

MEDIA RELEASE

Shift the balance in spending to improve outcomes for people living with mental health conditions across NSW

Thursday 2 February 2023: Figures released today show New South Wales is spending 8.7% of its mental health budget on services delivered in the community by non-government organisations. This spending is significantly less than needed to support all people living with mental health conditions, and a lower proportion than spent on community-based mental health services in other states and territories.

Carmel Tebbutt, CEO of the peak body for non-government, community-based organisations, said it is clear that NSW is falling behind other states largely due to its low expenditure on community residential services.

“This highlights the importance of our call for greater investment in services such as Step-Up Step-Down that offer short-term mental health residential recovery for people at risk of crisis or people leaving hospital after a crisis who require extra support,” Ms Tebbutt said.

Today’s figures are taken from the latest [Productivity Commission Report on Government Services 2023](#) which provides details on the performance of governments’ management of mental health.

Ms Tebbutt said the figures show there needs to be a shift towards services with proven impact to improve mental health outcomes and that take the strain off our hospital system.

“We recognise that mental health services and supports have received both an increase in focus and funding in NSW, and this is welcome. **However, far too many people who would benefit from community-based services miss out, and emergency departments across NSW become the default access point into the mental health system,**” Ms Tebbutt said.

“We need to shift the balance to gear investment in mental health towards supports and services we know work. The community sector has proven it can deliver great outcomes for individuals, while also reducing public hospital admissions and pressure on emergency departments.

“Without systemic changes to how we fund and structure mental health services in NSW gaps will continue to be felt in real time by people experiencing mental health distress who cannot get the support they need. It will continue to impact families and carers who battle to navigate the service system on behalf of their loved ones and by service providers increasingly stretching their workforce to cover ever-growing demand,” Ms Tebbutt said.

Despite increased resources being provided by governments – the NSW Government is investing \$2.9 billion annually in mental health services – people remain unable to get mental health support when and where it is needed.

With an expected increase in people living with a mental health condition to 1.96 million people in NSW by 2041, the time to address this demand is now.

Mental Health Coordinating Council has **four key recommendations** to shift the balance towards a better distribution of the mental health budget.

1) Expand 'Step-Up Step-Down' services

Establish a network of Step-Up Step-Down services around the state for people to transition out of hospital or avoid crisis by providing places for an extra 2,000 people a year. **Cost \$18.2 million per year**

2) Increase mental health support in the community

Provide an additional 10,000 community living support packages for people with long term and severe mental health conditions. **Cost \$91.25 million per year**

3) Improve access to youth supports

Establish an additional 10 specialist, face-to-face youth services around the state and enhance the five existing services for young people with high support needs. **Cost \$12 million per year**

4) Invest in Workforce

Increase investment in a workforce development program. Provide adequate indexation for community-based organisations and allow for five year rolling contracts.

For media queries or to request an interview with Carmel Tebbutt, contact Lara Cole on lara.c@mhcc.org.au or 0421 202 643