Mental Health Commission

ANNUAL REPORT

2020-21

Government of **Western Australia**
Mental Health Commission

Statement of Compliance

The Hon. Stephen Dawson, MLC
MINISTER FOR MENTAL HEALTH;
ABORIGINAL AFFAIRS;
INDUSTRIAL RELATIONS

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 financial year ended 30 June 2021.

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

Jennifer McGrath
COMMISSIONER
MENTAL HEALTH COMMISSION

1 October 2021

Photos on cover:

Left: Safe Haven Cafe, Royal Perth Hospital; **Middle:** Drug and Alcohol Youth Service (DAYS) social media launch; **Right:** Opening of Geraldton Step Up/ Step Down.

This annual report provides a review of the Mental Health Commission's (hereby referred to as the Commission) operations for the financial year ended 30 June 2021.

The term Aboriginal is used respectfully throughout this report to include both Aboriginal and Torres Strait Islander peoples. The Government of Western Australia acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures; and to Elders past and present.

We acknowledge the individual and collective expertise of those with a living or lived experience of mental health, alcohol and other drug issues. We recognise their vital contribution at all levels and value the courage of those who share this unique perspective for the purpose of learning and growing together to achieve better outcomes for all.

A full copy of this, and earlier annual reports, is available from the Commission's website at www.mhc.wa.gov.au

This annual report can also be made available in alternative formats upon request for those with visual or other impairments, including Word, audio, large print and Braille.

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Commissioner's Foreword

Jennifer McGrath
Mental Health Commissioner

The past year has been one of significant innovation and reform for the Mental Health Commission, as we lead progress across the sector and start to implement real, practical change that places the needs of people and communities at the heart of everything we do. We have listened to the voices of those with lived experience of mental health, alcohol and other drug (AOD) issues and we are committed to driving the reform of our systems and processes to achieve better outcomes for the people of Western Australia.

Last year the Government released its *WA State Priorities for Mental Health, Alcohol and Other Drugs 2020-2024* (State Priorities). Acknowledging more people are seeking help, support and treatment this important document provided a framework to focus our efforts so we can move to a more efficient, sustainable, recovery-focused and consumer-led system.

One year into working with the State Priorities, the Commission, in partnership with its stakeholders, has made substantial progress developing and implementing new and better ways of working. This year saw the release of the *Young People's Mental Health and Alcohol and Other Drug Use: Priorities for Action 2020-2025* report. This very significant piece of work will provide guidance to Government, the Commission and other agencies, the mental health and AOD sector, and to stakeholders across the community. It is targeted to support young people aged 12 to 24 years, their families, carers, support people and communities, in all aspects from prevention though to treatment of mental health and AOD issues.

The Commission has prioritised a key body of work through three major reform projects that will transform the way mental health and AOD services are delivered in the future. Each one aligns with best practice agendas including the Government's *Sustainable Health Review*, supporting a planned move away from hospital-focused services, to providing more holistic community-based care with a focus on prevention.

All of the work we do going forward will be informed by these key projects: the *Ministerial Taskforce into Public Mental Health Services for Infants, Children and Adolescents aged 0 to 18 in Western Australia* (ICA Taskforce); a roadmap for community mental health treatment services, including emergency response services, to transform public community services so they are responsive, accessible,

connected and people-focused; and reconfiguring forensic mental health services, Graylands Hospital inpatient services and Selby Older Adult mental health services.

Clearly there will be challenges striking the right balance between continuing to provide the support needed in hospitals and transitioning to a better model of care. And clearly, we can't do this alone. We need to collaborate more widely across Government, the sector and the community and we are reframing our relationships with the people of Western Australia to achieve this. The importance of working together to support people to live healthy and fulfilling lives cannot be understated.

Key to creating better outcomes for people is involving those with lived experience in our decision making. We understand the complexity and nature of mental health and AOD issues means co-designing the pathways to better health and wellbeing must include the individual and collective expertise of people with lived experience. This unique perspective, alongside that of partners from across the sector and from all levels of Government, is vital to ensuring we are delivering the right services to the people who need them.

Transforming our governance structures to support key reforms has already begun. The Mental Health Executive Committee (MHEC) and Community Mental Health, Alcohol and Other Drug Council (CMC) were established in 2020 and are the key mechanisms to oversee and drive system transformation. The position of Chief Medical Officer, Mental Health (CMOMH) was also created to provide clinical expertise and leadership to strategic planning and policy development, and to assist in ensuring our transformation supports integrated consumer-focused care.

I would like to thank everyone who has collaborated with the Commission throughout the year – our employees, service providers, peak bodies and partner agencies who work tirelessly to support the community. I would especially like to thank the people with lived experience who make such a valuable contribution to the outcomes we strive to achieve. I look forward to growing all of these partnerships as we work together to achieve the transformation of Western Australia's mental health and AOD system.

Jennifer McGrath
Mental Health Commissioner

Overview

Our Vision

A Western Australian community that experiences minimal alcohol and other drug-related harms and optimal mental health.

Operational Structure

The Commission was established by the Governor in Executive Council under section 35 of the *Public Sector Management Act 1994*. The accountable authority of the Commission is the Mental Health Commissioner, Ms Jennifer McGrath.

The Commission is responsible to the Minister for Mental Health, the Hon. Stephen Dawson MLC, and is the government agency primarily assisting him in the administration of the Mental Health portfolio.

Minister Dawson was sworn in as Mental Health Minister on 19 March 2021. Prior to this date, the Hon. Roger Cook MLA was Minister for Mental Health, and the Hon. Alanna Clohesy MLC was Parliamentary Secretary.

The Commission is the agency principally assisting the Minister for Mental Health in the administration of the *Mental Health Act 2014* and the *Alcohol and Other Drugs Act 1974*.

The agency is led by a Commissioner, supported by the following Divisions:

- Strategy and Reform
- System Development
- Prevention Services Management
- Community Support Services Management
- Treatment Services Management
- Corporate Services

These Divisions form part of an interim structure that commenced on 10 August 2020 to ensure the Commission is best placed to deliver on outcomes. Operationally the Commission's structure has evolved to ensure it is equipped to facilitate the delivery of critical alcohol and other drug and mental health services, while leading transformation required across the system to meet the needs of the Western Australian community into the future.

The Commission also provides support to three independent bodies, the Mental Health Advocacy Service, the Mental Health Tribunal and the Office of the Chief Psychiatrist. They operate independently but are provided with corporate services support by the Commission.

Senior Officers

- **Jennifer McGrath**, Mental Health Commissioner
- **Sophie Davison**, Chief Medical Officer, Mental Health
- **David Axworthy**, Head of Strategy and Reform
- **Kim Lazenby**, Head of System Development
- **Gary Kirby**, Head of Prevention Services Management
- **Sue Jones**, Head of Treatment Services Management
- **Amanda Hughes**, Head of Community Support Services Management
- **Alison Skeen**, Director, Corporate Services

Organisational Structure

Senior Executive Support

Strategic Communications

Office of the Commissioner

- Sets the strategic direction for the Commission's internal and external communications
- Provides advice, executive and admin support to the Commissioner, liaises with the Minister's Office and external stakeholders on behalf of the Commissioner.

Mental Health Commissioner

Chief Medical Officer, Mental Health

- Works closely with the leadership team and in particular the Head of System Development to provide clinical expertise, contribute to strategic planning and policy development, strengthen consumer and community focused clinical care, and liaise with non-government services to support system integration.

Strategy and Reform

- Responsible for coordinating development of internal organisational strategies, plans and budgets to drive system reform while continuing to ensure delivery of the spectrum of core services into the WA community

Audit and Risk Management

Performance

Business Planning

Service Purchasing and Development

Strategy Development

System Development

- Responsible for supporting development of new and enhanced services, while working to align stakeholders across the system.
- Responsible for managing policy for mental health and AOD, driving ongoing implementation and evaluation of the *WA Mental Health Act 2014*.
- Works closely with the CMOMH to strategically influence development of policies, regulations, laws and government approaches in relation to mental health and AOD.

Strategic Policy

System Engagement

System Wide Insights

Prevention Services Management

- Responsible for managing provider relations and ensuring delivery of high quality and well integrated prevention services into the WA community.
- Reviews vendor performance, assures and improves quality of service provision. Owns the development of new services and contracting of new service providers.
- Manages the facilitation of service delivery in the prevention area, ensuring the MHC is delivering services that are system leading and filling crucial gaps in the current service provider offerings.

Community Support and Development Programs

Safe and Healthy Settings

Public Education and Health Promotion Programs

Service Development

Service Provision

Treatment Services Management

- Responsible for managing provider relations and ensuring delivery of high quality and well integrated treatment services into the WA community.
- Reviews vendor performance, assures and improves quality of service provision. Owns the development of new services and contracting of new service providers.
- Manages the delivery of treatment services in Next Step & Integrated Clinical Services, ensuring the MHC is delivering services that are system leading and filling crucial gaps in the current service provider offerings.

Alcohol and Drug Support Services

Service Development

Service Provision

Clinical Services

Clinical Service

Inpatient and Outpatient Services

Integrated Clinical Service

Community Support Services Management

- Responsible for managing provider relations and ensuring delivery of high quality and well integrated support services into the WA community.
- Reviews vendor performance, assures and improves quality of service provision. Owns the development of new services and the contracting of new service providers.
- Manages the delivery of support services through the various programs we operate, ensuring the MHC is delivering services that are system leading and filling crucial gaps in the current service provider offerings.

Service Development

Strong Spirit Strong Mind Aboriginal Programs

Service Provision

Workforce Development

Corporate Services

- Responsible for managing delivery of functional expertise and consolidated business support services that provide information, guidance and assistance to internal stakeholders, enabling the Commission to efficiently create value for its stakeholders.

Business Services

Information and Technology

Finance

People and Culture

Procurement

- Responsible for managing the provision of procurement expertise to internal stakeholders, enabling the Commission to efficiently create value for its stakeholders.
- Operate a team of shared resources to the organisation to provide crucial technical input across various aspects of operations.

Procurement

Performance management framework

The Commission's outcome-based management framework was developed to assist in monitoring and assessing the agency's performance in achieving the Western Australian Government's desired outcomes. The framework shows the relationship between government goals, agency level government desired outcomes and the Commission's services.

Effectiveness indicators help to determine if the agency's desired outcomes have been achieved through service delivery, while efficiency indicators monitor the relationship between the services delivered and the resources used to produce the service. Collectively, the achievement of the outcomes and services will demonstrate how the Commission contributes to achieving the Western Australian Government goal of Strong Communities.

Changes to outcome-based management framework

The Agency's outcome-based management framework did not change in 2020-21.

Shared responsibilities with other agencies

The Agency did not share any responsibilities with other agencies in 2020-21.

The Hon. Alanna Clohesy, MLC addresses attendees at the Mental Health Alcohol and Other Drug – System Leadership Forum.

The Commission's outcome-based management framework was developed to assist in monitoring and assessing the agency's performance in achieving the Western Australian Government's desired outcomes.

Outcome based management framework 2020-21

Whole of Government Goal		
WESTERN AUSTRALIAN STRATEGIC OUTCOME **Strong Communities:** Safe communities and supported families		
Agency Level Outcomes		
Outcome 1 Improved mental health and wellbeing.	**Outcome 2** Reduced incidence of use and harm associated with alcohol and other drug use.	**Outcome 3** 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 14 years and over reporting recent use of alcohol at a level placing them at risk of lifetime harm. **2.2** - Percentage of the population aged 14 years and over reporting recent use of illicit drugs. **2.3** - Rate of hospitalisation for alcohol and other drug use.	**3.1** - Readmissions to hospital within 28 days of discharge from acute specialised mental health units. **3.2** - Percentage of contacts with community-based public mental health non-admitted services within 7 days post-discharge from public mental health inpatient units. **3.3** - Percentage of closed alcohol and other drug treatment episodes completed as planned. **3.4** - Percentage of contracted non-government mental health or alcohol and other drug services that met an approved standard. **3.5** - Percentage of the population receiving public clinical mental health care or alcohol and other drug treatment.

Outcome based management framework 2020-21

Services				
Service 1 Prevention	**Service 2** Hospital Bed-Based Services	**Service 3** Community Bed-Based Services	**Service 4** Community Treatment	**Service 5** 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 bedday in specialised mental health units. **2.2** - Average cost per purchased bedday in Hospital in the Home mental health units. **2.3** - Average cost per purchased bedday in forensic mental health units.	**3.1** - Average cost per purchased bedday in mental health 24 hour and non-24 hour staffed community bed-based services. **3.2** - Average cost per bedday in mental health step up/ step down community bed-based units. **3.3** - Average cost per closed treatment episode in alcohol and other drug residential rehabilitation and low medical withdrawal services.	**4.1** - Average cost per purchased treatment day of ambulatory care provided by public clinical mental health services. **4.2** - Average cost per closed treatment episode in community treatment based alcohol and other drug services.	**5.1** - Average cost per hour for community support provided to people with mental health issues. **5.2** - Average cost per episode of care in safe places for intoxicated people.

Agency Performance

Ribbon cutting to officially open the Kalgoorlie Step Up/ Step Down community mental health service.

Performance Summaries - Report on Operations

Summary of financial performance

Financial target	2020-21 Budget $'000	2020-21 Actual $'000	Variation $'000
Total cost of service (expense limit)	1,012,695	1,004,698	7,997
Net cost of services	1,012,032	1,003,016	9,016
Total equity	51,281	48,864	(2,417)
Net increase/(decrease) in cash held	(4,269)	(2,916)	1,353

STAFFING Approved full-time equivalent staff level	2020-21 Budget	2020-21 Actual	Variation
Mental Health Commission	261	270	(9)
Office of the Chief Psychiatrist	15	14	1
Mental Health Advocacy Service	7	6	1
Mental Health Tribunal	10	13	(3)
TOTAL	**293**	**303**	**(10)**

Working cash targets

	20-21 Agreed Limit $'000	2020-21 Target/ Actual $'000	Variation $'000
Agreed Working Cash Limit (at Budget)	50,396	29,327	21,069
Agreed Working Cash Limit (at Actuals)	50,064	29,327	20,737

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.

Key Performance Indicator (KPI) results against targets

2020-21 Annual Report KPIs and 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.

Indicator		2020-21 Target	2020-21 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	≤12.2%	12.2%
Outcome 2: Reduced incidence of use and harm associated with alcohol and other drug use			
2.1	Percentage of the population aged 14 years and over reporting recent use of alcohol at a level placing them at risk of lifetime harm	≤17.2%	17.2%
2.2	Percentage of the population aged 14 years and over reporting recent use of illicit drugs	≤15.6%	15.6%
2.3	Rate of hospitalisation for alcohol and other drug use (per 100,000 population)	<1000.9	965.4
Outcome 3: Accessible, high quality and appropriate mental health and alcohol and other drug treatments and supports			
3.1	Readmissions to hospital within 28 days of discharge from acute specialised mental health units	≤12%	15.8%
3.2	Percentage of contacts with community-based public mental health non-admitted services within 7 days post discharge from public mental health inpatient units	≥75%	86.2%
3.3	Percentage of closed alcohol and other drug treatment episodes completed as planned	≥76%	72.0%
3.4	Percentage of contracted non-government mental health or alcohol and other drug services that met an approved standard	100%	98.5%
3.5	Percentage of the population receiving public clinical mental health care or alcohol and other drug treatment	≥3.3%	3.2%

Indicator		2020-21 Target	2020-21 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	$7.03	$8.39
Service 2: Hospital Bed-Based Services			
2.1	Average cost per purchased bedday in specialised mental health units	$1,585	$1,618
2.2	Average cost per purchased bedday in Hospital in the Home mental health units	$1,459	$1,488
2.3	Average cost per purchased bedday in forensic mental health units	$1,360	$1,397
Service 3: Community Bed-Based Services			
3.1	Average cost per purchased bedday in mental health 24 hour and non-24 hour staffed community bed-based services	$267	$277
3.2	Average cost per bedday in mental health step up/ step down community bed-based units	$623	$560
3.3	Average cost per closed treatment episode in alcohol and other drug residential rehabilitation and low medical withdrawal services	$15,755	$16,551
Service 4: Community Treatment			
4.1	Average cost per purchased treatment day of ambulatory care provided by public clinical mental health services	$ 471	$455
4.2	Average cost per closed treatment episode in community treatment based alcohol and other drug services	$1,918	$2,040
Service 5: Community Support			
5.1	Average cost per hour for community support provided to people with mental health issues	$128	$146
5.2	Average cost per episode of care in safe places for intoxicated people	$421	$455

Key Statistics

Mental Health Funding

$7.5m
Prevention

$424.5m
Hospital Bed-Based

$45.8m
Community Bed-Based Services

$379.5m
Community Treatment

$48.6m
Community Support

Total: $905.9m

Provided

12,995

occasions-of-service to Western Australians through the Alcohol and Drug Support Line, the Parent and Family Drug Support Line, and the Meth Helpline.

Delivered 16
Trauma Informed Care and Practice events around WA to

285

participants.

Alcohol and Other Drug Funding

$12.8m
Prevention

$3.8m
Hospital Bed-Based

$22.7m
Community Bed-Based Services

$52.2m
Community Treatment

$7.0m
Community Support

Total: $98.5m

Updated 7 online learning packages for Western Australian professionals working in mental health which had enrolments from

1,092

participants

Launched ‘An Introduction to Alcohol and Other Drugs: Part One’ online learning package containing three modules, which had more than

630

participant registrations

Delivered regional frontline worker training throughout WA, training

284

participants across

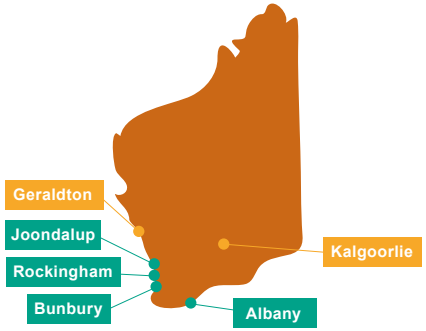
13

events

Assisted the Chief Health Officer with

19

interventions regarding liquor licence applications.



Opened two new community mental health

Step up/ step down services

(SUSD) in Geraldton and Kalgoorlie.

Opened 2020-21 Existing

From July 2020 to June 2021 the Drug and Alcohol Clinical Advisory Service (DACAS) advised

459

health professionals on issues relating to patient management of alcohol and other drug use.

Key Achievements

In 2020-21 the Commission invested a total of $1.0047 billion on mental health and AOD services, across five service streams: Prevention, Community Support Services, Community Treatment Services, Community Bed-Based Services and Hospital-Based Services. This was an increase of 6% on the previous year. The Commission also undertook significant work to lead the transformation of the mental health and AOD sector in Western Australia. The Commission's key achievements in these areas throughout 2020-21 are outlined on the following pages.

Transforming the system

To achieve a better mental health and AOD system for everyone, system reform and transformation is needed. The Commission is committed to providing strong leadership, working collaboratively with partners and stakeholders to drive the changes required to provide better outcomes for Western Australians.

Change will be significant. It will be also be planned, prioritised and will build on work that has already been done.

The *Western Australian Mental Health, Alcohol and Other Drug Service Plan 2015-2025* (the Plan) released in December 2015, provided the structure for service development, transformation and expansion of mental health and AOD services over a 10-year period.

The WA Auditor General's 2019 report, *Access to State-Managed Adult Mental Health Services*, recommended examining and analysing people's pathways across the system, prioritising the initiatives in the Plan according to the needs of consumers, and developing an implementation and funding plan to support it.

In 2019 the *Sustainable Health Review* (SHR) Final Report provided a blueprint for transforming the health system over the next 10 years to deliver equity in health outcomes, focus on prevention, and bring care closer to home. SHR Strategy 2 prioritises implementing models of care for people to access responsive and connected mental health services in the most appropriate setting, including early intervention, assessment and treatment outreach models to provide immediate assistance to people experiencing a mental health crisis in the community.

The State Priorities released in March 2020 identified 29 key areas for action and reform for the mental health and AOD system, focusing on a consumer-focused, holistic, integrated and sustainable approach to mental health and AOD.

The literature and the lived-experience of people with mental health and AOD issues provide a compelling mandate for change. The identified need for increased investment in prevention activities,

and increased capacity for community-based mental health services to deliver responsive, well connected community treatment and emergency response services will result in a decrease in demand for high cost bed-based services.

Going forward, much of the Commission's work will be informed by three key transformation projects currently underway:

ICA Taskforce

Following the tragic death of 13-year-old Kate Savage in July 2020, a Ministerial Taskforce was established to develop a whole-of-system plan for State Government funded specialist infant, child and adolescent mental health services provided by Western Australian health service providers (HSPs). The Taskforce is independently chaired by Ms Robyn Kruk AO. The Commission has worked with the Taskforce to bring together leaders from across the infant, child and adolescent mental health system, as well as consumers, their families and their carers to create a vision for the future; paying particular attention to the adequacy and equity of service provision for all children from 0 until their 18th birthday. The Taskforce is supported by more than 100 members of the clinical, lived experience and inter-agency Expert
Advisory Groups.

Roadmap for Community Mental Health Treatment Services, including Emergency Response Services

There is a pressing need to ensure that mental health services are able to support people to stay well in the community, to avoid an over-reliance on emergency departments (EDs) and inpatient admissions. The development of a Roadmap for Community Mental Health Treatment Services, including Emergency Response Services (the Roadmap), is underway. When complete it will provide a framework to transform public community mental health services and emergency response services to ensure they are contemporary, responsive, accessible and seamlessly connected with other parts of the mental health and AOD system. Most importantly, they will be better placed to meet demand.

The Commission is committed to providing strong leadership, working collaboratively with partners and stakeholders to drive the changes required to provide better outcomes for Western Australians

MHC executive and representatives from Wheatbelt mental health and AOD services gathered in Pingelly to discuss mental health and wellbeing at the Community Resource Centre.

Multiple agencies across government, including the Commission, are working together to ensure a cohesive and collaborative approach to service reform

Sustainable Health Review Strategy Two Executive Co-Lead Liz McCleod.

A Steering Committee has been appointed to oversee the development of the Roadmap and to provide strategic oversight and guidance to ensure the Roadmap is fully costed, future proofed and able to be implemented. The Steering Committee includes clinical, lived experience, community peak body and Aboriginal representation, and is co-chaired by the newly appointed Chief Medical Officer, Mental Health (CMOMH) and a Lived Experience Representative.

The roadmap will outline the models of service and care pathways that will best meet the needs of Western Australians who require specialist community mental health care and/or emergency mental healthcare. It will provide a costed implementation plan and identify immediate, medium and long-term priorities for action.

Graylands Reconfiguration and Forensic Taskforce

The Graylands Reconfiguration and Forensic Taskforce (GRAFT) was established in February 2021 to oversee and plan for the decommissioning of services and closure of facilities at Graylands Hospital and Selby Older Adult Mental Health Service; and to ensure a smooth transition to new services with future investment being appropriately balanced with the right services in the right settings. The Commission has supported the GRAFT to form a clear picture of what is needed, including providing advice on which contemporary types of service are required to replace existing inpatient services at Graylands Hospital, the Frankland forensic mental health unit and Selby Older Adult Service. These could include, for example, Secure Extended Care Units, Transitional Care Units and Community Care Units. The Commission, working with the Department of Health, has completed extensive modelling on the number and types of forensic mental health inpatient beds that are required to meet the current and projected demand for the State. The CMOMH team is integral to ensuring that clinicians and people with lived or living experience are involved in providing advice to the GRAFT.

The ongoing work of GRAFT aligns with the Plan, which highlighted the need for these services to be decommissioned, divested and replaced with contemporary infrastructure and services. The proposed *Criminal Law (Mental Impairment) Bill 2021* is a key driver of the requirements for the future of forensic mental health services in WA. Multiple agencies across government, including the Commission, are working together to ensure a cohesive and collaborative approach to service reform.

Governance and Engagement towards Transformation

The Commission is establishing and cementing itself as a leader in the mental health and AOD sector. The governance mechanisms described below will ensure system partners continue to provide shared leadership to deliver key system priorities.

The Mental Health Executive Committee (MHEC) and Community Mental Health, Alcohol and Other Drug Council (CMC) were established in 2020 and are the key mechanisms to oversee and drive system transformation. Arising from recommendations of the Clinical Governance Review and to support this structure, the position of Chief Medical Officer, Mental Health (CMOMH) was also created. Established in July 2020, the CMOMH contributes clinical expertise and leadership to strategic planning and policy development, and facilitates engagement with clinicians, consumers and stakeholders across the mental health sector to assist in driving transformation and strengthening integrated consumer-focused care.

The CMOMH is leading critically important work to reform Western Australia's mental health system. These reform programs are being undertaken in collaboration with agencies from across Government and non-government, in partnership with people who have lived and living experience of mental health and AOD issues, and clinicians, to ensure that any changes within the sector are co-designed and person centred.

The CMOMH is leading critically important work to reform Western Australia's mental health system.

The MHEC's role is to strengthen integration and accountability within and across the public health system and the CMC's role is to strengthen collaboration between the community services sector. However, it is also the role of both the MHEC and CMC to strengthen the collaboration between the public health system and the community sector, as well as with consumers, carers, family members and significant others.

The MHEC is supported by the Mental Health Leads Sub-Committee which brings together the mental health leads from the public health system. It provides advice, guidance and solutions to the MHEC regarding mental health, AOD operational, strategic and policy matters impacting reform, and facilitates the operationalisation and implementation of the priorities, strategies and initiatives endorsed by the MHEC across the public health system.

