrumiyanga, Angurugu, Alyangula, Jabiru, Wadeye, Nauiyu, Adelaide River, Milikapiti and Belyuen communities.

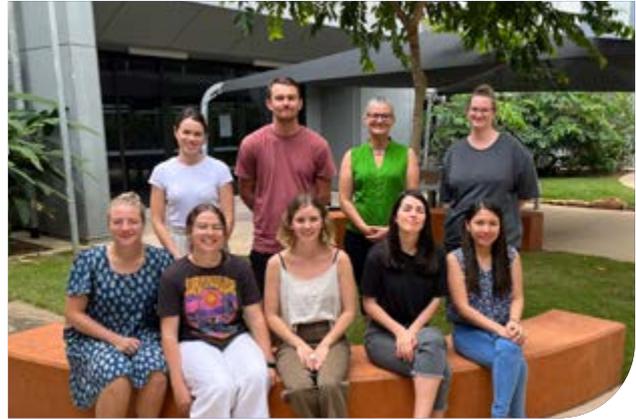
Clinical nurse educators provide support throughout the Transition to Remote Practice Program and visit participants regularly, including within the first two weeks of relocation to the community to assist with on-site induction. Upon completion of the Program, nurses are awarded the Transition to Primary Health Care Certificate and can apply for remote area nurse positions.



In 2023, a Population & Primary Health Care Employed Model Program commenced with five participants to trial a new pathway into remote area nursing. The Program is initially delivered in the urban area before it transitions to outreach and is then completed in a remote community. The Program offers support to complete a postgraduate qualification and progression scheme to advance pay award classifications. The participants have commenced within Prison Health, Community Allied Health Teams, Centre for Disease Control, as well as Palmerston and Casuarina Community Health Clinics.

A nurse practitioner is a registered nurse with the experience, expertise and authority to diagnose and treat people of all ages, across a variety of clinical contexts. Nurse practitioners are the most senior and independent clinical nurses in the health system and have completed additional university study at a Master's degree level.

NT Health continues to support the development of nurse practitioners by providing the option for nurse practitioner candidate applications for each nurse practitioner recruitment.



To date there are 50 established nurse practitioner positions across the NT, with a total of 22 positions filled with Nurse Practitioners or Nurse Practitioner Candidates. There has been an expansion of nurse practitioner positions in critical care with additional positions in Royal Darwin and Palmerston Hospitals Emergency and ICU departments. Recruitment priorities are focused on delivering nurse practitioner services to remote primary health care, as well as increasing the number of available positions across all regions.

NT Health also welcomed 198 early career nurses in 2022. Early career nurses are supported within either Graduate Nurse and Midwife or New to Practice programs that include education and professional development over a 12-month period.

Junior doctor program

As part of recruitment initiatives to attract and retain a quality workforce, 64 graduate doctors (interns) and 161 Resident Medical Officers were hired in 2022 to work in NT Health hospitals. They took up positions in Darwin, Palmerston, Alice Springs, Katherine, Tennant Creek and Gove.

The Junior Doctor Program is delivered by an award-winning team of clinicians and reflects the unique elements of working in urban, regional and remote locations across the Territory. The training program includes orientations, professional development sessions, simulations, and on-site training, as well as experience managing the complex patient presentations specific to each region.

A variety of career pathways are offered to junior doctors in NT Health hospitals, as well as the opportunity to complete postgraduate qualifications in Obstetrics, Paediatrics, Emergency Medicine and Aboriginal and Remote Child Health.

As an example, Alice Springs Hospital consistently gains positive feedback regarding the education programs which the hospital specialists help deliver. The medical administration team, medical education team and Director of Clinical Training are committed to ensuring Alice Springs Hospital meets recruitment needs.

NT Health clinical recruitment campaign



A great career in health, goes with the Territory.

In 2023, NT Health developed and launched a strategic clinical recruitment campaign to attract and boost our clinical workforce. In the current landscape of sector-wide workforce shortages, NT Health collaborated with the Northern Territory Primary Health Network (NT PHN) to feature the Primary Care Sector and promote health careers across the Territory.

The campaign ran in domestic and international markets from 8 February 2023 to 30 April 2023.

The clinical recruitment campaign delivered:

- A comprehensive, innovative marketing strategy with a NT Health look and feel, marketable points of difference, creative taglines and brand.
- A targeted international, national and local digital and social media advertising campaign.
- An interactive, intuitive and applicant-focused recruitment website which hosts relevant information, highlighting our various regions and health careers, and providing a genuine reflection of what it's like to live and work in the Territory.
- A candidate register of interest and downloadable 'Guide to living and working in Australia's Northern Territory for health professionals'.
- An improved applicant journey with associated collateral to effectively manage applicant enquiries from all platforms.

Over the life of the campaign, 114 critical clinical vacancies were advertised. Across these vacancies over 780

applications were received with 280 appointments made. This represents a successful fill rate of 35%.

Targeted attraction work through the Nursing and Midwifery Register of Interest for N1–N2 nursing positions achieved an 84% fill rate.

Pharmacy and medicines

A dedicated NT Health pharmaceutical contracts manager project position was established to provide a cost-effective and optimal supply of pharmaceutical products (medications, intravenous fluids and specialty compounded products) for use within NT Health hospitals. This position provides senior clinical advice, analysis and support to the pharmacy departments to ensure a sustainable medical supply system for NT Health.

NT Health undertook a large-scale project to transition from paper-based medication management systems to the Electronic Medication Management Application, in priority wards of the Intensive Care Unit, Same Day Procedure and Hospital in the Home at Royal Darwin and Palmerston Hospitals. This transition was completed in early 2023 and resulted in improved medication safety and streamlined processes across these busy wards.



Allied health

The allied health workforce provides a range of diagnostic, technical, therapeutic and direct health services, often within multi-disciplinary teams, to improve the health and wellbeing of the consumers they support.

NT Health has approximately 700 allied health staff working across urban, rural and remote areas of the NT, providing a full spectrum of health care including acute care, primary health care, trauma management, disaster response, rehabilitation, health promotion, clinical planning, research and policy. In the first six months of 2023, 176 new allied health staff commenced. Allied health roles were advertised as part of the NT Health Clinical Recruitment Campaign which promoted 27 available positions and resulted in eight positions being filled.

The Allied Health Workforce Action Plan commenced development in 2021 to address the needs of the allied health workforce. The Plan was completed in December 2022 and delivered outcomes in the areas of attraction and retention; education and training; planning for the future; and diversity, engagement and recognition. Initiatives included development of the Allied Health Employee Conditions and Benefits Guide (for managers to maximise staff entitlements and support), and the inaugural Allied Health Professions Day Shout Outs to recognise outstanding allied health staff. Other initiatives focused on increasing access to job opportunities through multi-classification of nursing roles.

Support for the allied health workforce continues through the development of workforce pipelines and career pathways for allied health professionals, allied health assistants, Aboriginal cadetship program graduates and rural generalists. Strengthening student placement pathways and collaboration with local education providers is also a focus for future initiatives.

The Allied Health Rural Generalist Training Program (AHRGTP) is a workforce development strategy to improve health outcomes for rural and remote consumers by increasing access to a highly skilled allied health workforce and enhancing opportunities for multi-disciplinary care in rural healthcare teams. One trainee successfully completed the AHRGTP in 2022 and two new Level 1 trainees have commenced in the program in 2023. The AHRGTP is being remodelled to support Level 2 packages, in addition to current Level 1 positions.

Attendance at the Indigenous Allied Health Australia National Conference in Canberra in November 2022 was well represented by NT Health. There, three NT Health allied health professionals also received awards for their professional achievements.



Aboriginal health practitioners

The Aboriginal and Torres Strait Islander Health Worker and Practitioner professions are unique. Founded on traditional values and complimented by modern medicine, these roles are crucial to ensuring we create a culturally safe and responsive healthcare system that meets the specific needs of Aboriginal people.

One of the key priorities for the Office of the Chief Aboriginal Health Practitioner is to increase and strengthen the Aboriginal and Torres Strait Islander Health Worker and Practitioner workforce, which comprised 72 employed individuals in 2022-23. To support the career development of this workforce, the Office has been actively involved with the development of a new national training package for Aboriginal and Torres Strait Islander Health Workers and Practitioners, which includes seven new qualifications and 55 new units of competency.

Throughout 2022-23, we continued to support and encourage our workforce to participate in professional development, education and training program opportunities to enhance their skills and knowledge and stay up-to-date with the latest advancements in health care.

In September 2023, the Aboriginal Health Practitioners Professional Development Forum and Intergenerational Trauma Workshop was delivered in Alice Springs. These provided opportunities for practitioners to learn from experts in their fields and exchange knowledge with their peers. The value of such forums and workshops cannot be underestimated and, as such, funding for additional education and specialised training courses has been allocated.

Clinical resources have been provided to individual students undertaking professional qualifications with Batchelor Institute. These students have also been included and acknowledged in the NT Aboriginal and Torres Strait Islander Health Worker and Practitioner Excellence Awards.



Medical workforce programs

Doctors are an essential part of the health care team and play a critical role in delivering high-quality, person-centred health care across urban, regional and remote parts of the Territory.

Doctors constitute approximately 12% of the NT Health workforce. There is a national shortage of doctors across Australia and this has presented challenges for NT Health in some areas of recruitment. NT Health remains committed to growing our own medical workforce, in addition to providing increased opportunities for Aboriginal and Torres Strait Islander people to become medical practitioners.

Currently, the Flinders Northern Territory Medical Program (NTMP) offers 24 places per year.

In 2023, NT Health funded an additional six supported medical places, taking this number to 30. These additional six places were filled through the graduate entry pathway into the NTMP with local Territorians taking up 29 out of the available 30 places. This supports NT Health's workforce strategy in growing its own medical workforce.

NT Health is currently exploring further options to expand medical training through the NTMP. In addition, NT Health is supporting the Charles Darwin University and Menzies School of Health Research partnership with Western Sydney University to establish a second medical school in the Northern Territory.

Following graduation, medical students commence as provisionally registered medical officers called 'interns'. Internship is generally completed over a year and satisfactory completion enables interns to be fully registered, work as Resident Medical Officers (RMOs) and then enter a vocational training pathway toward specialisation. 64 interns and 161 RMOs (collectively referred to as prevocational doctors) are working in NT Health hospitals in Darwin, Palmerston, Alice Springs, Katherine, Tennant Creek and Gove, as at 30 June 2023.

A variety of career pathways are offered to doctors entering vocational training within NT Health hospitals. These include opportunities to complete specialist qualifications in general medicine, psychiatry, and general practice, and/or to commence vocational training in any of the approximate 20 training programs supported within NT Health.

Postgraduate certificate/diploma qualifications are available in Women's Health, Obstetrics, Paediatrics, Emergency Medicine, Public Health, and Aboriginal Health.

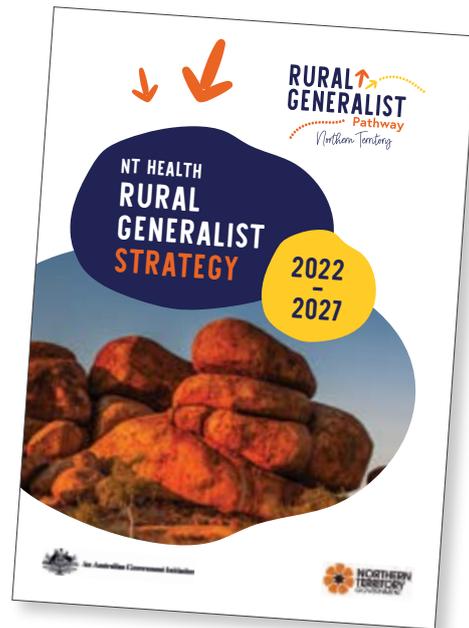
These 'doctors-in training' work under the supervision of a team of medical specialists and clinicians, and their training reflects the unique aspects of working in urban, regional and remote locations across the Territory. Our specialist workforce in hospitals and primary care provide high-quality and comprehensive care, whilst also contributing to teaching and training programs, clinical research, safety and quality

initiatives, national professional boards, committees and programs.

In 2023, NT Health released its Rural Generalist Training Strategy. NT Health is committed to supporting doctors who choose the Medical Rural Generalist vocational training pathway - a pathway which supports doctors with targeted advanced skill training to become a Rural Generalist, and equips them with the broad generalist and emergency skills required to support the health needs of our remote communities.

In 2023, the Chief Medical Officer (CMO) position was established. The CMO provides professional leadership and strategic planning for the medical workforce, and provides senior, system-level clinical leadership in the areas of patient safety, clinical quality, system innovation, compliance and assurance across NT Health.

Through the Office of the CMO, NT Health recognises and rewards pre-eminent performance of senior specialists and senior staff specialists. In 2023, 20 specialist hospital clinicians were recognised for their contributions to NT Health. This year recognition of pre-eminent performance will be extended to include senior rural medical officers.



2.

Promote wellbeing and prevent illness

We will tackle the fundamental issue of social determinants of health and build and environment that enables us to have the best start in life and support healthy lifestyles across our life span. Territorians will have an increased awareness of harms and be protected through legislation and action. Health care is something we will provide together with our partners and communities.

NT Health is committed to:

- The improvement of Territorian's lifetime physical and mental health
- Partnering to build a health promoting environment
- Ensuring children have the best start in life, from before birth to under five years
- Supporting Territorians to have healthy lives

NT Aboriginal Health Plan 2022-2031

2022-23 continued to be significantly affected by the ongoing COVID-19 pandemic. Despite these difficulties, NT Health remained steadfast in its commitment to improving health outcomes for Aboriginal people. This year saw the implementation of the NT Aboriginal Health Plan 2022-2031 which included several key initiatives structured under five strategic directions.

Strategic directions

1. IMPROVING HEALTH SERVICE DELIVERY TO ABORIGINAL PEOPLE AND COMMUNITIES

The NT Aboriginal Health Plan 2022-2031 centres on providing relevant, evidence-based health services to empower Aboriginal people and achieve equal health outcomes. A key part of our strategy involves increasing the involvement of Aboriginal consumers in the co-design and clinical governance of our services. The Plan aligns with the National Agreement on Closing the Gap which aims to overcome the inequality experienced by Aboriginal and Torres Strait Islander people, and achieve life outcomes equal to all Australians. The National Agreement recognises the unique strengths of Aboriginal and Torres Strait Islander cultures and the integral role they play in driving change within the health system.

The Aboriginal Health and Workforce branch has commenced work with senior NT Health leaders in the areas of Cultural Governance and Health Equity with a view to consolidating meaningful priorities, actions and outcomes.

2. BUILDING EFFECTIVE AND SUSTAINABLE PARTNERSHIPS

NT Health is committed to building strong, effective and sustainable partnerships with Aboriginal communities, Aboriginal Community Controlled Health Organisations (ACCHOs), consumers, stakeholders, and healthcare providers.

In 2022-23, NT Health continued to be a key partner in the NT Aboriginal Health Forum providing strategic guidance and decisions around key issues to improve Aboriginal health across the Northern Territory. The focus throughout FY 2022-23 were across five key areas, social and cultural determinates of health, primary health care, hospitals specialist care, allied health, and strengthening and monitoring health systems.

3. DELIVERING CULTURALLY SECURE AND SAFE SERVICES

As a health system leader, NT Health influences and works collaboratively with its partners to improve the delivery of culturally responsive and accessible health services. NT Health is committed to prioritising the need for equitable health outcomes for Aboriginal Territorians and, as such, implemented The Aboriginal Cultural Security Framework which designs and delivers services that are culturally safe and responsive to the needs and aspirations of Aboriginal children, young people, families and the broader community.

During this financial year, the National Registration and Accreditation scheme highlighted the vital nature of First Nations Australians receiving culturally safe health care. The introduction of National Legislation is a key initiative to ensure that the health workforce provide culturally safe health services to First Nation people.

In early 2023, NT Health's executive team held workshops to develop an NT Health Cultural Governance Framework. The aim of cultural governance is to drive cultural safety and cultural competency at the system- and organisational-level and bring existing governance frameworks into alignment to embed culture across all aspects of the organisation.

4. STRENGTHENING THE HEALTH WORKFORCE

NT Health is dedicated to improving health outcomes for Aboriginal people by enhancing the cultural competency and responsiveness of its workforce and increasing Aboriginal people employed within the department.

In 2022-23, the Aboriginal Health and Workforce Branch supported 16 Aboriginal cadets, granted six scholarships to Aboriginal students in the first year of health undergraduate courses, and participated in four career expos in Alice Springs and Darwin.

5. IMPROVING ABORIGINAL POPULATION HEALTH AND PROMOTING WELLBEING

NT Health is focused on delivering culturally responsive healthcare services to Aboriginal Territorians. Recognising the many complexities associated with the health and wellbeing of Aboriginal people, NT Health is working to promote positive health outcomes, prevent disease and address health inequities.



Mental health, alcohol and other drugs and suicide prevention

NT Health is committed to working with the community and key stakeholders to continue building a mental health system that invests in and supports the community to better understand social and emotional health and wellbeing, mental health and mental illness.

In the Northern Territory in 2022, mental health conditions contributed to approximately 16% of the burden of disease, compared to 7% nationally.

All Territorians have access to appropriate early intervention services through primary health care, evidence-based treatment, and recovery-focused community supports. In 2022-23, NT Health continued to implement key actions to support the community to better understand mental health and mental illness and how, where and when to seek help.

NT Health is working with key partners, services and stakeholders to build and promote coordinated care as the cornerstone of mental health service provision, and early intervention and low-intensity service initiatives continue to be explored and supported. The Mental Health Clinical Collaborative was established to provide a forum for information-sharing and exploring best practice across NT mental health service providers.

The Places of Care Committee, convened by NT Health, continued to bring together government and non-government mental health, alcohol and other drugs services to collaborate on person-centred care coordination, improving access to services, and improving patient flow across all levels of care by exploring alternatives to hospital-based care.

There has been continued focus on addressing mental health demand needs to better deliver services across the care continuum. 2022-23 initiatives included:

- Successful integration of forensic mental health and forensic disability services into a Territory-wide service
- Continued work on reforming child and adolescent services
- A review of service models of care
- Supporting housing support programs, assisting people living with mental illness to secure and retain accommodation.

NT Health continued to support the Darwin Head to Health (H2H) Centre, working with NT Primary Health Network (PHN) and Neami National to ensure the provision of well-coordinated and seamless care pathways for people experiencing psychological distress or a mental health crisis. H2H operates extended hours and offers an alternative to the Royal Darwin Hospital Emergency Department for

people who are in crisis to seek immediate help. From its commencement in December 2021 until March 2023, the H2H Centre has had 5,520 presentations to the service.

NT Health, the NT PHN, and the National Indigenous Australians Agency have worked in partnership with Aboriginal Medical Services Alliance Northern Territory (AMSANT), to further the work on the Joint Regional Plan as part of the National Mental Health and Suicide Prevention Agreement.

Joint regional planning and commissioning seeks to make more efficient and effective use of resources, with funders working together to review, plan and commission mental health, suicide prevention and alcohol and other drug services and supports that will result in an improved system response and better health outcomes.

Joint regional planning will improve outcomes for consumers and carers by:

- addressing fragmentation of mental health services
- preventing parts of the service system operating in isolation
- identifying gaps, duplication and system flaws in local service pathways
- supporting mental health and suicide prevention priorities at a regional level aimed at achieving more effective, patient-centred care.

The Joint Regional Plan for the NT is due for release in December 2023.

Work continued with the Commonwealth and NT PHN to progress the co-commissioning of services through the Bilateral Agreement on Mental Health and Suicide Prevention. Total investment is \$43.85 million with the Australian Government contributing \$30.65 million and the Northern Territory Government investing \$13.25 million to expand mental health care services to prioritised need.

A key part of this Agreement includes further investment in H2H programs. As a result, NT Health worked with the NT PHN and key First Nations organisations to establish priority locations for the new adult H2H satellite centres and the H2H Kids Hub.

NT Health commenced a perinatal mental health screening project to improve mental health and social and emotional wellbeing screening during pregnancy and following birth, including digital screening. The project will explore culturally appropriate screening programs for First Nations mothers and families where gaps exist, and improve access to appropriate support and care for those identified through screening as needing further help.

Exploration of telehealth service options commenced with the aim of providing a digitally enabled, flexible and specialist clinical workforce that is accessible to hospitals and primary health care services across the NT. This will

support remote health service clinicians to provide mental health care closer to home and improve health outcomes.

In 2022-23, the fifth round of Northern Territory Suicide Prevention Community Grants Scheme provided 30 locally led activities and projects across the Northern Territory. The Scheme aims to support locally led activities and projects that progress one or more of the identified priority areas for suicide prevention across the community by:

- Building inclusive communities and strengthening community resilience
- Addressing stigma and discrimination
- Raising awareness of effective suicide prevention practices.

Since its inception, approximately \$1.2 million has been provided to over 160 projects. Grants were awarded to initiatives in Darwin, Katherine, Central Australia, Tennant Creek, East and West Arnhem and the Tiwi Islands, with just over 40% of grants focused on youth suicide prevention and mental health support.

Community suicide prevention activities in these community grants focusses on:

- Supporting protective connections and linkages (through sport, culture, education and community)
- Reducing exposure to trauma (violence, sexual abuse, alcohol and drug use)
- Developing skills in emotional resilience and managing strong feelings
- Encouraging help seeking
- Working together to make communities safe and supportive
- Determining which initiatives are effective in driving successful outcomes
- Enabling families and carers to feel confident and equipped to help.

The fourth NT Suicide Prevention Strategic Framework report card was also released with key achievements highlighted including Community Action Planning to map activities and support better linkages between services, particularly those with a focus on young people.

\$1.62 million was provided to non-government organisations to deliver targeted training for community members and health and social care staff to support vulnerable people and expand the capacity for the community to respond wherever the need is.

The NT Suicide Prevention Strategic Framework 2018-2023 Implementation Plan expires in 2023 and planning is underway to develop a new five-year plan. Joint regional engagement forums are being held in eight NT regional locations and a series of Priority Population Roundtables are also underway as part of community consultation and engagement to develop this new plan.

This new Implementation Plan will remain consistent with the NT Suicide Prevention Strategic Framework which received wide validation from key stakeholders and community partners through the planning process for a ten year horizon.

The new Strategic Framework Implementation Plan is to be released on World Suicide Prevention Day 2023.

Royal Darwin Hospital mental health infrastructure improvements



Major infrastructure projects have commenced at Royal Darwin Hospital to improve and increase the capacity of mental health inpatient facilities to ensure community needs for mental health care are met, now and into the future.

Priority infrastructure projects being delivered include:

- \$3.5 million for upgrades to the Mental Health Inpatient Unit
- \$7.5 million for the development of a Stabilisation Assessment and Referral Area (SARA) Unit
- \$30 million in Australian Government funding to establish a new, 18-bed Mental Health Inpatient Unit.

Mental Health Inpatient Unit upgrades have included internal reconfiguration of the Joan Ridley Unit to create a new women's only unit, and landscaping and structure upgrades to the Cowdy Mental Health Facility courtyards. This project was completed in July 2022.

The new SARA and Mental Health Inpatient Unit projects have been designed in parallel and under one design consultant, in consultation with key stakeholder groups. The design phase was completed in February 2023. The design allows for future growth of mental health services and has an emphasis on creating a culturally safe and patient-centred space. The tender for the construction was awarded in January 2023 and construction is expected to be completed in early 2025.

Chronic conditions

A new cross-sector framework for preventing and managing chronic conditions in the Northern Territory is in development. A consultative committee co-chaired by Aboriginal Medical Services Alliance Northern Territory and NT Health was established in December 2022 to advise and guide the new framework. Members include clinicians, researchers and executive managers of partner organisations across the health sector.

Regional engagement forums with key stakeholder services and consumer groups were held in March and April 2023 across the Territory, validating a system's approach to strengthening prevention of chronic condition across the life-course and co-design of actions and programs at the local level. The new framework will be released in the last quarter of 2023.

