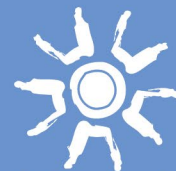


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**Mental
Health
Council**
OF TASMANIA



Prioritising a sustainable and viable mental health system

Mental Health Council of Tasmania Budget
Priority Submission 2025-26

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About Us

The [Mental Health Council of Tasmania](#) (MHCT) is the peak body representing the mental health and wellbeing needs of all Tasmanians, and the community organisations that work with and support them. We work closely with government to amplify the voices of our members and Tasmanian communities, to provide input into public policies and programs. We advocate for reform and improvement within the Tasmanian mental health system. Our purpose is to strengthen and advocate for our communities and service providers to support the mental health and wellbeing of all Tasmanians, and our vision is that every Tasmanian has access to the resources and support needed for good mental health and wellbeing.

Executive Summary

The Tasmanian Government has a unique opportunity to address the state's mental health challenges over the coming year by prioritising investment in prevention and early intervention, strengthening the vital mental health services provided by the community sector and building a coordinated and sustainable mental health workforce.

MHCT welcomes the progress made under Tasmania's Bilateral Agreement on Mental Health and Suicide Prevention including progress towards the establishment of adult walk-in clinics and integration centres, expansion to youth mental health services, perinatal mental health screening, and Head to Health Kids Hubs set to open next year.

However, we are at a critical juncture.

Rates of mental illness among young people have risen, pressures such as the cost-of-living crisis and housing difficulties continue to impact on mental health, and over 90,000 Tasmanians live with a mental health-related condition, with a further 125,000 at risk¹. In addition, Tasmania often has the second highest suicide rate in the country², and the highest rate of psychosocial disability at 8.3%³. Yet Tasmanians with severe and moderate mental illness are missing out on 402,000 hours of critical psychosocial supports outside the NDIS each year⁴. These supports are essential for helping people manage their conditions, find housing, engage in work or study, and build community connections.

At the same time, the national and state policy environment is fast moving with implementation of the NDIS Review, while negotiations between states/territories and the Commonwealth on funding the significant gap in community psychosocial supports outside the NDIS could begin early next year, making it vital the state government seeks input from the community mental health sector to get a better understanding of what is needed for Tasmanians. Tasmania will also need to negotiate a new bilateral agreement with the Commonwealth and design a new mental health strategy as Rethink 2020 comes to an end. This is an opportunity to ensure that Tasmania's new mental health strategy prioritises continuous improvement. MHCT is ready to support this work, recognising a strong monitoring and reporting framework as a catalyst for change by informing policy and practice to improve mental health outcomes that matter to Tasmanians.

Based on the dynamic policy environment and challenging outlook described above, MHCT recommends the government prioritises investment in the community mental health sector to safeguard and strengthen the vital services they provide as part of the mental health system. Key to this would be introducing six-month renewal periods on new and existing agreements. MHCT additionally recommends investment in the expansion of core MHCT functions given the complexity and breadth of the state and national reform agenda and the urgent need for a state mental health workforce strategy. MHCT also recommends continued investment in the Lived Experience Training Hub (LEx Hub) to underpin efforts in the training and development of the Lived Experience Workforce in Tasmania.

Budget Priorities

Budget Priority	Investment
<p>Strengthen the community mental health sector to safeguard vital services</p>	<ul style="list-style-type: none"> ▶ Indexation applied to funding agreements year-on-year ▶ 6-monthly contract review process ▶ 5-year contracts ▶ Transition to ongoing service agreements
<p>Embed long standing contracts into core functions and expand core functions to incorporate a dedicated workforce development focus</p> <p><i>Note: The Reform Coordination and Peer Workforce Coordination funding is scheduled to end 30 June 2025</i></p>	<ul style="list-style-type: none"> ▶ \$1,100,000 over five years
<p>Continue to grow a sustainable Lived Experience Workforce</p> <p><i>Note: The LEx Training Hub funding is scheduled to end 30 June 2025</i></p>	<ul style="list-style-type: none"> ▶ Up to \$460,000 in first year (subject to securing alternative funding sources) ▶ Ongoing commitment to fund LEx Training Hub until 2028 based on original five-year plan. Government investment will diminish subject to negotiation, as the LEx Training Hub moves towards a business model which is self-sustainable through generated income and other funding sources.

