Mental Health Commission

GOVERNMENT OF WESTERN AUSTRALIA

# Annual Report

## 2025–26

# Feedback

Thank you for taking the time to read our annual report. The report tells our story for the financial year 2025-26 and is intended to inform you about the Mental Health Commission, our financial and operational performance for the year, strategic direction, priorities, challenges and our contribution to helping Western Australians lead healthy and fulfilling lives.

We value your feedback to help improve future annual reports. Contact us by emailing contactus@mhc.wa.gov.au or writing to GPO Box X2299, Perth Business Centre WA 6847.

Copies of this document may be available in alternative formats upon request.

If you have a hearing or speech impairment, you can contact us through the National Relay Service: 133 677

Please be aware this publication may contain the names and/or images of Aboriginal and Torres Strait Islander people who may be now deceased.

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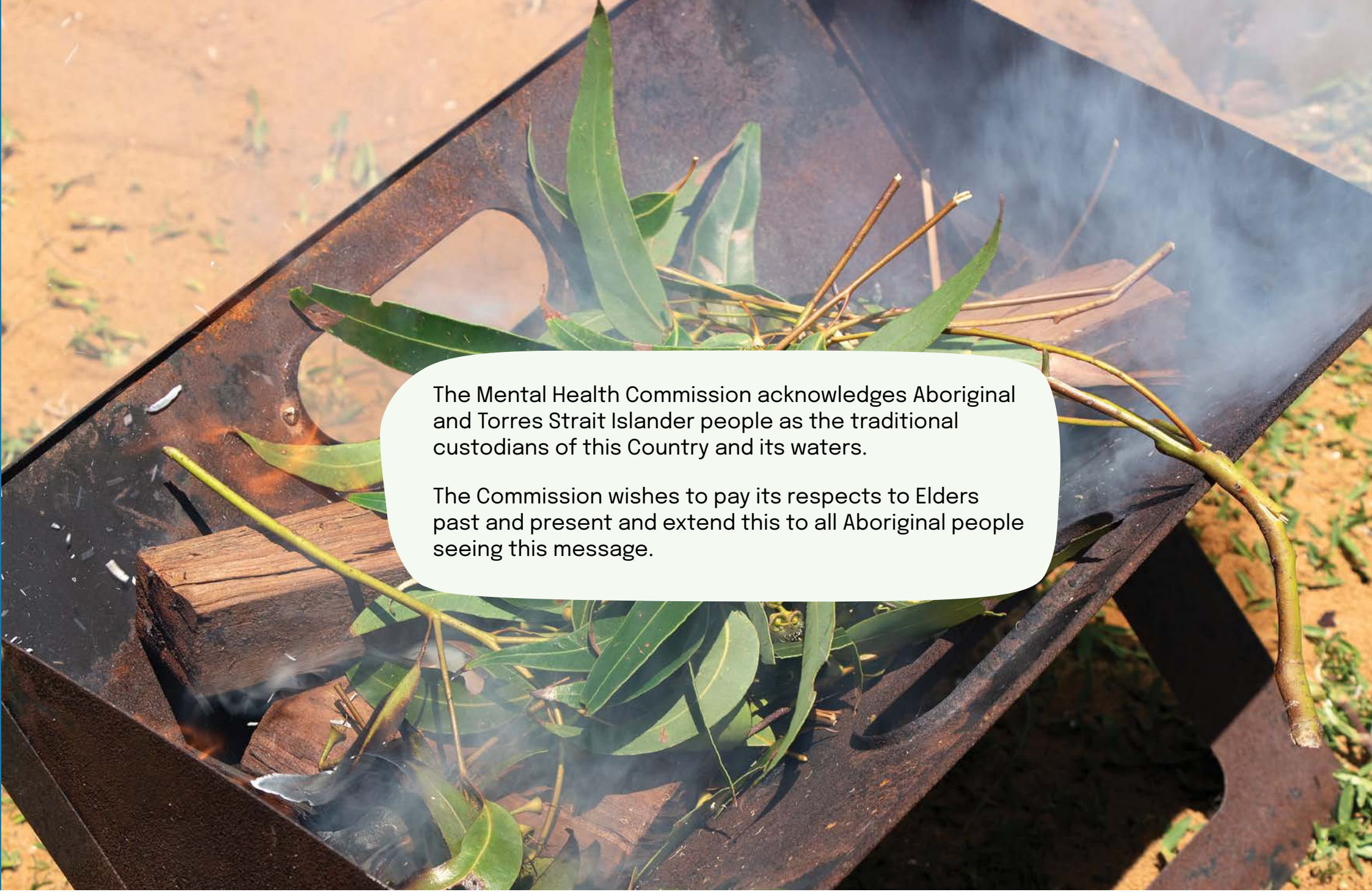


The Mental Health Commission acknowledges Aboriginal and Torres Strait Islander people as the traditional custodians of this Country and its waters.

The Commission wishes to pay its respects to Elders past and present and extend this to all Aboriginal people seeing this message.

# Statement of compliance

## For year ended 30 June 2026

**The Hon Meredith Hammat MLA**
Minister for Health; Mental Health; Preventative Health

**Dear Minister,**

In accordance with section 63 of the Financial Management Act 2006, I hereby submit for your information and presentation to Parliament, the Annual Report of the Mental Health Commission for the reporting period ended 30 June 2026.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

**Maureen Lewis**
Commissioner
Mental Health Commission

8 September 2026

**Hon Meredith Hammat**

Minister for Health; Mental Health; Preventative Health

# Contents

# Commissioner's foreword

**This year, the Mental Health Commission (Commission) released our *Mental Health and Alcohol and Other Drugs Strategy 2026-2031* (Strategy) which provides Western Australia (WA) with a blueprint for future mental health and alcohol and other drugs systems transformation, to help shape our ways of thinking and working. It also helps ensure we continue to commission and provide services, programs and supports that Western Australians want and need.**

The Strategy describes what future mental health and alcohol and other drugs systems should look like and outlines five strategic pillars to help guide the pathway towards meeting our aspirations.

I would like to thank everyone from across WA who helped develop the Strategy, particularly those with a lived or living experience of mental health, suicidal crisis or alcohol and other drugs concerns. We are now working on the Annual Implementation and Monitoring Plan which will be published each year to track how the Strategy is progressing and provide transparent reporting.

We have also progressed significant work with our partner agencies to progress key system transformation programs such as the Infant, Child and Adolescent System Transformation Program and the Community Treatment, Support and Emergency Response Project. These are big pieces of work and the collaboration between agencies and those on the front line just shows the commitment and dedication so many people have to improving the lives of Western Australians.

I would also like to take this opportunity to thank members of the Commission's Senior Executive Group who have provided sound advice and continue to progress our priority actions in line with the Strategy; our Elders, Uncle Charlie and Aunty Helen Kickett who provide guidance and valuable cultural knowledge to our workforce; members of the Commission's governance groups for their commitment and advice to the sectors; and the Commission's dedicated staff who continue to design and deliver meaningful people-centred programs throughout WA.

I am very proud of the progress the Commission has made this financial year and look forward to working together as we lead the transformation of WA's mental health and alcohol and other drugs systems.

**Maureen Lewis**
Commissioner, Mental Health and Alcohol and Other Drugs

## Recognition of Lived Experience

The Commission recognises the individual and collective expertise of those with lived and living experience of mental health, alcohol and other drugs issues and suicidal crisis, including their families and carers.

# Who we are

**The Commission is the Western Australian Government agency that facilitates the delivery of more than $1.6 billion per annum of mental health, alcohol and other drugs services and programs, while leading the transformation required across systems to better meet the needs of the community into the future.**

The Commission partners with a range of stakeholders, including Health Service Providers and 149 Non-Government Organisations (NGOs), to deliver services and programs to the community. The Commission's work is guided by the Strategy, and works across State Government agencies to progress strategic policy priorities.

The Commission was established on 8 March 2010 to lead mental health reform throughout the state and work towards a modern, effective mental health system that places the individual and their loved ones at the centre of its focus. On 1 July 2015, the Commission and the Drug and Alcohol Office amalgamated, establishing an integrated approach to mental health and alcohol and other drugs service delivery for WA. On 1 July 2024, the Commission established the Office of Alcohol and Other Drugs to strengthen and elevate alcohol and other drugs governance.

The Commission was established by the Governor in Executive Council under section 35 of the *Public Sector Management Act 1994* and is the agency principally assisting the Minister for Mental Health and the Minister for Preventative Health in the administration of the *Mental Health Act 2014 (Act)* and the *Alcohol and Other Drugs Act 1974 (AOD Act)*. The accountable authority of the Commission is the Mental Health Commissioner, Ms Maureen Lewis (Commissioner).

The Commission's responsible Ministers in 2025-26 were Hon. Meredith Hammat MLA, Minister for Mental Health and Hon Sabine Winton MLA, Minister for Preventative Health.

## Responsible Ministers in 2025-26

### Hon Meredith Hammat

Minister for Health and Mental Health

### Hon Sabine Winton

Minister for Education; Early Childhood; Preventative Health; Wheatbelt

# Vision, mission and values

## Vision

Western Australians lead healthy and fulfilling lives.

## Mission

Leading and transforming mental health and alcohol and other drugs systems that empower people in health and wellbeing.

## Our Values

### Respecting individuals and culture

- We promote respect and strive for equality for everyone.
- We work to reduce the incidence and negative impacts of stigma.
- We encourage diversity.

### Engaged and accountable

- We support engagement and participation at all levels.
- We take accountability for our commitments and actions and expect no less of others.
- We listen deeply, are reflective and open to feedback.

### Leading with courage

- We communicate honestly and compassionately.
- We champion change to advance progress that is in the best interests of the community.
- We speak up, for ourselves and for others, when we see something that does not seem right.

### Keeping integrity at our core

- We use evidence to inform our decisions, which are fair and ethical.
- We continue to research, learn and grow to deliver best practice.
- We are open, honest and trustworthy.

# Value champions

**Our Value Champions are staff at the Commission who adopt our values, reflecting who we are and how we should act in our everyday work and interactions.**

## July 2025

**Respecting individuals and culture**
Sean Wood

**Engaged and accountable**
Charles McDonald

**Leading with courage**
Ruth Langmead

**Keeping integrity at our core**
Dharminder Singh

## December 2025

**Respecting individuals and culture**
Karen Steinberg

**Engaged and accountable**
Sharnae Zanotti

**Leading with courage**
Elena Cope

**Keeping integrity at our core**
Jackie Koncurat

## Maureen Lewis
### Commissioner

Maureen Lewis is an experienced senior executive and accomplished leader with a proven track record in driving strategy and reform. Maureen has an extensive background working in the mental health and alcohol and other drugs sectors across mental health commissions, clinical services, policy, reform, strategy, planning and regulatory functions.

She has experience leading and driving strategy and reform in complex service delivery environments in WA, New South Wales and across the Commonwealth.

Throughout her career Maureen has worked in significant leadership roles, making a difference to the lives of some of the most vulnerable people in our community to empower individuals and families to lead fulfilling lives. Maureen is uniquely placed to lead the necessary reforms of WA's mental health and alcohol and other drugs systems, informed by her grassroots clinical experience, intimate understanding of the community we serve and extensive leadership experience across Australia.

# Our Senior Executive Group

The Senior Executive Group is responsible for the overall performance and compliance of the Commission and ensuring the delivery of consumer-focused mental health and alcohol and other drugs outcomes.

The Commissioner is supported by two Deputy Commissioners and an Executive Director.

## Julia Knapton
### Deputy Commissioner System Development

Julia Knapton joined the Commission in July 2023. In the four years prior, Julia held the position of Executive Director, Healthway, leading initiatives across systems to help create healthy environments, motivate behaviour change and influence policy to reduce and eliminate barriers to good health and wellbeing.

Julia has a long history working within the mental health and alcohol and other drugs sectors and previously worked at the Commission as Director Planning, Policy and Strategy and Acting Assistant Commissioner between 2015 and 2019. During this time, she was responsible for mental health and alcohol and other drugs strategy and services development, legislative services and consumer engagement.

Julia now oversees the Commission's system-wide policy and strategy including legislation; intergovernmental relations and governance; stakeholder and lived experience engagement; performance, monitoring and evaluation; prevention and wellbeing; and the Office of Alcohol and Other Drugs.

## Monica Taylor

### Deputy Commissioner Commissioning and Programs

As Deputy Commissioner Commissioning and Programs, Monica oversees the Treatment Services, Community Services and Service Development teams.

Monica joined the Commission in April 2023 and initially held the inaugural role of Executive Director Mental Health Nursing, where she focused on leading the development of the WA Mental Health Workforce Capability Framework. Monica was appointed Deputy Commissioner in April 2024.

Monica is an experienced executive, who has held a variety of leadership roles over the past 15 years and has been a mental health nurse for more than 30 years.

She has a history of working in the hospital and healthcare industry within the WA health sector and is skilled in health care management, organisational development and patient safety.

## Matthew Richardson

### Executive Director Governance and Corporate Services

Matthew joined the Commission in June 2024, having previously worked in Senior Executive and leadership roles across multiple State Government agencies, including the Departments of Communities; Biodiversity, Conservation and Attractions; Treasury; and the Premier and Cabinet.

Through a variety of policy, analysis, and finance and corporate roles, Matthew's career focus has been on systemic reform and continuous improvement, seeking to drive better outcomes and more efficient processes for the delivery of services to Western Australians, primarily in health and social services portfolios.

While at the Department of Treasury and as the Finance and Business Services Director for the Disability Services Commission, Matthew played key roles in the initial design, implementation and intergovernmental negotiations for the introduction of the National Disability Insurance Scheme.

Matthew is also an Associate member of CPA Australia.

# Operational structure

**The Commission is led by the Commissioner and supported by the following divisions:**

## Office of the Commissioner

The Office of the Commissioner is responsible for providing advice and support to the Commissioner, Senior Executive Group and Minister for Mental Health's office. This includes coordinating, allocating and managing correspondence, as well as liaising with stakeholders such as other government agencies, non-government organisations and staff across the Commission.

The division also provides strategic communications and support to staff and the Minister for Mental Health's office to further the Commission's reach to Western Australians. This includes the management of digital and mass communication channels, media, branding and reputation.

## System Development

System Development identifies, progresses and leads reforms to deliver government objectives for mental health and alcohol and other drugs systems, and improve outcomes for the Western Australian community. It does this by driving the development of statewide policies and strategies, intergovernmental relations, systems governance and stakeholder and lived experience engagement.

System Development is responsible for initiatives to prevent and reduce harm from alcohol and other drugs use and the prevalence of mental health challenges and suicide. It is also responsible for policy and strategy, legislative reform, system and service evaluation and performance monitoring across the mental health and alcohol and other drugs sectors. The division leads Aboriginal-specific policy and governance.

The Office of Alcohol and Other Drugs has a strategic systems focus and sits within System Development.

## Commissioning and Programs

Commissioning and Programs develops and commissions new models of service and contracts service providers for the delivery of mental health, prevention and alcohol and other drugs services across WA. It leads the Agency Commissioning Plan, the Strategic Workforce initiatives and delivers training to the mental health and alcohol and other drugs workforce.

Commissioning and Programs works with other government providers and NGOs regarding National Disability Insurance Scheme (NDIS), disability and psychosocial support national reforms.

The Alcohol, Drug and Mental Health Support Service (ADMHSS) is a Commission-run service comprising:

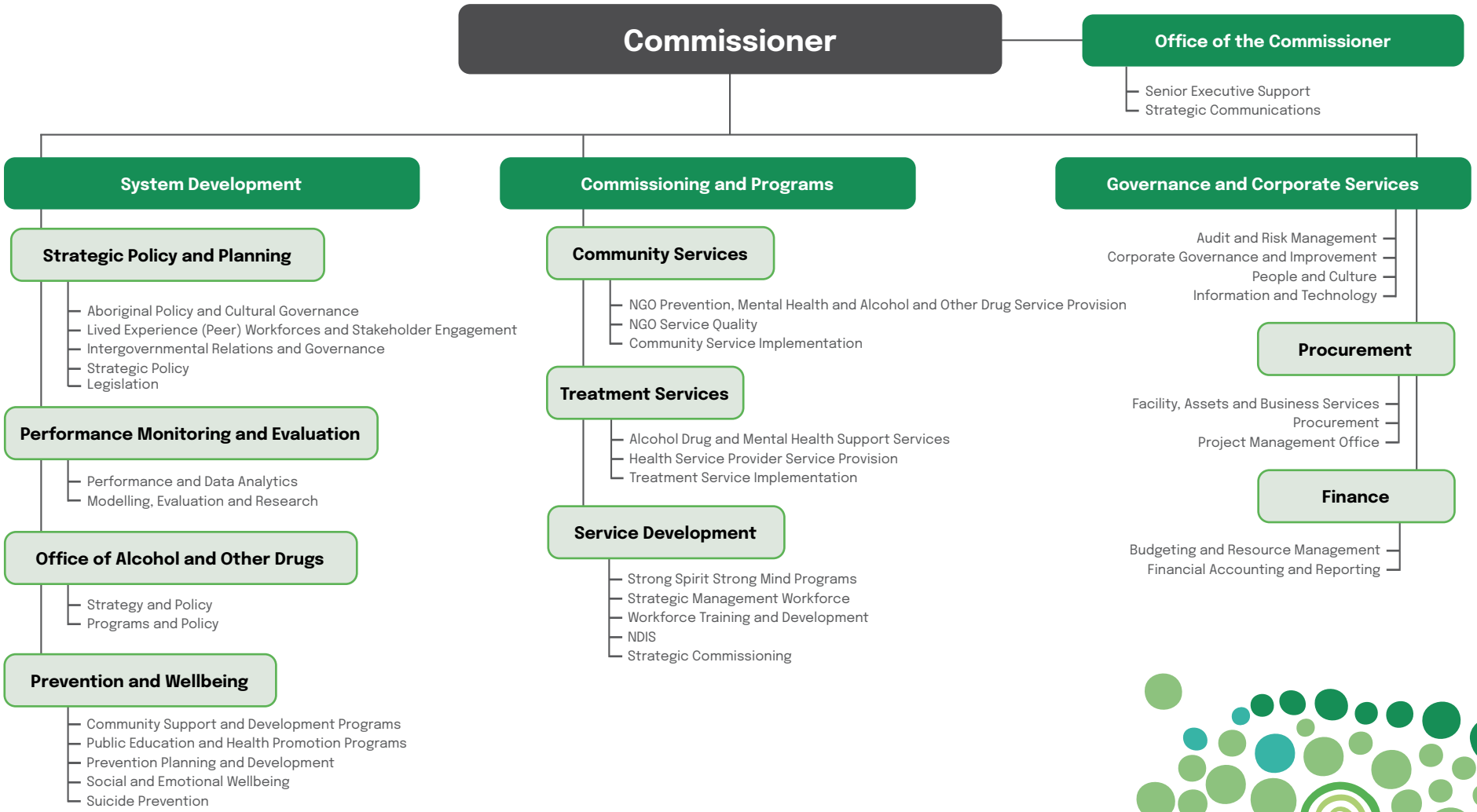
- The Alcohol and Drug Support Line, which is for people with concerns about their own alcohol and other drugs use
- The Parent and Family Drug Support Line for those with concerns about the alcohol and other drugs use of their children, partner or other loved ones
- The Here For You Support Line, which provides support for people with concerns surrounding their own or another's mental health and/or concurrent drug use.

## Governance and Corporate Services

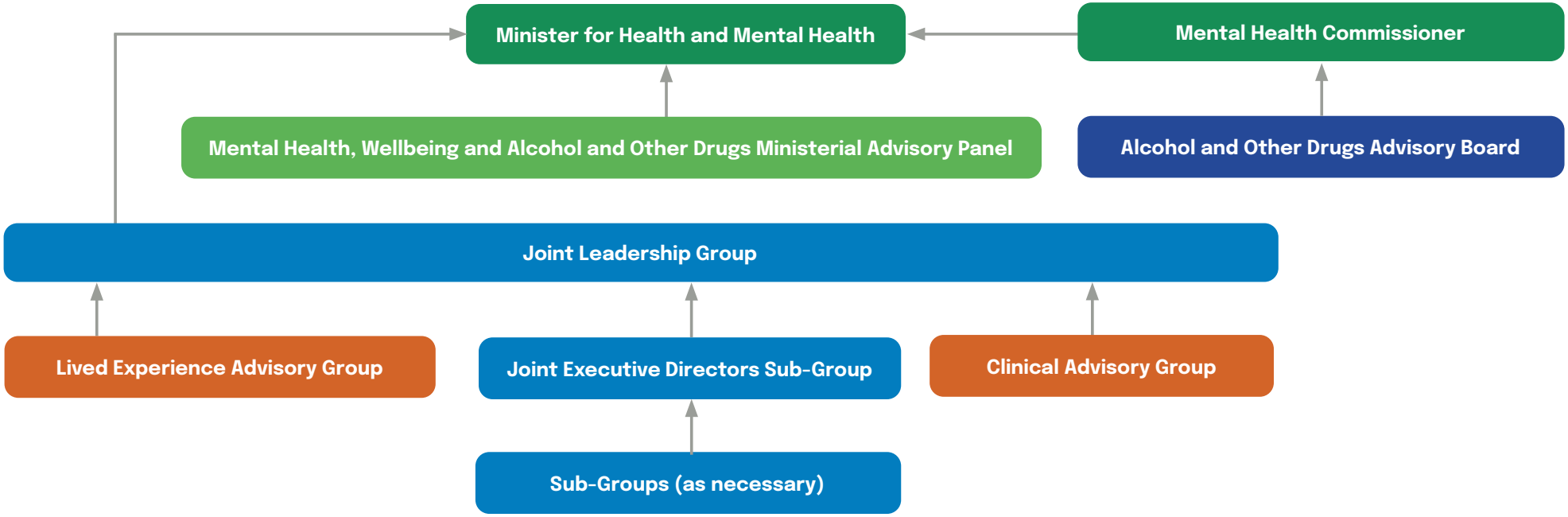
Governance and Corporate Services has oversight and governance of corporate functions, including the provision of procurement and contracting advice to staff, and has oversight of the Commission's Strategic Asset Plan and owned assets. It also ensures appropriate controls and mechanisms are in place to proactively manage the Commission's risks and identify opportunities for business improvement.

The Commission also provides corporate support to the Mental Health Advocacy Service, the Mental Health Tribunal and the Office of the Chief Psychiatrist. These bodies all operate independently but are provided

# Our structure



# Sector Governance




## Mental Health, Wellbeing and Alcohol and Other Drugs Ministerial Advisory Panel

The Mental Health, Wellbeing and Alcohol and Other Drugs Ministerial Advisory Panel (MAP) is an independent expert advisory and consultative body that provides direct feedback to the Minister for Mental Health about systems performance and reform progress.

The MAP met four times in 2025-26 and agendas were driven by items primarily raised from within the membership.

Key matters discussed included:

- Forensic mental health
- Independent Governance Review Organisational Culture Change Plan
- Alcohol and other drugs prevention across the lifespan
- Alcohol and other drugs services for children
- National Agreement of Mental Health and Suicide Prevention
- Psychosocial Supports
- Alcohol and other drugs stigma and discrimination.

## Joint Leadership Group

The Joint Leadership Group (JLG) is responsible for the performance and strategic reform of the public and community mental health and alcohol and other drugs systems. The JLG is co-chaired by the Mental Health Commissioner and Director General of the Department of Health, and members include Chief Executives of the public Health Service Providers.

The JLG met three times in 2025-26, and considered issues aligned to its workplan, including *Act* compliance, Community Treatment Support and Emergency Services Reform, alcohol and other drugs service provision by Health Service Providers, neurodiversity,

strategic workforces projects, Infant, Child and Adolescent System Transformation Program and Lived Experience Inclusion Plans.

The JLG also provided strategic advice to support the Strategy, which along with Ministerial priorities, will drive its work over the next 12 months.

## Joint Executive Directors Sub-Group

The Joint Executive Directors Sub-Group (JED) was established by the JLG as a working group to support and operationalise the JLG workplan. The JED meets monthly to progress work and operationalise advice provided from other governance groups.

## Clinical Advisory Group

The Clinical Advisory Group (CAG) provides expert clinical advice on mental health and alcohol and other drugs matters to the JLG. Members are appointed by the Minister for Mental Health. The group consists of up to 12 multidisciplinary health professionals representing expertise in varied settings.

## Lived Experience Advisory Group

The Lived Experience Advisory Group (LEAG) provides expert advice grounded in lived experiences and human rights to the JLG. Members are appointed by the Minister for Mental Health. The group is responsible for ensuring the voices of consumers, family members, carers, significant others and community members with lived experience of mental health and alcohol and other drugs issues, harms and service use are embedded in the relevant reforms undertaken across the mental health, alcohol and other drugs sectors.

Both CAG and LEAG provided advice to the JLG and the Commission on reform issues such as:

- Neurodiversity
- Independent Governance Review Organisational Culture Change Plan
- Service-level Outcome Measurement Framework – Priority cohorts and programs
- Community Treatment Support and Emergency Services Reform
- Improving access to publicly funded mental health services for people aged 16-17 years
- National Agreement on Mental Health and Suicide Prevention.

## Alcohol and Other Drugs Advisory Board

The Alcohol and Other Drugs Advisory Board (AODAB) provides advice to the Commissioner about matters relevant to performance of functions under section 11 – of the *Alcohol and Other Drugs Act 1974*, including key projects and priorities of the Commission, while retaining flexibility to respond to new and emerging issues.

The AODAB expanded from six to 11 members to include strengthened Aboriginal, regional, addiction specialist and lived experience representation. In 2025-26, the AODAB published its first Annual Activity Report. This report provided an overview of key achievements and advice provided to the Commissioner. The AODAB is now consolidating its program of work to ensure a focused and coordinated approach to its advisory role.

Communiques detailing information and outcomes from all of the sector governance group meetings are published on the Commission's corporate website.

# A snapshot of 2025-26

**328**
**people working at the Commission**

**83%**
**women in leadership across the Commission**

**21%**
**of staff identify as CaLD**

**29%**
increase of new followers on LinkedIn

**2,091**
subscribers to the Commission's newsletter, Stakeholder Connect

**152,002**
visitors to the Commission's corporate website

**18,515**
**instances of one-to-one support provided by statewide telephone mental health and alcohol and other drugs support lines.**

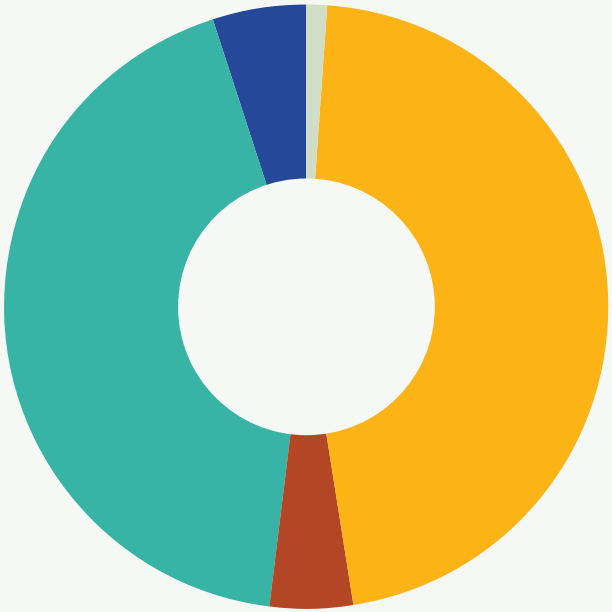
**149**
NGOs partnered with to deliver services and programs to the community.

More than
**4,000**
users accessed the Commission's eLearning platform.

More than
**120**
people attended the Commission's FASD symposium.

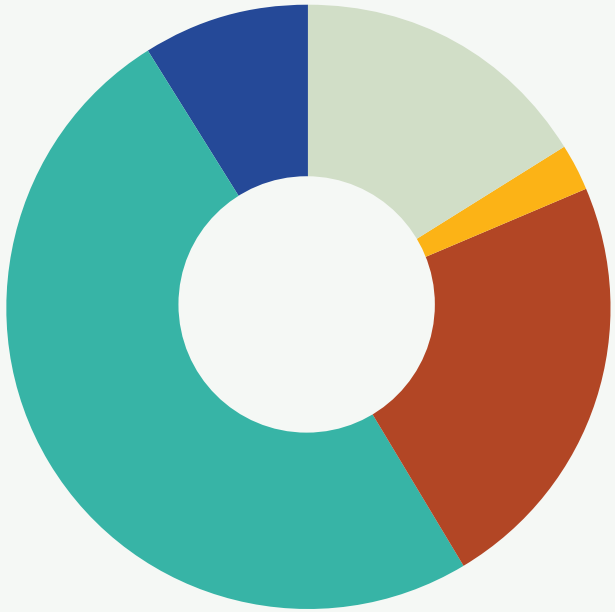
**67**
Gatekeeper Suicide Prevention workshops delivered.

## Mental Health funding



| | |
|---|---|
| Prevention | $19.62**M** |
| Hospital Bed-Based | $692.18**M** |
| Community Bed-Based Services | $68.70**M** |
| Community Treatment | $642.51**M** |
| Community Support | $74.06**M** |
| **TOTAL:** | $1.497**B** |

## Alcohol and Other Drugs funding



| | |
|---|---|
| Prevention | $24.03**M** |
| Hospital Bed-Based | $4.11**M** |
| Community Bed-Based Services | $33.94**M** |
| Community Treatment | $73.80**M** |
| Community Support | $13.19**M** |
| **TOTAL:** | $149.07**M** |

# Agency Performance

## Outcome-based management framework

### Government goals

State Government organisations work together to achieve specific high-level goals that support the State Government's desired outcomes. The Commission's Outcome-based Management Framework was developed to help monitor and assess the agency's performance against the specific goal of achieving **Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.**

**The following tables show summaries of:**

1

**The relationship between this Whole-of-Government goal, desired outcomes the Commission seeks, how those outcomes are measured and how we performed this year.**

2

**How effective and efficient the types of services we commission are in contributing to that goal.**

The Commission's Outcome-based Management Framework changed in 2025-26, which is outlined in the summary of changes for the 2025-26 Key Performance Indicators.

The Commission did not share any responsibilities with other agencies.