A key system transformation project generated from these Committees and overseen on a regular basis is the Roadmap, which will provide a clear vision of the community mental health and AOD treatment services and emergency response services that will best meet the needs of people with mental health or AOD issues in Western Australia.

Furthermore, the System Wide Data Working Group (SWDWG) was established in 2021 to support the MHEC and CMC by undertaking time-limited data-related projects. These projects will provide advice in relation to the ongoing monitoring, reporting and evaluation of the Mental Health and AOD sector. The first project of the SWDWG is to develop an Outcomes Measurement Framework (OMF) that will support evidence-based decision making and reporting on progress with achieving the outcomes anticipated in the State Priorities.

To complement the work of the Committees, the Commission has developed a Stakeholder and Partnership Engagement Framework (Engagement Framework) to ensure regular, structured and tailored engagement approaches. Figure 1 on this page describes the principles of quality engagement as well as outlining the new and existing resources that form the Engagement Framework.

The Commission recognises that for system reform and transformation to truly happen, with contemporary, person-centric, holistic and appropriate care provided in the right setting, people

Figure 1: Working Together: Achieving Quality Engagement – The MHC promotes the principles of the Working Together: Mental Health, Alcohol and Other Drug Engagement Framework 2018-2025 to enable best practice quality stakeholder engagement.

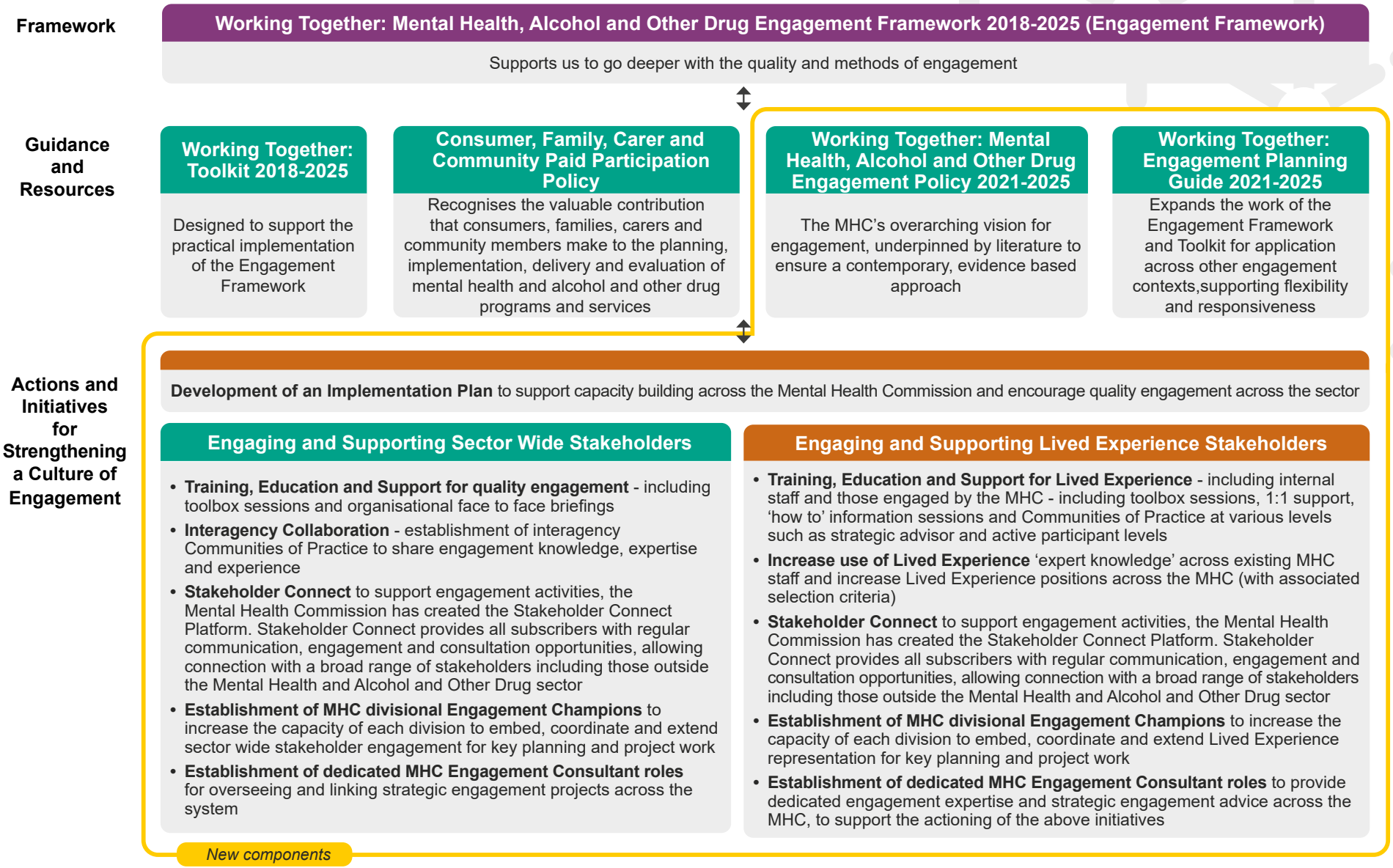


Figure 2: Overview of the MHC's Stakeholder and Partnership Engagement Framework

with lived experience need equal representation in decision making, rather than being part of general consultation. People with lived experience are vital partners in key reform projects, including (but not limited to):

- Roadmap: A lived-experience representative is Co-Chair of the Roadmap Steering Committee, there are two consumer and two carer representatives on the steering committee, and consumer and carer representatives on the expert working groups that support the steering committee. In addition, as part of the extensive consultation that will be undertaken, a separate consumer and carer forum will be convened as well as the opportunity for written submissions to be provided;
- ICA Taskforce: Includes lived-experience representatives, and is supported by a Lived-Experience Expert Advisory Group;
- Outcomes Measurement Framework (OMF): The lived experience of consumers, carer and family members is an important guiding principle for the development of the OMF. The project seeks to capture outcomes that are meaningful to the individuals that mental health and AOD services support; and
- Stakeholder Connect: A key initiative of the Commission's Engagement Framework, Stakeholder Connect is being established as the primary communications platform for engagement. The platform will streamline engagement and ensure that a broad range of stakeholders (including individuals and organisations) are not only informed about the work being undertaken by the Commission but can also register their interest and receive opportunities to be actively involved in the work.

Strong Spirit Strong Mind Aboriginal Programs Certificate III in Community Services Graduation Ceremony.

"Actively ensuring the meaningful inclusion of and partnership with individuals, family members and significant others with relevant and diverse experiences in key advisory and decision-making groups gives integrity to the principle of 'Nothing About Us, Without Us'. It demonstrates a commitment to and models some of the changes required to progress the challenging and critical work of transformation which inherently requires shifting and sharing power."

– Margaret Doherty, Chair,
Mental Health Advisory Group.

"Being involved right at the core of the work to facilitate systemic change in the public mental health system has been an honour. I hope through sharing my story and experiences that all children to come receive the care they need".

– Georgia Anderson, Lived Experience representative,
ICA Taskforce.

"It is critically important that the WA MHC engage respectfully and purposely with people of lived experience with diverse backgrounds and experiences to successfully transform the system. The current system must change to better meet the needs of all of us who use mental health services, and the time is now. System change is not easy, but it is possible, and it begins with the right people at the table to assist with equalization of power, knowledge and resources."

– Amanda Waegeli, Consumer Representative,
MHEC and CMC.

"Intentionally and authentically structuring in lived experience expertise into decision making governance groups is a key structural enabler in generating the shifts in focus, perceptions, processes, and power that are essential to system transformation. Like all innovations, it's a complex, emergent, and challenging process but a long overdue introduction that will ensure that services are designed and delivered to meet people's needs."

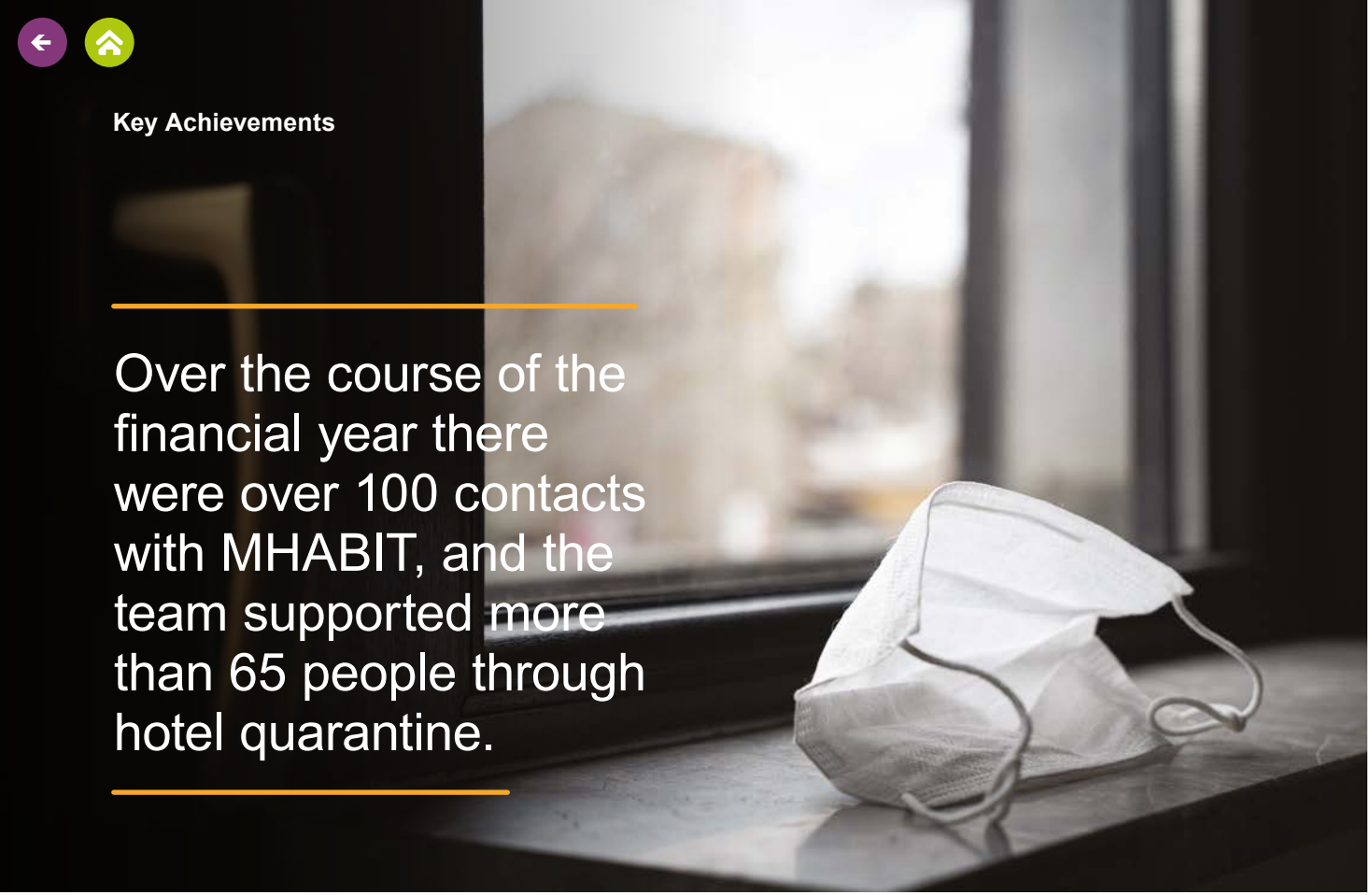
– Kerry Hawkins, Carer Representative,
MHEC and CMC.

COVID-19 response and recovery

The long-term impacts of the COVID-19 pandemic on people across Western Australia continue to be a key issue. During 2020-21 the Commission ensured that the most vulnerable communities continued to receive the services and supports they require, particularly during any COVID-19 lockdown periods.

During February 2021 the Commission worked with the State Health Incident Control Centre (SHICC) and the State Welfare Incident Control Centre (SWICC) on the immediate response to the COVID-19 lockdown. Activities included working with SWICC, Department of Communities and the peak bodies to deliver 161,200 masks to mental health and AOD community service providers.

The MHC initially established a Mental Health and AOD Taskforce (Taskforce) to support the sector to respond to the COVID-19 pandemic. The Taskforce was then refocused to be a Mental Health and AOD Interim Reference Group for the COVID-19 response and recovery phases, with a focus on how it can contribute to social recovery for vulnerable cohorts. During the February 2021 lockdown the Commission reconvened this group to ensure that issues in the community were addressed and services remained safe and operational.



Over the course of the financial year there were over 100 contacts with MHABIT, and the team supported more than 65 people through hotel quarantine.

The Commission also:

- Allocated more than $376,000 for the Mental Health Assessment and Brief Intervention Team (MHABIT), which provides access to clinical staff for people required to quarantine in hotels due to COVID-19. Over the course of the financial year there were over 100 contacts with MHABIT, and the team supported more than 65 people through hotel quarantine.
- Provided $590,000 for additional clinical in-reach to psychiatric hostel residents during COVID-19. This funding allowed for an increase to the clinical capacity of existing services to optimise the physical and mental health outcomes of residents living in psychiatric hostels, and evaluation of the preparedness of existing services and psychiatric hostel facilities to manage a pandemic response. It allowed multidisciplinary project teams to assist residents.
- Provided grant funding to Casson Homes for the COVID-19 Support Service, for planning and operating support services at an isolation facility(s) for individuals residing in Mental Health Commission funded accommodation services who are unable to self-isolate in-situ. This support service is also a crucial part of the COVID-19 vaccine rollout for individuals residing in mental health facilities.

Key WA Recovery Plan achievements in 2020-21 include the completion of the following projects:

- The Mental Health Commission's crisis response to the Western Australian community's immediate need for services during the pandemic, where funds were directed to:
  - ensuring services remained available and vulnerable cohorts remained supported, including availability of services through digital technologies;
  - Emergency Department diversion services, including after-hours options; and
  - campaigns to assist the community during the outbreak.
- The continuation of the Mobile Clinical Outreach Team (MCOT), which is a street present team that provides services to rough sleepers who have signs or symptoms of having a serious mental illness and may have co-occurring alcohol and other drug misuse issues.

State Priorities 2020-2024

Prevention

Commitment to Aboriginal Youth Wellbeing

The Commission took the lead this year, coordinating the Commitment to Aboriginal Youth Wellbeing in early 2021. In April 2021, it organised a 'Strengthening Partnerships' workshop with key senior government agency representatives and stakeholders from the Aboriginal Community Controlled Organisations (ACCOs). Utilising the principles of the *National Agreement on Closing the Gap* and the draft Aboriginal Empowerment Strategy, the workshop led to the establishment of the Kimberley Aboriginal Youth Wellbeing Steering Committee (KAYWSC).

The purpose of the Steering Committee is to bring together all relevant State Government agencies and the Kimberley ACCOs represented on the Kimberley Aboriginal Regional Governance Group (ARGG). This will support and enable Aboriginal community-led solutions to improve Aboriginal Youth Wellbeing outcomes. The Government is committed to working in partnership with the Kimberley Aboriginal community to progress implementation of actions related to the WA Government's *Commitment to Aboriginal Youth Wellbeing* report, as well as the 86 recommendations identified in the State Coroner's 2019 Inquest into the deaths of thirteen children and young persons in the Kimberley, and the 2016 Parliamentary Inquiry, *Learnings from the Message Stick: the report of the Inquiry into Aboriginal youth suicide in remote areas*.

In 2020-21 the Commission:

- Invested $20.3 million in prevention services to help improve mental health, reduce risk of mental illness and suicide, and reduce AOD-related harms.
- Delivered public education campaigns for Alcohol. Think Again, Drug Aware, and Think Mental Health Programs. This included the statewide Think Mental Health 'Families Under Pressure' public education campaign, which launched in December 2020. The campaign aimed to contribute to improving the overall mental health and wellbeing of children by targeting parents and carers of children aged 12 years and under.
- Engaged and supported community stakeholders to implement a total of 32 Community Plans that seek to address local AOD-related harm and/or reduce the incidence of suicide and suicide attempts and foster mentally healthy communities across the State.
- Monitored liquor licence applications across the State and investigated 70 matters regarding the potential for, and minimisation of, alcohol-related harm and ill-health.
- Assisted the Chief Health Officer with 19 interventions regarding liquor licence applications.
- Supported the implementation of the Public Sector Leadership Thrive at Work Masterclass series – a workplace wellbeing initiative to mitigate illness, prevent harm and promote thriving at work.
- Commenced the development of the Mental Health Prevention and Wellbeing Promotion Framework (the Framework). The Framework will inform future implementation and investment evidence-based primary prevention and wellbeing activities in the Western Australian community. The MHC will undertake statewide consultation in October and November 2021 to ensure the views of the Western Australian community are reflected in the Framework.

- Launched the Western Australian Suicide Prevention Framework 2021 – 2025 in support of a coordinated approach to address suicide prevention activity in Western Australia. It outlines action required in four service streams including prevention/early intervention; support/aftercare; postvention; and Aboriginal people.
- Developed Regional Aboriginal Suicide Prevention Plans and commenced the Aboriginal Community Liaison Officer program, for which Aboriginal Community Controlled Organisations were appointed across Western Australia to lead the implementation of Aboriginal community- led, designed and endorsed action that empowers local communities and improves social and emotional wellbeing.
- Established the Preventing Fetal Alcohol Spectrum Disorder (FASD) Project to develop, implement and evaluate a suite of universal and targeted FASD prevention initiatives. This included the launch of a Statewide, whole-of-population Alcohol.Think Again public education campaign to increase awareness about the risks associated with alcohol use in pregnancy. It also included a new two-day training package that was developed to increase the confidence and competence of health workers in talking with their clients, families and communities about alcohol use in pregnancy and FASD prevention. The training has been delivered at nine sites across the State since October 2020.
- Provided 15 training and information sessions to allow health and non-health workers to be able to supply and/or administer naloxone in WA in order to reverse opioid overdose. Under the Commonwealth Take-Home-Naloxone Pilot, the WA Naloxone Program expanded to include over 270 free naloxone access points across the state of Western Australia. Two first responder naloxone programs have been rolled out to ensure that those who often arrive first to the scene of an overdose are best able to respond. This includes implementation of the WA Police Force Naloxone Pilot which will allow 300 police officers across six jurisdictions to carry naloxone to respond to opioid overdose. St John Ambulance Take Home Naloxone Program has also commenced with 566 vehicles to carry free naloxone to provide to people who refuse transport after an overdose. These are the first programs of their kind in the Southern Hemisphere.

The Mental Health Commission was named Advertiser of the Year 2020 at the 30th Campaign Brief Awards, recognising the success of its Think Mental Health, Alcohol. Think Again and Drug Aware programs in 2020.

The ‘One Drink’ campaign

The Alcohol.Think Again, Alcohol and Pregnancy ‘One Drink’ campaign delivered impressive interim results after only six months in market. Results showed 71% of men and women aged 18-44 years in WA recognised the campaign, and there was near universal (95%) understanding of the campaign’s key message that women who are pregnant or are planning a pregnancy should not drink alcohol. Importantly, when asked about intended behaviour in a future pregnancy, more than nine in 10 (91%) women said they would not drink any alcohol; a statistically significant increase from 85% before the campaign was launched. The campaign will be in market Statewide until May 2022.


MENTAL HEALTH COMMISSION NAMED ADVERTISER OF THE YEAR AT THE 2021 CAMPAIGN BRIEF WA AWARDS

ADVERTISER OF THE YEAR

2020 MENTAL HEALTH COMMISSION
2019 FOODBANK WA
2018 WATER CORPORATION
2017 WA POLICE UNION
2016 VERGO FOODS
2015 UNIVERSITY OF WA
2014 ST JOHN AMBULANCE
2013 RAC
2012 RAC
2011 OFFICE OF ROAD SAFETY
2010 PERTH ZOO
2009 ROYAL LIFE SAVING WA
2008 IKEA
2007 IKEA
2006 LOTTERYWEST
2005 OFFICE OF ROAD SAFETY
2004 BOUNCE
2003 DEPARTMENT OF HEALTH
2002 ECU
2001 CANCER FOUNDATION
2000 OFFICE OF ROAD SAFETY
1999 KEEP AUSTRALIA BEAUTIFUL COUNCIL
1998 CITY OF PERTH
1997 SOBO
1996 CHIPPERS
1995 WA TURF CLUB
1994 BANKWEST
1993 BAI BANK
1992 SWAN BREWERY
1991 LOTTERIES COMMISSION
1990 HBF HEALTH INSURANCE

This is the 30th anniversary of our top client award. Through the chaos of 2020, Mental Health Commission (MHC) delivered one of their most impactful years yet. They were recognised at awards shows. They re-set the strategic direction of their programs. They produced a suite of attention-grabbing work. They formed a series of new long-lasting partnerships. The Advertiser of the Year award is sponsored by Southern Cross Austereo (SCA).

Community Support and Accommodation

Disaster response

The Commission provided assistance in response to the Wooroloo bushfires and Cyclone Seroja. Additional funding was provided to a number of community support organisations in the declared disaster areas impacted by Cyclone Seroja, including Carnamah, Chapman Valley, Coorow, Dalwallinu, Dandaragan, Greater Geraldton, Mingenew, Morawa, Mount Marshall, Northampton, Perenjori, Shark Bay and Three Springs. The organisations offered psychosocial recovery programs, family and carer supports, and helped people to access relief payments, Western Power rebates and clean-ups. They also provided support in locating temporary accommodation which was challenging due to the high demand for housing, with caravan parks and other accommodation options already at capacity.

During the Wooroloo fires the Commission worked with various government agencies including the Department of Health and the Department of Communities; stakeholder groups such as Primary Health Networks and the Mundaring / Swan Joint Recovery Group; and Commission-funded mental health services including Lifeline, Midland Women's Health Care Place, and Youth Focus, to understand trends, identify existing or additional supports and assist targeted messaging of support lines and local services.

Midland Withdrawal and Intervention Centre opening.

In 2020-21, the Commission:

- Invested $124.2 million in community support and accommodation services to help improve mental health and reduce the risk of mental illness and AOD-related harms.
- Opened two new 10-bed community mental health step up/ step down services (SUSD) in Geraldton and Kalgoorlie. Neami National was appointed as the operator of both services. SUSDs enable people with mental health issues in the Mid-West and the Goldfields to recover in a community-based setting, close to their personal support network of family and friends and avoiding unnecessary hospitalisation.
- Awarded a contract to Richmond Wellbeing Inc to operate WA's first 20-bed Community Care Unit service located in Orelia. This is a Statewide transitional residential rehabilitation service for people aged 18 to 64 years, with severe and persistent mental health issues and complex needs, who require a high level of support. Operating 24 hours per day, seven days a week, the service will offer recovery-based psychosocial supports, with embedded clinical supports, in a residential environment. The service is set to open in late 2021.

- Progressed with the phased approach to establish a service for youth who are homeless or at risk of homelessness. The 8-bed Youth Mental Health and Alcohol and Other Drug (AOD) Homelessness service contract was awarded to Richmond Wellbeing Inc. The interim service, located in Queens Park, specifically targets young people aged 16 to 24 years who have severe mental health issues (with or without AOD issues) and who are homeless or at risk of homelessness. The interim service is set to open in late 2021. The process for a purpose-built 16-bed facility is underway and aims to be operational in 2023-2024.
- Invested in additional community-based beds as part of initiatives to address hospital bed blockage issues. Life Without Barriers and Brightwater Group received grant funding to provide support for long stay inpatients to transition to National Disability Insurance Scheme (NDIS) providers and accommodation.
- Commenced the revised model for adult AOD Court Diversion: Alcohol and Other Drug Diversion Program in Magistrates Courts statewide on 4 January 2021, offering magistrates a pre-sentence option to refer eligible adults who are in court, and are experiencing alcohol and other drug issues. Program data since implementation indicates there has been positive magistrate uptake for specialist referral to person-centred treatment and support for adults appearing in courts for offending that is AOD related.
- Continued to support the inaugural Western Australian Recovery College project where courses have been delivered in metropolitan and regional areas, including community information sessions and the Educator Foundation Program. This program is a pre-requisite for anyone wishing to co-design and co-produce courses for the College.
- Established a temporary patient flow position to work directly with the Health Service Providers and non-government agencies as part of the Long Stay Patient Project. Since September 2020, the Commission has worked with the Department of Health and Department of Communities on patient flow issues and removing barriers to facilitate the discharge of long stay patients. Since the project began, several patients with complex needs who had experienced significant barriers to discharge have successfully been discharged, freeing up acute beds for people with mental health issues.
- Completed a stakeholder review (with non-government services providers and consumers) of draft Request for Tender documents for two programs, within the Commission's Community Support program area, to gain professional and lived perspectives, and inform future procurement and contracting of these service streams. The programs were Group Support services and Mutual Support and Self Help services.
- Approved funding for a pilot of five residential mental health/AOD beds at Tenacious House in Bullsbrook. These beds are specifically for clients with comorbid mental health and AOD issues.

Kalgoorlie Step Up/Step Down shared outdoor space.

Treatment Services

Midland Withdrawal and Intervention Centre

The six-bed Midland Withdrawal and Intervention Centre (MWIC) was officially opened by the Minister for Mental Health on 30 March 2021. The MWIC was established in response to recommendations from the *Methamphetamine Action Plan Taskforce Report*, and forms part of a continuum of alcohol and other drug crisis responses. The service is operated by Cyrenian House in partnership with Richmond Wellbeing and Black Swan Health, with Richmond Wellbeing providing nursing services.

This low medical withdrawal service incorporates fast-tracked access, an extended length of stay to assist in the stabilisation of mood and behavioural issues, assertive engagement and follow up, and family support. Demand for the service is strong with over 80% occupancy. This service is helping to alleviate some of the pressure on hospital services.