DIABETES MANAGEMENT AND PREVENTION



The Northern Territory continues to experience some of the highest rates of diabetes across Australia, particularly in the Aboriginal population.

The NT Diabetes Clinical Network provides clinical leadership to ensure safe, quality and evidence-based diabetes services and improve client outcomes through accessible and culturally safe diabetes services. The Network is guided by a work plan with priorities and activities tailored to the NT. During 2022-23, the Network continued to implement key actions with a focus on youth and diabetes prevention and diabetes in pregnancy, and diabetes and the social determinants of health.

In 2022, the Network supported the planning and delivery of the NT Diabetes Summit (held 3-4 November in Alice Springs), which focused on diabetes and the social determinants of health. The Network will continue to support the outcomes of the NT Diabetes Summit with a view to include actions in the next Network work plan (2024-2026).

During 2022-23, the Network developed, published and promoted resources regarding youth type 2 diabetes, type 2 diabetes remission, and diabetes and the social determinants of health to raise awareness of this link among non-health professionals and agencies.

Communication about diabetes in pregnancy and youth type 2 diabetes continues to be strengthened between hospitals and primary health care, and clinicians and clients, with foundational work being undertaken by Menzies Diabetes across the Lifecourse Partnership.

The Network continues to share resources, training opportunities, and local diabetes programs and research among health professionals and organisations across the NT to strengthen engagement and communications with clients and prevention and management initiatives.

RENAL DISEASE

The NT has the highest rates of chronic kidney disease (CKD) in Australia, with Aboriginal and Torres Strait Islander Territorians disproportionately affected. CKD is a condition that causes loss of kidney functioning which, without effective management, can gradually lead to complete kidney failure. With growing rates and burden of chronic disease, especially diabetes, NT Health expects to see rapid growth in the incidence and prevalence of CKD in the coming years.

The NT Health Kidney Plan 2023-2028 is currently being developed. It will ensure collaborative partnerships and expert consultation drive innovative models of care and determine workforce capacity, and will commit to improved kidney health for Territorians and more choices for those with kidney disease.

The Plan will directly link with the NT Health Strategic Plan 2023-2028 and the National Strategic Action Plan for Kidney Disease (2019). The NT Health Kidney Plan 2023-2028 will have five priority areas for action:

- **Priority Area 1**
Prevention, detection and health literacy
- **Priority Area 2**
Expanded models of care and support options
- **Priority Area 3**
Building renal support and workforce capacity
- **Priority Area 4**
Improved data and planning
- **Priority Area 5**
Kidney donation and transplantation

Implementation of these priority areas will be through an implementation plan tailored to regional needs, supported by system-wide development of new and improved models of care.

Immunisation

INFLUENZA VACCINATION

Annual influenza vaccination is the most important measure to prevent influenza and its complications, particularly for those most at risk. The National Immunisation Program (NIP) provides free influenza vaccines to the following groups across Australia:

- children aged six months to less than five years
- all Aboriginal and Torres Strait Islander people aged six months and over
- people aged six months and over with certain medical conditions that increase their chance of severe influenza and its complications
- pregnant women (at any stage during pregnancy)
- people aged 65 years and over.

The 2023 influenza vaccine rollout commenced in early April 2023 in line with availability of the vaccines. Territorians have been able to access the free NIP influenza vaccine from their General Practitioner or health clinic or (for a fee) through private pharmacies.

NT Health and the NT Primary Health Network partnered to create a Pharmacy Technician-Led Vaccine Coordinator

Role for the 2023 influenza vaccine season. This role aimed to strengthen communication and relationships with internal and external stakeholders and reduced workload for internal pharmacy staff as they became the single point of contact for vaccine service providers. In addition, this role ensured an efficient and smooth operational process for external stakeholders to improve equitable vaccine access for vaccine service providers and Territorians.

NT Health continues to offer free influenza vaccination for all employees and volunteers. This vaccination program is primarily managed by local health services.

Due to declining vaccination uptake across the country across an array of immunisation programs, 2023 saw an increase in financial investment into the media and communications planning for the influenza season.

As at 30 June 2023, 23% of the NT population had received the influenza vaccination. This includes:

- 53% of people aged 65+
- 46% of Aboriginal people aged 50+
- 21% of children < 5 years.

(Source: Australia Immunisation Registry data extracted via Qlik on 29 June 2023).



STRONG-TL PROJECT



On 30 June 2023, the Surveillance, Training and Research Opportunities for Communicable Disease Control in Timor-Leste (STRONG-TL) project concluded. The project was funded by the Australian Government Department of Foreign Affairs' Indo-Pacific Centre for Health Security, and delivered by Menzies School of Health Research in partnership with the Ministry of Health in Timor-Leste.

The NT Centre for Disease Control (CDC) was involved in building capacity in the surveillance and epidemiology department within the Timor-Leste Ministry of Health, through a project agreement with Menzies.

The focus of the project was side-by-side mentoring of Timorese surveillance staff to build capacity and confidence to detect and respond to infectious disease threats in Timor-Leste; and strengthen relationships between clinicians, scientists and surveillance.

The project contributed to the development of the Integrated Disease Surveillance and Response (IDSR) Guideline, Timor-Leste's first Outbreak Investigation guidelines, and Timor-Leste's COVID-19 surveillance plan and response, including after the April 2021 floods and during the August 2021 Delta outbreak of COVID-19.

The CDC has also been involved in the delivery of operational research training, whereby Timorese health professionals developed skills to analyse data collection in their routine jobs, analyse the data, and use that data to improve public health. A number of these health professionals have published their work (their first scientific research) in scientific journals.

NATIONAL PARTNERSHIP ON ESSENTIAL VACCINES PERFORMANCE BENCHMARKS MET

The NT is a signatory to the National Partnership on Essential Vaccines which delivers the National Immunisation Program (NIP); a joint initiative between Commonwealth, States and Territory Governments. It provides free vaccine to eligible individuals through a range of vaccine providers to protect against multiple diseases.

In response to increasing NIP vaccines (and the addition of the COVID-19 Vaccine response), the Palmerston Vaccine Distribution Centre was opened in September 2022 at the Palmerston Regional Hospital. This infrastructure has improved cold chain storage holdings at the largest NT Health vaccine distribution site and will help to ensure a sustainable future for ongoing vaccination distributions.

The NT was one of five jurisdictions to meet three of the five benchmarks in the Australian Government's annual report assessing State and Territory performance. The three performance benchmarks met (as per the Essential Vaccines Schedule) are:

1. maintained or increased vaccination coverage rates for Aboriginal and Torres Strait Islander people in at least two of the following three age cohorts: 12-<15 months; 24-<27 months; and 60-<63 months, relative to the baseline;
2. an increase in the vaccination coverage rate for both adolescent boys and adolescent girls for Human Papillomavirus (HPV), relative to the baseline;
3. an annual decrease in the wastage and leakage rate for agreed vaccines, relative to the baseline.

The two performance benchmarks not met (as per the Essential Vaccines Schedule) are:

4. an increase in vaccination coverage for 60-<63 month olds relative to the baseline (baseline: 94.29%, result: 93.45%; change: -0.84%)
5. an increase in vaccination coverage for 60-<63 month olds in four of the ten lowest vaccination coverage SA3 geographical areas of Darwin City, Darwin Suburbs, Palmerston and Alice Springs, relative to the baseline. The changes ranged from -0.80% in Darwin City (baseline 92.35%, result 91.55%) to -1.78% in Alice Springs (baseline 95.02%, result 93.24%).

The unmet benchmarks have been attributed to the disruption of the COVID-19 pandemic affecting resourcing and changes in health-seeking behaviours.

JAPANESE ENCEPHALITIS VIRUS

Japanese Encephalitis (JE) is a rare but serious disease caused by the JE Virus (JEV) and spread by the bite of an infected mosquito. It cannot be spread from person to person.

The JEV program commenced in 2022 as part of the response to a national outbreak which included three cases in the NT. Funded vaccines are available for NT residents who live, work or attend school for a minimum of 30 consecutive days, in an area deemed high-risk, or according to their occupational status.

High-risk locations were determined based on environmental factors such as high mosquito density or vector animals, the occurrence of a human case, or detection of JEV in feral pigs or mosquitoes in the area.

In early 2023, the program was expanded to some Darwin urban and Darwin rural areas and Tennant Creek, based on the detection of the virus in mosquitoes at these locations.

Between 1 May 2022 and 29 June 2023, a total of 3,828 doses of JEV vaccine was administered to eligible population in the NT.

(Source: Australia Immunisation Registry data via Qlik on 29 June 2023).



3.

Provide high quality health care that reflects personal and community needs

We will provide high quality care for Territorians that is safe, effective, and person-centred – with flexibility to adjust to personal needs and preferences, values and community context. At the same time we will provide more guidance to support self-managed care, and more choices to enable access to care closer to home.

NT Health is committed to:

- Improving community capability in managing health and wellbeing
- Providing people more choice in access to health care
- Affording access to treatment and care that meets individual circumstances
- Making Territorians feel safe in our care

Virtual care



Virtual care is a key tool in providing healthcare, particularly for clients located in remote communities, as it assists in improving timely and appropriate access to healthcare services across geographically diverse regions.

To further improve the delivery of virtual care services, NT Health launched the Virtual Care Strategy in June 2021 to complement, elevate and extend traditional health care models to cater for, and increase accessibility for, all Territorians, regardless of where they live.

The Virtual Care Program completed its first phase in June 2022 – the delivery of the Healthdirect Video Call telehealth platform across more than 100 NT Health specialties and services, including the majority of medical, surgical, allied health and medical retrievals services. This provides a solid foundation for service expansion in the future. Several virtual care initiatives, focused on service delivery during the COVID-19 pandemic, were also successfully trialled using the new Healthdirect Video Call telehealth platform.

The second phase was completed in June 2023 and focused on further embedding the foundation pieces delivered in phase one, to expand virtual care services.

Phase two included:

- The delivery of further virtual care initiatives to expand delivery of virtual services, including trialling an electrocardiogram device and general examination cameras, in conjunction with the telehealth platform;
- Embedding virtual care components into everyday care through the delivery of posters to encourage clients to request consultations via telehealth, increasing clinicians' confidence through delivery of a telehealth etiquette course and supply of additional computer hardware to support telehealth consultations; and
- Aligning with other programs developing models of care, including developing a business case to replace legacy emergency cameras in remote health centres and regional hospitals.

Following the successful completion of phase two, NT Health has transitioned the Virtual Care Program with each region responsible for implementing key performance indicators at a divisional and specialty level, identifying relevant virtual care initiatives, and expanding virtual care within their regions.

NT Health will consider virtual care as a component of all future NT Health strategies and projects.

Oral health

SCHOOL-BASED FLUORIDE VARNISH PROGRAM

Territory children, particularly those from disadvantaged groups, have some of the worst oral health outcomes in Australia. Data from the most recent National Child Oral Health Study found Territory children were more likely to have tooth decay and this was likely to be of greater severity than children elsewhere in the country.

Top End Oral Health's School-Based Fluoride Varnish Program is a partnership-based program, providing early detection and intervention of dental disease support through strong community partnerships.

The Program delivers an immediate health benefit through six monthly applications of Fluoride Varnish (FV), the identification of dental disease and with community partnerships opening pathways to dental treatment for identified children.

The School-Based Fluoride Varnish Program (SBFVP) aims to:

- Slow or stop the progress of dental decay through regular FV applications
- Detect disease in high-risk children and open pathways to treatment
- Provide early intervention, reducing emergency dental appointments and preventing hospitalisation
- Re-engage vulnerable families and engage families who have not previously received dental care
- Provide a non-confronting orientation to the dental setting while in care, promoting a safe and positive dental environment
- Increase health literacy awareness in the community and support a health-promoting environment
- Supporting the workforce and retention through the ability to participate and implement in this new model of care

In 2022-23, NT Health's support resulted in:

- 428 children re-engaged with oral health service
- 10,415 fluoride varnish applications
- 4,793 follow up appointments
- 579 children engaged who had never had an oral health check

The community takes ownership of the Program through embedding the SBFVP consent in their school's new enrolment package and by including the Program in their school calendar.

The school community includes Families as First Teachers (FAFT) FAFT and childcare, contributing to supporting the children to have the best start in life. School-initiated daily tooth brushing activities support this program and assist in developing a health-promoting environment.

Through regular communication and feedback, this partnership reflects the personal and community needs of each community involved in the SBFVP and ensures a culturally responsive service.

A dental team attends each participating school every six months and applies FV to consenting children while identifying need. This is always followed by dedicated post-Program follow-up dental appointments in the community.

Further partnerships with Health Boards, Elders, AIEWs, AHWs, clinic staff, Stars and Clontarf Foundations are developed to ensure families attend these appointments. These initiatives help build family and community capacity to access dental services.



Legislative reform

SUPPORTING SURROGACY IN THE NORTHERN TERRITORY

The *Northern Territory Surrogacy Act* commenced on 21 December 2022 and established a statutory framework to regulate domestic surrogacy in the Northern Territory. The Act provides legal clarity for Territorians entering into a surrogacy arrangement. It also explicitly outlaws commercial surrogacy.

Individuals and couples who wish to build a family, but have struggled through conventional methods, now have the same opportunities to become parents. It also means people no longer need to leave the Territory to access surrogacy in other Australian jurisdictions or overseas.

The rights of the child were at the forefront of the Bill, which provides a pathway for the transfer of parentage of a child born of a surrogacy arrangement under the required statutory safeguards. It also ensures a child born through surrogacy has the same rights as any other child, and that surrogate mothers have the same rights to manage their pregnancies and birth as any other women.

Surrogacy eligibility is inclusive and accessible with no restriction for intended parents based on sex, gender, sexual orientation or marital status. Everybody has a right to build a family.

The Act follows years of groundwork through research, consultation, public discussions and meetings with stakeholders.

TERMINATION OF PREGNANCY LEGISLATION

The amended *Termination of Pregnancy Law Reform Act* was enacted by the Northern Territory Government on 16 December 2021. Amendments brought into force recommendations of a 2018 review of the Act and serve to increase access and equity to safe reproductive healthcare and termination of pregnancy services in the Northern Territory.

The changes align with termination of pregnancy legislation in other Australian states and territories including Victoria, Tasmania and the Australian Capital Territory.

The key changes included:

- Removing the requirement for two doctors to assess a patient who is less than 24 weeks pregnant (a patient will only need to meet with one doctor)
- Allowing terminations of pregnancy after 24 weeks, following consultation with two doctors
- Reducing the administrative burden on medical staff by removing excessive credentialing and reporting requirements.

In 2022, subordinate legislation, clinical guidelines and consumer information were reviewed and updated to support the new Act, guide healthcare professionals in their provision of services, and inform Territorians of their pregnancy options.

This work has been guided by the NT Health Termination of Pregnancy Legislative Review Working Group. Working Group members included clinical, legal and policy experts from across NT Health and the sector.

The Working Group has transitioned since the reform to provide ongoing guidance on best practice provision of termination of pregnancy services to ensure consumers have access to safe, quality and equitable services across the Northern Territory.

4.

Connect service delivery and support systems for a sustainable future

Our financial, digital, governance and infrastructure management will support new models of care and emergency planning while making sure we are an environmentally sustainable and fiscally responsible organisation. We will continuously improve our practice and care through learning, evaluating our programs and implementing actions.

NT Health is committed to:

- Refining our governance and financial systems to support a sustainable future
- Partnering to address social determinants, challenges and trends in our community
- Enabling, incentivising and implementing new models of care
- Being a learning health system

Sustainability

The effects of global warming on our health and wellbeing may include:

- reduced availability of food and fresh water
- increased air pollution and airborne allergens
- increased prevalence of pathogens (food, water and vector-borne)
- increased frequency, intensity and duration of extreme weather events, and
- loss of biodiversity and habitable land.

In response to this situation, NT Health is working to reduce its impact on the environment and adapt its services and infrastructure to ensure ongoing availability and access to health services for all Territorians, now and into the future.

NT Health is the Hazard Management Authority for Heat Waves under the NT Emergency Management Plan. A whole of government approach to responding to excessive heat conditions has been implemented.

Other infrastructure-oriented projects which support adaptation to climate change in healthcare include external shade awnings and window tinting to aid reduction of heat stress in Tennant Creek and Alice Springs' facilities - Tennant Creek Hospital Population and Primary Health Care, and Alice Springs Hospital Pathology and Biochemistry Lab.

In February 2023, NT Health created a new role of Director, Sustainability Action, responsible for facilitating strategic and operational action. Key mitigation deliverables have included:

- aligning policy and strategic effort on climate change priorities between NT Health and key NT Government agencies
- drafting a Sustainability Action Framework supported by priority goals and actions as a basis for engagement and collaboration with NT Health staff and stakeholders in 2023-24
- developing an operating model and business case for the key functions and budget required to deliver priority sustainability goals in the coming 18 months
- proposing an authorising pathway to enable NT Health-wide strategic, operational and grassroots action
- establishing a Healthcare Sustainability Network in NT Health to enable staff to engage in sustainability opportunities
- becoming a member of Global Green and Healthy Hospitals (GGHH) to engage with a global network focusing on sustainability in healthcare

- contributing to operational and grassroots sustainable healthcare groups in Top End, East Arnhem, Barkly and Central Australia Health Services, as well as the newly established National Critical Care and Trauma Response Centre Sustainability Working and Action Group. These groups are successfully implementing site-specific operational changes and grassroots initiatives to contribute to NT Health's overall sustainability efforts.

As part of these changes and initiatives;

- Top End undertook a comprehensive Pharmaceutical Waste Report, progressed Royal Darwin Hospital Campus Greening Project (in collaboration with the CSIRO, Charles Darwin University, community donors and volunteers), and ceased ordering the anaesthetic agent Desflurane (which has a global warming potential 2500 times greater than carbon dioxide)
- East Arnhem removed single-use water bottles from Gove District Hospital and reduced use of single-use plastic plates and cutlery
- The National Critical Care and Trauma Response Centre shifted to an entirely digital inventory system to minimise waste and manage expiry of medical consumables and goods
- NT-wide Zero Waste Workplace initiative commenced in May 2023 to reduce office waste at participating volunteer sites.

Infrastructure-oriented projects which have contributed to greater sustainability in healthcare included:

- The construction of an outdoor substation at Alice Springs Hospital which used sustainable and environmentally-friendly materials. The new amorphous core transformers achieve up to 75% lower core losses compared to traditional cold-rolled grain-orientated transformers
- An upgrade of the Alice Springs Hospital Central Sterilisation Services Department which will reduce the need for disposable medical devices
- Replacement of the Alice Springs Hospital CT machine which used 45% to 85% less energy during its design, in relation to material supply, production and delivery.

Improved Indigenous life expectancy in the NT

Research undertaken by NT Health shows life expectancy has improved significantly for Aboriginal and non-Aboriginal peoples in the Northern Territory over the past 20 years, particularly through improved outcomes for cancer and some chronic conditions.

Key findings include:

- Life expectancy has increased by almost ten years for Aboriginal men from 55.6 years to 65.6 years in 2018 and by five years for Aboriginal women from 64.7 years to 69.7 years in 2018.
- Life expectancy increased more rapidly for Aboriginal than non-Aboriginal people in the NT between 1999 and 2018, but the gap remains considerable.

The research paper, titled 'Conditions associated with life expectancy improvements in Aboriginal and non-Aboriginal populations in the Northern Territory, 1999-2018', was published by the Medical Journal of Australia on 20 June 2022.

Life expectancy at birth is an important population health measure that can be used to evaluate health system performance. Life expectancy is measured by how long, on average, a person is expected to live, based on current age, sex and Aboriginality-specific death rates.

The research compared the details of changes in life expectancy in Aboriginal and non-Aboriginal populations, and identified the disease groups in which progress has been made. It analysed life expectancy trends over a 20-year period and identified which disease groups contributed to life expectancy over the same period.

Increased life expectancy for Aboriginal men was primarily linked with fewer years of life lost to cancer (23% of the overall change), unintentional injuries (18%), and cardiovascular disease (17%), and for Aboriginal women with fewer life years lost to cancer (24%), intentional injuries (17%), and kidney disease (14%).

Increased life expectancy for non-Aboriginal people was commonly linked with fewer years of life lost to cancer (men, 37% of overall change; women, 43%) and neurological conditions (men, 18%; women, 37%), but more years of life were lost to cardiovascular disease (men, 7%; women, 39% relative loss)

The purpose of the research was to track progress in the NT towards the Closing the Gap target of eliminating the difference in life expectancy between Aboriginal and non-Aboriginal Australians.

The life expectancy gap between Aboriginal and non-Aboriginal people in the NT remains considerable - 15.4 years for both men and women. By examining the disease groups that contribute to life expectancy, this research helps to identify opportunities to further increase life expectancy in the future for both Aboriginal and non-Aboriginal Territorians. NT health care services continue to face the compounding challenges of the social determinants of health and socio-economic disadvantage experienced by Aboriginal population.

NT mosquito disease surveillance



The detection of the mosquito-borne Japanese Encephalitis (JE) virus in the NT in March 2021, and an outbreak of Murray Valley Encephalitis (MVE) in the first half of 2023, led to continued testing of mosquitoes for both viruses, by the Medical Entomology Unit in liaison with the Department of Industry, Tourism and Trade.

Several public health alerts were issued in the first half of 2023, following the detection of the viruses in mosquitoes. While no JE cases in humans were notified in 2022-23, seven MVE cases were confirmed, including two fatal cases.

To protect the public from the recently detected JE virus, the Medical Entomology Unit carried out a JE risk assessment for Top End communities, on which the NT Health JE Vaccination Strategy has been based.

The Dengue Mosquito Elimination Program (which was established following the detection of the dengue mosquito in Tennant Creek in 2021), has continued in 2022-23. The program is now in its eighth round of property inspections and treatments to eliminate the mosquito. The dengue mosquito is still present in the town and the program has received further Commonwealth and NT Government funding to continue in 2023-24.

With MVE and JE viruses now considered endemic in the NT, and with recurrent incursions of new mosquito species from interstate, mosquito protection is essential for the NT population.

Territory pathology

Pathology is the study of disease and is often the bridge between science and medicine. It is used to undertake diagnostic testing, determine treatment advice, and prevent disease.

Territory Pathology is a network of six public hospital laboratories, employing more than 160 full-time staff to assist diagnosis in the fields of chemical pathology, anatomical pathology, haematology/transfusion, forensic pathology, microbiology and serology/molecular biology.

On-site genomic sequencing services introduced initially as part of the COVID-19 response allow researchers to detect changes in a virus's genetic make-up.

During COVID-19, on-site genomic sequencing enabled staff to study prolonged outbreaks, map coronavirus clusters, identify 'superspreaders', and better understand behaviours that spread COVID-19. Understanding the genetic links between cases can help to inform public health decision-making.

Microbiological genomics is a powerful infection control tool that can be applied to many notifiable disease outbreaks. Genomic sequencing has been used to trace the source of outbreaks of food-borne bacteria and hospital infections. Examples include tracing staphylococcal septicaemia, tuberculosis, meningococcal and salmonella.

COVID-19 response

COVID-19 vaccination

Vaccination continues to be a key strategy in protecting Territorians against COVID-19 and preventing severe illness and hospitalisations.

COVID-19 vaccination advice has changed throughout the year, with recommendations being publicised and communicated with vaccine providers and the general public. Over 41,884 COVID-19 vaccinations have been delivered to the NT population since 1 July 2022.

(Source: Australia Immunisation Registry via Qlik on 29 June 2023)

COVID-19 outbreaks

During 2022-23, there were seven residential aged care facility outbreaks in the NT.

The final post-emergency directions relating to mandatory reporting of positive rapid antigen tests and mandatory use of face masks in high-risk settings, were lifted on 11 November 2022.