# Agency-level government desired outcomes and key effectiveness indicators

| | | | |
|---|---|---|---|
| Government Goal | **SAFE, STRONG AND FAIR COMMUNITIES**<br>**Supporting our local and regional communities to thrive** | | |
| Agency Level Outcomes | **Outcome 1:**<br>Improved mental health and wellbeing | **Outcome 2:**<br>Reduced incidence of use and harm associated with alcohol and other drug use | **Outcome 3:**<br>Accessible, high quality and appropriate mental health and alcohol and other drug treatments and supports |
| Key Effectiveness Indicators | **1.1** Percentage of the population with high or very high levels of psychological distress | **2.1** Percentage of the population aged 16 years and over reporting recent use of alcohol at a level placing them at risk | **3.1** Readmissions to acute specialised mental health inpatient services within 28 days of discharge |
| | | **2.2** Percentage of the population aged 16 years and over reporting recent use of illicit drugs | **3.2** Percentage of post-discharge community care within seven days following discharge from acute specialised mental health inpatient services |
| | | **2.3** Rate of hospitalisation for alcohol and other drug use (per 100,000 population) | **3.3** Percentage of closed alcohol and other drug treatment episodes completed as planned |
| | | | **3.4** Percentage of the population receiving public clinical mental health care or alcohol and other drug treatment |

# Services and Key Efficiency Indicators

| Services ▸ | Prevention | Hospital Bed-Based Services | Community Bed-Based Services | Community Treatment | Community Support |
|---|---|---|---|---|---|
| Key Efficiency Indicators ▸ | **1.1** Cost per capita spent on mental health and alcohol and other drug prevention, promotion and protection activities | **2.1** Average cost per purchased bed-day in specialised mental health and alcohol and other drug units | **3.1** Average cost per purchased bed-day in mental health 24 hour and non-24 hour staffed community bed-based services | **4.1** Average cost per purchased treatment day of ambulatory care provided by public clinical mental health services | **5.1** Average cost per hour for community support provided to people with mental health issues |
| | | **2.2** Average cost per purchased bed-day in forensic mental health units | **3.2** Average cost per bed-day in mental health step up/step down community bed-based units | **4.2** Average cost per closed treatment episode in community treatment-based alcohol and other drug services | **5.2** Average cost per episode of care in safe places for intoxicated people |
| | | | **3.3** Average cost per closed treatment episode in alcohol and other drug residential rehabilitation and low medical withdrawal services | | |

# Key performance indicator (KPI) results against targets

The Commission reports each year on efficiency and effectiveness indicators that contribute to its agency outcomes. A summary of its performance is provided in the table below. More detailed information and analysis of its efficiency and effectiveness indicators are provided in the Key Performance Indicators section on page 112.

| Indicator | | 2025-26 Target | 2025-26 Actual |
|---|---|---|---|
| **Key effectiveness indicators** | | | |
| **Outcome 1: Improved mental health and wellbeing** | | | |
| **1.1** | Percentage of the population with high or very high levels of psychological distress | ≤18.0% | 20.3% |
| **Outcome 2: Reduced incidence of use and harm associated with alcohol and other drug use** | | | |
| **2.1** | Percentage of the population aged 16 years and over reporting recent use of alcohol at a level placing them at risk | ≤35.1% | 34.8% |
| **2.2** | Percentage of the population aged 16 years and over reporting recent use of illicit drugs | ≤11.8% | 11.3% |
| **2.3** | Rate of hospitalisation for alcohol and other drug use (per 100,000 population) | <965.4 | 800.1 |
| **Outcome 3: Accessible, high quality and appropriate mental health and alcohol and other drug treatments and supports** | | | |
| **3.1** | Readmissions to acute specialised mental health inpatient services within 28 days of discharge | ≤12% | 13.3% |
| **3.2** | Percentage of post-discharge community care within seven days following discharge from acute specialised mental health inpatient services | ≥75% | 84.2% |
| **3.3** | Percentage of closed alcohol and other drug treatment episodes completed as planned | ≥76% | 69.1% |
| **3.4** | Percentage of the population receiving public clinical mental health care or alcohol and other drug treatment | ≥3.7% | 2.6% |

| Indicator | | 2025-26 Target | 2025-26 Actual |
|---|---|---|---|
| **Key efficiency indicators** | | | |
| **Service 1: Prevention** | | | |
| **1.1** | Cost per capita spent on mental health and alcohol and other drug prevention, promotion and protection activities | $12.57 | $15.63 |
| **Service 2: Hospital Bed-Based Services** | | | |
| **2.1** | Average cost per purchased bed-day in specialised mental health and alcohol and other drug units | $2,073 | $2,226 |
| **2.2** | Average cost per purchased bed-day in forensic mental health units | $1,943 | $2,158 |
| **Service 3: Community Bed-Based Services** | | | |
| **3.1** | Average cost per purchased bed-day in mental health 24 hour and non-24 hour staffed community bed-based services | $416 | $417 |
| **3.2** | Average cost per bed-day in mental health step up/step down community bed-based units | $1,063 | $1,040 |
| **3.3** | Average cost per closed treatment episode in alcohol and other drug residential rehabilitation and low medical withdrawal services | $16,965 | $18,776 |
| **Service 4: Community Treatment** | | | |
| **4.1** | Average cost per purchased treatment day of ambulatory care provided by public clinical mental health services | $729 | $690 |
| **4.2** | Average cost per closed treatment episode in community treatment-based alcohol and other drug services | $2,938 | $2,869 |
| **Service 5: Community Support** | | | |
| **5.1** | Average cost per hour for community support provided to people with mental health issues | $181 | $219 |
| **5.2** | Average cost per episode of care in safe places for intoxicated people | $662 | $523 |

# Performance summaries - Report on operations

## Summary of financial performance

| Financial target | 2025-26 Budget $'000 | 2025-26 Revised Budget $'000 | 2025-26 Actual $'000 | Variation** $'000 |
|---|---|---|---|---|
| Agreed salary expense level | 34,249 | 34,479 | 37,900 | (3,421) |
| Agreed Executive Salary Expense Limit | 1,897 | 1,897 | 2,733 | (836) |
| Total cost of services | 1,601,480 | 1,643,151 | 1,646,125 | (2,974) |
| Net cost of services* | 1,595,118 | 1,636,220 | 1,639,425 | (3,205) |
| Total equity | 88,577 | 109,617 | 102,001 | 7,616 |
| Net increase/decrease in cash held | (6,880) | (18,608) | (3,605) | (15,003) |

**The Net cost of services 2025-26 budget figures reflects the reclassification of NHRA funding as income from state government in actual reporting.*

***The variation is the difference between the 2025-26 Revised Budget and 2025-26 Actual. Further explanation on variance to budget is contained in Note 10.1 (page 102).*

## Working cash targets

| | 2025-26 Budget $'000 | 2025-26 Actual $'000 | Variation $'000 |
|---|---|---|---|
| Agreed working cash limit (at Budget) | 79,826 | 80,828 | (1,002) |
| Agreed working cash limit (at Actuals) | 81,910 | 80,828 | 1,082 |

*The working cash limit represents a cap limit on the Commission's working cash at bank. The working cash at bank excludes restricted cash holdings.*

# Mental Health and Alcohol and Other Drugs Strategy 2026-2031

**The Strategy was released on 21 April 2026 by the Hon Meredith Hammat, Minister for Mental Health, and the Hon Sabine Winton, Minister for Preventative Health.**

The Strategy guides the Commission's work in continuing to transform the mental health and alcohol and other drugs systems to empower and support people, families and communities in their wellbeing.

**The Strategy outlines specific focus areas for the next five years across five Strategic Pillars:**

- Approaches that promote wellbeing for everybody
- Opportunities for people in the community to achieve their own wellbeing goals
- Equitable access to services in the community
- Specialised and acute services for those who need them
- Foundations for contemporary, people-centred systems.

Statewide consultation was undertaken to inform the development of the Strategy, including in-person workshops in all WA regions, and online, written and telephone submissions open to all Western Australians.

People with lived and living experience, their families, carers and significant others, service providers, government agencies and non-government organisations, and communities across WA took part in these opportunities, reflecting a wide range of perspectives and diverse needs.

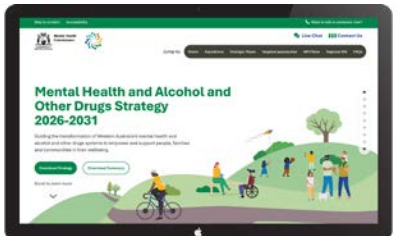
Targeted consultation was also undertaken with Aboriginal people and service providers, and specific cohorts including people with disabilities, carers, people from multicultural backgrounds, LGBTIQA+SB communities, and people with experience of alcohol and other drugs use.

AIM Plans will be published each year to communicate the key activities for the coming year, track how the Strategy is progressing and provide transparent reporting.

As identified in the Strategy, the Commission's person-centred Mental Health and Alcohol and Other Drugs Outcome Measurement Framework (OMF) aims to improve the way the Commission monitors and evaluates mental health and alcohol and other drugs systems and services.

Work has commenced to develop the OMF domain focussed on Social and Emotional Wellbeing, which is Aboriginal-led and in partnership with key Aboriginal stakeholders. Through considering outcomes, meaningful insights can be generated on how to improve outcomes for people, families and communities, and to identify areas for future focus.

More information about the Strategy is available at: **mhaod.mhc.wa.gov.au**




# Helping Western Australians lead healthy and fulfilling lives

## Our work to promote wellbeing and reduce harms from alcohol and other drugs.

In 2025-26, the State Government introduced the Preventative Health portfolio. As Australia's first Preventative Health Minister, the Hon. Sabine Winton led the efforts in improving and promoting health and wellbeing, and reducing harms from alcohol and other drugs.

The Commission's Drug Aware 'Party Smarter' campaign ran from November 2025 to March 2026 and aimed to reduce harms associated with MDMA use at music festivals, events and licensed venues across WA. The campaign focused on increasing awareness of the potential risks linked to MDMA and polydrug use, promoting practical harm reduction strategies, and encouraging people to seek urgent medical help when experiencing life threatening symptoms. It was primarily targeted at Western Australians aged 18 to 35 years who are more likely to use MDMA and attend music festivals, nightclubs and similar events.

### Party Smarter campaign performance

| | | |
|---|---|---|
| Programmatic Audio | Reach 1,176,591 | |
| Meta | Clicks 6,007 | Reach 666,256 |
| TikTok | Clicks 13,491 | Reach 423,553 |
| Snapchat | Clicks 15,800 | Reach 171,193 |

### Leavers campaign performance

| | | |
|---|---|---|
| TikTok | Clicks 7,504 | Reach 226,367 |
| Meta | Clicks 5,831 | Reach 119,868 |

The Alcohol. Think Again program had several campaigns in market during the year including:

- The Alcohol and Health stream's 'What's Your Poison?' campaign aired between July 2025 and April 2026. The campaign prompted people to reconsider the common phrase 'what's your poison?' by showing that when a person drinks alcohol, the body converts it to acetaldehyde, a poison that causes damage at a cellular level, which can lead to cancer.
- Australian Alcohol Guidelines aired between July 2025 and April 2026. It aimed to increase awareness of the National Health and Medical Research Council's Australian Alcohol Guidelines (2020) that recommend no more than 10 standard drinks are consumed per week, with a maximum of four standard drinks on any one day.
- The Alcohol and Pregnancy stream's 'Amazing' campaign, aired between July 2025 and June 2026 and aimed to increase the proportion of the Western Australian community who are aware there is no safe amount or time to drink alcohol when pregnant. The campaign primarily targeted pregnant women and women of child-bearing age and their support networks.
- The Alcohol, Parents and Young People stream's 'We All Need to Say No' aired between November 2025 and June 2026. It targeted WA parents and carers of young people aged 12 to 17 years old. It aimed to raise awareness that no one should give alcohol to those under the age of 18 and called for parents to join the two out of three already saying 'no'.

Alcohol. Think Again and Drug Aware delivered a targeted Leavers campaign to reduce alcohol and other drugs-related harm among young people attending Leavers events in the South West. Delivered in November 2025, the campaign focused on increasing knowledge of harm reduction strategies associated with alcohol use, including alcohol use in combination with other drugs.

As part of the Commission's Think Mental Health program, the 'Find Your Way to Okay' campaign was developed to acknowledge the unique challenges and circumstances experienced by young adults aged 18 to 24 years. The campaign takes a strengths-based approach, recognising mental health and wellbeing look different for everyone. It validates exploring to 'find what works for you' by encouraging young adults to find practical strategies that work for them to maintain their mental health. The campaign was scheduled from May to December in 2025 and extended for an additional three months between January and April 2026.


The Commission launched its Fetal Alcohol Spectrum Disorder (FASD) Prevention Network and provided $50,000 worth of grants funding to community organisations to strengthen awareness of the risks associated with alcohol use during childbearing years.

The First Responders Working Group (FRWG), led by the Commission, provides system-level leadership and coordination to prevent and reduce the impact of work-related psychological injury across first responder workforces.

The FRWG supports a coordinated, evidence-based and trauma-informed approach to:

- prevent psychological harm
- promote early intervention
- strengthen organisational wellbeing capability across agencies.

In recognition of its collaborative approach, the First Responder Thrive at Work Prevent Harm Toolkit project received a 2025 IPAA WA Gold Achievement Award for Best Practice in Collaboration.


## Minimising harm

As part of a cross-agency, comprehensive approach to reducing alcohol harms, the Office of Alcohol and Other Drugs collaborates with the Chief Health Officer (CHO) to support and elevate the harm minimisation aspects of the *Liquor Control Act 1998* and other associated legislation.

As part of the approach, the CHO makes submissions regarding options to reduce potential harm from high-risk liquor licence applications. In 2025-26, of 103 liquor licence applications reviewed, the CHO made 37 submissions to the licensing authority to minimise harm or ill-health associated with the applications. Key focus areas included:

- limiting alcohol sales, use and promotion in association with child-focused activities in community settings, including advertising nearby to schools
- monitoring high-risk late-night trading
- packaging liquor applications in areas with high levels of harm or other risk factors, such as co-location of liquor stores with supermarkets.

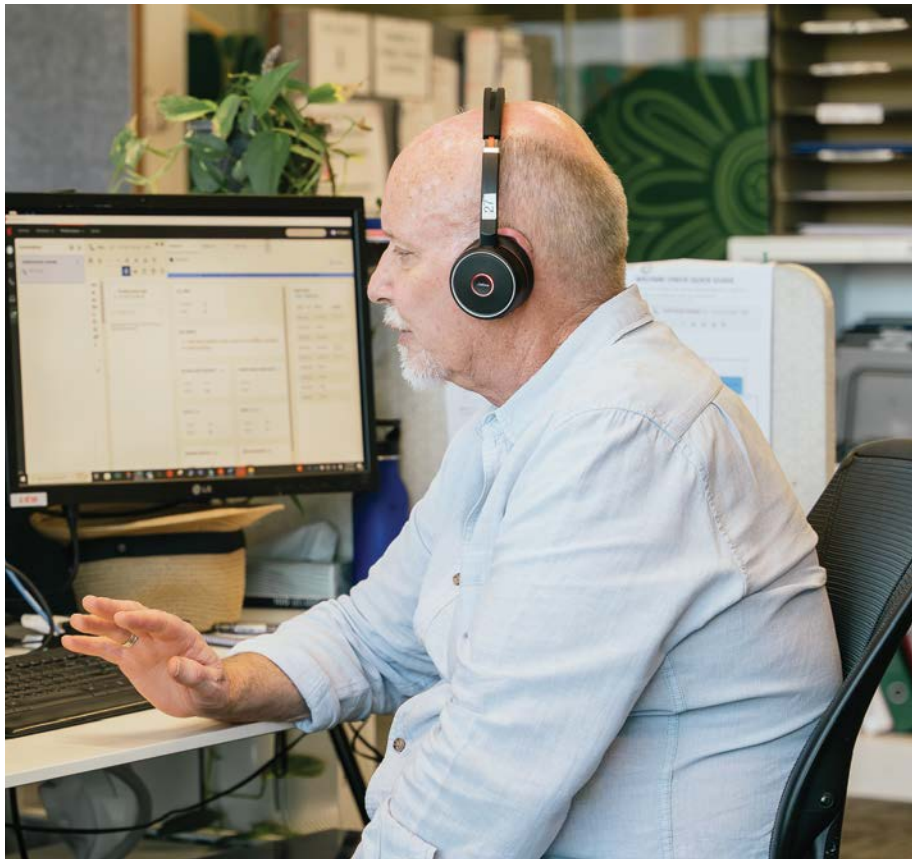
Of 33 decisions, 17 were consistent with recommendations made in the harm minimisation submissions, eight were partially consistent, five were a loss, and three applications were withdrawn.

The Commission worked in partnership with the Department of Health (DoH) and WA Country Health Service (WACHS) to establish a Needle and Syringe Exchange Program (NSEP) in Broome. The Broome NSEP, which is co-located with the West Kimberley Community Alcohol and Other Drug Service, has increased community awareness about drug use risks and safe disposal, and facilitated access to wraparound supports and services.

The Commission's ADMHSS delivers four key services that support people who are affected by alcohol and other drugs use and mental health concerns.

These services provide information, support, connection and specialist advice to individuals, families, carers, professionals and services.

- ADMHSS Contact Centre is a free, confidential, 24/7 telephone and online support service. It provides immediate advice, information, emotional support, crisis assistance, and referrals for people experiencing alcohol, drug, or mental health concerns.
- Parent and Family Drug Support is a peer volunteer support service for families, carers and significant others affected by someone else's alcohol or drug use. The service is delivered by trained peer volunteers with lived experience, who offer compassionate, non-judgemental support to help families cope with stress, reduce isolation, and navigate challenges related to their loved one's substance use.
- The Diversion Booking Service helps people referred through police, courts, or other justice pathways to access alcohol and other drugs diversion programs. The service coordinates appointments and connections with assessment and treatment providers, supporting early intervention and helping people engage with services as an alternative to further justice involvement.
- Drug and Alcohol Clinical Advisory Service (DACAS) is a specialist advisory service delivered via East Metropolitan Health Service that provides expert, evidence-informed advice to doctors, nurses and other professionals working with people affected by alcohol and other drugs use.



# Making suicide prevention everyone's business

The Commission continued to develop the Western Australian Suicide Prevention Framework 2026-2031 (Suicide Prevention Framework) which is expected to be released in late 2026.

The Suicide Prevention Framework will describe how Western Australians can work together to prevent and reduce suicide by:

- promoting a shared language and understanding of suicide prevention
- strengthening alignment with state and national suicide prevention approaches
- supporting collaboration across sectors and systems
- informing planning, policy development and service design
- guiding community-led suicide prevention activity.

Public consultation on the draft Suicide Prevention Framework was invited in October and November 2025. The Commission received 128 responses from individuals and organisations. The feedback informed and enhanced the clarity, relevance and effectiveness of the Suicide Prevention Framework.

The Suicide Prevention Framework is supported by the Western Australian Suicide Monitoring System (WA SMS). The WA SMS receives data on suicides occurring in WA from the Coroner's Court of WA. That data is used by the Commission to monitor at-risk groups and trends, and guide suicide prevention services, responses and strategies.

The Commission also partnered with SafeSide Prevention to pilot four programs to enhance suicide prevention across WA: Connect Assess Respond Extend Program, Core Connections Program, Restore Network and Collaborative Assessment and Management of Suicidality program. The pilot is on track to have more than 2000 health professionals across WA trained in the programs to support them in appropriately responding to suicide and its impacts.

The Commission led the introduction of the WA Aftercare Services Program (Aftercare) under the Bilateral Schedule on Mental Health and Suicide Prevention in the metropolitan area and South West region. Aftercare services will commence in the Pilbara in the second half of 2026.

Aftercare supports individuals who are discharged from an emergency department or hospital following a suicide attempt or crisis through proactive follow-up and short-term support. Referral pathways are being expanded to include additional health settings such as inpatient wards and community health services. Key features of the model include referrals from hospitals and emergency departments to community-based services, proactive follow-up within 24-48 hours of discharge, and access to multidisciplinary support.

# A focus on Social and Emotional Wellbeing

In WA, the Commission is the lead agency for Socio-economic Outcome 14 – Aboriginal and Torres Strait Islander people enjoy high levels of Social and Emotional Wellbeing, as part of the National Agreement on Closing the Gap.

Key initiatives that continue to be led by the Commission include:

- the Social and Emotional Wellbeing Model of Service, delivered through the Aboriginal Health Council of Western Australia, which is designed to increase access to holistic and culturally appropriate mental health and health care services for Aboriginal people, and is delivered across five regions - Kimberley, Pilbara, Midwest, Goldfields and South West
- implementation of Regional Aboriginal Suicide Prevention Plans and establishment of a state-wide network of Community Liaison Officers to provide coordinated community-led activities that build local communities' capacity and resilience
- the Kanyirninpa Jukurrpa's Martu Healing and Support Program – Wama Wangka, which involves taking Martu people onto Country to talk about alcohol, addressing the issues such as suicide, depression and violence to build personal and community resilience through the development of cultural knowledge and identity
- Strong Spirit Strong Mind Aboriginal Programs to contribute to a skilled Aboriginal Workforce for WA
- support to the Kimberley Aboriginal Regional Governance Group to strengthen health and wellbeing outcomes for young Aboriginal people in the Kimberley.

The Commission's Strong Spirit Strong Mind Youth Project (SSSMYP) aims to raise awareness of the harms associated with alcohol and other drugs use and improve the Social and Emotional Wellbeing (SEWB) of Aboriginal youth aged 12–25 years and their families and communities.

The SSSMYP delivers two culturally secure, statewide public education campaigns:

- 'Stronger You, Stronger Mob'; and
- 'Stay Strong Look After You and Your Mob'.

Through the 'Stay Strong Look After You and Your Mob' campaign, this year the SSSMYP delivered five large-scale murals across Perth, Karratha, Geraldton, Northam and Albany, each shaped directly by local young people. In total, 115 young people contributed to the co-design process, ensuring every wall reflected its community.

Each mural began with conversation at workshops where young people shared what resilience, belonging and wellbeing meant in their town. Those ideas were translated into large-scale artworks by four WA-based artists:

**Connect to Country and Culture** (Karratha)
***Painted by Brendan "Hope" Lewis, shaped by local youth reflecting pride, family and connection to land.***

**Do What Makes You Happy** (Perth)
***Painted by Adam "Art by Row" Cicanese, capturing themes of self-expression, positivity and everyday joy.***

**Stay Active** (Geraldton)
***Painted by Alex "Sugar" Kinneen, celebrating sport, movement and community pride.***

**Yarn to Someone You Trust** (Northam)
***Also painted by Sugar, encouraging open conversation and connection within the community.***

**Spend Time with Mob** (Albany)
***Painted by John "Miser" Herne, informed by time spent on Country and collaboration with local youth from Albany High School and Kadadjiny Foundation.***


The Kimberley Aboriginal Youth Wellbeing Steering Committee (KAYWSC) achieved a significant milestone with the signing of the Kimberley Aboriginal Youth Wellbeing Partnership Agreement (Partnership Agreement). A Statement of Commitment was signed by the Minister for Mental Health and the KAYWSC Co-Chairs in Broome in February 2026.

The Partnership Agreement describes a commitment to a collaborative approach and shared decision-making between Kimberley Aboriginal community organisations and State Government agencies.

The KAYWSC will oversee the delivery of initiatives outlined in the Partnership Agreement Implementation Plan. The Partnership Agreement Implementation Plan as agreed by the KAYWSC, will guide the coordinated and collaborative efforts of the KAYWSC.

# Transformation of services to build a healthier future

The Commission continues to be guided by the Community Treatment Support and Emergency Services Reform (CTSER) report, which sets a future vision for WA's mental health system, focused on person-centred care that supports people when, where and how they need it.

The CTSER report identifies opportunities to reduce avoidable emergency department presentations and hospital admissions through improved coordination, stronger community-based services, and system integration, informed by consultation and evidence-based best practice.

The Ambulance Mental Health Co-Response service, a key CTSER initiative integrating mental health services with other emergency services, provides virtual triage, assessment and care as well as a mobile co-response team to provide face-to-face care for individuals experiencing mental health crisis in the community. As part of the State Government's commitment, the service has been expanded to cover the whole Perth metropolitan area, focusing on integrated, person-centred and recovery-oriented care, while diverting care away from emergency departments. Strengthened coordination across health, mental health, alcohol and other drugs, community and policing partners will enhance the system's capability and capacity to deliver consistent, health-led responses.

Greater integration across the care continuum will enable seamless pathways from early intervention to crisis response and recovery, reducing fragmentation and reliance on acute services, including emergency departments and inpatient settings. Clear care pathways and shared responsibility will strengthen continuity of care and improve consumer experience.

Another key transformation project is the Infant, Child and Adolescent (ICA) System Transformation Program, informed by the 2022 *Final Report of the Ministerial Taskforce into Public Mental Health Services for Infants, Children and Adolescents aged 0 - 18 years in WA*. Since 2022, the State Government has invested more than $235 million (includes 2026-27 budget) into transforming the mental health system for children and young people, addressing recommendations from the report.

The Ngala Residential Parenting Service is now fully funded by the Commission to offer free early mental health intervention and prevention support for the parents and baby in a residential setting.

The service provides Child Health Nurses, Registered Nurses, Midwives, Lactation Consultants, Mothercraft Nurses, Social Workers and Psychologists within the purpose-built facility to work with families to understand their situation, identify the whole scope of the issue, and develop practical and realistic strategies that will work in their household.

This year, the Commission also progressed the Virtual Infant, Child and Adolescent Mental Health Service, titled WISH, which helps ensure young people with complex needs in WA's regions, particularly those aged 5-12 years, have better access to specialist mental health support, regardless of where they live.

A child and adolescent mental health Acute Care and Response Team in the South West also commenced on 1 July 2026 which provides rapid response and support to young people up to 18 years of age experiencing a mental health crisis, as well as their families and carers.

This year, the Commission engaged youth mental health provider Orygen to broaden access to MOST, a digital mental health service that offers access to self-directed therapeutic content, a safe moderated online community, peer workers with lived experience of mental health challenges, careers counselling and one-on-one clinical support in partnership with the care they receive through their primary mental health service.

To 30 June 2026, more than 100 young people were signed up to the MOST platform with survey results showing high levels of safety and acceptability when using the platform. Furthermore, after 12 weeks users demonstrated reductions in psychological distress, anxiety and depression, alongside improvements in mental wellbeing.

The Commission also continues to progress the final component of the Immediate Drug Assistance Coordination Centre (IDACC) service delivery, providing a holistic and person-centred response for adults in social crisis related to their alcohol and other drugs use, including support for their families and significant others. Components include:

- an immediate access Drop in Hub providing a walk-in facility comprised of a safe, low-stimulus environment designed to provide short-term support and stabilisation in a calm and welcoming space for people experiencing an alcohol and other drugs related crisis
- short-term crisis beds which will provide a safe, low-stimulus environment where brief intervention, harm reduction information and assisted referral to social and other services can occur
- an Assertive Outreach and Care Coordination Team which will engage with street present and other individuals, in a location suitable to them, with the aim of providing brief intervention, harm reduction information, transport to the Drop in Hub if required and assisted referral to relevant services.

The establishment of an immediate access 24/7 Drop in Hub, Short Term Crisis Beds and an Assertive Outreach and Care Coordination Team (the IDACC Hub) will be delivered through the IDACC Facility, which is expected to be operational in 2027.

The Commission is also strengthening WA's coordinated, statewide eating disorder service system, informed by the Western Australian Eating Disorders Framework 2025-2030, with an emphasis on prevention and early intervention, expanded specialist community based treatment, and longer term care for people with complex needs.

This financial year, the South Metropolitan Specialist Community Eating Disorders Service commenced a phased transition to the new Peel Community Mental Health Facility in Greenfields. The transition is being carefully managed to maintain continuity of care for consumers while establishing a sustainable, purpose-built service model for the Peel and wider south metropolitan regions.

The establishment of community mental health Step Up/Step Down (SUSD) services across WA continues to be rolled out to provide contemporary, therapeutic mental health care through short-term residential support and individualised care.

In April, the Karratha service was opened delivering a new purpose-built residential mental health care facility for the community. The service is operated by Richmind WA in partnership with Hope Community Services, with clinical support provided by WACHS.

WACHS also commenced management and clinical oversight of the service in Kalgoorlie on 1 July 2026.

There are now seven operating SUSD services located in WA, with the other five located in Joondalup, Rockingham, Albany, Bunbury and Geraldton. There are three more services in development – South Hedland, Broome and a dedicated metropolitan youth service which will be located in Balcatta.

*Karratha Step Up/Step Down, artists impression*

*Broome Step Up/Step Down, artists impression*

*Broome Step Up/Step Down, artists impression*

# Setting the foundations for people-centred systems

The Commission's Agency Commissioning Plan (ACP) sets out the guiding principles, intentions and focus areas for commissioning. The ACP is supported by a Commissioning Schedule, providing a timeline of planned commissioning for new and existing mental health and alcohol and other drugs community services.

In line with State Commissioning Strategy for Community Services requirement that ACPs be developed every two years, the next ACP (2026-2031) is aligned to the new *Mental Health and Alcohol and Other Drugs Strategy 2026-2031*.

The Commission's accompanying Commissioning Framework is also being updated, including embedding our approach to commissioning services from Aboriginal Community Controlled Organisations.

In 2025, the Commission undertook a Commissioning Maturity Assessment to better understand how it plans, purchases, and manages commissioned services. The assessment acknowledged the strong foundations already in place and identified opportunities to strengthen the way we work, particularly in building consistency, capability and shared ways of working.

The Commission continues to progress its Commissioning Maturity Action Plan, a phased reform program designed to strengthen decision making, improve alignment with population needs, and enhance the effectiveness, sustainability and accountability of commissioned mental health and alcohol and other drugs services. The Action Plan embeds co-design, cultural responsiveness, and lived and living experience across the commissioning cycle to support person-centred services that meet community needs.

A key milestone was the delivery of an integrated Mental Health and Alcohol and other Drugs Commissioning Operating Model, which establishes a clear vision and strategic direction for commissioning. The Operating Model clarifies roles, responsibilities and governance arrangements, and provides a shared foundation for consistent commissioning practice across the organisation. This work has been supported by a targeted internal communications approach under the message "Commissioning is Everyone's Business," to build shared understanding among staff and stakeholders.

The Commission also contributed to mental health and disability reform initiatives to ensure a strengthened and integrated policy environment for service delivery, specifically for national psychosocial support projects, Foundational Supports policy development, and bilateral work with state and Commonwealth agencies addressing National Disability Insurance Scheme reform.

Key achievements included progressing information-sharing arrangements with the National Disability Insurance Agency, contributing to national psychosocial reform activities, and supporting implementation of disability-related state and national reform priorities.

Drafting of the *Mental Health Amendment Bill 2026* has begun, with introduction to Parliament anticipated in the second half of 2026. The Commission established an Implementation Oversight Working Group to support the operationalisation of the proposed amendments to the Act.

Furthermore, the Commission has also commenced planning for a statutory review of the *Alcohol and Other Drugs Act 1974*.

# Training and development for the sector

In December 2025, the Commission launched the WA Mental Health Workforces Capability Framework, which outlines the knowledge, skills and values contributed by mental health professionals working in WA public mental health settings.

The Framework describes the roles, skills and career pathways of allied health, health sciences, Aboriginal mental health, Lived Experience (Peer), nursing and medical workforces.

Developed in collaboration with Health Service Providers and the Department of Health, the Framework enhances workforce visibility, strengthens service integration, and fosters more cohesive team-based care, essential for breaking down silos and ensuring a more consistent, effective approach to service delivery.

This is further supported by the Aboriginal Mental Health Worker Guidelines (Guidelines), in development, which support the expansion of this workforce across public mental health services in WA. The Guidelines promote a coordinated, culturally responsive, and practical approach to workforce development and service delivery, emphasising evidence-based practice, the re-empowerment of Aboriginal people, and a shared commitment to making the mental health and wellbeing of Aboriginal communities a collective responsibility.

The Commission has additionally finalised its Lived Experience Inclusion Plan (LEIP) which reflects our shared commitment to strengthening organisational culture and embedding lived and living experience as a core part of contemporary, people-centred systems.

The LEIP outlines the actions required to support and grow the Lived Experience (Peer) workforce and strengthen lived experience engagement across the mental health and alcohol and other drugs sectors. Central to this work is a focus on the Commission's organisational readiness in creating safe, supportive environments where Lived Experience workforces can thrive, to support sustained cultural and structural change.

In July 2025, the Commission launched the Strong Spirit Strong Mind Aboriginal Program's (SSSMAP) new training packages of three courses - Alcohol and Other Drugs, Social and Emotional Wellbeing and Youth Training. The training courses are offered to Aboriginal and Torres Strait Islander workers in the community services sector and delivered by Aboriginal facilitators from the SSSMAP team to maximise cultural safety and learning outcomes.

"This was the best cultural training I have ever attended. I was so deeply moved by the depth of the content and the very real personal stories. I think everyone should attend this training."

***Training participant***

The Commission progressed several training and development courses to the sector and the community through the year including:

- Valuable Conversations for reducing the impact of alcohol use in childbearing years - a two-day skills training designed to build worker and clinician confidence for engaging in conversations around alcohol use
- FASD Prevention with Communities - a workshop to facilitate learning and planning of FASD prevention. The workshop is also used to engage in delivering FASD prevention activities by including workshop attendance to the Funding Program criteria
- Ways of Working with Aboriginal People cultural awareness training – attended by nearly 130 people
- the Gatekeeper program - a two-day workshop that upskills appropriate workers in WA to respond to suicide. The training is complemented by a three-day Train-the-Trainer (TTT) program that supports the accreditation of appropriate professionals to provide two-day Gatekeeper workshops within their own organisations. This year, the TTT program was delivered three times which provided an additional 36 trained Gatekeeper facilitators, bringing the WA total to 70 facilitators.