In 2020-21 the Commission:

- Invested $431.8 million in treatment services to help improve mental health, reduce risk of mental illness and suicide, and reduce AOD-related harms.
- Worked with Ngnowar-Aerwah Aboriginal Corporation in Wyndham to co-design a revised model of service for alcohol and drug and mental health support services in Wyndham. The approach saw the service provider, Ngnowar-Aerwah Aboriginal Corporation, work collaboratively with the local community to develop a service model that is holistic and family centred. This process has ensured that the services purchased are suitable for the local community and culturally secure for the largely Aboriginal population that will be using it.
- Funded seven additional alcohol and other drug residential rehabilitation beds and four low medical withdrawal beds in Kalgoorlie through the Goldfields Rehabilitation Service Inc (GRSI). This will allow GRSI to continue operating a full capacity service of 18 residential alcohol and other drug treatment beds and four low medical withdrawal beds and aligns with the future directions of the *Western Australian Alcohol and Other Drug Services Plan 2015-25 (2018 Update)* to continue to work towards expanding public and non-government alcohol and other drug community treatment services across the State.
- Provided grant funding to community organisations to trial innovative approaches to delivering mental health and AOD programs, targeting parents and families, LGBTIQA+ youth and people with primarily mental health diagnoses and AOD comorbidities. These trial programs are being implemented in metropolitan and regional areas.
- Provided 12,995 occasions-of-service to Western Australians through the Alcohol and Drug Support Line, the Parent and Family Drug Support Line, and the Meth Helpline. A further 700 contacts were received by the National AOD Hotline (Commonwealth funded and jurisdictionally delivered). Contacts were made via the free 24/7 telephone counselling, information, support and referral lines, live chat and email. Of these contacts, 45% identified alcohol as the primary drug of concern (an increase of 12% from last year) and 15% identified methamphetamine as the primary drug of concern (a decrease of 5% from last year).
- Allocated more than $1.6 million to the Child and Adolescent Mental Health Emergency Telehealth Service (ETS), which provides phone and online videocall support for children and young people in the Perth metropolitan area who are experiencing a mental health crisis, as well as support and advice to families and carers. Initial data shows that children have been supported by the ETS to remain in their homes while waiting for a ward admission, decreasing pressure on Perth Children's Hospital ED.
- Began development of a pilot model of service for a "system navigation" single point of contact, that aims to provide immediate support to consumers and carers, helping them navigate the mental health and or AOD services and system. The pilot model is being rolled out as an expansion of the current Alcohol Drug Support Service (ADSS) and aims to seamlessly integrate with existing and planned mental health and AOD services. This is an opportunity to achieve better outcomes for consumers, families, carers and significant others by decreasing isolation and fear, and reducing barriers to accessing services and supports. It will be implemented in a phased approach next year, working closely with a small number of

Director of Clinical Services Dr Richard O'Regan addressing the Next Step Addiction Medicine Symposium.

organisations to test the volume and complexity of calls and identify required resources, including the introduction of Peer Support Workers.

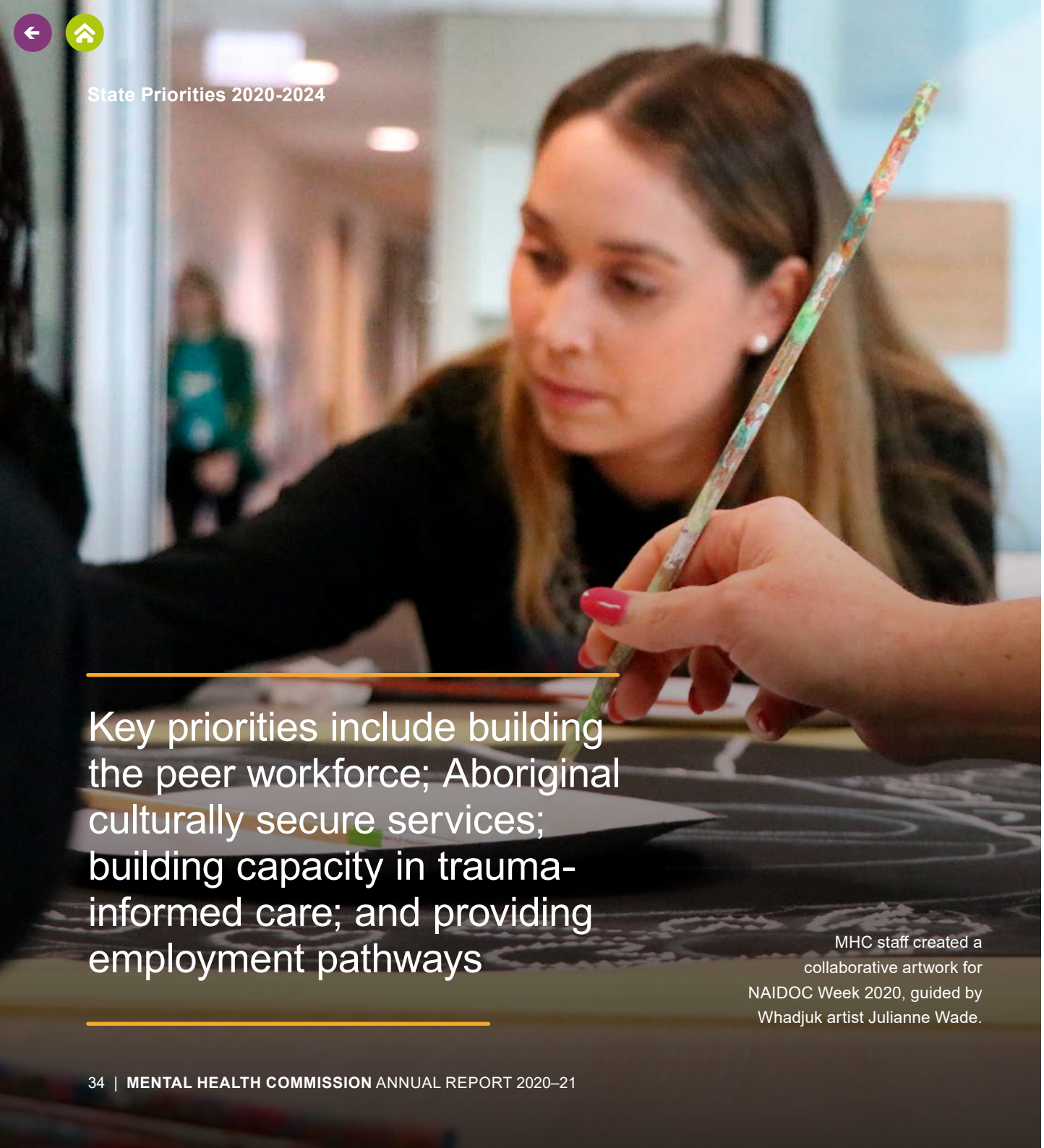
- Engaged an independent consultant to work with consumers, families, service providers and other stakeholders to identify opportunities to enhance the operations of the 12 Community Alcohol and Drug Services (CADS) and ensure they meet local needs. The CADS provide non-residential AOD treatment and support to individuals, families and significant others, and deliver prevention services as part of the WA Diversion Program. With five services in the metropolitan area and seven in regional WA, they represent a significant investment by the Commission in AOD community treatment services. Findings and recommendations from the review will contribute to the co-design of service specifications going forward.
- Commenced procurement for MasterCare, an Electronic Clinical Medical Record Management system which will replace the current, outdated SIMS clinical system. MasterCare will provide end to end client management for Next Step's Clinical Services and NGO Community Alcohol and Drug Services. The project improves both frontline service delivery and compliance and is on schedule to go live next financial year.
- Introduced depot buprenorphine across all Next Step and Integrated Service sites as an innovative treatment option available to people with opioid dependence, reducing the risk of harm in the community by reducing cost pressures and other barriers to accessing treatment. As part of Next Step's strategy to raise the profile of clinical services, it hosted the inaugural Addiction Medicine Symposium in March 2021. This showcased developments in current practice within Next Step and was well attended by health clinicians and broadcast throughout WA.
- Welcomed the opening of two Safe Haven Cafes, which work alongside emergency departments after-hours and offer an alternative to EDs for people with mental health issues who are experiencing distress. They offer peer-based support for people who may otherwise attend an emergency department but do not need intensive clinical and medical support. They are at:
  - Kununurra District Hospital, called Dawanga Boothalenga-woorr Nganjileg-gerring, which means "place for those who are sad/frustrated to become happy/relaxed" in language. It is managed by the WA Country Health Service and to 30 June had been visited 134 times, with 72% of clients being female and 68% of clients were Aboriginal or Torres Strait Islander people.
  - Royal Perth Hospital, called Dabakan Ngowoort Koorliny Mia which means "move to a calm, gentle, quiet space" in language. The Peer Support Worker Service is provided by Ruah Community Services. There were 35 visits to 30 June.
- Invested $428.3 million in inpatient hospital beds:
  - This investment in public mental health inpatient services is managed through contracts with each of the State's Health Service Providers (HSPs) – the Child and Adolescent Health Service (CAHS), North Metropolitan Health Service (NMHS), South Metropolitan Heath Service (SMHS), East Metropolitan Health Service (EMHS) and WA Country Health Service (WACHS).

Active Recovery Teams (ART) are a new initiative to engage and support people with complex needs who are recovering from an acute or crisis episode, and their families. Funded by the Mental Health Commission and operated by Health Service Providers, ART provides people with coordinated, responsive and tailored treatment from a multi-disciplinary team over 90 days. Providing timely, high quality recovery planning and crisis response for people with complex needs will help minimise future ED presentations and prolonged patient stays. There are eight ART sites in the Perth metropolitan area, including a youth service within the South Metropolitan Health Service.

A 16-year old, same-sex-attracted girl was referred to YCATT/ART after presenting to an ED in an ambulance following a relationship breakdown and overdose. With a long history of abuse, neglect, and having to live independently from a young age, she recently moved into her former partner's family home. This family had become her support system but following her breakup that became problematic, and she was failing at school and having panic attacks. Working together YCATT/ART completed a comprehensive assessment and helped her with severe depression and anxiety using medication and a range of other recovery focused interventions including:

- Family support and psychoeducation – the Team met with the young person and her father to guide a comprehensive treatment and lifestyle plan;
- Linking her with a university pathway through an engineering course. Additional help has been provided around debriefing with the university to help her maintain enrolment;
- Connecting her with a peer support worker from a community mental health group to provide parallel care with a GP and private psychologist, and encouraging her to attend group activities to build new friendships and continue to work on self-esteem;
- Psychoeducation to reduce substance use as she had been using marijuana since age 12.

Such intensive treatment is helping, and the young person has had no psychiatric inpatient admissions during YCATT/ART's involvement. Importantly, she has reported a significant reduction in symptoms and an improvement in functioning which has also been reflected in the measurement tools.



Key priorities include building the peer workforce; Aboriginal culturally secure services; building capacity in trauma-informed care; and providing employment pathways

MHC staff created a collaborative artwork for NAIDOC Week 2020, guided by Whadjuk artist Julianne Wade.

Sector Development

Workforce Strategic Framework 2020-2025

Launched in October 2020 with an immediate investment of $1.2 million to deliver workforce development in the mental health and AOD community sector, the *Mental Health Alcohol and Other Drug Workforce Strategic Framework 2020-2025* (Workforce Strategic Framework) will guide the growth and development of an appropriately qualified and skilled workforce. The Framework addresses a key action in the Plan which notes a requirement for significant service reform, growth and development across the service spectrum. The reforms currently underway require the workforce to simultaneously evolve to ensure we have a balanced, high quality and sustainable service system, able to provide individualised, high quality mental health and AOD services and programs. Key priorities include building the peer workforce; Aboriginal culturally secure services; building capacity in trauma-informed care; and providing employment pathways. The Commission led development of the Framework in collaboration and consultation with a vast array of key stakeholders including consumers, families and carers, government agencies, non-government organisations, professional bodies, and key mental health and alcohol and other drug peak bodies.

In 2020-21 the Commission:

- Delivered as part of the *Workforce Strategic Framework 2020-2025*:

- an extra intake of the capacity building Volunteer Alcohol and Other Drug Counsellors' Training Program, with 22 participants completing the 20-week training program and commencing a 12-month placement in a non-government alcohol and other drug agency; and
- 16 Trauma Informed Care and Practice events around WA to 285 participants.

- Delivered 111 events totalling 944 hours of face-to-face and videoconference training to 1,878 workers around WA, through its Workforce Development team, which also:
  - Updated seven online learning packages which had enrolments from 1,092 participants;
  - Developed and disseminated more than 19,000 resources to the workforce;
  - Launched 'An Introduction to Alcohol and Other Drugs: Part One' online learning package containing three modules, which had more than 630 participant registrations; and
  - Delivered regional frontline worker training throughout WA, training 325 participants across 16 events.
- Supported a new initiative at Fiona Stanley Hospital to establish a Mental Health, Alcohol and Other Drug Peer Support pilot program to promote health and social recovery. The South Metropolitan Health Service is partnering with Ruah Community Services to assist people with mental health and AOD issues through peer support workers across both the ED and inpatient wards. The peer support workers help individuals presenting with mental health issues and/or other conditions resulting from AOD use and facilitate referral onto appropriate services, helping improve access to a wider range of community services post-discharge.
- Delivered nationally accredited Certificate III in Community Services Work and Certificate IV in Alcohol and Other Drugs training programs for Aboriginal workers employed within our partnership and other human services sector agencies. The Strong Spirit Strong Mind Aboriginal Programs (SSSMAP) team manages and operates the Registered Training Organisation for the Commission. This year it also delivered culturally secure Ways of Working (WOW) with Aboriginal people training Part 1 and Part 2, for the alcohol and other drug and broader human services sector including other Government agencies, to better understand and work more effectively with Aboriginal people. Highlights for year include:
  - Certificate III in Community Services Work (Intake 2) – a total of 17 Aboriginal AOD and mental health workers graduated on 12 March 2021 with a full qualification;
  - Certificate IV in Alcohol and Other Drugs (Intake 1) – 24 Aboriginal AOD and mental health workers commenced the course to be completed in July 2021; and
  - A total of 137 participants completed cultural awareness training at the MHC, Ways of Working with Aboriginal people Part 1 (107) and Part 2 (30).
- Invested $950,000 to support an additional estimated 300 people with their National Disability Access Scheme (NDIS) access requests through the NDIS Access Project, which commenced in May 2021 for a period of 6 months. At 30 June 2021, the Project was progressing faster than anticipated with 93 referrals received. Other NDIS-related work include:
  - Supported the WA State Office of the National Disability Insurance Agency (NDIA) to establish a Stakeholder Reference Group to highlight, escalate and collaboratively address ongoing issues and priorities for existing and potential NDIS participants with psychosocial disability in WA. The group includes representatives from government and non-government agencies, and carer and consumer representatives, meets on a quarterly basis to discuss and problem solve issues arising in the mental health sector relating to the NDIS.
  - An online repository of capacity building resources for NDIS psychosocial disability services, to support providers to develop organisational capacity to operate under the NDIS funding model.
  - Working with relevant agencies and service providers to ensure the effective transition to the NDIS in WA, particularly for people with psychosocial disability and improve the NDIS experience for participants, support individuals, carers and family members.

System Supports and Processes

Focus on Young People

Significant among the work done by the Commission this year to improve navigation of, and access to, mental health and AOD services was the release of the *Young People's Mental Health and Alcohol and Other Drug Use: Priorities for Action 2020-2025* (YPPA). Building on work already done across Government and the sector to better understand the impact of mental health and AOD issues on young people in our community, the YPPA prioritises what must be done over the next five years to make a real change for young people aged 12 to 24. It outlines six key strategies young people and sector stakeholders identified as priority areas for change and includes an agreed set of initiatives to support its implementation. These are prioritised for Immediate Action (what we are now or will be doing, with no additional funding required), Top Priorities (first to be implemented if additional funding becomes available), and Future Steps (longer term priorities for future implementation).

In 2020-21 the Commission:

- Worked across Government and the mental health and AOD sector to identify, develop and lead the reforms required to deliver the Government's objectives for mental health, alcohol and other drugs and improve outcomes for Western Australians.
- Implemented the Stakeholder Engagement Framework across the Commission and the sector to build a culture of quality engagement with partners and stakeholders to achieve reform.
- Supported the effective operation of key system and sector wide governance structures and processes, including the Commission's advisory groups and Mental Health Networks.
- Drove development of system-wide, evidence-based, innovative and transformational strategic policies addressing system-wide priorities and gaps.
- Fostered collaborative relationships and partnerships at a National, State and local level, promoting quality and consistency across strategic work and whole of Government approaches.
- Provided high-level strategic advice, consolidating partnerships and networks across Government and sector agencies to ensure alignment with system-wide outcomes.
- Led the development and delivery of outcomes-focused monitoring and reporting frameworks to advise Government and the community about the achievement of objectives.
- Prepared for a statutory review of the *Mental Health Act 2014* which aims to identify elements of the Act that work well, and opportunities for improvement. There will be a six-month public consultation period opening early in the new financial year.

Disclosures and Legal Compliance

Certification of Financial Statements

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 2021 and the financial position as at 30 June 2021.

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.

Les Bechelli, FCPA
Chief Financial Officer
Mental Health Commission

1 October 2021

Jennifer McGrath
Commissioner
Mental Health Commission
Accountable Authority

1 October 2021

Financial Statements

Mental Health Commission
Statement of Comprehensive Income
For the year ended 30 June 2021

	Notes	2021 $	2020 $
COST OF SERVICES			
Expenses			
Employee benefits expenses	3.1 (a)	38,141,838	36,210,328
Service agreement - WA Health	3.2	772,960,840	740,858,202
Service agreement - non government and other organisations	3.2	161,783,732	149,966,925
Supplies and services	3.4	14,262,445	11,467,373
Grants and subsidies	3.3	12,386,050	3,437,116
Depreciation expense	5.1.1 & 5.2	520,540	504,647
Finance costs	7.2	5,252	3,553
Accommodation expense	3.5	2,236,157	2,209,449
Other expenses	3.6	2,400,774	2,781,885
Total cost of services		**1,004,697,628**	**947,439,478**
Income			
Commonwealth grants and contributions	4.2	1,339,105	376,136
Other income	4.3	342,891	998,491
Total income		**1,681,996**	**1,374,627**
NET COST OF SERVICES		**1,003,015,632**	**946,064,851**
Income from State Government			
Service appropriation	4.1	722,496,000	710,821,000
Service agreement funding - Commonwealth	4.1	252,582,940	217,715,822
Income from other public sector entities	4.1	4,521,841	5,101,680
Resources received	4.1	1,888,825	1,969,238
Royalties for Regions Fund	4.1	15,321,000	16,454,000
Total income from State Government		**996,810,606**	**952,061,740**
SURPLUS/(DEFICIT) FOR THE PERIOD		**(6,205,026)**	**5,996,889**
OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation surplus	9.10	103,534	146,022
Total other comprehensive income		**103,534**	**146,022**
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		**(6,101,492)**	**6,142,911**

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Mental Health Commission
Statement of Financial Position
As at 30 June 2021

	Notes	2021 $	2020 $
ASSETS			
Current Assets			
Cash and cash equivalents	7.3.1	29,327,176	32,913,145
Restricted cash and cash equivalents	7.3.1	5,557,800	5,025,695
Receivables	6.1	251,641	82,392
Inventories	6.3	16,066	12,440
Other current assets	6.4	-	6,114
Non-current assets classified as held for distribution to owner	9.7	-	4,000,000
Total Current Assets		**35,152,683**	**42,039,786**
Non-Current Assets			
Restricted cash and cash equivalents	7.3.1	631,101	493,734
Amounts receivable for services	6.2	6,992,123	6,582,123
Property, plant and equipment	5.1	17,409,859	16,995,213
Right-of-use assets	5.2	126,039	88,317
Total Non-Current Assets		**25,159,122**	**24,159,387**
TOTAL ASSETS		**60,311,805**	**66,199,173**
LIABILITIES			
Current Liabilities			
Payables	6.5	2,234,762	2,056,030
Employee benefits provisions	3.1 (b)	7,042,957	5,986,704
Lease liabilities	7.1	40,930	41,255
Grant liabilities	6.6	-	126,894
Total Current Liabilities		**9,318,649**	**8,210,883**
Non-Current Liabilities			
Employee benefits provisions	3.1 (b)	2,040,777	2,205,744
Lease liabilities	7.1	87,984	48,459
Total Non-Current Liabilities		**2,128,761**	**2,254,203**
TOTAL LIABILITIES		**11,447,410**	**10,465,086**
NET ASSETS		**48,864,395**	**55,734,087**
EQUITY			
Contributed equity	9.10	33,682,891	34,451,091
Reserves	9.10	249,556	146,022
Accumulated surplus	9.10	14,931,948	21,136,974
TOTAL EQUITY		**48,864,395**	**55,734,087**

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Mental Health Commission
Statement of Changes in Equity
For the year ended 30 June 2021

	Notes	2021 $	2020 $
CONTRIBUTED EQUITY	9.10		
Balance at start of period		34,451,091	32,135,558
Transactions with owners in their capacity as owners:			
Capital appropriation		4,103,000	72,000
Other contribution by owners - Royalties for Region Fund		7,061,000	8,663,000
Distribution to owner - Department of Planning, Land and Heritage		(4,000,000)	-
Other distribution to owner - Department of Communities		(7,932,200)	(6,419,467)
Balance at end of period		33,682,891	34,451,091
RESERVES			
Asset Revaluation Reserve			
Balance at start of period		146,022	-
Other comprehensive income for the period		103,534	146,022
Balance at end of period		249,556	146,022
ACCUMULATED SURPLUS	9.10		
Balance at start of period		21,136,974	15,134,582
Initial application of AASB 16		-	5,503
Restated balance at start of period		21,136,974	15,140,085
Surplus/(deficit) for the period		(6,205,026)	5,996,889
Balance at end of period		14,931,948	21,136,974
TOTAL EQUITY	9.10		
Balance at start of period		55,734,087	47,270,140
Total comprehensive income/(loss) for the period		(6,101,492)	6,142,911
Initial application of AASB 16		-	5,503
Transactions with owners in their capacity as owners		(768,200)	2,315,533
Balance at end of period		**48,864,395**	**55,734,087**

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Mental Health Commission
Statement of Cash Flows
For the year ended 30 June 2021

	Notes	2021 $	2020 $
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		722,086,000	710,407,000
Capital appropriations		4,103,000	72,000
Service agreement funding - Commonwealth		252,582,940	217,715,822
Income from other public sector entities		4,394,947	5,101,680
Royalties for Regions Fund - Capital	9.10	7,061,000	8,663,000
Return of Royalties for Regions Fund	4.1	(44,000)	-
Payment to Department of Communities - Royalties for Regions capital	9.10	(6,909,000)	(6,419,467)
Royalties for Regions Fund - Recurrent	4.1	15,321,000	16,454,000
Net cash provided by State Government		**998,595,887**	**951,994,035**
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits expenses		(37,261,852)	(35,117,917)
Service agreement - WA Health		(772,960,840)	(740,850,059)
Service agreement - non government and other organisations		(161,579,729)	(150,176,087)
Supplies and services		(12,509,351)	(9,264,737)
Grants and subsidies		(12,386,050)	(3,437,116)
Finance costs		(5,252)	(3,553)
Accommodation expense		(2,223,210)	(2,203,616)
Other payments		(2,352,272)	(2,647,653)
Receipts			
Commonwealth grants and contributions		1,339,105	503,030
Other receipts		275,681	543,436
Net cash used in operating activities	7.3.2	**(999,663,770)**	**(942,654,272)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		(1,792,605)	(5,110)
Net cash used in investing activities		**(1,792,605)**	**(5,110)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Lease payments		(56,009)	(66,804)
Net cash used in financing activities		**(56,009)**	(66,804)
Net increase / (decrease) in cash and cash equivalents		(2,916,497)	9,267,850
Cash and cash equivalents at the beginning of the period		38,432,574	29,164,724
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7.3.1	**35,516,077**	**38,432,574**

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

Mental Health Commission
Summary of consolidated account appropriations
For the year ended 30 June 2021

	2021 Budget $	2021 Supplementary Funding $	2021 Revised Budget $	2021 Actual $	Variance $
Delivery of Services					
Item 55 Net amount appropriated to deliver services	760,210,000	-	760,210,000	721,687,000	(38,523,000)
Amount Authorised by Other Statutes					
- *Salaries and Allowances Act 1975*	809,000	-	809,000	809,000	-
Total appropriations provided to deliver services	**761,019,000**	**-**	**761,019,000**	**722,496,000**	**(38,523,000)**
Capital					
Item 124 Capital appropriations	4,103,000	-	4,103,000	4,103,000	-
Administered Transactions					
Administered grants, subsidies and other transfer payments	8,870,000	-	8,870,000	8,870,000	-
Total administered transactions	**8,870,000**	**-**	**8,870,000**	**8,870,000**	**-**
GRAND TOTAL	**773,992,000**	**-**	**773,992,000**	**735,469,000**	**(38,523,000)**

No supplementary funding was recevied by the Mental Health Commission in 2020-21.

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

1. Basis of preparation

The Mental Health Commission (MHC) is a WA Government entity, controlled by the State of Western Australia which is the ultimate parent. The MHC is a not-for-profit entity (as profit is not its principal objective).