The NT Health Aged Care COVID-19 team concluded on 31 December 2022 and in February 2023, the Australian Government Department of Ageing and Aged Care (DAAC) advised that the Commonwealth was transitioning to a centralised model of COVID-19 surveillance and monitoring. The NT office has a role in case management of high-risk outbreaks, but no oversight of overall numbers until it reaches a particular risk threshold. Reporting of all positive residents and staff remains a requirement in My Aged Care, and DAAC continues to share numbers and details with NT Health as they are available.



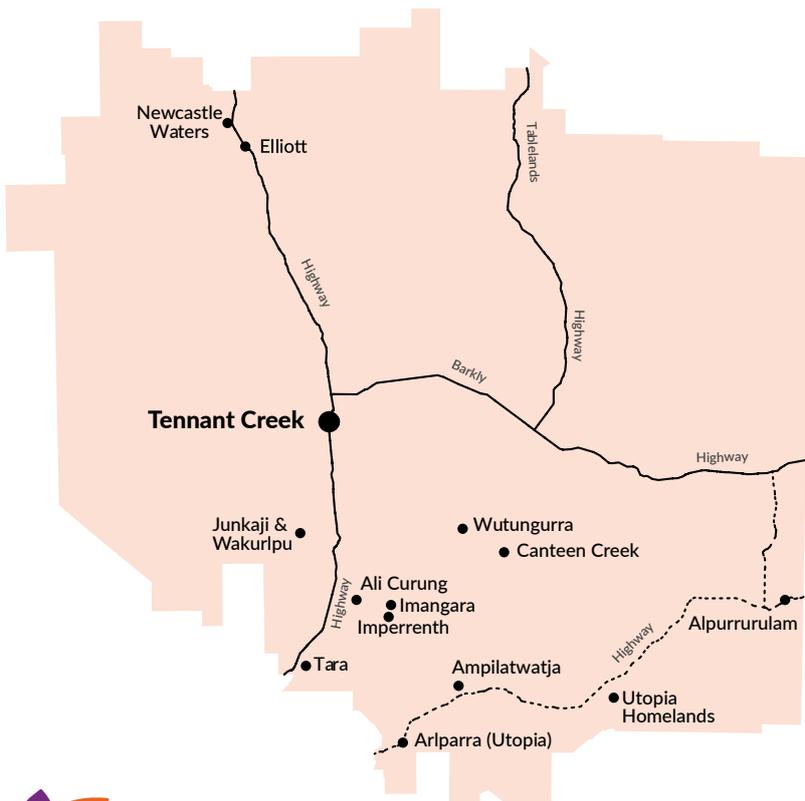


Regional reports



Barkly

NT Health managed communities:
 Ali Curung, Alpurrurulam (Lake Nash)
 Kulumindini, (Elliott) Orwairtilla
 (Canteen Creek), Tara, Wutunugurra
 (Epenarra)



1 public hospital



7 remote medical clinics



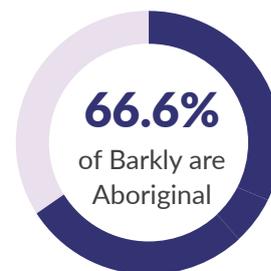
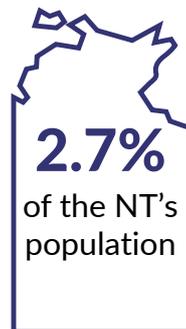
3 ACCHO

Aboriginal Community
 Controlled Health
 Organisations



6,316

estimated population



Regional overview

The Barkly region includes the town of Tennant Creek and spans across more than 320,000 square kilometres, from Elliott in the north, to Arlparra in the south.

NT Health provides acute care, primary and public health care, mental health services and outreach medical services to remote health centres across the region.

The resident population of the Barkly region is estimated at 6,316 which includes a population in Tennant Creek of 2,949. Health services include Tennant Creek Hospital, five primary health care services in remote communities, and an urban and outreach Primary and Public Health Service.

Tennant Creek Hospital provides Acute Care Services including:

- 24-hour accident and emergency care
- General medicine (including gerontology, rehabilitation, oral health)
- Clinical support (including allied health, pathology, pharmacy, radiology and sonography)
- Outreach to remote health centres
- Aboriginal liaison
- Mortuary services.

Public Health provides infectious disease surveillance and response including outbreak management and human biosecurity duties; immunisation advice; a tuberculosis and leprosy program, Clinic 34 sexual health services, a syphilis register and remote sexual health program, trachoma control program, the rheumatic heart disease control program and register, and medical entomology services. The Barkly Mental Health and Alcohol and Other Drugs Services includes a multi-disciplinary team who provide specialist mental health services to clients throughout the region.

Through its Primary Health Care Service, NT Health provides community allied health and aged care, oral health services, environmental health and remote health centres. The Barkly population is diverse and expansive and as a result has widely varying health needs. NT Health strives to provide accessible care that is culturally appropriate and as close to home as possible.

The Barkly Health Service:

- Is committed to improving the patient experience and supporting innovative models of care that are informed through feedback from both the consumers of our services and by the communities it serves.
- Continues its commitment to providing traineeships for local Aboriginal people with positions being offered in clinical, administrative, and environmental services.

- Continues to extend its Rural Generalist Program attracting registrars from across the country to the region to participate - its reputation is positive and entry is highly competitive.
- Is committed to providing effective, evidence-based health care, focusing on improved education and ensuring ongoing quality professional development opportunities.
- Features Tennant Creek Hospital - a teaching hospital which receives medical and nursing students, interns and registrars. The Barkly Region Rural Generalist Training Program is managed, supported and supervised by a team of Fellows of the College of Rural and Remote Medicine Rural General specialists where time is dedicated to case-based teaching of medical theory and practical skills. A hospital-based clinical nurse educator provides ongoing support to students, graduate nurses and staff in the clinical workplace.
- Extensively utilises virtual learning platforms across the health disciplines, enabling staff and students in Tennant Creek Hospital and all Barkly Clinics to participate in clinical education, research and development programs.
- Enables part-time research positions through a collaboration with Flinders University, which allow staff up to two days per fortnight to focus on an area of research that will add value to the services provided in the Barkly region.

AWARDS

Tennant Creek Hospital was awarded the **2022 Northern Territory General Practice Education Training Post of the Year** at the NT General Practice Education Annual Awards. The awards celebrate the knowledge, capabilities, and commitment of general practitioner training practices, supervisors, and registrars located across the Territory.

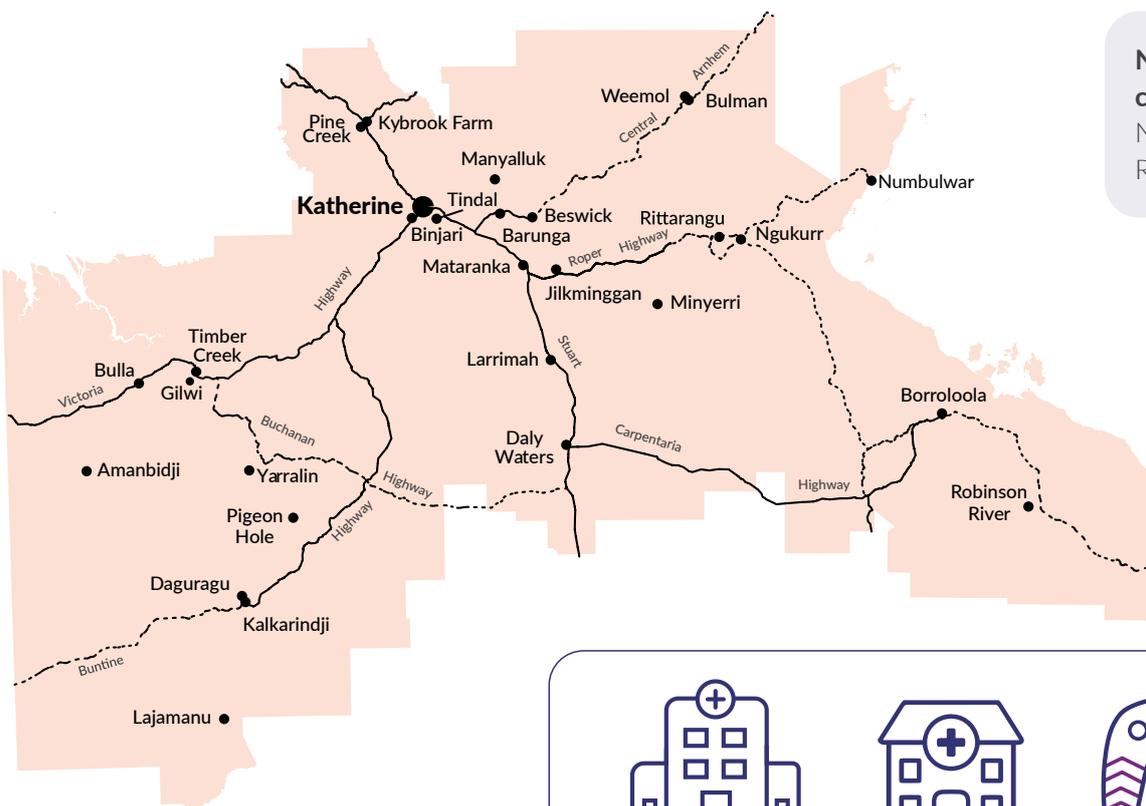
The key to the success of the Tennant Creek team is the theoretical and practical teaching program offered to all levels of medical students and doctors. Each morning, time is set aside for dedicated, case-based teaching in medical theory and practical skills, and involvement in the patient management team. The junior doctors then progress into the highly successful registrar training program for Rural Generalists.

Tennant Creek Hospital has taken the lead on this program to collaborate with the Gove and Katherine Hospitals and primary health care clinics across the NT to create a Territorywide Rural Generalist Education and Training Program. All regions collaborate to host educational activities which are shared online between facilities.

The success of the Tennant Creek Hospital training program has resulted in numerous Rural Generalist specialists now located around Australia, having benefitted from the Tennant Creek Hospital Training Centre.



Big Rivers



NT Health managed communities: Borroloola, Numbulwar, Pine Creek, Robison River



1 public hospital



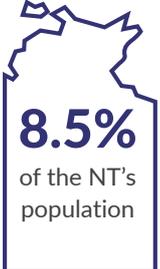
7 remote medical clinics



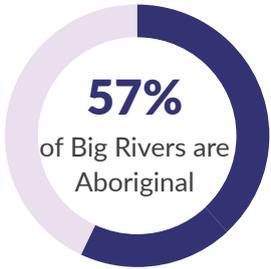
3 ACCHO
Aboriginal Community Controlled Health Organisations including 20 sites and 14 clinics



21,300
estimated population



8.5%
of the NT's population



57%
of Big Rivers are Aboriginal



Regional overview

The Big Rivers region includes the town of Katherine and extends south to Dunmarra and north to Pine Creek. It also includes the Victoria River area and the Gulf region across the Roper to Borroloola.

Big Rivers covers approximately 340,000 square kilometres between the Western Australia and Queensland borders.

The Big Rivers region works in close partnership with Aboriginal Community Controlled Health Organisations, which operate several of health care services dispersed across the region.

The region is comprised of three clinical divisions – Acute Care, Primary Health Care, Mental Health, and Alcohol and Other Drugs Services.

Acute Care is provided through Katherine Hospital which delivers a range of medical services including:

- 24-hour accident and emergency care
- General medicine (including oncology, infectious diseases, renal, palliative care)
- General surgery (including ear, nose and throat, gynaecology, ophthalmology, orthopaedics)
- Maternity and child health (including obstetrics)
- Rehabilitation
- Clinical support (including allied health, anaesthetics, diagnostic imaging, operating suite/theatres, pathology, pharmacy)
- Outreach to remote health centres
- A sexual assault referral centre.

Primary Health Care includes:

- Community allied health and aged care
- Oral health services
- The Aboriginal and Remote Eye Health Service
- Environmental health
- Remote health centres.

Outreach services are also provided to small communities and outstations in very remote areas, where a permanent primary health care service is not available.

Public Health provides:

- Infectious disease surveillance and response (including outbreak management and human biosecurity duties)
- Immunisation advice
- A tuberculosis and leprosy program
- Clinic 34 sexual health services
- A syphilis register and remote sexual health program
- Trachoma control program
- The rheumatic heart disease control program and register
- Medical entomology services.

The Katherine Mental Health and Alcohol and Other Drugs Services includes a multi-disciplinary team who provide specialist mental health services to clients throughout the region, including all remote communities as well as the Katherine township.



Central Australia



1 public hospital



20 remote medical clinics



NT Health managed communities:
 Amunturrngu (Mt Liebig), Aputula (Finke), Atitjere (Harts Range), Engawala, Ikuntji (Haasts Bluff), Laramba, Ntaria (Hermansburg), Nyirripi, Orrtipa-Thurra (Bonya), Tara, Papunya Pmara Jutunta (Six Mile), Ti Tree, Titjikala, Wallace Rockhole, Watarrka, Willowra, Wilora, Yuelamu, Yuendumu.



Regional overview

Central Australia Region services the Alice Springs township and provides outreach medical services to remote and very remote health centres throughout Central Australia. It covers a vast area that extends to Nyirripi in the northwest to Willowra in the north, Atitjere (Harts Range) in the east and Aputula (Finke) in the southeast.

Central Australia works in close partnership with the Aboriginal Community Controlled Health Organisations, which operate a number of health care services dispersed across the region. The region is comprised of three clinical divisions – Acute Care Services, Primary and Public Health Care and Mental Health Services.

Acute Care Services deliver a range of medical services including; Alice Springs Hospital providing 24-hour emergency department, general medicine, general surgery, paediatrics, intensive care, renal services, Medical Retrieval and Consultation Centre, midwifery, obstetrics and gynaecology, oncology, allied health, aboriginal liaison, palliative care and visiting medical officers also provide a range of specialist services. Additional acute services include Alcohol and Other Drugs Services Central Australia, Hearing Health, and Sexual Assault Referral Service.

Primary and Public Health Care provides primary health care services to 20 remote health centres in Central Australia. Remote services include 24/7 accident and emergency response, public health nutrition services, antenatal care, child health programs, women's and men's health screens, preventable chronic conditions program and infectious disease prevention and control. The Remote Outreach Consultation Centre provides a telehealth service manned

by experienced rural medical practitioners to allow for care to be maintained in community. Urban services include Aged Care, Community Allied Health, Prison Health, child health programs, childhood and adult immunisation, and specialist nursing services.

Mental Health Services provides a comprehensive range of integrated, community-based child, youth, adult and forensic services, including in-patient care in Alice Springs and remote care throughout Central Australia. The teams include Child and Youth Mental Health, Crisis Assessment and Triage, Community Mental Health, Forensic Mental Health, Mark Sheldon Remote Mental Health Team, Consultation Liaison, Perinatal Mental Health, Psychiatric Outpatients Clinic and management of a sub-acute mental health facility.

Public health provides infectious disease surveillance and response including outbreak management and human biosecurity duties; immunisation advice; a tuberculosis and leprosy program, Clinic 34 sexual health services, a syphilis register and remote sexual health program, trachoma control program, the rheumatic heart disease (RHD) control program and medical entomology services.

The overall trachoma prevalence in at risk communities decreased to 2.3% in 2022, achieving the target for elimination of trachoma as a public health issue in the NT.

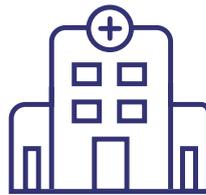
CDC Central Australia and AMSANT partnered to co-design an environmental health workforce development project. A grant to AMSANT is underway to develop a project plan that will pilot the workforce model in two remote communities, which will later scale up and be implemented across the NT.



East Arnhem

NT Health managed communities:

Alyangula, Angurugu, Milyakburra (Bickerton Island), Nhulunbuy, Umbakumba.



1 public hospital



4 remote medical clinics



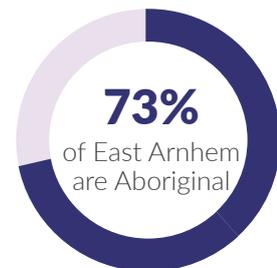
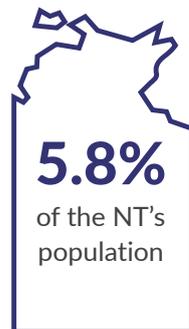
9 ACCHO

Aboriginal Community Controlled Health Organisations



14,600

estimated population





Regional overview

The East Arnhem region is situated in the far north-eastern corner of the top of the Northern Territory.

Health care is provided across the region including outreach programs. The region is considered very remote with many mainland communities frequently cut off by road during the wetter seasons of the year.

East Arnhem works in close partnership with Aboriginal Community Controlled Health Organisations, which operate 9 of the 14 health care services dispersed across the region.

The region is comprised of Acute Care, Primary Health Care and Mental Health, and Alcohol and Other Drugs Services.

Acute Care is provided through the Gove District Hospital which delivers a range of medical services including:

- 24-hour accident and emergency care
- General medicine (including paediatrics, infectious diseases and renal)
- General surgical (including ear, nose and throat gynaecology, ophthalmology, orthopaedics)
- Maternity, obstetrics, Level 3 nursery care
- Clinical support (including allied health, anaesthetics, diagnostic imaging including computerised tomography, operating theatre suite, pathology, pharmacy, palliative care)
- Specialist outpatient services (including ophthalmology, ENT, orthopaedics, renal, gynaecology)
- Outreach to remote health centres
- Mortuary service
- Aboriginal liaison.

The Gove District Hospital is a multi-purpose service hospital which provides flexible care for aged and disability clients.

Primary Health Care includes:

- Community allied health and aged care
- Oral health services
- Environmental health
- Remote health centres.

Other NT Health services, such as dental, environmental health and pathology, are based in the region, however these services are not managed regionally.

Public Health provides:

- Infectious disease surveillance and response (including outbreak management and human biosecurity duties)
- Immunisation advice
- A tuberculosis and leprosy program
- Clinic 34 sexual health services
- A syphilis register and remote sexual health program
- Trachoma control program
- The rheumatic heart disease control program
- Medical entomology services.

The East Arnhem Mental Health and Alcohol and Other Drugs Service includes a multi-disciplinary team who provides specialist mental health services to clients throughout the region.



Top End

NT Health managed communities:

Adelaide River, Batchelor, Belyuen, Gunbalanya, Jabiru, Wurrumiyanga, Milikapiti, Nauiyu (Daly River), Palumpa, Peppimenarti, Pirlangimpi, Wadeye.

NB: Not including Outstations/Homelands



2 public hospitals



14 remote medical clinics

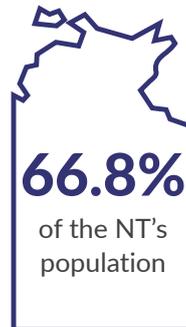


3 ACCHO

Aboriginal Community Controlled Health Organisations



167,700 estimated population





Regional overview

The Top End region services the townships of Darwin and Palmerston and extends across the Darwin rural area and the Darwin Peninsula to Jabiru, the Tiwi Islands and south to Palumpa and Wadeye.

The region is comprised of Acute Care, Primary Health Care and Mental Health, and Alcohol and Other Drugs Services.

Acute Care is provided through the Royal Darwin and Palmerston Regional Hospitals, which deliver a range of medical services.

Royal Darwin Hospital offers:

- 24-hour accident and emergency care
- General medicine (including oncology, cardiology, endocrinology, gastroenterology, infectious diseases, renal, respiratory, palliative care, chronic pain service, hyperbaric medicine, orthopaedics)
- General surgery (including ear, nose and throat, gynaecology, neurology, ophthalmology, orthopaedics, urology, vascular, maxillofacial, plastic and reconstructive)
- Maternity and child health (including neonatology, obstetrics, paediatrics)
- Mental health, alcohol & other drugs services
- Clinical support (including allied health, anaesthetics, diagnostic imaging/nuclear medicine, intensive care/high dependency unit, operating suite/theatres, pathology, pharmacy)
- Outreach to remote health centres
- Mortuary and general supplies, post-mortem services

- Aboriginal liaison
- A sexual assault referral centre.

Primary Health Care provides community allied health and aged care, oral health services, prison health, and remote health centres.

Public Health provides:

- Infectious disease surveillance and response (including outbreak management and human biosecurity duties)
- Immunisation advice
- A tuberculosis and leprosy program
- Clinic 34 sexual health services
- A syphilis register and remote sexual health program
- Trachoma control program
- The rheumatic heart disease control program
- Medical entomology services.

Top End Mental Health Services offers a range of therapeutic services and interventions which focus on providing a recovery approach model of care, including the Social, Emotional and Wellbeing Framework. Services include assessment, treatment, and clinical interventions within a case management model to patients of all ages.

Alcohol and Other Drugs Services provides individualised, coordinated, and effective health assessment as well as case management and recovery-focused treatment services. It provides multi-disciplinary services and develops prevention, promotion and early intervention strategies in collaboration with other agencies.

National Critical Care and Trauma Response Centre

In collaboration with the Australian Government the National Critical Care and Trauma Response Centre (NCCTRC), NT Health continues to provide emergency management and health response expertise to enhance national capacity-building through the Australian Medical Assistance Team (AUSMAT) capability. In the NT, the NCCTRC has continued to support NT major events including the Supercars and 'Bass in the Grass' music festival to enhance the NT Health emergency response systems. In addition, in this reporting period, the NCCTRC provided COVID-19 management support to the Yothu Yindi Foundation for the GARMA Festival held in Arnhem Land.

The NCCTRC was established following the 2002 Bali bombings, recognising the strategic importance of northern Australia in response to health emergencies. In October 2022, Territorians remembered the 20th anniversary of the 2002 Bali bombings. This tragic event changed Australia as a nation however, the emergency response capability that emerged as the NCCTRC and the AUSMAT, continues today.

The NCCTRC is funded by the Australian Government and its purpose to maintain a readiness for a range of health emergencies and emergency responses, nationally and internationally. The strategic location of the NCCTRC

in northern Australia provides an ideal base to support activities in the Indo-Pacific region and provide training opportunities to Australian clinical and health logistics professionals.

The NCCTRC has been recognised for its ability to adapt and respond to a range of emerging health issues, as well as in its development and management of the AUSMAT workforce which provides an 'all hazards' approach to respond to disasters and health emergencies at the national and international level.

In this reporting period, the NCCTRC focused on the development of public health capability for a national and international Emergency Medical Team (EMT) with the expansion of its public health workforce. The public health workforce has now expanded to include a medical scientist and a public health registrar.

The NCCTRC also enhanced the AUSMAT laboratory capability to be used nationally through the effective use of the rapid response laboratory, collaborating with Territory Pathology, NSW Health Pathology, and Victorian Infectious Diseases Reference Laboratory. The rapid response mobile laboratory included enhancement of disease surveillance and data analysis to promote and protect the population in outbreak situations.





In August 2022, the NCCTRC provided support to the Yothu Yindi Foundation to allow for the return of the nationally recognised GARMA Festival in Arnhem Land, Northern Territory. The Festival is Australia's largest Indigenous gathering for a four-day celebration of Yolgnu life and culture.

The NCCTRC was engaged by the Yothu Yindi Foundation to assist with providing COVID-19 safety oversight, minimise risk to attendees, and manage positive cases on-site at the Festival.

The NCCTRC's Rapid Response Team (RRT) undertook a clinical placement at Gove District Hospital in September and October 2022. The nursing team supported the emergency department and wards undertaking clinical shifts, providing education via in-services and mentoring student nurses.

The RRT pharmacy technician assisted the Gove District Hospital pharmacy team in multiple roles including dispensing, pharmacy management, and provision of technical advice and education.

The RRT also provided surge support to the Alice Springs Hospital in late May and June 2023. The clinical placement aimed to enhance clinical support to Alice Springs Hospital in the lead-up to the King's Birthday long weekend.

In September 2022, AUSMAT-trained team members took part in the Timor-Leste tuberculosis (TB) prevalence project being undertaken by the Menzies School of Health Research, in collaboration with the Timor-Leste Ministry of Health. The project aims to establish, for the first time, the prevalence of TB in Timor-Leste, enabling more targeted

planning and implementation of public health strategies aimed at eliminating TB as a public health problem, and improving the detection and treatment of people with TB in Timor-Leste.

