

## MEDIA RELEASE

### NSW needs a dedicated form of stable funding to support community-managed mental health

**Embargoed until 12:00am Wednesday 30 November 2022:** A new report launched today by Mental Health Coordinating Council is calling for NSW to consider a new **mental health payroll levy**, similar to Victoria, to create a dedicated funding stream for mental health services.

*Shifting the Balance: Investment priorities for mental health in NSW* identifies the need for a dramatic expansion in community-based mental health supports to assist people to live well in their communities. Services delivered in the community are a vital part of a well-equipped mental health system and yet the report finds far too many people miss out, with emergency departments becoming the default access point into the mental health system.

A stable, dedicated form of additional funding for the NSW mental health system is required to ensure investment is available to provide support for everyone when and where they need it, rather than when they reach a crisis point.

A similar surcharge was introduced in Victoria at the start of this year. Queensland will add a mental health levy to its payroll tax on 1 January 2023.

MHCC CEO Carmel Tebbutt said NSW should consider a similar innovative approach to increase funding and investment in the community-managed mental health sector.

“We know NSW has significantly increased investment in mental health supports and services around the state. These have no doubt improved the lives and wellbeing of many people. What *Shifting the Balance* has highlighted are the gaps and challenges still remaining,” Ms Tebbutt said.

“These gaps urgently need our concerted attention and that requires additional investment. Solutions exist already, and are working successfully in the community, driven by community-managed mental health organisations. These community sector supports not only deliver great outcomes for individuals but are more cost efficient and reduce the burden on public hospitals and emergency departments.”

A recent evaluation of mental health support packages by the University of NSW found a 90 per cent cost offset through reduced hospital admissions and lengths of stay for people participating in the Housing and Accommodation Initiative and Community Living Supports programs.

*Shifting the Balance* makes four key recommendations for future investment priorities.

1. **10,000 additional psychosocial support packages** for people living with severe and complex mental health conditions in NSW. Cost \$365 million over four years.
2. **Establish a network of ‘Step Up Step Down’ services across NSW by funding 130 extra places for 2,000 additional people a year.** These residential places provide support for people who are becoming unwell or transitioning from hospital after a mental health crisis. Cost \$18.2 million per year.

3. **Establish an additional 10 specialist, face-to-face youth services around the state and scale up the five existing Youth Community Living Support Services** for young people with high care and support needs. Cost \$12 million per year.
4. **Address current shortages and build a future sustainable mental health workforce,** including the development of a peer workforce.

“Investing in these initiatives would improve outcomes for individuals and makes economic sense,” Ms Tebbutt said. “KPMG has assisted with the research for this report and has demonstrated that providing support through initiative such as Step-Up Step-Down services has a short term return on investment of one for every dollar spent, and a long term return of nearly six for every dollar spent.”

“The challenge for policymakers is to ensure all people can access the care they need, in their own communities, no matter how complex or individual their mental health condition.

“This is even more paramount when we look to the future and consider that nearly two million people in NSW will be living with a mental health condition by 2041.”

[The \*Shifting the Balance: Investment priorities for mental health in NSW\* report is available here.](#)

**For media queries or to request an interview with Carmel Tebbutt,** contact Lara Cole on [lara.c@mhcc.org.au](mailto:lara.c@mhcc.org.au) or 0421 202 643