



MentalHealth
Victoria

Submission to the Victorian Budget 2025 - 2026

NOVEMBER 2024

Acknowledgement of Country

Mental Health Victoria acknowledges the Wurundjeri people as the Traditional Owners of the lands on which we work and we pay our respects to their Elders, past and present. We also acknowledge the Traditional Owners of all the lands across what is now known as Victoria.

We recognise the rich history, unbroken culture, and ongoing connection of Aboriginal and Torres Strait Islander people to Country. Mental Health Victoria acknowledges the tenacity of First Peoples and commits to learning from the oldest continuous culture on Earth.

We know that the mental health sector has so much to learn from this knowledge, such as the social and emotional wellbeing model of care. We acknowledge that this land always was and always will be Aboriginal and Torres Strait Islander land, and that sovereignty was never ceded, and has never been ceded.

Recognition of Lived Experience

Mental Health Victoria recognises all those that we know, meet, and work alongside, who are living with, or who have lived with the experience of mental health vulnerability. We thank them for sharing their knowledge and expertise, recognising that their voices are vital to improving and strengthening the mental health system.

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About Mental Health Victoria

Mental Health Victoria (MHV) is the peak body for mental health and wellbeing in Victoria. We exist to advocate resolutely for reform across the Victorian mental health and wellbeing system, through policy engagement, advocacy and workforce development.

Our advocacy is driven by the knowledge, guidance and expertise of our Associates, those working with and for the sector, and strives to centre lived and living experience.

MHV represents the collective voices of over 50 organisations working with and for the mental health and wellbeing sector in Victoria. This includes a broad range of organisations working in acute, non-acute, and community mental health, in addition to advocacy, research, education, specialist and service delivery organisations in mental health and related sectors.

We thank our Associates, as well as MHV's Lived and Living Experience Advisory Group, for their contributions in helping to shape this submission.

Mental Health Victoria Ltd is registered with the Australian Charities and Not-for-profits Commission (ACNC) as a Public Benevolent Institution (PBI). The Australian Taxation Office (ATO) has endorsed the company as an Income Tax Exempt Charity.

As a result, it receives income and certain other tax concessions, along with exemptions consistent with its status as a PBI which relate to Goods and Services and Fringe Benefits taxes.

Mental Health Victoria is also endorsed by the ATO as a Deductible Gift Recipient (DGR).

Mental Health Victoria Ltd (ABN 79 174 342 927) is a public company limited by guarantee. Our registered office is located at 6/136 Exhibition Street, Melbourne 3000.

On behalf of the sector we represent, MHV calls for reform investment now.

Victoria is approaching four years since the landmark Royal Commission into Victoria's Mental Health System (RCVMHS) released its final report and set a high standard for transformational mental health system reform, inspiring both national and global attention.

There have been significant achievements and milestones in the implementation of the mental health reform worth celebrating, including nation-leading investment of over \$6 billion since 2021, the prioritisation and growth of the lived and living experience workforce, and the establishment of the *Mental Health and Wellbeing Act 2022*.

However, in the past 12 months, the pace of reform has slowed considerably. Consumers, carers, and those working in the sector express frustration over the lack of transparency in the reform roadmap. This absence of clarity, coordination, and consistent investment is stalling progress and widening health equity gaps for Victorians.

100% of MHV Associates agree that a significant portion of consumers in Victoria are still receiving inadequate mental health and wellbeing care. ^[1]

While Victoria has been a noble leader in mental health reform, delays in implementing strategic, urgent steps forward are hindering true progress towards the transformed, consumer-led, rights-based mental health and wellbeing system. The consequence is a continuing divide in health equity and access, as well as consumers subjected to postcode lottery.

Striking the balance between idealism and pragmatism is critical to maintaining momentum. The sector needs the opportunity for genuine engagement in the reform process, which requires timely information sharing as well as access to data regarding the status and progress of the reform. Continued delays will have dire implications on consumers, their carers and kin, and the community, who are already experiencing a disconnect between what was standard practice prior to the Royal Commission and what can be much better practice in a reimagined and reformed mental health service landscape.

We cannot delay investment or timely progress in Victoria's mental health and wellbeing system. While reform takes time, it also requires consistent engagement, commitment, and systematic implementation to succeed.

MHV calls on the Victorian Government to:

1

Prioritise investment and outcomes tracking in the mental health and wellbeing system reform.

2

Invest in initiatives to **grow and retain** the mental health and wellbeing workforce.

3

Demonstrate commitment to **human-centred** care in the mental health and wellbeing system.

Summary of Mental Health Victoria recommendations:

1

Prioritise investment and outcomes tracking in the mental health and wellbeing system reform (Page 4).