The project offered an opportunity for AUSMAT members to support field operations with x-ray capabilities working and training with Timorese radiographers. The project provided a professional development opportunity for the AUSMAT cohort in the field of radiography. It took place over a three-month period with a total of eight AUSMAT-trained team members deployed to support the initiative.

Work on the new training facility at Bees Creek commenced in January 2023. The facility has been designed to suit AUSMAT training requirements with large training rooms, break-out rooms, faculty meeting rooms, kitchen, tearoom and amenities. The training facility is scheduled to be completed in September 2023.

The NCCTRC has continued to provide funding and coordinate the Prevent Alcohol and Risk-related Trauma in Youth (P.A.R.T.Y.) program in the Northern Territory for the 2022-23 school year. The NT Government (through NT Health) has also provided funding to expand the program Territory-wide with sessions delivered in Alice Springs, Katherine and Nhulunbuy. The P.A.R.T.Y. program is a licensed, one-day in hospital injury awareness and prevention program for high school students aged 15 years and over. The NT P.A.R.T.Y. program was recognised as a finalist for the 2022 Community Achievement Awards for Road Safety.





Part 4

Financial Statements

CERTIFICATION OF THE FINANCIAL STATEMENTS

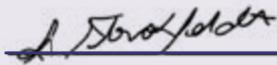
We certify that the attached financial statements for the Department of Health have been prepared based on proper accounts and records in accordance with Australian Accounting Standards and with the requirements as prescribed in the *Financial Management Act 1995* and Treasurer's Directions.

We further state that the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2023 and the financial position on that date.

At the time of signing, we are not aware of any circumstances that would render the particulars included in the financial statements misleading or inaccurate.



Dr Marco Briceno
Chief Executive Officer
31 August 2023



Lisa Strohfeldt
Acting Chief Finance Officer
29 August 2023

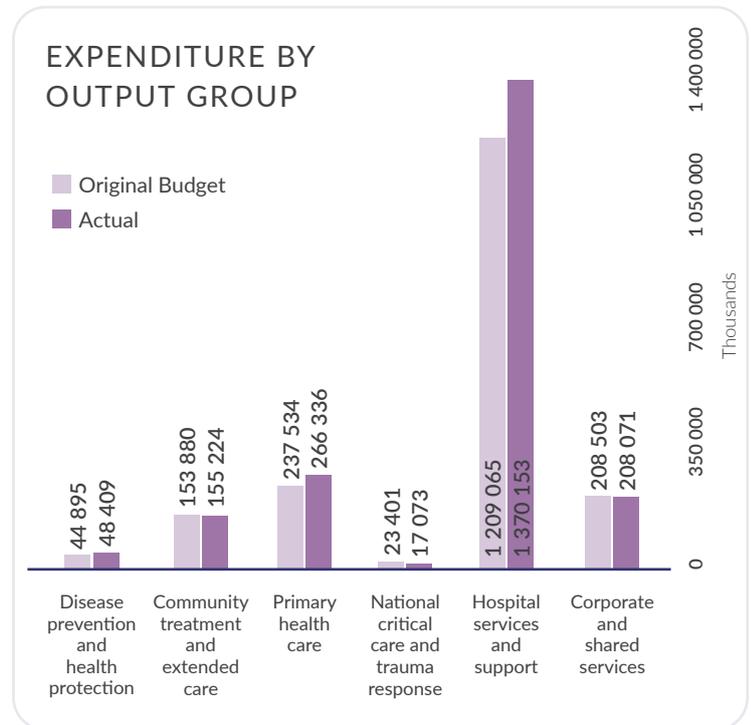
Agency overview

Since the incorporation of the Top End Health Service and the Central Australia Health Service into the agency in the 2021-22 financial year, the agency’s single integrated health system aims to deliver improved health outcomes and wellbeing for all people in the Northern Territory operating across five regions: Top End, Big Rivers, East Arnhem, Central Australia and Barkly.

The agency’s financial performance and position for the 2022-23 financial year is presented in the following financial statements and consists of the comprehensive operating statement, balance sheet, statement of changes in equity and cash flow statement.

Main results at a glance

- The agency reported an operating deficit of \$150.5 million.
- Net asset position as at 30 June 2023 is \$925.8 million.
- The agency’s cash balance as at 30 June 2023 is \$75.3 million.



Financial performance

The agency reported an operating deficit of \$150.5 million, \$79.4 million over the original 2022-23 Budget. After adjusting for non-cash items including depreciation totalling \$81.5 million which is not funded by output appropriation, the operating deficit reduces to \$69 million.

The comprehensive operating statement also shows other comprehensive income of \$133.9 million relating to a revaluation uplift of the hospital buildings portfolio to reflect the assets fair value during the financial year. This primarily reflects the significant increase in construction costs to replace these buildings in the current market.

COMPREHENSIVE OPERATING STATEMENT

	2022-23 Actual \$000	2022-23 Original Budget \$000	Variance to Budget \$000	2021-22 Actual \$000	Variance to Actual \$000
Revenue					
Grants and subsidies revenue	502 739	469 234	33 505	528 744	(26 006)
Output appropriation	1 137 202	1 073 636	63 566	1 182 976	(45 774)
Commonwealth appropriation	40 557	45 377	(4 820)	205 867	(165 310)
Sales of goods and services	116 879	102 794	14 085	107 685	9 194
Services received free of charge	112 502	112 877	(375)	109 242	3 260
Other income	4 862	2 218	2 644	3 585	1 278
	1 914 741	1 806 136	108 605	2 138 099	(223 358)
Expenditure					
Employee expenses	1 183 548	1 099 172	84 376	1 260 487	(76 939)
Purchases of goods and services	517 700	451 287	66 413	609 125	(91 425)
Depreciation and amortisation	68 393	67 568	825	65 959	2 434
Services free of charge	112 502	112 877	(375)	109 242	3 260
Grants and subsidies expenses	165 906	145 836	20 070	170 882	(4 976)
Other expenses	17 217	538	16 679	11 716	5 501
	2 065 266	1 877 278	187 988	2 227 410	(162 144)
Operating surplus/(deficit)	(150 525)	(71 142)	(79 383)	(89 311)	(61 214)
Other comprehensive income	133 936	-	133 936	19 594	114 342
Comprehensive result	(16 589)	(71 142)	54 553	(69 717)	53 128
Operating surplus/(deficit) after adjusting for non-cash items	(69 040)	(3 574)	(65 466)	(13 744)	(55 297)

OPERATING REVENUE

The agency's principal source of revenue is output appropriation provided by the Northern Territory Government to fund core health services across the Northern Territory.

Grants and subsidies include revenue from the Australian Government relating to activity based and block funding through the National Health Reform Agreement, national partnership payments and other Commonwealth grant programs. The agency also receives grants and subsidies from other state and territory governments as well as non-government entities.

Other revenue sources include the sales of goods and services and notional revenue for goods and services received free of charge. The notional revenue relates to centralised corporate services and repairs and maintenance provided by the Department of Corporate and Digital Development and the Department of Infrastructure, Planning and Logistics respectively, which is fully negated by an offsetting expense.

OPERATING EXPENDITURE

The agency's operating expenditure comprises mainly of employee expenses, purchases of goods and services and the provision of grants and subsidies to external organisations to deliver public health services across the Northern Territory.

Services free of charge notional expenditure represents the offset to the notional revenue recognised for the centralised corporate services and repairs and maintenance.

Other expenses include administrative expenses, interest and loss on disposal of assets.

- \$66.4 million increase in purchases of goods and services reflecting higher expenditure on patient travel costs, imaging and medical supplies
- \$17.8 million increase in current grants expenses aligned to the corresponding increase in grants revenue which funded the on-going COVID-19 response amongst other initiatives
- \$16.7 million other administrative expenses with the majority relating to the write-off of inventories from the Berrimah warehouse fire

Budget performance

OPERATING REVENUE AGAINST ORIGINAL BUDGET

The overall increase in operating revenue of \$108.6 million compared to the original 2022-23 Budget can be largely attributed to:

- \$63.6 million increase in NT output appropriation to support i) the delivery and meet demand of health services to the community ii) on-going COVID-19 response and iii) restock inventories destroyed in the Berrimah warehouse fire in August 2022
- \$33.5 million increase in current grants from the Australian Government and other organisations to fund a range of initiatives, including on-going support for the COVID-19 response
- \$14 million increase in sales of goods and services derived from higher cross border charges and fee for service activity
- offset by \$4.8 million decrease in Commonwealth appropriation due to timing delays in the commencement of some national partnership payments

OPERATING EXPENDITURE AGAINST ORIGINAL BUDGET

The key variances in the increase of \$187.9 million in operating expenditure compared to the original 2022-23 Budget are:

- \$84.4 million higher in employee expenses due to the increase in provisions associated with the Enterprise Agreements for medical, dental and nursing classification streams as well as higher than budgeted overtime and labour hire resources to meet continuing demand for services

Financial position

BALANCE SHEET

The agency's net financial position as at 30 June 2023 is \$925.8 million, \$123.4 million higher than the original 2022-23 Budget. The key variance is due to the increase in property, plant and equipment arising from the \$133.9 million revaluation uplift of the hospital buildings portfolio during the financial year offset by movements in other balance sheet items.

	2022-23 Actual \$000	2022-23 Original Budget \$000	Variance to Budget \$000
Assets	1 336 280	1 209 476	126 803
Liabilities	410 504	407 069	3 435
Net assets	925 776	802 407	123 369

STATEMENT OF CHANGES IN EQUITY

Besides the uplift in the agency's asset revaluation reserve, other movements in equity included \$36.1 million from the transfer of completed work-in-progress assets from the Department of Infrastructure, Planning and Logistics and a \$25 million equity injection from the Central Holding Authority.

CASH FLOW STATEMENT

The agency's cash held at 30 June 2023 is \$75.3 million (\$121.1 million in original 2022-23 Budget) representing a reduction in net cash due to higher than anticipated operating expenditure partially offset by the \$25 million equity injection received.

Comprehensive operating statement

for the year ended 30 June 2023

	Note	2023 \$000	2022 \$000
INCOME			
Grants and subsidies revenue			
Current	4	502 739	528 744
Appropriation	5		
Output		1 137 202	1 182 976
Commonwealth (excluding capital appropriation)		40 557	205 867
Sales of goods and services	6	116 879	107 685
Goods and services received free of charge ¹	7	112 502	109 242
Other income	8	4 862	3 585
TOTAL INCOME	3	1 914 741	2 138 099
EXPENSES			
Employee expenses		1 183 548	1 260 487
Administrative expenses			
Property management		58 181	108 372
Purchases of goods and services	9	459 519	500 752
Depreciation and amortisation	18,20	68 393	65 959
Loss on disposal of assets	10	4	-
Services free of charge ¹	7	112 502	109 242
Other administrative expenses		16 702	10 900
Grants and subsidies expenses			
Current	11a	161 900	163 460
Capital	11b	4 006	7 422
Interest expenses	12	511	816
TOTAL EXPENSES	3	2 065 266	2 227 410
NET SURPLUS/(DEFICIT)		(150 525)	(89 311)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to net surplus/deficit			
Correction of prior period errors		-	1 203
Changes in asset revaluation surplus	27	133 936	18 391
TOTAL OTHER COMPREHENSIVE INCOME		133 936	19 594
COMPREHENSIVE RESULT		(16 589)	(69 717)

¹ Includes DCDD service charges and DIPL repairs and maintenance service charges.

The comprehensive operating statement is to be read in conjunction with the notes to the financial statements.

Balance sheet

as at 30 June 2023

	Note	2023 \$000	2022 \$000
ASSETS			
Current assets			
Cash and deposits	14	75 304	144 144
Receivables	16	94 958	126 328
Inventories	17	14 129	24 491
Total current assets		184 391	294 963
Non-current assets			
Receivables	16	17	25
Property, plant and equipment	18,20,28	1 151 872	1 043 164
Total non-current assets		1 151 889	1 043 189
TOTAL ASSETS		1 336 280	1 338 152
LIABILITIES			
Current liabilities			
Deposits held	21	5 505	5 155
Payables	22	205 368	244 762
Borrowings and advances	23	2 252	11 477
Provisions	24	153 854	159 973
Other liabilities	25	10 761	4 139
Total current liabilities		377 740	425 506
Non-current liabilities			
Borrowings and advances	23	10 185	10 810
Other liabilities	25	22 579	22 906
Total non-current liabilities		32 764	33 716
TOTAL LIABILITIES		410 504	459 222
NET ASSETS		925 776	878 930
EQUITY			
Capital		1 475 428	1 411 993
Asset revaluation reserve	27	319 367	185 431
Accumulated funds		(869 019)	(718 494)
TOTAL EQUITY		925 776	878 930

The balance sheet is to be read in conjunction with the notes to the financial statements

Statement of changes in equity

for the year ended 30 June 2023

2023	Note	Equity at 1 July \$000	Comprehensive result \$000	Transactions with owners in their capacity as owners \$000	Equity at 30 June \$000
Accumulated funds		(718 494)	(150 525)	-	(869 019)
Asset revaluation reserve	27	185 431	133 936	-	319 367
Capital – transactions with owners					
Equity injections					
Capital appropriation		82 949	-	2 925	85 874
Equity transfers in		1 916 760	-	36 410	1 953 170
Other equity injections		107 326	-	25 000	132 326
National partnership payments		4 978	-	-	4 978
Equity withdrawals					
Capital withdrawal		(171 319)	-	-	(171 319)
Equity transfers out		(528 701)	-	(900)	(529 601)
		1 411 993	-	63 435	1 475 428
Total equity at end of financial year		878 930	(16 589)	63 435	925 776

2022	Note	Equity at 1 July \$000	Comprehensive result \$000	Transactions with owners in their capacity as owners \$000	Equity at 30 June \$000
Accumulated funds		(630 386)	(89 311)	-	(719 697)
Correction of prior period errors			1 203	-	1 203
		(630 386)	(88 108)	-	(718 494)
Asset revaluation reserve	27	167 040	18 391	-	185 431
Capital – transactions with owners					
Equity injections					
Capital appropriation		80 024	-	2 925	82 949
Equity transfers in		1 816 971	-	99 789	1 916 760
Other equity injections		107 326	-	-	107 326
National partnership payments		4 978	-	-	4 978
Equity withdrawals					
Capital withdrawal		(171 319)	-	-	(171 319)
Equity transfers out		(525 705)	-	(2 996)	(528 701)
		1 312 275	-	99 718	1 411 993
Total equity at end of financial year		848 929	(69 717)	99 718	878 930

The statement of changes in equity is to be read in conjunction with the notes to the financial statements

Cash flow statement

for the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts			
Grants and subsidies received			
Current		502 739	528 744
Appropriation			
Output		1 137 202	1 182 976
Commonwealth (excluding capital appropriation)		48 223	229 255
Receipts from sales of goods and services		211 483	179 154
Total operating receipts		1 899 647	2 120 129
Operating payments			
Payments to employees		1 168 889	1 246 915
Payments for goods and services		644 519	685 431
Grants and subsidies paid			
Current		161 867	163 460
Capital		4 006	7 422
Interest paid		511	816
Total operating payments		1 979 792	2 104 044
Net cash from/(used in) operating activities	15	(80 145)	16 085
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing receipts			
Proceeds from sales of non-financial assets	10	6	-
Repayment of advances received		-	300
Total investing receipts		6	300
Investing payments			
Purchases of non-financial assets		5 984	8 828
Total investing payments		5 984	8 828
Net cash from/(used in) investing activities		(5 978)	(8 528)
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing receipts			
Deposits received	15	350	899
Equity injections			
Capital appropriation	5	2 925	2 925
Commonwealth capital appropriation	5	500	-
Other equity injections		25 000	-
Total financing receipts		28 775	3 824
Financing payments			
Lease liabilities payments	15	11 492	4 416
Total financing payments		11 492	4 416
Net cash from/(used in) financing activities		17 283	(592)
Net increase/(decrease) in cash held		(68 840)	6 965
Cash at beginning of financial year		144 144	137 179
CASH AT END OF FINANCIAL YEAR	14	75 304	144 144

The cash flow statement is to be read in conjunction with the notes to the financial statements

Index of notes to the financial statements

NOTE

1. Objectives and funding
2. Statement of significant accounting policies
3. Comprehensive operating statement by output group

Income

4. Grants and subsidies revenue
5. Appropriation
- 5a. Summary of changes to appropriation
6. Sales of goods and services
7. Goods and services received free of charge
8. Other income

Expenses

9. Purchases of goods and services
10. Loss on disposal of assets
- 11a. Grant expense – Current grants and subsidies
- 11b. Grant expense – Capital grant
12. Interest expenses
13. Write-offs, postponements, waivers, gifts and ex gratia payments

Assets

14. Cash and deposits
15. Cash flow reconciliation
16. Receivables
17. Inventories
18. Property, plant and equipment
19. Agency as a lessor
20. Agency as a lessee

Liabilities

21. Deposits held
22. Payables
23. Borrowings and advances
24. Provisions
25. Other liabilities
26. Commitments

Equity

27. Reserves

Other disclosures

28. Fair value measurement
29. Financial instruments
30. Related parties
31. Contingent liabilities and contingent assets
32. Events subsequent to balance date
33. Schedule of administered Territory items
34. Budgetary information
35. Budgetary information: Administered Territory items

1. Objectives and funding

The Department of Health (“the agency”) consisting of the System Manager and the NT Regional Health Services operates across five regions: Top End, Big Rivers, East Arnhem, Central Australia and Barkly under the *Health Service Act 2021*.

The agency’s single integrated health system aims to deliver improved health outcomes and wellbeing for all people in the Northern Territory. Additional information in relation to the agency and its principal activities may be found in the body of the annual report.

The agency is predominantly funded and therefore dependent, on the receipt of parliamentary appropriations as well as activity based and block funding received through the National Health Reform Agreement. The financial statements encompass all funds through which the agency controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the agency are summarised into several output groups. Note 3 provides summarised financial information in the form of a comprehensive operating statement by the output group.

2. Statement of significant accounting policies

a) Statement of compliance

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act 1995* and related Treasurer’s Directions. The *Financial Management Act 1995* requires the agency to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of agency financial statements should include:

- 1) a certification of the financial statements
- 2) a comprehensive operating statement
- 3) a balance sheet
- 4) a statement of changes in equity
- 5) a cash flow statement and
- 6) applicable explanatory notes to the financial statements.

b) Basis of accounting

The financial statements have been prepared using the accrual basis of accounting, which recognises the effect of financial transactions and events when they occur, rather than when cash is paid out or received. As part of the preparation of the financial statements, all intra-agency transactions and balances have been eliminated.

Except where stated, the financial statements have also been prepared in accordance with the historical cost convention.

The form of the agency financial statements is also consistent with the requirements of Australian Accounting Standards. The effects of all relevant new and revised standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are effective for the current annual reporting period have been evaluated.

Standards and interpretations effective from 2022-23 financial year

Several amending standards and AASB interpretations have been issued that apply to the current reporting periods, but are considered to have no or minimal impact on public sector reporting.

Standards and interpretations issued but not yet effective

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

Several amending standards and AASB interpretations have been issued that apply to future reporting periods but are considered to have limited impact on public sector reporting.

c) Reporting entity

The financial statements cover the agency as an individual reporting entity.

The agency is a Northern Territory department established under the *Interpretation Act 1978* and Administrative Arrangements Order.

The agency’s principal place of business is: Manunda Place, 38 Cavenagh St Darwin NT 0800.

d) Agency and Territory items

The financial statements of the agency include income, expenses, assets, liabilities and equity over which the agency has control (agency items) and is able to utilise to further its own objectives. Certain items, while managed by the agency, are administered and recorded by the Territory rather than the agency (Territory items). Territory items are recognised and recorded in the Central Holding Authority as discussed below.

Central Holding Authority

The Central Holding Authority is the ‘parent body’ that represents the government’s ownership interest in government-controlled entities.

The Central Holding Authority also records all Territory items, such as income, expenses, assets and liabilities controlled by the government and managed by agencies on behalf of the government. The main Territory item is Territory income, which includes taxation and royalty revenue, Commonwealth general purpose funding (such as GST revenue), fines, and statutory fees and charges.

The Central Holding Authority also holds certain Territory assets not assigned to agencies as well as certain Territory liabilities that are not practical or effective to assign to individual agencies such as unfunded superannuation and long service leave.

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the agency's financial statements. However, as the agency is accountable for certain Territory items managed on behalf of government, these items have been separately disclosed in Note 33 – Schedule of administered Territory items.

e) Comparatives

Where necessary, comparative information for the 2021-22 financial year has been reclassified to provide consistency with current year disclosures.

f) Presentation and rounding of amounts

Amounts in the financial statements and notes to the financial statements are presented in Australian dollars and have been rounded to the nearest thousand dollars, with amounts of \$500 or less being rounded down to zero. Figures in the financial statements and notes may not equate due to rounding.

g) Changes in accounting policies

There have been no changes to accounting policies adopted in 2022-23 financial year as a result of management decisions.

h) Accounting judgments and estimates

The preparation of the financial report requires the making of judgments and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments and estimates that have significant effects on the financial statements are disclosed in the relevant notes to the financial statements and include cross border patient accruals, asset impairments and obsolescence, revenue recognition under AASB 15 or AASB 1058, expected credit losses and employee entitlement provisions.

i) Goods and services tax

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable or payable unless otherwise specified. Gross GST recoverable on commitments is disclosed separately in the commitments note.

j) Contributions by and distributions to government

The agency may receive contributions from government where the government is acting as owner of the agency. Conversely, the agency may make distributions to government. In accordance with the *Financial Management Act 1995* and Treasurer's Directions, certain types of contributions and distributions, including those relating to administrative restructures, have been designated as contributions by, and distributions to, government. These designated contributions and distributions are treated by the agency as adjustments to equity.

The statement of changes in equity provides additional information in relation to contributions by, and distributions to, government.

k) Impact of COVID-19

The agency continues to manage the residual impact caused by the COVID-19 global pandemic as it resumes core business activities.

These financial statements have been prepared on a going concern basis.