Statement of compliance

These general purpose financial statements have been prepared in accordance with:
1) The Financial Management Act 2006 **(FMA)**
2) The Treasurer's instructions **(TIs)**
3) Australian Accounting Standards **(AAS)** including applicable interpretations
4) Where appropriate, those **AAS** paragraphs applicable for not for profit entities have been modified.

The FMA and the TIs take precedence over AASs. Several AASs are modified by the TIs to vary application, disclosure format and wording. 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. All values are rounded to the nearest thousand dollar ($).

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.

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 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed Equity.

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

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:

	Note
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 objectives

Mission

To be an effective leader of alcohol, drug and mental health commissioning, providing and partnering in the delivery of person-centred and evidence-based:

* Prevention, promotion and early intervention programs;
* Treatment, services and supports; and
* Research, policy and system improvements.

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

Services

The MHC is responsible for purchasing 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.

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

2.2 Schedule of Income and Expenses by Service

	Prevention		Hospital Bed Based Services		Community Bed Based Services		Community Treatment		Community Support		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	$	$	$	$	$	$	$	$	$	$	$	$
COST OF SERVICES												
Expenses												
Employee benefits expenses	773,216	588,766	16,260,666	15,696,497	2,601,121	2,176,276	16,391,596	15,776,718	2,115,239	1,972,071	38,141,838	36,210,328
Service agreement - WA Health	15,669,565	12,046,074	329,529,421	321,148,107	52,712,838	44,526,294	332,182,786	322,789,438	42,866,230	40,348,289	772,960,840	740,858,202
Service agreement - non government and other organisations	3,279,700	2,438,406	68,971,799	65,007,843	11,033,004	9,013,157	69,527,159	65,340,087	8,972,070	8,167,432	161,783,732	149,966,925
Supplies and services	289,130	186,455	6,080,379	4,970,891	972,642	689,200	6,129,340	4,996,296	790,955	624,531	14,262,445	11,467,373
Grants and subsidies	251,092	55,886	5,280,433	1,489,925	844,679	206,574	5,322,951	1,497,540	686,895	187,191	12,386,050	3,437,116
Depreciation expense	10,552	8,205	221,917	218,755	35,499	30,330	223,704	219,873	28,868	27,484	520,540	504,647
Finance costs	106	58	2,239	1,540	358	214	2,258	1,547	291	194	5,252	3,553
Accommodation expense	45,332	35,925	953,321	957,755	152,497	132,790	960,997	962,649	124,010	120,330	2,236,157	2,209,449
Other expenses	48,669	45,232	1,023,500	1,205,895	163,723	167,194	1,031,742	1,212,058	133,140	151,506	2,400,774	2,781,885
Total cost of services	20,367,361	15,405,007	428,323,675	410,697,208	68,516,361	56,942,029	431,772,533	412,796,206	55,717,698	51,599,028	1,004,697,628	947,439,478
Income												
Commonwealth grants and contributions	-	-	-	-	-	-	1,339,105	376,136	-	-	1,339,105	376,136
Other income	2,612	170,704	54,855	340,000	28,735	47,000	249,522	345,787	7,167	95,000	342,891	998,491
Total income	2,612	170,704	54,855	340,000	28,735	47,000	1,588,627	721,923	7,167	95,000	1,681,996	1,374,627
NET COST OF SERVICES	20,364,749	15,234,303	428,268,820	410,357,208	68,487,626	56,895,029	430,183,906	412,074,283	55,710,531	51,504,028	1,003,015,632	946,064,851
Income from State Government												
Service appropriation	17,305,128	12,387,363	278,001,817	292,370,287	60,111,714	53,063,094	312,534,082	302,616,879	54,543,258	50,383,380	722,496,000	710,821,000
Service agreement funding - Commonwealth	-	-	146,797,975	119,732,832	-	-	105,784,965	97,982,990	-	-	252,582,940	217,715,822
Income from other public sector entities	2,652,541	2,309,428	18,450	-	2,943	-	1,845,496	2,792,252	2,411	-	4,521,841	5,101,680
Resources received	38,291	32,019	805,246	853,628	128,810	118,353	811,730	857,990	104,749	107,248	1,888,825	1,969,238
Royalties for Regions Fund	243,000	603,000	-	-	7,821,000	4,074,000	6,541,000	10,437,000	716,000	1,340,000	15,321,000	16,454,000
Total income from State Government	20,238,960	15,331,810	425,623,488	412,956,747	68,064,468	57,255,448	427,517,273	414,687,111	55,366,418	51,830,628	996,810,606	952,061,740
SURPLUS/(DEFICIT) FOR THE PERIOD	(125,789)	97,507	(2,645,333)	2,599,539	(423,158)	360,419	(2,666,633)	2,612,828	(344,113)	326,600	(6,205,026)	5,996,889

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

2.3 Schedule of Assets and Liabilities by Service

	Prevention		Hospital Bed Based Services		Community Bed Based Services		Community Treatment		Community Support		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	$	$	$	$	$	$	$	$	$	$	$	$
ASSETS												
Current assets	712,620	683,551	14,986,326	18,223,457	2,397,272	2,526,632	15,106,996	18,316,594	1,949,469	2,289,552	35,152,683	42,039,786
Non-current assets	510,029	392,823	10,725,861	10,472,639	1,715,752	1,452,003	10,812,226	10,526,164	1,395,254	1,315,758	25,159,122	24,159,387
Total Assets	1,222,648	1,076,374	25,712,189	28,696,096	4,113,024	3,978,635	25,919,222	28,842,758	3,344,723	3,605,310	60,311,805	66,199,173
LIABILITIES												
Current liabilities	188,909	133,506	3,972,736	3,559,264	635,495	493,482	4,004,723	3,577,454	516,786	447,177	9,318,649	8,210,883
Non-current liabilities	43,155	36,652	907,534	977,155	145,173	135,480	914,844	982,149	118,055	122,767	2,128,761	2,254,203
Total Liabilities	232,064	170,158	4,880,270	4,536,419	780,669	628,962	4,919,567	4,559,603	634,841	569,944	11,447,410	10,465,086
NET ASSETS	990,585	906,215	20,831,918	24,159,677	3,332,355	3,349,674	20,999,655	24,283,155	2,709,882	3,035,366	48,864,395	55,734,087

The Schedule of Assets and Liabilities by Service should be read in conjunction with the accompanying notes.

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

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	2021 $	2020 $
Employee benefits expenses	3.1(a)	38,141,838	36,210,328
Employee benefits provisions	3.1(b)	9,083,734	8,192,448
Service agreements	3.2	934,744,572	890,825,127
Grants and subsidies	3.3	12,386,050	3,437,116
Supplies and services	3.4	14,262,445	11,467,373
Accommodation expense	3.5	2,236,157	2,209,449
Other expenses	3.6	2,400,774	2,781,885

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

		2021	2020
3.1(a)	**Employee benefits expenses**	**$**	**$**
	Employee benefits	34,833,158	33,082,193
	Termination benefits	-	-
	Superannuation - defined contribution plans (a)	3,308,680	3,128,135
	Total employee benefits expenses	**38,141,838**	**36,210,328**
	Add: AASB 16 Non-monetary benefits	47,841	54,289
	Less: Employee contributions	(24,651)	(26,632)
	Net employee benefits	**38,165,028**	**36,237,985**

(a) Defined contribution plans include West State, Gold State and GESB Super and other eligible funds. Super contribution paid to GESB for West State, Gold State and GESB Super is $2,728,954 (2019-20 $2,667,363).

Employee benefits: include wages and salaries, accrued and paid leave entitlements, paid sick leave and non-monetary beneifits such as fringe benefits tax for employees.

Termination benefits: 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: the amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds.

AASB 16 Non-monetary benefits: non-monetary employee benefits, that are employee benefits expenses, predominantly relate to the provision of vehicle benefits are measured at the cost incurred by the MHC.

Employee Contributions: contributions 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.

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

3.1(b) Employee benefits provisions	2021 $	2020 $
Current		
Employee benefits provision		
Annual leave	3,727,796	3,297,642
Long service leave	3,187,798	2,586,128
Deferred salary scheme	127,363	102,934
Total current employee benefits provisions	**7,042,957**	**5,986,704**
Non-current		
Employee benefits provision		
Long service leave	2,040,777	2,205,744
Total employee benefits provisions	**9,083,734**	**8,192,448**

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: Classified as current as there is no unconditional right 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	2,602,650	2,299,042
More than 12 months after the end of the reporting period	1,125,146	998,600
	3,727,796	3,297,642

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: Unconditional long service leave provisions are classified as current liabilities as the MHC does not have an unconditional right 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 an unconditional 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	872,751	638,404
More than 12 months after the end of the reporting period	4,355,824	4,153,468
	5,228,575	4,791,872

The provision of the long service leave liabilities 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, 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: 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	125,836	102,934
More than 12 months after the end of the reporting period	1,527	-
	127,363	102,934

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

3.1(b) Employee benefits provisions (cont.)

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 7.4%. 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.

		2021	2020
3.2	**Service agreements**	**$**	**$**
	Service agreement - WA Health		
	East Metropolitan Health Service	193,230,498	186,721,028
	North Metropolitan Health Service	252,073,556	243,678,096
	South Metropolitan Health Service	133,304,363	126,058,033
	Child and Adolescent Health Service	68,096,956	64,642,888
	WA Country Health Service	126,255,467	119,758,157
	Total service agreement - WA Health	**772,960,840**	**740,858,202**

Metropolitan Health Service was abolished on 1 July 2016 and established 5 Health Services Providers including Health Support Services due to proclamation of Health Services Act 2016. 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	161,783,732	149,966,925

Non-government and other organisations are contracted to provide specialised mental health, alcohol and other drug services to the community.

	Total service agreements	**934,744,572**	**890,825,127**

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

3.3 Grants and subsidies	2021 $	2020 $
Recurrent		
Suicide Prevention Strategy	606,016	150,000
Prevention and Anti-Stigma	105,000	180,000
Community Living Support (a)	-	1,750,000
Transitional Community Based Beds for Long Stay Inpatients Pilot Program	2,463,901	-
Perinatal Mental Health Pilot Programs	1,183,771	-
Commitment to Aboriginal Youth Wellbeing - Aboriginal Engagement Girls Programs (a)	1,540,000	-
Commitment to Aboriginal Youth Wellbeing	285,950	-
GP Aftercare Pilot Program	400,000	-
Active Recovery Team Pilot Project	505,409	-
National Disability Insurance Scheme Programs	948,390	-
Mental Health Residential Rehabilitation Beds Trial Program	490,000	-
Covid-19 Pandemic Service Response	697,665	-
Other grants (a)	1,183,148	1,357,116
Total recurrent grants and subsidies	**10,409,250**	**3,437,116**
Capital		
Refurbish building grants for A Safe Place Initiatives - Community Care Unit	1,556,800	-
Refurbish building grants for A Safe Place Initiatives - Youth Mental Health and Alcohol and Other Drug Homelessness	420,000	-
Total capital grants and subsidies	**1,976,800**	**-**
Total grants and subsidies	**12,386,050**	**3,437,116**

(a) Grants and subsidies include payment to Department of Education $1,540,000 (2019-20 $nil), Department of Local Government Sport and Cultural Industries of $2,682 (2019-20 $nil) and Department of Communities of $nil (2019-20 $1,750,000).

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 expenses'. Grants can either be operating or capital in nature.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. 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 schools, and community groups.

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

3.4 Supplies and services	2021 $	2020 $
Purchase of outsourced services (b) (c)	8,884,613	6,388,356
Corporate support services (d)	1,835,784	1,910,772
Computer related services	250,600	326,385
Consulting fees (a) (b) (e)	2,143,288	1,630,098
Consumables	548,892	643,424
Communications (b)	209,384	208,185
Printing and Stationery	315,642	290,808
Other	74,242	69,345
Total supplies and services	**14,262,445**	**11,467,373**

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

(a) The Public Sector Commission $16,215 has been classified as consulting fees (2019-20 $nil).
(b) Department of Finance $14,399 has been classified as consulting fees (2019-20 $nil), $nil as communications (2019-20 $115) and $nil as purchase of outsourced services (2019-20 $1,662).
(c) Department of Health $nil has been classified as purchase of outsourced services (2019-20 $49,366).
(d) Health Support Services has provided supply services, IT services, human resource services, finance services to the MHC. Service provided is inclusive of free of charge of $1,835,784 (2019-20 $1,910,772).
(e) Landgate WA of $2,783 has been classified as consulting fees (2019-20 $8,698).

3.5 Accommodation expense		
Office accommodation expenses	**2,236,157**	**2,209,449**

Office accommodation expenses include Government Office Accommodation periodic lease arrangements, which are outside the scope of AASB 16 and are expensed as incurred. Expenses include Department of Finance $2,104,835 (2019-20 $2,068,855) inclusive of services provided free of charge $11,851 (2019-20 $12,754) and Department of Planning, Lands and Heritage $5,000 (2019-20 $3,750).

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

3.6 Other expenses	2021 $	2020 $
Workers' compensation insurance (a)	152,096	281,766
Other employee related expenses (h) (j)	348,146	396,026
Consumable equipment, repairs and maintenance (b) (g)	747,043	811,706
Expected credit losses expense	5,194	2,747
Loss on revaluation of land	-	316,300
Travel related expenses (c)	245,002	71,277
Audit fees (d)	260,150	285,201
Legal fees (e)	135,161	63,510
Administration (f)	226,106	135,159
Advertising	17,713	785
Other insurance (a)	135,636	139,024
Disposal of lease asset	-	2,273
Other (i)	128,527	276,104
Total other expenditures	**2,400,774**	**2,781,878**

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

(a) Include expense to RiskCover, $152,096 has been classified as workers' compensation insurance and $135,636 as other insurance (2019-20 $281,766 workers' compensation insurance and $139,024 other insurance).
(b) Include expense to Department of Finance, $129,380 has been classified as consumable equipment, repairs and maintenance (2019-20 $84,066).
(c) Include expense to Department of Finance - Statefleet $323 (2019-20 $304).
(d) Include expense to Office of the Auditor General $216,402 (2019-20 $212,928).
(e) Include expense to Department of Justice - State Solicitor's Office $84,085 (2019-20 $47,097) inclusive of resources received free of charge.
(f) Include expense to Department of Training and Workforce Development of $nil (2019-20 $1,818).
(g) Include expense to Department of Fire and Emergency $5,021 (2019-20 $5,021).
(h) Include expense to Department of The Premier and Cabinet $nil (2019-20 $1,500).
(i) Include expense to WA Police $nil (2019-20 $89,367).
(j) Include expense to Public Sector Commission $5,115 (2019-20 $nil).

The expected credit losses is an allowance of trade and other receivables, 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. Refer to note 6.1.1 Movement in the allowance for impairment of receivables.

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.

Loss on revaluation of land recognised as an expense as no land revaluation surplus was reported in previous years.

The employment on-costs include **workers' compensation insurance** only. Any on-costs liability associated with the recognition of annual and long service leave liability is included at Note 3.1(b) Employee benefit provision. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

Mental Health Commission
Notes to the Financial Statements
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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	2021 $	2020 $
Income from State Government	4.1	996,810,606	952,061,740
Commonwealth grants and contributions	4.2	1,339,105	376,136
Other income	4.3	342,891	998,491

Mental Health Commission
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4.1 Income from State Government

	2021 $	2020 $
Service appropriation received during the period:		
Amount appropriated to deliver services	721,687,000	710,012,000
Amount authorised by other statutes:		
Salaries and Allowances Act 1975	809,000	809,000
Total service appropriation received	**722,496,000**	**710,821,000**
Commonwealth service agreement funding from State Pool Account during the period:		
National Health Reform Agreement	**252,582,940**	**217,715,822**

As from 1 July 2012, activity based funding and block grant funding have been 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 and the MHC.

Income from other public sector entities during the period:		
Department of Health	443,670	470,102
WA Country Health Service	1,141,268	1,129,745
Department for Communities	2,280	828,745
Department of Education	646,286	160,205
WA Police	1,505,858	1,452,192
Healthway	741,479	1,019,478
Department of Justice	41,000	41,185
Other	-	28
Total income from other public sector entities	**4,521,841**	**5,101,680**
Resources received from other public sector entities during the period:		
Services received free of charge:		
State Solicitor's Office - legal advisory services	78,986	42,107
Department of Finance - office accommodation leasing services	11,851	12,754
Department of Health	6,204	-
Health Support Services (a)	1,835,784	1,914,377
Total services received free of charge	**1,932,825**	**1,969,238**

(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.

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

		2021	2020
		$	$
4.1	**Income from State Government (cont.)**		
	Assets transferred out		
	Return of Royalties for Regions Fund	(44,000)	-
	Total resources received	**1,888,825**	**1,969,238**
	Royalties for Regions Fund		
	Regional Community Services Account	**15,321,000**	**16,454,000**
	Total income from State Government	**996,810,606**	**952,061,740**

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 Treasury.

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.

Services received free of charge from other public sector entities are recognised as income (and expenses) equivalent to the fair value of those services that can be reliably determined and which would have been purchased if not donated.

Regional Community Services Account is 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.

4.2	**Commonwealth grants and contributions**		
	Specialist Dementia Care Program	260,000	260,000
	Continuity of Support Program	897,275	-
	Take Home Naloxone Pilot	181,830	116,136
	Total commonwealth grants and contributions	**1,339,105**	**376,136**

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)	111,304	200,624
	Interest revenue	16,072	45,906
	Services to external organisations	80,804	213,410
	Increment on revaluation of buildings (b)	-	475,430
	Increment on revaluation of land (b)	4,600	-
	Other income	130,111	63,121
	Total other income	**342,891**	**998,491**

(a) Refunds were received from non-government organisations in 2020/21 and 2019/20, as the funds paid in prior year were in excess of the requirement.

(b) Revenue is related to an increment in value of assets after revaluation. It is recognised as other revenue to the extent it reverses the loss on revaluation recognised as other expense in previous years.

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.

Mental Health Commission
Notes to the Financial Statements
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5. Key assets

Assets the MHC utilises for economic benefit or service potential

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	2021 $	2020 $
Property, plant and equipment	5.1	17,409,859	16,995,213
Right-of-use assets	5.2	126,039	88,317

Mental Health Commission
Notes to the Financial Statements
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		2021	2020
5.1	**Property, plant and equipment**	**$**	**$**
	Land		
	Carrying amount at start of period (fair value)	**5,198,700**	**5,221,300**
	Revaluation increments / (decrements)	4,600	(22,600)
	Transfers (a)	(350,000)	-
	Carrying amount at end of period	**4,853,300**	**5,198,700**
	Buildings		
	Carrying amount at start of period (fair value)	**11,500,200**	**11,255,301**
	Revaluation increments / (decrements)	103,534	621,452
	Depreciation	(395,934)	(376,553)
	Transfers (a)	(673,200)	
	Carrying amount at end of period	**10,534,600**	**11,500,200**
	Computer equipment		
	Gross carrying amount	49,886	49,886
	Accumulated depreciation	(49,886)	(49,886)
	Carrying amount at start of period	**-**	**-**
	Additions	20,087	-
	Depreciation	(5,022)	-
	Carrying amount at end of period	**15,065**	**-**
	Medical equipment		
	Gross carrying amount	167,819	167,819
	Accumulated depreciation	(75,626)	(52,122)
	Carrying amount at start of period	**92,193**	**115,697**
	Additions	30,226	-
	Depreciation	(25,448)	(23,504)
	Carrying amount at end of period	**96,971**	**92,193**

Mental Health Commission
Notes to the Financial Statements
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		2021	2020
5.1	**Property, plant and equipment (cont.)**	**$**	**$**
	Other plant and equipment		
	Gross carrying amount	330,268	325,158
	Accumulated depreciation	(144,148)	(111,090)
	Carrying amount at the start of year	**186,120**	**214,068**
	Additions	54,078	5,110
	Depreciation	(36,489)	(33,058)
	Carrying amount at the end of year	**203,709**	**186,120**
	Artworks		
	Gross carrying amount	18,000	12,000
	Carrying amount at the start of year	**18,000**	**12,000**
	Additions	-	6,000
	Carrying amount at the end of year	**18,000**	**18,000**
	Works in progress		
	Gross carrying amount	-	-
	Carrying amount at the start of year	-	-
	Additions	1,688,214	-
	Carrying amount at the end of year	1,688,214	-
	Total property, plant and equipment		
	Gross carrying amount	17,264,873	17,031,464
	Accumulated depreciation	(269,660)	(213,098)
	Carrying amount at the start of year	**16,995,213**	**16,818,366**
	Additions	1,792,605	11,110
	Revaluation increments/(decrements)	108,134	598,852
	Depreciation	(462,893)	(433,115)
	Transfers (a)	(1,023,200)	-
	Carrying amount at the end of year	**17,409,859**	**16,995,213**

(a) Geraldton Sobering Up Centre transferred to Department of Communities - Housing Authority for 10 bed Community Mental Health Step up / Step down service for the Midwest Region based in Geraldton.

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).

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

5.1 Property, plant and equipment (cont.)

Subsequent measurement

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

Land and buildings are carried at fair value less accumulated depreciation (buildings) and accumulated impairment losses. All other property, 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 (Valuations and Property Analytics) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Land and buildings were revalued as at 1 July 2020 by the Western Australian Land Information Authority (Valuations and Property Analytics).The valuations were performed during the year ended 30 June 2021 and recognised at 30 June 2021. In undertaking the revaluation, fair value was determined by reference to market values for land: $275,000 (2019-20 $4,620,000) and buildings $378,000 (2019-20 $1,056,000). For the remaining balance, fair value of buildings was determined on the basis of depreciated replacement cost and fair value of land was determined on the basis of comparison with market evidence for land with low level utility (high restricted use land).

5.1.1 Depreciation expense

	2021 $	2020 $
Buildings	395,934	376,553
Computer equipment	5,022	-
Medical equipment	25,448	23,504
Other plant and equipment	36,489	33,058
Total depreciation expense for the period	**462,893**	**433,115**

As at 30 June 2021 there were no indications of impairment to property, plant and equipment.

All surplus assets at 30 June 2021 have either been classified as assets held for sale or have been written-off.

Mental Health Commission
Notes to the Financial Statements
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5.1 Property, plant and equipment (cont.)

5.1.1 Depreciation expense (cont.)

Finite 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:

Buildings	20 to 50 years
Computer equipment	4 years
Furniture and fittings	10 to 20 years
Medical equipment	10 years
Other plant and equipment	5 to 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 2021. 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.

Mental Health Commission
Notes to the Financial Statements
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5.2 Right-of-use assets	2021 $	2020 $
Vehicles		
Gross carrying amount	145,904	109,722
Accumulated depreciation	(57,587)	-
Accumulated impairment loss	-	-
Carrying amount at start of period	**88,317**	**109,722**
Additions	110,591	64,629
Disposals	(47,599)	(28,447)
Reversal of accumulated depreciation on disposal	32,377	13,945
Depreciation expense	(57,647)	(71,532)
Carrying amount at the end of year	**126,039**	**88,317**
Gross carrying amount	208,896	145,904
Accumulated depreciation	(82,857)	(57,587)
Accumulated impairment loss	-	-

Initial recognition

Right-of-use assets are measured at cost including the following:

- 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 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.

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

5.2 Right-of-use assets (cont.)

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

	2021 $	2020 $
Depreciation expense of right-of-use assets	57,647	71,532
Lease interest expense	5,252	3,553
Expenses relating to variable lease payments not included in lease liabilities	324	304
Short-term leases	130,333	-
Gains or losses arising from sale and leaseback transactions	159	102
Total amount recognised in the statement of comprehensive income	**193,715**	**75,491**

The total cash outflow for leases in 2021 was $191,918

The MHC's leasing activities and how these are accounted for:

The MHC has leases for vehicles.

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

The MHC recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

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

Mental Health Commission
Notes to the Financial Statements
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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	2021 $	2020 $
Receivables	6.1	251,641	82,392
Amounts receivable for services	6.2	6,992,123	6,582,123
Inventories	6.3	16,066	12,440
Other current assets	6.4	-	6,114
Payables	6.5	2,234,762	2,056,030
Grant liabilities	6.6	-	126,894

Mental Health Commission
Notes to the Financial Statements
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		2021	2020
6.1	**Receivables**	**$**	**$**
	Current		
	Receivables	145,021	68,885
	Allowance for impairment of receivables	(17,749)	(15,380)
	Accrued revenue	74,610	8,291
	GST receivables	49,759	20,596
	Total receivables	**251,641**	**82,392**

Receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

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.

6.1.1 Movement in the allowance for impairment of receivables

Reconciliation of changes in the allowance for impairment of receivables:		
Opening balance	15,380	21,935
Expected credit losses expense	5,194	2,747
Amount recovered during the period	(893)	(6,328)
Amount written off during the period	(1,932)	(2,974)
Balance at end of period	**17,749**	**15,380**

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	6,992,123	6,582,123

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.

Amounts receivable for services are not considered to be impaired (i.e. there is no expected credit loss of the holding accounts).

Mental Health Commission
Notes to the Financial Statements
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6.3 Inventories

	2021 $	2020 $
Current		
Pharmaceutical stores - at cost	16,066	12,440

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a weighted average cost basis. Inventories not held for resale are measured at cost unless they are no longer required in which case they are measured at net realisable value.

6.4 Other current assets

Prepayments	-	6,114

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.

6.5 Payables

Current		
Trade payables (a)	593,418	707,140
Accrued salaries	923,006	772,602
Accrued expenses (a)	718,338	576,288
Balance at end of period	**2,234,762**	**2,056,030**

(a) Include amount not yet paid to Department of Premier and Cabinet $75,788 (2019-20 $nil) and Department of Finance $nil (2019-20 $42,975) .