Strengthen the community mental health sector to safeguard vital services

The community mental health sector is a critical part of Tasmania's mental health system. It is central to prevention and early intervention efforts, alongside meeting the mental health needs of Tasmanians so that they can live well in their communities. Organisations in the sector empower thousands of Tasmanians to live their best lives. They provide affordable and accessible supports that help people be and stay well, avoiding more costly and acute care in hospitals or emergency departments.

A recent paper by the Black Dog Institute indicated that consumers consistently rate community mental health services as a better experience than hospital, with significantly higher ratings in domains of respect, safety and fairness, individuality, participation, information and support, and making a difference in their lives.⁵

National and state governments have additionally prioritised community mental health supports with the National Mental Health and Suicide Prevention Agreement (the National Agreement) committing all governments to deliver accessible and affordable community-based treatment and care for people experiencing mild to moderate and severe mental illness or psychological distress. Additionally, the National Agreement has prioritised a focus on addressing gaps in psychosocial supports for people unable to access the NDIS.⁶ In Tasmania, an estimated 9,420 people (aged 12-64 years) with moderate to severe mental illness are missing out on these community psychosocial supports.⁷

But community mental health services are constrained by out-of-date service agreements, many with inadequate indexation applied, as we [detailed in our 2024-25 BPS](#). Community mental health service providers continue to provide the highest quality of support and services, however, the strain on organisations cannot continue indefinitely as boards make difficult decisions to discontinue vital services in other sectors.

MHCT recommends that the state government prioritises investment that strengthens the Tasmanian community mental health sector to maintain viability and sustainability at a time when MHCT members report an increase in complexity of mental health presentations and members work tirelessly to respond to increased demand. Greater investment, including long-term contracts and adequate indexation, will help community mental health organisations manage the high levels of situational distress and mental ill-health seen across Tasmania, alongside growing demand for psychosocial supports. Further investment to strengthen the viability of the sector will additionally assist in retention of the community mental health sector workforce, providing greater job security and capacity to forward plan and future proof their organisations.

Recommended priorities

- MHCT recommends an amendment to all existing and new DoH community managed mental health commissioned contracts that stipulates a formal contract review six months prior to the end of a service contract. This would allow organisations to review outcomes, support quality and continuous improvement and enable forward planning, making necessary amendments particularly around staffing and organisational budget forecasts if the contract is not to continue.
- MHCT recommends five-year contracts are in place for ongoing delivery of community mental health services. Five-year contracts provide safeguarding of service provision, greater continuity of support to consumers and greater capacity for organisations to recruit and retain a strong workforce and support forward planning.
- MHCT acknowledges honouring of the election commitment of indexation of 3.5% in 2024-25, and three percent in each year of the forward estimates. Additionally, MHCT acknowledges the current work being undertaken by the Tasmanian Government in their development of an indexation model. However, the indexation rate commitment is not adequate and falls short of SCHADS award increases over the past five years alongside increases in inflation and does not enable adequate budget planning for our member organisations. MHCT recommends adequate indexation is applied to all new and existing contracts in line with the current inflation rate and SCHADS award increases and the introduction of an indexation model is treated as a matter of priority.
- MHCT recommends that the Tasmanian Government formally recognise and transition time-limited community mental health commissioned funding agreements to ongoing service agreements. This will eliminate unnecessary efforts and government resourcing in re-funding services via the budget priority submission process, strengthen long-term community and organisational confidence, and support the continuity of care for people accessing these services and supports.

Continue to support MHCT functions to enable a coordinated and strategic approach to mental health reforms

MHCT has continued to expand capacity and deliver to Tasmania's mental health and suicide prevention reform agenda. We provide trusted advice to inform policy and reform work and serve as an essential communication channel between the community and the state government on mental health reform at a national and state level.

As the peak body for community managed mental health services in Tasmania, MHCT provides government with the means to understand the increasing demand for services and supports that have emerged and will continue, particularly with implementation of the NDIS Review, the Commission of Inquiry, and in understanding the critical gaps in community psychosocial supports and how to fill them. MHCT has also placed a significant focus with no FTE in addressing workforce challenges faced by the community mental health sector. This has involved the establishment of a Workforce Advisory Group and initial efforts to develop strategic relationships with government agencies such as State Mental Health Services (SMHS) along with the University of Tasmania (UTAS). Additionally, following the development and launch of Tasmania's first Peer Workforce Development Strategy, MHCT has played a lead role in implementing the strategy, with the design and development of resources, training and sector engagement to support the growth and development of the Lived Experience Workforce.

