GOVERNMENT OF WESTERN AUSTRALIA

Mental Health Commission

Annual Report

2023–24

Acknowledgement of Country

The Mental Health Commission acknowledges Aboriginal and Torres Strait Islander people as the traditional custodians of this country and its waters. The Commission wishes to pay its respects to Elders past and present, and extend this to all Aboriginal people seeing this message.

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

Recognition of Lived Experience

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

Statement of compliance

For year ended 30 June 2024
The Hon. Amber Jade Sanderson, MLA
Minister for Mental Health

Dear Minister,

In accordance with section 63 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to Parliament, the Annual Report of the Mental Health Commission for the reporting period ended 30 June 2024.

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

Maureen Lewis
Commissioner
Mental Health Commission

9 September 2024

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Contents

Who we are

The Mental Health Commission (Commission) is a Western Australian Government agency that facilitates the delivery of more than $1.3 billion per annum of mental health, alcohol and other drug (AOD) services and programs, while leading the transformation required across the system to better meet the needs of the community into the future.

The Commission was established on 8 March 2010 to lead mental health reform throughout the state and work towards a modern, effective mental health system that places the individual and their recovery at the centre of its focus. On 1 July 2015, the Mental Health Commission and the Drug and Alcohol Office amalgamated, establishing an integrated approach to mental health and AOD service delivery for Western Australia (WA). The Minister responsible for the Commission is the Hon. Amber-Jade Sanderson, Minister for Mental Health.

The Commission is guided by the Western Australian Mental Health, Alcohol and Other Drug Services Plan 2015 – 2025. A new Mental Health, Alcohol and Other Drugs Strategy 2025-2030 is being developed.

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

This year, the Commission began work to introduce a package of reforms arising from the Independent Review of WA Health System Governance. This work included changes to governance, collaborative commissioning practices and progressive leadership structures. The Commission progressed the establishment of the Office of Alcohol and Other Drugs, to formally begin operating from 1 July 2024. The reforms will strengthen planning, coordination and delivery of mental health and AOD initiatives in WA to provide better outcomes for people, families and carers.

The Mission, Vision and Values were updated to reflect the Commission's improved way of working, and to strengthen the alignment to the individual and community outcomes we seek to achieve.

Vision

Western Australians lead healthy and fulfilling lives.

Mission

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

Our Values

Respecting individuals and culture

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

Engaged and accountable

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

Leading with courage

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

Keeping integrity at our core

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

With our new Vision, Mission and Values came the evolution of our corporate brand to reflect who we are, and what we set out to achieve.

We developed new corporate branding and created a bespoke Aboriginal artwork. This was developed in consultation with the Commission's staff, reflecting our commitment to ensuring people are at the centre of everything we do.

Acknowledging WA's Aboriginal community through the Aboriginal artwork, created by Kevin Wilson, was an integral part of our new brand. Each dot in the artwork represents the people who are supported through our commissioned services and programs across the state. The variety of dot sizes reflects the diversity of WA's people. The colours are inspired by the Western Australian landscape, from the land to the sea.

We continue to be guided by our Noongar Elders in Residence, Uncle Charlie and Aunty Helen Kickett, who bring their cultural knowledge and experience to the Commission. Each month our staff have an opportunity to yarn with the Elders, to learn more about Aboriginal culture and how to apply this learning in their everyday life and work at the Commission.

At the Commission, Conciliation is not only a plan but reflects our daily interactions and guides how we work together. We embrace it as part of our culture and aim to collaboratively build a Conciliation Action Plan that supports Aboriginal and Torres Strait Islander people internally and externally.

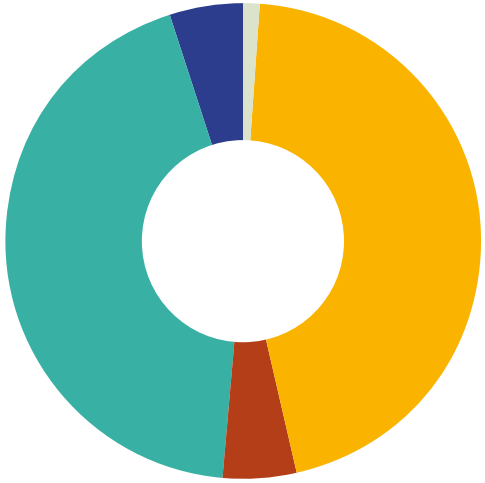
This year we launched a project to collaboratively build an Innovate Conciliation Action Plan (CAP) for 2024-2026. Our 2024-2026 Innovate CAP will focus on inclusivity and authentic relationship-building and collaboration with Aboriginal people.

Based on advice from our Elders, we have adopted the term 'conciliation' instead of 'reconciliation'. We believe this term more accurately acknowledges Aboriginal and non-Aboriginal people working together as equal partners in a shared vision for the future.

A snapshot of our year

In 2023-24 we invested more than $1.3 billion on mental health and AOD services across five service streams: Prevention and Promotion, Community Support Services, Treatment Services, Community Bed-Based Services and Hospital Bed-Based Services.

Mental Health funding



Prevention	$14.8 million
Hospital Bed-Based	$548.4 million
Community Bed-Based	$57.6 million
Community Treatment	$528.5 million
Community Support	$57.8 million
TOTAL	**$1,207.1 million**

Alcohol and Other Drug funding

Prevention	$18.4 million
Hospital Bed-Based	$5.4 million
Community Bed-Based	$30.1 million
Community Treatment	$65.5 million
Community Support	$11.3 million
TOTAL	**$130.7 million**

What we did *a Snapshot*

449

employees

working from our Perth office on Nash Street and across our integrated clinical sites in the metropolitan area.

More than

220,000

visitors to our corporate website,

and a 70% increase in followers on LinkedIn.