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 is generally within 30 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.

6.6 Grant liabilities

Reconciliation of changes in grants liabilities

Opening balance	126,894	-
Additions	-	126,894
Revenue recognised in the reporting period	(126,894)	-
Balance at end of period	**-**	**126,894**
Current	-	126,894
Non-current	-	-

The MHC grant liabilities relate to the service yet to be performed at the end of the reporting period. Typically, a grant agreement payment is received upfront for 12 months of services.

The MHC expects to satisfy the performance obligation unsatisfied as the end of the reporting period within the next 12 months.

2019-20 grant liabilities related to grants and contribution received from Department of Health and WA Police (Note 4.1) and recognised as revenue in 2020-21 after satisfying the performance obligation.

Mental Health Commission
Notes to the Financial Statements
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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
Finance costs	7.2
Cash and cash equivalents	7.3
Reconciliation of cash	7.3.1
Reconciliation of operating activities	7.3.2
Capital commitments	7.4

Mental Health Commission
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		2021	2020
7.1	**Lease liabilities**	**$**	**$**
	Current	40,930	41,255
	Non-current	87,984	48,459
		128,914	**89,714**

The MHC measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. 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	**Finance costs**		
	Lease interest expense	5,252	3,553

Finance costs includes the interest component of lease liability repayments.

Mental Health Commission
Notes to the Financial Statements
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7.3 Cash and cash equivalents

		2021 $	2020 $
7.3.1 Reconciliation of cash			
Cash and cash equivalents		29,327,176	32,913,145
Restricted cash and cash equivalents			
- Commonwealth special purpose account (b)		5,000,123	4,981,695
- Royalties for Regions Fund (c)		557,677	44,000
- Accrued salaries suspense account (a)		631,101	493,734
Balance at end of period		**35,516,077**	**38,432,574**

(a) Funds held in the suspense account used only for the purpose of meeting the 27th pay in a financial year that occurs every 11 years. This account is classified as non-current for 10 out of 11 years. The 27th pay was paid in the 2015/16 financial year.

(b) Fund are held for specific purposes for programs relating to drug diversion, development, implementation and administration of initiatives and activities to reduce drug abuse.

(c) 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.

The accrued salaries suspense account consists of amounts paid annually, from agency appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

7.3.2 Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

Net cost of services		(1,003,015,632)	(946,064,851)
Non-cash items:			
Resources received	4.1	1,932,825	1,969,238
Depreciation expense	5.1.1 & 5.2	520,540	504,647
Increment on revaluation of land	4.3	(4,600)	(475,430)
Loss on revaluation of land	3.6	-	316,300
Expected credit losses expense	3.6	5,194	2,747
Adjustment for other non-cash items		(2,983)	(7,130)
(Increase)/decrease in assets:			
Current receivables (a)		(171,618)	230,465
Inventories		(3,626)	7,658
Other current assets		6,114	167,254
Increase/(decrease) in liabilities:			
Current payables		178,732	(80,769)
Current provisions		1,056,253	386,587
Non-current provisions		(164,967)	262,118
Net cash provided by/(used in) operating activities		**(999,663,768)**	**(942,654,272)**

(a) This excludes allowance for impairment of receivables as this does not form part of the reconciling item.

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7.4 Capital commitments

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

	2021 $	2020 $
Within 1 year	4,584,005	-
Later than 1 year and not later than 5 years	2,896,414	-
Later than 5 years	-	-
	7,480,419	**-**

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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

Mental Health Commission
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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 the 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:

	2021 $	2020 $
Financial Assets		
Cash and cash equivalents	29,327,176	32,913,145
Restricted cash and cash equivalents	6,188,901	5,519,429
Receivables (a)	127,272	53,505
Accrued revenue	74,610	8,291
Amounts receivable for services	6,992,123	6,582,123
Total financial assets	**42,710,082**	**45,076,493**
Financial Liabilities		
Financial liabilities measured at amortised cost	2,363,676	2,145,744
Total financial assets	**2,363,676**	**2,145,744**

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

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Notes to the Financial Statements
For the year ended 30 June 2021

8.1 Financial risk management (cont.)

(c) Credit risk exposure

The following table details the credit risk exposure on the MHC's trade using a provision matrix.

		Days past due					
	Total	Current	<30 days	31-60 days	61-90 days	90-180 days	>180 days
	$	$	$	$	$	$	$
30 June 2021							
Expected credit loss rate		0.00%	2.00%	0.00%	0.00%	33.07%	15.24%
Estimated total gross carrying amount at default	145,021	29,707	1,177	541	-	2,323	111,273
Expected credit losses	(17,749)	-	24	-	-	768	16,957
30 June 2020							
Expected credit loss rate		0.00%	0.00%	0.00%	0.00%	25.96%	57.43%
Estimated total gross carrying amount at default (a)	68,885	34,651	1,637	189	4,611	1,853	25,944
Expected credit losses	(15,380)	-	-	-	-	481	14,899

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Notes to the Financial Statements
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8.1 Financial risk management (cont.)

(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 $	Fixed interest rate $	Variable interest rate $	Non-interest bearing $	Nominal Amount $	Up to 1 month $	1 - 3 months $	3 months to 1 year $	1 - 5 years $	More than 5 year $
2021											
Financial Assets											
Cash and cash equivalents	-	29,327,176	-	-	29,327,176	29,327,176	29,327,176	-	-	-	-
Restricted cash and cash equivalents	0.3%	6,188,901	-	5,000,123	1,188,778	6,188,901	6,188,901	-	-	-	-
Receivables (a)	-	127,272	-	-	127,272	127,272	127,272	-	-	-	-
Accrued revenue	-	74,610	-	-	74,610	74,610	74,610	-	-	-	-
Amounts receivable for services	-	6,992,123	-	-	6,992,123	6,992,123	-	-	-	-	6,992,123
		42,710,082	-	5,000,123	37,709,959	42,710,082	35,717,959	-	-	-	6,992,123
Financial Liabilities											
Payables	-	2,234,762	-	-	2,234,762	2,234,762	2,234,762	-	-	-	-
Lease liabilities (b)	4.4%	128,914	128,914	-	-	140,554	3,879	7,758	33,903	91,744	3,270
		2,363,676	128,914	-	2,234,762	2,375,316	2,238,641	7,758	33,903	91,744	3,270
2020											
Financial Assets											
Cash and cash equivalents	-	32,913,145	-	-	32,913,145	32,913,145	32,913,145	-	-	-	-
Restricted cash and cash equivalents	1.0%	5,519,429	-	4,981,695	537,734	5,519,429	5,519,429	-	-	-	-
Receivables (a)	-	53,505	-	-	53,505	53,505	53,505	-	-	-	-
Accrued revenue		8,291	-	-	8,291	8,291	8,291	-	-	-	-
Amounts receivable for services	-	6,582,123	-	-	6,582,123	6,582,123	-	-	-	-	6,582,123
		45,076,493	-	4,981,695	40,094,798	45,076,493	38,494,370	-	-	-	6,582,123
Financial Liabilities											
Payables	-	2,056,030	-	-	2,056,030	2,056,030	2,056,030	-	-	-	-
Lease liabilities (b)	3.5%	89,714	89,714	-	-	94,611	4,232	8,463	31,077	50,839	-
		2,145,744	89,714	-	2,056,030	2,150,641	2,060,262	8,463	31,077	50,839	-

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).
(b) The amount of lease liabilities $128,914 (2019: $89,714) is from leased vehicles.

Mental Health Commission
Notes to the Financial Statements
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8.1 Financial risk management (cont.)

(e) Interest rate sensitivity analysis

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.

		-100 basis points		+100 basis points	
	Carrying amount	Surplus	Equity	Surplus	Equity
	$	$	$	$	$
2021					
Financial Assets					
Restricted cash and cash equivalents	5,000,123	(50,001)	(50,001)	50,001	50,001
Total Increase/(Decrease)		(50,001)	(50,001)	50,001	50,001

		-100 basis points		+100 basis points	
	Carrying amount	Surplus	Equity	Surplus	Equity
	$	$	$	$	$
2020					
Financial Assets					
Restricted cash and cash equivalents	4,919,808	(49,198)	(49,198)	49,198	49,198
Total Increase/(Decrease)		(49,198)	(49,198)	49,198	49,198

Fair values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

Mental Health Commission
Notes to the Financial Statements
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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.

Under the Long Service Leave Act 1958 (LSL Act) casual employees who have been employed for more than 10 years and meet continuous service requirements may be entitled to long service leave. Whilst a provision for casual employees who are currently still employed by the MHC and who meet the criteria has been recognised in the financial statements, the amount of the obligation for those casual employees who are no longer employed by the MHC cannot be measured with sufficient reliability at reporting date. We are currently assessing the impact of the LSL Act for those casual employees.

The MHC does not have any pending litigation that are not recoverable from 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:	Level 1	Level 2	Level 3	Fair Value At end of period
2021	**$**	**$**	**$**	**$**
Non-current assets classified as held for distribution to owner (Note 9.7)	-	-	-	-
Land (Note 5.1)	-	275,000	4,578,300	4,853,300
Buildings (Note 5.1)	-	378,000	10,156,600	10,534,600
	-	**653,000**	**14,734,900**	**15,387,900**
2020				
Non-current assets classified as held for distribution to owner (Note 9.7)	-	4,000,000	-	4,000,000
Land (Note 5.1)	-	620,000	4,578,700	5,198,700
Buildings (Note 5.1)	-	1,056,000	10,444,200	11,500,200
	-	**5,676,000**	**15,022,900**	**20,698,900**

Subsequent to the merger of Mental Health MHC and Drug and Alcohol Office in 1 July 2015, the amalgamated Mental Health MHC moved to new premises in April 2016 and services ceased at old site in late 2018. As a result the site became surplus to requirement and was classified as held for distribution to owner as at 30 June 2020. The site was transferred in 2020-21 to Department of Planning, Lands and Heritage (DPLH) for sale, refer note 9.7.

Valuation techniques to derive Level 2 fair values

Level 2 fair values of Non-current assets held for distribution to owner, Land and Buildings are derived using the market approach. This approach provides an indication of value by comparing the asset with identical or similar properties for which price information is available. Analysis of comparable sales information and market data provides the basis for fair value measurement.

Non-current assets held for distribution to owner have been written down to fair value less costs to sell. Fair value has been determined by reference to market evidence of sales prices of comparable assets.

Mental Health Commission
Notes to the Financial Statements
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8.3 Fair value measurements (cont.)

Fair value measurements using significant unobservable inputs (Level 3)	Land	Buildings
2021	**$**	**$**
Fair value at start of period	4,578,700	10,444,200
Revaluation increments/(decrements) recognised in Profit or Loss	(400)	-
Revaluation increments/(decrements) recognised in Other Comprehensive Income	-	94,014
Depreciation expense	-	(381,614)
Fair value at end of period	**4,578,300**	**10,156,600**
2020		
Fair value at start of period	7,851,300	11,223,001
Revaluation increments/(decrements) recognised in Profit or Loss	(12,600)	610,132
Transfers from/(to) Level 2	(3,260,000)	(1,033,700)
Depreciation expense	-	(355,233)
Fair value at end of period	**4,578,700**	**10,444,200**

Valuation processes

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 instructions require valuations of land and buildings to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

Land (Level 3 fair values)

Fair value for restricted use land is based on comparison with market evidence for land with low level utility (high restricted use land). The relevant comparators of land with low level utility is selected by the Western Australian Land Information Authority (Valuation Services) and represents the application of a significant Level 3 input in this valuation methodology. The fair value measurement is sensitive to values of comparator land, with higher values of comparator land correlating with higher estimated fair values of land.

Buildings (Level 3 fair values)

Fair value for existing use specialised buildings is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Depreciated replacement cost is the current replacement cost of an asset less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired economic benefit, or obsolescence, and optimisation (where applicable) of 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.

Valuation using depreciated replacement cost utilises the significant Level 3 input, consumed economic benefit/obsolescence of asset which is estimated by the Western Australian Land Information Authority (Valuation Services). The fair value measurement is sensitive to the estimate of consumption/obsolescence, with higher values of the estimate correlating with lower estimated fair values of buildings.

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 an existing use basis. The existing use basis 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.

Mental Health Commission
Notes to the Financial Statements
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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 Accounting Standards not yet operative	9.2
Compensation of Key Management Personnel	9.3
Related Party Transactions	9.4
Related bodies	9.5
Affiliated bodies	9.6
Non-current Assets classified as assets held for distribution to owner	9.7
Special purpose accounts	9.8
Remuneration of auditors	9.9
Equity	9.10
Services provided free of charge	9.11
Supplementary financial information	9.12
Explanatory statement	9.13

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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 Accounting Standards not yet operative

The MHC cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements or by an exemption from TI 1101. Where applicable, the MHC plans to apply the following Australian Accounting Standards from their application date.

Title		Operative for reporting periods beginning on/after
AASB 17	*Insurance Contracts* This Standard establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts The MHC has not assessed the impact of the Standard.	1 Jan 2023
AASB 2020-1	*Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. There is no financial impact.	1 Jan 2023
AASB 2020-3	*Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments* This Standard amends: (a) AASB 1 to simplify the application of AASB 1; (b) AASB 3 to update a reference to the Conceptual Framework for Financial Reporting; (c) AASB 9 to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability; (d) AASB 116 to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset; (e) AASB 137 to specify the costs that an entity includes when assessing whether a contract will be loss-making; and (f) AASB 141 to remove the requirement to exclude cash flows from taxation when measuring fair value. There is no financial impact.	1 Jan 2022

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9.2 Future impact of Australian Accounting Standards not yet operative (cont.)

Title		Operative for reporting periods beginning on/after
AASB 2020-6	*Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date* This Standard amends AASB 101 to defer requirements for the presentation of liabilities in the statement of financial position as current or non-current that were added to AASB 101 in AASB 2020-1. There is no financial impact.	1 Jan 2022
AASB 2021-2	*Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates* This Standard amends: (a) AASB 7, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements; (b) AASB 101, to require entities to disclose their material accounting policy information rather than their significant accounting policies; (c) AASB 108, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates; (d) AASB 134, to identify material accounting policy information as a component of a complete set of financial statements; and (e) AASB Practice Statement 2, to provide guidance on how to apply the concept of materiality to accounting policy disclosures. There is no financial impact.	1 Jan 2023
AASB 2021-3	*Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions beyond 30 June 2021* This Standard amends AASB 16 to extend by one year the application period of the practical expedient added to AASB 16 by AASB 2020-4. There is no financial impact.	1 Apr 2021

Mental Health Commission
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9.3 Compensation of Key Management Personnel

The MHC has determined that key management personnel include the responsible Minister and senior officers of the MHC. However, the MHC is not obligated for the compensation of the responsible Minister and therefore no disclosure is required. The disclosure in relation to the responsible Minister's compensation 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 of Senior Officers Band ($)	**2021**	**2020**
500,001 - 510,000	-	1
470,001 - 480,000	1	-
400,001 - 410,000	1	-
360,001 - 370,000	-	1
350,001 - 360,000	1	-
240,001 - 250,000	1	-
220,001 - 230,000	1	1
210,001 - 220,000	1	1
200,001 - 210,000	1	1
190,001 - 200,000	2	1
180,001 - 190,000	1	3
170,001 - 180,000	1	-
130,001 - 140,000	1	1
110,001 - 120,000	-	1
60,001 - 70,000	-	1
50,001 - 60,000	-	1
30,001 - 40,000	1	-
	$	**$**
Short-term employee benefits	2,461,283	2,117,020
Post-employment benefits	287,999	259,149
Other long-term benefits	291,116	241,285
Total compensation of senior officers	**3,040,398**	**2,617,454**

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

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Notes to the Financial Statements
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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;
- all departments and public sector entities, including their related bodies, that are included in the whole of government consolidated financial statements;
- associates and joint ventures, that are included in the whole of Government consolidated financial statements; and
- the Government Employees Superannuation Board (GESB).

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 9.10);
- 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);
- legal fees (Note 3.6) - Department of Justice including State Solicitor's Office;
- corporate support services - Health Support Services (Note 3.4);
- purchase of outsourced services to Department of Health (Note 3.4);
- valuation services payment to Landgate WA (Note 3.4);
- purchase of outsourced services, consulting fees and communications (Note 3.4), lease rentals and accommodation (Note 3.5) and repair and maintenances (Note 3.6) to Department of Finance;
- consulting expense (Note 3.4) and employment related payment (Note 3.6) to Public Sector Commission;
- lease rentals related payments to Department of Planning, Lands and Heritage (Note 3.5);
- workers' compensation and other insurance payment to Riskcover (Note 3.6);
- audit fees payments to Office of the Audit General (Note 3.6 and Note 9.9);
- annual monitoring related payments to Department of Fire and Emergency Services (Note 3.6);
- administration related payment to Department of Training and Workforce Development (Note 3.6);
- employment related payment to Department of The Premier and Cabinet (Note 3.6);
- return of unspent revenue to WA Police (Note 3.6);
- leave entitlements transferred, rental payment and repair and maintenance payments to be paid to Department of Finance (Note 6.5) and;
- leave entitlements transferred to be paid to Department of Premier and Cabinet (Note 6.5) and;
- services provided free of charge to the other state government agencies (Note 9.11).

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9.4 Related Party Transactions (cont)

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 the funding from the MHC:	2021	2020
	$	$
Albany Halfway House Association Incorporated	1,654,449	1,551,019
Consumers of Mental Health WA	(a)	562,433
Even Keel Bipolar Support Association Incorporated	(a)	142,615
Home Health Pty Ltd (trading as Tender Care)	1,273,599	1,252,679
Local Drug Action Groups Inc.	646,779	637,175
Palmerston Association Inc.	10,492,383	10,468,292
Pathways Southwest Inc.	905,361	848,761
Richmond Wellbeing Incorporated	17,649,310	13,225,685
Western Australian Association for Mental Health Inc.	(a)	1,085,463
WA Council on Addictions (trading as Cyrenian House)	13,238,524	11,905,819
Garl Garl Walbu Aboriginal Corporation	613,055	(a)
Total affiliated bodies	**46,473,460**	**41,679,941**

(a)The MHC has provided funding amount $601,993 to Consumers of Mental Health WA, $36,249 to Even Keel Bipolar Support Association Incorporated and $1,100,166 to Western Australian Association for Mental Health Inc. in 2020-21 and $602,986 to Garl Garl Walbu Aboriginal Corporation in 2019-20. These organisations received less than half of its funding and resources from the MHC, hence were not 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. It is funded by parliamentary appropriation of $2,740,000 for 2020/21 ($2,677,000 for 2019/20).

Mental Health Advocacy Service is a government administered body that received administrative support from, but is not subject to operational control by the MHC. It is funded by parliamentary appropriation of $2,858,000 for 2020/21 ($2,719,000 for 2019/20).

Office of Chief Psychiatrist is a government administered body that received administrative support from, but is not subject to operational control by the MHC. It is funded by parliamentary appropriation of $3,272,000 for 2020/21 ($3,127,000 for 2019/20).

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

		2021	2020
9.7	**Non-current Assets classified as assets held for distribution to owner**	**$**	**$**
	Opening balance	4,000,000	4,293,000
	Adjustment to asset valuation	-	(293,700)
	Less asset distributed to owner	(4,000,000)	-
	Closing balance	**-**	**4,000,000**

Non-current assets held for distribution to owner are recognised at the lower of carrying amount and fair value less costs to sell, and are disclosed separately from other assets in the Statement of Financial Position. Assets classified as held for distribution to owner are not depreciated or amortised.

Subsequent to the merger of Mental Health MHC and Drug and Alcohol Office in 1 July 2015, the amalgamated Mental Health Commission moved to new premises in April 2016 and services ceased at old site in late 2018. As a result the site has become surplus to requirement and assessed not to be practical from use for mental health and alcohol & other drug services. Management was committed to a plan to sell and developed the decommissioning project of the site. The Department of Planning, Lands and Heritage (DPLH) is the only agency with the power to sell Crown land. The site was transferred in 2020-21 to DPLH for sale and the MHC has accounted for the transfer as a distribution to owner (Note 9.10).

9.8 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.

Balance at the start of period	-	-
Receipts:		
Service appropriations (State Government)	284,035,998	270,782,766
Commonwealth grants and contributions	114,368,971	106,218,675
	398,404,969	**377,001,441**
Payments:		
Block grant funding to local hospital networks in WA Health	(375,722,918)	(354,934,798)
Block grant funding to non-government organisation	(6,526,886)	(5,283,975)
Block grant funding to next step drug and alcohol services	(16,155,165)	(16,782,668)
Balance at the end of period	**-**	**-**

(a) Established under section 16(1)(b) of FMA.

9.9 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	**185,800**	**182,172**

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

		2021	2020
9.10	**Equity**	**$**	**$**
	Contributed equity		
	Balance at start of period	34,451,091	32,135,558
	Transactions with owners in their capacity as owners:		
	Capital appropriation	4,103,000	72,000
	Other contribution by owners - Royalties for Region Fund	7,061,000	8,663,000
	Distribution to owners:		
	Land and buildings transferred to the Department of Planning, Land and Heritage	(4,000,000)	-
	Other distribution to owner - Department of Communities:		
	Land and buildings transferred to the Department of Communities	(1,023,200)	-
	Other distribution to owner - Department of Communities	(6,909,000)	(6,419,467)
	Balance at end of period	**33,682,891**	**34,451,091**
	Asset revaluation surplus		
	Balance at start of period	146,022	-
	Net revaluation increments / (decrements) :		
	Buildings	103,534	146,022
	Balance at end of period	**249,556**	**146,022**
	Accumulated surplus / (deficit)		
	Balance at start of period	21,136,974	15,134,582
	Result for the period	(6,205,026)	5,996,889
	Initial application of AASB 16	-	5,503
	Balance at end of period	**14,931,948**	**21,136,974**
	Total Equity at end of period	**48,864,395**	**55,734,087**
9.11	**Services provided free of charge**		
	Services provided free of charge to other agencies during the period:		
	Mental Health Tribunal - corporate services	319,562	342,462
	Mental Health Advocacy Service - corporate services	355,209	350,753
	Office of the Chief Psychiatrist - corporate services and accommodation	460,435	449,386
	Total Services provided free of charge	**1,135,206**	**1,142,601**
9.12	**Supplementary financial information**		
	Write-offs		
	During the financial year 2020/21 $1,932 ($2,974 in 2019/20) was written off the MHC's asset register under the authority of:		
	The Mental Health Commissioner	1,932	2,974

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

9.13 Explanatory statement (Controlled Operations)

All variances between estimates (original budget) and actual results for 2021, and between the actual results for 2021 and 2020 are shown below. Narratives are provided for key major variances, which are generally greater than 10% and 1% of Total Cost of Services for the previous years for the Statements of Comprehensive Income and Statement of Cash Flows (i.e 1% of $947,439,478) and are greater than 10% and 1% of Total Assets budgeted for the Statement of Financial Position (i.e 1% of $61,780,000).