3. Comprehensive operating statement by output group

	Note	Community treatment and extended care		Corporate and shared services		Disease prevention and health protection		Hospital services and support		National critical care and trauma		Primary health care ²		Total	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
INCOME															
Grants and subsidies revenue															
Current	4	12 645	11 491	2 320	44 652	22 945	52 677	419 579	374 345	994	500	44 256	45 079	502 739	528 744
Appropriation	5														
Output		131 897	130 556	89 003	53 365	19 715	101 045	700 812	724 834	-	-	195 775	173 176	1 137 202	1 182 976
Commonwealth		9 172	8 465	134	170	5 630	165 921	272	109	16 813	21 402	8 536	9 800	40 557	205 867
Sales of goods and services	6	502	540	764	990	99	285	106 428	92 504	139	4 271	8 947	9 095	116 879	107 685
Goods and services received free of charge ¹	7	-	-	112 502	109 242	-	-	-	-	-	-	-	-	112 502	109 242
Other income	8	38	271	2 360	2 111	4	7	2 016	1 066	-	2	444	128	4 862	3 585
TOTAL INCOME		154 254	151 323	207 083	210 530	48 393	319 935	1 229 107	1 192 858	17 946	26 175	257 958	237 278	1 914 741	2 138 099
EXPENSES															
Employee expenses		96 580	95 009	56 577	58 622	24 062	131 822	828 600	802 194	11 098	14 123	166 631	158 717	1 183 548	1 260 487
Administrative expenses															
Property management		2 167	2 120	1 765	1 281	1 127	62 839	40 843	35 092	353	433	11 926	6 607	58 181	108 372
Purchases of goods and services	9	12 105	11 015	25 922	23 840	13 116	98 131	366 681	328 898	4 250	4 250	37 445	34 618	459 519	500 752
Depreciation and amortisation	18,20	970	1 481	989	1 186	17	68	56 716	52 325	1 323	1 301	8 378	9 598	68 393	65 959
Loss on disposal of assets	10	-	-	-	-	-	-	-	-	4	-	-	-	4	-
Services free of charge ¹	7	-	-	112 502	109 242	-	-	-	-	-	-	-	-	112 502	109 242
Other administrative expenses		93	263	1 032	8 713	141	32	14 286	1 677	-	-	1 150	215	16 702	10 900
Grants and subsidies expenses															
Current	11a	43 009	42 216	9 284	8 832	9 505	23 891	59 517	51 171	37	474	40 548	36 876	161 900	163 460
Capital	11b	300	700	-	-	441	3 220	3 265	3 502	-	-	-	-	4 006	7 422
Interest expenses	12	-	-	-	-	-	-	245	557	8	14	258	245	511	816
TOTAL EXPENSES		155 224	152 804	208 071	211 716	48 409	320 003	1 370 153	1 275 416	17 073	20 595	266 336	246 876	2 065 266	2 227 410
NET SURPLUS/(DEFICIT)		(970)	(1 481)	(988)	(1 186)	(16)	(68)	(141 046)	(82 558)	873	5 580	(8 378)	(9 598)	(150 525)	(89 311)
OTHER COMPREHENSIVE INCOME Items that will not be reclassified to net surplus/deficit															
Correction of prior period errors		-	-	-	-	-	-	-	1 203	-	-	-	-	-	1 203
Changes in asset revaluation surplus	27	-	-	-	-	-	-	133 936	18 391	-	-	-	-	133 936	18 391
TOTAL OTHER COMPREHENSIVE INCOME		-	-	-	-	-	-	133 936	19 594	-	-	-	-	133 936	19 594
COMPREHENSIVE RESULT		(970)	(1 481)	(988)	(1 186)	(16)	(68)	(7 110)	(62 964)	873	5 580	(8 378)	(9 598)	(16 589)	(69 717)

¹ Includes DDDD service charges and DJPL repairs and maintenance service charges.

² Community services output figures are included in the Primary health care output group for the 2022-23 financial year.

The comprehensive operating statement is to be read in conjunction with the notes to the financial statements

The agency is predominantly funded by parliamentary appropriations as well as activity based and block funding received through the National Health Reform Agreement for the provision of outputs. Outputs are the services provided or goods produced by an agency for users external to the agency. They support the delivery of the agency's objectives and or statutory responsibilities. The above table disaggregates revenue and expenses that enable delivery of services by output group which form part of the balances of the agency.

INCOME

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of GST. Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

4. Grants and subsidies revenue

2023	Revenue from contracts with customers \$000	Other \$000	Total \$000
Current grants	95 099	407 640	502 739
Total grants and subsidies revenue	95 099	407 640	502 739

2022	Revenue from contracts with customers \$000	Other \$000	Total \$000
Current grants	48 683	480 061	528 744
Total grants and subsidies revenue	48 683	480 061	528 744

Grants revenue is recognised at fair value exclusive of the amount of GST.

Where a grant agreement is enforceable and has sufficiently specific performance obligations for the agency to transfer goods or services to the grantor or a third party beneficiary, the transaction is accounted for under AASB 15 Revenue from Contracts with Customers. In this case, revenue is initially deferred as a contract liability when received in advance and recognised as or when the performance obligations are satisfied. The agency has adopted a low value contract threshold of \$50 000 excluding GST and recognises revenue from contracts with a low value, upfront on receipt of income.

The agency's contracts with customers are for the delivery of health services to the community. Funding is generally received upfront, and the agency typically satisfies obligations and recognises revenue as services are being delivered as specified in the agreement.

A financing component for consideration is only recognised if it is significant to the contract and the period between the transfer of goods and services and receipt of consideration is more than one year. For the 2022-23 and 2021-22 reporting periods, there were no adjustments for the effects of a significant financing component.

Where grant agreements do not meet criteria above, it is accounted for under AASB 1058 Income of Not-for-Profit Entities and income is recognised on receipt of funding except for capital grants revenue received for the purchase or construction of non-financial assets to be controlled by the agency.

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

Grant agreements that satisfy recognition requirements under AASB 15 are disaggregated below.

	2023 \$000	2022 \$000
Type of good and service:		
Service delivery	93 798	47 779
Research services	1 301	904
Total revenue from contracts with customers	95 099	48 683
Type of customer:		
Commonwealth Government	71 851	30 935
State and territory governments	2 540	2 815
Non-government entities ¹	20 708	14 933
Total revenue from contracts with customers	95 099	48 683
Timing of transfer of goods and services:		
Over time	79 938	34 085
Point in time	15 161	14 598
Total revenue from contracts with customers	95 099	48 683

¹ Predominantly grant revenue from Northern Territory Primary Health Network and Specialist Training Programs (STP).

5. Appropriation

Appropriation recorded in the operating statement includes output appropriation and commonwealth appropriation received for the delivery of services.

2023	Revenue from contracts with customers \$000	Other \$000	Total \$000
Output	-	1 137 202	1 137 202
Commonwealth ¹	40 521	36	40 557
Total appropriation in the operating statement	40 521	1 137 238	1 177 759

¹ Reduction in Commonwealth appropriation in 2022-23 financial year resulting from the wind down of the COVID-19 surge response.

2022	Revenue from contracts with customers \$000	Other \$000	Total \$000
Output	-	1 182 976	1 182 976
Commonwealth	177 653	28 214	205 867
Total appropriation in the operating statement	177 653	1 211 190	1 388 843

Appropriation recorded in the cashflow statement includes capital appropriation and commonwealth capital appropriation received for the delivery of assets to be retained by the agency.

2023	Revenue from contracts with customers \$000	Other \$000	Total \$000
Capital	-	2 925	2 925
Commonwealth	500	-	500
Total appropriation in the cashflow statement	500	2 925	3 425

2022	Revenue from contracts with customers \$000	Other \$000	Total \$000
Capital	-	2 925	2 925
Commonwealth	-	-	-
Total appropriation in the cashflow statement	-	2 925	2 925

Output appropriation is the operating payment to each agency for the outputs they provide as specified in the *Appropriation Act*. It does not include any allowance for major non-cash costs such as depreciation. Output appropriations do not have sufficiently specific performance obligations and recognised on receipt of funds.

Commonwealth appropriation follows from the intergovernmental agreement on federal financial relations, resulting in specific purpose payments (SPPs) and national partnership (NP) payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by the Department of Treasury and Finance on behalf of the Central Holding Authority and then passed on to the relevant agencies as Commonwealth appropriation.

Where appropriation received has an enforceable contract with sufficiently specific performance obligations as defined in AASB 15, revenue is recognised as and when goods and or services are transferred to the customer or third party beneficiary. Otherwise revenue is recognised when the agency gains control of the funds. The agency's contracts with customers are for the delivery of health services to the community. Funding is generally received upfront and the agency typically satisfies obligations and recognises revenue as services are being delivered as specified in the agreement.

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2023 \$000	2022 \$000
Type of good and service:		
Service delivery	40 407	177 653
Research services	114	-
Total revenue from contracts with customers	40 521	177 653
Type of customer:		
Commonwealth Government	40 521	177 653
Total revenue from contracts with customers	40 521	177 653
Timing of transfer of goods and services:		
Over time	40 521	177 653
Total revenue from contracts with customers	40 521	177 653

a) Summary of changes to budget appropriations

The following table presents changes to budgeted appropriations authorised during the current financial year together with explanations for significant changes. It compares the amounts originally identified in the *Appropriation (2022-2023) Act 2022* with revised appropriations as reported in *2023-24 Budget Paper No. 3 Agency Budget Statements* and the final end of year appropriation.

The changes within this table relate only to appropriation and do not include agency revenue (for example, goods and services revenue and grants received directly by the agency) or expenditure. Refer to Note 34 Budgetary information for detailed information on variations to the agency's actual outcome compared to budget for revenue and expenses.

	Original 2022-23 budget appropriation \$000	Revised 2022-23 budget appropriation \$000	Change to budget appropriation \$000	Note	Final 2022-23 budget appropriation \$000	Change to budget appropriation \$000	Note
Output	1 073 636	1 131 269	57 633	1	1 137 202	5 933	2
Commonwealth	45 377	46 064	687		51 971	5 907	3
Capital	2 925	2 925	-		2 925	-	
Commonwealth capital	-	500	500		500	-	
Total appropriation	1 121 938	1 180 758	58 820		1 192 598	11 840	

Output and capital appropriations reflect funding as a direct result of government-approved decisions, with actual funding received by the agency in line with the budgeted amounts.

Commonwealth appropriation reflects funding anticipated to be received from the Commonwealth for both operational and capital purposes. As Commonwealth appropriations are largely recognised as or when performance obligations are satisfied, the actual amounts received by the agency and reported in these financial statements may vary from the budgeted amounts reported in this table.

The following are explanations of changes over \$1 million or where there is a significant offset resulting in net changes under \$1 million.

1. The increase mainly reflects the funding profile of additional investment in hospital services to meet increased demand and cost pressures.
2. Treasurer's Advance to cover legal expenses and the restocking of inventories after Berrimah warehouse fire on 21 August 2022.
3. Relates to increased funds received from the Commonwealth for the following agreements: COVID-19 Repatriation of Australians; National Mental Health and Suicide Prevention and Public Dental Services for Adults.

6. Sales of goods and services

2023	Revenue from contracts with customers \$000	Other \$000	Total \$000
Sales of goods and services	116 879	-	116 879
Total sales of goods and services	116 879	-	116 879

2022	Revenue from contracts with customers \$000	Other \$000	Total \$000
Sales of goods and services	100 929	6 756	107 685
Total sales of goods and services	100 929	6 756	107 685

SALES OF GOODS AND SERVICES

Sale of goods

Revenue from sales of goods is recognised when the agency satisfies a performance obligation by transferring the promised goods such as pharmaceutical stock. The agency typically satisfies its performance obligations when the goods are transferred to the buyer. The payments are typically due within 30 days of invoice, or as contractually specified.

Revenue from these sales are based on the price specified in the contract, and revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. There is no element of financing present as sales are made with a short credit term.

Rendering of services

Revenue from rendering of services is recognised when the agency satisfies the performance obligation by transferring the promised services such as hospital services, including cross border activity and disaster and emergency medical responses, pharmaceutical benefit schemes and pathology services. The agency typically satisfies its performance obligations as the service provision is complete, which predominantly is satisfied as point in time transactions.

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2023 \$000	2022 \$000
Type of good and service:		
Service delivery	116 879	98 274
Research services	-	15
Other	-	2 640
Total revenue from contracts with customers	116 879	100 929
Type of customer:		
Commonwealth Government	40 103	34 828
State and territory governments	30 857	29 374
Non-government entities	45 919	36 727
Total revenue from contracts with customers	116 879	100 929
Timing of transfer of goods and services:		
Point in time	116 879	100 929
Total revenue from contracts with customers	116 879	100 929

7. Goods and services received free of charge

	2023 \$000	2022 \$000
Corporate and information services	79 506	79 377
Repairs and maintenance	32 996	29 865
Total goods and services received free of charge	112 502	109 242

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Repairs and maintenance expenses incurred on the agency's assets and costs associated with administration of these expenses are centralised and provided by the Department of Infrastructure, Planning and Logistics on behalf of the agency, and form part of goods and services received free of charge by the agency.

In addition, the following corporate services staff and functions are centralised and provided by Department of Corporate and Digital Development on behalf of the agency

and form part of goods and services received free of charge by the agency:

- financial services including accounts receivable, accounts payable and payroll
- employment and workforce services
- information management services
- procurement services
- property leasing services.

8. Other income

2023	Revenue from contracts with customers \$000	Other \$000	Total \$000
Miscellaneous revenue	1 316	3 068	4 384
Donated assets	-	478	478
Total other income	1 316	3 546	4 862

2022	Revenue from contracts with customers \$000	Other \$000	Total \$000
Miscellaneous revenue	1 129	2 403	3 532
Donated assets	-	53	53
Total other income	1 129	2 456	3 585

Miscellaneous revenue

Miscellaneous revenue includes reimbursements, Fuel Tax Credits from the ATO and external funding for minor projects such as the RDH Mural. Where funding is received for agreements that are enforceable and contain sufficiently specific performance obligations for the agency to transfer goods or services to the grantor or third-party beneficiary, the transaction is accounted for under AASB 15 as revenue from contracts with customers. Where this criteria is not met, revenue is generally accounted for under AASB 1058 and income is generally recognised upfront on receipt of funding.

Donated assets

Donated assets include assets received at below fair value or for nil consideration that can be measured reliably. These are recognised as revenue at their fair value when control over the assets is obtained, normally either on receipt of the assets or on notification the assets have been secured.

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

	2023 \$000	2022 \$000
Type of good and service:		
Other	1 316	1 129
Total revenue from contracts with customers	1 316	1 129
Type of customer:		
Commonwealth Government	741	625
State and territory governments	142	51
Non-government entities	433	453
Total revenue from contracts with customers	1 316	1 129
Timing of transfer of goods and services:		
Over time	1 316	1 129
Total revenue from contracts with customers	1 316	1 129

9. Purchases of goods and services

The net surplus/(deficit) has been arrived at after charging the following expenses:

Goods and services expenses:	2023 \$000	2022 \$000
Consultants ¹	3 682	2 810
Advertising ²	245	92
Marketing and promotion ³	1 472	2 670
Document production	756	1 131
Legal expenses ⁴	5 051	4 001
Recruitment ⁵	12 149	11 171
Client travel	89 676	73 298
Consumables	10 220	16 307
Cross border patient charges	30 889	36 173
Food supplies	8 146	42 725
Hospitality including entertainment ⁶	238	161
Information technology charges and communications	42 228	43 481
Workers compensation premiums	8 837	9 971
Laboratory expenses	19 624	26 360
Medical and dental supplies	163 892	171 707
Motor vehicle expenses	9 918	9 915
Official duty fares	14 464	12 455
Equipment expenses	12 878	11 861
Training and study	4 888	4 252
Travelling allowance	2 383	2 449
Other ⁷	17 883	17 762
Total purchases of goods and services	459 519	500 752

¹ Includes marketing, promotion and IT consultants.

² Does not include recruitment related advertising or advertising for marketing and promotion.

³ Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.

⁴ Includes legal fees, claim and settlement costs.

⁵ Includes recruitment-related advertising costs.

⁶ Includes catering for training and conferences.

⁷ Includes stationary, memberships, subscriptions and library services.

Purchases of goods and services generally represent the day-to-day running costs incurred in normal operations, including supplies and service costs recognised in the reporting period in which they are incurred.

10. Loss on disposal of assets

	2023 \$000	2022 \$000
Net proceeds from the disposal of non-current assets	6	-
Less: Carrying value of non-current assets disposed	(10)	-
Loss on the disposal of non-current assets	(4)	-
Proceeds from sale of minor assets	-	-
Total loss on disposal of assets	(4)	-

11. Grants and subsidies expenses

a) Current grants and subsidies expense

	2023 \$000	2022 \$000
Current grants		
Local government	3 218	3 383
Private and not-for-profit sector	150 951	138 617
Other sectors of government	6 483	19 810
Other	57	354
Total current grants	160 709	162 164
Subsidies		
Local government	2	8
Private and not-for-profit sector	1 189	1 289
Total subsidies	1 191	1 297
Total current grants	161 900	163 461

Current grants expenses are intended to finance the current activities of the recipient for which no economic benefits of equal value are receivable in return. Current grants expenses largely comprise ambulatory services, aeromedical services, remote primary health care services and allied health services.

Subsidies are payments aimed at reducing all or part of the costs of an activity. These include payments made to concession holder patients.

b) Capital grants expense

	2023 \$000	2022 \$000
Private and not-for-profit sector	3 565	3 007
Other sectors of government	441	4 415
Total capital grant expense	4 006	7 422

Capital grant expenses are transfers made to a recipient for the purpose of acquiring or constructing a new physical asset or upgrading an existing physical asset, for which no economic benefits of equal value are receivable in return. Capital grant expenses relate primarily to ambulatory services.

All grants and subsidies expenses are recognised in the reporting period in which they are paid or payable, exclusive of the amount of GST.

12. Interest expenses

	2023 \$000	2022 \$000
Interest from lease liabilities	511	816
Total interest expenses	511	816

Interest expenses consist of interest and other costs incurred in relation to the agency's lease liabilities.

13. Write-offs, postponements, waiver, gifts and ex gratia payments

The following table presents all write-offs, waivers, postponements, gifts and ex gratia payments approved under the *Financial Management Act 1995* or other legislation that the agency administers.

	Agency				Territory items				Note
	2023 \$000	No. of trans	2022 \$000	No. of trans	2023 \$000	No. of trans	2022 \$000	No. of trans	
Authorised under the <i>Financial Management Act 1995</i>									
<i>Write-offs, postponements and waivers approved by the Treasurer</i>									
Irrecoverable amounts payable to the Territory or an agency written off	183	21	513	133	-	-	-	-	
Value of public property written off	12 490	1 105	-	-	-	-	-	-	1
Waiver of right to receive or recover money or property	33	1	-	-	-	-	-	-	
Total write-offs, postponements and waivers approved by the Treasurer	12 706	1 127	513	133	-	-	-	-	
<i>Write-offs, postponements and waivers approved by delegates</i>									
Irrecoverable amounts payable to the Territory or an agency written off	199	238	245	166	241	102	5	2	2
Losses or deficiencies of money written off	-	-	-	2	-	-	-	-	
Value of public property written off	265	1 741	469	1 529	-	-	-	-	
Postponement of right to receive or recover money or property	383	267	117	25	22	28	20	25	3
Waiver of right to receive or recover money or property	-	-	3	5	-	-	-	-	
Total write-offs, postponements and waivers approved by delegates	847	2 246	834	1 727	263	130	25	27	
Total write-offs, postponements and waivers	13 553	3 373	1 347	1 860	263	130	25	27	
Gifts approved by the Treasurer	108	26	13	1	-	-	-	-	
Total gifts	108	26	13	1	-	-	-	-	
Ex gratia payments	-	-	3	1	-	-	-	-	
Total authorised under the <i>Financial Management Act 1995</i>	13 661	3 399	1 363	1 862	263	130	25	27	
Authorised under the <i>Medical Services Act 1982 (NT)</i>									
Write-offs, postponements and waivers	35	122	-	-	-	-	-	-	4
Gifts	-	-	-	-	-	-	-	-	
Total authorised under the <i>Medical Services Act 1982 (NT)</i>	35	122	-	-	-	-	-	-	

Notes:

1. Relates to inventories destroyed in the Berrimah warehouse fire on 21 August 2022.
2. Irrecoverable amounts payable to the Territory consist of the COVID-19 quarantine fees.
3. Current payment arrangements entered into with the agency and Territory's debtors.
4. Irrecoverable amounts payable to the agency written off under section 15 of the *Medical Services Act 1982 (NT)*.

Write-off

Write-offs reflect the removal from accounting records the value of public money or public property owing to, or loss sustained by the Territory or agency. It refers to circumstance where the Territory or an agency has made all attempts to pursue the debt, however, is deemed irrecoverable due to reasons beyond the Territory or an agency's control. Write-offs result in no cash outlay and are accounted for under 'Other administrative expenses' in the Comprehensive Operating Statement.

Waiver

Waivers reflect the election to forego a legal right to recover public money or receive public property. Once agreed with and communicated to the debtor, it will have the effect of extinguishing the debt and renouncing the right to any future claim on that public money or public property. Waivers result in no cash outlay, and are accounted for under 'Current grants and subsidies expense' in the Comprehensive Operating Statement.

Postponement

A postponement is a deferral of a right to recover public money or receipt of public property from its due date. This has no effect on revenues or expenses recognised but may affect cash inflows or assets in use.

Gifts

A gift is an asset or property, deemed surplus to government's requirements, transferred to a suitable recipient, without receiving any consideration or compensation, and where there is no constructive or legal obligation for the transfer. Gifted property is accounted under 'Other administrative expenses' in the Comprehensive Operating Statement.

Ex gratia

Ex gratia payments or act-of-grace payments are gratuitous payments where no legal obligation exists. All ex gratia payments are approved by the Treasurer. Ex gratia payments result in cash outlay and are accounted for under 'Purchases of goods and services' in the Comprehensive Operating Statement.

14. Cash and deposits

	2023 \$000	2022 \$000
Cash on hand	31	33
Cash at bank	75 273	144 111
Total cash and deposits	75 304	144 144

For the purposes of the balance sheet and the cash flow statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash. Cash at bank includes monies held in the Accountable Officer's Trust Account (AOTA) that are ultimately payable to the beneficial owner – refer also to Note 21.

15. Cash flow reconciliation

a) Reconciliation of cash

The total of agency 'Cash and deposits' of \$75.3 million (\$144.1 million in 2022) recorded in the balance sheet is consistent with that recorded as 'Cash' in the cash flow statement.

Reconciliation of net surplus/deficit to net cash from operating activities

	2023 \$000	2022 \$000
Net surplus/(deficit)	(150 525)	(89 311)
Non-cash items:		
Depreciation and amortisation	68 393	65 959
Asset write-offs/write-downs	13 458	9 984
Asset donations/gifts	108	13
Loss on disposal of assets	4	-
Asset acquired for nil consideration	(478)	(388)
Changes in assets and liabilities:		
Decrease in receivables	31 378	7 762
Increase in inventories	(2 763)	(17 440)
Decrease/increase in prepayments	-	1 622
Decrease/increase in other assets	-	(40)
Decrease in payables	(39 394)	20 671
Decrease in provision for employee benefits	(5 395)	8 868
Decrease in other provisions	(725)	4 190
Increase in other deferred income	5 794	-
Decrease/increase in other liabilities	-	4 195
Net cash from/(used in) operating activities	(80 145)	16 085

b) Reconciliation of liabilities arising from financing activities

2023	1 July	Cash flows			Other	30 June \$000
		Deposits received \$000	Lease liabilities repayments \$000	Total cash flows \$000	Lease movements \$000	
Deposits held	5 155	350	-	350	-	5 505
Borrowings and advances	22 287	-	(11 492)	(11 492)	1 642	12 437
Total	27 442	350	(11 492)	(11 142)	1 642	17 942

2022	1 July	Cash flows			Other	30 June \$000
		Deposits received \$000	Lease liabilities repayments \$000	Total cash flows \$000	Lease movements \$000	
Deposits held	4 256	899	-	899	-	5 155
Borrowings and advances	26 310	-	(4 416)	(4 416)	393	22 287
Total	30 566	899	(4 416)	(3 517)	393	27 442

c) Non-cash financing and investing activities

Lease transactions

During the financial year, the agency did not have any new right-of-use assets for the lease of land, building and plant and equipment (\$0.22 million in 2022).

The agency acquired buildings and equipment with an aggregate fair value of \$35.91 million (\$98.94 million in 2022) by non-cash transfers from the Department of Infrastructure, Planning and Logistics.

The agency acquired land, buildings and medical equipment with an aggregate fair value of \$0.48 million (\$0.05 million in 2022) by non-cash transfers donated by external organisations.

16. Receivables

	2023 \$000	2022 \$000
Current		
Accounts receivable	849	107
Less: loss allowance	(352)	(4)
	497	103
Contract receivables	11 666	14 493
Less: loss allowance	(1 334)	(914)
	10 332	13 579
Accrued contract revenue	77 173	101 204
GST receivables	4 259	8 364
Prepayments	2 690	3 019
Other receivables	7	59
Total current receivables	94 958	126 328
Non-current		
Prepayments	17	25
Total non-current receivables	17	25
Total receivables	94 975	126 353

Receivables are initially recognised when the agency becomes a party to the contractual provisions of the instrument and are measured at fair value less any directly attributable transaction costs. Receivables include contract receivables, accounts receivable, accrued contract revenue and other receivables.

Receivables are subsequently measured at amortised cost using the effective interest method, less any impairments.

Accounts receivable and contract receivables are generally settled within 30 days and other receivables within 30 days.