540

instances of supporting GPs and other health professionals with alcohol and other drug presentations

through our Drug and Alcohol Clinical Advisory Service.

and more than

66,000

instances of intervention for people with AOD presentations

at Next Step and Community Alcohol and Drug Services.

We delivered training to the sector,

face to face and through our e-learning platform to more than

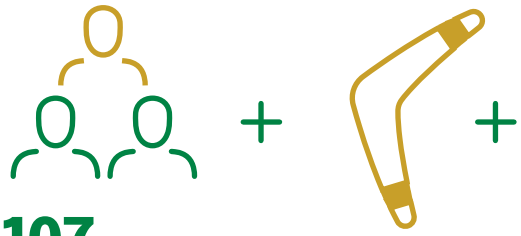
3,700

participants.

16,520

instances of one-to-one support

provided by our statewide telephone mental health, alcohol and other drug support lines and LiveChat.



STRONG SPIRIT STRONG MIND

107

people completed Part One of our Strong Spirit Strong Mind: **Ways of Working with Aboriginal People** training.

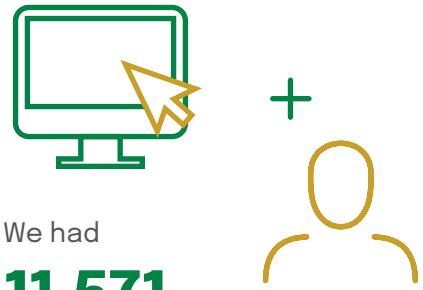
77%

of people took action after seeing or hearing our Party Smarter campaign.

We ordered more than

7,700 boxes

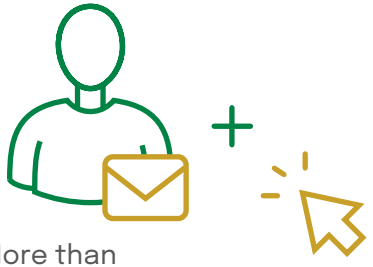
of naloxone for 14 organisations to supply community members with this life-saving medication.



We had

11,571

visits to our dedicated careers website in the first 12 months following its launch.



More than

1,700

people are subscribed to our Stakeholder Connect newsletter.

Commissioner's foreword

Very early into this reporting year, the Minister for Mental Health announced a package of reforms regarding the future direction of the Commission and its immediate priorities.

These reforms allowed us to reset the approach on how we lead the mental health, alcohol and other drug sector, providing the foundation for contemporary approaches to the delivery of services. The reforms signalled a clear direction to strengthen the Commission and the performance and accountability of the system. At the heart of this reform was a commitment to shift to people-centred approaches.

A phased implementation of new governance arrangements, collaborative commissioning practices and progressive leadership structures is well underway, and I am pleased to have had four Assistant Commissioners recently join the Commission to provide strategic and expert advice in the areas of Aboriginal affairs, alcohol and other drugs, and lived experience.

This year, through a record $1.3 billion investment, we have sought to strategically commission holistic, integrated, innovative and sustainable services for our community.

The Commission also established a new Senior Executive Group to progress our priority actions, helping continue our mission to lead and transform mental health and alcohol and other drug systems.

Like all sectors, we continued to face workforce challenges, however we have several initiatives underway with the Department of Health to help ensure we attract new people across a range of disciplines to the sector.

Reflecting on the past 12 months, I am especially proud of our dedicated staff who continue to deliver meaningful programs throughout Western Australia and are committed to strengthening the agency's position as a leader in mental health, alcohol and other drugs.

I'd like to express thanks to our Elders Uncle Charlie and Aunty Helen Kickett for once again guiding staff to build and embed cultural knowledge into the work we do.

I would also like to recognise the contribution of people with living and lived experience of mental health, alcohol and other drug issues.

Maureen Lewis
Commissioner

I am especially proud of our dedicated staff who continue to deliver meaningful programs throughout Western Australia and are committed to strengthening the agency's position as a leader in mental health, alcohol and other drugs.

Operational structure

The Agency is led by a Commissioner, supported by the following divisions:

System Development

- Drives the development of state-wide, system-wide and sector-wide policies and strategies, and related projects and initiatives.
- Delivers governance and stakeholder engagement arrangements, including elevating AOD, Aboriginal engagement and Lived Experience.
- Brings together data and performance monitoring across the mental health and AOD sectors, to track and measure progress towards government objectives and identify areas for improvement.
- Works with government and the mental health, suicide prevention and AOD sectors to identify, develop and lead mental health and AOD systems reforms to improve outcomes for the Western Australian community.
- Works with external stakeholders to strategically influence the development of policies, regulations, laws and government approaches in relation to mental health and AOD.

Commissioning and Programs

- Delivers whole-of-population and targeted programs to improve mental health and wellbeing and prevent AOD issues among the WA community.
- Manages service provider relations to ensure delivery of high-quality and well-integrated prevention, treatment and community support services in the WA community.
- Develops and commissions new models of services and contracts service providers.
- Develops and delivers training to the mental health and AOD workforce throughout the sector.
- Works with other government providers and Non-Government Organisations (NGO) re NDIS, disability and psychosocial support national reforms.
- Ensures the agency is commissioning the contemporary services that are system-leading by:
    - managing the facilitation of service delivery; and
    - managing the delivery of treatment services for Next Step and Integrated Clinical Services, and delivery of support services through the programs we operate.

Governance and Corporate Services

- Has oversight and governance of corporate functions, ensuring delivery of appropriate and timely business services, performance reporting and planning.
- Has oversight and governance of the Commission's Strategic Asset Plan and owned assets.
- Provides procurement and contracting expertise to internal stakeholders, efficiently adding value to all stakeholder interactions.
- Supports the building of the Commission's capability, culture and performance through professional development and leadership support.
- Provides a safe and healthy workplace and undertakes workforce planning to support organisational change.
- Ensures appropriate controls and mechanisms are in place to proactively manage agency risk and identify opportunities for business improvement.