9.13.1 Explanatory statement (Statement of Comprehensive Income)

	Variance Note	Estimate 2021 $	Actual 2021 $	Actual 2020 $	Variance between estimate and actual $	Variance between actual results for 2021 and 2020 $
COST OF SERVICES						
Expenses						
Employee benefits expenses		36,004,000	38,141,838	36,210,328	2,137,838	1,931,510
Service agreement - WA Health		770,092,000	772,960,840	740,858,202	2,868,840	32,102,638
Service agreement - non government and other organisations		176,644,000	161,783,732	149,966,925	(14,860,268)	11,816,807
Supplies and services		9,679,000	14,262,445	11,467,373	4,583,445	2,795,072
Grants and subsidies		13,004,000	12,386,050	3,437,116	(617,950)	8,948,934
Depreciation expense		410,000	520,540	504,647	110,540	15,893
Finance costs		8,000	5,252	3,553	(2,748)	1,699
Accommodation expense		2,950,000	2,236,157	2,209,449	(713,843)	26,708
Other expenses		3,904,000	2,400,774	2,781,885	(1,503,226)	(381,111)
Total cost of services		**1,012,695,000**	**1,004,697,628**	**947,439,478**	**(7,997,372)**	**57,258,150**
Income						
Revenue						
Commonwealth grants and contributions		300,000	1,339,105	376,136	1,039,105	962,969
Other income		363,000	342,891	998,491	(20,109)	(655,600)
Total income other than income from State Government		**663,000**	**1,681,996**	**1,374,627**	**1,018,996**	**307,369**
NET COST OF SERVICES		**1,012,032,000**	**1,003,015,632**	**946,064,851**	**(9,016,368)**	**56,950,781**
Income from State Government						
Service appropriation		761,019,000	722,496,000	710,821,000	(38,523,000)	11,675,000
Service agreement funding - Commonwealth	1, A	212,209,000	252,582,940	217,715,822	40,373,940	34,867,118
Income from other public sector entities		2,464,000	4,521,841	5,101,680	2,057,841	(579,839)
Resources received		4,221,000	1,888,825	1,969,238	(2,332,175)	(80,413)
Royalties for Regions Fund	2	27,705,000	15,321,000	16,454,000	(12,384,000)	(1,133,000)
Total income from State Government		**1,007,618,000**	**996,810,606**	**952,061,740**	**(10,807,394)**	**44,748,866**
SURPLUS / (DEFICIT) FOR THE PERIOD		**(4,414,000)**	**(6,205,026)**	**5,996,889**	**(1,791,026)**	**(12,201,915)**
OTHER COMPREHENSIVE INCOME						
Changes in asset revaluation surplus		-	103,534	146,022	103,534	(42,488)
Total other comprehensive income		**-**	**103,534**	**146,022**	**103,534**	**(42,488)**
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		**(4,414,000)**	**(6,101,492)**	**6,142,911**	**(1,687,492)**	**(12,244,403)**

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

9.13.2 Explanatory statement (Statement of Financial Position)

	Variance Note	Estimate 2021 $	Actual 2021 $	Actual 2020 $	Variance between estimate and actual $	Variance between actual results for 2021 and 2020 $
ASSETS						
Current Assets						
Cash and cash equivalents		28,499,000	29,327,176	32,913,145	828,176	(3,585,969)
Restricted cash and cash equivalents		5,171,000	5,557,800	5,025,695	386,800	532,105
Receivables		83,000	251,641	82,392	168,641	169,249
Inventories		12,000	16,066	12,440	4,066	3,626
Other current assets		6,000	-	6,114	(6,000)	(6,114)
Non-current assets classified as held for distribution to owner	B	(294,000)	-	4,000,000	294,000	(4,000,000)
Total Current Assets		**33,477,000**	**35,152,683**	**42,039,786**	**1,675,683**	**(6,887,103)**
Non-Current Assets						
Restricted cash and cash equivalents		494,000	631,101	493,734	137,101	137,367
Amounts receivable for services		6,992,000	6,992,123	6,582,123	123	410,000
Property, plant and equipment	3	20,691,000	17,409,859	16,995,213	(3,281,141)	414,646
Right-of-use assets		126,000	126,039	88,317	39	37,722
Total Non-Current Assets		**28,303,000**	**25,159,122**	**24,159,387**	**(3,143,878)**	**999,735**
TOTAL ASSETS		**61,780,000**	**60,311,805**	**66,199,173**	**(1,468,195)**	**(5,887,368)**
LIABILITIES						
Current Liabilities						
Payables		1,218,000	2,234,762	2,056,030	1,016,762	178,732
Employee benefits provisions	C	6,970,000	7,042,957	5,986,704	72,957	1,056,253
Lease liabilities		41,000	40,930	41,255	(70)	(325)
Grant liabilities		127,000	-	126,894	(127,000)	(126,894)
Total Current Liabilities		**8,356,000**	**9,318,649**	**8,210,883**	**962,649**	**1,107,766**
Non-Current Liabilities						
Employee benefits provisions	C	2,206,000	2,040,777	2,205,744	(165,223)	(164,967)
Lease liabilities		89,000	87,984	48,459	(1,016)	39,525
Total Non-Current Liabilities		**2,295,000**	**2,128,761**	**2,254,203**	**(166,239)**	**(125,442)**
TOTAL LIABILITIES		**10,651,000**	**11,447,410**	**10,465,086**	**796,410**	**982,324**
NET ASSETS		**51,129,000**	**48,864,395**	**55,734,087**	**(2,264,605)**	**(6,869,692)**
EQUITY						
Contributed equity		27,888,000	33,682,891	34,451,091	5,794,891	(768,200)
Reserves		608,000	249,556	146,022	(358,444)	103,534
Accumulated surplus		22,633,000	14,931,948	21,136,974	(7,701,052)	(6,205,026)
TOTAL EQUITY		**51,129,000**	**48,864,395**	**55,734,087**	**(2,264,605)**	**(6,869,692)**

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

9.13.3 Explanatory statement (Statement of Cash Flows)

	Variance Note	Estimate 2021 $	Actual 2021 $	Actual 2020 $	Variance between estimate and actual $	Variance between actual results for 2021 and 2020 $
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation		760,609,000	722,086,000	710,407,000	(38,523,000)	11,679,000
Capital appropriations		4,103,000	4,103,000	72,000	-	4,031,000
Service agreement funding - Commonwealth	1, A	212,209,000	252,582,940	217,715,822	40,373,940	34,867,118
Income from other public sector entities		2,464,000	4,394,947	5,101,680	1,930,947	(706,733)
Royalties for Regions Fund - Capital		6,404,000	7,061,000	8,663,000	657,000	(1,602,000)
Return of Royalties for Regions Fund		-	(44,000)	-	(44,000)	(44,000)
Payment to Department of Communities - Royalties for Regions capital		-	(6,909,000)	(6,419,467)	(6,909,000)	(489,533)
Royalties for Regions Fund - Recurrent		21,301,000	15,321,000	16,454,000	(5,980,000)	(1,133,000)
Net cash provided by State Government		**1,007,090,000**	**998,595,887**	**951,994,035**	**-8,494,113**	**46,601,852**
Utilised as follows:						
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits expenses		(35,846,000)	(37,261,852)	(35,117,917)	(1,415,852)	(2,143,935)
Service agreement - WA Health		(770,092,000)	(772,960,840)	(740,850,059)	(2,868,840)	(32,110,781)
Service agreement - non government and other organisations		(176,644,000)	(161,579,729)	(150,176,087)	15,064,271	(11,403,641)
Supplies and services		(5,602,000)	(12,509,351)	(9,264,737)	(6,907,351)	(3,244,614)
Grants and subsidies		(13,004,000)	(12,386,050)	(3,437,116)	617,950	(8,948,934)
Finance costs		(8,000)	(5,252)	(3,553)	2,748	(1,699)
Accommodation expense		(2,919,000)	(2,223,210)	(2,203,616)	695,790	(19,594)
Other payments		(3,804,000)	(2,352,272)	(2,647,653)	1,451,728	295,381
Receipts						
Commonwealth grants and contributions		300,000	1,339,105	503,030	1,039,105	836,075
Other receipts		363,000	275,681	543,436	(87,319)	(267,755)
Net cash used in operating activities		**(1,007,256,000)**	**(999,663,770)**	**(942,654,272)**	**7,592,230**	**(57,009,498)**
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current assets		(4,037,000)	(1,792,605)	(5,110)	2,244,395	(1,787,495)
Net cash used in investing activities		**(4,037,000)**	**(1,792,605)**	**(5,110)**	**2,244,395**	**(1,787,495)**
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments						
Lease payments		(66,000)	(56,009)	(66,804)	9,991	10,794
Net cash used in financing activities		**(66,000)**	**(56,009)**	**(66,804)**	**9,991**	**10,794**
Net increase / (decrease) in cash and cash equivalents		(4,269,000)	(2,916,497)	9,267,850	1,352,503	(12,184,347)
Cash and cash equivalents at the beginning of the period		38,433,000	38,432,574	29,164,724	(426)	9,267,850
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**34,164,000**	**35,516,077**	**38,432,574**	**1,352,077**	**(2,916,497)**

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

9.13 Explanatory statement (Controlled Operations) (cont.)

Major Estimate and Actual (2021) Variance Narratives for Controlled Operations

1 Income from state government under the Service Agreement with Commonwealth is $40.4 million (19.0%) higher for the 2021 Actual compared to the 2021 Estimate due to increased National Health Reform Funding for specialised mental health services arising from a change in the mix of services eligible as in-scope activity.

2 The variance is primarily due to the change of accounting treatment as per Treasurer Instruction 955, after the 2020-21 Budget was finalised. The $11.2 million in 2020-21 Budget for constructing facilities relating to the Royalties for Regions funded step up/step down facilities in Geraldton, Kalgoorlie and Karratha was recognised as operating revenue instead of contribution of equity from Royalties for Regions Fund.

3 The variance is primarily due to the delays in securing a site for the construction of a purpose-built facility for the Youth Mental Health and Alcohol and Other Drug Homelessness program.

Major Actual (2021) and Comparative (2020) Variance Narratives for Controlled Operations

A Income from state government for service agreement - commonwealth increased by $34.9 million (16%) in 2021 compared to 2020 due to increased National Health Reform Funding for specialised mental health services arising from a change in the mix of services eligible as in-scope activity.

B Variance is directly attributed to disposal of one asset in 2020-21 via the Department of Planning, Lands and Heritage (DPLH) as DPLH is the only agency with the power to sell Crown land. Please refer to note 9.7 'Non-current Assets classified as assets held for distribution to owner'.

C The increase was primarily attributable to increased resourcing to meet the workload associated with delivering proposals, reduction in annual leave and long service leave taken as a result of international border closure due to COVID-19 and portability of large leave balances transferred of new employees.

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

10. Administered disclosures

This section sets out all of the statutory disclosures regarding the financial performance of the MHC.

	Notes
Disclosure of administered income and expenses by service	10.1
Disclosure of administered assets and liabilities	10.2
Explanatory statement for administered income and expenses	10.3

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

10.1 Disclosure of administered income and expenses by service

	2021 Hospital Bed Based Services $	2020 Hospital Bed Based Services $
Income		
Appropriations from Government for transfer to :		
Mental Health Tribunal	2,740,000	2,677,000
Mental Health Advocacy Service	2,858,000	2,719,000
Office of Chief Psychiatrist	3,272,000	3,127,000
Service received free of charge (a)	1,209,902	1,221,517
Other revenue	12,884	21,302
Total administered income	**10,092,786**	**9,765,819**
Expenses		
Employee benefits expense	7,978,012	8,112,646
Supplies and services	1,477,036	1,280,483
Depreciation expense	11,699	12,654
Finance costs	412	710
Accommodation expense	408,849	428,072
Other expenses	201,296	193,591
Total administered expenses	**10,077,304**	**10,028,156**

(a) Service received free of charge in 2020/21 includes $1,135,206 ($1,142,601 in 2019/20) from MHC (refer to note 9.11 'Services provided free of charge'), $22,318 ($24,732 in 2019/20) from State Solicitor Office and $52,378 from Department of Finance ($54,184 in 2019/20).

10.2 Disclosure of administered assets and liabilities

Current Assets		
Cash and cash equivalents	1,870,620	1,637,368
Receivables	11,703	25,759
Total Administered Current Assets	1,882,323	1,663,127
Non-Current Assets		
Right-of-use assets	13,943	24,519
Total Administered Assets	**1,896,266**	**1,687,646**
Current Liabilities		
Payables	257,920	167,264
Provision	1,476,819	1,269,802
Lease Liabilities	8,489	10,547
Total Administered Current Liabilities	1,743,228	1,447,613
Non-Current Liabilities		
Provision	153,561	247,548
Lease Liabilities	5,759	14,248
Total Administered Non-Current Liabilities	159,320	261,796
Total Administered Liabilities	**1,902,548**	**1,709,409**

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2021

10.3 Explanatory statement for administered income and expenses

All variances between estimates (original budget) and actual results for 2021, and between the actual results for 2021 and 2020 are shown below. Narratives are provided for key major variances, which are generally greater than 10% and 1% of previous year total administered income (i.e 1% of $9,765,819).

	Variance Note	Estimate 2021 $	Actual 2021 $	Actual 2020 $	Variance between estimate and actual $	Variance between actual results for 2021 and 2020 $
Income						
For transfer:						
Administered appropriation						
Mental Health Tribunal		2,740,000	2,740,000	2,677,000	-	63,000
Mental Health Advocacy Service		2,858,000	2,858,000	2,719,000	-	139,000
Office of Chief Psychiatrist		3,272,000	3,272,000	3,127,000	-	145,000
Service received free of charge		1,116,000	1,209,902	1,221,517	93,902	(11,615)
Other revenue		-	12,884	21,302	12,884	(8,418)
Total administered income		**9,986,000**	**10,092,786**	**9,765,819**	**106,786**	**326,967**
Expenses						
Employee benefits expense		8,094,271	7,978,012	8,112,646	(116,259)	(134,634)
Supplies and services	A	1,355,971	1,477,036	1,280,483	121,065	196,553
Depreciation expense		12,663	11,699	12,654	(964)	(955)
Finance costs		710	412	710	(298)	(298)
Accommodation expense		363,584	408,849	428,072	45,265	(19,223)
Other expenses		200,801	201,296	193,591	495	7,705
Total administered expenses		**10,028,000**	**10,077,304**	**10,028,156**	**49,304**	**49,148**

Major Estimate and Actual (2021) Variance Narratives

Nil

Major Actual (2021) and Comparative (2020) Variance Narratives

A The increase of $196,553 (15.35%) expenditures in 2020-21 are associated with consultancies and outsourced administration cost relating to recruitment process.

Certification of KPIs

Mental Health Commission

Certificate of Key Performance Indicators for the year ended 30 June 2021.

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 2021.

Jennifer McGrath
Commissioner
Mental Health Commission
Accountable Authority

1 October 2021

Auditor General's Opinion of Financial Statements and KPIs

Auditor General

INDEPENDENT AUDITOR'S OPINION
2021
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 at 30 June 2021, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Schedule of Income and Expenses by Service, Schedule of Assets and Liabilities by Service and Summary of Consolidated Account Appropriations for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information, including administered transactions and balances.

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 Mental Health Commission for the year ended 30 June 2021 and the financial position at the end of that period
- in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

7th Floor Albert Facey House 469 Wellington Street Perth MAIL TO: Perth BC PO Box 8489 Perth WA 6849 TEL: 08 6557 7500

Auditor General's Opinion of Financial Statements and KPIs

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 am independent of the Commission in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Commissioner for the financial statements

The Commissioner 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 Commissioner 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 General's Opinion of Financial Statements and KPIs

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 Mental Health Commission. The controls exercised by the Commission are those policies and procedures established by the Commissioner 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 legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Mental Health Commission are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2021.

The Commissioner's responsibilities

The Commissioner 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 Opinion of Financial Statements and KPIs

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 Mental Health Commission for the year ended 30 June 2021. 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 of the Mental Health Commission are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2021.

Auditor General's Opinion of Financial Statements and KPIs

The Commissioner's responsibilities for the key performance indicators

The Commissioner 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 control it 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 Commissioner is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 *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 entity'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 904 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 control relating to the reports on 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 ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor General's Opinion of Financial Statements and KPIs

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 2021, but not the financial statements, key performance indicators and my auditor's report.

My opinions do not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

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

This auditor's report relates to the financial statements, controls and key performance indicators of the Mental Health Commission for the year ended 30 June 2021 included 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 these financial statements, controls or key performance indicators. If users of the financial statements, controls and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version of the financial statements, controls and key performance indicators.

Grant Robinson
Acting Deputy Auditor General
Delegate of the Auditor General for Western Australia
Perth, Western Australia
1 October 2021

Detailed Key Effectiveness Indicators Information

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

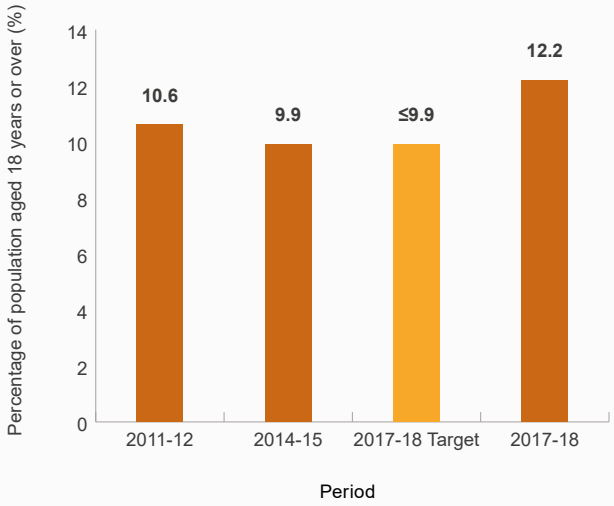
Measures the psychological distress of the Western Australian population aged 18 years and over. A higher proportion of people with high or very high levels of psychological distress is indicative of the potential population requiring mental health services.

Data for the indicator is derived from the 10-item Kessler Psychological Distress Scale (K10) administered as part of the Australian Bureau of Statistics (ABS) National Health Survey, which is conducted every three years.

The most recent National Health Survey (2017-18) indicated that 12.2% of the Western Australian population aged 18 years and over experienced high or very high levels of psychological distress. This result was 2.3 percentage points higher than the 2017-18 target and the 2014-15 result.

In 2020-21, the target for the percentage of the population with high or very high levels of psychological distress was ≤12.2% which was based on the 2017-18 result. Achieving a lower percentage, indicates better performance. The 2020-21 National Health Survey results will be published during 2022.

Percentage of population aged 18 years and over with high or very high levels of psychological distress (%)



Outcome 2: Reduced incidence of use and harm associated with alcohol and other drug use

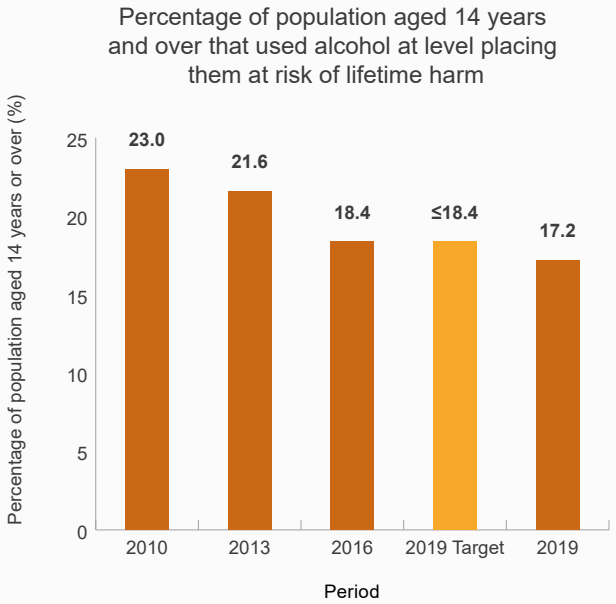
Key Effectiveness Indicator 2.1: Percentage of the population aged 14 years and over reporting recent use of alcohol at a level placing them at risk of lifetime harm

Measures the percentage of the Western Australian population aged 14 years and over reporting alcohol consumption at levels placing them at risk of lifetime harm. Data for the indicator is derived from the National Drug Strategy Household Survey; a national survey conducted every three years that provides a view of reported illicit drug and alcohol use over time. This indicator reflects the impact of preventative initiatives across a range of government departments, including the Commission, on reducing the incidence of use and harm associated with alcohol consumption.

Alcohol-related risk of harm is determined using the 2009 National Health and Medical Research Council guidelines. The 2009 guidelines recommend that for healthy men and women, drinking no more than two standard drinks on any day reduces the lifetime risk of harm from alcohol-related disease or injury. Preventing or delaying the onset of risky alcohol consumption contributes to the prevention of long-term health related harm.

The most recent survey conducted in 2019 indicated that 17.2% of the Western Australian population aged 14 years and over reported use of alcohol at lifetime risky levels. This result was comparable to the 2019 target and 2016 result (1.2 percentage points lower than 18.4%).

The 2020-21 target for the percentage of the population aged 14 years and over reporting recent use of alcohol at level placing them at risk of lifetime was ≤17.2% which was based on the 2019 result. Achieving a lower percentage, indicates better performance. The 2022 National Drug Strategy Household Survey result will be published during 2023.



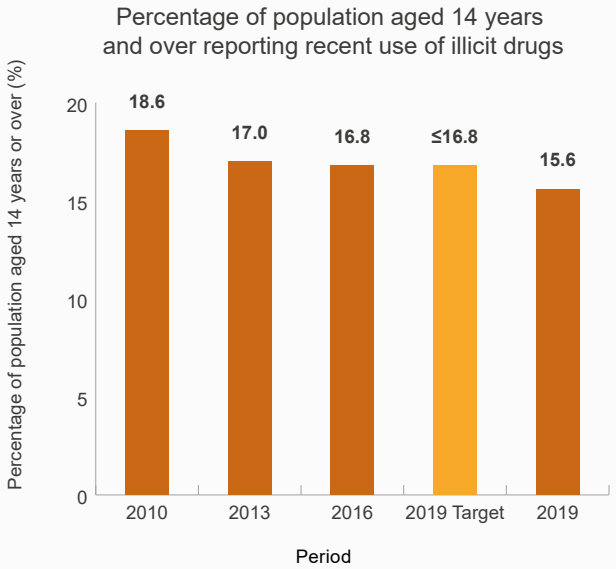
Key Effectiveness Indicator 2.2: Percentage of the population aged 14 years and over reporting recent use of illicit drugs

Measures the proportion of the Western Australian population aged 14 years and over reporting recent use of illicit drugs. The term 'Illicit drugs', as reported in the National Drug Strategy Household Survey (NDSHS), includes illegal drugs (such as cannabis, ecstasy, heroin and cocaine), prescription pharmaceuticals (such as tranquillisers, sleeping pills, and opioids) used for non-medical purposes, and volatile substances used inappropriately such as inhalants. The term 'recent use' refers to the use of drugs or alcohol within 12 months prior to being surveyed for the NDSHS. The NDSHS is conducted every three years and is coordinated by the Australian Institute of Health and Welfare.

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 impact of preventative initiatives of a range of government departments, including the Commission, on reducing the incidence of use and harm associated with illicit drug use.

The most recent survey conducted in 2019 stated that 15.6% of the Western Australian population aged 14 years and over reported recent use of illicit drugs. This result was comparable to the 2019 target and 2016 result (1.2 percentage points lower than 16.8%).

In 2020-21, the target for the percentage of the population aged 14 years and over reporting recent use of illicit drugs was ≤15.6%, which was based on the 2019 result. Achieving a lower percentage, indicates better performance. The 2022 National Drug Strategy Household Survey result will be published during 2023.



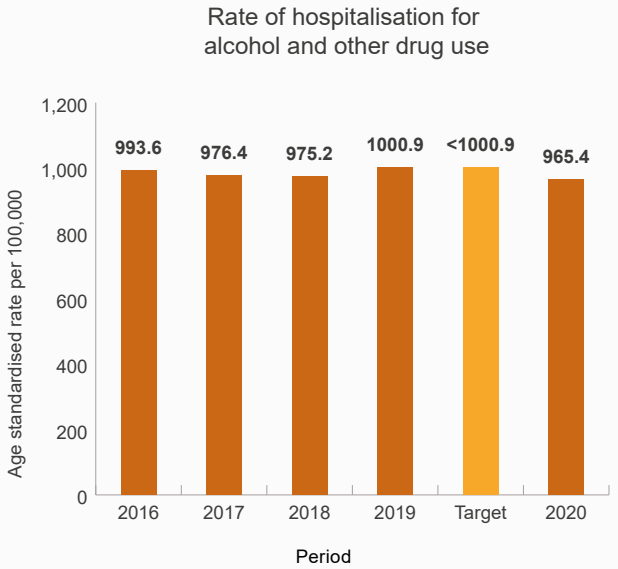
Key Effectiveness Indicator 2.3: Rate of hospitalisation for alcohol and other drug use

Measures the age-standardised rate of hospitalisations attributable to alcohol and other drug use per 100,000 population. To determine what proportion of hospitalisations are likely due to the effects of alcohol and other drugs, estimates are used. These estimates are called Aetiological Fractions (AFs) and 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 provided by Department of Health's Epidemiology Branch for the calendar year using the Hospital Morbidity Data Collection.

This indicator reflects the effectiveness of preventative initiatives of a range of government departments, including the Commission, and alcohol and other drugs 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 population of Western Australia.

In 2020-21, the target for the rate of hospitalisations for alcohol and other drug use was < 1,000.9 per 100,000 population which was based on the 2019 result. Achieving a lower rate, indicates better performance.

The latest available data is for the 2020 calendar year and the age-standardised rate of hospitalisations attributable to alcohol and other drug use is 965.4 per 100,000 population. The 2020 result is comparable to the 2019 result and 2020-21 target, 3.5% lower in both cases.



Outcome 3: Accessible, high quality and appropriate mental health and alcohol and other drug treatments and supports

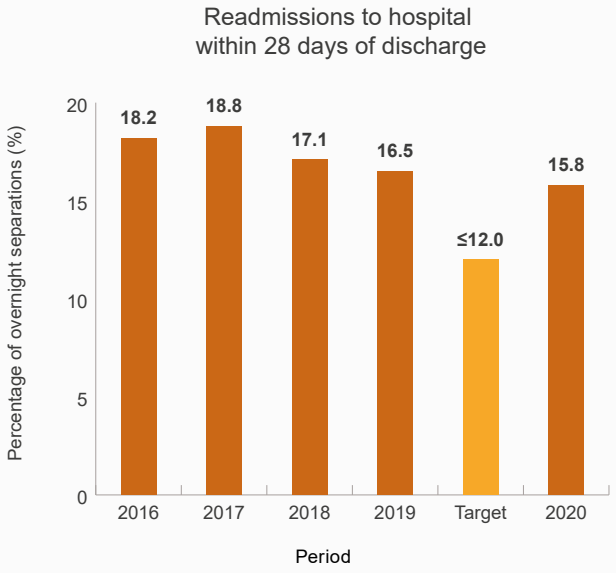
Key Effectiveness Indicator 3.1: Readmissions to hospital within 28 days of discharge from acute specialised mental health units

Measures the proportion of overnight separations from acute specialised mental health inpatient units that are followed by a 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 mental health services. The readmission rate is an indicator of the objective to provide effective care 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 inappropriate or inadequate to maintain the person out of hospital. It should be noted that the readmission rate does not differentiate between planned and unplanned readmissions, which can affect the overall readmission rates. Planned readmissions may be part of a staged discharge plan or the model of care for the diagnosis. Data is provided by the Department of Health's Hospital Morbidity Data Collection for the calendar year.

In 2020-21, the target for the percentage of readmissions to hospital within 28 days of discharge from acute specialised mental health units was ≤12.0%, which is the national target. Achieving a lower percentage, indicates better performance.

In 2020, the readmission rate to acute mental health inpatient facilities within 28 days of discharge was 15.8%. This result is 3.8 percentage points higher than the 2020-21 target of ≤12.0% and 0.7 percentage points lower than the 2019 result of 16.5%. Since 2014, readmission rates have been impacted by the introduction of new models of care such as Hospital in the Home.