More than 4000 users accessed the Commission's eLearning platform and WA accounted for more than 15 per cent of the 90,000 registered users using the Mental Health Professional Online Development platform.

Alcohol and other drugs service delivery to young people improved over the year with the expansion of the Drug Education and Support Services in Youth Accommodation Support Services Project. As part of this project, the Commission provided 18 training events to more than 260 people across WA, as well as facilitating seven communities of practice meetings.

The Commission continues to operate the WA Naloxone Program to provide community members access to naloxone. The Commission coordinates the Commonwealth Take Home Naloxone program in WA, providing organisations with free access to naloxone and training to upskill staff of organisations to supply naloxone to community members at risk of experiencing or witnessing an opioid overdose.

This year, the Commission had:

- 28 authorised organisations supplying and administering naloxone across 47 sites statewide
- facilitated the distribution of 6,500 boxes of naloxone by organisations (5,000 boxes/10,000 units of Nyxoid and 1,500 boxes of Prenoxad) to people at risk of experiencing and/or witnessing an opioid overdose
- trained 210 people to supply naloxone within their organisations
- trained 250 people to recognise and respond to opioid overdose.

The Commission also worked closely with the sector's Peak Bodies to progress key pieces of work and hold key sector events. The Peak Bodies also deliver a range of training opportunities for the sector and community. In 2025-26, the Commission reviewed the Service Agreements with peak bodies Western Australian Association for Mental Health and Western Australian Network of Alcohol and Other Drug Agencies to identify options to strengthen their role in contributing to outcomes aligned with the Strategy.

# Out and about in the community

The Commission partners with several organisations each year to deliver community events and conferences.

This includes:

- The 2025 WA Men's Wellbeing Conference
- The 2025 Equally Well Conference
- International Society for the Study of Drug Policy Conference
- The WA Health Excellence Awards 2025
- The 2026 WA Peer Support Network Conference
- Partnering with the Western Australian Association for Mental Health to celebrate WA Mental Health Week
- The 2026 Eating Disorders Families Australia Carer Connections Forum
- The National Suicide Prevention Australia Conference.

The Commission also delivered the inaugural Western Australian FASD Prevention Symposium, attended by more than 120 people.

# Significant issues impacting the agency

Mental health, alcohol and other drugs, and suicide-related issues continue to impact individuals and communities across WA, with more than one in five (22.5%) people in WA aged 16 years and over reporting experiencing a mental health condition in the past 12 months.[1]

The Commission's Strategy released this year aligns to the delivery of Our Priorities for Government 2025-2029, where all Western Australians can access the healthcare we need, when we need it. This includes a particular focus on promoting wellbeing, more support for mental health and alcohol and other drugs services, and delivering community-based alternatives to emergency departments.

Any death by suicide is a tragedy and everyone has a role to prevent and reduce suicide. In 2023 there were 417 suicides in WA, equating to 14.3 suicides per 100,000 people.[2]

The Commission is also developing a new Suicide Prevention Framework, which will set the Western Australian approach to suicide prevention for the next five years and inform funding of suicide prevention strategies and actions.

In June 2026, the Office of the Auditor General (OAG) tabled its Summary of Findings into the Progress of the ICA Mental Health System Transformation Program in Parliament. The OAG made two recommendations around establishing a governance structure and a new implementation plan, and implementing the monitoring and evaluation framework.

The ICA System Transformation Program is a priority for the Commission and aims to make lasting, meaningful difference for children, young people and families, with a collective focus on clear care pathways, more connected services and individual needs.

The OAG report provides an opportunity for an early check in on the progress of one of the Commission's most important priorities.

Significant work has already been progressed and and children, young people and their parents are able to better access the services they need and want. You can find more information on the work at ica.mhc.wa.gov.au.

As of 1 July 2025, the National Disability Insurance Scheme (NDIS) In-Kind Transition Project of Commission's programs concluded. The National Disability Insurance Agency completed plan reassessments for eligible NDIS participants supported under the in-kind arrangements, with individuals receiving these supports within their NDIS plan. The Commission remains responsible for continuity of support arrangements including service delivery to individuals not eligible for NDIS access; not eligible for certain NDIS funded supports; or choosing not to engage with the NDIS.

1. Epidemiology Directorate, 2024, Health and Wellbeing Surveillance System, Department of Health, WA

# Disclosures and legal compliance

## In this section

Auditor General

**INDEPENDENT AUDITOR'S REPORT**

**2026**

**Mental Health Commission**

To the Parliament of Western Australia

# Report on the audit of the financial statements

## Opinion

I have audited the financial statements of the Mental Health Commission (Commission) which comprise:

- the statement of financial position as at 30 June 2026, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended
- administered schedules comprising the administered assets and liabilities as at 30 June 2026 and administered income and expenses by service for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Commission for the year ended 30 June 2026 and the financial position as at the end of that period
- in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

## Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Responsibilities of the Commission for the financial statements

The Commission is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Commission is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Commission.

## Auditor's responsibilities for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

# Report on the audit of controls

## Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Commission. The controls exercised by the Commission are those policies and procedures established to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with the State's financial reporting framework (the overall control objectives).

In my opinion, in all material respects, the controls exercised by the Commission are sufficiently adequate to provide reasonable assurance that the controls within the system were suitably designed to achieve the overall control objectives identified as at 30 June 2026, and the controls were implemented as designed as at 30 June 2026.

## The Commission's responsibilities

The Commission is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

## Auditor General's responsibilities

As required by the *Auditor General Act 2006,* my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements *ASAE 3150 Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

## Report on the audit of the key performance indicators

### Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Commission for the year ended 30 June 2026 reported in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions (legislative requirements). The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators report of the Commission for the year ended 30 June 2026 is in accordance with the legislative requirements, and the key performance indicators are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2026.

### The Commission's responsibilities for the key performance indicators

The Commission is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal controls as the Commission determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Commission is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 3 Financial Sustainability – Requirement 5 Key Performance Indicators.

## Auditor General's responsibilities

As required by the *Auditor General Act 2006,* my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the Commission's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements *ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 3 - Requirement 5 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments, I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## My independence and quality management relating to the report on financial statements, controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements,* the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Other information

The Commissioner is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2026, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

## Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements and key performance indicators of the Commission for the year ended 30 June 2026 included in the annual report on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the Commission to confirm the information contained in the website version.

Patrick Arulsingham
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
8 September 2026

# Certification of financial statements

## For the financial year ended 30 June 2026

The accompanying financial statements of the Mental Health Commission have been prepared in compliance with provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2026 and the financial position as at 30 June 2026.

At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.

**Byron Savage**
Chief Finance Officer
Mental Health Commission

4 September 2026

**Maureen Lewis**
Commissioner
Mental Health Commission
Accountable Authority

4 September 2026

## Statement of comprehensive income

For the year ended 30 June 2026

| | Notes | 2026 ($000) | 2025 ($000) |
|---|---|---|---|
| **COST OF SERVICES** | | | |
| **Expenses** | | | |
| Employee benefits expenses | 3.1(a) | 42,538 | 45,475 |
| Service agreement - WA Health | 3.2 | 1,304,193 | 1,180,690 |
| Service agreement - non government and other organisations | 3.2 | 271,103 | 249,974 |
| Grants and subsidies | 3.3 | 5,892 | 4,229 |
| Supplies and services | 3.4 | 16,252 | 17,939 |
| Depreciation expense | 5.1.1, 5.2 | 465 | 608 |
| Finance costs | 5.2, 7.3 | 9 | 7 |
| Accommodation expenses | 3.5 | 2,867 | 3,100 |
| Other expenses | 3.6 | 2,806 | 4,103 |
| **Total cost of services** | | **1,646,125** | **1,506,125** |
| **Income** | | | |
| Commonwealth grants and contributions | 4.2 | 4,360 | 3,633 |
| Other income | 4.3 | 2,340 | 5,897 |
| **Total Income** | | **6,700** | **9,530** |
| **NET COST OF SERVICES** | | **1,639,425** | **1,496,595** |
| **Income from State Government** | | | |
| Service appropriation | 4.1 | 1,133,738 | 1,102,032 |
| Service agreement funding - Commonwealth | 4.1 | 454,709 | 375,892 |
| Income from other public sector entities | 4.1 | 2,333 | 2,576 |
| Resources received free of charge | 4.1 | 3,191 | 3,033 |
| Royalties for Region Fund | 4.1 | 37,038 | 30,212 |
| **Total income from State Government** | | **1,631,009** | **1,513,745** |
| **(DEFICIT)/SURPLUS FOR THE PERIOD** | | **(8,416)** | **17,150** |
| **OTHER COMPREHENSIVE INCOME** | | | |
| *Items not reclassified subsequently to profit or loss* | | | |
| Changes in asset revaluation surplus | 9.9 | 1,638 | 1,221 |
| **Total other comprehensive income** | | **1,638** | **1,221** |
| **TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD** | | **(6,778)** | **18,371** |

The Statement of comprehensive income should be read in conjunction with the accompanying notes.

## Statement of financial position

For the year ended 30 June 2026

| | Notes | 2026 ($000) | 2025 ($000) |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 7.4.1 | 80,828 | 84,370 |
| Restricted cash and cash equivalents | 7.4.1 | 7,416 | 7,479 |
| Receivables | 6.1 | 504 | 743 |
| Other current assets | 6.3 | - | 400 |
| **Total current assets** | | **88,748** | **92,992** |
| **Non-current assets** | | | |
| Receivables | 6.1 | 1,432 | 1,221 |
| Amounts receivable for services | 6.2 | 9,320 | 8,840 |
| Property, plant and equipment | 5.1 | 14,457 | 12,118 |
| Right-of-use assets | 5.2 | 119 | 88 |
| **Total non-current assets** | | **25,328** | **22,267** |
| **TOTAL ASSETS** | | **114,076** | **115,259** |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Payables | 6.4 | 2,895 | 2,925 |
| Employee related provisions | 3.1(b) | 6,623 | 6,692 |
| Lease liabilities | 7.1 | 48 | 30 |
| **Total current liabilities** | | **9,566** | **9,647** |
| **Non-current liabilities** | | | |
| Employee related provisions | 3.1(b) | 2,431 | 2,043 |
| Lease liabilities | 7.1 | 78 | 62 |
| **Total non-current liabilities** | | **2,509** | **2,105** |
| **TOTAL LIABILITIES** | | **12,075** | **11,752** |
| **NET ASSETS** | | **102,001** | **103,507** |
| **EQUITY** | | | |
| Contributed equity | 9.9 | 34,876 | 29,604 |
| Reserves | 9.9 | 5,141 | 3,503 |
| Accumulated surplus | 9.9 | 61,984 | 70,400 |
| **TOTAL EQUITY** | | **102,001** | **103,507** |

The Statement of financial position should be read in conjunction with the accompanying notes.

## Statement of changes in equity

For the year ended 30 June 2026

| | Notes | 2026 ($000) | 2025 ($000) |
|---|---|---|---|
| **CONTRIBUTED EQUITY** | 9.9 | | |
| **Balance at start of period** | | 29,604 | 39,254 |
| Transactions with owners in their capacity as owners: | | | |
| Capital appropriation | | 293 | 59 |
| Other contributions by owners - Digital Capability Fund | | - | 403 |
| Other contributions by owners - Royalties for Region Fund | | - | 1,400 |
| Other contributions by owner - Housing Authority | | 4,979 | - |
| Other distributions to owner - East Metropolitan Heath Service | | - | (11,512) |
| **Balance at end of period** | | **34,876** | **29,604** |
| **RESERVES** | | | |
| **Asset Revaluation Reserve** | | | |
| Balance at start of period | | 3,503 | 2,282 |
| Other comprehensive income for the period | | 1,638 | 1,221 |
| **Balance at end of period** | | **5,141** | **3,503** |
| **ACCUMULATED SURPLUS** | 9.9 | | |
| Balance at start of period | | 70,400 | 53,250 |
| Surplus/(Deficit) for the period | | (8,416) | 17,150 |
| **Balance at end of period** | | **61,984** | **70,400** |
| **TOTAL EQUITY** | 9.9 | | |
| Balance at start of period | | 103,507 | 94,786 |
| Total comprehensive (loss)/income for the period | | (6,778) | 18,371 |
| Transactions with owners in their capacity as owners | | 5,272 | (9,650) |
| **Balance at end of period** | | **102,001** | **103,507** |

The Statement of changes in equity should be read in conjunction with the accompanying notes.

## Statement of cash flows

For the year ended 30 June 2026

| | Notes | 2026 ($000) | 2025 ($000) |
|---|---|---|---|
| **CASH FLOWS FROM STATE GOVERNMENT** | | | |
| Service appropriation | | 1,133,258 | 1,101,553 |
| Capital appropriations | 9.9 | 293 | 59 |
| Digital Capability Fund | 9.9 | - | 403 |
| Service agreement funding - Commonwealth (National Health Reform Agreement) | 4.1 | 454,709 | 375,892 |
| Income from other public sector entities | | 2,707 | 2,209 |
| Royalties for Regions Fund - Capital | 9.9 | - | 1,400 |
| Royalties for Regions Fund - Recurrent | 4.1 | 37,038 | 30,212 |
| Return of funds from Housing Authority | 9.9 | 4,979 | - |
| Payment to East Metropolitan Health Services | 9.9 | - | (2,969) |
| **Net cash provided by State Government** | | **1,632,984** | **1,508,759** |
| Utilised as follows: | | | |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| **Payments** | | | |
| Employee benefits expenses | | (42,016) | (44,986) |
| Service agreement - WA Health | | (1,304,193) | (1,180,690) |
| Service agreement - non government and other organisations | | (270,549) | (250,078) |
| Grants and subsidies | | (5,892) | (4,229) |
| Supplies and services | | (13,275) | (14,230) |
| Finance costs | | (9) | (7) |
| Accommodation expenses | | (2,844) | (3,357) |
| Other payments | | (3,113) | (4,341) |
| **Receipts** | | | |
| Commonwealth grants and contributions | | 4,371 | 3,587 |
| Other receipts | | 2,301 | 5,961 |
| **Net cash used in operating activities** | 7.4.2 | **(1,635,219)** | **(1,492,370)** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| **Payments** | | | |
| Purchase of non-current assets | 5.1 | (1,124) | (2,160) |
| **Net cash used in investing activities** | | **(1,124)** | **(2,160)** |

## Statement of cash flows

For the year ended 30 June 2026

| | Notes | 2026 ($000) | 2025 ($000) |
|---|---|---|---|
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| **Payments** | | | |
| Lease payments | | (36) | (38) |
| Payments to accrued salaries account | | (210) | (228) |
| **Net cash used in financing activities** | | **(246)** | **(266)** |
| Net (decrease)/increase in cash and cash equivalents | | (3,605) | 13,963 |
| Cash and cash equivalents at the beginning of the period | | 91,849 | 77,886 |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD** | 7.4.1 | **88,244** | **91,849** |

The Statement of cash flows should be read in conjunction with the accompanying notes.

| Administered income and expenses by service | Notes | 2026 ($000) | 2025 ($000) |
|---|---|---|---|
| | | Hospital bed based services | Hospital bed based services |
| **Income** | | | |
| Appropriations from Government for transfer to | | | |
| Mental Health Tribunal | | 4,706 | 4,330 |
| Mental Health Advocacy Service | | 7,846 | 8,278 |
| Office of Chief Psychiatrist | | 6,127 | 5,628 |
| Services received free of charge (a) | | 2,120 | 2,057 |
| Other revenue | | 815 | 417 |
| **Total administered income** | | **21,614** | **20,710** |
| **Expenses** | | | |
| Employee benefits expense | | 16,694 | 13,759 |
| Supplies and services | | 3,534 | 3,344 |
| Depreciation expense | | 13 | 11 |
| Grants and subsidies | | 54 | 467 |
| Finance costs | | 3 | 3 |
| Accommodation expense | | 631 | 722 |
| Other expenses | | 485 | 1,399 |
| **Total administered expenses** | | **21,414** | **19,705** |

(a) Service received free of charge in 2025-26 includes $2,089,079 ($1,998,851 in 2024-25) from MHC (refer to note 9.10 'Services provided free of charge'), $3,527 ($18,649 in 2024-25) from the State Solicitor's Office and $27,568 ($39,942 in 2024-25) from the Department of Housing and Works.

## Administered schedules

For the year ended 30 June 2026

| Administered assets and liabilities | Notes | 2026 ($000) | 2025 ($000) |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | | 6,943 | 6,271 |
| Receivables | | 74 | 23 |
| **Total administered current assets** | | **7,017** | **6,294** |
| **Non-current assets** | | | |
| Right-of-use assets | | 30 | 42 |
| Property, plant and equipment | | 19 | 19 |
| **Total administered non-current assets** | | **49** | **61** |
| **TOTAL ADMINISTERED ASSETS** | | **7,066** | **6,355** |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Payables | | 696 | 481 |
| Provisions | | 1,788 | 1,558 |
| Lease Liabilities | | 13 | 12 |
| **Total administered current liabilities** | | **2,497** | **2,051** |
| **Non-current liabilities** | | | |
| Provisions | | 305 | 227 |
| Lease Liabilities | | 20 | 33 |
| **Total administered non-current liabilities** | | **325** | **260** |
| **TOTAL ADMINISTERED LIABILITIES** | | **2,822** | **2,311** |

## 1. Basis of preparation

The Mental Health Commission (MHC) is a Government not-for-profit entity controlled by the State of Western Australia, which is the ultimate parent. These annual financial statements were authorised for issue by the accountable authority of the MHC on 4 September 2026.

### Statement of compliance

The financial statements constitute general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by Treasurer's instructions (TI). Several of these are modified by Treasurer's instructions to vary application, disclosure, format and wording.

The Financial Management Act 2006 and Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

### Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. Unless otherwise specified, all values are rounded to the nearest thousand dollars ($'000).

### Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

### Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:
(a) amount of GST incurred by the MHC as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
(b) receivables and payables are stated with the amount of GST included.

### Contributed equity

Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated as contributions by owners (at the time of, or prior, to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 8 Requirement 8.1(i) and will be credited directly to Contributed Equity.

### Administered items

The MHC administers, but does not control, certain activities and functions for and on behalf of government that do not contribute to the MHC's services or objectives. It does not have discretion over how it utilises the transactions in pursuing its own objectives. Transactions relating to the administered activities are not recognised as the MHC's income, expenses, assets and liabilities, but are disclosed in the accompanying schedules as 'Administered income and expenses', and 'Administered assets and liabilities'. The accrual basis of accounting and applicable Australian Accounting Standards have been adopted.

## 2. The MHC outputs

### How the MHC operates

This section includes information regarding the nature of funding the MHC receives and how this funding is utilised to achieve the MHC's objectives. This note also provides the distinction between controlled funding and administered funding:

| | Notes |
|---|---|
| The MHC objectives | 2.1 |
| Schedule of income and expenses by service | 2.2 |
| Schedule of assets and liabilities by service | 2.3 |

## 2.1 The MHC's objectives

### Mission

Leading and transforming mental health and alcohol and other drugs systems that empower people in health and wellbeing.

The MHC is predominantly funded by State parliamentary appropriations and Commonwealth Grants and Contributions.

### Services

The MHC is responsible for planning and purchasing the State's mental health services, alcohol and other drug services from a range of providers including public health systems, other government agencies, private sector providers and non-government organisations.

The MHC provides the following services.

*Prevention*
Prevention and promotion in the mental health and alcohol and other drug sectors include activities to promote positive mental health, raise awareness of mental illness, suicide prevention, and the potential harms of alcohol and other drug use in the community.

*Hospital Bed Based Services*
Hospital bed based services include acute and sub-acute inpatient units, mental health observation areas and hospital in the home.

*Community Bed Based Services*
Community bed based services are focused on providing recovery-oriented services and residential rehabilitation in a home-like environment.

*Community Treatment*
Community treatment provides clinical care in the community for individuals with mental health, alcohol and other drug problems. These services generally operate with multidisciplinary teams, and include specialised and forensic community clinical services.

*Community Support*
Community support services provide individuals with mental health, alcohol and other drug problems access to the help and support they need to participate in their community. These services include peer support, home in-reach, respite, recovery and harm reduction programs.

## 2.2 Schedule of income and expenses by service

| | Prevention | | Hospital bed based services | | Community bed based services | | Community treatment | | Community support | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2026 ($000) | 2025 ($000) | 2026 ($000) | 2025 ($000) | 2026 ($000) | 2025 ($000) | 2026 ($000) | 2025 ($000) | 2026 ($000) | 2025 ($000) | 2026 ($000) | 2025 ($000) |
| **COST OF SERVICES** | | | | | | | | | | | | |
| **Expenses** | | | | | | | | | | | | |
| Employee benefits expenses | 1,128 | 1,121 | 17,993 | 19,387 | 2,653 | 2,847 | 18,510 | 19,654 | 2,254 | 2,466 | 42,538 | 45,475 |
| Service agreement - WA Health | 34,579 | 29,111 | 551,658 | 503,352 | 81,324 | 73,923 | 567,511 | 510,286 | 69,121 | 64,018 | 1,304,193 | 1,180,690 |
| Service agreement - non government and other organisations | 7,188 | 6,163 | 114,673 | 106,569 | 16,905 | 15,651 | 117,969 | 108,037 | 14,368 | 13,554 | 271,103 | 249,974 |
| Grants and subsidies | 156 | 104 | 2,492 | 1,803 | 367 | 265 | 2,565 | 1,828 | 312 | 229 | 5,892 | 4,229 |
| Supplies and services | 431 | 442 | 6,874 | 7,648 | 1,013 | 1,123 | 7,073 | 7,753 | 861 | 973 | 16,252 | 17,939 |
| Depreciation expense | 12 | 15 | 197 | 259 | 29 | 38 | 202 | 263 | 25 | 33 | 465 | 608 |
| Finance costs | - | - | 4 | 3 | 1 | 1 | 4 | 3 | - | - | 9 | 7 |
| Accommodation expenses | 76 | 76 | 1,213 | 1,322 | 179 | 194 | 1,247 | 1,340 | 152 | 168 | 2,867 | 3,100 |
| Other expenses | 74 | 101 | 1,187 | 1,749 | 175 | 257 | 1,220 | 1,773 | 150 | 223 | 2,806 | 4,103 |
| **Total cost of services** | **43,644** | **37,133** | **696,291** | **642,092** | **102,646** | **94,299** | **716,301** | **650,937** | **87,243** | **81,664** | **1,646,125** | **1,506,125** |
| **Income** | | | | | | | | | | | | |
| Commonwealth grants and contributions | - | - | - | - | - | - | 4,360 | 3,633 | - | - | 4,360 | 3,633 |
| Other income | 19 | 43 | 137 | 606 | 153 | 109 | 1,995 | 4,864 | 36 | 275 | 2,340 | 5,897 |
| **Total income** | **19** | **43** | **137** | **606** | **153** | **109** | **6,355** | **8,497** | **36** | **275** | **6,700** | **9,530** |
| **NET COST OF SERVICES** | **43,625** | **37,090** | **696,154** | **641,486** | **102,493** | **94,190** | **709,946** | **642,440** | **87,207** | **81,389** | **1,639,425** | **1,496,595** |
| **Income from State Government** | | | | | | | | | | | | |
| Service appropriation | 35,029 | 32,575 | 346,136 | 477,228 | 89,545 | 85,474 | 577,661 | 425,159 | 85,367 | 81,596 | 1,133,738 | 1,102,032 |
| Service agreement funding - Commonwealth | - | - | 346,339 | 170,278 | - | - | 108,370 | 205,614 | - | - | 454,709 | 375,892 |
| Income from other public sector entities | 14 | 247 | 136 | 92 | 35 | 17 | 2,115 | 2,204 | 33 | 16 | 2,333 | 2,576 |
| Resources received free of charge | 99 | 90 | 974 | 1,313 | 252 | 235 | 1,626 | 1,170 | 240 | 225 | 3,191 | 3,033 |
| Royalties for Region Fund | 8,225 | 4,686 | - | - | 11,996 | 9,795 | 15,884 | 14,910 | 933 | 821 | 37,038 | 30,212 |
| **Total income from State Government** | **43,367** | **37,598** | **693,585** | **648,911** | **101,828** | **95,521** | **705,656** | **649,057** | **86,573** | **82,658** | **1,631,009** | **1,513,745** |
| **SURPLUS/(DEFICIT) FOR THE PERIOD** | **(258)** | **508** | **(2,569)** | **7,425** | **(665)** | **1,331** | **(4,290)** | **6,617** | **(634)** | **1,269** | **(8,416)** | **17,150** |

The Schedule of income and expenses by service should be read in conjunction with the accompanying notes.

## 2.3 Schedule of assets and liabilities by service

| | Prevention | | Hospital bed based services | | Community bed based services | | Community treatment | | Community support | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2026 ($000) | 2025 ($000) | 2026 ($000) | 2025 ($000) | 2026 ($000) | 2025 ($000) | 2026 ($000) | 2025 ($000) | 2026 ($000) | 2025 ($000) | 2026 ($000) | 2025 ($000) |
| **Assets** | | | | | | | | | | | | |
| Current assets | 2,353 | 2,293 | 37,540 | 39,644 | 5,534 | 5,822 | 38,617 | 40,191 | 4,704 | 5,042 | 88,748 | 92,992 |
| Non-current assets | 672 | 549 | 10,713 | 9,493 | 1,579 | 1,394 | 11,022 | 9,624 | 1,342 | 1,207 | 25,328 | 22,267 |
| **Total assets** | **3,025** | **2,842** | **48,253** | **49,137** | **7,113** | **7,216** | **49,639** | **49,815** | **6,046** | **6,249** | **114,076** | **115,259** |
| **Liabilities** | | | | | | | | | | | | |
| Current liabilities | 254 | 238 | 4,046 | 4,113 | 596 | 604 | 4,163 | 4,169 | 507 | 523 | 9,566 | 9,647 |
| Non-current liabilities | 67 | 52 | 1,061 | 897 | 156 | 132 | 1,092 | 910 | 133 | 114 | 2,509 | 2,105 |
| **Total Liabilities** | **321** | **290** | **5,107** | **5,010** | **752** | **736** | **5,255** | **5,079** | **640** | **637** | **12,075** | **11,752** |
| **NET ASSETS** | **2,704** | **2,552** | **43,146** | **44,127** | **6,361** | **6,480** | **44,384** | **44,736** | **5,406** | **5,612** | **102,001** | **103,507** |

The Schedule of assets and liabilities by service should be read in conjunction with the accompanying notes.

## 3. Use of our funding

### Expenses incurred in the delivery of services

This section provides additional information about how the MHC's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the MHC in achieving its objectives and the relevant notes are:

| | Notes | 2026 ($000) | 2025 ($000) |
|---|---|---|---|
| Employee benefits expenses | 3.1(a) | 42,538 | 45,475 |
| Employee benefits provisions | 3.1(b) | 9,054 | 8,735 |
| Service agreements | 3.2 | 1,575,296 | 1,430,664 |
| Grants and subsidies | 3.3 | 5,892 | 4,229 |
| Supplies and services | 3.4 | 16,252 | 17,939 |
| Accommodation expenses | 3.5 | 2,867 | 3,100 |
| Other expenses | 3.6 | 2,806 | 4,103 |

**3.1 (a) Employee benefits expense**

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| Employee benefits | 37,796 | 40,708 |
| Superannuation - defined contribution plans (a) | 4,532 | 4,545 |
| Termination benefits | 210 | 222 |
| **Total employee benefits expense** | **42,538** | **45,475** |
| Add: AASB 16 Non-monetary benefits (not included in employee benefits expense) | 40 | 22 |
| Less: Employee Contribution (per the Statement of comprehensive income - part of Note 4.3 'Other income') | (25) | (28) |
| **Net employee benefits expenses** | **42,553** | **45,469** |

(a) Defined contribution plans include West State (WSS), Gold State (GSS), GESB Super and other eligible funds. Super contribution paid to GESB for West State, Gold State and GESB Super is $2,796,050 (2024-25 $2,926,034).

**Employee benefits** include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave and non-monetary benefits recognised under accounting standards other than AASB 16 (such as medical care, housing, cars and free or subsidised goods or services) for employees.

**Termination benefits** are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the MHC is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

**Superannuation** is the amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, other GESB schemes or other superannuation funds.

**AASB 16 Non-monetary benefits** are non-monetary employee benefits predominantly relating to the provision of vehicle benefits that are recognised under AASB 16 which are excluded from the employee benefits expense.

**Employee contributions** are those made to the MHC by employees towards employee benefits that have been provided by the MHC. This includes both AASB 16 and non-AASB 16 employee contributions.

**3.1 (b) Employee related provisions**

| | | |
|---|---|---|
| **Current** | | |
| **Employee benefits provision** | | |
| Annual leave | 3,910 | 3,515 |
| Long service leave | 2,689 | 3,177 |
| Deferred salary schemes | 24 | - |
| **Total current employee related provisions** | **6,623** | **6,692** |

**3.1 (b) Employee related provisions (continued)**

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| **Non-current** | | |
| **Employee benefits provision** | | |
| Long service leave | 2,431 | 2,043 |
| **Total non-current employee related provisions** | **2,431** | **2,043** |
| **Total employee related provisions** | **9,054** | **8,735** |

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

**Annual leave liabilities** are classified as current as there is no right at the end of the reporting period to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

| | | |
|---|---|---|
| Within 12 months of the end of the reporting period | 2,342 | 1,953 |
| More than 12 months after the end of the reporting period | 1,568 | 1,562 |
| | **3,910** | **3,515** |

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

**Long service leave liabilities** are unconditional long service leave provisions and are classified as current liabilities as the MHC does not have a right at the end of the reporting period to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the MHC has the right to defer the settlement of the liability until the employee has completed the requisite years of service. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

| | | |
|---|---|---|
| Within 12 months of the end of the reporting period | 747 | 964 |
| More than 12 months after the end of the reporting period | 4,373 | 4,256 |
| | **5,120** | **5,220** |

The provision for long service leave are calculated at present value as the MHC does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

**Deferred salary scheme liabilities** are classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Actual settlement of the liabilities is expected to occur as follows:

| | | |
|---|---|---|
| Within 12 months of the end of the reporting period | **24** | **-** |

**3.1 (b) Employee related provisions (continued)**

**Key sources of estimation uncertainty – long service leave**

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Several estimates and assumptions are used in calculating the MHC's long service leave provision. These include :

- Expected future salary rates
- Discount rates
- Employee retention rates; and
- Expected future payments

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision. In estimating the non-current long service leave liabilities, employees are assumed to leave the MHC each year on account of resignation or retirement at 9.6%. This assumption was based on an analysis of the historical turnover rates exhibited by employees in the WA health services including the MHC. Employees with leave benefits to which they are fully entitled are assumed to take all available leave uniformly over the following five years or to age 65 if earlier.

Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

**3.2 Service agreement**

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| **Service agreement - WA Health** | | |
| East Metropolitan Health Service | 320,782 | 295,969 |
| North Metropolitan Health Service | 381,074 | 349,887 |
| South Metropolitan Health Service | 282,622 | 244,473 |
| Child and Adolescent Health Service | 115,131 | 99,845 |
| WA Country Health Service | 202,833 | 184,425 |
| Department of Health | 1,751 | 6,091 |
| **Total service agreement - WA Health** | **1,304,193** | **1,180,690** |

WA Health comprises the Department of Health, East Metropolitan Health Service, North Metropolitan Health Service, South Metropolitan Health Service, Child and Adolescent Health Service, Health Support Services and WA Country Health Service. Under the MHC service agreements, public hospitals in WA Health provide specialised mental health services to the public patients and the community.

| | | |
|---|---|---|
| **Service agreement - non government and other organisations** | | |
| Non-government and other organisations | **271,103** | **249,974** |
| Non-government and other organisations are contracted to provide specialised mental health, alcohol and other drug services to the community. | | |
| **Total service agreements** | **1,575,296** | **1,430,664** |

## 3.3 Grants and subsidies

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| **Recurrent grants** | | |
| Commitment to Aboriginal Youth Wellbeing | 865 | 641 |
| Community Services Grants | 2,018 | 1,123 |
| NDIS Access Support for People with Psychosocial Disability | 27 | 129 |
| Kimberley Empowered Youth Network (KEYN) | 232 | - |
| Enhanced Psychiatric Hostel & Long Stayers Funding (a) | 415 | 404 |
| Other recurrent grants (b) | 670 | 917 |
| **Total recurrent grants and subsidies** | **4,227** | **3,214** |
| **Capital grants** | | |
| Refurbish building grants for Youth focus youth centre - Geraldton | - | 850 |
| Plant and equipment Step Up Step Down project - Kalgoorlie (b) | - | 165 |
| Refurbish building grants for Youth Focus Mental Health Hub | 885 | - |
| Supports planning, headworks, and service design for the Derby Wellness Centre | 780 | - |
| **Total capital grants** | **1,665** | **1,015** |
| **Total grants and subsidies** | **5,892** | **4,229** |

(a) Grants and subsidies include payments to the Mental Health Advocacy Services $415,000 (2024-25 $404,000).
(b) Other recurrent grants and capital grants include payments to the Department of Communities $248,455 (2024-25 $329,408), the Mental Health Advocacy Services $191,000 (2024-25 $nil) and the Office of the Chief Psychiatrist $191,000 (2024-25 $nil).

Transactions in which the MHC provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'Grant or subsidy expenses'. These payments or transfers are recognised at fair value at the time of the transaction and are recognised as an expense in the reporting period in which they are paid. They include transactions such as: grants, subsidies, personal benefit payments made in cash to individuals, other transfer payments made to public sector agencies, local government, non-government, and community groups.

The MHC is not responsible for administering a government subsidy scheme.

## 3.4 Supplies and services

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| Purchase of outsourced services (a) | 9,597 | 9,955 |
| Corporate support services (b) | 3,135 | 2,927 |
| Computer related services | 1,071 | 924 |
| Consulting fees (c) | 1,472 | 3,090 |
| Consumables | 585 | 497 |
| Communications | 147 | 157 |
| Printing and Stationery | 243 | 352 |
| Other supplies and services | 2 | 37 |
| **Total supplies and services** | **16,252** | **17,939** |

### 3.4 Supplies and services (continued)

Supplies and services are recognised as an expense in the reporting period in which they are incurred.

(a) Includes purchase of outsourced services from the Landgate of WA $nil (2024-25 $467).
(b) Health Support Services has provided supply services, IT services, human resource services and finance services to the MHC free of charge.
(c) Includes supplies and services from the Department of Housing and Works $nil (2024-25 $16,036) and the Landgate WA $906 (2024-25 $588)

### 3.5 Accommodation expenses

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| Office rental | 2,771 | 2,976 |
| Utilities | 96 | 124 |
| **Total accommodation expenses** | **2,867** | **3,100** |

Office rental is expensed as incurred as Memorandum of Understanding Agreements between the MHC and the Department of Housing and Works for the leasing of offic accommodation contain significant substitution rights.

### 3.6 Other expenses

| | | |
|---|---|---|
| Workers compensation (a) | 201 | 142 |
| Other employee related expenses (f) | 726 | 676 |
| Consumable equipment, repairs and maintenance (b) | 911 | 2,287 |
| Travel related expenses (c) | 29 | 45 |
| Audit fees (d) | 430 | 380 |
| Legal fees (e) | 59 | 90 |
| Administration | 49 | 86 |
| Advertising | 7 | 13 |
| Other insurance (a) | 171 | 183 |
| Disposal of assets | - | 3 |
| Other (g) | 223 | 198 |
| **Total other expenses** | **2,806** | **4,103** |

Other expenditures generally represent the day-to-day running costs incurred in normal operations.

(a) Includes expense to the Insurance Commission of WA - RiskCover $200,947 has been classified as workers' compensation insurance and $151,762 as other insurance (2024-25 $142,362 workers' compensation insurance and $183,026 other insurance).
(b) Includes expense to the Department of Housing and Works $529,138 (2024-25 $235,486) and the Department of Fire and Emergency Services $3,420 (2024-25 $5,130).
(c) Includes expense to the Department of Housing and Works - Statefleet $nil (2024-25 $311).

**3.6 Other expenses (continued)**

(d) Includes expense to Office of the Auditor General $234,083 (2024-25 $309,456).
(e) Includes expense to the Department of Justice - State Solicitor's Office $56,384 (2024-25 $78,967) inclusive of resources received free of charge.
(f) Includes expense to the Public Sector Commission $4,654 (2024-25 $4,841) and the Department of Communities $nil (2024-25 $12,324).
(g) Includes expense to the Department of Health $50,000 (2024-25 $nil) and the State Library of WA $368 (2024-25 $113).

**Consumable equipment, repairs and maintenance** costs are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset In that case, the costs are capitalised and depreciated.

Any other employee related cost liability associated with the recognition of annual and long service leave liability is included at Note 3.1(b) Employee benefit provision. Superannuatior contributions accrued as part of the provision for leave are employee benefits and are not included in other employee related expenses.

## 4. Our funding sources

### How we obtain our funding

This section provides additional information about how the MHC obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the MHC and the relevant notes are:

| | Notes | 2026 ($000) | 2025 ($000) |
|---|---|---|---|
| Income from State Government | 4.1 | 1,631,009 | 1,513,745 |
| Commonwealth grants and contributions | 4.2 | 4,360 | 3,633 |
| Other income | 4.3 | 2,340 | 5,897 |

## 4.1 Income from State Government

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| **Service appropriation received during the period** | | |
| Amount appropriated to deliver services | 1,133,322 | 1,101,628 |
| Amount authorised by other statutes: | | |
| Salaries and Allowances Act 1975 | 416 | 404 |
| **Total service appropriation received** | **1,133,738** | **1,102,032** |
| **Commonwealth service agreement funding from State Pool Account during the period** | | |
| National Health Reform Agreement | **454,709** | **375,892** |

Activity based funding and block grant funding is received from the Commonwealth Government under the National Health Reform Agreement for services, health teaching, training and research provided by local hospital networks. This funding arrangement established under the Agreement requires the Commonwealth Government to make funding payments to the State Pool Account from which distributions to the local hospital networks (health services) are made by the Department of Health of WA and the MHC.

| | | |
|---|---|---|
| **Income from other public sector entities during the period** | | |
| Department of Health | 31 | 152 |
| WA Police | 1,732 | 1,808 |
| Insurance Commission of WA | 112 | 199 |
| Department of Justice | 33 | 3 |
| Department of Local Government, Industry Regulation and Safety | - | 241 |
| Department of Treasury and Finance | 425 | 173 |
| **Total income from other public sector entities** | **2,333** | **2,576** |
| **Resources received from other public sector entities during the period** | | |
| **Services received free of charge** | | |
| State Solicitor's Office - legal advisory services | 42 | 73 |
| Department of Housing and Works - office accommodation leasing services | 14 | 13 |
| Department of Health | - | 20 |
| Health Support Services (a) | 3,135 | 2,927 |
| **Total services received free of charge** | **3,191** | **3,033** |

(a) Metropolitan Health Service was abolished on 1 July 2016 and established 5 Health Services Providers including Health Support Services. Health Support Services has provided (previously within Metropolitan Health Service) supply services, IT services, human resource services, finance services to the MHC since 2010.

| | | |
|---|---|---|
| **Royalties for Regions Fund** | | |
| Regional Community Services Account | **37,038** | **30,212** |
| **Total income from State Government** | **1,631,009** | **1,513,745** |

## 4.1 Income from State Government (continued)

**Service Appropriations** are recognised as income at fair value of consideration received in the period in which the MHC gains control of the appropriated funds. The MHC gains control of appropriated funds at the time those funds are deposited in the bank account or credited to the holding held at the Department of Treasury and Finance.

**Income from other public sector entities** are recognised as income when the MHC has satisfied its performance obligation under the funding agreement. If there is no performance obligation, income will be recognised when the MHC receives the funds.

**Resources received from other public sector entities** is recognised as income equivalent to the fair value of assets received or the fair value of services received that can be reliably determined and which would have been purchased if not donated.

**Regional Community Services Account** is a sub-fund within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas and are recognised as income when the MHC receives the funds or when the performance obligations have been met.

**Summary of consolidated account appropriations**

| For the year ended 30 June 2026 | 2026 Budget ($000) | 2026 Section 25 transfers ($000) | 2026 Additional funding ($000) | 2026 Revised budget ($000) | 2026 Actual ($000) | 2026 Variance ($000) |
|---|---|---|---|---|---|---|
| **Delivery of Services** | | | | | | |
| Item 59 Net amount appropriated to deliver services | 1,160,763 | - | - | 1,160,763 | 1,133,322 | (27,441) |
| Amount Authorised by Other Statutes | | | | | | |
| - Salaries and Allowances Act 1975 | 416 | - | - | 416 | 416 | - |
| **Total appropriations provided to deliver services** | **1,161,179** | **-** | **-** | **1,161,179** | **1,133,738** | **(27,441)** |
| **Capital** | | | | | | |
| Item 136 Capital appropriations | 1,091 | - | - | 1,091 | 293 | (798) |
| **Administered Transactions** | | | | | | |
| Administered grants, subsidies and other transfer payments | 17,819 | - | - | 17,819 | 17,819 | - |
| Amount Authorised by Other Statutes | | | | | | |
| - Salaries and Allowances Act 1975 | 860 | - | - | 860 | 860 | - |
| **Total administered transactions** | **18,679** | **-** | **-** | **18,679** | **18,679** | **-** |
| **Total consolidated account appropriations** | **1,180,949** | **-** | **-** | **1,180,949** | **1,152,710** | **(28,239)** |

Additional funding includes supplementary funding and new funding authorised under section 27 of the Financial Management Act 2006 and amendments to standing appropriations.

| 4.2 Commonwealth grants and contributions | 2026 ($000) | 2025 ($000) |
|---|---|---|
| National Mental Health and Suicide Prevention | 2,979 | 2,837 |
| Specialist Dementia Care Program | 852 | 486 |
| Take Home Naloxone Pilot | 529 | 310 |
| **Total commonwealth grants and contributions** | **4,360** | **3,633** |

Commonwealth grants and contributions are recognised as income when the grants are receivable.

| 4.3 Other income | | |
|---|---|---|
| Refund of prior year's payment on contract for services (a) | 311 | 1,365 |
| Services to external organisations | 237 | 14 |
| Grants and contributions | 1,767 | 4,321 |
| Other income | 25 | 197 |
| **Total other income** | **2,340** | **5,897** |

(a) Refunds were received from non-government organisations in 2025-26 and 2024-25, as the funds paid in prior year were in excess of the requirement.

Revenue is recognised at a point-in-time for services provided. The performance obligation for these revenue are satisfied when the services have been provided.

## 5. Key assets

This section includes information regarding the key assets the MHC utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

| | Notes | 2026 ($000) | 2025 ($000) |
|---|---|---|---|
| Property, plant and equipment | 5.1 | 14,457 | 12,118 |
| Right-of-use assets | 5.2 | 119 | 88 |

## 5. Key assets

### 5.1 Property, plant and equipment

Reconciliations of the carrying amounts of property, plant, and equipment at the beginning and end of the reporting period are set out in the table below.

| Year ended 30 June 2026 | Land ($'000) | Buildings ($'000) | Works in progress ($'000) | Computer equipment ($'000) | Medical equipment ($'000) | Other Plant and equipment ($'000) | Artworks ($'000) | Leasehold improvements ($'000) | Total ($'000) |
|---|---|---|---|---|---|---|---|---|---|
| **1 July 2025** | | | | | | | | | |
| Cost or fair value | 1,916 | 9,329 | 179 | 65 | - | 245 | 18 | 1,053 | 12,805 |
| Accumulated depreciation | - | - | - | (23) | - | (223) | - | (441) | (687) |
| **Carrying amount at start of period** | **1,916** | **9,329** | **179** | **42** | **-** | **22** | **18** | **612** | **12,118** |
| Additions | - | - | 1,124 | - | - | - | - | - | 1,124 |
| Revaluation increments (b) | 346 | 1,292 | - | - | - | - | - | - | 1,638 |
| Depreciation | - | (270) | - | (11) | - | (22) | - | (120) | (423) |
| **Carrying amount at 30 June 2026** | **2,262** | **10,351** | **1,303** | **31** | **-** | **-** | **18** | **492** | **14,457** |
| Gross carrying amount | 2,262 | 10,351 | 1,303 | 65 | - | 245 | 18 | 1,053 | 15,297 |
| Accumulated depreciation | - | - | - | (34) | - | (245) | - | (561) | (840) |
| | | | | | | | | | |
| **Year ended 30 June 2025** | | | | | | | | | |
| **1 July 2024** | | | | | | | | | |
| Cost or fair value | 5,721 | 13,448 | - | 156 | 205 | 361 | 18 | 1,053 | 20,962 |
| Accumulated depreciation | - | - | - | (70) | (180) | (271) | - | (294) | (815) |
| **Carrying amount at start of period** | **5,721** | **13,448** | **-** | **86** | **25** | **90** | **18** | **759** | **20,147** |
| Additions | 826 | - | 179 | - | 1,113 | 42 | - | - | 2,160 |
| Transfers (at written down value) (a) | (4,760) | (4,857) | - | - | (1,097) | (82) | - | - | (10,796) |
| Expensed | - | - | - | (41) | - | - | - | - | (41) |
| Other disposals (at written down value) | - | - | - | - | - | (2) | - | - | (2) |
| Revaluation increments (b) | 129 | 1,092 | - | - | - | - | - | - | 1,221 |
| Depreciation | - | (354) | - | (3) | (41) | (26) | - | (147) | (571) |
| **Carrying amount at 30 June 2025** | **1,916** | **9,329** | **179** | **42** | **-** | **22** | **18** | **612** | **12,118** |
| Gross carrying amount | 1,916 | 9,329 | 179 | 65 | - | 245 | 18 | 1,053 | 12,805 |
| Accumulated depreciation | - | - | - | (23) | - | (223) | - | (441) | (687) |

(a) Next Step Drug and Alcohol Services' assets were transferred to the East Metropolitan Health Service in November 2024. (Refer to note 9.9 Equity)
(b) Of this amount, $718,405 ($638,891 2024-25) relates to professional and project management fees, which are included in the value of current use building assets under the current replacement cost basis.

## 5.1 Property, plant and equipment (continued)

**Initial recognition**

Items of property, plant and equipment, costing $5,000 or more are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment costing less than $5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

**Subsequent measurement**

Subsequent to initial recognition of an asset, the revaluation model is used for the measurement of land and buildings.

Land is carried at fair value. Buildings are carried at fair value less accumulated depreciation and accumulated impairment losses.

Plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Landgate). The effective date was at 1 July 2025, with valuations performed during the year ended 30 June 2026 and recognised at 30 June 2026.

In addition, for buildings under the current replacement cost basis, estimated professional and project management fees are included in the valuation of current use assets as required by AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.*

These valuations are undertaken annually to ensure that the carrying amount of the assets does not differ materially from their fair value at the end of the reporting period.

### 5.1.1 Depreciation expense

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| Buildings | 270 | 354 |
| Computer equipment | 11 | 3 |
| Medical equipment | - | 41 |
| Leasehold improvements | 120 | 147 |
| Other plant and equipment | 22 | 26 |
| **Total depreciation for the period** | **423** | **571** |

As at 30 June 2026 there were no indications of impairment to property, plant or equipment.

### 5.1.1 Depreciation expense (continued)

**Useful lives**

All property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exceptions to this rule include assets held for sale, land and investment properties.

Depreciation is calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.
Typical estimated useful lives for the different asset classes for current and prior years are below:

| Asset | Useful life in years |
|---|---|
| Buildings | 27 - 50 years |
| Computer equipment | 4 years |
| Medical equipment | 7 - 10 years |
| Leasehold improvements | 9 years |
| Other plant and equipment | 10 years |

The estimated useful lives and residual values are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Land and works of art, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

**Impairment**

There were no indications of impairment to property, plant and equipment at 30 June 2026. The MHC held no goodwill during the reporting period.

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss. Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

As the MHC is a not-for-profit agency, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

## 5. Key assets (continued)

### 5.2 Right-of-use assets

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| **Vehicles** | | |
| Gross carrying amount | 158 | 264 |
| Accumulated depreciation | (70) | (139) |
| **Carrying amount at start of period** | **88** | **125** |
| Additions | 73 | 37 |
| Disposals | (26) | (143) |
| Reversal of accumulated depreciation on disposal | 26 | 106 |
| Depreciation expense | (42) | (37) |
| **Carrying amount at the end of year** | **119** | **88** |
| Gross carrying amount | 205 | 158 |
| Accumulated depreciation | (86) | (70) |

**Initial recognition**

At the commencement date of the lease, the MHC recognises right-of-use assets are measured at cost comprising of:
- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentive received;
- any initial direct costs; and
- restoration costs, including dismantling and removing the underlying asset.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 7.1 Lease liabilities.

The MHC has leases for vehicles and office accommodations. The MHC has also entered into a Memorandum of Understanding Agreements (MOU) with the Department of Housing and Works for the leasing of office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Housing and Works and are accounted for as an expense as incurred.

The MHC has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of $5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

**Subsequent measurement**

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

## 5.2 Right-of-use assets (continued)

### Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the MHC at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in note 5.1.1

The following amounts relating to leases have been recognised in the statement of comprehensive income:

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| Depreciation expense of right-of-use assets | 42 | 37 |
| Lease interest expense | 9 | 7 |
| Expenses relating to variable lease payments not included in lease liabilities | 2 | 2 |
| **Total amount recognised in the statement of comprehensive income** | **53** | **46** |

The total cash outflow for leases in 2025-26 was $46,315 (2024-25 $44,876).

As at 30 June 2026 there were no indications of impairment to right-of-use assets.

## 6. Other assets and liabilities

This section sets out those assets and liabilities that arose from the MHC's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

| | Notes | 2026 ($000) | 2025 ($000) |
|---|---|---|---|
| Receivables | 6.1 | 1,936 | 1,964 |
| Amounts receivable for services | 6.2 | 9,320 | 8,840 |
| Other current assets | 6.3 | - | 400 |
| Payables | 6.4 | 2,895 | 2,925 |

## 6.1 Receivables

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| **Current** | | |
| Receivables (a) | 252 | 395 |
| Allowance for impairment of receivables | (16) | (16) |
| Accrued revenue (a) | 252 | 337 |
| GST receivables | 16 | 27 |
| **Total current receivables** | **504** | **743** |

(a) This include amounts owing from the WA Police $10,689 (2024-25 $149,050), the Department of Primary Industries and Regional Development $312 (2024-25 $1,000), the Department of Local Government, Industry, Regulation and Safety $nil (2024-25 $241,148) and the Department of Treasury and Finance $33,288 (2024-25 $33,211), the Department of Justice $5,500 (2024-25 $nil), the Department of Creative Industries, Tourism & Sport $6,234 (2024-25 $nil) and the Insurance Commission of WA - Riskcover $3,490 (2024-25 $nil).

| | | |
|---|---|---|
| **Non-Current** | | |
| **Accrued salaries account** | **1,432** | **1,221** |

Funds transferred to Department of Treasury and Finance for the purpose of meeting the 27th pay in a reporting period that generally occurs every 11 years. This account is classified as non-current except for the year before the 27th pay year.

| | | |
|---|---|---|
| **Total receivables** | **1,936** | **1,964** |

Receivables are initially recognised at their transaction price or, for those receivables that contain a significant financing component, at fair value. The MHC holds the receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

The MHC recognises a loss allowance for expected credit losses (ECLs) on a receivable not held at fair value through profit or loss. The ECLs based on the difference between the contractual cash flows and the cash flows that the MHC expects to receive, discounted at the original effective interest rate. Individual receivables are written off when the MHC has no reasonable expectations of recovering the contractual cash flows.

For receivables, the MHC recognises an allowance for ECLs measured at the lifetime expected credit losses at each reporting date. The MHC has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. There were no ECLs expensed in the current and prior financial years.

*Accounting procedure for Goods and Services Tax*

Rights to collect amounts receivable from the Australian Taxation Office (ATO) and responsibilities to make payments for GST have been assigned to the 'Department of Health'. This accounting procedure was a result of application of the grouping provisions of “A New Tax System (Goods and Services Tax) Act 1999" whereby the Department of Health became the Nominated Group Representative (NGR) for the GST Group as from 1 July 2012. The entities in the GST group include the Department of Health, Mental Health MHC, East Metropolitan Health Service, North Metropolitan Health Service, South Metropolitan Health Service, Child and Adolescent Health Service, Health Support Services, WA Country Health Service, QE II Medical Centre Trust, PathWest Laboratory Medicine WA, Quadriplegic Centre and Health and Disability Services Complaints Office.

Revenues, expenses and assets are recognised net of the amount of associated GST. Payables and receivables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from the ATO is included with Receivables in the Statement of Financial Position.

The accrued salaries account contains amounts paid annually into a Treasurer’s special purpose account. It is restricted for meeting the additional cash outflow or employee salary payments in reporting periods with 27 pay periods instead of the normal 26. No interest is received on this account.

## 6.1 Receivables (continued)

### 6.1.1 Movement in the allowance for impairment of receivables

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| **Reconciliation of changes in the allowance for impairment of receivables:** | | |
| Opening balance | 16 | 32 |
| Amount recovered during the period | - | (14) |
| Amount written off during the period | - | (2) |
| **Allowance for impairment at the end of the period** | **16** | **16** |

The maximum exposure to credit risk at the end of the reporting period for receivables is the carrying amount of the asset inclusive of any allowance for impairment as shown in the table at Note 8.1(c) 'Financial instruments disclosures'. The MHC does not hold any collateral as security or other credit enhancements for receivables.

## 6.2 Amounts receivable for services

| | | |
|---|---|---|
| **Non-current amounts receivable for services** | **9,320** | **8,840** |

**Amounts receivable for services** represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability. The amounts receivable for services are financial assets at amortised cost, and are not considered impaired (i.e. there is no expected credit loss of the holding accounts).

## 6.3 Other current assets

| | | |
|---|---|---|
| **Prepayments** | **-** | **400** |

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

## 6.4 Payables

| | | |
|---|---|---|
| Trade payables (a) | 356 | 933 |
| Accrued salaries | 1,617 | 1,411 |
| Accrued expenses (a) | 922 | 581 |
| **Total payables at the end of period** | **2,895** | **2,925** |

(a) Includes amounts not yet paid to the Department of Housing and Works $21,928 (2024-25 $3,116), the Office of the Auditor General $52,620 (2024-25 $nil) and the Small Business Development Corporation $27,561 (2024-25 $nil).

**Payables** are recognised at the amounts payable when the MHC becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value as settlement for the MHC is generally within 15-20 days.

**Accrued salaries** represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight of the reporting period end. The MHC considers the carrying amount of accrued salaries to be equivalent to its fair value.

## 7. Financing

This section sets out the material balances and disclosures associated with the financing and cashflows of the MHC.

| | Notes |
|---|---|
| Lease liabilities | 7.1 |
| Assets pledged as security | 7.2 |
| Finance costs | 7.3 |
| Cash and cash equivalents | 7.4 |
| Reconciliation of cash | 7.4.1 |
| Reconciliation of operating activities | 7.4.2 |
| Capital commitments | 7.5 |

## 7.1 Lease Liabilities

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| Current | 48 | 30 |
| Non-current | 78 | 62 |
| **Total lease liabilities** | **126** | **92** |

**Initial measurement**

At the commencement date of the lease, the MHC recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the MHC uses the incremental borrowing rate provided by Western Australia Treasury Corporation. Lease payments included by the MHC as part of the present value calculation of lease liability include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options (where these are reasonably certain to be exercised);
- Payments for penalties for terminating a lease, where the lease term reflects the MHC exercising an option to terminate the lease.

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the MHC if the lease is reasonably certain to be extended (or not terminated). Variable lease payments, not included in the measurement of lease liability, that are dependant on sales are recognised by the MHC in profit or loss in the period in which the condition that triggers those payment occurs.

This section should be read in conjunction with note 5.2.

**Subsequent measurement**

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

## 7.2 Assets pledged as security

The carrying amounts of non-current assets pledged as security are:

| | | |
|---|---|---|
| Right-of-use assets: vehicles | 119 | 88 |
| **Total assets pledged as security** | **119** | **88** |

The MHC has secured the right-of-use assets against the related lease liabilities. In the event of default, the rights to the leased assets will revert to the lessor.

## 7.3 Finance costs

| | | |
|---|---|---|
| **Lease interest expense** | **9** | **7** |

Finance costs relate to the interest component of lease liability repayments.

## 7.4 Cash and cash equivalents

### 7.4.1 Reconciliation of cash

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| Cash and cash equivalents | 80,828 | 84,370 |
| Restricted cash and cash equivalents | 7,416 | 7,479 |
| **Total cash and cash equivalents at end of period** | **88,244** | **91,849** |
| **Restricted cash and cash equivalents** | | |
| **Current** | | |
| Commonwealth special purpose account (a) | 2,023 | 2,791 |
| Royalties for Regions Fund (b) | 3,024 | 2,319 |
| Digital Capability Fund | 2,324 | 2,324 |
| Specialist Dementia Program | 45 | 45 |
| **Total current restricted cash and cash equivalents** | **7,416** | **7,479** |

(a) Funds are held for specific purposes for programs relating to drug diversion, development, implementation and administration of initiatives and activities to reduce drug abuse.
(b) Unspent funds are committed to projects and programs in WA regional areas.

For the purpose of the statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

## 7.4 Cash and cash equivalents (continued)

### 7.4.2 Reconciliation of net cost of services to net cash flows used in operating activities

| | Notes | 2026 ($000) | 2025 ($000) |
|---|---|---|---|
| **Net cost of services** | | (1,639,425) | (1,496,595) |
| **Non-cash items:** | | | |
| Resources received free of charge | 4.1 | 3,191 | 3,033 |
| Depreciation expense | 5.1.1, 5.2 | 465 | 608 |
| Net loss from disposal of non-current assets | 3.6 | - | 3 |
| Adjustment for other non-cash items | | (3) | (169) |
| **(Increase)/decrease in assets:** | | | |
| Current receivables (a) | | (136) | 139 |
| Inventories | | - | 10 |
| Other current assets | | 400 | 1,228 |
| **Increase/(decrease) in liabilities:** | | | |
| Current payables | | (30) | (1,485) |
| Current provisions | | (69) | (1,555) |
| Non-current provisions | | 388 | (556) |
| Net liabilities transferred to East Metropolitan Health Services | | - | 2,969 |
| **Net cash used in operating activities** | | **(1,635,219)** | **(1,492,370)** |

(a) This excludes allowances for impairment of receivables and receivable amounts related to income from state government, as these do not form part of the reconciling item.

## 7.5 Capital commitments

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| Within 1 year | 2,920 | 14,730 |
| Later than 1 year and not later than 5 years | 11,537 | 10,911 |
| | **14,457** | **25,641** |

## 8. Risks and contingencies

This note sets out the key risk management policies and measurement techniques of the MHC.

| | Notes |
|---|---|
| Financial risk management | 8.1 |
| Contingent assets and liabilities | 8.2 |
| Fair value measurements | 8.3 |

## 8.1 Financial risk management

Financial instruments held by the MHC are cash and cash equivalents, restricted cash and cash equivalents, receivables and payables. The MHC has limited exposure to financial risks. The MHC's overall risk management program focuses on managing the risks identified below.

### (a) Summary of risks and risk management

**Credit risk**

Credit risk arises when there is the possibility of the MHC's receivables defaulting on their contractual obligations resulting in financial loss to the MHC.

Credit risk associated with the MHC's financial assets is minimal because the debtors are predominantly government bodies. The main receivable of the MHC is the amounts receivable for services (holding account). For receivables other than government agencies, MHC trades only with recognised, creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the MHC's exposure to bad debts is minimised. Debt will be written-off against the allowance account when it is improbable or uneconomical to recover the debt. At the end of the reporting period, there were no significant concentrations of credit risk.

**Liquidity risk**

Liquidity risk arises when the MHC is unable to meet its financial obligations as they fall due. The MHC is exposed to liquidity risk through its normal course of operations.

The MHC has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

**Market risk**

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the MHC's income or the value of its holdings of financial instruments. The MHC does not trade in foreign currency and is not materially exposed to other price risks.

### (b) Categories of financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| **Financial Assets** | | |
| Cash and cash equivalents | 80,828 | 84,370 |
| Restricted cash and cash equivalents | 7,416 | 7,479 |
| Receivables (a) | 1,668 | 1,600 |
| Accrued revenue | 252 | 337 |
| Amounts receivable for services | 9,320 | 8,840 |
| **Total financial assets** | **99,484** | **102,626** |
| **Financial Liabilities** | | |
| Financial liabilities measured at amortised cost | 3,021 | 3,017 |
| **Total financial liabilities** | **3,021** | **3,017** |

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

**8.1 Financial risk management (continued)**

**(c) Credit risk exposure**

The following table details the credit risk exposure on the MHC's receivable (note 6.1) using a provision matrix.

| | Total ($000) | Current ($000) | <30 days ($000) | 30-60 days ($000) | 61-90 days ($000) | 90-180 days ($000) | >180 days ($000) |
|---|---|---|---|---|---|---|---|
| **30 June 2026** | | | | | | | |
| Expected credit loss rate | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 17.12% |
| Estimated total gross carrying amount at default | **252** | 153 | - | 1 | - | 4 | 94 |
| **Loss allowance** | **16** | - | - | - | - | - | 16 |
| | | | | | | | |
| **30 June 2025** | | | | | | | |
| Expected credit loss rate | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 8.87% |
| Estimated total gross carrying amount at default | **395** | 179 | 10 | - | - | 28 | 178 |
| **Loss allowance** | **16** | - | - | - | - | - | 16 |

**8.1 Financial risk management (continued)**

**(d) Liquidity risk and Interest rate exposure**

The following table details the MHC's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amount of each item.