However, with less than 30% of MHCT's funding envelope emanating from our core funding agreement, there is a real risk to the quality and breadth of our peak body functions should project-based, short-term funding opportunities cease. Ongoing funding from the Tasmanian Government in reform coordination and peer workforce development have enabled these functions to be delivered and have strengthened FTE for MHCT's core functions as a peak body. However, the state government's contribution to these additional contracts ends in June 2025. To continue to deliver on these key functions in a sustainable and ongoing capacity, MHCT recommends the expansion of core MHCT functions to include reform coordination workforce development and peer workforce coordination.

With an expansion of investment in core funding, MHCT will be well placed to continue our leadership in the community mental health sector and expand our footprint in both the north and south of the state. We'll be able to respond more effectively to meet the needs of a new state mental health strategy, the Tasmanian Suicide Prevention Strategy, provide a crucial link between government and community capacity and demand, and help the government build a sustainable workforce.

The Sector reform and Peer Workforce Development functions have been delivered under a co-funded arrangement with PHT (0.5FTE each). At this time, MHCT has been unable to secure funding guarantees from PHT for these roles post June 2025. While discussions with PHT are ongoing, this important policy and advocacy work can still progress with continued investment from state government.

Recommended priorities

Continued investment to continue to support MHCT peak body functions:

Reform Coordination – 0.5FTE

\$320,000 over 5 years

- ▶ Advice and support in the development of a new state mental health and wellbeing strategy.
- ▶ Consultation with the community sector and advice in the implementation of ongoing reforms including the NDIS Review and new bilateral agreement.
- ▶ Community sector consultation and advice to government on the best possible community psychosocial services that will meet the needs of Tasmanians with moderate to severe mental illness.
- ▶ Coordination of a bi-annual survey canvassing the Tasmanian community on their experiences of access and affordability of mental health services.
- ▶ Continued participation on national and state level committees and groups to ensure mental health reforms are prioritising the mental health needs of the Tasmanian community.

Peer Workforce Development Strategy Implementation – 0.5FTE

\$320,000 over 5 years

- ▶ Contribute to national and state level committees and groups to discuss priorities in the development of the mental health Lived Experience Workforce.
- ▶ Continue coordination and analysis of an annual mental health Lived Experience Workforce survey.
- ▶ Review and disseminate best practice guidelines to the mental health sector to support the professional development of the mental health Lived Experience Workforce.
- ▶ Continue to support mental health services and organisations in establishing and retaining a supported and professional Lived Experience Workforce via the Lived Experience Workforce organisational readiness program.
- ▶ Expand the organisational readiness program to include partnerships with relevant organisations within the AOD and Suicide Prevention sectors.
- ▶ Identify and coordinate stigma reduction activities including the continued promotion of the benefits of a Lived Experience Workforce.

Mental Health Workforce Development – 0.5FTE

\$320,000 over 5 years

- ▶ Continuing the community mental health sector Workforce Advisory Group with membership from the community mental health sector and UTAS, along with collaboration from SMHS.
- ▶ Promote and raise awareness of the benefits of working in the community mental health workforce.
- ▶ Continue to explore ways to adapt elements of the Queensland Alliance for Mental Health's (QAMH) new Workforce Strategy (2024-2029) including a core competency framework for the Tasmanian community mental health sector.
- ▶ Explore professional development and supervision opportunities within the community mental health workforce to retain a skilled and professional workforce.
- ▶ Provide input into the development of a state mental health workforce strategy.

Launceston office location

\$186,000 over 5 years

- ▶ Provide a consistent and stable MHCT presence in the north of the state to support greater representation of the sector and community.
- ▶ Office capacity for 3-4 MHCT staff members and meeting space for community mental health activities and consultation.

Continue to grow a sustainable Lived Experience Workforce

The LEx Training Hub initiative has been co-funded by the State Government and Primary Health Tasmania (PHT) for two years of a proposed five-year initiative, with the initial two-year funding period scheduled to end 30 June 2025. MHCT is requesting funding for the next three years to continue our work in establishing a self-supporting training hub and supporting the development of the Lived Experience Workforce in Tasmania. The bilateral mental health and suicide prevention agreement between the Tasmanian and Commonwealth governments commits both governments to prioritising the workforce including the building of ‘structures and supports for the Lived Experience Workforce’.⁸

The LEx Training Hub provides an established pathway government to invest in supporting this initiative.