The latest available data has been used to report performance and in this instance the result is for the 2020 calendar year.

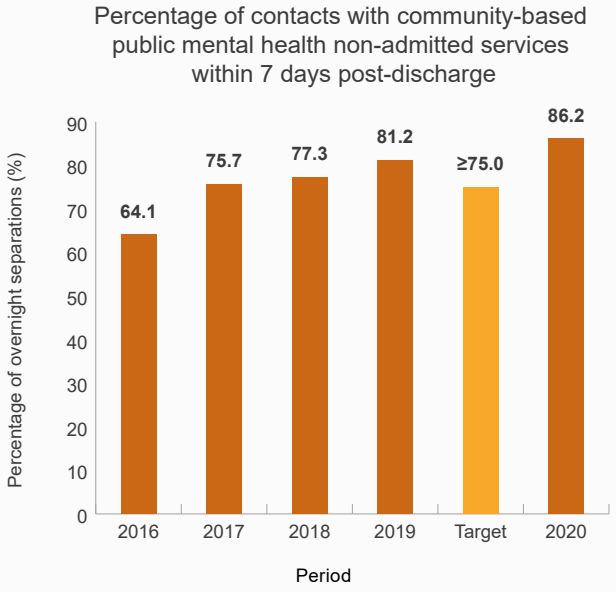
Key Effectiveness Indicator 3.2: Percentage of contacts with community-based public mental health non-admitted services within 7 days post-discharge from public mental health inpatient units

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. It is an indicator of the objective to provide continuity of care in the delivery of mental health services. Data is sourced from the Department of Health's Mental Health Information Data Collection (MIND) and Hospital Morbidity Data Collection for the calendar year.

A higher percentage of contact with 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 2020-21, the target for the percentage of contacts with community-based public mental health non-admitted services within 7 days post-discharge from public mental health inpatient units was ≥75.0%, which is the national target. Achieving a higher percentage, indicates better performance.

In 2020, the percentage of post-discharge follow up was 86.2%. This result is 11.2 percentage points higher than the lower limit of the target and 5 percentage points higher than the 2019 result of 81.2%. The Mental Health Commission continues to monitor this indicator and regularly reviews results with WA health to further improve performance and enhance data capture.



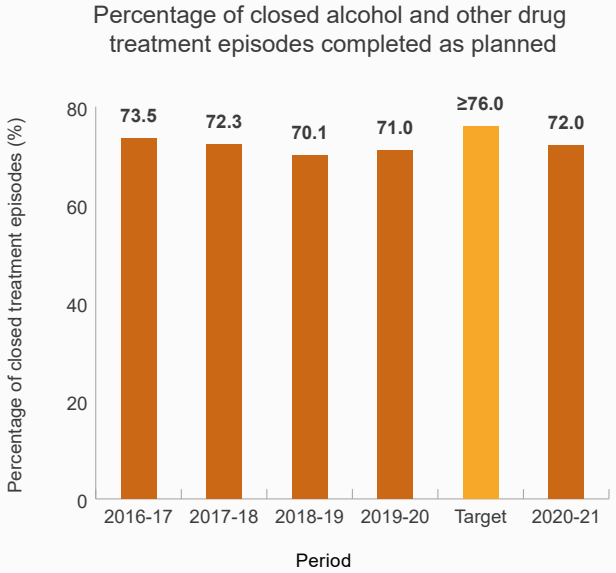
The latest available data has been used to report performance and in this instance the result is for the 2020 calendar year.

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 De-identified Treatment Agency Database and is for the 12-month period from April to March to allow for a three-month lag for coding and auditing purposes.

In 2020-21, the target for the percentage of closed alcohol and other drug treatment episodes completed as planned was ≥76.0%, which is the national target. Achieving a higher percentage, indicates better performance.

In 2020-21, the percentage of closed treatment episodes that were completed as planned was 72.0%. This result is 4 percentage points lower than the lower limit of the 2020-21 target and 1 percentage point higher than the 2019-20 result of 71.0%. The Commission is continuing to work towards the target to ensure high quality and appropriate care.



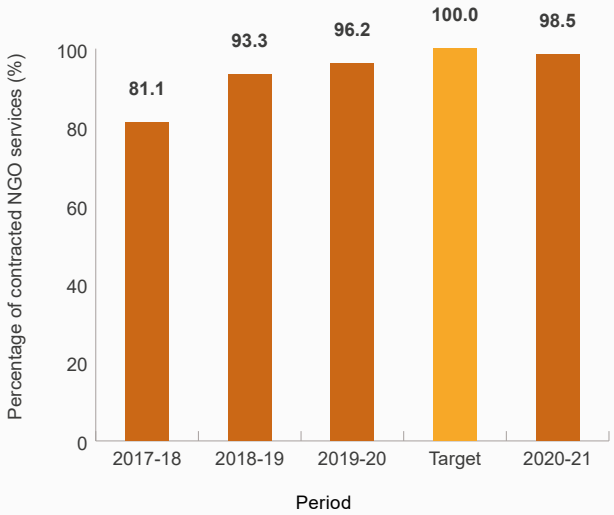
Key Effectiveness Indicator 3.4: Percentage of contracted non-government mental health or alcohol and other drug services that met an approved standard

Measures the appropriateness and quality of mental health and alcohol and other drug treatment services provided by organisations against an approved accreditation standard. All Mental Health Commission (MHC) funded services delivering mental health and alcohol and other drug treatment are required to be accredited and maintain accreditation against an approved standard. For providers of mental health services, the agreed standard is the National Standards for Mental Health Services 2010. For providers of alcohol and other drug services the approved accreditation standards have been established by the National Quality Framework for Drug and Alcohol Treatment Services (2018). The MHC contract officers review the accreditation reports as they are submitted and note any areas of concern as part of the MHC's contract management processes. Data sourced from Mental Health Commission, Sector Development and Quality. Access to high quality services provides clients confidence in the services and support available to them.

In 2020-21, the target for the percentage of contracted non-government mental health or alcohol and other drug services that met an approved standard was equal to 100%. The aim is for all non-government services to meet an approved standard.

In 2020-21, the percentage of non-government mental health and alcohol and other drug organisations that met an approved standard by 30 June 2021 was 98.5%. This result is 1.5 percentage points lower than the 2020-21 target of 100.0% and 2.3 percentage points higher than the 2019-20 result of 96.2%. The lower result for 2020-21, compared to the target, was due to one non-government mental health organisation experiencing delays in taking corrective action.

Percentage of contracted non-government mental health or alcohol and other drug organisations that met an approved standard



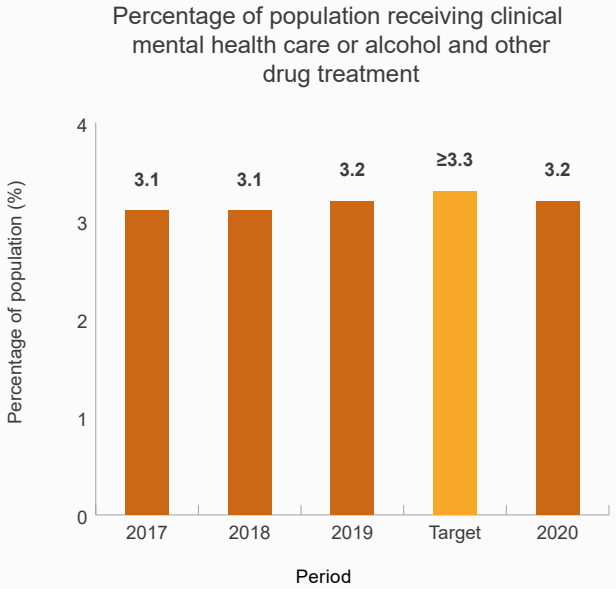
Key Effectiveness Indicator 3.5: Percentage of the population receiving public clinical mental health care or alcohol and other drug treatment

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 the public clinical mental health care is for a calendar year and is sourced from the Department of Health's Mental Health Information Data Collection (MIND) and Hospital Morbidity Data Collection. The population figures are sourced from the Australian Bureau of Statistics (ABS) time series workbook 3101.0 Population by age and sex, Australian States and Territories, Western Australia. Data is based on the ABS June 2020 population estimate released in December 2020 and last updated on 17 June 2021.

The Alcohol and other Drug Treatment Services National Minimum Data Set (AODTS NMDS) collection covers the majority of publicly funded alcohol and other drug treatment services, including 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 not in scope for the AODTS NMDS. The out-of-scope services include but are not exclusive to private treatment agencies, prisons, accommodation services and general practitioners. Alcohol and other Drug treatments data is for the 2019-2020 financial year.

In 2020-21, the target for the percentage of the population receiving public clinical mental health care or alcohol and other drug treatment was ≥3.3%. A higher percentage is indicative of greater accessibility to services by those in need.

In 2020, the percentage of the Western Australian population receiving public mental health care or alcohol and other drug treatment was 3.2%. The 2020 result is the same as the 2019 result and comparable to the 2020-21 target (0.1 percentage point lower).



Detailed Key Efficiency Indicators Information

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

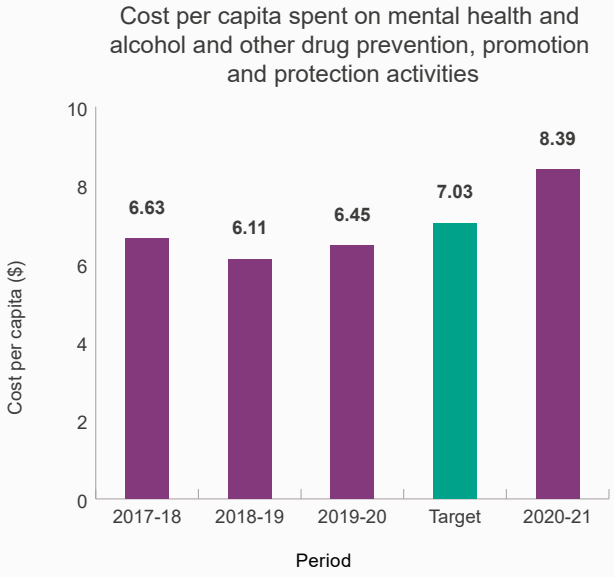
Measures the per capita expenditure by the Commission on mental health and alcohol and other drug prevention, promotion and protection activities for the Western Australian population. Mental health prevention, promotion and protection activities target all ages while alcohol and other drug initiatives 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 the prevention service 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 are from the Australian Bureau of Statistics (ABS) time series workbook 3101.0 Population by age and sex, Australian States and Territories, Western Australia.

The population data for the 2020-21 result is based on the ABS June 2020 population estimate for Western Australia, released in December 2020 and last updated on 17 June 2021. Cost data is for the financial year.

In 2020-21, the target for the cost per capita spent on mental health and alcohol and other drug prevention, promotion and protection activities was $7.03. A higher cost per capita indicates greater funding towards prevention, promotion and protection activities in Western Australia. The 2020-21 target is higher than the 2019-20 result due to additional funding for new initiatives in 2020-21.

In 2020-21, the cost per capita spent on mental health and alcohol and other drug prevention, promotion and protection activities was $8.39. The result is 19.3% higher than the 2020-21 target of $7.03 and 30.1% higher than the 2019-20 result of $6.45. The increased cost profile in 2020-21 is primarily the result of an increase in campaign activities, increased funding for Suicide Prevention and continuation of the Strong Spirit Strong Minds program grant funding.



Service 2: Hospital Bed-Based Services

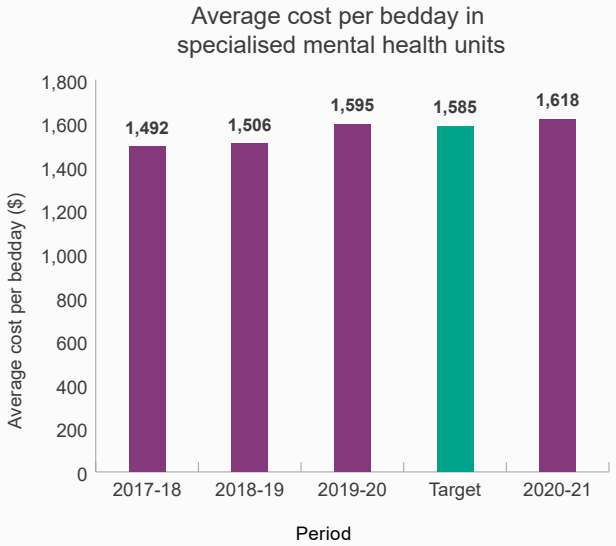
Key Efficiency Indicator 2.1: Average cost per purchased bedday in specialised mental health units

Measures the average cost per purchased bedday in specialised acute and sub-acute mental health units. Cost per inpatient bedday is defined as expenditure on inpatient services divided by the number of inpatient beddays for acute and subacute units. Data is for the financial year and is drawn from the Commission's Financial Systems, BedState from the Department of Health, and Next Step data extracted from the Commission's De-identified Treatment Agency Database.

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 units. 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).

In 2020-21, the target for the average cost per purchased bedday in specialised mental health units was $1,585. A result below target indicates there were more beddays or less funding provided than expected. A result above target indicates there were fewer beddays or more funding provided than expected.

In 2020-21, the average cost per bedday in specialised mental health units was $1,618. This result is comparable (2.1% higher) to the 2020-21 target of $1,585 and almost the same as the 2019-20 result of $1,595 (0.6% higher).



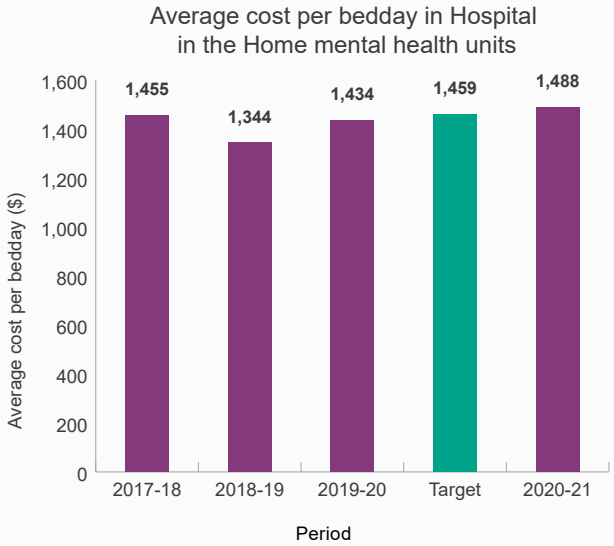
Key Efficiency Indicator 2.2: Average cost per purchased bedday in hospital in the home mental health units

Measures the average cost per bedday for patients in the Hospital in the Home Mental Health (HITH-MH) program. Data is for the financial year and is sourced from the Commission's Financial Systems, and Bedstate from the Department of Health.

The HITH-MH program offers individuals the opportunity to receive hospital level treatment delivered in their home, where clinically appropriate. HITH-MH is consistent with the approach of providing mental health care in the community, closer to where individuals live. HITH-MH is delivered by multidisciplinary mental health teams with a service focus of mental health interventions and support towards recovery. People admitted into this program remain under the care of a treating hospital doctor. 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. Cost per inpatient bedday is defined as expenditure on inpatient services divided by the number of inpatient beddays.

In 2020-21, the target for the average cost per purchased bedday in HITH-MH was $1,459. A result below target indicates there were more beddays or less funding provided than expected. A result above target indicates there were fewer beddays or more funding provided than expected.

In 2020-21, the average cost per bedday in MH-HITH services was $1,488. This result is comparable to the 2020-21 target (2.0% higher than $1,459) and the 2019-20 result (3.8% higher than $1,434).



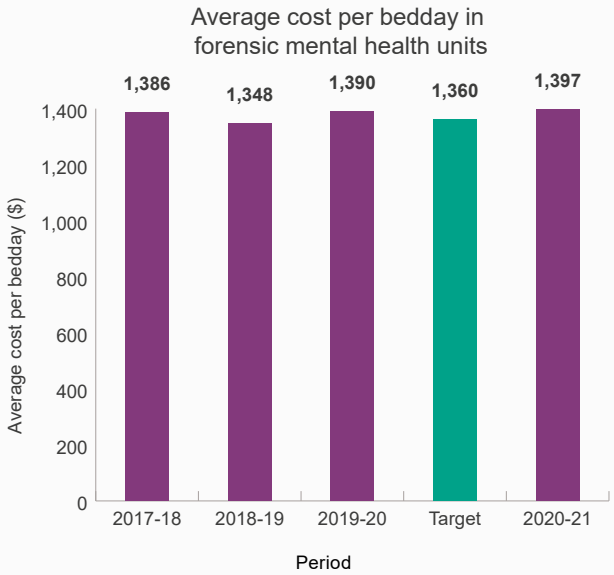
Key Efficiency Indicator 2.3: Average cost per purchased bedday in forensic mental health units

Measures the average cost per inpatient bedday in forensic mental health units. The unit cost of admitted patient care in forensic specialised mental health units is closely monitored in order 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 patients 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 back into the community or back to prison. People in this service are likely to be there due to a special court order. Cost per inpatient bedday is defined as expenditure on forensic inpatient services divided by the number of forensic inpatient beddays.

In 2020-21, the target for the average cost per purchased bedday in forensic mental health units was $1,360. A result below target indicates there were more beddays or less funding provided than expected. A result above target indicates there were fewer beddays or more funding provided than expected.

In 2020-21, the average cost per bedday in forensic units was $1,397. This result is comparable to the 2020-21 target (2.8% higher than $1,360) and almost the same as the 2019-20 result (0.6% higher than $1,390).



Service 3: Community Bed-Based Services

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

Measures the average cost per bedday 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, the Commission's Contract Acquittal Data Collection (CADC; formerly the Non-Government Organisation Establishment State Data Online Collection). Activity data is for 6 months (July 2020 to December 2020) extrapolated to 12 months.

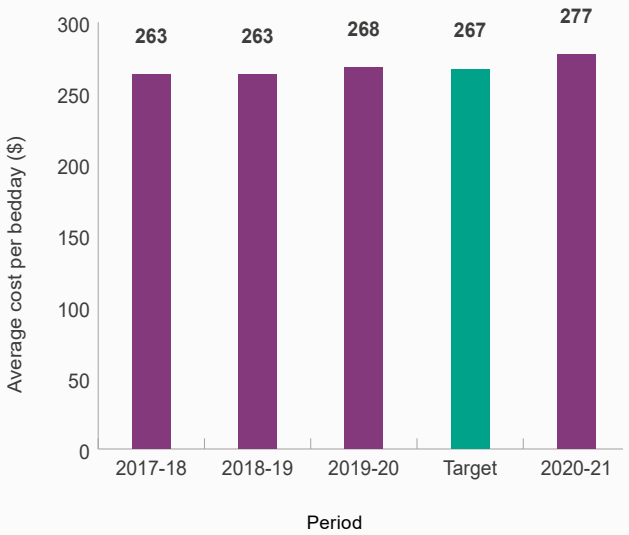
Non-government organisations provide accommodation in residential units for people affected by mental illness who require support to live in the community. Services include support with self-management of personal care and daily living activities as well as initiating appropriate treatment and rehabilitation 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 2020-21, the target for the average cost per purchased bedday in mental health 24 hour and non-24 hour staffed community bed based services was $267. A result below target indicates there were more beddays or less funding provided than expected. A result above target indicates there were fewer beddays or more funding provided than expected.

In 2020-21, the average cost per purchased bedday for 24 hour and non-24 hour staffed community bed based services was $277. This result is comparable to the 2020-21 target (3.9% higher) and the 2019-20 result (3.4% higher).

Average cost per purchased bedday in mental health 24 hour and non-24 hour staffed community bed based services



This is a new indicator consolidating two previously reported Key Efficiency Indicators – "3.1 Average cost per purchased bedday for 24 hour staffed community bed based services" and "3.2 Average cost per purchased bedday for non-24 hour staffed community bed based services", which were last reported in 2018-19. Prior year comparatives have been restated to align to the new indicator. This indicator was not certified in 2019-20 as an exemption was provided due to COVID-19 but has been recalculated here for comparison purposes.

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

Measures the average cost per bedday 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 6 months (July 2020 to December 2020) extrapolated to 12 months and is sourced from the Commission's Contract Acquittal Data Collection (CADC; formerly the Non-Government Organisation Establishment State Data Online Collection).

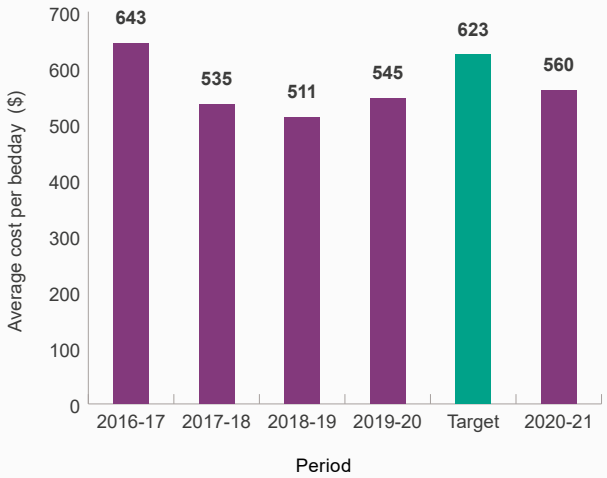
The Mental Health step up/step down service in Western Australia provides short-term mental health care in a residential setting, that promotes recovery and reduces the disability associated with mental illness. These are comprehensive services designed to deliver support to individuals that is aimed 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 inpatient services.

In 2020-21, the target for the average cost per purchased bedday in mental health step up/step down community bed based units was $623. A result below target indicates there were more beddays or less funding provided than expected. A result above target indicates there were fewer beddays or more funding provided than expected.

The 2020-21 target was set higher than the 2019-20 result. This was to incorporate the new Bunbury service which was expected to have a lower occupancy rate until it became fully operational.

In 2020-21, the average cost per purchased bedday in step-up/step-down community bed-based units was $560. This is 10.2% lower than the 2020-21 target of $623 and comparable to the 2019-20 result (2.8% higher). The lower result for 2020-21, compared to the target, is due to the higher than expected number of occupied beddays in some of the step up/step down community bed based units.

Average cost per bedday in 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 alcohol and other drug residential rehabilitation and low medical withdrawal services. Treatment episode data is sourced from the De-identified Treatment Agency Database for the 12-month period 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.

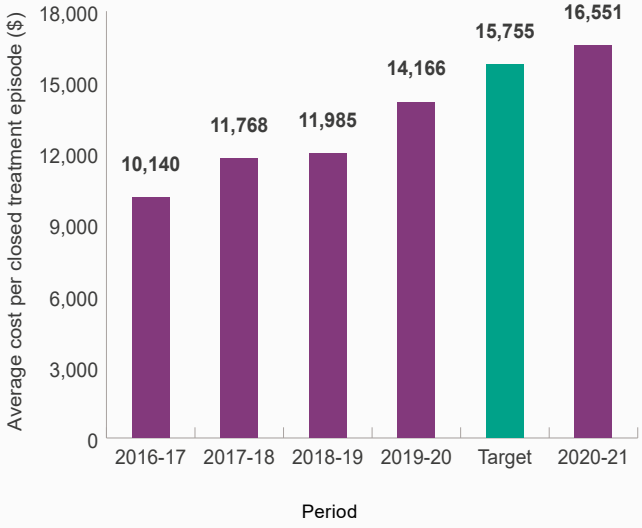
These programs are most appropriate when the withdrawal symptoms are likely to be low to moderate and there is a lack of social support or an unstable home environment. Residential rehabilitation provides clients (following withdrawal) with a structured program of medium to longer-term duration that may include counselling, behavioural treatment approaches, recreational activities, social and community living skills and group work.

In 2020-21 the target for the average cost per closed treatment episode in alcohol and other drug residential rehabilitation and low medical withdrawal services was $15,755. 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.

The 2020-21 target was 11.2% higher than the 2019-20 results due to the opening of the Midland Intervention Centre and the Kimberley Alcohol and Other Drug Services in 2020-21.

In 2020-21, the average cost per completed treatment episode in alcohol and other drug residential rehabilitation services was $16,551. This is 5.0% higher than the 2020 21 target of $15,755 and 16.8% higher than the 2019-20 result of $14,166 due to lower than expected closed treatment episodes in 2020-21 as a result of COVID-19.

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



This indicator was previously reported as Key Efficiency Indicator 3.4 in 2018-19 and previous years. This indicator was not certified in 2019-20 as an exemption was provided due to COVID-19 but has been recalculated here for comparison purposes.

Service 4: Community Treatment

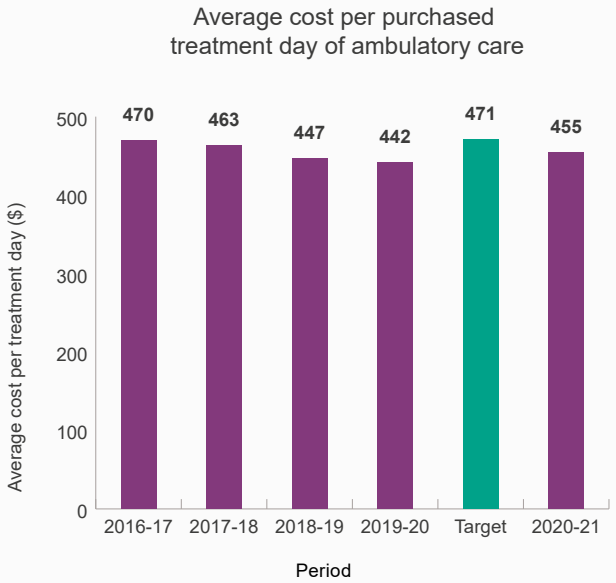
Key Efficiency Indicator 4.1: Average cost per purchased treatment day of ambulatory care provided by public clinical mental health services

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 (CADC; formerly the Non-Government Organisation Establishment State Data Online Collection) and non-government organisations. Treatment days from the Department of Health is for financial year, while for non-government organisations it is for 6 months (July 2020 to December 2020) extrapolated to 12 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 expenditure on mental health ambulatory care services divided by the number of community treatment days provided by ambulatory mental health services, where a treatment day is defined as any day on which one or more community contacts are recorded for a consumer during their episode of care.