Office of the Chief Medical Officer – Mental Health

- Works closely with the Commissioner, leadership team and mental health and AOD stakeholders to provide system-level strategic clinical insight on mental health and AOD issues.
- Contributes to strategic planning and policy development, system reform, strengthening consumer and community-focused care and support system integration.
- Has a key role engaging with clinical stakeholders, NGOs, consumers and carers to drive system improvement and service integration.

Note: *The Office of the Chief Medical Officer – Mental Health was dissolved on 24 May 2024 and the projects were realigned to other divisions.*

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 corporate services support by the Commission.

Our Senior Executive Group

The Senior Executive Group (SEG) is responsible for the overall performance and compliance of the Commission and ensuring the delivery of consumer-focused mental health and AOD outcomes.

Maureen Lewis
Commissioner

Julia Knapton
Deputy Commissioner System Development

Monica Taylor
Deputy Commissioner Commissioning and Programs

Melissa Parry
Governance and Corporate Services

Dr Sophie Davison
Chief Medical Officer – Mental Health

Maureen Lewis

MCN, MAICD

Commissioner

Maureen Lewis is an experienced senior executive and accomplished leader, with a proven track record in driving strategy and reform within the mental health sector.

Maureen has an extensive background working in the mental health and drug and alcohol sector across mental health commissions, clinical services, policy, reform, strategy, planning and regulatory functions. She has experience leading and driving strategy and reform in complex service delivery environments in WA, New South Wales and across the Commonwealth.

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

Julia Knapton

BPE, DipEd, DipHProm, GCertPSM, MPH, GAICD

Deputy Commissioner System Development

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

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

As Deputy Commissioner of System Development, Julia oversees the Commission's system-wide policy and strategy including legislation, intergovernmental relations and governance, stakeholder engagement, and performance, monitoring and evaluation, and the Office of Alcohol and Other Drugs.

Monica Taylor

BSc(N), MHlthAgedServMgt, MAICD, AFCHSM, AFAIM WA

Deputy Commissioner Commissioning and Programs

As Deputy Commissioner Commissioning and Programs, Monica oversees the Treatment Services, Prevention, Community Support and Strategic Management teams.

Monica previously held the inaugural role of Executive Director Mental Health Nursing where she focused on leading the development of the WA MH Nurse Capability Framework.

Monica is an experienced executive, who has held a variety of leadership roles over the past 15 years, and has been a Mental Health Nurse for more than 30 years. She has a history of working in the hospital and health care industry within the WA health sector and is skilled in health care management, organisational development and patient safety.

Monica brings a skill set in clinical governance and has applied this as an Australian Council of HealthCare Standards assessor for more than 10 years.

Lindsay Hale occupied the role from 1 July 2023 to 1 September 2023.

Melissa Parry

MBA, GCertSocSci

Executive Director Governance and Corporate Services

Melissa Parry has been at the Commission since November 2021. She was initially involved in the early stages of the Commission's Agency Commissioning Plan before leading the Governance and Corporate Services division from June 2022.

Prior to joining the Commission, Melissa held senior roles in government agencies with a focus on education, awareness and service delivery to vulnerable people and communities in WA. Melissa holds a Master of Business Administration and a Graduate Certificate in Social Science (Housing Management and Policy).

Matthew Richardson occupied the role from 17 June 2024 to 30 June 2024.

Dr Sophie Davison

Consultant Forensic Psychiatrist. BA, MA(Cantab), MBBChir, DFP, MPhil, FRCPsych, FRANZCP, AFRACMA

Chief Medical Officer – Mental Health

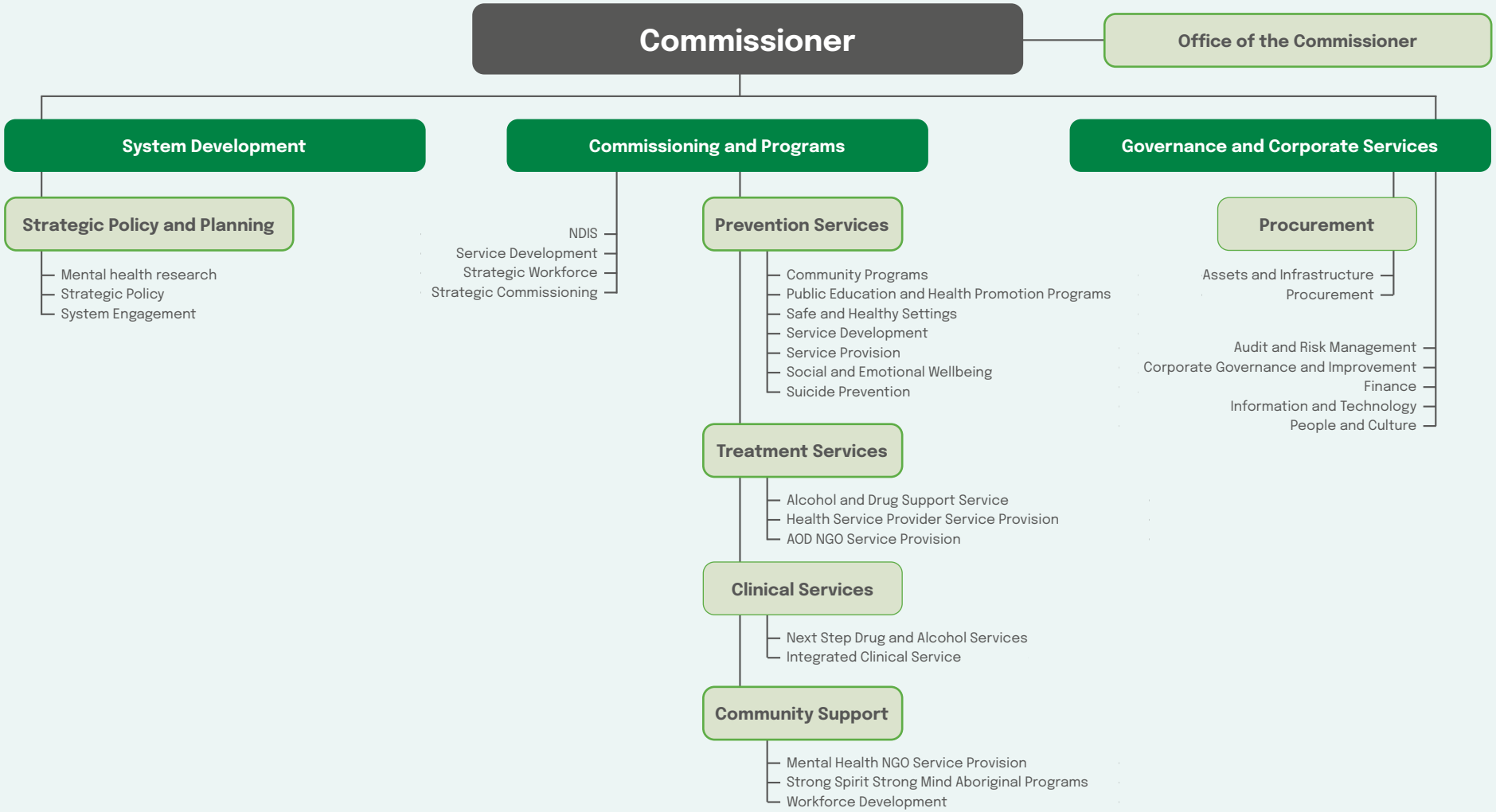
Dr Sophie Davison joined the Commission as the inaugural Chief Medical Officer – Mental Health. Her qualifications include Consultant Forensic Psychiatrist. BA, MA(Cantab), MBBChir, DFP, MPhil, FRCPsych, FRANZCP, AFRACMA.