- 1.1** Provide clarity and justification about the next steps and progress of the reform implementation.
- 1.2** Provide funding in the forward estimates to support the full and effective rollout of the 50 Locals across the State - including for the identified next tranche in 2025/26.
- 1.3** Provide funding for the Lived and Living Experience Agency.
- 1.4** Provide information on which programs are funded through the Mental Health and Wellbeing Levy in the Budget Papers.
- 1.5** Provide funding to enhance regional governance and regional service delivery.

2

Invest in initiatives to grow and retain the mental health and wellbeing workforce (Page 9).

- 2.1** Provide funding for the development, implementation and evaluation of a new Mental Health and Wellbeing Workforce Strategy, which prioritises attraction and retention of mid and senior-level staff.
- 2.2** Invest in embedding the Lived and Living Experience Workforce within the system.

3

Demonstrate commitment to human-centered care in the mental health and wellbeing system (Page 12).

- 3.1** Prioritise investment that seeks to eliminate health inequity across the state.
- 3.2** Prioritise investment in an Elimination of Seclusion and Restraint Strategy.
- 3.3** Invest in prevention initiatives as well as targeted supports for young people.
- 3.4** Prioritise initiatives that create more culturally safe, accessible, and trauma-informed mental health and well-being services.
- 3.5** Invest in ongoing funding for suicide prevention initiatives.
- 3.6** Invest in the establishment of the 2,500 supported houses for adults and young people experiencing mental ill-health.
- 3.7** Demonstrate commitment to the value of psychosocial supports through monetary investment.



1

Prioritise investment and outcomes tracking in the mental health and wellbeing system reform.

The mental health and wellbeing system reform, as set out by the RCVMHS, requires priority investment in the 25/26 Victorian Budget. Health equity, quality of care, sector collaboration, and regional integration are all dependent on the progress of the system reform.

1.1 Provide clarity and justification about the next steps and progress of the reform implementation.

Certain reforms have not been implemented in the timeframes initially proposed by the Royal Commission. The Victorian Government has indicated it remains committed to implementing these recommendations, but work is required to determine the roadmap and implementation timelines. The sector has repeatedly called for updates to confirm these timelines, as well as an opportunity to inform the reprioritisation and systematic way forward. MHV estimates most of the RCVMHS reforms are two years or more behind schedule. MHV Associates have repeatedly expressed frustration and deflation with the process, as reforms are siloed and strategies piecemeal. There is opportunity for more cohesive, collaborative, and evidence-based decision making.

MHV calls on the Victorian Government to:

- Release a detailed plan that provides information about the next steps and progress of the reform implementation.
- Release the Mental Health and Wellbeing Outcomes Framework (R1 RCVMHS) and provide funding over the forward estimates to enable its comprehensive implementation.
- Release details on upcoming reform-based tenders as soon as possible to enable organisations to plan and obtain the resources required to make a bid.
- Provide timely updates to the sector, including notification where substantive updates are not available, to avoid the sector feeling left in the dark.
- Fund MHV to continue to facilitate collaboration between the clinical and community sector to inform and work alongside government in support of reform implementation.

MHV's Associates are becoming increasingly frustrated with the lack of information available on the next steps of reform implementation. They expressed the following sentiments during MHV's budget consultation process:



'It feels a bit like there might not be a plan. If there is not a plan, we need to know that.'

'We cannot work in a collaborative spirit in a situation of secrecy.'



MHV calls on the Victorian Government to provide certainty about the next steps and progress of the RCVMHS reform implementation in the 25/26 Victorian State Budget.

We must honour the energy, dedication and tenacity of the sector, as well as the 3,200 plus individuals and organisations who engaged in the RCVMHS. Progress and substantive updates on next steps are critical.

1.2 Provide funding in the forward estimates to support the full and effective rollout of the 50 Locals across the State - including the previously identified next tranche in the 25/26 financial year.

MHV Associates report that the **'failure to implement the next tranche of Locals contributes to postcode lottery,'** with some Victorians having access to low barrier holistic services while others cannot access the same standard or service of care in their geographical area. MHV Associates also advocate that not investing in services and programs means jobs cannot be created. Put simply, if jobs are not available, the workforce cannot grow.



84.6%

of MHV Associates want the next tranche of Locals rolled out as a priority.



84.6%

of MHV Associates want a detailed roadmap on the Locals rollout as a priority.



100%

of MHV Associates place little priority on delaying the next tranche of Locals until workforce shortages are addressed (this includes four organisations that run a Local).^[2]

MHV Associates report **'there is an imbalance, if not skeleton level, of support at the community local level for non-acute mental health due to the delay in rolling out the locals.'** While our Associates recognise the need for considered resourcing to optimise supports across geographic catchments and have reported the need for more specialist and clinical resourcing, delaying the Locals to address the workforce shortage challenge is not the answer.

