

Special Commission of Inquiry into Healthcare Funding

Outline of Evidence of Pamela Rutledge AM

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Occupation: Board Member, Nepean Blue Mountains Local Health District

1. This is an outline of evidence that it is anticipated that the witness will give to the Special Commission of Inquiry into Healthcare Funding.

Introduction

2. My name is Pamela Rutledge. I am a member of the board of the Nepean Blue Mountains Local Health District (**NBMLHD**). I have been a member of the board since April 2022.
3. My most recent full-time role was as Chief Executive Officer of Flourish Australia, which is a Non-Government Organisation (**NGO**) providing community mental health services. I retired from this role in 2017. I am also a part-time Deputy Commissioner of the Mental Health Commission of NSW, part-time member of the NSW Mental Health Review Tribunal and general community member in the Guardianship Division of the New South Wales Civil and Administrative Tribunal. I am also a member of the board of Autism Spectrum Australia (Aspect) and chair its governance committee.
4. I applied to join the Board because of my commitment to quality health care and particularly my commitment to consumer engagement and to the system addressing the social determinants of health. Health care needs to be closely linked with other service sectors in its planning and delivery. This requires decentralised management of the health system which I believe is the core rationale for LHDs.
5. As a member of the NBMLHD board, I chair the Aboriginal Health Subcommittee, and Co-chair the Joint Integrated Health and Wellbeing Subcommittee (a joint Board Committee with the Primary Health Network (**PHN**).)

Corporate Governance Structure

Board Subcommittees

6. In 2023, the District underwent the tri-annual assessment of compliance with the National Safety and Quality Health Service Standards (Exhibit 22 in NSW Health Tranche 4 Consolidated Exhibit List) (usually just referred to as '**The National Standards**') conducted by the Australian Council on Healthcare Standards (**ACHS**). The Audit was conducted between 15 and 19 May 2023, with the Final Assessment occurring on the 21 and 22 August. Accreditation was awarded for NBMLHD until 6 September 2026.
7. The audit recommended that the Board review and refine our governance structure to align our Sub-committees more closely to the NSW Health's, *Future Health: Guiding the next decade of care in NSW 2022-2032* (Exhibit SCI.0001.0010.0001 and SCI.0001.0011.0001), and to strengthen the "ward to board" connection and line of sight between board members front line staff and patient experiences. This relationship goes in both directions – it is important that the board has a sense of what is going on at the ground level and important for those working on the front line to have a sense of how the board connects to the LHD and supports them. This process was undertaken with the LHD planning team and LHD executive.
8. The *New Governance Structure Implementation- Update for the Board* includes a governance chart and reflects the restructured governance framework of the board and its subcommittees (Exhibit 27 in NSW Health Tranche 4 Consolidated Exhibit List). The new structure has been aligned to the state's Future Health priorities and outcomes.
9. The NBMLHD board now has the following subcommittees:
 - a. Patient and Care Experience Committee;
 - b. Joint Integrated Health and Well-being Subcommittee;
 - c. Safe Care Committee;
 - d. Aboriginal Health Committee;
 - e. Work Health, Safety and Culture Committee;
 - f. Research and Innovation Committee;
 - g. Finance, Performance and Planning Committee, and

h. Audit and Risk Committee.

10. Each of the subcommittees meets quarterly online. All meetings are documented and minutes are accessible on the board portal which means they accessed by any board member. The subcommittees provide quarterly reports to the board which are standard reports on the last quarter highlighting achievements, progress, challenges and outstanding risks. There are also rolling reports on the board agenda.
11. Any board member is welcome to attend any subcommittee meeting even if they are not formally a member of that committee.