Before joining the Commission, Sophie was Deputy Chief Psychiatrist of WA and Consultant, State Forensic Mental Health Service providing inreach at Bandyup Women's Prison. She is currently adjunct Senior Lecturer at the University of WA and the University of NSW.

Sophie has been a Consultant Psychiatrist for more than 20 years and is committed to improving services for people with mental health and AOD issues through training, research, quality improvement and working for the Commission.

Dr Davison departed the Commission on 24 May 2024.

Organisation structure*



* As at 30 June 2024 following the Office of the Chief Medical Officer - Mental Health being dissolved.

Agency performance

Outcome-based management framework

Government goals

State Government organisations work together to achieve specific high-level goals that support the Western Australian Government's desired outcomes.

The Mental Health Commission's outcomes-based management framework was developed to help monitor and assess the agency's performance against the specific goal of achieving **STRONG COMMUNITIES**.

The following tables show summaries of:

1. the relationship between this Whole-of-Government goal, key outcomes the Commission seeks, how those outcomes are measured and how we performed this year; and
2. how effective and efficient the types of services we commission are in contributing to that goal.

The Commission's outcome-based management framework (OBMF) changed for the 2023-24 OBMF which are outlined in the summary of changes for the 2023-24 Key Performance Indicators. The Commission did not share any responsibilities with other agencies.

WHOLE OF GOVERNMENT GOAL: STRONG COMMUNITIES

Safe communities and supported families

Agency-level government desired outcomes and key effectiveness indicators

Government Goal	**Strong Communities** Supporting our local and regional communities to thrive		
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 16 years and over reporting recent use of alcohol at a level placing them at risk	**3.1** Readmissions to acute specialised mental health inpatient services within 28 days of discharge
		2.2 Percentage of the population aged 16 years and over reporting recent use of illicit drugs	**3.2** Percentage of post-discharge community care within seven days following discharge from acute specialised mental health inpatient services
		2.3 Rate of hospitalisation for alcohol and other drug use (per 100,000 population)	**3.3** Percentage of closed alcohol and other drug treatment episodes completed as planned
			3.4 Percentage of the population receiving public clinical mental health care or alcohol and other drug treatment

Services and Key Efficiency Indicators

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

Performance summaries - Report on operations

Summary of financial performance

Financial target	2023-24 Budget $'000	2023-24 Actual $'000	Variation $'000
Agreed salary expense level	47,085	47,577	492
Agreed Executive Salary Expense Limit	1,810	1,942	132
Total cost of service (expense limit)	1,357,595	1,337,665	19,930
Net cost of services*	1,352,985	1,332,571	20,414
Total equity	114,573	94,786	(19,787)
Net increase/decrease in cash held	(4,531)	(37,549)	(33,018)

** The Net cost of services 23-24 budget figures reflects the reclassification of NHRA funding as income from state government in actual reporting.*

Working cash targets

	2023-24 Agreed Limit $'000	2023-24 Target/ Actual $'000	Variation $'000
Agreed working cash limit (at Budget)	67,638	70,112	(2,474)
Agreed working cash limit (at Actuals)	67,497	70,112	(2,615)

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

The Commission reports each year on efficiency and effectiveness indicators that contribute to its agency outcomes. A summary of its performance is provided in the table below. More detailed information and analysis of its efficiency and effectiveness indicators are provided in the Key Performance Indicators section on page 110.

