

Special Commission of Inquiry into Healthcare Funding

Statement of Fiona Bennett

Name: Fiona Bennett

Occupation: Deputy Board Chair and Chair of Finance and Performance Committee, Western New South Wales Local Health District

1. This statement made by me accurately sets out the evidence that I would be prepared, if necessary to give to the Special Commission of Inquiry into Healthcare Funding as a witness. The statement is true to the best of my knowledge and belief.

My role

2. I have been a Board member of the Western New South Wales Local Health District (**WNSWLHD**) Board for over 7 years and Deputy Chair since 2021. I have chaired the Board's Finance and Performance Committee since March 2021. I have also previously spent time as a member of the Board's Audit and Risk Committee, and Health Care Quality Committee.
3. The role of the Board is to oversee the performance and progress of services and facilities within WNSWLHD, as well as provide oversight and scrutiny of the strategic decisions made by the WNSWLHD Executive. A copy of the WNSWLHD Board Governance Charter is at **Exhibit A**. The Board also follows the model by-laws which are at **Exhibit B**. There are currently 8 Board members including myself from a mix of professional backgrounds and geographical areas within the District. I participate in the 11 Board meetings and 11 Committee meetings held per annum.
4. My background is in finance and accounting. I am a Certified Practising Accountant with over 20 years' experience in listed and government entities. I hold a Bachelor of Business degree and I am a graduate member of the Australian Institute of Company Directors. I am a non-executive director of two other organisations, both of which are unrelated to WNSWLHD. A copy of my CV is at **Exhibit C**.

Finance and Performance Committee

5. There are 3 board members who sit on the Finance and Performance Committee along with the Chief Executive. The purpose of the Finance and Performance Committee is to assist the Board and the Chief Executive to ensure the operating funds, capital works funds and service outputs required of the organisation are being managed in an appropriate and efficient manner, and consistent with the requirements of WNSWLHD's Service Agreement with the Secretary, NSW Health. A copy of the Committee Terms of Reference is at **Exhibit D**.
6. The Finance and Performance Committee meets monthly. The purpose of the monthly meetings is to provide an opportunity for Committee members to ask questions of the Executive regarding financial performance, financial governance, activity performance, environmental sustainability and performance of other areas within the Committee's terms of reference. The Finance and Performance Committee reviews the following reports as part of the Committee meetings:
 - a. WNSWLHD financial performance, both historic and forecast - monthly.
 - b. Capital projects and minor works – monthly.

- c. Comprehensive expenditure review, which looks at cost saving and efficiency activities - every second month.
 - d. People strategy report – every quarter.
 - e. Activity reports (including aggregated, stream and facility activity) - every quarter.
 - f. Environmental sustainability report - every 6 months.
7. The monthly Finance and Performance Committee minutes are provided to the Board. At the monthly Board meeting, the WNSWLHD Executive Director, Finance and Corporate, presents to the Board. I also provide commentary to the Board regarding the discussions held at the prior Finance and Performance Committee meeting and take any questions from Board members about the Committee's deliberations.
 8. An example of data reviewed by the Finance and Performance Committee is increasing presentations to the District's Emergency Departments shown in the activity reports reviewed. This is in part a result of primary health failures, due to issues experienced by both WNSWLHD and the Primary Health Network with engaging doctors in many parts of the District. The flow on effect of this is that people cannot get appointments with a doctor and will instead present to the Emergency Department.
 9. An area of financial performance of particular interest to the Committee is premium labour. Information on premium labour spend is part of the Financial Performance Reports and People Strategy Reports that the Committee receives. I am aware that there are issues with attracting and retaining nursing and medical workforce to the District. As there is not enough supply, the District has increasingly relied on locum doctors, outsourced arrangements (for example, contract to Ochre Health) and agency staff, which is more expensive.
 10. A deliberate strategy undertaken by WNSWLHD from about 2022 was to offer incentive payments to people to work in our District (for example the Rural Workforce Incentive Scheme). Additionally, there has been a deliberate increase in new graduate nursing numbers across the District. The funding of these commitments is a matter that is considered by the Committee as part of WNSWLHD's strategy to attract and retain workforce. This strategy has lost full funding from the Ministry of Health due to the current tight fiscal situation.
 11. Another area that the Committee discusses on a monthly basis are capital projects. During my time on the Committee, my general experience has been that there is always a capital project underway in the District. Any capital works project over \$10 million is managed by NSW Health Infrastructure, however the reports about the project are still reviewed by the Committee. The Committee also reviews reports for capital projects under \$10 million that are run by the District.

Community engagement

12. The Board plays a role in community engagement. The Board meets at a different facility each month, which provides the opportunity for staff and community engagement at the facilities via staff and patient rounding, and informal lunches. The Board may also meet with particular stakeholders within the community, for example any facility-based Health Councils, Council Mayors or General Managers.

- 13. The Board members of WNSWLHD are drawn from different localities in our district. This also provides broad representation however I recognise there is an opportunity for the Board to undertake more community engagement.

Challenges and Opportunities

- 14. It is my belief that now is the time for thorough cross-government and cross-agency planning for comprehensive primary, community, secondary, mental health and aged care.
- 15. This includes cross-government planning for the countrywide projects required to support Australia's transition to renewable energy. Such projects impact on our region and our ability to provide health services in those towns. For example, there are many solar and wind projects underway and planned in Western NSW that will have a significant impact on demand for health and other services in those locations. Whole of system planning is needed for these impacts as well as the primary, community, secondary, mental health and aged care needs of rural NSW.
- 16. This planning should also include whole of system planning for medical specialty services coming into our District. From a WNSWLHD perspective, it is important that there is coordination between government and non-government services to avoid waste and duplication.
- 17. Difficulty in attracting and retaining medical workforce is a very significant problem for health services. It is even more challenging in rural and remote areas. This can lead to an inability to provide reliable and safe health services, particularly in remote areas where a greater percentage of residents are already disadvantaged, have poorer socioeconomic status, and are from First Nations backgrounds. There is a need for government to further address training of medical workforce and provide incentives for workforce to spend some time in rural and remote locations. The lack of available workforce has led to a significant reliance on premium cost labour and associated travel costs.
- 18. It is my opinion that the models of funding rural facilities should also be reviewed in light of the difficulty and higher cost of staffing these services.
- 19. While the Board aims to include as members people with diverse skills from a variety of regions in the District, Board appointments have been determined by the Minister on advice from the Ministry of Health and the WNSWLHD Chair. In my view, it would be preferable if the WNSWLHD were able to appoint Board members based on application and interview run by the Board itself, with administrative support from the Ministry of Health. In this way succession planning for skills needed by the Board could be better managed and the effectiveness of the Board improved.

Fiona Bennett

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Tim Bennett

 Witness name: *Tim Bennett*

16 May 2024

 Date

16 May 2024

 Date