MHV calls on the Victorian Government to:

- Implement Recommendation 3 of RCVMHS in its entirety, to establish a responsive and integrated mental health and wellbeing system as a priority (R3 RCVMHS).
- Fund the rollout of the next tranche of Locals in the 25/26 financial year, in Melbourne, Werribee-Truganina, Ballarat, Craigieburn-Sunbury, Ringwood, Horsham-Ararat, Warrnambool-Hamilton-Portland, Narre Warren, Northcote and Leongatha.
- Provide funding in the forward estimates to support the full, effective and consistent rollout of the remaining Locals to total 50 across Victoria.
- Release a detailed implementation plan with timeframes, consultation opportunities, and locations for the remaining Locals.

There is an overwhelming need for greater investment in early intervention and prevention-based services. With only 15 out of 50 Locals established, Associates report areas without these essential services are struggling to meet service demand.

This places additional pressure on emergency departments, Mental Health and Wellbeing Hubs, and Head to Health services. Lack of appropriate access to care means many Victorians will be deterred from seeking support for the help they need and deserve.

In our budget consultation, we heard from Associates expressing the following sentiments:



'Pausing Royal Commission initiatives that target the 'missing middle', such as the Locals, will lead to more people who could have been supported safely in the community, entering into involuntary treatment or experiencing often highly traumatic care within restrictive and/or coercive settings.'

‘The Locals community-based approach has many strengths which should be promoted and encouraged. It is a natural fit for community health organisations which are already resourced for community engagement in a place-based model to address social determinants of health and provide access to a range of other funded health supports, including primary care and AOD services.’

‘One of the aspirations with the MH&W Locals was that we’d have a coordinated, state-wide network that meant that regardless of the geography, there would be universal understanding of availability and function of these and the community would know about this system. With only 15 and little transparency around the rest, we are no further along the path to a coordinated system, and are left with a small group of good quality, but patchy and locally oriented services. This is no advancement from what we had pre-reform.’

The full and effective rollout of the 50 Locals can be a genuinely transformative component of reforming the mental health system. It is vital to reducing the health equity gap for consumers and establishing a consistent, integrated and intersectional care model for all Victorians. That is why MHV is calling on the Victorian Government to provide funding in the forward estimates to support the full, effective and consistent rollout of the 50 Locals across the State, as well as an outline of the plan to do so.

1.3 Provide funding for the Lived and Living Experience Agency.

MHV Associates unequivocally support the Royal Commission’s value placed on elevating and embedding lived and living experience and expertise as a foundational component to reforming the Victorian mental health and wellbeing system. As the RCVMS highlighted:

The leadership of people with lived experience of mental illness or psychological distress is a fundamental tenet of an inclusive, compassionate and humane mental health and wellbeing system. Many people have shared their aspirations with the Commission for a future system where people with lived experience of mental illness or psychological distress lead and make decisions about the matters that affect their lives, and where their contributions are recognised and acted on.

Establishing the Lived and Living Experience Agency would give the Victorian Government and sector an independent body to provide strategic advice and leadership, ensuring that lived experience perspectives are deeply embedded in system reform. While several organisations are making honorable efforts to integrate these perspectives, limited resources create significant inefficiencies and risks of duplication. Consolidating these efforts through the Lived and Living Experience Agency would streamline resources and enhance impact. Funding recommendation 29 supports movement toward best practices, putting lived experience at the core of our reform. This Agency will foster meaningful partnerships, guiding continuous learning and improvement across the sector.

MHV calls on the Victorian Government to:

- Provide funding to implement recommendation 29 of RCVMS in its entirety, to establish a new agency led by people with lived and living experience of mental ill-health or psychological distress (RCVMS R29).
- Release a detailed implementation plan with timeframes on how the Victorian Lived and Living Experience Agency will be designed in partnership with consumers, including VMIAC and SHARC, as well as how it will be resourced.

1.4 Provide information on which programs are funded through the Mental Health and Wellbeing Levy in the Budget Papers.

The RCMHS Interim Report recommended a new revenue approach, which later became the Mental Health and Wellbeing Levy, to ‘*substantially increase funding for Victoria’s mental health system*’ by supplementing existing and projected funding commitments.

The 2024/25 Victorian State Budget estimated \$1 billion in revenue from the Mental Health and Wellbeing Levy (approximately one third of the total investment in mental health in the last budget), which is legislatively required to be spent on the mental health and wellbeing system. To instil confidence and transparency, MHV requests the upcoming Budget Papers include a breakdown of Levy-funded initiatives. This is in line with the Public Accounts and Estimates Committee’s (PAEC) Report on 2021-22 and 2022-23 Financial and Performance Outcomes which stated it would be beneficial for government to identify and report on where the Mental Health and Wellbeing Levy is allocated. Specifically, PAEC recommended that the government report on the specific departments, outputs and mental health services or initiatives that are funded by the Mental Health and Wellbeing Levy in order to monitor the outcomes and effectiveness of the levy.^[3]

MHV calls on the Victorian Government to:

- Identify which initiatives are funded through the Mental Health and Wellbeing Levy in the 25/26 Victorian State Budget and future State Budgets.
- Report on the specific departments, outputs and/or mental health services or initiatives funded by the Mental Health and Wellbeing Levy in departmental annual reports.