Indicator		2023-24 Target	2023-24 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	≤14.2%	18.0%
Outcome 2: Reduced incidence of use and harm associated with alcohol and other drug use			
2.1	Percentage of the population aged 16 years and over reporting recent use of alcohol at a level placing them at risk	≤35.1%	35.5%
2.2	Percentage of the population aged 16 years and over reporting recent use of illicit drugs	≤7.0%	11.8%
2.3	Rate of hospitalisation for alcohol and other drug use (per 100,000 population)	<965.4	877.9
Outcome 3: Accessible, high quality and appropriate mental health and alcohol and other drug treatments and supports			
3.1	Readmissions to acute specialised mental health inpatient services within 28 days of discharge	≤12%	15.6%
3.2	Percentage of post-discharge community care within seven days following discharge from acute specialised mental health inpatient services	≥75%	85.6%
3.3	Percentage of closed alcohol and other drug treatment episodes completed as planned	≥76%	71.6%
3.4	Percentage of the population receiving public clinical mental health care or alcohol and other drug treatment	≥3.3%	2.8%

Note: *Data for indicators 1.1, 2.1 and 2.2 is latest available.*

Indicator		2023-24 Target	2023-24 Actual
Key efficiency indicators			
Service 1: Prevention			
1.1	Cost per capita spent on mental health and alcohol and other drug prevention, promotion and protection activities	$12.86	$12.61
Service 2: Hospital Bed-Based Services			
2.1	Average cost per purchased bed-day in specialised mental health and alcohol and other drug units	$1,872	$1,933
2.2	Average cost per purchased bed-day in forensic mental health units	$1,857	$1,407
Service 3: Community Bed-Based Services			
3.1	Average cost per purchased bed-day in mental health 24 hour and non-24 hour staffed community bed-based services	$330	$328
3.2	Average cost per bed-day in mental health step up/step down community bed-based units	$963	$994
3.3	Average cost per closed treatment episode in alcohol and other drug residential rehabilitation and low medical withdrawal services	$17,599	$17,565
Service 4: Community Treatment			
4.1	Average cost per purchased treatment day of ambulatory care provided by public clinical mental health services	$659	$627
4.2	Average cost per closed treatment episode in community treatment-based alcohol and other drug services	$2,797	$2,902
Service 5: Community Support			
5.1	Average cost per hour for community support provided to people with mental health issues	$170	$191
5.2	Average cost per episode of care in safe places for intoxicated people	$669	$612

Independent Review of WA Health System Governance

The Independent Review of WA Health System Governance (Review) was tabled in Parliament on 24 October 2022.

Four recommendations in the Review suggested reforms to the governance of mental health and AOD. Two of these recommendations proposed significant changes, including shifting several key responsibilities from the Commission to the Department of Health.

The State Government introduced a package of reforms to improve the planning, coordination and delivery of mental health and AOD patient care initiatives in WA.

A Ministerial Working Group was established to develop a range of practical solutions for a future governance model for the mental health and AOD sectors. Following consideration of the advice provided by the Working Group, on 31 August 2023 the State Government introduced a package of reforms to improve the planning, coordination and delivery of mental health and AOD patient care initiatives in WA.

These important reforms included changes to governance, collaborative commissioning practices and progressive leadership structures.

System Governance

A refined system governance structure was implemented in 2023-24 to replace the Mental Health Executive Committee, Community Mental Health Alcohol and Other Drug Council, and Mental Health Advisory Council.

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

An expert advisory and consultative body that provides direct feedback to the Minister for Mental Health about system performance and reform progress. The panel is independent of the Commission and the Department of Health.

Mental Health, Wellbeing, Alcohol and Other Drugs Joint Leadership Group

The group is tasked by the Minister to be responsible for the performance of the public and community mental health and AOD systems, inclusive of strategic reform objectives. The group provides high-level system-wide collaborative decision-making and oversight to deliver a system that adopts a person-centred approach and encapsulates whole-of-system priorities.

Clinical Advisory Group

An advisory body that supports the Joint Leadership Group by providing best-practice, practical and achievable expert advice on clinical mental health and AOD matters in a range of in-patient and community settings.

Lived Experience Advisory Group

An advisory body that supports the Joint Leadership Group by providing Lived Experience expertise and ensuring the voices of consumers, family members, significant others and community members with lived and living experience of mental health and AOD issues, harms and service use are embedded across the mental health and AOD systems.

The Commission continues to be supported by the Alcohol and Other Drugs Advisory Board.

Thank you

This year the Commission dissolved the former governance arrangements that included the Mental Health Advisory Council (MHAC), the Mental Health Executive Committee (MHEC), the Community Mental Health Alcohol and Other Drug Council (CMC) and the Mental Health Leads Sub Committee (MHLS).

The Commission would like to acknowledge and thank the MHEC, CMC, MHAC and MHLS members for their dedication, commitment and contribution to improving mental health and AOD systems. The members' contribution and expertise has been extremely valuable in providing relevant, timely expert advice and strategic decision-making to work towards the vision of all Western Australians living healthy and fulfilling lives.

We would like to further acknowledge all the Lived Experience members whose expertise has been crucial in ensuring decisions made by the Commission and the WA Government have been guided by the voices of consumers, their families, carers and significant others across WA.

Introducing the Assistant Commissioners

The establishment of Lived Experience, Aboriginal Affairs and Alcohol and Other Drugs leadership positions within the Commission will provide strategic and expert advice to inform system-wide reform.

They were appointed based on their leadership roles within their respective communities and will provide expert advice to the work of the Commission.

The four Assistant Commissioners commenced on 1 July 2024.

Mr James Christian PSM MPA
Assistant Commissioner Aboriginal Affairs

Dr Stephen Bright BA (Psych) Hons, PhD (Clin Psych)
Assistant Commissioner Alcohol and Other Drugs

Ms Patricia Tran
Assistant Commissioner
Lived Experience (Consumer)

Ms Wendy Cream FDRP, GradD Couns
Assistant Commissioner
Lived Experience (Significant Other)

Office of Alcohol and Other Drugs

The establishment of a dedicated Office of Alcohol and Other Drugs was announced by the Minister for Mental Health in March 2024.

The Office is responsible for informing, developing, and overseeing the State Government's system-wide strategic policy reform. It will drive interagency coordination and strengthen intergovernmental and sector-wide relationships to achieve better outcomes for the Western Australian community.