**Interest rate exposure and maturity analysis of financial assets and financial liabilities**

| | | Interest rate exposure | | | | | Maturity dates | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Weighted average effective interest rate % | Carrying amount ($000) | Fixed interest rate ($000) | Variable interest rate ($000) | Non-interest bearing ($000) | Nominal amount ($000) | up to 1 month ($000) | 1-3 months ($000) | 3 months to 1 year ($000) | 1 - 5 years ($000) | More than 5 years ($000) |
| **2026** | | | | | | | | | | | |
| **Financial assets** | | | | | | | | | | | |
| Cash and cash equivalents | - | **80,828** | - | - | 80,828 | **80,828** | 80,828 | - | - | - | - |
| Restricted cash and cash equivalents | 4.91% | **7,416** | - | 2,023 | 5,393 | **5,393** | 5,393 | - | - | - | - |
| Receivables[(a)] | - | **1,668** | - | - | 1,668 | **1,668** | 236 | - | - | 1,432 | - |
| Accrued revenue | - | **252** | - | - | 252 | **252** | 252 | - | - | - | - |
| Amounts receivable for services | - | **9,320** | - | - | 9,320 | **9,320** | - | - | - | - | 9,320 |
| | | **99,484** | **-** | **2,023** | **97,461** | **97,461** | **86,709** | **-** | **-** | **1,432** | **9,320** |
| **Financial liabilities** | | | | | | | | | | | |
| Payables | - | **2,895** | - | - | 2,895 | **2,895** | 2,895 | - | - | - | - |
| Lease liabilities[(b)] | 7.69% | **126** | 126 | - | - | **140** | 5 | 10 | 41 | 84 | - |
| | | **3,021** | **126** | **-** | **2,895** | **3,035** | **2,900** | **10** | **41** | **84** | **-** |

| | | Interest rate exposure | | | | | Maturity dates | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Weighted average effective interest rate % | Carrying amount ($000) | Fixed interest rate ($000) | Variable interest rate ($000) | Non-interest bearing ($000) | Nominal amount ($000) | up to 1 month ($000) | 1-3 months ($000) | 3 months to 1 year ($000) | 1 - 5 years ($000) | More than 5 years ($000) |
| **2025** | | | | | | | | | | | |
| **Financial assets** | | | | | | | | | | | |
| Cash and cash equivalents | - | **84,370** | - | - | 84,370 | **84,370** | 84,370 | - | - | - | - |
| Restricted cash and cash equivalents | 5.01% | **7,479** | - | 2,791 | 4,688 | **4,688** | 4,688 | - | - | - | - |
| Receivables[(a)] | - | **1,600** | - | - | 1,600 | **1,600** | 1,600 | - | - | - | - |
| Accrued revenue | - | **337** | - | - | 337 | **337** | 337 | - | - | - | - |
| Amounts receivable for services | - | **8,840** | - | - | 8,840 | **8,840** | - | - | - | - | 8,840 |
| | | **102,626** | **-** | **2,791** | **99,835** | **99,835** | **90,995** | **-** | **-** | **-** | **8,840** |
| **Financial liabilities** | | | | | | | | | | | |
| Payables | - | **2,925** | - | - | 2,925 | **2,925** | 2,925 | - | - | - | - |
| Lease liabilities[(b)] | 7.15% | **92** | 92 | - | - | **103** | 3 | 6 | 26 | 68 | - |
| | | **3,017** | **92** | **-** | **2,925** | **3,028** | **2,928** | **6** | **26** | **68** | **-** |

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

(b) The amount of lease liabilities $125,574 (2024-25 $92,451) is from leased vehicles.

**8.1 Financial risk management (continued)**

**(e) Interest rate sensitivity**

The following table represents a summary of the interest rate sensitivity of the MHC's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

| | Carrying amount ($000) | -100 basis points | | +100 basis points | |
|---|---|---|---|---|---|
| | | Surplus ($000) | Equity ($000) | Surplus ($000) | Equity ($000) |
| **2026** | | | | | |
| **Financial liabilities** | | | | | |
| Restricted cash and cash equivalents | 2,023 | (20) | (20) | 20 | 20 |
| **Total increase/(decrease)** | **2,023** | **(20.2)** | **(20.2)** | **20.2** | **20.2** |
| **2025** | | | | | |
| **Financial liabilities** | | | | | |
| Restricted cash and cash equivalents | 2,791 | (28) | (28) | 28 | 28 |
| **Total increase/(decrease)** | **2,791** | **(28)** | **(28)** | **28** | **28** |

**8.2 Contingent assets and liabilities**

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at best estimate.

At the reporting date, the MHC is not aware of any contingent assets and liabilities.

The MHC does not have any pending litigation that are not recoverable from the Insurance Commission of WA - RiskCover insurance at the reporting date.

**Contaminated sites**

Under the Contaminated Sites Act 2003, the MHC is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated – remediation required or possibly contaminated – investigation required, the MHC may have a liability in respect of investigation or remediation expenses.

At the reporting date, the MHC does not have any suspected contaminated sites reported under the Act.

## 8.3 Fair value measurements

| Assets measured at fair value:<br>2026 | Level 1<br>($000) | Level 2<br>($000) | Level 3<br>($000) | Fair value at end of period<br>($000) |
|---|---|---|---|---|
| Land (Note 5.1) | - | 1,233 | 1,029 | 2,262 |
| Buildings (Note 5.1) | - | 511 | 9,840 | 10,351 |
| | **-** | **1,744** | **10,869** | **12,613** |
| **2025** | | | | |
| Land (Note 5.1) | - | 1,005 | 911 | 1,916 |
| Buildings (Note 5.1) | - | 465 | 8,864 | 9,329 |
| | **-** | **1,470** | **9,775** | **11,245** |

There was no transfer between Levels 1 and 2 during the current nor previous period.

**Valuation techniques and inputs**

***Level 2 assets***

Fair values of non-current assets held for sale, and market type land and buildings (office accommodation) are derived using the market approach. Market evidence of sales prices of comparable assets in close proximity is used to determine price per square metre.

***Level 3 assets***

**Land assets (High utility land use assets)**

High Utility land values are measured by drawing comparison between the subject asset as a going concern and market pricing data of assets having similar utility and service capacity.

The assessed Highest & Best Use Value is based upon comparable utility transactions and is adjusted for valuation deferment recognition. Valuation deferment is the practice of delaying the recognition or calculation of an asset's value until a future date, primarily used to manage uncertainty, account for value over time, restrictions on ownership and current use considerations. The value of the land reflects differences between public and private sector market associated with title conversion, time deferments, and other factors including encumbrances, title status, management orders or lease conditions.

**Building assets**

Fair value for current use buildings is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications, adjusted for obsolescence. Obsolescence encompasses physical deterioration, functional (technological) obsolescence and economic (external) obsolescence.

Valuation using current replacement cost utilises the significant Level 3 input of obsolescence estimated by Landgate. The fair value measurement is sensitive to the estimate of obsolescence, with higher values of the estimate correlating with lower estimated fair values of buildings.

In addition, professional and project management fees estimated and added to the current replacement costs provided by Landgate for current use buildings represent significant Level 3 inputs used in the valuation process. The fair value of these assets will increase with a higher level of professional and project management fees.

**8.3 Fair value measurements (continued)**

**Fair value measurements using significant unobservable inputs (Level 3)**

| | Land ($000) | Buildings ($000) | Total ($000) |
|---|---|---|---|
| **2026** | | | |
| Fair value at start of period | 911 | 8,864 | 9,775 |
| Revaluation increments recognised in Other Comprehensive Income | 118 | 1,237 | 1,355 |
| Transfers to EMHS | - | - | - |
| Depreciation expense | - | (261) | (261) |
| **Fair value at end of period** | **1,029** | **9,840** | **10,869** |
| **2025** | | | |
| Fair value at start of period | 5,561 | 13,023 | 18,584 |
| Revaluation increments recognised in Other Comprehensive Income | 110 | 1,043 | 1,153 |
| Transfers from/(to) Level 2 | (4,760) | (4,968) | (9,728) |
| Depreciation expense | - | (234) | (234) |
| **Fair value at end of period** | **911** | **8,864** | **9,775** |

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer. Transfers are generally limited to assets newly classified as non-current assets held for sale as Treasurer's guidance deem valuations of land and buildings to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

**Basis of valuation**

In the absence of market-based evidence, due to the specialised nature of some non financial assets, these assets are valued at Level 3 of the fair value hierarchy on a current use basis (presumed to be the highest and best use), which recognises that restrictions or limitations have been placed on their use and disposal when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service.

## 9. Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements for the understanding of this financial report.

| | Notes |
|---|---|
| Events occurring after the end of the reporting period | 9.1 |
| Future impact of Australian standards issued but not yet operative | 9.2 |
| Key management personnel | 9.3 |
| Related party transactions | 9.4 |
| Related bodies | 9.5 |
| Affiliated bodies | 9.6 |
| Special purpose accounts | 9.7 |
| Remuneration of auditors | 9.8 |
| Equity | 9.9 |
| Services provided free of charge | 9.10 |
| Supplementary financial information | 9.11 |

### 9.1 Events occurring after the end of the reporting period

The MHC is not aware of any events occurring after the end of the reporting period that have significant financial effect on the financial statements.

### 9.2 Future impact of Australian standards issued but not yet operative

The MHC cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 9 – Requirement 4 *Application of Australian Accounting Standards and Other Pronouncements* or by an exemption from TI 9. Where applicable, the MHC plans to apply the following Australian Accounting Standards from their application date.

| | | Operative for reporting periods beginning on/after |
|---|---|---|
| **Operative for reporting periods beginning on/after 1 Jan 2026** | | |
| *AASB 2024-2* | *Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments*<br><br>This Standard amends AASB 7 and AASB 9 as a consequence of the issuance of Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) by the International Accounting Standards Board in May 2024.<br><br>The MHC has not assessed the impact of the Standard. | 1 January 2026 |
| *AASB 2024-3* | *Amendments to Australian Accounting Standards – Annual Improvements Volume 11*<br><br>This Standard amends AASB 1, AASB 7, AASB 9, AASB 10 and AASB 107 as a consequence of the issuance of *Annual* Improvements to IFRS Standards – Volume 11 by the International Accounting Standards Board in July 2024.<br><br>The MHC has not assessed the impact of the Standard. | 1 January 2026 |

**9.2 Future impact of Australian standards issued but not yet operative (continued)**

| | | Operative for reporting periods beginning on/after |
|---|---|---|
| **Operative for reporting periods beginning on/after 1 Jan 2028** | | |
| *AASB 2014-10* | *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*<br><br>This Standard amends AASB 10 and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.<br><br>There is no financial impact. | 1 January 2028 |
| *AASB 2024-4b* | *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*<br><br>This Standard defers (to 1 January 2028) the amendments to AASB 10 and AASB 128 relating to the sale or contribution of assets between an investor and its associate or joint venture.<br><br>The Standard also includes editorial corrections.<br><br>There is no financial impact. | 1 January 2028 |
| *AASB 18* (NFP/super) | *Presentation and Disclosure in Financial Statements (Appendix D) [for not-for-profit and superannuation entities]*<br><br>This Standard replaces AASB 101 with respect to the presentation and disclosure requirements in financial statements applicable to not-for-profit and superannuation entities This Standard is a consequence of the issuance of IFRS 18 Presentation and Disclosure in financial Statements by the International Accounting Standards Board in April 2024.<br><br>This Standard also makes amendments to other Australian Accounting Standards.<br><br>The MHC has not assessed the impact of the Standard. | 1 January 2028 |

### 9.3 Key management personnel

The MHC has determined that key management personnel include the responsible Cabinet Minister and senior officers of the MHC. The MHC does not incur expenditures to compensate Minister and those disclosures may be found in the Annual Report on State Finances.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the MHC for the reporting period are presented within the following bands:

| **Compensation band ($)** | **2026** | **2025** |
|---|---|---|
| 450,001 - 500,000 | 1 | 1 |
| 250,001 - 300,000 | 3 | 2 |
| 200,001 - 250,000 | 7 | 7 |
| 150,001 - 200,000 | 1 | 1 |
| 100,001 - 150,000 | 2 | 3 |
| 50,001 - 100,000 | 1 | 2 |
| 00,001 - 50,000 | - | 1 |
| | **($000)** | **($000)** |
| Short-term employee benefits | 2,720 | 2,447 |
| Post-employment benefits | 356 | 300 |
| Other long-term benefits | 331 | 300 |
| Termination benefits | 12 | 198 |
| **Total senior officer compensation** | **3,419** | **3,245** |

Total compensation includes the superannuation expense incurred by the MHC in respect of senior officers.

### 9.4 Related party transactions

The MHC is a wholly owned public sector entity that is controlled by the State of Western Australia.

Related parties of the MHC include:

- all cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other departments and statutory authorities, including their related bodies, that are included in the whole of government consolidated financial statements;
- associates and joint ventures of the whole of government (i.e. wholly-owned public sector entity); and
- the Government Employees Superannuation Board (GESB).

**9.4 Related party transactions (continued)**

**Significant transactions with government-related entities**

In conducting its activities, the MHC is required to transact with the State and entities related to the State. These transactions are generally based on the standard terms and conditions that apply to all agencies. Such transactions include:

- service appropriation (Note 4.1);
- contribution by owners (Note 9.9);
- services received free of charge from the other state government agencies (Note 4.1);
- royalties for regions fund (Note 4.1);
- income received from other public sector entities (Note 4.1);
- services agreement WA Health (Note 3.2);
- grants and subsidies payment to other government agencies (Note 3.3);
- corporate support services - Health Support Services (Note 3.4);
- legal fees and employment related payments to the Department of Justice including State Solicitor's Office (Note 3.6);
- purchase of other services from Department of Health (Note 3.6);
- valuation services and other outsourced services payment to the Landgate WA (Note 3.4);
- purchase of supplies and services (Note 3.4), leases and accommodation (Note 3.5), vehicle variable lease cost, and repairs and maintenance expense (Note 3.6) from the Department of Housing and Works;
- employee related payments to the Department of Communities (Note 3.6);
- employment related payments to the Public Sector Commission (Note 3.6);
- workers' compensation and other insurance payment to the Insurance Commission of WA - Riskcover (Note 3.6);
- audit fee payments to the Office of the Auditor General (Note 3.6) and (Note 9.8);
- annual monitoring related payments to the Department of Fire and Emergency Services (Note 3.6);
- services provided free of charge to other state government agencies (Note 9.10).

**Material transactions with related parties**

Outside of normal citizen type transactions with the MHC, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

**Material transactions with other related parties**

- Superannuation payments to the Government Employees Superannuation Board (GESB) (Note 3.1(a)).

**9.5 Related bodies**

A related body is a body that receives more than half of its funding and resources from the MHC and is subject to operational control by the MHC. The MHC had no related bodies during the financial year.

## 9.6 Affiliated bodies

An affiliated body is a body that receives more than half of its funding and resources from the MHC but is not subject to operational control by the MHC.

| During the financial year the following affiliated bodies received funding from the MHC: | 2026 ($000) | 2025 ($000) |
|---|---|---|
| Albany Halfway House Association Incorporated | 2,191 | 2,052 |
| Alcohol and Other Drug Consumer & Community Coalition | 548 | 558 |
| Fresh Start Recovery Programmes | 3,725 | 3,581 |
| Garl Garl Walbu Aboriginal Corporation | 806 | 815 |
| Goldfields Rehabilitation Services Inc | 3,757 | 3,612 |
| Grief Centre of Western Australia (a) | (a) | 92 |
| Holyoake Australian Institute for Alcohol and Drug Addiction Resolution Inc | 8,609 | 7,873 |
| Home Health Pty Ltd (trading as Tender Care) | 1,674 | 1,635 |
| Palmerston Association Inc. (a) | (a) | 13,785 |
| Pathways Southwest Inc. | 1,619 | 1,572 |
| Perth Inner City Youth Service | 1,204 | 1,152 |
| Richmond Wellbeing Incorporated | 25,543 | 23,573 |
| Tenacious House | 1,453 | 1,338 |
| The Radiance Network South West | 274 | 256 |
| WA Council on Addictions (trading as Cyrenian House) | 18,565 | 19,312 |
| WA Network of Alcohol & Other Drug Agencies (a) | 1,121 | (a) |
| **Total financial assistance to affiliated bodies** | **71,089** | **81,206** |

(a) The MHC has provided funding to these organisations; however, they received less than half of their funding and resources from MHC in the respective financial years and were therefore not considered affiliated bodies.

In addition, Mental Health MHC has three affiliated bodies as determined by the Treasurer pursuant to Section 60(1)(b) of the Financial Management Act 2006 in 2015/16 financial year.

Mental Health Tribunal is a government administered body that received administrative support from, but is not subject to operational control by the MHC (Note 9.10). It is funded by parliamentary appropriation of $4,706,000 for 2025-26 ($4,330,000 for 2024-25).

Mental Health Advocacy Service is a government administered body that received administrative support from, but is not subject to operational control by the MHC (Note 9.10). It is funded by parliamentary appropriation of $7,846,000 for 2025-26 ($8,278,000 for 2024-25).

Office of Chief Psychiatrist is a government administered body that received administrative support from, but is not subject to operational control by the MHC (Note 9.10). It is funded by parliamentary appropriation of $6,127,000 for 2025-26 ($5,628,000 for 2024-25).

## 9.7 Special purpose accounts

*State Managed Fund (Mental Health) Account (a)*

The purpose of the special purpose account is to hold money received by the Mental Health MHC, for the purposes of health funding under the National Health Reform Agreement that is required to be undertaken in the State through a State Managed Fund.

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| **Balance at start of period** | 4,549 | - |
| **Receipts:** | | |
| Service appropriations (State Government) | 175,966 | 433,804 |
| Royalties for Region Fund (State Government) (b) | 4,589 | 4,463 |
| Commonwealth grants and contributions | 121,319 | 217,356 |
| **Total receipts** | **301,874** | **655,623** |
| **Payments:** | | |
| Block grant funding to local hospital networks in WA Health | (284,406) | (626,688) |
| Block grant funding to non-government organisation | (17,468) | (15,887) |
| Block grant funding to next step drug and alcohol services (c) | - | (8,499) |
| **Total payments** | **(301,874)** | **(651,074)** |
| **Balance at end of period** | **4,549** | **4,549** |

(a) Established under section 16(1)(b) of FMA.
(b) The Commonwealth provides block funding for subacute services which is partially funded by the Royalties for Regions fund. The funding is provided to non-government organisations to deliver the services.
(c) Next Step drug and alcohol services are delivered through the local hospital network in WA Health from mid November 2024.

## 9.8 Remuneration of auditors

| | | |
|---|---|---|
| **Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:** | | |
| Auditing the accounts, controls, financial statements and key performance indicators | **263** | **258** |

| 9.9 Equity | 2026 ($000) | 2025 ($000) |
|---|---|---|
| **Contributed equity** | | |
| Balance at start of period | 29,604 | 39,254 |
| **Transactions with owners in their capacity as owners** | | |
| Capital appropriation | 293 | 59 |
| Other contribution by owners - Digital Capability Fund | - | 403 |
| Other contribution by owners - Royalties for Region Fund | - | 1,400 |
| Other contributions by owner - Housing Authority | 4,979 | - |
| **Distribution to owners** | | |
| Other distribution to owner - East Metropolitan Health Service (a) | - | (11,512) |
| **Total contributions by owners** | **34,876** | **29,604** |
| (a) Net assets transferred to the East Metropolitan Health Service relating to Next Step Drug and Alcohol Services. | | |
| Assets: | | |
| Cash and cash equivalents | - | 2,969 |
| Receivables | - | 565 |
| Inventory | - | 29 |
| Property, plant and equipment | - | 10,796 |
| Other assets | - | 139 |
| Total assets | **-** | **14,498** |
| Liabilities: | | |
| Employee benefits provisions | - | (2,986) |
| Total liabilities | **-** | **(2,986)** |
| Net assets transferred to East Metropolitan Health Services | **-** | **11,512** |
| **Reserves** | | |
| **Asset revaluation surplus** | | |
| Balance at start of period | 3,503 | 2,282 |
| **Net revaluation increments:** | | |
| Land | 346 | 129 |
| Buildings | 1,292 | 1,092 |
| **Total asset revaluation surplus at end of period** | **5,141** | **3,503** |
| **Accumulated surplus/(deficit)** | | |
| Balance at start of period | 70,400 | 53,250 |
| Result for the period | (8,416) | 17,150 |
| **Total Accumulated surplus at end of period** | **61,984** | **70,400** |
| **Total equity at end of period** | **102,001** | **103,507** |

## 9.10 Services provided free of charge

| | 2026 ($000) | 2025 ($000) |
|---|---|---|
| **Services provided free of charge to other agencies during the period** | | |
| Mental Health Tribunal - corporate services | 489 | 474 |
| Mental Health Advocacy Service - corporate services | 802 | 757 |
| Office of the Chief Psychiatrist - corporate services and accommodation | 798 | 768 |
| **Total services provided free of charge** | **2,089** | **1,999** |

## 9.11 Supplementary financial information

**Write-offs**

During the financial year 2025-26, $nil ($3,145 in 2024-25) was written off the MHC's asset register under the authority of:

| | | |
|---|---|---|
| The Mental Health Commissioner | - | 3 |
| | **-** | **3** |

## 10. Explanatory statements

This section explains variations in the financial performance of the MHC.



### 10.1 Explanatory statement for controlled operations

This explanatory section explains variations in the financial performance of the MHC undertaking transactions under its own control, as represented by the primary financial statements.

All variances between annual estimates (original budget) and actual results for 2025, and between the actual results for 2026 and 2025 are shown below. Narratives are provided for major variances which are more than 10% from the comparative and which are also more than 1% of the following:

**1) Estimate and actual results for the current year:**

- Total Cost of Services of the annual estimates for the Statement of comprehensive income and Statement of cash flows (i.e.1% of $1,601.5m) and;
- Total Assets of the annual estimates for the Statement of financial position (i.e.1% of $101.4m).

**2) Actual results between the current year and the previous year:**

- Total Cost of Services of the previous year for the Statements of comprehensive income and Statement of cash flows (i.e.1% of $1,506.1m), and
- Total Assets of the previous year for the Statement of financial position (i.e.1% of $115.3m).

#### 10.1.1 Statement of comprehensive income variances

| | Variance Note | Estimate 2026 ($000) | Actual 2026 ($000) | Actual 2025 ($000) | Variance between estimate and actual ($000) | Variance between results for 2026 and 2025 ($000) |
|---|---|---|---|---|---|---|
| **Expenses** | | | | | | |
| Employee benefits expenses | | 38,372 | 42,538 | 45,475 | 4,166 | (2,937) |
| Service agreement - WA Health | a | 1,246,611 | 1,304,193 | 1,180,690 | 57,582 | 123,503 |
| Service agreement - non government and other organisations | | 288,444 | 271,103 | 249,974 | (17,341) | 21,129 |
| Grants and subsidies | | 318 | 5,892 | 4,229 | 5,574 | 1,663 |
| Supplies and services | | 20,178 | 16,252 | 17,939 | (3,926) | (1,687) |
| Depreciation expense | | 480 | 465 | 608 | (15) | (143) |
| Finance costs | | 11 | 9 | 7 | (2) | 2 |
| Accommodation expenses | | 2,819 | 2,867 | 3,100 | 48 | (233) |
| Other expenses | | 4,247 | 2,806 | 4,103 | (1,441) | (1,297) |
| **Total cost of services** | | **1,601,480** | **1,646,125** | **1,506,125** | **44,645** | **140,000** |
| **Income** | | | | | | |
| Commonwealth grants and contributions | | 4,023 | 4,360 | 3,633 | 337 | 727 |
| Other income | | 2,339 | 2,340 | 5,897 | 1 | (3,557) |
| **Total Income** | | **6,362** | **6,700** | **9,530** | **338** | **(2,830)** |
| **NET COST OF SERVICES** | | **1,595,118** | **1,639,425** | **1,496,595** | **44,307** | **142,830** |

**10.1.1 Statement of comprehensive income variances (continued)**

| | Variance Note | Estimate 2026 ($000) | Actual 2026 ($000) | Actual 2025 ($000) | Variance between estimate and actual ($000) | Variance between results for 2026 and 2025 ($000) |
|---|---|---|---|---|---|---|
| **Income from State Government** | | | | | | |
| Service appropriation | | 1,161,179 | 1,133,738 | 1,102,032 | (27,441) | 31,706 |
| Service agreement funding - Commonwealth | 1, b | 383,008 | 454,709 | 375,892 | 71,701 | 78,817 |
| Income from other public sector entities | | 2,211 | 2,333 | 2,576 | 122 | (243) |
| Resources received free of charge | | 4,391 | 3,191 | 3,033 | (1,200) | 158 |
| Royalties for Region Fund | | 41,479 | 37,038 | 30,212 | (4,441) | 6,826 |
| **Total income from State Government** | | **1,592,268** | **1,631,009** | **1,513,745** | **38,741** | **117,264** |
| **(DEFICIT)/SURPLUS FOR THE PERIOD** | | **(2,850)** | **(8,416)** | **17,150** | **(5,566)** | **(25,566)** |
| **OTHER COMPREHENSIVE INCOME** | | | | | | |
| **Items not reclassified subsequently to profit or loss** | | | | | | |
| Changes in asset revaluation surplus | | - | 1,638 | 1,221 | 1,638 | 417 |
| **Total other comprehensive income** | | **-** | **1,638** | **1,221** | **1,638** | **417** |
| **TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD** | | **(2,850)** | **(6,778)** | **18,371** | **(3,928)** | **(25,149)** |

These estimates are published in the State Budget 2025-26, Budget Papers No.2 'Budget Statements'.

**Major Estimate and Actual (2026) Variance Narratives**

1 The increase of $71.701m (18.72%) in Service agreement funding - Commonwealth is primarily due to an increase in the amount of service deemed in-scope to receive funding under the National Health Reform Agreement.

**Major Actual (2026) and Comparative (2025) Variance Narratives**

a The increase of $123.503m (10.46%) in Service agreement - WA Health expenditure is largely due to cost and demand escalation for public mental health hospital services and other programs including Infants, Children and Adolescents (ICA) Taskforce Acute Care & Response Team Bunbury and Virtual Infant Child and Adolescent Mental Health Service Hub and Mental Health Co Response (includes Ambulance and Police co-response).

b The increase of $78.817m (20.97%) in Service agreement funding - Commonwealth is primarily due to an increase in the amount of service deemed in-scope to receive funding under the National Health Reform Agreement.

### 10.1.2 Statement of financial position variances

| | Variance Note | Estimate 2026 ($000) | Actual 2026 ($000) | Actual 2025 ($000) | Variance between estimate and actual ($000) | Variance between results for 2026 and 2025 ($000) |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| **Current assets** | | | | | | |
| Cash and cash equivalents | | 60,732 | 80,828 | 84,370 | 20,096 | (3,542) |
| Restricted cash and cash equivalents | | 1,999 | 7,416 | 7,479 | 5,417 | (63) |
| Receivables | | 457 | 504 | 743 | 47 | (239) |
| Other current assets | | 314 | - | 400 | (314) | (400) |
| **Total current assets** | | **63,502** | **88,748** | **92,992** | **25,246** | **(4,244)** |
| **Non-current assets** | | | | | | |
| Receivables | | 1,561 | 1,432 | 1,221 | (129) | 211 |
| Amounts receivable for services | | 9,320 | 9,320 | 8,840 | - | 480 |
| Property, plant and equipment | 1, a | 26,879 | 14,457 | 12,118 | (12,422) | 2,339 |
| Right-of-use assets | | 138 | 119 | 88 | (19) | 31 |
| **Total non-current assets** | | **37,898** | **25,328** | **22,267** | **(12,570)** | **3,061** |
| **TOTAL ASSETS** | | **101,400** | **114,076** | **115,259** | **12,676** | **(1,183)** |
| **LIABILITIES** | | | | | | |
| **Current liabilities** | | | | | | |
| Payables | | 4,700 | 2,895 | 2,925 | (1,805) | (30) |
| Employee related provisions | | 6,009 | 6,623 | 6,692 | 614 | (69) |
| Lease liabilities | | 42 | 48 | 30 | 6 | 18 |
| **Total current liabilities** | | **10,751** | **9,566** | **9,647** | **(1,185)** | **(81)** |
| **Non-current liabilities** | | | | | | |
| Employee related provisions | | 1,966 | 2,431 | 2,043 | 465 | 388 |
| Lease liabilities | | 106 | 78 | 62 | (28) | 16 |
| **Total non-current liabilities** | | **2,072** | **2,509** | **2,105** | **437** | **404** |
| **TOTAL LIABILITIES** | | **12,823** | **12,075** | **11,752** | **(748)** | **323** |
| **NET ASSETS** | | **88,577** | **102,001** | **103,507** | **13,424** | **(1,506)** |
| **EQUITY** | | | | | | |
| Contributed equity | | 33,809 | 34,876 | 29,604 | 1,067 | 5,272 |
| Reserves | | 2,890 | 5,141 | 3,503 | 2,251 | 1,638 |
| Accumulated surplus | | 51,878 | 61,984 | 70,400 | 10,106 | (8,416) |
| **TOTAL EQUITY** | | **88,577** | **102,001** | **103,507** | **13,424** | **(1,506)** |

**10.1.2 Statement of financial position variances (continued)**

**Major Estimate and Actual (2026) Variance Narratives**

1 The decrease of $12.422M (46.21%) in Property, Plant and Equipment is primarily due to construction delays with the 20-Bed AOD Rehabilitation Facility in the Metropolitan Region and the Broome Sobering Up Centre programs

**Major Actual (2026) and Comparative (2025) Variance Narratives**

a The increase of $2.339M (19.30%) in Property, Plant and Equipment is primarily due to increase of revaluation of land and buildings and capital expenditure in relation to the Broome Sobering Up Centre.

**10.1.3 Statement of cash flows variances**

| | Variance Note | Estimate 2026 ($000) | Actual 2026 ($000) | Actual 2025 ($000) | Variance between estimate and actual ($000) | Variance between results for 2026 and 2025 ($000) |
|---|---|---|---|---|---|---|
| **CASH FLOWS FROM STATE GOVERNMENT** | | | | | | |
| Service appropriation | | 1,160,699 | 1,133,258 | 1,101,553 | (27,441) | 31,705 |
| Capital appropriations | | 1,091 | 293 | 59 | (798) | 234 |
| Digital Capability Fund | | 601 | - | 403 | (601) | (403) |
| Service agreement funding - Commonwealth (National Health Reform Agreement) | 1, a | 383,008 | 454,709 | 375,892 | 71,701 | 78,817 |
| Income from other public sector entities | | 1,911 | 2,707 | 2,209 | 796 | 498 |
| Royalties for Regions Fund - Capital | | 8,650 | - | 1,400 | (8,650) | (1,400) |
| Royalties for Regions Fund - Recurrent | | 41,479 | 37,038 | 30,212 | (4,441) | 6,826 |
| Asset Maintenance Fund | | 300 | - | - | (300) | - |
| Return of funds from Housing Authority | | - | 4,979 | - | 4,979 | 4,979 |
| **Net cash provided by State Government** | | **1,597,739** | **1,632,984** | **1,511,728** | **35,245** | **121,256** |

**10.1.3 Statement of cash flows variances (continued)**

| | Variance Note | Estimate 2026 ($000) | Actual 2026 ($000) | Actual 2025 ($000) | Variance between estimate and actual ($000) | Variance between results for 2026 and 2025 ($000) |
|---|---|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | | | |
| **Payments** | | | | | | |
| Employee benefits expenses | | (38,256) | (42,016) | (44,986) | (3,760) | 2,970 |
| Service agreement - WA Health | b | (1,246,611) | (1,304,193) | (1,180,690) | (57,582) | (123,503) |
| Service agreement - non government and other organisations | | (288,415) | (270,549) | (250,078) | 17,866 | (20,471) |
| Grants and subsidies | | (318) | (5,892) | (4,229) | (5,574) | (1,663) |
| Supplies and services | | (15,939) | (13,275) | (14,230) | 2,664 | 955 |
| Finance costs | | (11) | (9) | (7) | 2 | (2) |
| Accommodation expenses | | (2,788) | (2,844) | (3,357) | (56) | 513 |
| Other payments | | (4,126) | (3,113) | (4,341) | 1,013 | 1,228 |
| **Receipts** | | | | | | |
| Commonwealth grants and contributions | | 4,023 | 4,371 | 3,587 | 348 | 784 |
| Other receipts | | 2,339 | 2,301 | 5,961 | (38) | (3,660) |
| **Net cash used in operating activities** | | **(1,590,102)** | **(1,635,219)** | **(1,492,370)** | **(45,117)** | **(142,849)** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | |
| **Payments** | | | | | | |
| Purchase of non-current assets | | (14,730) | (1,124) | (2,160) | 13,606 | 1,036 |
| **Net cash used in investing activities** | | **(14,730)** | **(1,124)** | **(2,160)** | **13,606** | **1,036** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | | | |
| **Payments** | | | | | | |
| Lease payments | | (64) | (36) | (38) | 28 | 2 |
| Payments to accrued salaries account | | (277) | (210) | (228) | 67 | 18 |
| **Net cash used in financing activities** | | **(341)** | **(246)** | **(266)** | **95** | **20** |
| Net (decrease)/increase in cash and cash equivalents | | (7,434) | (3,605) | 16,932 | 3,829 | (20,537) |
| Cash and cash equivalents at the beginning of the period | | 71,172 | 91,849 | 77,886 | 20,677 | 13,963 |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD** | | **63,738** | **88,244** | **94,818** | **24,506** | **(6,574)** |

These estimates are published in the State Budget 2025-26, Budget Papers No.2 ‘Budget Statements’.