1.5 Provide funding to enhance regional governance and regional service delivery.

Regional community service providers continue to report high levels of health inequity when compared to metropolitan counterparts. The nature of regional catchment areas often means service delivery is covering a large breadth of the population across a wide geographical space with limited resources. This was one of the reasons behind recommending the establishment of Regional Mental Health and Wellbeing Boards, to enable regional mental health and wellbeing service needs to be communicated directly to the Department of Health.

As one MHV Associate reported:

“***‘The precarity of mental health and wellbeing of those living in rural and regional Victoria has never been more acute. Eight of the ten most disadvantaged Local Government Areas in Victoria are in rural and regional areas. A hub and spoke approach of service delivery has not provided adequate support for these communities.’***”

MHV Associates reported that, where funding exists for regional resource allocation, including grants for relocation costs, the increasing lack of housing and infrastructure within communities derails the likelihood of increasing staff count.

MHV Associates have also reported difficulties in servicing their community while service development remains in limbo. For example, many regional communities have been promised a Local, with no estimated timeframe. In the interim, they are running Mental Health and Wellbeing Hubs, or relying on Commonwealth-funded Head to Health services, with less funding and resources than a Local would rightfully receive.

This is particularly problematic for service providers sitting on the NSW/VIC border who are stuck in a funding limbo as these states and the Commonwealth push the funding responsibility back and forth.

As one MHV Associate reported:

‘Head to Health pop-up clinics were initially established in Victoria to provide additional mental health support to people of all ages impacted by the COVID-19 pandemic. We are advised that the Head to Health Pop-Up clinics will transition to the new Local Adult and Older Adult Mental Health and Wellbeing Services established by the Victorian Government. However, no announcements have been made regarding the transition or funding allocation...’

In the meantime, despite needing to deliver a complete Head to Health service model and serve the same target group, [regional communities have] not been given funding commensurate with other centres. The current allocation does not align with the needs and demographics of our region.’

The last budget failed to allocate funding to transition the Interim Regional Bodies into the Regional Mental Health and Wellbeing Boards, raising into question the continuity of the work already undertaken. MHV calls on the Victorian Government to clarify its plans to respond to the extensive consultation work that was undertaken by the Interim Regional Bodies.

MHV calls on the Victorian Government to:

- Invest in standing up the Regional Boards to support integrated regional governance and provide equitable access for all Victorian communities seeking support (R4 RCVMS).
- Invest in regional housing and infrastructure to bolster opportunities for regional resource growth.
- Collaborate with state governments and the Commonwealth to ensure border communities are not missing out on funding to deliver vital services.
- Invest in non-government helpline services and connections to mental health and wellbeing services in rural and regional areas to support the growing need of communities (R6.5 RCVMS).

2

Invest in initiatives to grow and retain the mental health and wellbeing workforce.

The Victorian Government has repeatedly named workforce shortages as a major contributing factor to the slowed rollout of the reform. To re-gain momentum, we must urgently and strategically invest in the growth and retention of the mental health and wellbeing workforce.

At the system level, this means working in partnership to develop a new Mental Health and Wellbeing Workforce Strategy. It also means considering funding reform opportunities which allow for more flexible contracts focused on outcomes rather than outputs, and funding programs for a minimum of three to five years to provide program certainty and continuity of service delivery and staffing. MHV Associates are constantly managing the risk of staff seeking other roles as they are unsure whether their contract will be extended.

As MHV Associates report:

‘Stable investment is a recruitment (and) trust multiplier.’

‘Short term contracts, delayed contracts and reduced funding of programs and salaries has impacted recruitment and retention of staff.’

At the program level, this means providing funding forecasts to organisations so they can adequately prepare for delivery. Organisations cannot sustain the financial burden and risks associated with last-minute information regarding funding allocations. HR professionals advise staff turnover can cost anywhere from 30-150% of an employee’s salary. Further, recent changes to the *Fair Work Act* (2009) limit the use of rolling contracts. MHV Associates report examples of government funding being rolled over **six times for ongoing services**, which is not conducive to fair and equitable industrial relations. These experiences represent an inefficiency in our system, which if addressed could lead to improved staff retention and service delivery outcomes.

Victoria is home to exceptional programs that, with the right resources and support, could be scaled to significantly expand the mental health and wellbeing workforce.

2.1 Provide funding for the development, implementation and evaluation of a new Mental Health and Wellbeing Workforce Strategy, which prioritises attraction and retention of mid-level and senior staff.

Organisations need funding to create jobs and expand the workforce, yet no strategy has been outlined beyond Victoria’s Mental Health and Wellbeing Workforce Strategy 2021-2024. In 2024, the Victorian Government acknowledged the need for ‘significant workforce expansion’ to meet system reform goals, estimating a demand for 2,500 additional mental health professionals, including psychologists, psychiatrists, nurses, support workers, and peer workers.