The loss allowance reflects lifetime expected credit losses and represents the amount of receivables the agency estimates are likely to be uncollectible and are considered doubtful.

Accrued contract revenue

Accrued contract revenue relates to the agency's right to consideration in exchange for works completed but not invoiced at the reporting date which predominantly includes cross border patient charges. Once the agency's rights to payment becomes unconditional, usually on issue of an invoice, accrued contract revenue balances are reclassified as contract receivables. Accrued revenue that does not arise from contracts with customers are reported as part of other receivables.

Significant changes in accrued contract revenue balances during the year was due to the settlement of cross border patient charges relating to prior years with various jurisdictions.

The accrued revenue for cross border patient charges has also been rebased using the latest available data to estimate the activity in the relevant financial years.

Prepayments

Prepayments represent payments made in advance of receipt of goods and services. Prepayments are recognised on an accrual basis and amortised over the period in which the economic benefits from these assets are received.

Credit risk exposure of receivables

Receivables are monitored on an ongoing basis to ensure exposure to bad debts is not significant. The entity applies the simplified approach to measuring expected credit losses. This approach recognises a loss allowance based on lifetime expected credit losses for all accounts receivables and contract receivables.

To measure the expected credit losses for this financial year, receivables have been grouped based on shared risk characteristics and days past due as follows:

Administered Territory receivables

This group of receivables represent the quarantine fees for the Centre for National Resilience, which is administered income managed on behalf of the NT Government.

This group of receivables is separately disclosed in Note 33.

Non-Administered Territory receivables

This consists of all other agency receivables and is further categorised as follows: charges for goods & services, employee debt, external funding, patient debt government, patient debt insurers and patient debt other. The expected loss rates are based on historical observed loss rates for each of these groupings and has not been adjusted for other macro-economic factors.

In accordance with the provisions of the FMA, receivables are written off when based on demonstrated actions to collect, there is no reasonable expectation of recovery for reasons beyond the agency's control.

The agency's credit risk exposure has not materially changed due to minimal business disruption experienced as a result of COVID-19. There is no material impact on the agency's expected credit losses due to COVID-19.

The loss allowance for receivables at reporting date represents the amount of receivables the agency estimates is likely to be uncollectible and is considered doubtful. Ageing analysis and reconciliation of loss allowance for receivables as at the reporting date are disclosed below.

Internal receivables reflect amounts owing from entities controlled by the Northern Territory Government such as other agencies, government business divisions and government owned corporations. External receivables reflect amounts owing from third parties which are external to the Northern Territory Government.

Ageing analysis

	2023				2022			
	Gross receivables \$000	Loss rate %	Expected credit losses \$000	Net receivables \$000	Gross receivables \$000	Loss rate %	Expected credit losses \$000	Net receivables \$000
INTERNAL RECEIVABLES								
Not overdue	70		-	70	13		-	13
Overdue for less than 30 days	4		-	4	3		-	3
Overdue for 30 to 60 days	41		-	41	9	6.87	(1)	8
Overdue for more than 60 days	-		-	-	3		-	3
Total internal receivables	115		-	115	28		(1)	27
EXTERNAL RECEIVABLES								
Not overdue	3 060	0.90	(7)	3 053	7 645	1.52	(115)	7 530
Overdue for less than 30 days	860	0.93	(3)	857	901	3.44	(34)	867
Overdue for 30 to 60 days	2 297	0.93	(12)	2 285	515	6.87	(36)	479
Overdue for more than 60 days	6 183	28.91	(1 664)	4 519	5 511	13.33	(732)	4 779
Total external receivables	12 400		(1 686)	10 714	14 572		(917)	13 655

Total amounts disclosed exclude statutory amounts and prepayments as these do not meet the definition of a financial instrument and therefore will not reconcile to the receivables note. It also excludes accrued contract revenue as no loss allowance has been provided for these.

Reconciliation of loss allowance for receivables

	2023 \$000	2022 \$000
INTERNAL RECEIVABLES		
Opening balance	1	1
Increase/decrease in allowance recognised in profit or loss	(1)	-
Total internal receivables	-	1
EXTERNAL RECEIVABLES		
Opening balance	917	1 772
Written off during the year	(417)	(761)
Increase/decrease in allowance recognised in profit or loss	1 186	(94)
Total external receivables	1 686	917

17. Inventories

	2023 \$000	2022 \$000
Inventories held for distribution		
At cost	23 251	33 159
Less: provision for impairment	(9 122)	(8 668)
Total inventories	14 129	24 491

The majority of the inventory held for distribution is for consumption in the ordinary activities of the agency and upon consumption are expensed in food supplies, operational supplies, medical and dental supplies and pharmaceutical supplies.

The cost of inventories are assigned mainly on the basis of weighted average cost.

Inventories held for distribution are stated at cost, adjusted when applicable, for any loss of service potential. A loss of service potential is identified and measured based on the existence of current replacement cost that is lower than the carrying amount or any loss of operating capacity due to obsolescence.

During the year the agency was required to write-off \$12.49 million of medical, dental, stationery and operational inventories held for distribution as a result of a fire that destroyed the Berrimah warehouse on 21 August 2022. The agency has also written off \$0.18 million (\$0.3 million in 2022) of pharmaceutical inventories due to expiration of shelf life.

The agency has made a provision for impairment of \$9.12 million (\$8.67 million in 2022) relating to the Rapid Antigen Tests held based on a forecast of consumption compared to expiry dates.

18. Property, plant and equipment

a) Total property, plant and equipment

	2023 \$000	2022 \$000
Land		
At fair value	54 510	50 372
Buildings		
At fair value	2 182 055	1 862 474
Less: accumulated depreciation	(1 128 919)	(919 359)
Less: accumulated impairment losses	(1 363)	-
	1 051 773	943 115
Plant and equipment		
At fair value	138 984	156 082
Less: accumulated depreciation	(93 474)	(107 763)
	45 510	48 319
Transport equipment		
At fair value	1 074	25 326
Less: accumulated depreciation	(995)	(23 968)
	79	1 358
Total property, plant and equipment	1 151 872	1 043 164

Reconciliation of carrying amount of property, plant and equipment

Property, plant and equipment includes right-of-use assets under AASB 16 Leases. Further information on right-of-use assets are disclosed in Note 20. A reconciliation of the carrying amount of property, plant and equipment at the beginning and end year is set out below:

2023	Land \$000	Buildings \$000	Plant and equipment \$000	Transport equipment \$000	Total \$000
Carrying amount as at 1 July	50 372	943 115	48 319	1 358	1 043 164
Additions	10	31 133	11 213	13	42 369
Disposals	-	-	(191)	(10)	(201)
Depreciation/amortisation expense	(243)	(54 749)	(12 119)	(1 282)	(68 393)
Additions/disposals from asset transfers	(324)	(196)	(378)	-	(898)
Revaluation increments/decrements	3 850	130 339	-	-	134 189
Other movements - reclassification/ remeasurement of ROU assets	845	2 131	(1 334)	-	1 642
Carrying amount as at 30 June	54 510	1 051 773	45 510	79	1 151 872

2022	Land \$000	Buildings \$000	Plant and equipment \$000	Transport equipment \$000	Total \$000
Carrying amount as at 1 July	48 297	901 820	48 775	9 799	1 008 691
Additions	-	105 925	9 233	-	115 158
Disposals	(53)	(162)	-	(13)	(228)
Depreciation/amortisation expense	(225)	(50 602)	(12 648)	(2 484)	(65 959)
Derecognition of ROU assets	-	(24 125)	-	(5 944)	(30 069)
Additions/disposals from asset transfers	-	(2 996)	-	-	(2 996)
Revaluation increments/decrements	2 216	16 214	-	-	18 430
Other movements - reclassification/ remeasurement of ROU assets	137	(2 959)	2 959	-	137
Carrying amount as at 30 June	50 372	943 115	48 319	1 358	1 043 164

b) Reconciliation of property, plant and equipment held and used by the agency

A reconciliation of the carrying amount of property, plant and equipment held and used by the agency to deliver its outputs and services to the public is set out below:

2023	Land \$000	Buildings \$000	Plant and equipment \$000	Transport equipment \$000	Total \$000
Carrying amount as at 1 July	50 338	823 797	48 319	1 358	923 812
Additions	10	28 257	11 213	13	39 493
Disposals	-	-	(191)	(10)	(201)
Depreciation/amortisation expense	(243)	(49 822)	(12 119)	(1 282)	(63 466)
Additions/disposals from asset transfers	(324)	(155)	(378)	-	(857)
Revaluation increments/decrements	3 850	124 671	-	-	128 521
Other movements - reclassification/ remeasurement of ROU assets	845	2 131	(1 334)	-	1 642
Carrying amount as at 30 June	54 476	928 879	45 510	79	1 028 944

2022	Land \$000	Buildings \$000	Plant and equipment \$000	Transport equipment \$000	Total \$000
Carrying amount as at 1 July	48 263	797 516	48 775	9 799	904 353
Additions	-	97 503	9 233	-	106 736
Disposals	(53)	(162)	-	(13)	(228)
Depreciation/amortisation expense	(225)	(47 078)	(12 648)	(2 484)	(62 435)
Derecognition of ROU assets	-	(24 125)	-	(5 944)	(30 069)
Additions/disposals from asset transfers	-	(2 996)	-	-	(2 996)
Revaluation increments/decrements	2 216	6 098	-	-	8 314
Other movements - reclassification/ remeasurement of ROU assets	137	(2 959)	2 959	-	137
Carrying amount as at 30 June	50 338	823 797	48 319	1 358	923 812

c) Reconciliation of property, plant and equipment where the agency is a lessor under operating leases

A reconciliation of the carrying amount of property, plant and equipment where the agency is a lessor under operating leases is set out below. These assets are leased by public and non-government organisations for the purpose of providing services to the community.

2023	Land \$000	Buildings \$000	Plant and equipment \$000	Transport equipment \$000	Total \$000
Carrying amount as at 1 July	34	119 318	-	-	119 352
Additions	-	2 876	-	-	2 876
Depreciation/amortisation expense	-	(4 927)	-	-	(4 927)
Additions/disposals from asset transfers	-	(41)	-	-	(41)
Revaluation increments/decrements	-	5 668	-	-	5 668
Carrying amount as at 30 June	34	122 894	-	-	122 928

2022	Land \$000	Buildings \$000	Plant and equipment \$000	Transport equipment \$000	Total \$000
Carrying amount as at 1 July	34	104 304	-	-	104 338
Additions	-	8 422	-	-	8 422
Depreciation/amortisation expense	-	(3 524)	-	-	(3 524)
Revaluation increments/decrements	-	10 116	-	-	10 116
Carrying amount as at 30 June	34	119 318	-	-	119 352

Acquisitions

Property, plant and equipment are initially recognised at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other accounting standards.

All items of property, plant and equipment with a cost or other value, equal to or greater than \$10 000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the \$10 000 threshold are expensed in the year of acquisition.

The construction cost of property, plant and equipment includes the cost of materials and direct labour, and an appropriate proportion of fixed and variable overheads.

Complex assets

Major items of plant and equipment comprising a number of components that have different useful lives, are accounted for as separate assets. The components may be replaced during the useful life of the complex asset.

Subsequent additional costs

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the agency in future years. Where these costs represent separate components of a complex asset, they are accounted for as separate assets and separately depreciated over their expected useful lives.

Construction (work in progress)

As part of the financial management framework, the Department of Infrastructure, Planning and Logistics is responsible for managing general government capital works projects on a whole of government basis. Therefore appropriation for all agency capital works is provided directly to the Department of Infrastructure, Planning and Logistics and the cost of construction work in progress is recognised as an asset of that department. Once completed, capital works assets are transferred to the agency.

Revaluations and impairment

Revaluation of assets

Subsequent to initial recognition, assets belonging to the following classes of non-current assets are revalued with sufficient regularity to ensure the carrying amount of these assets does not differ materially from their fair value at reporting date:

- land
- buildings

Plant and equipment are stated at historical cost less depreciation, which is deemed to equate to fair value.

For right-of-use assets, the net present value of the remaining lease payments is often an appropriate proxy for the fair value of relevant right-of-use assets at the time of initial recognition. Subsequently, right-of-use assets are stated at cost less depreciation, which is deemed to equate to fair value.

For right-of-use assets under leases that have significantly below-market terms and conditions principally to enable the agency to further its objectives, the agency has elected to measure the asset at cost. These right-of-use assets are not subject to revaluation.

The latest revaluations as at 30 June 2023 was for the hospital assets portfolio. The independent valuer was Colliers International (NT). Refer to Note 28: Fair value measurement for additional disclosures.

Impairment of assets

An asset is said to be impaired when the asset's carrying amount exceeds its recoverable amount.

Non-current physical agency assets are assessed for any indicators of impairment on an annual basis. If any indicator of impairment exists, the agency determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's current replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the comprehensive operating statement. They are disclosed as an expense unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent an available balance exists in the asset revaluation surplus.

In certain situations, an impairment loss may subsequently be reversed. Impairment loss may only be reversed only if there has been change in the assumptions used to determine the asset's recoverable amount. Where an impairment loss is subsequently reversed, the reversal is limited so that the carrying amount of the asset does not exceed the revised estimate of its recoverable amount, nor exceed the net carrying amount that would have been determined had not impairment loss been recognised for the asset in the prior years. A reversal of an impairment loss is recognised in the comprehensive operating statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the asset revaluation surplus. Note 27 provides additional information in relation to the asset revaluation surplus.

Agency property, plant and equipment assets were assessed for impairment as at 30 June 2023. As a result of this review \$1.36 million of impairment losses were recognised against building asset class. Impairment losses were charged to the asset revaluation surplus.

Depreciation and amortisation expense

Items of property, plant and equipment, including buildings but excluding land, have limited useful lives and are depreciated using the straight-line method over their estimated useful lives.

The estimated useful lives for each class of asset are in accordance with the Treasurer's Directions and are determined as follows:

	2023	2022
Buildings	50-60 years	50 years
Sheds/demountables	10-20 years	10-20 years
Plant and equipment		
Computer hardware	3-6 years	3-6 years
Office equipment	5-10 years	5-10 years
Medical equipment	5-15 years	5-15 years
Furniture and fittings	10 years	10 years
Catering equipment	5-15 years	5-15 years
Laundry equipment	5-15 years	5-15 years

Assets are depreciated from the date of acquisition or from the time an asset is completed and held ready for use.

19. Agency as a lessor

Leases under which the agency assumes substantially all the risks and rewards of ownership of an asset are classified as finance leases. Other leases are classified as operating leases.

Subleases are classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. A sublease is an arrangement where the underlying asset is re-leased by a lessee (intermediate lessor) to another party, and the lease (head lease) between the head lessor and original lessee remains in effect.

Finance leases

At the lease commencement date, the entity recognises a receivable for assets held under a finance lease in its statement of financial position at an amount equal to the net investment in the lease. The net investment in leases is classified as financial assets amortised cost and equals the lease payments receivable by a lessor and the unguaranteed residual value, plus initial direct costs, discounted using the interest rate implicit in the lease Initial direct costs.

Finance income arising from finance leases is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

The agency does not have any finance lease or sublease arrangements.

Operating leases

An operating lease is a lease other than a finance lease. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the underlying asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The agency owns land and buildings that are under operating lease arrangements.

The leases are predominantly to non-government health service providers with a number being under peppercorn lease arrangements.

Future minimum rentals receivable (undiscounted) under non-cancellable operating lease as at 30 June are as follows:

	2023 \$000	2022 \$000
Not later than one year	2 603	2 560
Later than one year and not later than five years	8 815	8 926
Later than five years	14 896	16 016
Total	26 314	27 502

20. Agency as a lessee

The agency leases land, buildings and plant and equipment. Lease contracts are typically made for fixed periods of one to ten years, but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants. The agency does not provide residual value guarantees in relation to leases.

Extension and termination options are included in a number of the lease contracts. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the agency and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Potential future cash outflows have not been included in the lease liability because it is not reasonably certain the leases will be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs that affects this assessment and is within the control of the lessee. During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was an increase (or decrease) in recognised lease liabilities and right-of-use assets of \$1.64 million.

The agency has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less with no purchase option. Low value assets are assets with a fair value of \$10,000 or less when new and not subject to a sublease arrangement comprise mainly of plant and equipment.

Right-of-use asset

The following table presents reconciliation of right-of-use assets included in the carrying amounts of property, plant and equipment in Note 18.

2023	Land \$000	Buildings \$000	Plant and equipment \$000	Transport \$000	Total \$000
Balance as at 1 July	7 272	1 999	3 514	1 199	13 984
Depreciation expense	(243)	(893)	(1 501)	(1 199)	(3 836)
Revaluation increments/decrements including remeasurement	846	-	796	-	1 642
Carrying amount as at 30 June	7 875	1 106	2 809	-	11 790

2022	Land \$000	Buildings \$000	Plant and equipment \$000	Transport \$000	Total \$000
Balance as at 1 July	7 321	2 892	4 797	3 597	18 607
Additions	-	-	217	-	217
Depreciation expense	(225)	(893)	(1 500)	(2 398)	(5 016)
Revaluation increments/decrements including remeasurement	176	-	-	-	176
Carrying amount as at 30 June	7 272	1 999	3 514	1 199	13 984

The following amounts were recognised in the statement of comprehensive income for the year in respect of leases where the agency is the lessee:

	2023 \$000	2022 \$000
Depreciation expense of right-of-use assets	3 836	5 016
Interest expense on lease liabilities	511	816
Expense relating to short-term leases	1 999	2 377
Intergovernmental leases	233	551
Total amount recognised in the comprehensive operating statement	6 579	8 760

Recognition and measurement

The agency assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The agency recognises lease liabilities to make lease payments and right-of-use assets representing the right to

use the underlying assets, except for short-term leases and leases of low-value assets.

The agency recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	2023 and 2022
Land	36 years
Buildings	10 years
Plant and equipment	10 years
Transport	10 years

If ownership of the leased asset transfers to the agency at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are subsequently measured at fair value which approximates costs except for those arising from leases that have significantly below-market terms and conditions principally to enable the agency to further its objectives and are also subject to impairment.

The right-of-use assets are subject to remeasurement principles consistent with the lease liability including indexation and market rent review that approximates fair value and only revalued where a trigger or event may indicate their carrying amount does not equal fair value.

Inter-governmental leases

The agency applies the inter-governmental leases recognition exemption as per the Treasurer's Direction – Leases and recognises these as an expense on a straight-line basis over the lease term. These largely relate to the lease of motor vehicles from NT Fleet. Leases of commercial properties for office accommodation are centralised with the Department of Corporate and Digital Development. Consequently all lease liabilities and right-of-use assets relating to these arrangements are recognised by the Department of Corporate and Digital Development and not disclosed within these financial statements.

Right-of-use assets under leases at significantly below-market terms and conditions that are entered into principally to enable the agency to further its objectives, are measured at cost.

These right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, subject to impairment. They are not subject to revaluation.

21. Deposits held

	2023 \$000	2022 \$000
Accountable officer's trust account	1 809	1 789
Clearing money	3 696	3 366
Total deposits held	5 505	5 155

Deposits held mainly comprise accountable officer's trust account and clearing money.

Accountable Officer's Trust Accounts hold trust monies established under legislations held by the agency on behalf of others for a specific purpose and not for use in operations of government. These include private practice revenue, bond money and unclaimed money.

Clearing money is public money in transit that is payable to another entity. These funds typically do not contribute to the operations of the agency.

a) Accountable officer's trust account

Accountable officer's trust account balances comprise:

	2023 \$000	2022 \$000
Private practice revenue	1 343	1 322
Bond money	385	382
Unclaimed money	81	85
Total accountable officer's trust account	1 809	1 789

22. Payables

	2023 \$000	2022 \$000
Accounts payable	3 559	2 766
Other accrued expenses	201 809	241 996
Total payables	205 368	244 762

Liabilities for accounts payable and other amounts payable are carried at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the agency. Accounts payable are normally settled within 20 days from receipt of valid invoices under \$1 million or 30 days for invoices over \$1 million.

Salaries and wages that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the amounts expected to be paid.

Accrued expenses is comprised of cross border patient charges and operational expenses.

The accrued expenses for the cross border patient charges has been rebased using the latest available data to estimate the activity in the relevant financial years.

23. Borrowings and advances

	2023 \$000	2022 \$000
Current		
Lease liabilities	2 252	11 477
Total current borrowings and advances	2 252	11 477
Non-current		
Lease liabilities	10 185	10 810
Total non-current borrowings and advances	10 185	10 810
Total borrowings and advances	12 437	22 287

Lease liabilities

At the commencement date of the lease where the agency is the lessee, the agency recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable
- variable lease payments that depend on an index or a rate
- amounts expected to be paid under residual value guarantees
- exercise price of a purchase options reasonably certain to be exercised by the agency
- payments of penalties for terminating the lease, if the lease term reflects the agency exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the agency's leases, the Northern Territory Treasury Corporation's institutional bond rate is used as the incremental borrowing rate.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (such as changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The following table presents liabilities under leases.

	2023 \$000	2022 \$000
Balance at 1 July	22 287	26 310
Additions/remeasurements	1 642	403
Interest expenses	511	816
Payments	(12 003)	(5 242)
Balance at 30 June	12 437	22 287

The agency had total cash outflows for leases of \$12 million in 2023 (\$5.24 million in 2022).

Future minimum lease payments under non-cancellable leases not recorded as liability are as follows:

	2023		2022	
	Internal \$000	External \$000	Internal \$000	External \$000
Not later than one year	-	-	189	1 067
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	-	-	189	1 067

24. Provisions

	2023 \$000	2022 \$000
Current		
<i>Employee benefits</i>		
Recreation leave	120 935	125 746
Leave loading	12 925	13 472
Recreation leave fares	175	211
<i>Other current provisions</i>		
Superannuation, fringe benefits tax and payroll tax	19 819	20 544
Total provisions	153 854	159 973
Reconciliations of provisions (other than employee benefits)		
Balance at 1 July	20 544	16 354
Additional provisions recognised	1 597	5 165
Reductions arising from payments	(416)	(975)
Effect of changes in assumptions	(1 906)	-
Balance at 30 June	19 819	20 544

Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of recreation leave and other employee benefit liabilities that fall due within 12 months of reporting date are classified as current liabilities and are measured at amounts expected to be paid. Non-current employee benefit liabilities that fall due after 12 months of the reporting date are measured at present value of estimated future cash flows, calculated using the appropriate government bond rate and taking into consideration expected future salary and wage levels, experience of employee departures and periods of service.

All recreation leave is classified as a current liability.

No provision is made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken is less than the entitlement accruing in each reporting period.

Employee benefit expenses are recognised on a net basis in respect of the following categories:

- wages and salaries, non-monetary benefits, recreation leave and other leave entitlements
- other types of employee benefits.

Medical and health care employee entitlements have been measured under prospective Enterprise Agreements submitted to the Fair Work Commission for formal approval but not yet in effect as at reporting date.

As part of the financial management framework, the Central Holding Authority assumes the long service leave liabilities of government agencies, including the agency and therefore no long service leave liability is recognised within these financial statements.

The Agency employed 7 366 (full time equivalent) employees as at 30 June 2023 (7 860 employees as at 30 June 2022).

Superannuation

Employees' superannuation entitlements are provided through the:

- Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS)
- Commonwealth Superannuation Scheme (CSS)
- or non-government employee nominated schemes for those employees commencing on or after 10 August 1999.

The agency makes superannuation contributions on behalf of its employees to the Central Holding Authority or non-government employee-nominated schemes. Superannuation liabilities related to government superannuation schemes are held by the Central Holding Authority and therefore not recognised in the agency financial statements.

25. Other liabilities

	2023 \$000	2022 \$000
Current		
Unearned contract revenue liability	10 261	4 139
Unearned capital grants	500	-
Total current other liabilities	10 761	4 139
Non-current		
Unearned contract revenue liability	22 579	22 906
Total non-current other liabilities	22 579	22 906
Total other liabilities	33 340	27 045

Unearned contract revenue liability

Unearned contract revenue liability relate to consideration received in advance from customers in respect of grants relating to external programs and for rent relating to leased properties. Unearned contract revenue liability balances as at 30 June 2023 have increased due to reassessment of accounting treatment of tied funding.