**10.1.3 Statement of cash flows variances (continued)**

**Major Actual (2026) and Comparative (2025) Variance Narratives**

1 The increase of $71.701m (18.72%) in Service agreement funding - Commonwealth is primarily due to an increase in the amount of service deemed in-scope to receive funding under the National Health Reform Agreement.

**Major Estimate and Actual (2026) Variance Narratives**

a The increase of $78.817m (20.97%) in Service agreement funding - Commonwealth is primarily due to an increase in the amount of service deemed in-scope to receive funding under the National Health Reform Agreement.

b The increase of $123.503m (10.46%) in Service agreement - WA Health expenditure is largely due to cost and demand escalation for public mental health hospital services and other programs including Infants, Children and Adolescents (ICA) Taskforce Acute Care & Response Team Bunbury and Virtual Infant Child and Adolescent Mental Health Service Hub and Mental Health Co Response (includes Ambulance and Police co-response).

### 10.2 Explanatory statement for administered items

This explanatory section explains variations in the financial performance of the MHC undertaking transactions that it does not control but has responsibility to the government for, as detailed in the administered schedules.

All variances between annual estimates (original budget) and actual results for 2026, and between the actual results for 2026 and 2025 are shown below.
Narratives are provided for major variances which are more than 10% of the comparative and which are more than 1% of the Total Administered Income of each comparative (i.e.1% of $20.511m for the estimate and 1% of $20.710m for the previous year in the table below).

| **Income from administered items** | **Variance Note** | **Estimate 2026 ($000)** | **Actual 2026 ($000)** | **Actual 2025 ($000)** | **Variance between estimate and actual ($000)** | **Variance between results for 2026 and 2025 ($000)** |
|---|---|---|---|---|---|---|
| For transfer: | | | | | | |
| Administered appropriation | | | | | | |
| Mental Health Tribunal | | 4,706 | 4,706 | 4,330 | - | 376 |
| Mental Health Advocacy Service | | 7,846 | 7,846 | 8,278 | - | (432) |
| Office of Chief Psychiatrist | | 6,127 | 6,127 | 5,628 | - | 499 |
| Services received | 1 | 1,832 | 2,120 | 2,057 | 288 | 63 |
| Other revenue | 2, a | - | 815 | 417 | 815 | 398 |
| **Total income from administered items** | | **20,511** | **21,614** | **20,710** | **1,103** | **904** |
| **Administered expenses** | | | | | | |
| Employee benefits expense | b | 15,764 | 16,694 | 13,759 | 930 | 2,935 |
| Supplies and services | | 3,766 | 3,534 | 3,344 | (232) | 190 |
| Depreciation expense | | 9 | 13 | 11 | 4 | 2 |
| Grants and subsidies | c | - | 54 | 467 | 54 | (413) |
| Finance costs | | 2 | 3 | 3 | 1 | - |
| Accommodation expense | | 453 | 631 | 722 | 178 | (91) |
| Other expenses | d | 517 | 485 | 1,399 | (32) | (914) |
| **Total administered expenses** | | **20,511** | **21,414** | **19,705** | **903** | **1,709** |

**10.2 Explanatory statement for administered items (continued)**

**Major Estimate and Actual (2026) Variance Narratives**

1 The increase of $0.288M (15.72%) in Services Received relates primarily to an increase relating to corporate services received from MHC, Services received from the State Solicitors Office & an increase in Accommodation leasing received free of charge.

2 The increase of $0.815M (100.00%) in Other Revenue is primarily due funding received for Enhanced Psychiatric Hostel Visiting program; and for financial assistance to OCP and MHAS to prepare for amendments to the Mental Health Act 2014 which were not budgeted in 2025-26.

**Major Actual (2026) and Comparative (2025) Variance Narratives**

a The increase of $0.398M (95.44%) in Other Revenue is primarily due funding received for financial assistance to OCP and MHAS to prepare for amendments to the Mental Health Act 2014 which were not budgeted in 2025-26.

b The increase of $2.935M (21.33%) in employee benefits expense relates to pay increases in line with public sector wages policy and increases associated with Criminal Law (Mental Impairment) Bill, additional hours and increase in demand for Advocacy hours for mentoring days & lower vacancies when compared to the previous financial year.

c The decrease of $0.413M (88.44%) in grants and subsidies is primarily due to a higher grants payment in the previous financial year for investing the health pathways and outcome.

d The decrease of $0.914M (65.33%) in other expenses is primarily due to a higher payment in the previous financial year for building works & Services (non-capital) for Mental Health Advocacy Service.

# Audited key performance indicators

## In this section

# Certification of key performance indicators

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the performance of the Mental Health Commission and fairly represent the performance of the Mental Health Commission for the financial year ended 30 June 2026.

**Maureen Lewis**
Commissioner
Mental Health Commission
Accountable Authority

3 September 2026

# Changes for the 2025-26 key performance indicators

A change was made to one of the Commission's 2025-26 Key Performance Indicators to ensure it remains appropriate, relevant, and accurately reflects the Commission's performance against the Outcome Based Management Framework.

The methodology for the Key Effectiveness Indicator, *Percentage of post-discharge community care within seven days following discharge from acute specialised mental health inpatient services*, has been updated following enhancements to the Department of Health source system. The enhanced functionality enables identification of whether a patient or their associate was present for triage events recorded by public community mental health services, resulting in a more accurate measure of post-discharge community mental health follow-up. As a result, the 2022, 2023 and 2024 results were also recalculated using the revised methodology and are not directly comparable with results published in previous annual reports.

The change was approved by the Under Treasurer, Department of Treasury, on 8 January 2025.

# Detailed Key Effectiveness Indicators

## Outcome 1

### Improved mental health and wellbeing

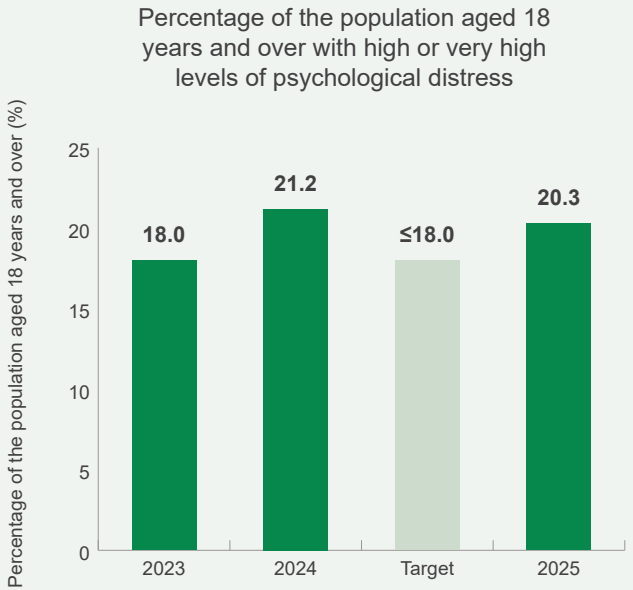
#### Key Effectiveness Indicator 1.1: Percentage of the population with high or very high levels of psychological distress

Measures the psychological distress of the Western Australian population aged 18 years and over. A higher proportion of people with high or very high levels of psychological distress is indicative of the potential population requiring mental health and other support services. Data for this indicator is derived from the 10-item Kessler Psychological Distress Scale collected by the Epidemiology Directorate, Department of Health in the Western Australia Health and Wellbeing Surveillance System (HWSS), which is reported by calendar year.

The HWSS is a population-based survey representative of a wide range of Western Australian residents. Information for the HWSS is collected through telephone interviews by trained interviewers or online surveys[1]. In 2025, there were 10,544 responses collected from individuals aged 16 years and over[2]. The Department of Health applies population weightings to estimate the prevalence of the Western Australian population experiencing high or very high psychological distress.

In 2025-26, the target for the percentage of the population experiencing high or very high levels of psychological distress was ≤18.0%. This target was based on the 2023 preliminary results from the HWSS, which were the best available data at the time the target was set. Achieving a lower percentage indicates better performance.

The most recent HWSS result (2025) showed that 20.3% of the Western Australian population aged 18 years and over reported experiencing high or very high levels of psychological distress in the previous four weeks. This result is 2.3 percentage points higher than the 2025-26 target, and 0.9 percentage points lower than the 2024 result of 21.2%. Psychological distress may be affected by multiple factors such as increases in the cost of living, job or housing security, and chronic illness. The State Government will continue to deliver on approaches that support wellbeing for everybody. This will be guided by the Mental Health and Alcohol and Other Drugs Strategy 2026-2031.




1. The HWSS design and methodology is available from the Department of Health website: https://www.health.wa.gov.au/-/media/Files/Corporate/Reports-and-publications/Population-surveys/Technical-paper-no1-Design-and-Methodology.pdf

# Outcome 2

## Reduced incidence of use and harm associated with alcohol and other drug use

### Key Effectiveness Indicator 2.1: Percentage of the population aged 16 years and over reporting recent use of alcohol at a level placing them at risk

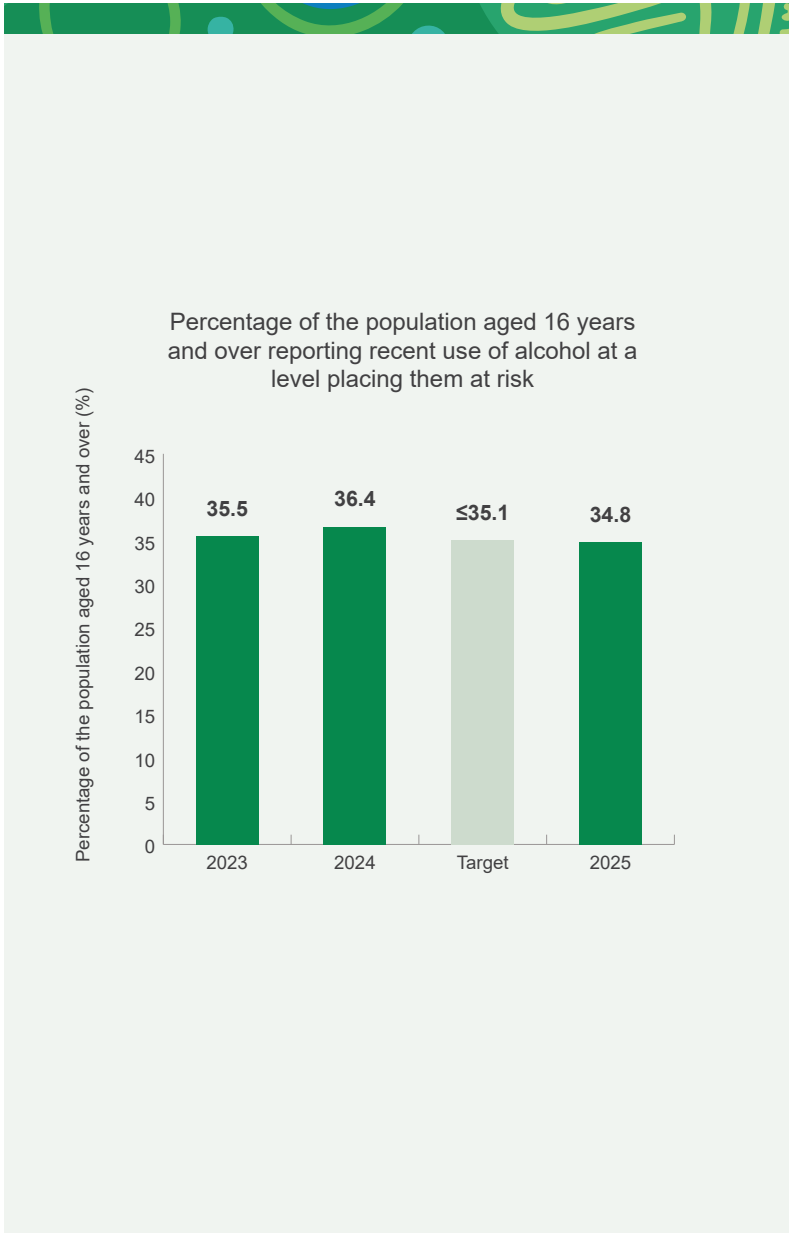
Measures the percentage of the Western Australian population aged 16 years and over reporting alcohol consumption at levels placing them at risk. Data for this indicator is derived from the Western Australia Health and Wellbeing Surveillance System (HWSS), which is reported by calendar year. This indicator reflects the population-level impact of prevention initiatives on reducing the prevalence of alcohol use and alcohol-related harm across a range of government departments, including the Commission.

The HWSS is a population-based survey representative of a wide range of Western Australian residents. Information for the HWSS is collected through telephone interviews by trained interviewers or online surveys[3]. In 2025, there were 10,544 responses collected from individuals aged 16 years and over[4]. The Department of Health applies population weightings to estimate the prevalence of alcohol use at levels that place the Western Australian population at risk.

The data presented were collected from 2022 onwards, and alcohol-related risk of harm was determined using the 2020 National Health and Medical Research Council (NHMRC) guidelines. These guidelines recommend that healthy adults aged 18 years and over consume no more than ten standard drinks a week and no more than four standard drinks on any one day to reduce the risk of harm from alcohol-related disease or injury. In addition, children and people under 18 years of age should not consume alcohol.

In 2025-26, the target for the percentage of the population aged 16 years and over reporting recent use of alcohol at a level placing them at risk of harm was ≤35.1%. This target was based on the 2022 preliminary results from the HWSS. Achieving a lower percentage indicates better performance.

The most recent HWSS result (2025) showed that 34.8% of the Western Australian population aged 16 years and over reported use of alcohol at risky levels. This result is 0.3 percentage points lower than the 2025-26 target, and 1.6 percentage points lower than the 2024 result of 36.4%. The Commission continues to deliver a comprehensive approach for reducing alcohol use and harms with a strategic focus on prevention, harm reduction, treatment and support aligned to the Western Australian Mental Health and Alcohol and Other Drugs Strategy 2026-2031.




3. The HWSS design and methodology is available from the Department of Health website: https://www.health.wa.gov.au/-/media/Files/Corporate/Reports-and-publications/Population-surveys/Technical-paper-no1-Design-and-Methodology.pdf

## Key Effectiveness Indicator 2.2: Percentage of the population aged 16 years and over reporting recent use of illicit drugs

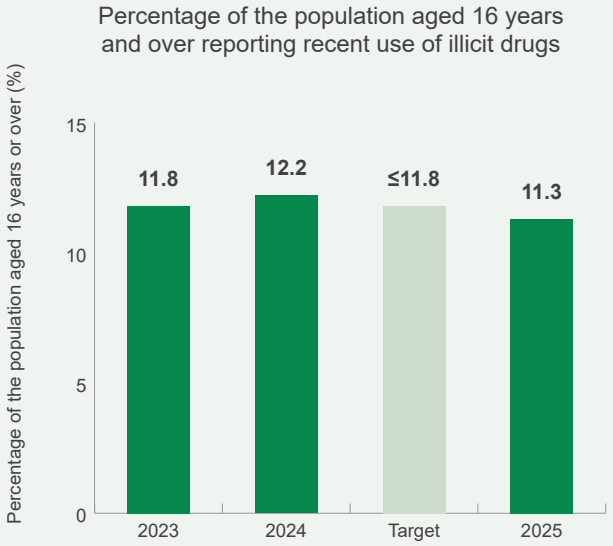
Measures the proportion of the Western Australian population aged 16 years and over reporting recent use of illicit drugs. The term 'illicit drugs', as reported in the Western Australia Health and Wellbeing Surveillance System (HWSS), includes illegal drugs (such as cannabis, ecstasy, methamphetamines, amphetamines, heroin, cocaine, and hallucinogens), pharmaceuticals (such as painkillers, tranquillisers, steroids, buprenorphine, and methadone) used for non-medical purposes, and other drugs. The term 'recent use' refers to the use of drugs within the twelve months prior to being surveyed for the HWSS. Data is sourced from the Epidemiology Directorate, Department of Health.

The HWSS is a population-based survey representative of a wide range of Western Australian residents. Information for the HWSS is collected through telephone interviews by trained interviewers or online surveys[5]. In 2025, 10,544 responses were collected from individuals aged 16 years and over[6]. The Department of Health applies population weightings to estimate the prevalence of the Western Australian population reporting recent use of illicit drugs.

In 2025-26, the target for the percentage of the population aged 16 years and over reporting recent use of illicit drugs was ≤11.8%. This target was based on the 2023 preliminary results from the HWSS, which was the best available data for Western Australia at the time the target was set. Achieving a lower percentage indicates better performance.

The most recent survey conducted in 2025 showed that 11.3% of the Western Australian population aged 16 years and over reported using illicit drugs in the previous 12 months. This result is 0.5% lower than the 2025-26 target and is 0.9% lower than the 2024 result of 12.2%.

Reducing illicit drug use lowers the impact of short-term risk and contributes to the prevention of long-term health related harm. This indicator reflects the population-level impact of prevention initiatives across a range of government departments, including the Commission, on reducing the incidence of use and harm associated with illicit drug use.




5. The HWSS design and methodology is available from the Department of Health website: https://www.health.wa.gov.au/-/media/Files/Corporate/Reports-and-publications/Population-surveys/Technical-paper-no1-Design-and-Methodology.pdf

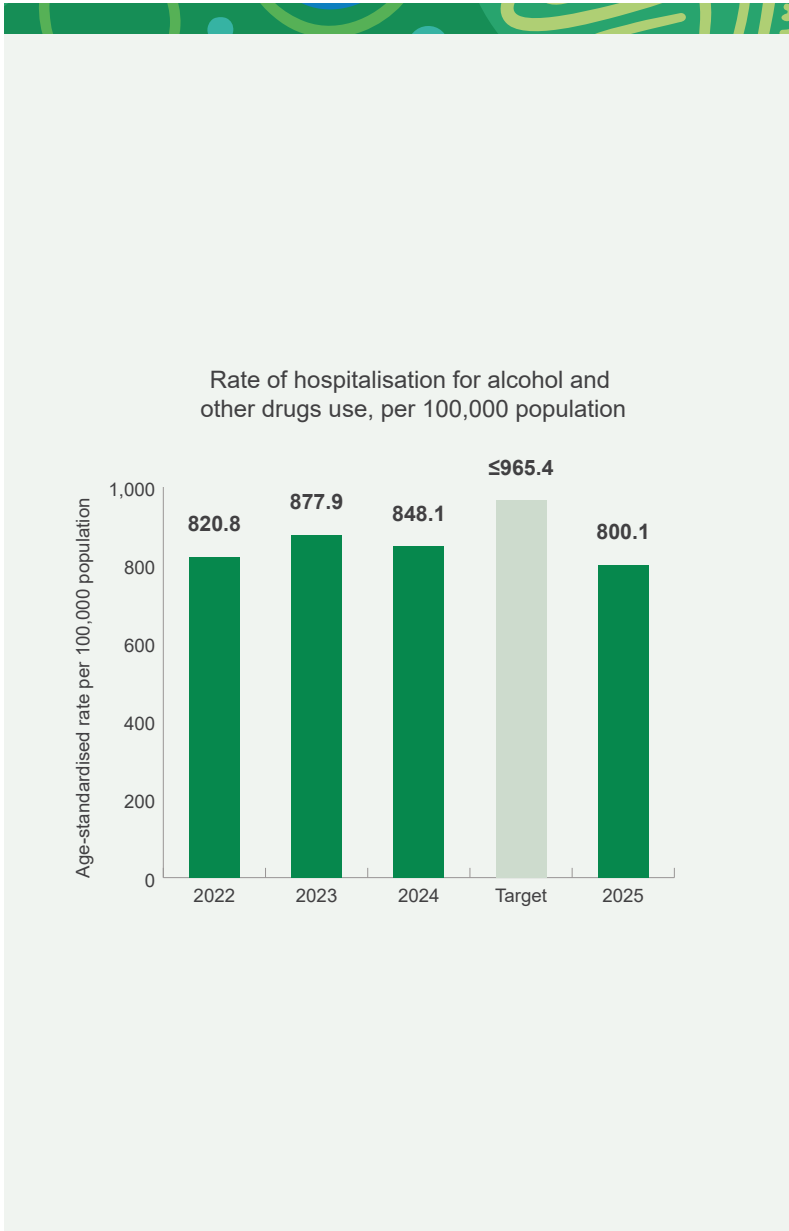
## Key Effectiveness Indicator 2.3: Rate of hospitalisation for alcohol and other drug use

Measures the age-standardised rate of hospitalisations attributable to alcohol and other drug use per 100,000 population. Estimates called aetiological fractions are used to determine what proportion of hospitalisations are likely due to the effects of alcohol and other drugs. These estimates are based on published literature. Hospitalisation data is a robust measure of harmful health effects attributable to the use of alcohol and other drugs in the community. Data is sourced from the Epidemiology Directorate, Department of Health using the Hospital Morbidity Data Collection for the calendar year.

This indicator reflects the impact of prevention initiatives across a range of government departments, including the Commission, and the effectiveness of alcohol and other drug services that aim to provide high quality and appropriate treatments and supports to reduce the harm associated with alcohol and other drug use. It can be broadly interpreted as a measure of the impact of alcohol and other drug use on the health of the general Western Australian population.

In 2025-26, the target for the rate of hospitalisations for alcohol and other drug use was <965.4 per 100,000 population. Achieving a lower rate indicates better performance.

The latest available data is for the 2025 calendar year, and the age-standardised rate of hospitalisations attributable to alcohol and other drug use is 800.1 per 100,000 population. This result is 17.1% below the 2025-26 target of 965.4 per 100,000 population and 5.7% below the 2024 result of 848.1 per 100,000 population. The result reflects successful across-government action in delivering on prevention strategies and expanding treatment and support services. However, a continued focus in these areas is required, noting other acute alcohol and other drug harm indicators are seeing an upward trend.



# Outcome 3

## Accessible, high quality and appropriate mental health and alcohol and other drug treatments and supports

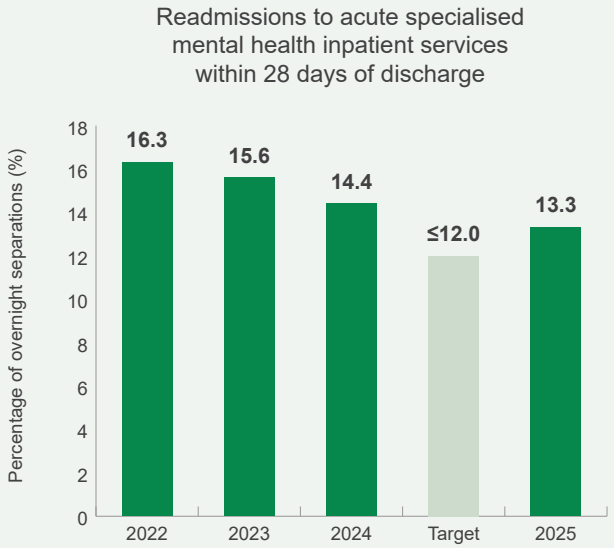
### Key Effectiveness Indicator 3.1: Readmissions to acute specialised mental health inpatient services within 28 days of discharge

Measures the proportion of overnight separations from acute specialised mental health inpatient units that are followed by readmission to the same or another specialised mental health inpatient unit within 28 days of discharge. This indicator measures the appropriateness and quality of care provided by acute mental health inpatient services. The readmission rate is an indicator of effectiveness and continuity of care in the delivery of mental health services.

Admissions to a specialised mental health inpatient unit following a recent discharge may indicate that inpatient treatment was either incomplete or ineffective, or that follow-up care was insufficient to support the person to remain out of hospital. It should be noted that the readmission rate does not differentiate between planned and unplanned readmissions, which may affect the overall readmission rates. Planned readmissions may be part of a staged discharge plan or a component of the care plan for the presenting diagnosis. Data is provided by the Department of Health's Hospital Morbidity Data Collection for the calendar year, which is the most recent available.

In 2025-26, the target for the percentage of readmissions to acute specialised mental health inpatient services within 28 days of discharge was ≤12.0%, which is the national target[7]. Achieving a lower percentage indicates better performance.

The latest available data is for the 2025 calendar year, and the result for the readmission rate to acute mental health inpatient facilities within 28 days of discharge was 13.3%. This result is 1.3 percentage points higher than the 2025-26 target of ≤12.0% and 1.1 percentage points lower than the 2024 result of 14.4%. The Commission is continuing to work with Health Service Providers to further improve performance.




7. Agreed national target under the Fourth National Mental Health Plan, Performance Indicator 14 – Readmission to hospital within 28 days of discharge: https://www.aihw.gov.au/getmedia/d8e52c84-a53f-4eef-a7e6-f81a5af94764/

## Key Effectiveness Indicator 3.2: Percentage of post-discharge community care within seven days following discharge from acute specialised mental health inpatient services

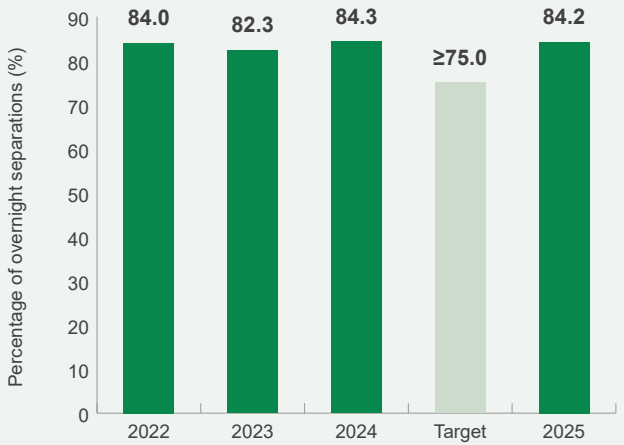
Measures the proportion of overnight separations from public mental health inpatient units where a community-based mental health service contact occurred within seven days following discharge (post-discharge follow-up). Seven days was recommended nationally as an indicative time period for contact within the community following discharge from hospital. This indicator measures the quality of care provided by mental health services. More specifically, it is an indicator of continuity of care in the delivery of mental health services. Data is sourced from the Department of Health's Mental Health Information Data Collection and Hospital Morbidity Data Collection for the calendar year, which is the most recent available.

A higher percentage of contact with community mental health services within seven days post-discharge should lead to a lower proportion of readmissions. These community treatment services provide ongoing clinical treatment and access to a range of programs that maximise an individual's independent functioning and quality of life. Discharge from mental health inpatient units is a critical transition point in the delivery of mental health care. People leaving hospital after an admission for an episode of mental illness have heightened levels of vulnerability and, without adequate follow-up, may relapse and/or need to be readmitted into hospital.

In 2025-26, the target for the percentage of post-discharge community care within seven days following discharge from acute specialised mental health inpatient services was ≥75.0%, which is the national target[8]. Achieving a higher percentage indicates better performance.

The latest available data is for the 2025 calendar year, and the percentage of post-discharge follow-up was 84.2%. This result is 9.2 percentage points higher than the 2025-26 target and 0.1 percentage points lower than the 2024 result of 84.3%. Since 2022, performance above the target has been consistently achieved due to the Health Service Providers implementing strategies and formal processes to ensure patients discharged from inpatient mental health services have a follow-up within seven days. The Commission continues to monitor this indicator and regularly reviews results with the Health Service Providers to further improve performance.

Percentage of post-discharge community care within seven days following discharge from acute specialised mental health inpatient services




The 2022, 2023, and 2024 figures presented in the above have been recalculated to align with methodology changes applied to the 2025 figure and are therefore not comparable with historical figures published in previous annual reports.

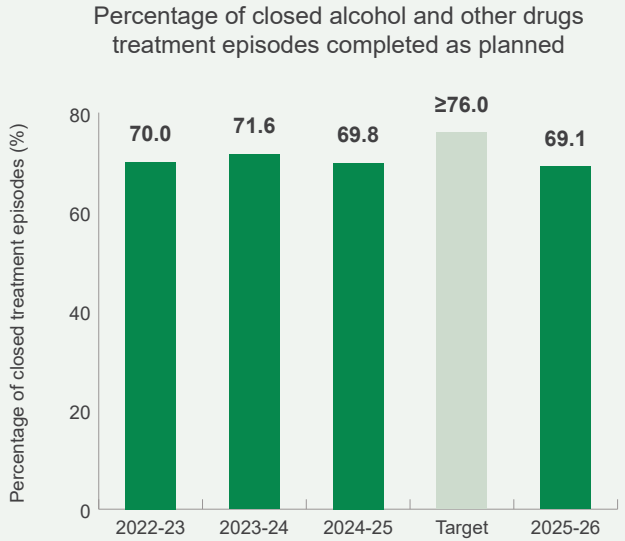
8. Agreed national target under the Fourth National Mental Health Plan, Performance Indicator 16 – Rates of post-discharge community care: https://www.aihw.gov.au/getmedia/d8e52c84-a53f-4eef-

## Key Effectiveness Indicator 3.3: Percentage of closed alcohol and other drug treatment episodes completed as planned

Measures the percentage of closed treatment episodes in alcohol and other drug treatment services that were completed as planned. An episode is the period of care between the start and end of treatment. A high percentage of closed alcohol and other drug treatment episodes completed as planned is indicative of high quality and appropriate care in alcohol and other drug treatment and support. Data is sourced from the Commission's Alcohol and Other Drug Treatment Data Collection and is for the twelve-month period from April to March to allow for a three-month lag for coding and auditing purposes.

In 2025-26, the target for the percentage of closed alcohol and other drug treatment episodes completed as planned was ≥76.0%, which is the same as previous years. Achieving a higher percentage indicates better performance.

In 2025-26, the percentage of closed treatment episodes that were completed as planned was 69.1%. This result is 6.9 percentage points below the 2025-26 target and 0.7 percentage points lower than the 2024-25 result of 69.8%. The increasing complexity of clients, particularly in relation to co-occurring mental health issues, continues to impact treatment episode completion rates. The Commission is continuing to work with service providers towards the target to ensure high quality and appropriate care.



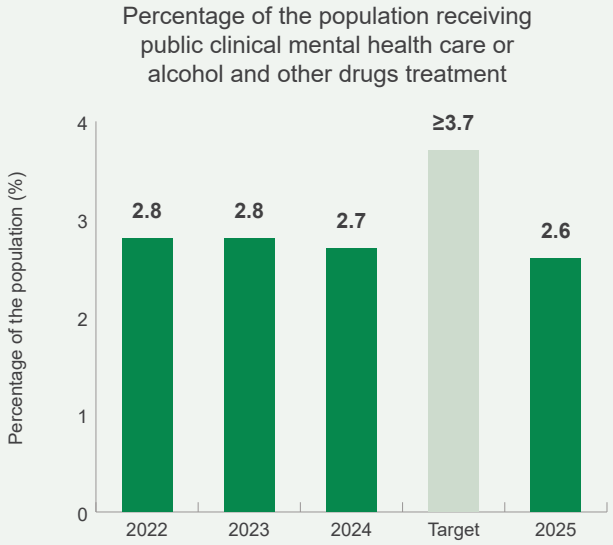
## Key Effectiveness Indicator 3.4: Percentage of the population receiving public clinical mental health care or alcohol and other drug treatment

Measures the proportion of the Western Australian population using a specialised public mental health service or receiving public alcohol and other drug treatment. Data on public clinical mental health care is for the 2025 calendar year and is sourced from the Department of Health's Mental Health Information Data Collection and the Hospital Morbidity Data Collection. The population figures are sourced from the Australian Bureau of Statistics (ABS). Data is based on the ABS June 2025 population estimate released for December 2025, and last updated on 18 June 2026.