In 2020-21, the target for the average cost per purchased treatment day of ambulatory care provided by public clinical mental health services was $471. A result below target indicates there were more treatment days or less funding provided than expected. A result above target indicates there were fewer treatment days or more funding provided than expected.

In 2020-2021, the average cost per purchased treatment day of ambulatory care provided by public clinical mental health services was $455. This is comparable to the 2020-21 target (3.5% lower) and the 2019-20 result (2.9% higher).



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 service. Treatment episode data is for the 12-month period April to March and allows for a three-month lag for coding and auditing purposes and it is sourced from the De-identified Treatment Agency Database and the Alcohol Dug and Information Services database. Cost data is for the financial year and is sourced from the Commission's financial systems.

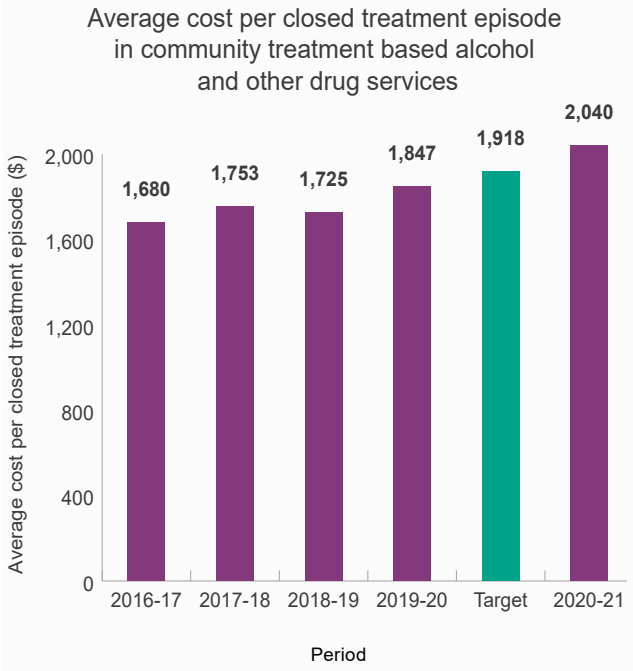
The Commission supports a comprehensive range of outpatient counselling, pharmacotherapy and support and case management services, including specialist indigenous, youth, women's and family services, which are provided primarily by non-government agencies specialising in alcohol and other drug treatment.

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 Support Service (ADSS) 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 ADSS 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 ADSS this refers to a single contact (e.g. a phone call).

In 2020-21, the target for the average cost per closed treatment episode in community treatment-based alcohol and other drug services was $1,918. 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 2020-21, the average cost of a completed treatment episode in community-based alcohol and other drug services was $2,040. This is 6.3% higher than the target of $1,918 and 10.4% higher than the 2019-20 result of $1,847 due to lower than expected closed treatment episodes in 2020-21 as a result of COVID-19.



This indicator was previously reported as Key Efficiency Indicator 4.3 in 2018-19 and prior years. This indicator was not certified in 2019-20 as an exemption was provided due to COVID-19 but has been recalculated here for comparison purposes.

Service 5: Community Support

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

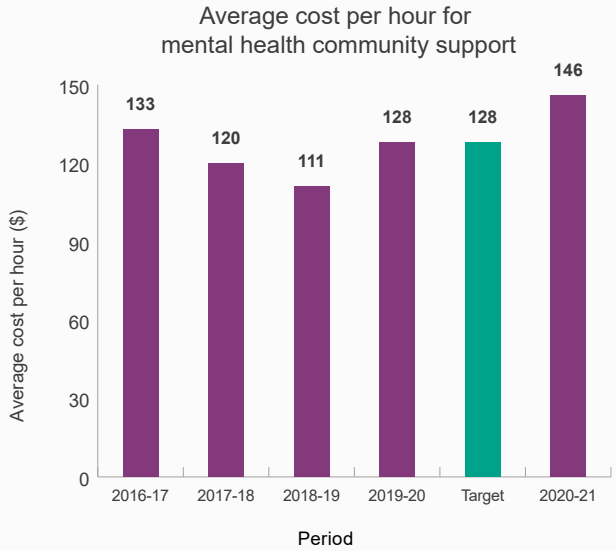
Measures the average cost per hour for community support provided to people with mental health services. Cost data is for the financial year and is sourced from the Commission's financial systems. Activity data is for 6 months (July 2020 to December 2020) extrapolated to 12 months and is sourced from the Commission's Contract Acquittal Data Collection (CADC; formerly the Non-Government Organisation Establishment State Data Online Collection) and the Individualised Community Living Strategy (ICLS) service providers.

Community-based support programs support people with mental health problems 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 primarily are provided 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, the ICLS is a collaborative partnership approach between Health Service Providers, Community Managed Organisations, Community Housing Organisations and the Department of Communities – Housing to provide 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 2020-21, the target for the average cost per hour for community support provided to people with mental health issues was $128. 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 2020-21, the average cost per hour of community support provided to people with mental health issues was $146. This result is 13.6% higher than the 2020-21 target and the 2019-20 result, both $128. The higher result for 2020-21 was due to lower than expected activity by mental health community support services and increased funding to provide transitional support for the National Disability Insurance Scheme.



This is a new indicator consolidating two previously reported Key Efficiency Indicators – "5.1 Average cost per hour for community support provided to people with mental health problems" and "5.3 Average cost per package of care provided for the Individualised Community Living Strategy", which were last reported in 2018-19. Prior year comparatives have been restated to align to the new indicator. This indicator was not certified in 2019-20 as an exemption was provided due to COVID-19 but has been recalculated here for comparison purposes.

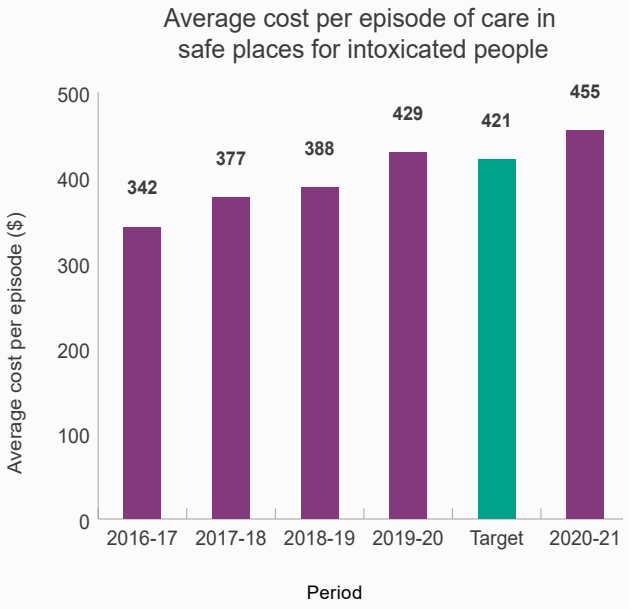
Key Efficiency Indicator 5.2: Average cost per episode of care in safe places for intoxicated people

Measures the average cost per episode of care in safe places for intoxicated people. Treatment data for the periods 2015-16 to 2018-19 is for the 12-month period from April to March to allow for a three-month lag for coding and auditing purposes. Due to changes to the data collection process, data for 2019-20 and 2020-21 is for the financial year. 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 residential care overnight for intoxicated individuals. As at 30 June 2020, 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.

In 2020-21, the target for the average cost per episode of care in safe places for intoxicated people was $421. 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 2020-21, the average cost per treatment episode of care in safe places for intoxicated people was $455. This result is 8.1% higher than the 2020-21 target of $421 and is 6.1% higher than the 2019-20 result of $429. Admissions were impacted by COVID-19 and the centres were not necessarily able to provide services to the contracted capacity due to several factors including health guidelines; many Aboriginal consumers choosing to return to country; and regional admissions being impacted by the limited availability of accommodation.



This indicator was previously reported as Key Efficiency Indicator 5.4 in 2018-19 and previous years. This indicator was not certified in 2019-20 as an exemption was provided due to COVID-19 but has been recalculated here for comparison purposes.

Ministerial Directives

Ministerial Directives

Treasurer's Instruction 903 (12) 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 the Minister with portfolio responsibility for the Commission during 2020-21.

Other Legal Requirements

Other Legal Requirements

Personal expenditure

In accordance with section 903(13)(iv) of the Treasurer's Instructions, personal expenditure incurred on a Western Australian Government Purchasing Card must be disclosed. During the reporting period there were six instances of personal expenditure incurred by Commission staff, as per the summary below.

Number of instances the Purchasing Card has been used for Personal Use:	6
Aggregate amount:	$138.02
Aggregate amount settled by due date:	$129.94
Aggregate amount settled after due date:	$8.08
Aggregate amount outstanding:	$0
Number of referrals for disciplinary action:	nil

Expenditure on 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
Kantar Public	Market research	$707,140
Public education campaigns via Cancer Council	Media advertising	$2,657,152
Initiative Media	Media advertising	$9,217
Total		**$3,275,132**

Disability access and inclusion plan outcomes

The Commission continued the work of its Disability Access and Inclusion Plan (DAIP) for 2017 – 2021, ensuring it is consistently accessible to and inclusive of all groups. The DAIP demonstrates our commitment to ensuring we are proactive about removing any barriers that may exclude people from accessing information, services, facilities, events and employment opportunities within the Commission. The DAIP is available to members of the public through the Commission's website and to all employees through the Commission's intranet. Initiatives under the DAIP delivered in 2020-21 include:

- accessibility to public consultation processes was ensured through the use of accessible venues, asking participants to contact organisers with access requirements, and providing accessible parking.
- As part of the redevelopment of the Midland Intervention Centre, the MHC has ensured that the facility plans promote accessibility for people with disability. This includes accessible common areas, and an accessible bedroom and bathroom for clients of the service.
- Introduction of a modern, visible tool on the Commissions 'My Services' online tool for users to select various accessibility options that suit their needs, including amending the contrast, font size, text sponging, pausing animations, line height or a dyslexia setting. An accessibility audit was also completed on this online directory to assess its accessibility by a specialist external agency.
- Increasing flexibility around working arrangements where possible, resulted in a fixed term employment opportunity for a person with a disability, engaged through a Disability Employment Agency

Multicultural Plan

The Commission's Multicultural Plan 2021 was developed through consultation with all Divisions to identify priority actions for implementation. To date, these include:

- Publication of the Multicultural Plan 2021 on the Commission's website;
- Mandatory Diverse WA training for all Commission staff;
- Harmony week activities;
- Review of the Dress Standards Policy and Guidelines; and
- Promotion of the Office of Multicultural Interests events calendar.

Compliance with public sector standards and ethical codes

Pursuant to section 31(1) of the *Public Sector Management Act 1994*, the Commission fully complied with the public sector standards, the Western Australian Code of Ethics and the Mental Health Commission Code of Conduct.

During 2020-21, the Commission received one breach of Standard claim relating to the Employment Standard. The claim was declined by the Public Sector Commission as it was lodged outside of the prescribed period.

Recordkeeping plans

The *State Records Act 2000* (the Records Act) was established to standardise statutory record keeping practices for every government agency. Government agency practice is subject to the provisions of the Records Act and the standards and policies of the State Records Commission (SRC). The MHC's current RKP was approved by the SRC in August 2019.

In line with the Commission's RKP, all new staff are provided with a comprehensive induction on recordkeeping and its Electronic Document Records Management System (EDRMS). The staff Induction includes a presentation on individual officers' responsibilities and the services of our Information Management team. Recordkeeping is embedded in the Commission's Code of Conduct and in addition to inductions, all new starters are enrolled in mandatory online awareness training, face-to-face or virtual EDRMS training.

A total of 12 Recordkeeping and EDRMS Training sessions were delivered to staff and support agencies by the Information Management Team in 2020-21.

In 2020-21 the Commission, in partnership with Health Service Providers, embarked on upgrading the agency's EDRMS HP Records Manager to a newer platform, Content Manager, to deliver improvements to both staff and records management administration across the agency. This program of work is expected to be completed early in the 2021-22 financial year.

In response to the ongoing COVID-19 pandemic and changing staff work arrangements in the agency during 2020-21, the Information Management Team continued to maintain a Working From Home portal to allow staff to access information regarding recordkeeping responsibilities at home and continued to deliver virtual EDRMS and Recordkeeping training. The Information Management Team continues to provide virtual support services and training in the use of some new technologies to enable staff to remain productive in a remote setting and provide access to services more flexibly.

In 2020-21, 77% of Commission employees completed the recordkeeping awareness training. This training provides an understanding of the fundamentals of recordkeeping and employee responsibilities in creating, managing and protecting records. Over 50 publications are available for staff, including fact and advice sheets, training videos and a monthly electronic newsletter regarding recordkeeping matters via the corporate intranet.

The Commission has continued to shift to a greater electronic records management operation and will shift to more digital recordkeeping practices on establishment of Source Records policy and guidelines in the next year, significantly improving compliance with the *Records Act*.

Government Policy Requirements

Staffing, Occupational Safety, Health and Injury Management

Our commitment

The Commissioner and Executive Leadership Team are committed to providing a safe workplace to achieve high standards in safety and health for employees, contractors and visitors. To support and demonstrate this commitment, the Commission has developed and implemented safe systems and work practices in line with the *Occupational Safety and Health Act 1984*. These systems and practices provide early intervention and proactive injury management in line with the requirements of the *Workers Compensation and Injury Management Act 1981*.

Our senior leaders recognise that Occupational Safety and Health practices are a major contributor to reducing hazards and risks and are committed to embedding strong OSH practices in all training, planning, purchasing and business activities. The Commission has an Occupational Safety and Health Policy and an Injury/Rehabilitation Management Policy in place which outline our commitment to safety and health to its employees.

Consultation mechanisms

The Occupational Safety and Health Committee is the primary consultation mechanism for raising and managing workplace health and safety issues. The Committee comprises of employer representatives across the Commission and all safety and health representatives. The Committee meets bi-monthly to discuss and resolve health and safety issues, which includes reviewing accidents, incidents and hazards. Minutes from Committee Meetings are made available to employees on the intranet. The contact details of all Safety and Health Representatives are also communicated on the Commission's intranet and noticeboards.

Workers' compensation and injury management

The Commission is committed to assisting injured employees to return to work as soon as medically appropriate and has in place a documented injury management system and return to work programs, in accordance with the *Workers Compensation and Injury Management Act 1981*. The Injury / Rehabilitation Management Policy is available for employees and managers to access via the Commission's intranet.

Assessment of the occupational safety and health management system

In February 2019, the Commission's occupational safety and health management system was assessed in line with the WorkSafe Plan. All recommendations identified in the assessment have been addressed.

Employee health and wellbeing

The Commission is committed to ensuring employees are supported and provided with an environment that actively assists them to maximise their overall health. The Wellness Reference Group develops the annual Wellness Program to ensure the wellbeing needs and preferences of employees are being met.

During 2020-21, the following wellness events and activities were held to enhance employee wellbeing:

- influenza vaccinations
- skin checks
- step challenge
- nutrition seminar
- salary packaging and superannuation seminars
- R U OK? Day and Mental Health Week activities and guest speakers

During the year, the Commission continued to focus on the mental health and wellbeing of employees through the availability of:

- a comprehensive Employee Assistance Program
- in-house Mental Health First Aid Officers
- webinars and materials to support mental wellbeing during COVID-19 lockdowns and bushfire events.

National Strategic Plan for Asbestos Awareness and Management 2019-2023

The Commission is committed to working towards Western Australia's targets to eliminate asbestos-related diseases in Australia. The Commission reports progress in relation to asbestos management, to the Department of Mines, Industry Regulation and Safety biannually. Building Management and Works are engaged every two years to complete inspections of our buildings to assess asbestos-related risks.

Occupational Safety and Health Reporting

Measure	Results 2018-19	Results 2019-20	Results 2020-21	Target	Comments toward targets
Number of Workers Compensation Claims Received	3	3	0	Zero (0)	
Number of fatalities	0	0	0	Zero (0)	
Lost time injury/disease incidence rate	0.69	0.27	0	Zero (0) or a 10% improvement on the previous 3 years	
Lost time injury/disease severity rate	0	0	0	Zero (0) or a 10% improvement on the previous 3 years	
Percentage of injured workers returned to work within 13 weeks	100%	100%	100%	Greater than or equal to 80%	
Percentage of injured workers returned to work within 26 weeks	100%	100%	100%	Greater than or equal to 80%	
Percentage of managers trained in occupational safety, health and injury management responsibilities	44%*	84%	83%	Greater than or equal to 80%	
Number of contacts made to access the in-house Mental Health First Aid Program	132	86	161	NA	

*Approximate figure

Board and Committee Remuneration

Alcohol and Other Drugs Advisory Board

The Alcohol and Other Drugs Advisory Board, which provides advice to the Commission on matters relevant to section 11 functions of the *Alcohol and Other Drug Act 1974*, reconvened in 2020 with new members appointed.

Position	Members name	Type of remuneration (annual, sessional, per meeting, half day or n/a)	Period of membership (within 2019-20)	Gross remuneration 2019-20 financial year
Chair	Emeritus Professor Colleen Hayward	Annual	1 July 2020 - present	$ 26,453.85
Deputy Chair	Dr Mark Montebello	Annual	1 July 2020 - present	$ 21,785.05
Member	Dr Rosanna Capolingua	Sessional	1 July 2020 – 31 December 2020	$ 668.72
Member	Ms Jill Rundle	N/A	1 July 2020 - present	$ 0
Member	Dr John Edwards	Sessional	1 July 2020 – 31 December 2020	$ 358.07
Member	Ms Miriam Rudd	Sessional	1 July 2020 - present	$ 716.14
Member	Ms Julia Stafford	Sessional	1 July 2020 - present	$ 716.14
Member	Commander Lawrence Panaia	N/A	25 January 2021 - present	$ 0
Member	Ms Keisha Calyun	Sessional	25 January 2021 - present	$ 358.07
Member	Ms Nafiso Mohamed	Sessional	7 June 2020 - present	$ 0

Mental Health Advisory Council

The Mental Health Advisory Council provides strategic advice and guidance to the Mental Health Commissioner regarding key matters affecting people with mental issues, their families and service providers. The Council reconvened in 2020 with new members appointed.

Mental Health Tribunal

In the interests of security and sensitivity, the names and details of the MHT members have been excluded from this report. However, gross remuneration for the President and averages for the Tribunal members, for the 2020-21 financial year is as follows:

President:	$288,477.42
Member (high):	$200,230.42
Member (average):	$46,049.31
Member (low):	$682.19

Position	Members name	Type of remuneration (annual, sessional, per meeting, half day or n/a)	Period of membership (within 2019-20)	Gross remuneration 2019-20 financial year
Chair	Ms Margaret Doherty	Annual	1 July 2020 – present	$21,163.08
Member	Dr Richard Oades	Sessional	1 July 2020 – present	$7,393.43
Member	Mr Andrew Williams	Sessional	1 July 2020 – present	$4,544.30
Member	Mr Stan Chirenda	Sessional	1 July 2020 – 7 April 2021	$1,266.93
Member	Ms Tracey Young	Sessional	1 July 2020 – present	$5,095.09
Member	Ms Gemma Powell	Sessional	1 July 2020 – present	$908.86
Member	Ms Emily Wilding	Sessional	1 July 2020 – present	$3,857.72
Member	Ms Jessica Nguyen	N/A	1 July 2020 – present	$0
Member	Ms Lee Steel	Sessional	1 July 2020 – present	$4,737.02
Member	Ms Patricia Councillor	Sessional	1 July 2020 – present	$4,737.02
Member	Mr Paul Parfitt	Sessional	1 July 2020 – present	$6,356.94
Member	Mr Amit Banerjee	Sessional	1 July 2020 – 31 December 2020	$2,561.23
Member	Mr Rodney Astbury	Sessional	1 July 2020 – 31 December 2020	$2,368.51
Member	Ms Virginia Catterall	Sessional	1 January 2021 – present	$1,983.06
Member	Dr Pauline Cole	Sessional	1 January 2021 – present	$1,983.06

Appendices

Acronyms

ADSS	Alcohol and Drug Support Service
AOD	Alcohol and Other Drugs
ART	Active Recovery Team
CADS	Community Alcohol and Drug Services
CAHS	Child and Adolescent Health Service
CAMHS	Child and Adolescent Mental Health Service
CMC	Community Mental Health, Alcohol and Other Drug Council
CMOMH	Chief Medical Officer, Mental Health
CoMHWA	Consumers of Mental Health Western Australia
DACAS	Drug and Alcohol Clinical Advisory Service
EMHS	East Metropolitan Health Service
ETS	Emergency Telehealth Service
FASD	Fetal Alcohol Spectrum Disorder
HSPs	Health Service Providers
KPI	Key Performance Indicator
MCOT	Mobile Clinical Outreach Team
MHABIT	Mental Health Assessment and Brief Intervention Team
MHAC	Mental Health Advisory Council
MHAS	Mental Health Advocacy Service
MHEC	Mental Health Executive Committee
MHERL	Mental Health Emergency Response Line
MHT	Mental Health Tribunal
NDSHS	National Drug Strategy Household Survey
NGOs	Non-Government Organisations
NMHS	North Metropolitan Health Service
OCP	Office of the Chief Psychiatrist
SHICC	State Health Incident Control Centre
SHR	Sustainable Health Review
SMHS	South Metropolitan Health Service
SSSM	Strong Spirit Strong Mind
SUSD	Step up/ step down
SWDWG	System Wide Data Working Group
SWICC	State Welfare Incident Control Centre
WACHS	WA Country Health Service
YCATT	Youth Community Assessment and Treatment Team

Abbreviations

The Act	Mental Health Act 2014
A Safe Place	A Safe Place: A Western Australian strategy to provide safe and stable accommodation, and support to people experiencing mental health, alcohol and other drug issues 2020-2025
Commission	Mental Health Commission
ICA Taskforce	Ministerial Taskforce into Public Mental Health Services for Infants, Children and Adolescents aged 0 to 18 in Western Australia
Next Step	Next Step Drug and Alcohol Services
The Plan	Western Australian Mental Health, Alcohol and Other Drug Services Plan 2015-2025
Records Act	State Records Act 2000
YPPA	Young People's Mental Health and Alcohol and Other Drug Use: Priorities for Action 2020-2025

Glossary

Forensic mental health services	Refers to mental health services that principally provide assessment, treatment and care of people with a mental health issue and/or mental illness who are in the criminal justice system, or who have been found not guilty of an offence because of mental impairment. Forensic mental health services are provided in a range of settings, including prisons, hospitals and the community.
Secure (mental health/beds)	A bed staffed 24 hours a day that is designated by the Department of Health or authorised by the Chief Psychiatrist to accommodate patients requiring a higher level of care and involuntary containment where clinically appropriate
Separations	Discharge from hospital

Service Stream descriptions

Prevention

Mental health and AOD prevention refers to initiatives and strategies to reduce the incidence and prevalence of mental health problems, and delay the uptake and reduce the harmful use of AOD and associated harms. Mental health promotion strategies aim to promote positive mental health and resilience.

The Commission continues to support a range of evidence-based prevention initiatives aimed at the whole population and specific priority target groups. Strategies include:

- public education campaigns such as the Alcohol. Think Again, Strong Spirit Strong Mind Metro Project, Drug Aware and Think Mental Health campaigns;
- creation of supportive environments, for example through monitoring of liquor licensing applications; and
- building community capacity to promote optimal mental health, and prevent mental illness, suicide and AOD harm through training for communities.

Community support services

Community support services include programs that help people with mental health and AOD issues to access the help and support they need to participate in their community. Community support includes:

- programs that help people identify and achieve their personal goals;
- personalised support programs (eg to assist in accessing and maintaining employment/ education and social activities);
- peer support;
- home in reach support to attain and maintain housing;
- family and carer support (including support for young carers and children of parents with a mental illness);
- flexible respite;
- individual advocacy services; and
- AOD harm-reduction programs.

Service Stream descriptions

Community treatment

Community treatment services provide non-residential, clinical care in the community for people with mental health and AOD issues including families and carers. Community treatment services generally operate with multidisciplinary teams who provide outreach, transition support, relapse prevention planning, physical health assessment and support for good general health and wellbeing.

Community treatment services aim to provide appropriate mental health and AOD treatment and care in the community closer to where people live and where connections with, and support from, families and carers can be maintained.

Community bed-based services

Community bed-based services provide 24 hour, seven days per week recovery oriented services in a residential style setting (in the case of mental health services), and withdrawal services and structured, intensive residential rehabilitation for people with an AOD issue.

Community bed-based services provide support to enable individuals to move to more independent living. The primary aim of interventions is to improve functioning and reduce difficulties that limit an individual's independence. There are four types of mental health community beds: short stay; medium-stay; long-stay and long-stay (nursing home).

All community bed-based services are expected (where appropriate) to have the capability of meeting the needs of people with co-occurring mental health and AOD issues.

Hospital bed-based services

Hospital bed-based services include acute, subacute and non-acute inpatient units, consultation and liaison services and inpatient AOD withdrawal services. Hospital bed-based services provide treatment and support in line with mental health recovery oriented service provision, including promoting good general health and wellbeing.

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