While community services report stable employment rates where positions are funded, clinical roles are increasingly difficult to fill. Limited availability of clinical supervisors reduces opportunities for clinical graduates, while the lack of leadership development options and accessibility forces many to seek growth elsewhere. Clinical service providers also report significant funding gaps between metropolitan and regional hospitals, owing partly to activity-based funding formulas. Additionally, students seeking placement have limited options as funding and other resource constraints are prevalent across service providers.

MHV calls on the Victorian Government to:

- Provide funding for the development, implementation and evaluation of a new Mental Health and Wellbeing Workforce Strategy, which prioritises attraction and retention of mid-level and senior staff.
- Provide funding to undertake a comprehensive analysis of the specific roles in critical shortage, including timelines for boosting those shortages.
- Invest in organisational capacity to host placements, traineeships and cadetships to facilitate learning opportunities for students and graduates looking to enter the workforce.
- Embed key capabilities across the public health system through funding for the Certificate of Postgraduate Training in Clinical Psychiatry.
- Invest in leadership development opportunities for graduates and mid-level staff to bolster senior leadership across the Victorian mental health and wellbeing sector, including through partnerships with education providers.

As our MHV Associates reported:



‘Placements, traineeships, cadetships etc. need to be treated as a genuine program stream and afforded the level of income to support the delivery of these to ensure we can prioritise these programs to build our workforce capacity. At the current state these programs are funded too thinly with the expectation that these are supported by other co-located programs. This creates too much strain on teams already thin on the ground.’

‘We don’t have the infrastructure to support the volume of students seeking placements.’



MHV calls on the Victorian Government to invest in the mental health and wellbeing workforce, and those partnering to grow and upskill the workforce (i.e. education providers), to ensure the sustainability and growth of system reform.

2.2 Invest in embedding the Lived and Living Experience Workforce within the system.

The development of Victoria’s Lived and Living Experience Workforce (LLEW) is nation-leading and a reform feature to be proud of, although its implementation has been marked by inconsistency. MHV and our Associates report varying levels of support and structure for LLEW across organisations. While some environments are well-resourced to foster LLEW growth and leadership, many are not.

Ensuring safety and support, especially for young peer workers, is essential. Embedding these supports in clinical and community healthcare, along with prioritising leadership pathways, is crucial for the success and sustainability of the LLEW.

There are significant gaps in professional development for those in LLEW positions. Many in this workforce are asked to step into management and leadership roles without having undertaken the training and development to safely and effectively do so. The only formal tertiary qualification which is specific to and appropriate for LLEW is the Certificate IV in Mental Health Peer Work. The demand for this course far exceeds supply, and the government does not yet fund organisations who partner with education providers to provide the LLEW lens to the course. For example, MHV partners with Wodonga TAFE and provides a LLEW educator for this program.

Beyond the Certificate IV in Mental Health Peer Work, LLEW are often encouraged to undertake general management and leadership courses, which may or may not consider the nuanced, complex, and sensitive work LLEW may be required to undertake in their profession.

There is a desperate need for development opportunities that support the LLEW between these levels of work. MHV has also noted significant roadblocks for LLEW leadership development. For example, there is a 24-month wait to register for the Advanced Intentional Peer Support course. Similarly, those wishing to become LLEW supervisors must meet the criteria of minimum 2 years' experience in a designated family/carer lived experience role, while providing supervision, co-reflection or mentoring to family/carer LLEW. However, to provide supervision, one must have done the training. This makes it very difficult for anyone to access the criteria to meet the course eligibility.

Additionally, while it is an emerging workforce, Peer Work and other LLE designated roles require a high level of skill, emotional intelligence, communication, and leadership skills. The salaries of LLE workers are extremely low, which translates to an undervalued workforce. In addition to increasing salaries, investment in wellbeing support services for people working in these roles is required to prevent burnout and retain staff.

MHV calls on the Victorian Government to:

- Implement recommendation 28 in its entirety, to establish system-wide roles for the full and effective participation of people with lived experience of mental ill-health or psychosocial distress (RCVMHS R28).
- Invest in continuity of funding over the forward estimates for best practice LLEW leadership development courses, such as the Monash College Future Skills Graduate Diploma of Management and Leadership (Lived and Living Experience).

“*‘Lived Experience carer recruitment and retention has been difficult as these staff are often ‘living experience’ and are balancing their carer responsibilities with work. This has led to reducing of EFT and larger amounts of smaller EFT within teams. Training and supervision is not carer specific in the Lived Experience space and has just been modified from AOD/MH Lived Experience, the carer experience is significantly different.’* - MHV Associate

‘In terms of recruitment to LE roles...this is difficult due to the lack of training available for LEW and potential LEW and poor pay (PWs get paid more as baristas than as PWs).’ - Sector representative”

3

Demonstrate commitment to human-centered care in the mental health and wellbeing system.