The Alcohol and Other Drug Treatment Services National Minimum Data Set (AODTS NMDS) covers most publicly funded alcohol and other drug treatment services, including those provided by government and non-government organisations. It is noted that it is difficult to fully quantify the scope of alcohol and other drug services in Australia, as people receive treatment for alcohol and other drug-related issues in a variety of settings that are outside the scope of the AODTS NMDS. These out-of-scope services include but are not limited to private treatment agencies, prisons, accommodation services and general practitioners. Alcohol and other drug treatment data is for the 2024-25 financial year.

In 2025-26, the target for the percentage of the population receiving public clinical mental health care or alcohol and other drug treatment was ≥3.7%, which is based on prior year target set during the WA State Budget process. A higher percentage indicates greater access to services for people who require them.

In 2025, the percentage of the Western Australian population receiving public mental health care or alcohol and other drug treatment was 2.6%. This result is 1.1 percentage points lower than the 2025-26 target and is comparable to the 2024 result. This is a result of fewer clients receiving mental health or alcohol and other drug treatment, which may be associated with the increasing complexity and acuity of clients. The Commission is continuing to work with Health Service Providers and funded non-government organisations delivering mental health or alcohol and other drug treatment to further improve access.




The 2023, 2024, 2025 and target figures presented above include 10-year-olds and above for the population receiving alcohol and other drug treatment, while the 2022 figure uses the whole Western Australian population.

# Detailed Key Efficiency Indicators

## Service 1

### Prevention

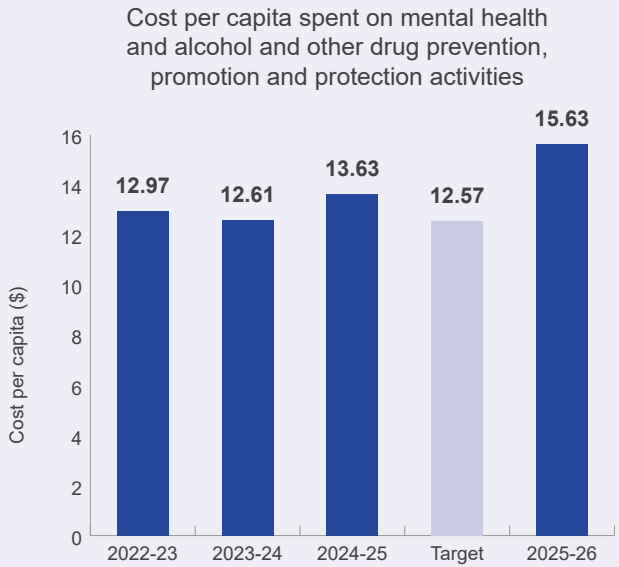
#### Key Efficiency Indicator 1.1: Cost per capita spent on mental health and alcohol and other drug prevention, promotion and protection activities

Measures the Commission's per capita expenditure on mental health and alcohol and other drug prevention, promotion, and protection activities for the Western Australian population. Mental health prevention, promotion and protection activities target all ages while alcohol and other drug initiatives target individuals 14 years of age and over. This indicator monitors investment by the Commission in activities that aim to eliminate or reduce modifiable risk factors associated with individual, social and environmental health determinants to enhance mental health and wellbeing and prevent mental illnesses and alcohol and other drug related harm before they occur. The aim is to increase the proportional investment in prevention activities and gain a return in health, economic and social benefits for the Western Australian community.

Data is sourced from the Commission's financial systems, while population figures for Western Australia are from the Australian Bureau of Statistics. The population data for the 2025-26 result is based on the ABS June 2025 population estimate for Western Australia, released in December 2025, and last updated on 18 June 2026. Cost data is for the financial year.

In 2025-26, the target for the cost per capita spent on mental health and alcohol and other drug prevention and promotion activities was $12.57, which is based on estimated funding on mental health and alcohol and other drug prevention, promotion and protection activities set during the WA State Budget process. A higher cost per capita indicates greater funding towards prevention and promotion activities in Western Australia.

In 2025-26, the cost per capita spent on mental health and alcohol and other drug prevention, promotion and protection activities was $15.63. The result is 24.3% higher than the 2025-26 target and 14.7% higher than the 2024-25 result of $13.63. The higher result compared to the target is primarily due to the increase in total spending on mental health and alcohol and other drug prevention, promotion and protection activities.



# Service 2

## Hospital Bed-Based Services

### Key Efficiency Indicator 2.1: Average cost per purchased bed-day in specialised mental health and alcohol and other drug units

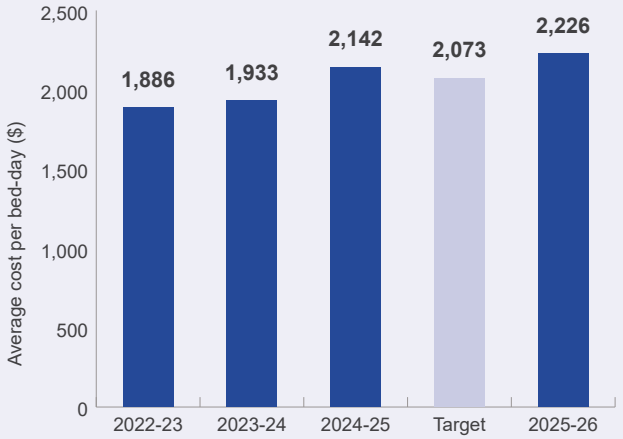
Measures the average cost per purchased bed-day in specialised acute, sub-acute and hospital in the home mental health and alcohol and other drug inpatient units. Cost per inpatient bed-day is defined as expenditure on inpatient services divided by the number of inpatient bed-days. Financial year data is drawn from the Commission's financial systems, bed-days are sourced from BedState[9] from the Department of Health and Next Step Drug and Alcohol Services data is extracted from the Commission's Alcohol and Other Drug Treatment Data Collection[10].

Acute hospital beds provide hospital-based inpatient assessment and treatment services for people experiencing severe episodes of mental illness. Acute inpatient services also include the Next Step inpatient withdrawal unit and Cockburn Health service. Sub-acute hospital services provide hospital-based treatment and rehabilitation for people with unremitting and severe symptoms of mental illness and an associated significant disturbance in behaviour. Sub-acute services provide mental health treatment, rehabilitation and support for adults, older adults and young people (18 years old and over). The Hospital in the Home Mental Health (HITH-MH) program offers individuals the opportunity to receive hospital level treatment in their home, where clinically appropriate. HITH-MH is delivered by multidisciplinary mental health teams with a service focus of mental health interventions and support towards recovery. HITH-MH is delivered in the community, but measured and funded as inpatient hospital activity, and therefore falls under the hospital beds stream for funding purposes.

In 2025-26, the target for the average cost per purchased bed-day in specialised mental health and alcohol and other drug units was $2,073, which was based on the 2025-26 estimated result approved through the WA State Budget process. A result below target indicates there were more bed-days or less funding provided than expected. A result above target indicates there were fewer bed-days or more funding provided than expected.

In 2025-26, the average cost per bed-day in specialised mental health and alcohol and other drug units was $2,226. This result is 7.4% higher than the 2025-26 target and 3.9% higher than the 2024-25 result of $2,142. The higher result in 2025-26 is primarily due to increased funding received by the Commission to operationalise mental health and alcohol and other drug inpatient beds.

Average cost per purchased bed-day in specialised mental health and alcohol and other drug units




The 2022-23 result has been recalculated to include hospital in the home mental health units to align with current reporting and is therefore not comparable with annual reports published prior to 2023-24.

9. A bed-day is the number of occupied beds as at midnight census of patients in specialised mental health inpatient units. BedState does not report beds being occupied if patients are on leave from hospital at the time of the census (midnight).

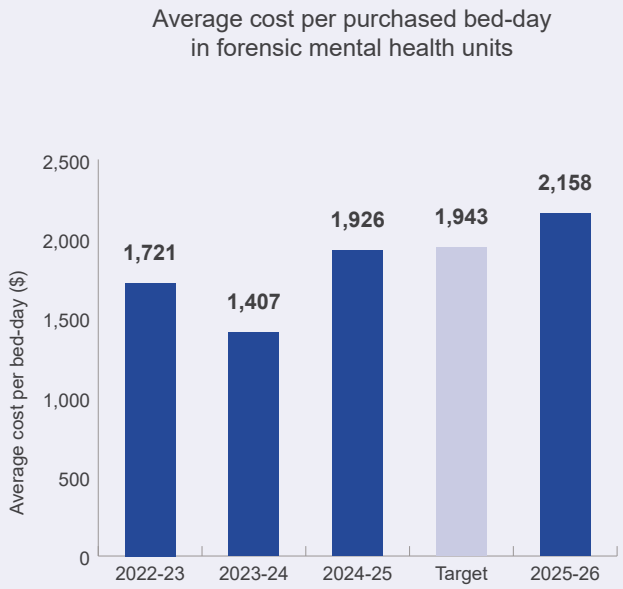
### Key Efficiency Indicator 2.2: Average cost per purchased bed-day in forensic mental health units

Measures the average cost per inpatient bed-day in forensic mental health units. The unit cost of admitted patient care in forensic specialised mental health units is closely monitored to ensure cost effectiveness. Data is for the financial year and is sourced from the Commission's financial systems and BedState from the Department of Health.

Forensic beds include both acute and sub-acute beds. Forensic mental health acute inpatient beds are authorised to provide secure mental health care for people within the criminal justice system on special orders. These beds provide specialist multidisciplinary forensic mental health care including close observation, assessment, evidence-based treatments, court reports and physical health care. Forensic sub-acute beds are for those people who may have been in an acute forensic inpatient bed and are awaiting discharge into the community or back to prison. Cost per inpatient bed-day is defined as expenditure on forensic inpatient services divided by the number of forensic inpatient bed-days.

In 2025-26, the target for the average cost per purchased bed-day in forensic mental health units was $1,943, which was based on the 2025-26 estimated result approved through the WA State Budget process. A result below target indicates there were more bed-days or less funding provided than expected. A result above target indicates there were fewer bed-days or more funding provided than expected.

In 2025-26, the average cost per bed-day in forensic units was $2,158. This result is 11.1% higher than the 2025-26 target of $1,943 and 12.0% higher than the 2024-25 result of $1,926. The above target result is primarily due to increased funding received by the Commission to operationalise mental health beds.



# Service 3

## Community Bed-Based Services

### Key Efficiency Indicator 3.1: Average cost per purchased bed-day in mental health 24 hour and non-24 hour staffed community bed-based services

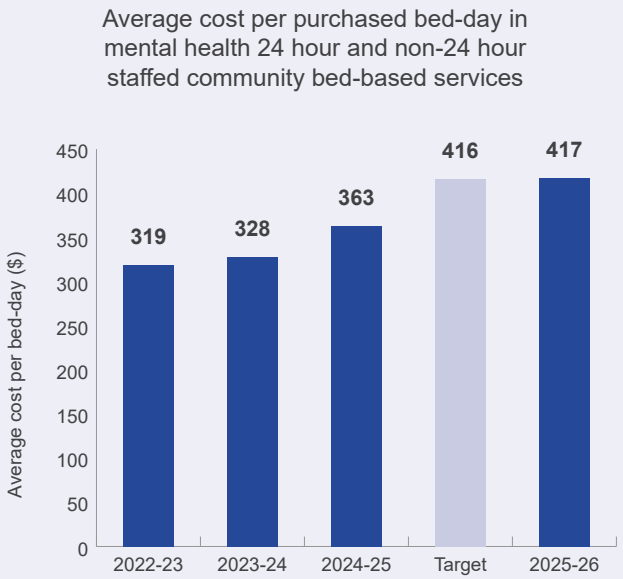
Measures the average cost per bed-day in mental health 24 hour and non-24 hour staffed community bed-based services. Data is for the financial year and is sourced from the Commission's financial systems and the Commission's Contract Acquittal Data Collection. Activity data is for six months (July 2025 to December 2025) extrapolated to twelve months.

Non-government organisations provide accommodation in residential units for people affected by mental illness who require support to live in the community. Services include support with self-management of personal care and daily living activities as well as initiating appropriate treatment and rehabilitation to improve the quality of life. These services provide support for adults who have severe and persistent symptoms of mental illness, who have significant behavioural problems, and who have support and care needs above those that would enable them to live independently in the community.

Services can be staffed either 24 hours a day for those who require more intensive support or less than 24 hours a day for people with less severe mental health and behavioural problems. Where services are staffed less than 24 hours a day, appropriate staff are still available (e.g., on call) when required.

In 2025-26, the target for the average cost per purchased bed-day in mental health 24 hour and non-24 hour staffed community bed-based services was $416, which was based on the 2025-26 estimated result approved through the WA State Budget process. A result below target indicates there were more bed-days or less funding provided than expected. A result above target indicates there were fewer bed-days or more funding provided than expected.

In 2025-26, the average cost per purchased bed-day for 24 hour and non-24 hour staffed community bed-based services was $417. This result is 0.2% above the 2025-26 target and 14.9% higher than the 2024-25 result of $363. The higher result for 2025-26 may be attributed to increasing costs of community bed-based services delivery, including higher staff costs to meet licensing requirements and the commencement of the Karratha Step Up/Step Down service. Furthermore, there was new funding for a residential parenting service.



## Key Efficiency Indicator 3.2: Average cost per bed-day in mental health step up/step down community bed-based units

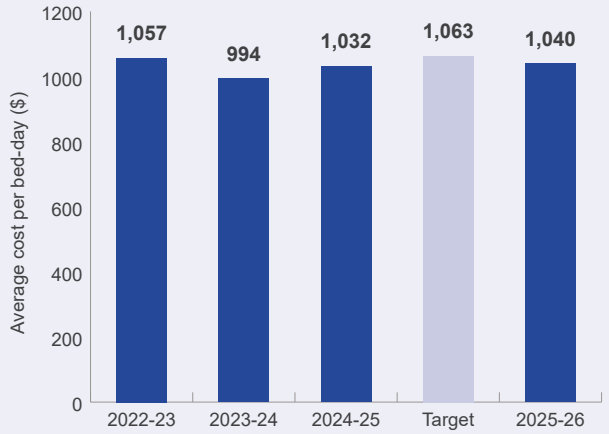
Measures the average cost per bed-day in mental health step up/step down community bed-based units. Cost data is for the financial year and is sourced from the Commission's financial systems. Activity data is for six months (July 2025 to December 2025) extrapolated to twelve months and is sourced from the Commission's Contract Acquittal Data Collection.

The mental health step up/step down service in Western Australia provides short-term mental health care in a residential setting that promotes recovery and reduces the disability associated with mental illness. These are comprehensive services designed to deliver support to individuals that is aimed at improving symptoms, encouraging the use of functional abilities and assists in facilitating a return to the usual environment. This is achieved within a framework of recovery and rehabilitation and is delivered predominantly through non-clinical activities. This service is provided to people who have recently experienced, or who are at risk of experiencing, an acute episode of mental illness. This usually requires short-term treatment and support to reduce distress that cannot be adequately provided in the person's home but does not require the treatment intensity provided by acute hospital inpatient services.

In 2025-26, the target for the average cost per bed-day in mental health step up/step down community bed-based units was $1,063, which was based on the 2025-26 estimated result approved through the WA State Budget process. A result below target indicates there were more bed-days or less funding provided than expected. A result above target indicates there were fewer bed-days or more funding provided than expected.

In 2025-26, the average cost per bed-day in mental health step up/step down community bed-based units was $1,040. This is 2.2% lower than the 2025-26 target of $1,063 and 0.8% higher than the 2024-25 result of $1,032. The lower result for 2025-26 compared to the target is due to the higher than expected occupancy in some Step Up/Step Down services compared to previous years.

Average cost per bed-day in mental health step up/step down community bed-based units



### Key Efficiency Indicator 3.3: Average cost per closed treatment episode in alcohol and other drug residential rehabilitation and low medical withdrawal services

Measures the average cost per closed treatment episode in community based alcohol and other drug residential rehabilitation and low medical withdrawal services. Treatment episode data is sourced from the Commission's Alcohol and Other Drug Treatment Data Collection for the twelve-month period from April to March and allows for a three month lag for coding and auditing purposes. Cost data is for the financial year and is sourced from the Commission's financial systems.

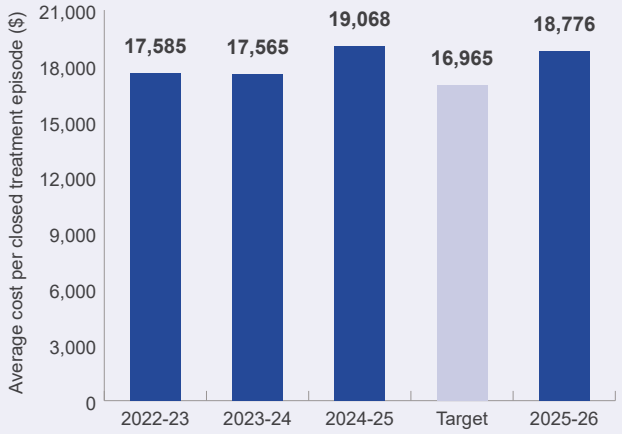
Alcohol and other drug community bed-based services include residential rehabilitation and low medical withdrawal services which provide 24 hour, seven days per week, recovery orientated treatment in a residential setting. Bed-based low medical withdrawal provides a supportive care model, based on non-medical or low medical interventions with support provided by a visiting doctor or nurse specialist. These programs are most appropriate when the withdrawal symptoms are likely to be low to moderate and there is a lack of social support or an unstable home environment.

Residential rehabilitation provides clients (following withdrawal) with a structured program of medium to longer-term duration that may include counselling, behavioural treatment approaches, recreational activities, social and community living skills and group work.

In 2025-26 the target for the average cost per closed treatment episode in alcohol and other drug residential rehabilitation and low medical withdrawal services was $16,965, which was based on the 2025-26 estimated result approved through the WA State Budget process. A result below target indicates there were more closed treatment episodes or less funding provided than expected. A result above target indicates there were fewer closed treatment episodes or more funding provided than expected.

In 2025-26, the average cost per completed treatment episode in alcohol and other drug residential rehabilitation and low medical withdrawal services was $18,776. This is 10.7% above the 2025-26 target of $16,965 and 1.5% below the 2024-25 result of $19,068. The above target result may be attributed to the lower than expected number of closed treatment episodes and higher than expected costs. The complexity of clients impacts closed treatment episodes in alcohol and other drug residential rehabilitation and low medical withdrawal services.

Average cost per closed treatment episode in alcohol and other drugs residential rehabilitation and low medical withdrawal services



# Service 4

## Community Treatment

### Key Efficiency Indicator 4.1: Average cost per purchased treatment day of ambulatory care provided by public clinical mental health services

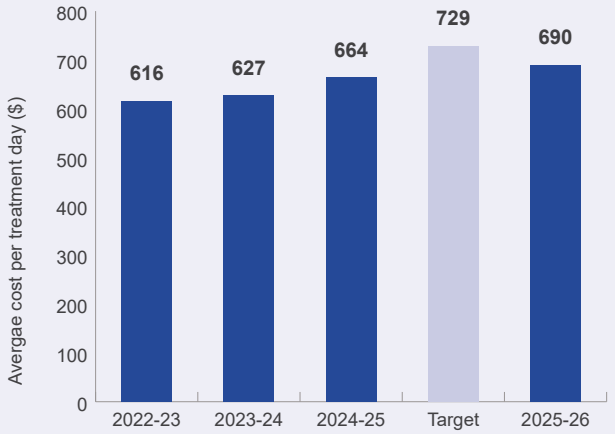
Measures the average cost per purchased treatment day of ambulatory care provided by public clinical mental health services. Treatment days is sourced from the Department of Health's Mental Health Information Data Collection (MIND), the Commission's Contract Acquittal Data Collection and non-government organisations. Treatment days from the Department of Health is for the financial year, while for non-government organisations it is for six months (July 2025 to December 2025) extrapolated to twelve months. Cost data is for the financial year and is sourced from the Commission's financial systems.

An ambulatory mental health care service (i.e., community treatment) is a specialised mental health organisation that provides services to people who are not currently admitted to a mental health inpatient or residential service. Services are delivered by health professionals with specialist mental health qualifications or training. This indicator is the total funding divided by the number of community treatment days provided by ambulatory mental health services.

In 2025-26, the target for the average cost per purchased treatment day of ambulatory care provided by public clinical mental health services was $729, which was based on the 2025-26 estimated result approved through the WA State Budget process. A result below target indicates that there were more treatment days or less funding provided than expected. A result above target indicates that there were fewer treatment days or more funding provided than expected.

In 2025-26, the average cost per purchased treatment day of ambulatory care provided by public clinical mental health services was $690. This result is 3.9% higher than the 2024-25 result of $664 primarily due to additional funding for Infants, Children and Adolescents System Transformation initiatives (including the Acute Care Response Teams), and extension of the Active Recovery Team pilot program. Compared to the target of $729, the 2025-26 result is 5.3% lower primarily due to the higher than expected number of community treatment sessions per individual accessing public clinical mental health services.

Average cost per purchased treatment day of ambulatory care provided by public clinical mental health services




The unit measure for non-government organisations data for 2023-24 was changed from number of hours to number of sessions as each session is delivered within a day. As such the 2022-23 figures are not comparable with results from 2023-24 onwards and the target.

## Key Efficiency Indicator 4.2: Average cost per closed treatment episode in community treatment-based alcohol and other drug services

Measures the average cost per closed treatment episode in community treatment-based alcohol and other drug services. Treatment episode data is sourced from the Alcohol and Other Drug Treatment Data Collection and is for the 12-month period between April to March to allow for a three-month lag for coding and auditing purposes. Cost data is for the financial year and is sourced from the Commission's financial systems.

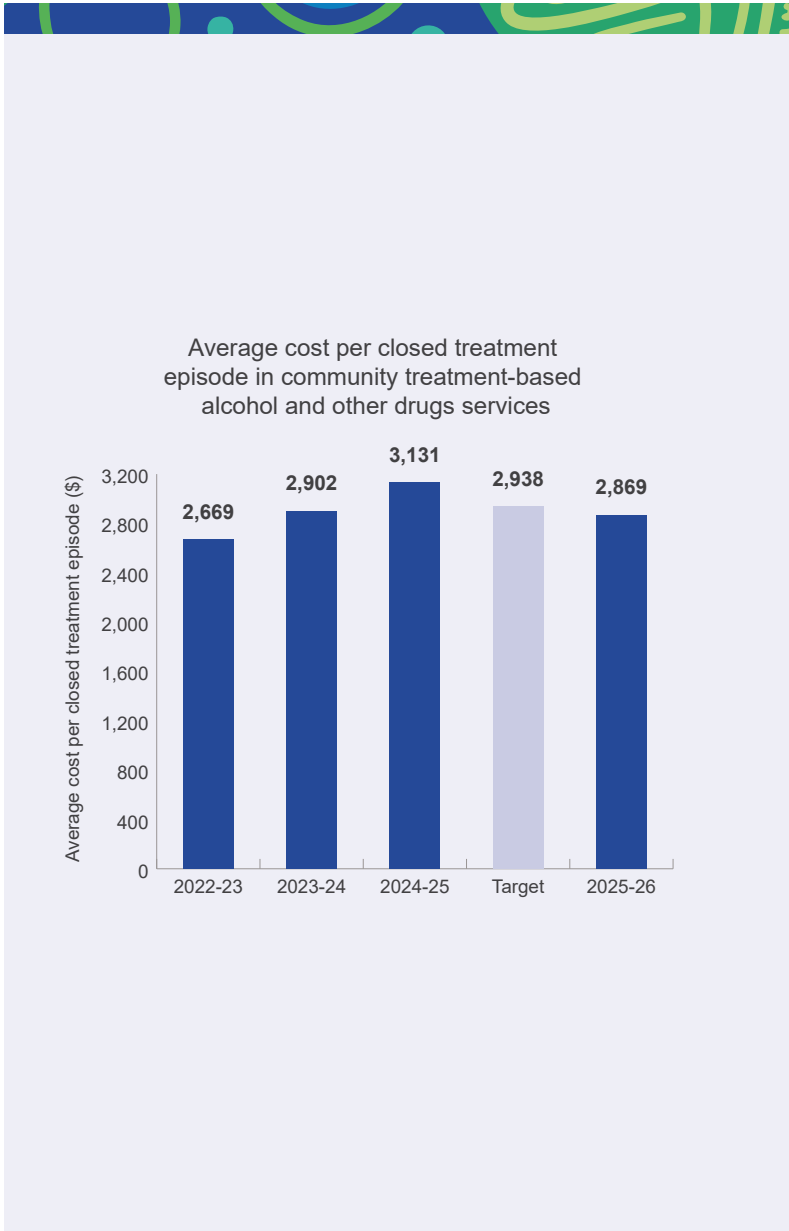
The Commission supports a comprehensive range of outpatient counselling, pharmacotherapy and support and case management services, including specialist Indigenous, youth, women's and family services, which are provided primarily by non-government agencies specialising in alcohol and other drug treatment.

The Western Australian Diversion Program aims to reduce crime by diverting offenders with drug use problems away from the criminal justice system and into treatment to break the cycle of offending and address their drug use. The Alcohol and Drug Mental Health Support Service (ADMHSS) is a 24-hour, statewide, confidential telephone service providing information, advice, counselling and referral to anyone concerned about their own or another person's alcohol and other drug use. Callers have the option of talking to a professional counsellor, a volunteer parent or both.

This indicator is the cost for these community-based services divided by the combined number of treatment episodes provided and the number of ADMHSS contacts answered with an outcome of counselling (excluding tobacco-related contacts). A treatment episode is the period of care between the start and end of treatment, whereas for ADMHSS this refers to a single contact (e.g., a phone call or video chat).

In 2025-26, the target for the average cost per closed treatment episode in community treatment-based alcohol and other drug services was $2,938, which was based on the 2025-26 estimated result approved through the WA State Budget process. A result below target indicates there were more closed treatment episodes or less funding provided than expected. A result above target indicates there were fewer closed treatment episodes or more funding provided than expected.

In 2025-26, the average cost of a completed treatment episode in community treatment-based alcohol and other drug services was $2,869. This is 2.3% lower than the 2025-26 target of $2,938 and 8.4% lower than the 2024-25 result of $3,131. The lower result for 2025-26 is primarily due to the higher than expected number of closed treatment episodes and ADSS contacts.



# Service 5

## Community Support

### Key Efficiency Indicator 5.1: Average cost per hour for community support provided to people with mental health issues

Measures the average cost per hour for community support provided to people with mental health issues. Cost data is for the financial year and is sourced from the Commission's financial systems. Activity data is for 6 months (July 2025 to December 2025) extrapolated to 12 months and is sourced from the Commission's Contract Acquittal Data Collection and the individualised programs, which include the Individualised Community Living Strategy (ICLS), Youth Psychosocial Support Packages (YPSP) and Youth Transitional Housing and Support Program (YTH&SP) service providers.

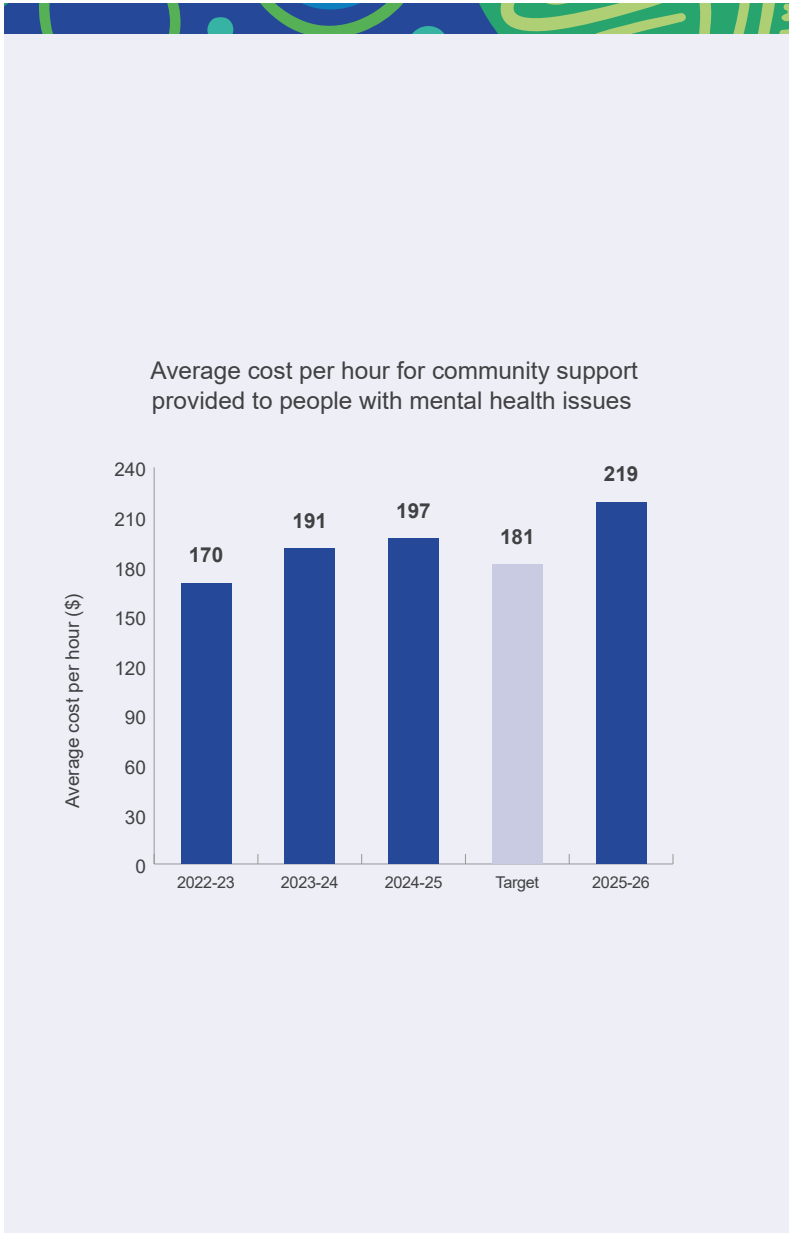
Community-based support programs support people with mental health issues to develop/ maintain skills required for daily living, improve personal and social interaction, and increase participation in community life and activities. They also aim to decrease the burden of care for carers. These services are provided primarily in the person's home or in the local community. The range of services provided is determined by the needs and goals of the individual.

As a type of community support service, these individualised programs are a collaborative partnership approach between Health Service Providers, Community Managed Organisations,

clinical and psychosocial supports and services, in addition to appropriate housing (individual packages of support exclusive of housing are also provided) for individuals to maximise their success in recovery and living in the community.

In 2025-26, the target for the average cost per hour for community support provided to people with mental health issues was $181, which was based on the 2025-26 estimated result approved through the WA State Budget process. A result below target indicates there were more hours for community support or less funding provided than expected. A result above target indicates there were fewer hours for community support or more funding provided than expected.

In 2025-26, the average cost per hour of community support provided to people with mental health issues was $219. This result is 21.0% higher than the 2025-26 target and 11.2% higher than the 2024-25 result of $197. The higher result in 2025-26 may be attributed to several factors, including higher costs associated with increased licensing requirements at licensed psychiatric hostels, fewer hours of community support due to ongoing recruitment challenges and the resulting impact on service delivery (particularly in the regions), and additional community support funding to support consumers with increased acuity and complexity. Some service providers have reported that cost of living pressures are resulting in consumers prioritising other areas of life over receiving support, which may also



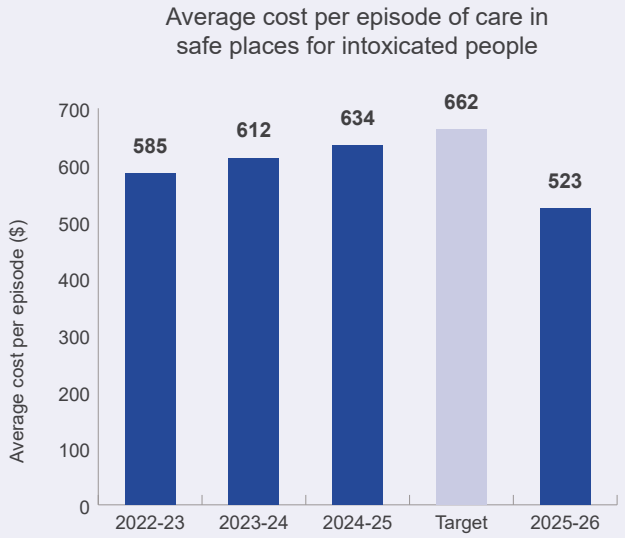
### Key Efficiency Indicator 5.2: Average cost per episode of care in safe places for intoxicated people

Measures the average cost per episode of care in safe places for intoxicated people. Cost data is presented for the financial year. Data is sourced from the Commission's financial systems and the Sobering Up Centre database.