GOVERNMENT OF WESTERN AUSTRALIA

Mental Health Commission
Office of **Alcohol and Other Drugs**

Strategy and evaluation

A new Mental Health and Alcohol and Other Drugs (MHAOD) Strategy is currently in development. The strategy will outline priorities to reform the mental health and AOD system for the next five years for community, government, non-government, and private mental health and AOD sectors. The strategy will include key actions to support a shift towards early intervention and prevention and support provided in the community, and diversion away from acute in-patient services.

A person-centred Outcomes Measurement Framework is being developed to support the evaluation of the MHAOD Strategy. It will also aim to enhance monitoring of outcomes for people using mental health and AOD services, and their significant others. The Outcomes Measurement Framework will inform monitoring, reporting and evaluation at population level and for people who engage with the mental health and AOD systems.

Commissioning

The Commission's Agency Commissioning Plan (ACP) identifies the proposed commissioning intentions over the next five years, recognising their need to evolve in response to community need and government priorities. The ACP was updated for 2023 as an interim plan that focuses on current funded programs and the Commission's future intentions for these.

The Commission refreshed its Commissioning Framework to align with the ACP and reflect contemporary commissioning practices.

It focuses on strengthening leadership, accountability and collaboration within the WA mental health and AOD system.

The Office of Alcohol and Other Drugs is responsible for informing, developing, and overseeing the State Government's system-wide strategic policy reform.

Major work this year

Transforming the system: Infants, children and adolescents

We made considerable progress in transforming the mental health system for young people this year, including:

- The opening of WA's first Community Infant, Child and Adolescent Mental Health Service (ICAMHS) Hub in the South West.
- Launching WA's first Acute Care and Response Team in Perth's east. This team provides mobile, intensive care to young people and families requiring a more assertive approach.
- Enhancing care for young people with personality disorder diagnosis-related needs.
- Expanding the Aboriginal Mental Health Worker workforce to support young Aboriginal people and families.
- Opening the first residential centre for young people experiencing suicidal ideation.

This will be further progressed in 2024-25 with $46.6 million invested to continue transforming the system including:

- Establishing new Acute Care and Response Teams in Perth's north and south to complement the existing team in Perth's east. This will enable equitable access to community-based crisis responses and intensive support to young people in the metropolitan area.
- Establishing WA's first regional Acute Care and Response Team in the Great Southern.

Considerable progress in transforming the mental health system for young people

Community Infant, Child and Adolescent Mental Health Service Hub

The new hub in the South West was officially opened in April 2024.

The service was developed in consultation with people with a lived experience, clinicians and the local community, and will use an innovative model of care that provides a central point of contact for all young people needing mental health support in the region.

The service provides access to peer support workers who have a lived experience of using the mental health system, as well as specialist ICAMHS Aboriginal mental health workers who can provide cultural intervention and liaison services for families and clients.

ICAMHS will also work closely with community-based organisations including Headspace and Youth Focus, as well as statewide service providers such as Perth Children's Hospital and Fiona Stanley Hospital.

Social and Emotional Wellbeing is everyone's business

Improving and maintaining the wellbeing of young Aboriginal people remains one of the Commission's key strategic priorities.

As such this year we continued to lead and coordinate the progression of the State Government's response to the Commitment to Aboriginal Youth Wellbeing (the Commitment).

The Commitment outlines how the government proposes to work statewide towards addressing the 86 recommendations from the State Coroner's Inquest into the deaths of 13 children and young people in the Kimberley Region, and the 2016 Parliamentary Inquiry, Learnings from the Message Stick: the report of the Inquiry into Aboriginal youth suicide in remote areas, across the state.

Contributing to the Commitment to Aboriginal Youth Wellbeing, the Commission coordinates the delivery of:

- Aboriginal Suicide Prevention Plans and Community Liaison Officers
- Social and Emotional Wellbeing (SEWB) Model of Service Pilot
- Kimberley Aboriginal Youth Wellbeing Steering Committee

We also continued to empower and strengthen the Social and Emotional Wellbeing of Aboriginal people through funding of community-led programs such as Kanyirninpa Jukurrpa's Martu Healing and Support Program.

The Martu Healing and Support Program is developed and run by Martu People for Martu People. It aims to address the physical, mental, emotional, and spiritual issues that impact on an individual's wellbeing, family unity and community harmony through building capacity within the Martu Aboriginal communities to change one's life.

Continuing to empower and strengthen the Social and Emotional Wellbeing of Aboriginal people through funding of community-led programs

Closing the Gap

The Commission is committed to meeting outcome 14 of the National Agreement on Closing the Gap – that Aboriginal and Torres Strait Islander people enjoy high levels of social and emotional wellbeing.

Key initiatives led by the Commission to meet outcomes and priority reform areas associated with the National Agreement on Closing the Gap include:

- the SEWB Program;
- implementation of Regional Aboriginal Suicide Prevention Plans and establishment of a statewide network of Community Liaison Officers (CLOs);
- the Commitment to Aboriginal Youth Wellbeing; and
- the Stronger You, Stronger Mob Campaign.

Additionally, the Commission has worked with other State Government agencies to ensure a collaborative approach to meeting relevant targets and outcomes associated with the National Agreement on Closing the Gap.

Preventing harm from alcohol and other drugs

The first six months of data collection identified 4324 alcohol-related presentations to RPH ED. Alcohol-related presentations account for 11 per cent of presentations to RPH ED. Most alcohol-related presentations arrive by ambulance (58 per cent) and the most common time for presentation is 1am. Nearly all alcohol-related presentations (96 per cent) are due to their own alcohol use.

The Commission continues to work towards preventing harm caused by alcohol and other drugs.