Engagement with Chief Executive and LHD Executive

12. There is a high level of engagement with the Chief Executive (**CE**) of the LHD, Lee Gregory. He attends every board and subcommittee meeting and is very actively engaged with discussions at board level.
13. The LHD Executive also attend monthly board meetings, mostly on-line. They are available to answer questions or clarify matters. This is an arrangement which pre-dates my appointment to the board. I regard it as very beneficial and collegial.
14. There is an option of an in camera session at the end of the board meeting if the board wants to discuss matters in the absence of the CE and/or Executive.
15. Representatives of the Medical Staff Councils also attend the beginning of each board meeting on-line and provide an in-person report. This means that the board is directly interfacing with medical staff around issues that they are experiencing. This has enabled the board to build a strong and respectful relationship with medical staff and to work with them on clinical services planning, such as the current clinical services planning being undertaken in respect of the Blue Mountains Hospital redevelopment.
16. Board meetings are held on a rotating basis at each of the NBMLHD facilities which enables face to face interaction with staff. We have recently varied the process of site visits by announcing the visits to the facility prior to arrival in order to ensure the staff are present and that they are comfortable to chat with board members. This enables the board to build a more positive connection with frontline staff and demonstrates our interest and concern. Staff do not attend the meeting itself. In the most recent board meeting in Lithgow, I met with the mental health team before the meeting and took some of this information into the meeting.

17. The Audit and Risk Committee provides written reports to the board for the monthly meeting and an annual report which includes information on financial and other areas of risk. A board representative sits on this committee to enable a direct line of sight.

Performance Monitoring and Finance

18. Performance within NBMLHD is predominantly monitored through Key Performance Indicator (**KPIs**). The board receives a dashboard report which measures performance across all KPIs and provides the ability to identify trends. The Chair of the board and the CE also regularly meet with the Ministry of Health (**MOH**) to discuss the service agreement.
19. Financial performance is monitored by the board through a detailed financial report and in-person report from the Director of Finance at each board meeting. The board is very focused on the question of budget and heavily involved with the LHD Executive to address it. Budget management is a major challenge for our LHD.
20. NBMLHD has special financial and environmental challenges. We are close to the end of a major redevelopment of Nepean Hospital to meet the standards required to be a major teaching hospital. There are also significant cost pressures on health services from the cost of staff and operations.

Clinical Governance

21. Serious adverse incidents are reported to the Board as they arise and in the CE Report. They are also considered at the relevant Board Committee.
22. Like all LHDs, NBMLHD undertakes the annual People Matter Employment Survey (**PMES**) which provides essential feedback on staff experience of the workplace, whether they feel valued and supported and their concerns. A concerning issue which has been identified through PMES is the level of bullying experienced by junior staff including Junior Medical Officers. One part of the NBMLHD response to the issue of bullying is the establishment of a Professional Governance Committee inspired by the Vanderbilt model in the USA, to provide early intervention where a doctor's behaviour to another staff member is of concern. While this is not a formal Board sub-committee, I chair the Committee to provide an independent chair and because I have a background in human resources.

23. The Board's role in service planning is exemplified through development of the Clinical Services Plan for the Blue Mountains redevelopment which the board just endorsed. This plan came to the board and the board was invited to attend meetings held publicly in consultation with the community. The board is able to engage in the planning process to the extent it wishes to. The fundamental role of the board in the clinical services planning process is to provide oversight of the documents as the final step before documents are provided to the MOH. Several iterations of the plan are developed at the executive level and come up in a final form to the board for endorsement.

Consumer Engagement

24. NBMLHD and Wentworth Healthcare (the Nepean Blue Mountains Primary Health Network (**PHN**)) have a Joint Community Advisory Committee which is made up of consumers. Two members of this Committee attend the Joint Integrated Health and Wellbeing Board Subcommittee with the PHN which I co-chair with a PHN Board member. The executive works with this committee to ensure we have consumer representation on all critical committees and working groups.
25. The mental health sector is particularly committed to engaging with people with a lived experience. As this is my professional background, I see consumer engagement as at the centre of service delivery and decision-making. For example, there has recently been a redesign of the child and adolescent mental health unit with the involvement of young people who had used that service.
26. The Aboriginal Health Governance Committee has also recently been able to identify two elders to join the committee. This is vital to our work to facilitate engagement with the Aboriginal community across the LHD.

Waste and Sustainability

27. There is a strong and increasing focus on sustainability in NBMLHD. Last year, myself and another board member attended an event organised by the MOH for all LHDs to meet with the Centre for Health Sustainability based in the United Kingdom.
28. A key step to improve our support for sustainability in NBMLHD has been to strengthen the reporting line of the team working on our Sustainability Strategy to the Finance Committee and the Board and give a stronger profile to this important area of activity.

29. We have active discussion at Board level about the board's responsibilities to support our sustainability strategy. This includes thinking about models of care which involve providing care in the home and avoiding hospital admission.