Of the amount included in the unearned contract revenue liability balance as at 1 July 2022, \$2.12 million has been recognised as revenue in the 2022-23 financial year. The agency anticipates to recognise as revenue, any liabilities for unsatisfied obligations as at the end of the reporting period in accordance with the time bands below:

	2023 \$000	2022 \$000
Not later than one year	10 761	4 139
Later than one year and not later than five years	7 682	7 258
Later than five years	14 897	15 648
Total	33 340	27 045

Unearned capital grants liability

Unearned capital grants liability relate to contributions to enable the agency to acquire or construct a non-financial asset to be controlled by the agency, received in advance of the agency satisfying the performance obligation. This balance is made up of funding to purchase two deployable oxygen concentration systems for the National Critical Care and Trauma Response Centre.

The table below is a reconciliation of unearned capital grants liability.

	2023 \$000	2022 \$000
Carrying amount at 1 July	-	-
Add: receipt of cash during the financial year	500	-
Less: income recognised during the financial year	-	-
Carrying amount at 30 June	500	-

For assets acquired, performance obligations are typically satisfied at the point in time the asset is acquired. The agency anticipates this to occur not later than one year.

26. Commitments

Commitments represent future obligations or cash outflows that can be reliably measured and arise out of a contractual arrangement and typically binds the agency to performance conditions. Commitments are not recognised as liabilities on the balance sheet.

Commitments may extend over multiple reporting periods and may result in payment of compensation or return of funds if obligations are breached.

Internal commitments reflect commitments with entities controlled by the Northern Territory Government such as other agencies, government business divisions and government owned corporations. External commitments reflect those to third parties which are external to the Northern Territory Government.

Disclosures in relation to capital and other commitments are detailed below.

a) Capital expenditure commitments¹

Capital expenditure commitments primarily related to the construction of capital equipment acquisitions. These contracts are expected to be payable as follows:

	2023		2022	
	Internal \$000	External \$000	Internal \$000	External \$000
Not later than one year	-	485	-	-
Total capital expenditure commitments	-	485	-	-
Plus: GST recoverable	-	49	-	-
Total capital expenditure commitments	-	534	-	-

¹ Excludes amounts recognised as unearned revenue in the agency's financial records.

b) Other non-cancellable contract commitments¹

Other non-cancellable contract commitments predominantly comprise of grant expenditure and externally funded programs. These contracts are expected to be payable as follows:

	2023		2022	
	Internal \$000	External \$000	Internal \$000	External \$000
Not later than one year	576	154 456	537	97 535
Later than one year and not later than five	2 304	262 695	2 148	90 152
Later than five years	-	-	537	-
Total other non-cancellable contract	2 880	417 151	3 222	187 687
Plus: GST recoverable	288	41 425	322	18 725
Total other non-cancellable contract	3 168	458 576	3 544	206 412

¹ Excludes capital and lease commitments, but includes maintenance contracts. Also excludes amounts recognised as unearned revenue in the agency's financial records.

27. Reserves

Asset revaluation surplus

(i) Nature and purpose of the asset revaluation surplus

The asset revaluation surplus includes the net revaluation increments and decrements arising from the revaluation of non-current assets. Impairment adjustments may also be recognised in the asset revaluation surplus.

(ii) Movements in the asset revaluation surplus

	Land		Buildings		Other		Total	
	2023 \$000	2022 \$000	2023 \$000	2022 \$000	2023 \$000	2022 \$000	2023 \$000	2022 \$000
Balance as at 1 July	25 370	24 136	159 118	142 904	943	-	185 431	167 040
Increment/decrement	3 711	2 216	130 225	16 214	-	-	133 936	18 430
Transfers to accumulated funds	-	(39)	-	-	-	-	-	(39)
Other movements – reclassification	-	(943)	-	-	-	943	-	-
Balance as at 30 June	29 081	25 370	289 343	159 118	943	943	319 367	185 431

28. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use takes into account the use of the asset that is physically possible, legally permissible and financially feasible.

When measuring fair value, the valuation techniques used maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

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

Unobservable inputs are data, assumptions and judgments not available publicly but relevant to the characteristics of the assets/liabilities being valued. Such inputs include

internal agency adjustments to observable data to take account of particular and potentially unique characteristics/ functionality of assets/liabilities and assessments of physical condition and remaining useful life.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy based on the inputs used:

Level 1 – inputs are quoted prices in active markets for identical assets or liabilities

Level 2 – inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – inputs are unobservable.

The fair value of financial instruments is determined on the following basis:

- the fair value of cash, deposits, advances, receivables and payables approximates their carrying amount, which is also their amortised cost
- the fair value of other monetary financial assets and liabilities is based on discounting to present value the expected future cash flows by applying current market interest rates for assets and liabilities with similar risk profiles.

a) Fair value hierarchy

The agency does not recognise any financial assets or liabilities at fair value as these are recognised at amortised cost. The carrying amounts of these financial assets and liabilities approximates their fair value.

The table below presents non-financial assets recognised at fair value in the balance sheet categorised by levels of inputs used to compute fair value.

	Level 1		Level 2		Level 3		Total fair value	
	2023 \$000	2022 \$000	2023 \$000	2022 \$000	2023 \$000	2022 \$000	2023 \$000	2022 \$000
Assets¹								
Land	-	-	46 635	43 100	7 875	7 272	54 510	50 372
Buildings	-	-	-	-	1 051 773	943 115	1 051 773	943 115
Plant and equipment	-	-	-	-	45 510	48 319	45 510	48 319
Transport equipment	-	-	-	-	79	1 358	79	1 358
Total assets	-	-	46 635	43 100	1 105 237	1 000 064	1 151 872	1 043 164

¹ Refer to note 18.

There were no transfers between Level 1 and Levels 2 or 3 during the 2022-23 financial year.

b) Valuation techniques and inputs

Valuation techniques used to measure fair value in 2022-23 are:

	Level 2 techniques	Level 3 techniques
Asset classes		
Land	Market approach	Cost approach
Buildings		Cost approach
Plant and equipment		Cost approach
Transport equipment		Cost approach

Level 3 fair values of specialised buildings and infrastructure were determined by computing their current replacement costs because an active market does not exist for such facilities. The current replacement cost was based on a combination of internal records of the historical cost of the facilities, adjusted for contemporary technology and construction approaches. Significant judgement was also used in assessing the remaining service potential of the facilities, given local environmental conditions, projected usage, and records of the current condition of the facilities.

There were no changes in valuation techniques from 2021-22 to 2022-23.

c) Additional information for level 3 fair value measurements

(i) Reconciliation of recurring level 3 fair value measurements of non-financial assets

2023	Land \$000	Buildings \$000	Plant and equipment \$000	Transport equipment \$000	Total \$000
Fair value as at 1 July	50 372	943 115	48 319	1 358	1 043 164
Additions	-	30 953	10 925	13	41 891
Disposals	-	-	-	(10)	(10)
Transfers in/out	(324)	(196)	(378)	-	(898)
Depreciation/amortisation	(243)	(54 749)	(12 119)	(1 282)	(68 393)
Remeasurement of leases	845	2 131	(1 334)	-	1 642
Gains/losses recognised in net surplus/deficit	10	180	97	-	287
Gains/losses recognised in other comprehensive income	3 850	130 339	-	-	134 189
Fair value as at 30 June	54 510	1 051 773	45 510	79	1 151 872

2022	Land \$000	Buildings \$000	Plant and equipment \$000	Transport equipment \$000	Total \$000
Fair value as at 1 July	48 297	901 820	48 775	9 799	1 008 691
Additions	-	105 925	9 180	-	115 105
Disposals	(53)	-	-	-	(53)
Transfers in/out	-	(2 996)	-	-	(2 996)
Depreciation/amortisation	(225)	(50 602)	(12 648)	(2 484)	(65 959)
Remeasurement of leases	137	(2 959)	2 959	-	137
Derecognition of ROU assets	-	(24 125)	-	(5 944)	(30 069)
Gains/losses recognised in net surplus/deficit	-	(162)	53	(13)	(122)
Gains/losses recognised in other comprehensive income	2 216	16 214	-	-	18 430
Fair value as at 30 June	50 372	943 115	48 319	1 358	1 043 164

(ii) Sensitivity analysis

Buildings – unobservable inputs used in computing the fair value of buildings include the historical cost and the consumed economic benefit for each building. Given the large number of agency buildings, it is not practical to compute a relevant summary measure for the unobservable inputs. In respect of sensitivity of fair value to changes in input value, a higher historical cost results in a higher fair value and greater consumption of economic benefit lowers fair value.

29. Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised on the balance sheet when the agency becomes a party to the contractual provisions of the financial instrument. The agency's financial instruments include cash and deposits, receivables, deposits held, payables and borrowings.

Due to the nature of operating activities, certain financial assets and financial liabilities arise under statutory obligations rather than a contract. Such financial assets and liabilities do not meet the definition of financial instruments as per AASB 132 Financial Instruments: Presentation. These include statutory receivables arising from taxes including GST and penalties.

The agency has limited exposure to financial risks as discussed below.

Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities. The Territory Government's investments, loans and placements, and borrowings are predominantly managed through the NTTC adopting strategies to minimise the risk. Derivative financial arrangements are also utilised to manage financial risks inherent in the management of these financial instruments. These arrangements include swaps, forward interest rate agreements and other hedging instruments to manage fluctuations in interest or exchange rates.

a) Categories of financial instruments

The carrying amounts of the agency's financial assets and liabilities by category are disclosed in the table below.

2023	Fair value through profit or loss		Amortised cost \$000	Fair value through other comprehensive income \$000	Total \$000
	Mandatorily at fair value \$000	Designated at fair value \$000			
Cash and deposits	-	-	75 304	-	75 304
Receivables ¹	-	-	10 829	-	10 829
Total financial assets	-	-	86 133	-	86 133
Deposits held ¹	-	-	3 696	-	3 696
Payables ¹	-	-	3 554	-	3 554
Lease liabilities	-	-	12 437	-	12 437
Total financial liabilities	-	-	19 687	-	19 687

2022	Fair value through profit or loss		Amortised cost \$000	Fair value through other comprehensive income \$000	Total \$000
	Mandatorily at fair value \$000	Designated at fair value \$000			
Cash and deposits	-	-	144 144	-	144 144
Receivables ¹	-	-	16 579	-	16 579
Total financial assets	-	-	160 723	-	160 723
Deposits held ¹	-	-	3 366	-	3 366
Payables ¹	-	-	2 766	-	2 766
Lease liabilities	-	-	22 287	-	22 287
Total financial liabilities	-	-	28 419	-	28 419

¹Total amounts disclosed here exclude statutory amounts, prepaid expenses and accrued contract revenue.

Categories of financial instruments

The agency's financial instruments are classified in accordance with AASB 9 Financial Instruments.

The agency's financial assets and liabilities are classified at amortised cost.

This classification is based on the agency's business model for managing the financial assets and the contractual terms of the cash flows.

Financial instruments are reclassified when and only when the agency's business model for managing those assets changes.

Financial assets at amortised cost

Financial assets are classified at amortised cost when they are held by the agency to collect the contractual cash flows and the contractual cash flows are solely payments of principal and interest.

These assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less impairment. The agency's financial assets categorised at amortised cost are its receivables.

Financial assets at fair value through other comprehensive income

Financial assets are classified at fair value through other comprehensive income when they are held by the agency to both collect contractual cash flows and sell the financial assets, and the contractual cash flows are solely payments of principal and interest.

These assets are initially and subsequently recognised at fair value. Changes in the fair value are recognised in other comprehensive income, except for the recognition of impairment gains or losses and interest income which are recognised in the operating result in the comprehensive operating statement. When financial assets are derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the comprehensive operating statement.

For equity instruments elected to be categorised at FVOCI, changes in fair value recognised in other comprehensive income are not reclassified to profit or loss on derecognition of the asset. Dividends from such instruments continue to be recognised in the comprehensive operating statement as other income when the agency's right to receive payments is established.

The agency does not have any financial assets under this category.

Financial assets at fair value through profit or loss

Financial assets are classified at FVTPL where they do not meet the criteria for amortised cost or FVOCI. These assets are initially and subsequently recognised at fair value with gains or losses recognised in the net result for the year.

The agency does not have any financial assets under this category.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest rate method. The agency's financial liabilities categorised at amortised cost include all accounts payable, deposits held, and lease liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified at FVTPL when the liabilities are either held for trading or designated as FVTPL. Financial liabilities classified at FVTPL are initially and subsequently measured at fair value with gains or losses recognised in the net result for the year.

For financial liabilities designated at FVTPL, changes in the fair value of the liability attributable to changes in the agency's credit risk are recognised in other comprehensive income, while remaining changes in the fair value are recognised in the net result.

The agency does not have any financial liabilities under this category.

b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation.

The agency has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to government, the agency has adopted a policy of only dealing with credit-worthy organisations and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the agency's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Credit risk relating to receivables is disclosed in Note 16.

c) Liquidity risk

Liquidity risk is the risk the agency will not be able to meet its financial obligations as they fall due. The agency's approach to managing liquidity is to ensure it will always have sufficient funds to meet its liabilities when they fall due. This is achieved by ensuring minimum levels of cash are held in the agency bank account to meet various current employee and supplier liabilities. The agency's exposure to liquidity risk is minimal. Cash injections are available from the Central Holding Authority in the event of one-off extraordinary expenditure items arise that deplete cash to levels that compromise the agency's ability to meet its financial obligations.

The following tables detail the agency's remaining contractual maturity for its financial liabilities, calculated based on undiscounted cash flows at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the balance sheet, which are based on discounted cash flows.

Maturity analysis for financial liabilities

2023	Carrying amount \$000	Less than a year \$000	1 to 5 years \$000	More than 5 years \$000	Total \$000
Deposits held ¹	3 696	3 696	-	-	3 696
Payables ¹	3 554	3 554	-	-	3 554
Lease liabilities	12 437	2 596	3 719	13 285	19 600
Total financial liabilities	19 687	9 846	3 719	13 285	26 850

2022	Carrying amount \$000	Less than a year \$000	1 to 5 years \$000	More than 5 years \$000	Total \$000
Deposits held ¹	3 366	3 366	-	-	3 366
Payables ¹	2 766	2 766	-	-	2 766
Lease liabilities	22 287	11 978	4 773	11 019	27 770
Total financial liabilities	28 419	18 110	4 773	11 019	33 902

¹Amounts disclosed exclude statutory amounts and accruals (such as AOTA, accrued expenses, unearned revenue and provisions), as these do not meet the definition of a financial instrument.

d) Market risk

Market risk is the risk the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises interest rate risk, price risk and currency risk.

(i) Interest rate risk

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

The agency has limited exposure to interest rate risk as agency financial assets and financial liabilities, with the exception of the State Pool accounts with the Reserve Bank of Australia are non-interest bearing. Lease arrangements are established on a fixed interest rate and therefore do not expose the agency to interest rate risk.

Sensitivity analysis

Changes in the variable rates of 100 basis points (1 per cent) at reporting date would have minimal effect on the agency's profit or loss and equity.

(ii) Price risk

The agency is not exposed to price risk as the agency does not hold units in unit trusts.

(iii) Currency risk

Credit risk refers to the risk a counterparty will default on its contractual obligations, resulting to financial loss to the agency.

The agency is not exposed to currency risk as the agency does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

30. Related parties

a) Related parties

The agency is a government administrative entity and is wholly owned and controlled by the Territory Government. Related parties of the agency include:

- the portfolio minister and key management personnel (KMP) because they have authority and responsibility for planning, directing and controlling the activities of the agency directly
- close family members of the portfolio minister or KMP including spouses, children and dependants
- all public sector entities that are controlled and consolidated into the whole of government financial statements
- any entities controlled or jointly controlled by KMP's or the portfolio minister, or controlled or jointly controlled by their close family members.

b) Key management personnel (KMP)

Key management personnel of the agency are those persons having authority and responsibility for planning, directing and controlling the activities of the agency. These include the Minister of Health, the Chief Executive Officer and other members of the Health Leadership Committee.

c) Remuneration of key management personnel

The details below excludes the salaries and other benefits of the Minister of Health as the minister's remunerations and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's annual financial statements.

The aggregate compensation of key management personnel of the agency is set out below:

	2023 \$000	2022 \$000
Short-term benefits	3 638	3 442
Termination benefits	126	-
Total remuneration of key management personnel	3 764	3 442

d) Related party transactions

Transactions with Northern Territory Government-controlled entities

The agency's primary ongoing source of funding is received from the Central Holding Authority in the form of output and capital appropriation and on-passed Commonwealth national partnership and specific-purpose payments.

The following table provides quantitative information about related party transactions entered into during the year with all other Northern Territory Government-controlled entities.

	Revenue from related parties \$000	Payments to related parties \$000	Amounts owed by related parties \$000	Amounts owed to related parties \$000
2023				
All NTG Government departments	1 299 416	184 876	971	3 710
2022				
All NTG Government departments	1 504 395	198 967	341	2 539

Significant payments to related parties predominantly relate to the Department of Corporate and Digital Development for corporate services provided.

Other related party transactions are as follows:

Given the breadth and depth of Territory Government activities, related parties will transact with the Territory public sector in a manner consistent with other members of the public including paying stamp duty and other government fees and charges and therefore these transactions have not been disclosed. There were no other related party transactions in excess of \$10,000 in the 2021-22 or 2022-23 financial years.

31. Contingent liabilities and contingent assets

a) Contingent liabilities

The agency has granted a series of health-related indemnities for various purposes including to specialist medical practitioners employed or undertaking work in public hospitals, medical professional requested to give expert advice on inquires before the Medical Board and midwives.

Although risks associated with health indemnities are potentially high, the beneficiaries of the indemnities are highly trained and qualified professionals. The indemnities generally cannot be called upon where there is willful or gross misconduct on the part of the beneficiary.

Indemnities are granted to Commonwealth and other entities involved in funding programs undertaken by the agency. Under these indemnities, the agency generally accepts liability for damage or losses occurring as a result of the programs and acknowledges that, while the Commonwealth or another party has contributed financially, the agency is ultimately liable for the consequences of the program.

The agency received final rulings from the ATO on the eligibility of the fringe benefits exemption for certain business units per section 57A of the *Fringe Benefits Tax Assessment Act 1986* in mid-2023. Prima facie, the rulings have confirmed the agency's current interpretation and application of the exemption is largely correct. The agency is currently in the process of reviewing the outcomes of the rulings and quantifying the financial implications.

b) Contingent assets

The agency had no contingent assets as at 30 June 2023 or 30 June 2022.

32. Events subsequent to balance date

No events have arisen between the end of the financial year and the date of this report that require adjustment to, or disclosure in these financial statements.

33. Schedule of administered Territory items

In addition to operating revenues controlled and utilised by an agency to fund its activities that are included in the financial statements, the agency also acts on behalf of the Territory Government in the management of administered items. These include the COVID-19 mandatory quarantine fees for the Centre for National Resilience. An agency is unable to use administered items to further its own objectives without authorisation.

Administered items are transferred to and reported by the Central Holding Authority, as the parent entity of government. Administered income and expenses are not recognised in the agency's operating statement but are reported separately in accordance with Australian accounting standards.

The following Territory items are managed by the agency on behalf of the government and are recorded in the Central Holding Authority (refer to Note 2d).

TERRITORY INCOME AND EXPENSES	2023 \$000	2022 \$000
Income		
Fees from regulatory services	2 064	16 945
Other income	3	-
Total income	2 067	16 945
Expenses		
Central Holding Authority income transferred	852	16 945
Doubtful debts	974	(5)
Bad debts	241	5
Total expenses	2 067	16 945
Territory income less expenses	-	-
TERRITORY ASSETS AND LIABILITIES		
Assets		
Accounts receivable	5 023	7 724
Allowance for doubtful debts	(2 485)	(1 270)
Other receivables	17	-
Total assets	2 555	6 454
Liabilities		
Central Holding Authority income payable	2 538	6 454
Unearned Central Holding Authority income	17	-
Total liabilities	2 555	6 454
Net assets	-	-

34. Budgetary information

The following tables present the variation between the 2022-23 original budgeted financial statements, as reported in the 2022-23 Budget Paper No. 3 Agency Budget Statements, and the 2022-23 actual amounts reported in the financial statements, together with explanations for significant variations.

Refer to Note 5a for detailed information on changes to budgeted appropriations from the 2022-23 original budget to 2022-23 final budget.

Comprehensive operating statement

INCOME	2023 Actual \$000	2023 Original budget \$000	Variance \$000	Note
Grants and subsidies revenue				
Current	502 739	469 234	33 505	1
Appropriation				
Output	1 137 202	1 073 636	63 566	2
Commonwealth (excluding capital appropriation)	40 557	45 377	(4 820)	3
Sales of goods and services	116 879	102 794	14 085	4
Interest revenue	-	10	(10)	
Goods and services received free of charge	112 502	112 877	(375)	
Other income	4 862	2 208	2 654	5
TOTAL INCOME	1 914 741	1 806 136	108 605	
EXPENSES				
Employee expenses	1 183 548	1 099 172	84 376	6
Administrative expenses				
Property management	58 181	23 226	34 955	7
Purchases of goods and services	459 519	428 061	31 458	8
Depreciation and amortisation	68 393	67 568	825	
Loss on disposal of assets	4	-	4	9
Services free of charge	112 502	112 877	(375)	
Other administrative expenses	16 702	-	16 702	10
Grants and subsidies expenses				
Current	161 900	144 102	17 798	11
Capital	4 006	1 734	2 272	12
Interest expenses	511	538	(27)	
TOTAL EXPENSES	2 065 266	1 877 278	187 988	
NET SURPLUS/(DEFICIT)	(150 525)	(71 142)	(79 383)	

OTHER COMPREHENSIVE INCOME	2023 Actual \$000	2023 Original budget \$000	Variance \$000	Note
Items that will not be reclassified to net surplus/deficit				
Changes in asset revaluation surplus	133 936	-	133 936	13
TOTAL OTHER COMPREHENSIVE INCOME	133 936	-	133 936	
COMPREHENSIVE RESULT	(16 589)	(71 142)	54 553	

Notes:

The following note descriptions relate to variances greater than 10 per cent or above \$5 million.

1. Current grants revenue has increased by \$33.5 million to reflect additional \$27.8 million funding from various Commonwealth and external agreements as well as \$5.7 million additional Commonwealth funding for the COVID-19 response.
2. The \$63.6 million increase in output appropriation represents additional operating payment to support the delivery and meet demand of health services to the community including \$9.9 million to support the impact of COVID-19 on hospitals and road ambulance and \$2.4 million to restock inventories destroyed in the Berrimah warehouse fire.
3. Commonwealth appropriation has reduced by \$4.8 million since the original 2022-23 Budget due to a timing delay in the commencement of some national partnership payments.
4. The \$14 million increase in sales of goods and services is predominantly due to:
 - an increase of \$4.8 million in cross border revenue due to a rebasing of 2021-22 and 2022-23 accrued estimates;
 - revenue relating to Medicare ineligible patients has increased \$4 million due to greater length of hospital stay; and
 - a \$2.7 million increase in approved motor vehicle accident claims
5. Other income has increased relating to the recognition of \$1.4 million in rental revenue for the Flinders building at Royal Darwin Hospital and Baker Flinders building at Alice Springs Hospital not included in the original 2022-23 Budget as well as the agency acquiring \$0.5 million of donated assets for nil consideration.
6. Employee expenses increased by \$84.4 million due to the increase in provisions relating to the Enterprise Agreement for the medical, dental and nursing classification streams and higher than budgeted overtime and labour hire resources to meet continuing demand for services.
7. The \$35 million increase in property management is due to a cost re-alignment in the original 2022-23 Budget relating to the COVID-19 response.
8. The increase in purchase of goods and services is reflecting above budget expenditures in patient travel costs, imaging and medical supplies.
9. Loss on sale of a transport equipment surplus to requirements from the National Critical Care and Trauma Response Centre.
10. Other administrative expenses relating to asset write-offs, allowance for doubtful debts and impairment provisions are not budgeted for. A total of \$12.5 million destroyed inventories were written off in relation to the Berrimah warehouse fire in August 2022.
11. Current grants expense has increased \$17.8 million since the original 2022-23 Budget aligning to revenue received and is predominantly to facilitate the COVID-19 response.
12. Capital grants expense were above the original 2022-23 Budget due to additional funding paid to St John Ambulance for the COVID-19 response.
13. Represents an uplift in fair value of the agency's hospital assets portfolio resulting from an independent valuation not included in the original 2022-23 Budget.