The Royal Commission envisioned a mental health and wellbeing system centred on consumers, focusing on their rights and delivering services that meet individual needs. The *Mental Health and Wellbeing Act 2022* is significant in that it establishes a legal foundation for a consumer-led, rights-based, intersectional model of care.

The Royal Commission also proposed a system where everyone, regardless of location or circumstances, can access high-quality care in their community through a 'no wrong door' policy. Yet, many Victorians still lack this access, as reform delays continue to deepen system inequities without clarity on the next steps. Advancing these reforms requires ongoing commitment to codesign and partnership with the communities served by these services.

3.1 Prioritise investment that seeks to eliminate health inequity across the state.

As delays to certain reforms persist, so does the patchwork of mental health care for Victorians. MHV Associates noted the challenges complex, short-term service models present when they are only being rolled over. This is a stop gap while waiting for the reforms to be implemented. For example, where some Mental Health and Wellbeing Hubs have closed due to Locals being established, the regions that the two entities support differ, resulting in some communities falling through the cracks. Likewise, the remaining Hubs have been funded only until 30 June 2025, with no clarity on whether these will be extended until the Locals are rolled out across the state or if there will be appropriate transition support in place to maintain continuity of service for consumers.

MHV Associates also reported the importance of prioritising efforts to enhance the integration and navigation between services so that when a consumer or carer seeks care, each service provider is accountable for either providing that care or appropriately referring the service seeker via referral pathways. There is an identified need to invest in statewide awareness and referral pathways between organisations about available services.

Currently, the Partners in Wellbeing (PIW) program provides effective phone-based support to Victorians, assisting them in navigating the mental health system and providing seamless referral pathways to services. However, there is no funding for this program beyond 30 June 2025, and no advice on additional or alternative service navigation initiatives.

MHV calls on the Victorian Government to:

- Continue funding the Mental Health and Wellbeing Hubs until the 50 Locals are stood up and a fit-for-purpose transition plan is in place to support this change.
- Engage with consumers, carers, peak bodies, and the overall sector to develop a plan that provides certainty and clarity about the implementation of the system navigation Royal Commission recommendations (RCVMHS R6, R7).
- Provide multi-year funding for the Partners in Wellbeing Program to continue to provide system navigation support for Victorians.

In our budget consultation, Associates expressed the following:

‘We are still seeing barriers for those needing support and people being turned away.’

‘People are everyday looking for help, not knowing where to go.’

‘Some programs can make a lot of difference without a lot of funding.’

3.2 Prioritise investment in an Elimination of Seclusion and Restraint Strategy.

The RCVMHS recommended the mental health and wellbeing system work towards eliminating seclusion and restraint in service delivery by 2031. To support this goal, the RCVMHS made a series of recommendations, including that the Chief Officer for Mental Health and Wellbeing develop and lead a strategy to reduce the use of seclusion and restraint (RCVMHS R54.3).

The Victorian Government has undertaken public engagement on the development of such a strategy between August 2022 and June 2023. However, since then, there has not been clarity on the finalisation and release of the strategy or whether further engagement will be taking place with the sector, consumers, and carers. In order to realise the objective of this recommendation, evidence and rights-based alternatives, as well as cultural and organisational change across services will be required. Therefore, the finalisation and adequately resourced implementation is fundamental to achieving the elimination of seclusion and restraint by 2031.

MHV calls on the Victorian Government to:

- Finalise the development of a strategy to reduce the use of seclusion and restraint (RCVMHS R54.3) and provide funding to enable its effective implementation, including for organisations and statewide mental health and wellbeing entities, to perform their roles in supporting this goal.

3.3 Invest in prevention initiatives as well as targeted supports for young people.

MHV and Associates consider there is significant need to provide targeted supports for children and young people in the 25/26 Victorian Budget. There have been some achievements towards a more supportive, accessible, and appropriate system for young people, including the investment into the three Children Locals. However, the overarching system-wide re-design and reform to adequately support children and young people is still far from being achieved.

There is a gap in service availability for young people, and particularly those under 26 years (due to the age limitations of the Locals), with long waiting lists for Headspace and the Locals. Further, the planning and timing for the rollout of system re-design including the 13 Infant, Child and Youth Area Mental Health and Wellbeing Services is not clear. We know providing high-quality support for young people is a critical early prevention and intervention initiative. Supporting school-aged young people to develop the tools and language they need to provide early and informal support to one another is also key for prevention. Likewise, proactive prevention initiatives delivered through partnerships with universities are beneficial.

Consideration of gender-based needs and supports is critical to supporting the development of young people. Gender based initiatives that prioritise safety, as well as acknowledge the differing and intersectional needs of young people is vital to supporting youth mental health and wellbeing.