Through ongoing discussions between PHT and MHCT, PHT has reinforced the importance of the LEx Hub as a critical resource to support providers in growing and developing their staff. This dialogue reflects a shared commitment to continued access to the Hub as part of broader efforts to strengthen the mental health workforce. At this time though, MHCT has been unable to secure funding guarantees from PHT for the LEx Hub post June 2025. Discussions are ongoing.

While MHCT continues to explore alternative and additional funding sources and move towards a sustainable business model for the LEx Hub, we are open to discussing with the state government a funding model that can provide a short-term guarantee until the LEx Hub is self-sufficient. We anticipate this would mean diminishing investment from the state government each year, over the remaining three years of the original five-year LEx Hub plan.

Expanding the Lived Experience Workforce is one of the key actions of the National Mental Health Workforce Strategy. The LEx Training Hub plays a critical role in the provision of professional development for Lived Experience workers, training pathways to the TasTAFE Cert IV in Peer Work and tailored assistance to organisations to meet their Lived Experience Workforce needs.

Lived Experience workers hold unparalleled knowledge, understanding and expertise to provide advice, guidance and hope to people accessing services and those who love and care for them. While continued short-term focus on addressing mental health workforce shortages has impacted on access to services for Tasmanians, further investment in the LEx Training Hub highlights a commitment to the professionalisation and growth of the Lived Experience Workforce for the mental health, AOD, and suicide prevention sectors.

In addition to the Bilateral Agreement the state government has made a commitment through a number of further strategies to grow and develop the Lived Experience Workforce including:

- Rethink 2020
- Tasmanian Drug Strategy
- Tasmanian Suicide Prevention Strategy
- National Mental Health Workforce Strategy

Continued investment in the LEx Training Hub over the next three years progresses these commitments. In addition, MHCT plans to bring broader community mental health workforce initiatives under the LEx Training Hub to maximise synergies with our Lived Experience program and utilise existing infrastructure. These initiatives include exploring traineeships, coordinating professional development opportunities and exploring opportunities to support student placements and graduates.

Working with over 20 organisations and individuals in its establishment, the LEx Training Hub addresses a crucial need for structured support, training, and professional development for the Lived Experience Workforce in Tasmania. The LEx Training Hub was officially launched on the 18 November 2024, with a range of courses already being offered and scheduled for delivery in 2025 including:

- Introduction to Peer Work
- Foundations of Peer Work
- Leading a Lived Experience Workforce
- Peer Work Supervision
- Organisational Readiness Program

Recommended priorities

Continue to invest in the LEx Training Hub over the next three years as the LEx Training Hub shifts towards its financial sustainability goals.

Year 3

2025 - 2026

- 80% government investment - \$460,000
- 20% LEx Hub generated income - \$115,000

Year 4 & 5

2026 - 2028

- Diminishing government investment in years 4 and 5 subject to negotiation, as LEx Hub moves towards a business model which is self-sustainable through generated income and other funding sources.

With continued investment in the LEx Training Hub, the Tasmanian Government will contribute to the improvement of the Tasmanian mental health, suicide prevention and AOD sectors. Lived Experience workers will receive quality training and supervision to ensure professional mental health, suicide prevention and AOD supports are delivered to Tasmanians in public health, primary and community settings.

The LEx Training Hub's objectives over the next three years include:

- Continued support for the Lived Experience Workforce through the development and delivery of entry level training and professional development courses to meet specialist skills and capabilities.
- Working with other organisations such as Mental Health Family and Friends (MHFF) and the Drug Education Network (DEN) to develop and deliver specialist training for the Lived Experience Workforce.
- Supporting managers and team leaders in mental health, suicide prevention and AOD services with skills in managing a Lived Experience Workforce.
- Working with organisations in identifying areas to improve retention of their Lived Experience Workforce and tailored training to meet their needs.
- Establishing training and career pathways via linkages to TasTAFE, along with linkages to work placement and employment opportunities within the mental health, AOD and suicide prevention sectors.
- Implementing face-to-face and group peer work supervision to provide vital support as peer workers continue to grow and establish their skills in the workplace.
- Exploring traineeship opportunities for the Lived Experience Workforce and the community mental health workforce more broadly.
- Exploring professional development opportunities for the community mental health sector including opportunities for co-training with other sectors.

“The course has affirmed to me that this is the space I want to be in. Every day I left with an excited feeling about the future”

– LEx Training Hub student

References

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