Safe places for intoxicated individuals or Sobering Up Centres provide supportive care overnight for intoxicated individuals. As of 30 June 2026, there were nine Sobering Up Centres in Western Australia providing a safe, care-oriented environment in which people found intoxicated in public may sober up. Sobering Up Centres help to reduce the harm associated with intoxication for the individual, their families, and the broader community, and play a key role in the response to family and domestic violence. People may refer themselves to a centre or be brought in by the police, a local patrol, health/welfare agencies, or other means. Attendance at a centre is voluntary and is influenced by seasonal factors such as wet seasons, transient populations (particularly in regional and remote areas), cultural requirements and liquor restrictions imposed in some areas.

In 2025-26, the target for the average cost per episode of care in safe places for intoxicated people was $662, which was based on the 2025-26 estimated result approved through the WA State Budget process. A result below target indicates there were more episodes of care or less funding provided than expected. A result above target indicates there were fewer episodes of care or more funding provided than expected.

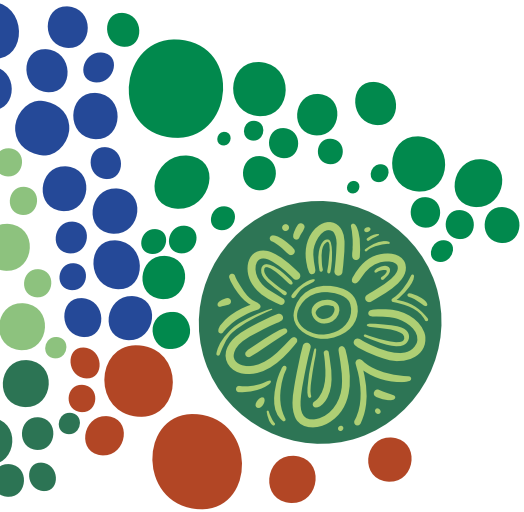
In 2025-26, the average cost per episode of care in safe places for intoxicated people was $523. This result is 21.0% lower than the 2025-26 target of $662 and 17.5% lower than the 2024-25 result of $634. The lower result in 2025-26 compared to the target may be attributed to the higher than expected number of admissions to Sobering Up Centres.



# Statutory information

# Ministerial Directives

Treasurer's Instruction 8 (3.1) requires the Commission to disclose information on any Ministerial directives relevant to the setting of desired outcomes or operational objectives, the achievement of desired outcomes or operational objectives, investment activities and financial activities. No such directives were issued by a Minister with portfolio responsibility for the Commission during 2025-26.



# Board and Committee remuneration

## Alcohol and Other Drugs Advisory Board

| Position | Member's name | Type of remuneration | Period of membership | Term of appointment/ tenure | Base salary/ Sitting fees | Gross remuneration |
|---|---|---|---|---|---|---|
| Chairperson | **Professor Steve Allsop** | Annual | 1 July 2025 to 30 August 2025<br>30 September 2025 to 30 June 2026 | 1 September 2022 to 30 August 2025<br>30 September 2025 to 29 September 2028 | **$26,147.00pa** | $33,604.63 |
| Deputy Chairperson | **Ms Julia Stafford** | Annual | 1 July 2025 to 30 June 2026 | 1 January 2019 to 31 December 2021 (appointed as member)<br>1 Jan 2022 – 7 Apr 2024<br>8 April 2024 to 31 December 2024 (appointed as Deputy Chairperson)<br>1 Jan 2025 – 31 Dec 2027: | **$16,996.00pa** | $23,112.26 |
| Member | **Ms Miriam Rudd** | Sessional | 1 July 2025 to 30 Jun 2026 | 01 April 2019 to 31 December 2021<br>01 January 2022 to 31 December 2024<br>01 January 2025 to 31 December 2027 | **$442 meeting less than 4 hours**<br>**$680 meeting over 4 hours** | $3,731.84 |
| Member | **Commander Lawrence Panaia** | N/A | 1 Jul 2025 – 26 Jan 26 | 27 January 2021 to 26 January 2023<br>27 January 2023 to 26 January 2026 | **N/A** | 0.00 |

| Position | Member's name | Type of remuneration | Period of membership | Term of appointment/ tenure | Base salary/ Sitting fees | Gross remuneration |
|---|---|---|---|---|---|---|
| Member | **Mr Ethan James** | Sessional | 1 July 2025 to 30 June 2026 | 26 January 2023 to 25 January 2026<br>19 January 2026 to 18 January 2029 | **$442 meeting less than 4 hours**<br>**$680 meeting over 4 hours** | $8,665.44 |
| Member | **Ms Nafiso Mohamed** | N/A | 1 July 2025 to 30 June 2026 | 07 June 2021 to 06 June 2023<br>08 April 2024 to 07 April 2027 | **N/A** | 0.00 |
| Member | **Ms Vickey Hill** | N/A | 30 September 2025 to 30 June 2026 | 30 September 2025 to 29 September 2028 | **$442 meeting less than 4 hours**<br>**$680 meeting over 4 hours** | $990.08 |
| Member | **Mr Brett Goring** | N/A | 30 September 2025 to 30 June 2026 | 30 September 2025 to 29 September 2028 | **$442 meeting less than 4 hours**<br>**$680 meeting over 4 hours** | $2,741.76 |
| Member | **Dr James Tidder** | N/A | 30 September 2025 to 30 June 2026 | 30 September 2025 to 29 September 2028 | **N/A** | 0.00 |
| Member | **Mr Paul Dessauer** | N/A | 30 September 2025 to 30 June 2026 | 30 September 2025 to 29 September 2028 | **$442 meeting less than 4 hours**<br>**$680 meeting over 4 hours** | $1,751.68 |

| Position | Member's name | Type of remuneration | Period of membership | Term of appointment/ tenure | Base salary/ Sitting fees | Gross remuneration |
|---|---|---|---|---|---|---|
| Member | **WA Police Force Assistant Commissioner Peter Healy** | N/A | 19 January 2026 to 30 June 2026 | 19 January 2026 to 18 January 2029 | **N/A** | 0.00 |
| Member | **Ms Hayley Diver** | N/A | 30 September 2025 to 30 June 2026 | 30 September 2025 to 29 September 2028 | **$442 meeting less than 4 hours**<br>**$680 meeting over 4 hours** | $2,246.72 |
| **Total** | | | | | | **$76,844.41** |

## Mental Health, Wellbeing and Alcohol and Other Drugs Ministerial Advisory Panel

The Mental Health, Wellbeing and Alcohol and Other Drugs Ministerial Advisory Panel is an expert advisory and consultative body that provides direct feedback to the Minister about system performance and reform progress. Members are appointed for two years. The total sitting fees paid to members was $8,024.00 and the total gross renumeration paid to members was $8,986.88 in 2025-26.

## Clinical Advisory Group

The Clinical Advisory Group is an advisory body and provides contemporary, practical and achievable expert advice on clinical mental health and alcohol and other drugs matters in a range of settings inclusive of both inpatient and community settings. Members are appointed for three years. The total sitting fees paid to members was $2,287.50 and the total gross renumeration paid to members was $ 4,700.52 in 2025-26.

## Lived Experience Advisory Group

The Lived Experience Advisory Group is an advisory body, responsible for ensuring the voices of consumers, family members and significant others and community members with lived and living experience of mental health, alcohol and other drugs issues, harms and service use are embedded in the relevant work being undertaken across the mental health and alcohol and other drugs systems. Members are appointed for three years. The total sitting fees paid to members was $28,612.50 and the total gross renumeration paid to members was $34,463.79 in 2025-26.

# Advertising, market research, polling and direct mail

In accordance with section 175ZE of the Electoral Act 1907, the following table outlines all expenditure incurred by, or on behalf of, the Commission on advertising agencies, market research, polling, direct mail and media advertising during the reporting period.

| Name | Category | Spend |
|---|---|---|
| Vision6 | Direct Mail | $2,663.94 |
| Facebook | Advertising | $3,725.68 |
| LinkedIn | Advertising | $154.35 |
| 303 MullenLowe | Advertising | $4,400.00 |
| Cancer Council of Western Australia | Advertising | $5,042,491.86 |
| Gatecrasher Advertising Pty Ltd | Advertising | $89,157.57 |
| Kantar Public Australia Pty Ltd | Market research | $403,997.00 |
| The Cancer Council Victoria | Market research | $25,835.21 |
| The George Institute for Global Health | Market research | $38,500.00 |
| The Social Research Centre Pty Ltd | Market research | $39,167.08 |
| **Total** | | **$5,650,092.69** |

# Other financial disclosures

## Personal expenditure

In accordance with section 8 (3.2)(ii) of the Treasurer's Instructions, personal expenditure incurred on a WA Government Purchasing Card must be disclosed. During the reporting period there were 13 instances of personal expenditure incurred by Commission staff, as per below:

| **Number of instances a purchasing card has been used for personal use** | **13** |
|---|---|
| Aggregate amount | $367.46 |
| Aggregate amount settled by due date | $340.79 |
| Aggregate amount settled after due date | $26.67 |
| Aggregate amount outstanding | Nil |
| Number of referrals for disciplinary action | Nil |

## Expenditure on consultants for strategic advice

**Engagement of consultants less than $50,000:**

- The Commission had two engagements with an actual cost of $60,899.99 inc GST

**Engagements of consultants greater than $50,000:**

- The Commission engaged the following consultant in 2025-26 where the actual cost was greater than $50,000 inc GST:

| Consultant | Title of project | Actual cost $ (inc GST) |
|---|---|---|
| Ernst & Young | Consultancy to Review the WA Mental Health Emergency Centres | 198,550.00 |
| **Total** | | **198,550.00** |

## Capital works

The Commission's Asset Investment Program includes:

- 20-Bed Alcohol and Other Drug Rehabilitation Facility, total estimated cost $10m, is to be developed in the near future.
- Broome Sobering Up Centre, total estimated cost $11.6 million, is estimated to complete in 2027. Expenditure as of 30 June 2026 is $2.1 million which includes purchasing land. Broome Sobering Up Centre will provide a safe place in which intoxicated people can stay overnight.

## Pricing policies of service provided

The Commission does not receive any fees or charges from users. However, it recoups the cost of services rendered to other public sector agencies on a full or partial cost recovery basis. In addition, the Commission provides services free of charge to MHAS, OCP and MHT. The fair value of these services is disclosed Note 9.10 of the financial statements.

These affiliated bodies are determined by the Treasurer pursuant to Section 60(1)(b) of the Financial Management Act 2006 and receive administrative support, including finance, business services, human resources, information and technology, procurement and contract management, communications, and other corporate services. These are also included in Note 9.6 of the financial statements.

# Employment and industrial relations

## Our workforce

| Staff Headcount | 2024-25 | 2025-26 |
|---|---|---|
| Full-time employment | 232 | 245 |
| Part-time employment | 75 | 62 |
| Casual employment | 19 | 21 |
| **Total** | **326** | **328** |
| On secondment into the Commission | 7 (6 full-time, 1 part-time) | 6 (5 full-time, 1 part-time) |

## Workforce inclusiveness statement

The Commission remains committed to fostering a diverse, inclusive and culturally responsive workforce that reflects contemporary best practice and the needs of the community we serve. A diverse workforce brings a breadth of perspectives, experiences and skills, strengthening our ability to engage meaningfully with consumers, carers and stakeholders, and to deliver services that are respectful, responsive and inclusive.

The Commission continued implementation of its Workforce and Diversity Plan 2025-2027, which outlines a comprehensive program of work aligned to the six diversity areas identified in the Public Sector Commission's Diversity and Inclusion Strategy. A key priority has been strengthening employment pathways and opportunities for people with lived experience, and a significant focus this year has been the delivery of lived experience training, supporting staff to build capability, understanding and confidence in embedding lived experience perspectives into their work.

The Commission also progressed a range of initiatives to support workforce diversity and inclusion outcomes. This included:

- maintaining membership with the Hidden Disabilities Sunflower program
- increasing participation in school-based traineeships
- successfully delivering the graduate program and progressing actions under the Commission's Conciliation Action Plan
- delivering a range of internal events and activities to recognise and celebrate diversity, contributing to an inclusive and engaged workplace culture.

In recognition of employee wellbeing and inclusion, the Commission also highlighted reproductive health as part of International Women's Day. This included raising awareness of conditions such as endometriosis and promoting access to reproductive health leave.

In 2025, the Commission established a Youth Committee supporting staff aged 30 years and younger to navigate their development, opportunities and careers. An outcome of the Youth Committee has been the creation of the Commission's Young Professionals Network providing an opportunity for young staff to connect with committee members and receive informal updates on upcoming activities.

## Compliance with public sector standards and ethical codes

The Commission promotes a culture of integrity, accountability and ethical behaviour and encourages employees to report suspected misconduct so that concerns can be appropriately assessed and managed.

Employees are required to comply with the Code of Conduct and are made aware of expected standards of behaviour through induction programs, mandatory training and ongoing communication.

The Commission also supports compliance through its learning and development, which includes mandatory training requirements and professional development opportunities for all employees.

During the reporting period, the Commission received no claim(s) relating to breaches of public sector standards. During the reporting period, there were no instance(s) of non-compliance with the Commission's Code of Conduct.

## Staffing, Occupational Safety, Health and Injury Management

The Commission is committed to providing a work environment that is physically and psychologically safe, and to prioritising the mental and physical health and wellbeing of our people.

In 2025-26, the Commission partnered with Curtin University's Future of Work Institute to implement the Thrive At Work Wellbeing Initiative.

Key activities included:

- an audit of workplace systems and practices
- an employee perceptions survey of workplace mental health and wellbeing with a results playback to staff
- SMART workshops to capture the workforce experiences regarding work designs and solutioning.

The Commission has also been committed to the implementing of wellness initiatives over the past 12 months. This included:

- hosting onsite Proactive Wellness sessions, where workers could confidentially book individual sessions with a psychologist from our EAP Provider, in addition to their EAP entitlement
- launching Fitness Passport, providing workers with a discounted membership that enables them to access a range of fitness facilities at any one time
- onsite skin checks and influenza vaccinations
- access to webinars and resources on topics including menopause and mental health, endometriosis and Body Kind workplace.

The Commission values the roles workers volunteer to undertake in addition to their regular roles and has increased support and engagement with the various groups, including Health and Safety Representatives, First Aid Officers, Mental Health First Aid Officers and Fire Wardens.

Workers were consulted to reassess health and safety representation, and an additional eight Health and Safety Representatives and Deputy Health and Safety Representatives were appointed and trained. There were also additional Fire Wardens and Mental Health First Aid Officers appointed and trained.

## Asbestos National Strategic Plan

The Commission is committed to supporting WA's objective of eliminating-asbestos related diseases. To demonstrate accountability and continuous improvement, the Commission reports progress on asbestos management to the Department of Local Government, Industry Regulation and Safety. In addition, the Department of Housing and Works conducts inspections of Commission-managed buildings to identify and assess any asbestos-related risks.

## Work health and safety injury management

| Measures | Results 2023-24 | Results 2024-25 | Results 2025-26 | Targets | Comment on result |
|---|---|---|---|---|---|
| Number of fatalities | 0 | 0 | 0 | 0 | |
| Incidence of work-related injury or illness | 1 | 4 | 5 | Reduce by 2% per year and 15% by 2033 compared with 2023 | Ongoing monitoring and targeted safety interventions will help address contributing factors and improve performance. |
| Incidence rate of serious claims with one or more weeks' lost time | 0 | 1 | 4 | Reduce by 2.5% per year and 20% by 2033 compared with 2023 | The upward trend warrants ongoing monitoring and targeted risk management activities to identify contributing factors and prevent further growth in claims. |
| Incidence rate of claims resulting in permanent impairment | 0 | 0 | 0 | Reduce by 2% per year and 15% by 2033 compared with 2023 | |
| Incidence rate of work-related respiratory disease | 0 | 0 | 0 | Reduce by 2.5% per year and 20% by 2033 compared with 2023 | |
| Managers and supervisors trained in:<br>(i) work health and safety as relevant to the PCBU's risk profile; and<br>(ii) injury management | Data unavailable | (i) 4<br>(ii) 2 | (i) 4<br>(ii) 4 | (i) Greater than or equal to 80% of cohort trained within last two (2) years<br>(ii) Greater than or equal to 80% of cohort trained within last five (5) years | |

| Measures | Results 2023-24 | Results 2024-25 | Results 2025-26 | Targets | Comment on result |
|---|---|---|---|---|---|
| Percentage of workers returned to work on full duties and hours<br>(i) within 13 weeks<br>(ii) within 26 weeks | Data unavailable | (i) 0<br>(ii) 0 | (i) 3<br>(ii) 40% | (i) No target<br>(ii) Greater than or equal to 70% returned to work within 26 weeks | Several complex claims remain active beyond the benchmark period. These cases continue to be actively managed with rehabilitation and return-to-work plans to support a safe and sustainable recovery outcome. |
| Agency has a WHS management system that has been independently assessed in last five years | 0 | 0 | 0 | In development | A review of the agency's WHS Management System is currently underway. This review is assessing the effectiveness, suitability, and currency of system elements to support continual improvement and ensure alignment with organisational and legislative requirements. |

| Measures | Results 2023-24 | Results 2024-25 | Results 2025-26 | Targets | Comment on result |
|---|---|---|---|---|---|
| Consultative systems:<br>1. Number of health and safety representatives:<br>(i) in total;<br>(ii) who have attended HSR training;<br>(iii) shown as a percentage of workers;<br>(iv) shown as a ratio to the number of workplace occupied by the Agency; and<br>2. Name/s of health and safety committees and sub committees | 1. Number of health and safety representatives:<br>(i) 4<br>(ii) Data unavailable<br>(iii) Data unavailable<br>(iv) Data unavailable<br>2. Health Safety Committee First Aid. Mental Health First Aid. Fire Warden. Family and Domestic Violence. Work Health and Safety | 1. Number of health and safety representatives:<br>(i) 9<br>(ii) 9<br>(iii) 2,5<br>(iv) 1:38<br>2. Health Safety Committee First Aid. Mental Health First Aid. Fire Warden. Family and Domestic Violence. Work Health and Safety | 1. Number of health and safety representatives:<br>(i) 8<br>(ii) 8<br>(iii) 2,3<br>(iv) 1:43<br>2. Health Safety Committee First Aid. Mental Health First Aid. Fire Warden. Family and Domestic Violence. Work Health and Safety | Target meets department policy | |

## Recordkeeping plans

The Commission uses the State Records Commission's standards and principles to govern best practice recordkeeping across the Commission. The Commission is compliant with s.28 of the State Records Act 2000, with its current Recordkeeping Plan approved by the State Records Commission in May 2026. The Recordkeeping Plan is the primary mechanism for demonstrating compliance with the Act and supporting the implementation of sound recordkeeping practices across the Commission.

Recordkeeping guidance is made available to staff through intranet resources, newsletters, and practical guidance materials, including an Electronic Document and Records Management System intranet help page, noticeboard and staff information products on recordkeeping responsibilities and requirements for the creation and capture of records. Staff can also access individual support and advice from the Information Management Team.

Recordkeeping responsibilities are reinforced through the Commission's induction program, which includes information on support services available through the Information Management Team. The Commission continues to promote a culture of best practice recordkeeping through ongoing awareness activities.

## Privacy Responsible Information Sharing

The Commission continued to progress its readiness for the Privacy and Responsible Information Sharing reforms.

During the year, the Commission advanced the implementation of key policies, procedures, and governance artefacts to support effective management and sharing of personal information. The Commission also developed and published guidance materials including intranet resources and fact sheets to support consistent application across the agency.

## Risk Management and Internal Audit

The Audit and Risk team delivered a program of work that strengthened governance, assurance and accountability across the organisation. Key policy and procedural achievements included the development and implementation of a Good Governance Framework, Corporate Lobbying Policy, Internal Audit Charter, Legislative Compliance Framework and strengthening the Commission's approach to countering foreign interference.

Ongoing enhancements to the Enterprise Risk Management Framework were made, which included reviewing and updating all risk registers, establishing a Business Continuity Framework and improved oversight of and a review of the Schedule of Appointments, Delegations and Authorisations.

A wide range of internal and external audits were coordinated and overseen during the year, including the Fraud Risk Data Analytics Audit and successive Data Validation Audits. These audits were supported by structured stakeholder engagement, targeted reporting, and lessons learned reviews to drive continuous improvement.

The team also strengthened organisational capability and maturity through its audit and risk management and reporting IT system, targeted training and organisational wide communication, improved audit evidence assessment and risk guidance materials.

## Agency Capability Review

Throughout 2025-26, the Commission progressed various initiatives developed in response to its Agency Capability Review findings.

To support the coordinated implementation of system-wide reform, leveraging stakeholder networks and existing governance arrangements, the Commission engaged in state-wide consultation (including regional and online workshops) to inform the development of the new Strategy.

To provide improved clarity for Commission staff on our purpose and strategic focus, the Commission implemented a project to integrate planning with reporting, establishing a single, unified framework across the agency that will align operational activities with strategic goals to guide resource planning and program delivery, strengthen performance monitoring, and embed a cycle of continuous improvement.

In order to build organisational cultural competency and capability, the Commission launched its Multicultural Action Plan. The Multicultural Action Plan, alongside the Workforce and Diversity Plan 2025-27 and Innovate Conciliation Action Plan 2025-27, contributed to our strategy to build a more inclusive and culturally responsive workforce.

The Commission has also progressed deliverables outlined in its Commissioning Maturity Action Plan which will be progressively implemented over the coming years and will see increased consistency, transparency and capability of all employees, driving better and more effective outcomes across the Commission.

# The Commission's plans and frameworks

## WA Multicultural Policy Framework

The Commission's Multicultural Action Plan (MCAP) 2025–2028 was launched during the Harmony Day staff lunch, which included:

- staff sharing cultural dishes from their backgrounds
- guest speaker from Ishar Multicultural Women's Health Service
- staff plotting their cultural heritage on an online world map
- a video featuring staff sharing why multiculturalism is important to them.

The Commission's Multicultural Committee commenced in February 2026 to oversee the implementation of the MCAP, and reports to the Executive Leadership Group. Through the Multcultural Committee, the Commission has access to Diversity Council Australia which provides relevant training, research and resources to support leading diversity and inclusion in the workplace.

## Disability Access and Inclusion Plan

The Commission's Disability Access and Inclusion Plan (DAIP) expires in December 2026, and work was ongoing during 2025-26 to develop a DAIP 2027-2030.

Development of the new DAIP 2027-2030 is guided by a DAIP Working Group in consultation with Work Health and Safety Committee and governed by the Executive Leadership Group.

The Commission celebrated International Day of People with Disability with a keynote speaker who has a lived experience of autism, attention deficit hyperactivity disorder, anxiety and post-traumatic stress disorder. The presentation focused on the importance of challenging stigma and promoting inclusive practices.

## Innovate Conciliation Action Plan 2025–2027

The Commission's Innovate Conciliation Action Plan (CAP) 2025–2027 was launched in April 2025 and progressed through its first year of implementation during 2025–26.

During the past year, the Commission focused on establishing governance and implementation foundations, including activating the CAP Implementation Plan and formal reporting processes through the Conciliation Committee.

Key activities included:

- continuation of Aboriginal Elders in Residence program including monthly divisional hosting days
- a review of Conciliation Committee membership and Terms of Reference to formally include Aboriginal Elders and representation from Aboriginal designated teams across the Commission
- supporting NAIDOC week 2025 and National Reconciliation Week 2026 guided by a self-nominated working group and consultation with Aboriginal colleagues
- delivering a second Conciliation Sentiment Survey in late 2025 to better understand staff experiences and awareness of conciliation to inform ongoing implementation and improvement.

# Glossary

## Acute Care and Response Team

Mobile teams that provide rapid response and support to young people experiencing a mental health crisis, as well sa their families and carers

## Aftercare

Aftercare provides brief interventions, psychosocial support and care coordination for people discharged from emergency departments or hospital following a suicidal crisis.

## Culturally and Linguistically Diverse (CaLD)

The term CaLD is used in the Strategy to refer to people and communities who have entered Australia through a variety of pathways, including through humanitarian, family and skilled migration pathways. This term refers to people with backgrounds, ethnicity and ancestry that are not part of the dominant Anglo-Celtic Australian population. This term is inclusive of people seeking asylum in Australia, people on temporary visas, undocumented migrants and people born in Australia. It is acknowledged that the term has limitations. It has no universal definition and there are different approaches to identifying and reporting on 'CaLD' populations in Australia. It can group together very different communities who are very diverse in terms of language, religion, cultures and faiths. It does not include Aboriginal and Torres Strait Islander people.

## Fetal Alcohol Spectrum Disorder (FASD)

FASD is a range of permanent and lifelong conditions that can result from a baby being exposed to alcohol in-utero.

## LGBTIQA+SB

LGBTIQA+SB is used to refer to lesbian, gay, bisexual, transgender, intersex, queer, asexual, sistergirl and brotherboy people, or people otherwise diverse in gender, sexual orientation and/or innate variations of sex characteristics. However, it is recognised that many people and populations have additional ways of describing their distinct histories, experiences and needs beyond this acronym.

## Lived and living experience

This term refers to any person who identifies as having a current or past personal experience of psychological or emotional issues, distress, mental health and/or alcohol and other drugs issues, and/or suicidal crisis (including thoughts, feelings or actions). This is irrespective of whether they have a diagnosed mental health condition and/or alcohol and other drugs issue and/or have received treatment. This definition also extends to family, carers and significant others who have personal experience of providing ongoing care and support to a person who has a lived or living experience as outlined or who has been bereaved by suicide. The term 'family, carers and significant other' is a broad term that refers to family members and friends in caring and supporting roles and includes the term 'support person'.

This report uses the term lived and living experience, families, carers and significant others respectfully encompass all of the above. Sometimes Lived Experience is capitalised to signify the requirement of the workforce to bring their lived and learned expertise to the range of designated Peer roles. Displaying the word 'Peer' in brackets acknowledges the term 'Peer' but signifies that as the workforce grows, it is moving towards the term 'Lived Experience' workforce.

**Note:** *The Commission recognises terminology varies and that individuals may prefer the use of terms such as consumer, survivor, carer, kin, chosen family or other such terms, which are all valid.*

## People-centred

People-centred care is an approach that places individuals, their families, carers, significant others and communities at the heart of health and wellbeing systems. It recognises that people live and recover in connection with others, not in isolation. It ensures services are responsive to people's comprehensive needs, respect their preferences and values, and are co-produced, integrated, coordinated, and continuous throughout the trajectory of distress and recovery.

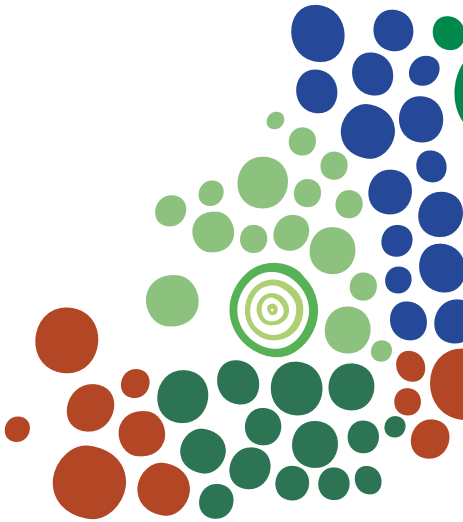
In the mental health, alcohol and other drugs, and suicide prevention contexts, people-centred care acknowledges that experiences of distress, wellness and recovery are shaped by relational, social, cultural and environmental factors. It involves intentionally including relevant supports where this is desired by the person in ways that preserve autonomy, dignity, and safety, while recognising some individuals may wish to direct or experience care independently.

## Social and Emotional Wellbeing

Social and Emotional Wellbeing is a foundational framework deeply rooted in Aboriginal and Torres Strait Islander health models, recognising that personal health is inseparable from the health of the community and is heavily influenced by historical, political and social factors.

## Step Up/Step Down Services

Community-based Step Up/Step Down Services provide support for people experiencing mental health challenges, in a home-like setting close to their community, friends and family.



# Acronyms

| | |
|---|---|
| **ACP** | Agency Commissioning Plan |
| **Act** | *Mental Health Act 2014* |
| **ADMHSS** | Alcohol Drug and Mental Health Support Services |
| **AIM Plan** | Annual Implementation and Monitoring Plan |
| **AOD Act** | *Alcohol and Other Drugs Act 1974* |
| **AODAB** | Alcohol and Other Drugs Advisory Board |
| **Aftercare** | Western Australian Aftercare Services Program |
| **CAG** | Clinical Advisory Group |
| **CaLD** | Culturally and Linguistically Diverse |
| **CAP** | Conciliation Action Plan |
| **CHO** | Chief Health Officer |
| **CMAP** | Commissioning Maturity Action Plan |
| **Commission** | Mental Health Commission of Western Australia |
| **Commissioner** | Commissioner, Mental Health and Alcohol and Other Drugs |
| **Commitment** | Commitment to Aboriginal Youth Wellbeing |
| **CTSER** | Community Treatment, Support and Emergency Response |
| **DACAS** | Drug and Alcohol Clinical Advisory Service |
| **DoH** | Department of Health |
| **FASD** | Fetal Alcohol Spectrum Disorder |
| **FRWG** | First Responders Working Group |
| **Guidelines** | Aboriginal Mental Health Worker Guidelines |
| **ICA** | Infant, Child and Adolescent |
| **JED** | Joint Executive Directors Group |
| **JLG** | Mental Health and Alcohol and Other Drugs Joint Leadership Group |
| **KAYWSC** | Kimberley Aboriginal Youth Wellbeing Steering Committee |
| **KPI** | Key Performance Indicator |
| **LEAG** | Lived Experience Advisory Group |
| **LEIP** | Lived Experience Inclusion Plan |
| **LGBTQIA+SB** | Lesbian, gay, bisexual, transgender, intersex, queer or questioning, asexual plus other, sistergirls and brotherboys |
| **MAP** | Mental Health, Wellbeing and Alcohol and Other Drugs Ministerial Advisory Panel |
| **MCAP** | Multicultural Action Plan |
| **NDIS** | National Disability Insurance Scheme |
| **NGO** | Non Government Organisation |
| **NSEP** | Needle Syringe Exchange Program |
| **OAG** | Office of the Auditor General |
| **OBMF** | Outcomes Based Management Framework |
| **OMF** | Outcomes Measurement Framework |
| **Partnership Agreement** | Kimberley Aboriginal Youth Wellbeing Partnership Agreement |
| **SEG** | Senior Executive Group |
| **SEWB** | Social and Emotional Wellbeing |

| | |
|---|---|
| **Suicide Prevention Framework** | Western Australian Suicide Prevention Framework 2026-2031 |
| **SSSMAP** | Strong Spirit Strong Minds Aboriginal Programs |
| **SSSMYP** | Strong Spirit Strong Minds Youth Project |
| **Strategy** | Mental Health and Alcohol and Other Drugs Strategy 2026-2031 |
| **SUSD** | Step Up/Step Down |
| **TTT** | Train The Trainer |
| **WA** | Western Australia |
| **WACHS** | WA Country Health Service |
| **WA SMS** | Western Australian Suicide Monitoring System |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