We partnered with East Metropolitan Health Service (EMHS) to pilot the Western Australian Model for Violence Prevention at Royal Perth Hospital Emergency Department. The pilot will run for four years and aims to prevent alcohol-related violence and injuries that impact emergency departments and frontline. It uses non-identifying data collected by the Emergency Department from patients to learn more about alcohol-related injuries, to develop and implement targeted injury and violence prevention strategies with partner agencies.

As part of a comprehensive approach to reducing alcohol harm, the Commission also collaborates with the Chief Health Officer, who is able to make submissions about harm associated with high-risk liquor licence applications under the *Liquor Control Act 1998*.

In 2023-24, 126 liquor licence applications were reviewed, resulting in 34 submissions to the licensing authority seeking to minimise harm or ill health associated with the applications. Key focus areas were: separating alcohol from child-focused activities; drink limits on mine sites; high-risk late night trading; and limiting the impact of co-location of liquor stores with supermarkets.

Of 30 decisions, 18 were consistent with recommendations made in the harm minimisation submissions, nine were partially consistent, two were losses and one was withdrawn.

This year, we worked with the Department of Health (DoH) to begin the process to amend the Western Australian Medicines and Poisons Regulations 2016 to ban access to nitrous oxide for domestic use due to serious harm associated with it being used for intoxication.

Working together in suicide prevention and improving wellbeing

The devastating impact of death by suicide is felt deeply and affects our whole community. The Western Australian Suicide Prevention Framework 2021-2025 outlines the coordinated approach to suicide prevention in WA.

It guides the development, implementation and evaluation of suicide prevention strategies and activities for state and local governments, communities, and private and non-government organisations.

The Commission is committed to shaping the way government and non-government organisations work together in suicide prevention. This year, we engaged global education experts SafeSide Prevention (SafeSide) to provide a high-level needs analysis of education programs for workforces supporting Western Australian communities in suicide prevention.

SafeSide hosted a series of workshops across the state to seek feedback from government agencies, workforces, service providers and people with a lived experience of suicide, on current Western Australian suicide prevention strategies, and provided an opportunity to make suggestions for future approaches.

Community Liaison Officers

The Commission engages Aboriginal Community Controlled Organisations to develop Regional Aboriginal Suicide Prevention Plans, aligning with the WA Suicide Prevention Framework 2021-2025.

These community-endorsed regional plans are developed and implemented by Aboriginal CLOs, to inform the prevention activities in all 10 health regions.

In April 2024, the Commission hosted a two-day CLO Gathering, with representatives from seven regions: Pilbara, Goldfields, Midwest, Wheatbelt, South West, South Metro and East Metropolitan. The gathering provided an opportunity for the CLOs to connect and share challenges and learnings from across the state.

We know access to appropriate support, when and where people need it, is essential to preventing suicide. As part of this, the Commission has worked to establish Australia's first youth suicide sanctuary pilot, known as the Luminos Project, which opened in October 2023. This innovative model of service provides non-medical support to young people aged 16 to 24 years who are experiencing suicidal ideation.

The home-like setting provides a safe and nurturing space for healing and recovery where people can openly discuss their feelings and experiences without judgment, empowering young people to focus on connection while guests of the house.

The Commission also partnered with SportWest to deliver mental health and wellbeing resources and training for the community sporting sector. The True Sport Mental Health and Wellbeing Initiative includes resources and training materials designed especially for the sporting community.

> ***"The workshop provided invaluable insights and practical strategies for navigating mental health-related challenges within sporting communities and how a state sporting organisation can support our clubs during challenging times."***
>
> *– R Yeow, HockeyWA*

We continued to support communities to increase awareness of mental health issues and suicide prevention through targeted programs such as Mates in Construction, Wheatbelt Men's Health and WAAC's Weekend Workshop programs, and provide long-term support for young people bereaved by suicide.

The draft WA Aftercare Services Program Model of Service with the WA Primary Health Alliance as part of the WA Bilateral Schedule was also finalised. Community-based aftercare services will provide support for people discharged from hospital following a suicide attempt, and people experiencing suicidal distress.

Practical steps for state and local government agencies, communities, non-government and private organisations to plan, develop, implement and evaluate community-based mental wellbeing initiatives

Mental Wellbeing Guide

The Mental Wellbeing Guide (Guide) was released in October 2023 to improve community understanding of mental wellbeing. The Guide provides practical steps for state and local government agencies, communities, non-government and private organisations to plan, develop, implement and evaluate community-based mental wellbeing initiatives.

To accompany the Guide, the Commission, in collaboration with Healthway and the Western Australian Association for Mental Health, also developed a Guide to Assessing Mental Wellbeing Programs. This assessment tool has been created to support those looking to implement evidence-based or evidence-informed wellbeing programs in their communities.

Working with legislation

The Commission assisted the Minister for Mental Health to finalise the Statutory Review of the *Mental Health Act 2014* (the Act), which was tabled in Parliament on 16 April 2024 along with the Government Response.

The report includes 54 recommendations for legislative amendment that aim to improve the operation and effectiveness of the Act, and all recommendations were supported in principle by Government.

We are now planning for the development of an Amendment Bill, which will involve additional consultation with key stakeholders.

The Commission is also responsible for commissioning the specialised mental health services required for the *Criminal Law (Mental Impairment) Act 2023* (CLMI) implementation. This includes oversight and coordination of the activities required to facilitate informed decision-making to produce service design and delivery that adequately meets the needs of the community.

CLMI establishes a new framework for people with mental impairment in the criminal justice system. CLMI received Royal Assent on 13 April 2023 and will commence on 1 September 2024.

The Commission is addressing the demand for forensic mental health inpatient beds through the Graylands Reconfiguration and Forensic Program by investing $218.9 million into the first stage of works, which will modernise mental health care and enable construction of an additional 53 forensic mental health beds, including five for children and adolescents.

The Commission is also responsible for commissioning the specialised mental health services required for the Criminal Law (Mental Impairment) Act 2023 (CLMI) implementation.