In our budget consultation, Associates shared the following:

“ ‘Young people have been forgotten.’
‘We’re forcing young kids into a system or service type that doesn’t fit their needs.’
‘Young people aren’t able to utilise the Locals (due to age), Headspace have long waitlists and YORS are very stretched which means young people are slipping through the gaps, and some of that speaks to a lack of coordination and planning.’ ”

MHV calls on the Victorian Government to:

- Provide a minimum of three years funding for the Youth Outreach Recovery Support (YORS) Program which will otherwise lapse on 30 June 2025.
- Provide multi-year funding to continue the Youth Live4Life Program (lapsing 30 June 2025) and to expand its reach across more regional communities in Victoria.
- Provide clarity about the consultation, planning and implementation of the system re-design for young people, including the 13 Infant, Child and Youth Area Mental Health and Wellbeing Services (RCVMHS R3.2.c).
- Invest in operational resources for evidence-based research to inform the transformation of the children and young people mental health and wellbeing system.

These proposals are in line with the following RCVMHS recommendations:



Recommendation 3.2.c

Establishing a responsive and integrated mental health and wellbeing system.

Establish service delivery across Victoria at local, area-based and statewide levels comprising: 13 Infant, Child and Youth Area Mental Health and Wellbeing services delivered through partnerships between public health services or public hospitals and non-government organisations that deliver wellbeing supports.

Recommendation 20

Supporting the mental health and wellbeing of young people.

Recommendation 19

Supporting infant, child and family mental health and wellbeing.

Recommendation 21

Redesigning bed-based services for young people.

3.4 Prioritise initiatives that create more culturally safe, accessible, and trauma-informed mental health and well-being services.

A key component of human-centred services and systems is ensuring they are responsive and appropriate for an individual's identity, cultural background, and perspectives. The majority of MHV Associates report that specific population groups with distinct mental health and wellbeing needs are not adequately being included and served under the current reforms.

The Balit Durn Durn Centre (RCVMHS IR 4, FR 33), which recently celebrated its two year anniversary as the Centre of Excellence for Aboriginal social and emotional wellbeing, is an important example of how evidence-based, culturally-responsive care models can be elevated across the mental health and wellbeing system. The Balit Durn Durn Centre facilitates the rollout of comprehensive social and emotional wellbeing services and workers across Aboriginal Community Controlled Organisations in Victoria.

MHV and our Associates advocate that co-designed, trauma-informed and responsive care services are integral to upholding the vision of the Royal Commission. This is particularly important as consumer need for trauma-informed and responsive care increases across Victoria due to the impacts of the cost-of-living crisis, climate change angst, the inaccessibility and unaffordability of housing, and more.

MHV calls on the Victorian Government to:

- Release and provide appropriate funding to implement the Diverse Communities Mental Health and Wellbeing Framework.
- Renew multi-year funding for the Diverse Communities Grants Program, which has been providing funding to deliver an extensive range of programs, direct services, and advocacy outputs to create a more diverse and inclusive mental health and wellbeing system.
- Continue funding Foundation House to provide mental health support work for refugees and asylum seekers.
- Provide adequate and sustained funding for Transforming Trauma Victoria to continue Victoria's leadership in closing the significant gaps in trauma-informed and therapeutic care through capacity building, therapeutic services and research.

'Many asylum seekers are not entitled to health services through Medicare. There has been inadequate recognition of their stressful circumstances. There is some uncertainty about primary responsibility because of involvement of both Commonwealth and state in providing health support. Of course, they are subject to level of need for mental health services and inadequate service availability that impacts on the community at large.' - MHV Associate

'We don't need to be counting the number of patients that we are seeing, because we know the impact that we are having on the community. When we see one person, it is having an impact on their whole family.' - Sector representative

3.5 Invest in ongoing funding for suicide prevention initiatives.

MHV and our Associates advocate the ongoing need for suicide prevention initiatives across Victoria. The Victorian Suicide Prevention and Response Strategy 2024-2034 is a welcomed initiative, particularly as it responds to Recommendation 26 of the RCVMHS. However, the strategy itself does not ensure funding continues for evidence-based suicide prevention initiatives.

MHV calls on the Victorian Government to:

- Provide funding to support the implementation of the Victorian Suicide Prevention and Response Strategy, to be done in partnership with the consumers, carers and the sector.
- Provide funding to SuicideLine Victoria, a service delivered by Lifeline, to support resourcing for the rising demand for support.
- Provide funding for the LGBTIQ+ Aftercare program run by Mind to enable upscaling across regional communities.

3.6 Invest in the establishment of the 2,500 supported houses for adults and young people experiencing mental-ill health.

MHV Associates advocate that supported housing for adults and young people with mental-ill health is a key priority. This is particularly important as current services do not provide the right combination of psychosocial supports for members of the community being discharged from acute mental healthcare. We also know youth homelessness is an increasing crisis requiring targeted support. Similarly, there are not appropriate supports for those experiencing chronic homelessness where mental-ill health is a contributing factor, or those requiring gender responsive and integrated services.