Balance Sheet

ASSETS	2023 Actual \$000	2023 Original budget \$000	Variance \$000	Note
Current assets				
Cash and deposits	75 304	121 059	(45 755)	1
Receivables	94 958	110 226	(15 268)	2
Inventories	14 129	15 719	(1 590)	3
Advances and investments	-	300	(300)	
Other assets	-	102	(102)	
Total current assets	184 391	247 406	(63 015)	
Non-current assets				
Receivables	17	-	17	
Property, plant and equipment	1 151 872	962 070	189 802	4
Total non-current assets	1 151 889	962 070	189 819	
TOTAL ASSETS	1 336 280	1 209 476	126 804	
LIABILITIES				
Current liabilities				
Deposits held	5 505	4 256	1 249	
Payables	205 368	215 668	(10 300)	5
Borrowings and advances	2 252	2 197	55	
Provisions	153 854	146 916	6 938	6
Other liabilities	10 761	1 516	9 245	7
Total current liabilities	377 740	370 553	7 187	
Non-current liabilities				
Borrowings and advances	10 185	18 613	(8 428)	8
Other liabilities	22 579	17 903	4 676	9
Total non-current assets	32 764	36 516	(3 752)	
TOTAL LIABILITIES	410 504	407 069	3 435	
NET ASSETS	925 776	802 407	123 369	
EQUITY				
Capital	1 475 428	1 395 704	79 724	10
Reserves	319 367	167 040	152 327	11
Accumulated funds	(869 019)	(760 337)	(108 682)	
TOTAL EQUITY	925 776	802 407	123 369	

Notes:

The following note descriptions relate to variances greater than 10 per cent or above \$5 million.

1. The closing cash balance was \$45.8 million lower than the original 2022-23 Budget reflecting a higher net cash used in operating activities than anticipated.
2. The decrease in the receivables of \$15.3 million compared to the original 2022-23 Budget is predominantly due to the settlement of prior year cross border patient charges with various jurisdictions.
3. The lower inventories balance is largely due to less inventory held as a result of the end of the COVID-19 surge response and the agency returning to more normal operations.
4. The property, plant and equipment increment of \$189.8 million mainly relate to the revaluation of the hospital assets portfolio of \$133.9 million and acquisition of assets since the original 2022-23 Budget.
5. The reduction in payables by \$10.3 million compared to the original 2022-23 Budget is predominantly attributable to the settlement of prior year cross border patient charges with various jurisdictions offset by an increase in accrued salaries resulting from the Enterprise Agreement for the medical, dental and nursing classification streams.
6. The provisions have increased since the original 2022-23 Budget resulting from the Enterprise Agreement for the medical, dental and nursing classification streams.
7. Other liabilities current were above the original 2022-23 Budget to recognise the unearned revenue from tied funding agreements assessed under AASB 15 Revenue from Contracts with Customers.
8. The \$8.4 million decrease in borrowings and advances non-current compared to the original 2022-23 Budget is due to the completion of the CareFlight aircraft leases and associated balloon payments.
9. Other liabilities non-current were above the original 2022-23 Budget to recognise the unearned rental revenue for the Flinders building at Royal Darwin Hospital and Baker Flinders building at Alice Springs Hospital.
10. The \$79.7 million increase in capital largely relates to completed work-in-progress assets from Department of Infrastructure, Planning and Logistics that have been capitalised.
11. Reserves have increased by \$152.3 million since the original 2022-23 Budget reflecting the revaluation uplift of the agency's hospital assets portfolio.

Cash flow statement

CASH FLOWS FROM OPERATING ACTIVITIES	2023 Actual \$000	2023 Original budget \$000	Variance \$000	Note
Operating receipts				
Grants and subsidies received				
Current	502 739	469 234	33 505	1
Appropriation				
Output	1 137 202	1 073 636	63 566	2
Commonwealth (excluding capital appropriation)	48 223	45 377	2 846	
Receipts from sales of goods and services	211 483	104 966	106 517	3
Interest received	-	10	(10)	
Total operating receipts	1 899 647	1 693 223	206 424	
Operating payments				
Payments to employees	1 168 889	1 099 172	69 717	4
Payments for goods and services	644 519	451 287	193 232	5
Grants and subsidies paid				
Current	161 867	144 102	17 765	6
Capital	4 006	1 734	2 272	7
Interest paid	511	538	(27)	
Total operating payments	1 979 792	1 696 833	282 959	
Net cash from/(used in) operating activities	(80 145)	(3 610)	(76 535)	
CASH FLOWS FROM INVESTING ACTIVITIES				
Investing receipts				
Proceeds from sales of non-financial assets	6	23	(17)	8
Total investing receipts	6	23	(17)	
Investing payments				
Purchases of non-financial assets	5 984	2 948	3 036	9
Total investing payments	5 984	2 948	3 036	
Net cash from/(used in) investing activities	(5 978)	(2 925)	(3 053)	

CASH FLOWS FROM FINANCING ACTIVITIES	2023 Actual \$000	2023 Original budget \$000	Variance \$000	Note
Financing receipts				
Deposits received	350	-	350	10
Equity injections				
Capital appropriation	2 925	2 925	-	
Commonwealth capital appropriation	500	-	500	11
Other equity injections	25 000	-	25 000	12
Total financing receipts	28 775	2 925	25 850	
Financing payments				
Lease liabilities payments	11 492	2 019	9 473	13
Total financing payments	11 492	2 019	9 473	
Net cash from/(used in) financing activities	17 283	906	16 377	
Net increase/(decrease) in cash held	(68 840)	(5 629)	(63 211)	14
Cash at beginning of financial year	144 144	126 688	17 456	
CASH AT END OF FINANCIAL YEAR	75 304	121 059	(45 755)	

Notes:

The following note descriptions relate to variances greater than 10 per cent or above \$5 million.

- Current grants revenue has increased by \$33.5 million to reflect additional \$27.8 million funding from various Commonwealth and external agreements as well as \$5.7 million additional Commonwealth funding for the COVID-19 response.
- The \$63.6 million increase in output appropriation represents additional operating payment to support the delivery and meet demand of health services to the community including a \$9.9 million to support the impact of COVID-19 on hospitals and road ambulance and \$2.4 million to restock inventories destroyed in the Berrimah warehouse fire.
- Receipts from sale of goods and services is \$106.5 million higher due to additional revenue from increased fee for service activity as well as the GST refunded is included in the actual cash flow but not in the original 2022-23 Budget.
- Employee expenses increased by \$69.7 million due to higher than budgeted overtime and labour hire resources to meet demand for services.
- Payments for goods and services is higher than the original 2022-23 Budget reflecting additional expenditure to meet demand for services as well as the GST refunded is included in the actual cash flow but not in the original 2022-23 Budget.
- Current grants expense has increased \$17.8 million since the original 2022-23 Budget aligning to revenue received and is predominantly to facilitate the COVID-19 response.
- Capital grants expense were above the original 2022-23 Budget due to additional funding paid to St John Ambulance for the COVID-19 response.
- Proceeds from sale of transport equipment surplus to requirements from the National Critical Care and Trauma Response Centre.
- The increase in purchases of non-financial assets mainly relate to the recognition of the \$2.6 million Baker Flinders building at the Alice Springs Hospital.
- Deposits received relate to the monies held in the accountable officer's trust account for private practice revenue and staff accommodation bonds.
- The Commonwealth capital appropriation relates to a purchase of equipment for the National Critical Care and Trauma Response Centre.
- The \$25 million in other equity injections represent the cash injection from the Central Holding Authority.
- The \$9.5 million increase in lease liabilities payments is largely attributable to the completion of the CareFlight aircraft leases and associated balloon payments.
- The reduced cash balance is reflective of the net cash outflow from operating and investing activities partially offset by the cash injection received.

35. Budgetary information: Administered Territory items

The following table presents the variation between the 2022-23 original budget for administered items as reported in the 2022-23 Budget Paper No. 3 Agency Budget Statements and the 2022-23 actual amounts disclosed in Note 33 of these financial statements together with explanations for significant variations.

Administered Territory items

TERRITORY INCOME AND EXPENSES	2023 Actual \$000	2023 Original budget \$000	Variance \$000	Note
Income				
Fees from regulatory services	2 064	139	1 925	1
Other income	3	-	3	2
Total income	2 067	139	1 928	
Expenses				
Central Holding Authority income transferred	852	139	713	
Doubtful debts	974	-	974	3
Bad debts	241	-	241	3
Total expenses	2 067	139	1 928	
Territory income less expenses	-	-	-	
TERRITORY ASSETS AND LIABILITIES				
Assets				
Accounts receivable	5 023	3 933	1 090	1
Allowance for doubtful debts	(2 485)	-	(2 485)	3
Other receivables	17	-	17	4
Total assets	2 555	3 933	(1 378)	
Liabilities				
Central Holding Authority income payable	2 538	3 933	(1 395)	
Unearned Central Holding Authority income	17	-	17	
Total liabilities	2 555	3 933	(1 378)	
Net assets	-	-	-	

Notes:

The following note descriptions relate to variances greater than 10 per cent or where multiple significant variances have occurred.

1. The higher fees from regulatory services and receivables balance represent quarantine fees charged for the Centre for National Resilience not reflected in the original 2022-23 Budget.
2. Relates to unclaimed monies held in the accountable officer's trust account for staff accommodation bonds.
3. Recognise an allowance for irrecoverable debts and debts written off in relation to the quarantine fees due to the debts reaching the three years statute of limitation for debt recovery.
4. Commonwealth funding to upgrade the multi-purpose services residential aged care facilities in Gove District Hospital.

Glossary

ACCHO - Aboriginal Community Controlled Health Organisation

ACHM - Australasian College of Health Service Management

AHRGTP - Allied Health Rural Generalist Training Program

AINM - Assistants in Nursing and Midwifery

AMSANT - Aboriginal Medical Services Alliance Northern Territory

ASH - Alice Springs Hospital

ATO - Australian Taxation Office

AUSMAT - Australian Medical Assistance Team

CDC - Centre for Disease Control

CEO - Chief Executive Officer

CHO - Chief Health Officer

CKD - Chronic kidney disease

CMO - Chief Medical Officer

CSIRO - Commonwealth Scientific and Industrial Research Organisation

DoH - Department of Health

EMT - Emergency Medical Team

FTE - Fulltime equivalent

GST - Goods and services tax

H2H - Head to Health

JE - Japanese Encephalitis

JEV - Japanese Encephalitis Virus

MHAOD - Mental Health Alcohol and Other Drugs

MVE - Murray Valley Encephalitis

NIP - National Immunisation Program

NCCTRC - National Critical Care and Trauma Response Centre

NGO - Non-government organisation

NP - National partnership

NSQHS - National Safety and Quality Health Service Standards

NT - Northern Territory

NTG - Northern Territory Government

NTMP - Northern Territory Medical Program

NT PHN - Northern Territory Primary Health Network

PRH - Palmerston Regional Hospital

RDH - Royal Darwin Hospital

RDPH - Royal Darwin and Palmerston Hospital

RMO - Resident Medical Officers

RHD - Rheumatic heart disease

RRT - Rapid Response Team

SAB - Staphylococcus aureus bacteraemia

SPP - Specific purpose payments

STRONG-TL - Surveillance, Training and Research Opportunities for Communicable Disease Control in Timor-Leste

TB - Tuberculosis

Grant recipients

ORGANISATION	Total Payments 2023 FY
ABORIGINAL HOSTELS LIMITED	1,226,703.00
ABORIGINAL MEDICAL SERVICES ALLIANCE NORTHERN TERRITORY ABORIGINAL CORPORATION	895,000.00
AFL NORTHERN TERRITORY LIMITED	44,000.00
AKEYULERRE ABORIGINAL CORPORATION	10,000.00
AMANDA MARSHALL	15,000.00
AMITY COMMUNITY SERVICES INC	502,642.00
ANGLICARE N.T. LTD.	791,465.00
ANYINGINYI HEALTH ABORIGINAL CORPORATION	960,864.00
ARID LANDS ENVIRONMENT CENTRE INC	48,000.00
ARTBACK NT INCORPORATED	30,000.00
ARTHRITIS FOUNDATION OF THE NORTHERN TERRITORY INC	91,652.00
ASSOCIATION OF ALCOHOL AND OTHER DRUG AGENCIES NT INCORPORATED	172,081.00
ASTHMA FOUNDATION NT INC	317,736.44
AUSTRALASIAN SOCIETY FOR HIV, VIRAL HEPATITIS AND SEXUAL HEALTH MEDICINE	73,042.00
AUSTRALIAN BREASTFEEDING ASSOCIATION	22,482.00
AUSTRALIAN CHILDHOOD FOUNDATION	527,000.00
BARKLY REGION ALCOHOL AND DRUG ABUSE ADVISORY GROUP ABORIGINAL CORPORATION	2,010,449.00
BARKLY REGIONAL COUNCIL	75,000.00
BELYUEN COMMUNITY GOVERNMENT COUNCIL	19,000.00
BELYUEN SCHOOL	10,000.00
BEREAVED PARENT SUPPORT NT INC	118,582.00
BEYOND BLUE LIMITED	43,373.00
BIG FAT PRODUCTIONS PTY LTD	28,000.00
BORROLOOLA SCHOOL COUNCIL	20,000.00
BROTHERS RUGBY LEAGUE CLUB	10,000.00
BUSHMOB ABORIGINAL CORPORATION	1,904,201.00
C MARDLING & D STEAIN	20,000.00
CAAPS ABORIGINAL CORPORATION	1,437,487.00
CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED	354,877.73
CANCER COUNCIL VICTORIA	58,577.00
CANTEEN CREEK OWAITILLA ABORIGINAL CORPORATION	65,500.00

CARPENTARIA DISABILITY SERVICES LTD	3,306,432.75
CASSE AUSTRALIA LIMITED	15,000.00
CATHOLICCARE NT	805,321.00
CENTRAL AUSTRALIAN ABORIGINAL CONGRESS ABORIGINAL CORPORATION	4,378,820.00
CENTRAL AUSTRALIAN FOOTBALL CLUB INCORPORATED	22,000.00
CENTRAL DESERT REGIONAL COUNCIL	15,000.00
CHARLES DARWIN UNIVERSITY	36,651.00
CHILDBIRTH EDUCATION ASSOCIATION (ALICE SPRINGS) INCORPORATED	62,524.00
CHILDBIRTH EDUCATION ASSOCIATION DARWIN INC	42,777.06
CHILDREN'S GROUND LIMITED	62,009.00
CORRUGATED IRON YOUTH ARTS INC	58,300.00
COUNCIL OF AUSTRALIAN VETERANS (DARWIN BRANCH) INCORPORATED	5,000.00
DALY RIVER BUFFALOES FOOTBALL CLUB	10,000.00
DANILA DILBA BILURU BUTJI BINNILUTLUM HEALTH SERVICE ABORIGINAL CORPORATION	3,031,193.08
DARWIN ABORIGINAL AND TORRES STRAIT ISLANDER WOMENS SHELTER ABORIGINAL & TORRES STRAIT ISLANDER CORP	100,000.00
DARWIN DRAGONS RUGBY UNION CLUB	10,000.00
DARWIN OFF-ROAD CYCLISTS (DORC) INCORPORATED	5,000.00
DEADLY HAIR DUDE PTY LTD	57,000.00
DIABETES ASSOCIATION OF THE NT INC	886,831.44
DRUG AND ALCOHOL SERVICES AUSTRALIA LTD	2,267,497.47
EASA INC	217,937.00
EAST ARNHEM REGIONAL COUNCIL	701,085.00
EASTERN HEALTH	78,177.00
EMMA LUPIN	5,000.00
FAMILY PLANNING WELFARE ASSN OF NT INC	973,146.00
FIRST PEOPLES DISABILITY NETWORK (AUSTRALIA) LIMITED	17,000.00
FLINDERS UNIVERSITY	693,521.00
FOOTBALL FEDERATION NORTHERN TERRITORY INCORPORATED	6,250.00
FORRESTPR	2,000.00
FORSTER FOUNDATION FOR DRUG REHABILITATION	1,122,468.00
FOUNDATION OF REHABILITATION WITH ABORIGINAL ALCOHOL RELATED DIFFICULTIES ABORIGINAL CORPORATION	1,763,146.00
GALIWIN'KU WOMEN'S SPACE	10,000.00
GREEN RIVER ABORIGINAL CORPORATION	10,000.00
GROW	214,591.00

GUNDJEIHMI ABORIGINAL CORPORATION	22,000.00
GURINDJI ABORIGINAL CORPORATION RNTBC	25,000.00
HEALTH NETWORK NORTHERN TERRITORY LTD	737,637.00
HEART ROCK CONSULTING PTY LTD	10,000.00
HOLYOAKE ALICE SPRINGS INC	790,441.00
HOOPS 4 HEALTH PTY LTD	35,000.00
IMOVE AUSTRALIA LTD	238,296.00
INJALAK ARTS & CRAFTS ABORIGINAL CORPORATION	13,000.00
J.R BONSON & I SCHREINER	13,500.00
JAMIE MILLIER	41,500.00
JAWOYN ASSOCIATION ABORIGINAL CORPORATION	15,000.00
JILAMARA ARTS AND CRAFTS ASSOCIATION	18,000.00
JILKMINGGAN COMMUNITY ABORIGINAL CORPORATION	3,000.00
JOSEPH PARRY	10,000.00
JOSEPH ROMELO	13,323.03
KALANO COMMUNITY ASSOCIATION ABORIGINAL CORPORATION	1,038,628.00
KARDU DIMININ CORPORATION LIMITED	18,000.00
KATHERINE HIGH SCHOOL	5,000.00
KATHERINE WEST HEALTH BOARD ABORIGINAL CORPORATION	5,914,552.00
KERRY NANKIVELL	1,000.00
KFMP GROUP PTY LTD	265,000.00
KIDSAFE NT INCORPORATED	133,852.16
LARRAKIA NATION ABORIGINAL CORPORATION	354,068.00
LAYNHAPUY HOMELANDS ABORIGINAL CORPORATION	180,317.00
LIFELINE AUSTRALIA	103,233.00
MABUNJI ABORIGINAL RESOURCE INDIGENOUS CORPORATION	26,000.00
MACDONNELL REGIONAL COUNCIL	219,828.00
MALA'LA HEALTH SERVICE ABORIGINAL CORPORATION	3,645,611.00
MAMANTA PTY LTD	25,000.00
MATES IN CONSTRUCTION (QLD & NT) LTD	80,864.00
MAWURLI AND WIRRIWANGKUMA ABORIGINAL CORPORATION	20,000.00
MENTAL HEALTH ASSOCIATION OF CENTRAL AUST INC	1,663,559.00
MENTAL ILLNESS FELLOWSHIP OF AUSTRALIA (NT)	315,000.00
MENZIES SCHOOL OF HEALTH RESEARCH	4,841,828.00
MISSION AUSTRALIA	4,240,378.00
MIWATJ HEALTH ABORIGINAL CORPORATION	11,206,111.00

NATIONAL CENTRE FOR ACTION ON CHILD SEXUAL ABUSE LIMITED	800,000.00
NATIONAL HEART FOUNDATION OF AUSTRALIA	34,000.00
NEPALESE ASSOCIATION OF NORTHERN TERRITORY INC	10,000.00
NINTI TRAINING LIMITED	326,797.00
NORTHERN TERRITORY AIDS AND HEPATITIS COUNCIL INC	1,422,428.00
NORTHERN TERRITORY MENTAL HEALTH COALITION	368,599.00
NORTHERN TERRITORY MOMINEEN INCORPORATED	3,000.00
NT CATTLEMENS ASSN INC	20,000.00
NYIRRUNGULUNG-RISE PTY LTD	8,000.00
QUINTON KENNY	13,000.00
RED DUST HEALING PTY LTD	5,000.00
RED LILY HEALTH BOARD (ABORIGINAL CORPORATION)	3,347,846.25
ROPER GULF REGIONAL COUNCIL	79,686.00
ROTARY CLUB OF LITCHFIELD/PALMERSTON	5,000.00
ROYAL FLYING DOCTOR SERVICE OF AUSTRALIA CENTRAL OPERATIONS	6,182,226.96
RUBY GAEA DARWIN CENTRE AGAINST SEXUAL VIOLENCE INC	527,631.00
SPOTTY DOG CONSTRUCTIONS NT PTY LTD	30,000.00
ST JOHN AMBULANCE AUSTRALIA NT INC	51,047,807.94
ST JOSEPH'S COLLEGE	2,500.00
ST VINCENT DE PAUL SOCIETY (NT) INC	30,000.00
SUNRISE HEALTH SERVICE ABORIGINAL CORPORATION	5975077
TANGENTYERE COUNCIL ABORIGINAL CORPORATION	368,000.00
TARNTIPI HOMELANDS ABORIGINAL CORPORATION	39,277.82
TENNANT CREEK MOB ABORIGINAL CORPORATION	6,000.00
THAMARRURR DEVELOPMENT CORPORATION LTD	98,864.00
THAMARRURR YOUTH INDIGENOUS CORPORATION	4,000.00
THE ARNHAM LAND PROGRESS ABORIGINAL CORPORATION	5,000.00
THE CENTRAL AUSTRALIAN ABORIGINAL ALCOHOL PROGRAMMES UNIT ABORIGINAL CORPORATION	1,383,196.00
THE HUB OF RESPECT INC	25,960.00
THE INSTITUTE OF HOPE PTY LTD	2,000.00
THE SALVATION ARMY (NT) PROPERTY TRUST	1,759,895.00
THE TRUSTEE FOR CHENOWETH FAMILY TRUST	30,000.00
THE TRUSTEE FOR FARAH FAMILY TRUST	2,000.00
THE TRUSTEE FOR RADOVIC FAMILY TRUST	5,000.00
THE YMCA OF THE NORTHERN TERRITORY YOUTH & COMMUNITY SERVICES LTD	30,000.00
THE YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE NORTHERN TERRITORY LTD	18,000.00

TOP END ASSOCIATION FOR MENTAL HEALTH INC.	7,944,404.75
TOP END MENTAL HEALTH CONSUMER ORGANISATION INC	387,920.00
UMNT INCORPORATED	24,150.00
UNIVERSITY OF TASMANIA	20,000.00
URAPUNTJA ABORIGINAL CORPORATION	20,000.00
URAPUNTJA HEALTH SERVICE ABORIGINAL CORPORATION	72,010.00
WAGAIT SHIRE COUNCIL	40,000.00
WANTA ABORIGINAL CORPORATION	90,500.00
WARLPIRI YOUTH DEVELOPMENT ABORIGINAL CORPORATION	70,558.00
WEST ARNHEM REGIONAL COUNCIL	33,000.00
WEST DALY REGIONAL COUNCIL	3,000.00
WILLOWRA SCHOOL	10,000.00
WUGULARR SCHOOL COUNCIL INC	4,000.00
WURLI-WURLINJANG ABORIGINAL CORPORATION	1,759,071.00
YUGUL MANGI DEVELOPMENT ABORIGINAL CORPORATION	89,000.00
YWCA AUSTRALIA	1,075,654.02
TOTAL	154,836,977.90