MHV calls on the Victorian Government to:

- Publish progress and findings related to the implementation of RCVMHS R25, *Supported housing for adults and young people living with mental illness*.
- Provide funding for the 2,000 dwellings assigned to Victorians living with mental ill-health in the Big Housing Build (RCVMHS R25).
- Provide funding for 500 new medium-term supported housing places for young people aged between 18 to 25 who are living with mental ill-health and experiencing unstable housing or homelessness (RCVMHS R25).

3.7 Demonstrate commitment to the value of psychosocial supports through monetary investment.

As the [unmet needs analysis](#) highlighted, **165,830** Victorians are missing out on psychosocial supports required to support their moderate to severe mental ill-health needs. This is before changes to the NDIS have taken place.

The value of psychosocial supports for people with a psychosocial disability or complex mental health challenge should not be underestimated. As our Associates have highlighted, *'the availability and accessibility of psychosocial supports are a human rights matter.'* Investment in these services is critical to empowering a consumer to live independently and safely in the community.

MHV recognises there are various reform processes underway in the disability and mental health portfolios at both the Commonwealth and Victorian level, however, it is essential that people with a psychosocial disability continue to have appropriate supports during these negotiations and that transitions between service systems are carefully managed.

MHV calls on the Victorian Government to:

- Continue multi-year funding for the Early Intervention Psychosocial Support Response (EIPSR) Program, while negotiations and system re-design for psychosocial supports take place to ensure that no one is left behind.
- Work with the sector, consumers, and carers to provide clarity on the rollout of the integrated mental health and wellbeing system, which is intended to capture psychosocial supports in both Locals and Area Mental Health Services (RCVMHS R3).
- Ensure that investment in psychosocial supports is applied across the foundational supports policy development and mainstream service system.
- Ensure funding for psychosocial supports is embedded as part of program commissioning decisions in response to the NDIS changes and rollout of Royal Commission system re-design recommendations (RCVMHS R3, R5).

We must act now to achieve our collective vision.

Reforms take time and tenacity to succeed. They also require consistency and clarity regarding implementation and the pathway to reform.

We are nearly four years into the implementation of Victoria's mental health reform program set by the once-in-a-generation Royal Commission into Victoria's Mental Health System.

MHV Associates are particularly concerned by the increasing level of competition across the sector. Each year, organisations brace themselves for slivers of funding to continue delivering critical services. Not only does this create tension between organisations, but it also impacts our capacity to forward plan.

Mental health and wellbeing impacts every single Victorian and intersects with practically every other investment the government makes, whether that be in health, education, housing, or justice.

Before the Royal Commission, Victoria had the lowest per capita expenditure on mental health in the country (13 per cent below the national average). The starting point of this reform was low, but concerted effort and significant investment put us on the path to supporting critical transformation of the system. In 2018, MHV released the [Saving Lives, Saving Money](#) report, which noted that, with sustained, significant funding boosts across the system, there would be an estimated savings of \$1.1 billion per year over the long term.^[4]

MHV's report reminds us that investing in mental health is a win-win for providing positive economic and social returns including:

- better outcomes for people with access to prevention and earlier intervention to care and support
- reduced demand on public hospital beds
- improved economic productivity
- avoidable emergency department admissions and presentations
- reduction in homelessness
- reduction in engagement with the justice system
- greater workforce participation.^[5]

Not only is investing in the mental health and wellbeing system necessary and the right thing to do, but it also provides a substantial return on investment for governments, the community, and the broader economy. Consumers need for services are only heightened by the cost-of-living crisis, climate change angst, the inaccessibility and unaffordability of housing, and more. Any efforts to address these pressures will have significant positive impacts on the mental health and wellbeing system, and vice versa.

We must act now to achieve our collective vision.



Summary of consultation process

MHV undertook extensive engagement with our Associates, as well as our Lived and Living Experience Advisory Group (LLEAG), to develop this submission. We surveyed our Associates on their policy priorities in May 2024, and again in September and October 2024. The focus areas within our submission are the result of collective feedback from across our Associates and our LLEAG.

We hosted a series of dedicated forums to unpack our Associates' priorities and deepen our evidence base to formulate this submission. We also consulted with stakeholders outside of our Associates and LLEAG to understand a wider breadth of perspectives relevant to those working with, or for, Victoria's mental health and wellbeing sector.

Given this, we can confidently say this submission is reflective of the views of Victoria's mental health and wellbeing sector. We welcome the opportunity to discuss any of our recommendations with you further.



[1] Based on the 50% of Associates that participated in MHV's budget consultation.

[2] Ibid.

[3] Public Accounts and Estimates Committee, [2021-2022 and 2022-23 financial and performance outcomes](#), March 2024, recommendation 49, p. 241.

[4] Mental Health Victoria, [Saving lives. Saving money](#), June 2018.

[5] Ibid.



MentalHealth Victoria

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