Reaching the regions through Next Step Statewide Service

The WA Drug and Alcohol Clinical Advisory Service (DACAS) is a specialist telephone consultancy service for health professionals that provides clinical advice from experienced addiction medicine doctors on issues relating to management of patients who use alcohol and other drugs.

DACAS can divert people from requiring presentations to emergency departments or inpatient admission, by enabling them to withdraw safely from alcohol or other drugs while remaining in their own community, managed by their GP and with their established support systems.

This year, DACAS provided 540 instances of support to GPs to care for people with drug and alcohol presentations.

The Commission is also working with the EMHS to transition Next Step, including the inpatient and clinical community component of the metropolitan Community Alcohol and Drug Services, to EMHS.

In July 2023, the Minister directed the EMHS and the Commission to collaborate to transition Next Step, including the inpatient and clinical community component of the metropolitan Community and Alcohol Drug Services, to the EMHS by 30 June 2024.

A team was established to coordinate the transition and help ensure the process was safe, effective, and sustainable. The transition team conducted impact assessment workshops, which highlighted the high volume and complexity of work required to meet the objectives required for transition. The outcomes of this transition planning necessitated a review of project timeframes, resulting in the transition date being reforecast from 30 June 2024 to 7 October 2024. Industrial determinations occurred resulting in an announced delay with a further date yet to be determined.

The transition will result in improved integration between general health, mental health, and AOD services and reduce the disconnect between AOD and mainstream health services.

A team was established to coordinate the transition and help ensure the process was safe, effective, and sustainable.

Workforce Development Strategy

The Commission continued to deliver the Mental Health, Alcohol and Other Drug Workforce Strategic Framework 2020-2025 to guide the growth and development of an appropriately skilled and qualified workforce, capable of delivering high-quality mental health and AOD services to the community.

This year we:

- progressed the Aboriginal Mental Health Worker Framework project through the establishment of a project working group comprising Aboriginal mental health workers and leaders from across public mental health services to describe the training, governance and supports required for the Aboriginal mental health workforce;
- partnered with Marr Mooditj to deliver the Integrating Mental Health Skill Set to Aboriginal people working in the Care Sector, with courses running in Port Hedland and Katanning;
- launched a careers web page that describes different roles in the AOD sector and the study pathways required to reach them; and
- partnered with DoH to support workforce development across public mental health services through the delivery of the Mental Health Clinical Workforce and Infant Child and Adolescent Mental Health Workforce Action Plans.

In the community

A story from Wunan Health Clinical Director Dr Stephanie Trust

We are preparing for the opening of our Aboriginal community-controlled low medical withdrawal service in Kununurra, the first of its kind in WA.

This facility will offer a culturally sensitive and nurturing environment tailored to individuals undergoing withdrawal from alcohol and other drugs.

This service will provide personalised treatment planning, comprehensive assessments and round-the-clock residential support.

A culturally informed service is important because it provides a safe and supportive environment that respects and understands the cultural backgrounds and needs of individuals undergoing withdrawal.

This visionary approach not only prioritises cultural sensitivity but also significantly enhances the prospects of successful treatment outcomes by addressing unique cultural factors that may influence engagement and effectiveness.

A culturally informed service is important because it provides a safe and supportive environment that respects and understands the cultural backgrounds and needs of individuals undergoing withdrawal.

National Disability Insurance Scheme

The Commission plays a pivotal role in advocacy for the unique needs of Western Australian mental health consumers, within mental health and disability sector reforms.

We manage the internal interface between NDIS and our funded services to help ensure all Western Australian mental health consumers can access the right support at the right time.

This includes:

- analysis of unmet need for psychosocial supports outside of the NDIS under the National Mental Health and Suicide Prevention Agreement;
- responses to the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability;
- negotiations of the NDIS Bilateral Scheme Agreement; and
- WA Disability Services Act review.

We manage the internal interface between NDIS and our funded services to help ensure all Western Australian mental health consumers can access the right support at the right time.

Where we have been - Conferences and Events

Our staff were out and about at events and conferences promoting the work of the Commission.

Conferences and events included the National Allied Health Conference, WA Country Health Service Rural and Remote Conference, Society for Mental Health Research Conference, Festival of Nursing, WA Men's Wellbeing Conference, The Royal Australian and New Zealand College of Psychiatrists Conference and WA Health Awards.

Mental Health Week and Mental Health Awards 2023

WA Mental Health Week 2023 was held from 7 to 14 October, with events kicking off in the Great Southern town of Esperance.

The theme for 2023 was 'Mind. Body. Environment', reinforcing the importance of the connection between mental health, physical health and our environment.

Multiple events featured across the state throughout the week, including Jungle Body mega dance class at The Court and Breakfast by the Bay at the University Club of WA.

Nine individuals, schools and organisations were recognised for their outstanding contributions to mental health at the WA Mental Health Awards on 24 November 2023.

The Awards recognise and reward the achievements of those who demonstrate excellence, innovation and initiative in supporting consumers of mental health services, and their families and carers.

In 2023, 144 nominations were received across nine award categories, with 34 individuals, schools, employers and community groups named as finalists.

Our education campaigns

Alcohol.Think Again

The Alcohol. Think Again program delivered four campaigns this year – What's Your Poison? Australian Alcohol Guidelines, We All Need to Say No, and One Drink.

Approx. 42 per cent of risky drinkers were aware of at least one component of the 'What's your poison?' campaign

Drug aware

The Party Smarter and The Growing Brain campaigns both continued to have significant impacts on the community this year by providing information on staying safe during party celebrations and raising awareness of the harm associated with drug use, particularly cannabis. We also worked in collaboration with the WA Police Force and other stakeholders to support young school leavers to be safe during Leavers 2023 event in November.

Our public education websites

alcoholthinkagain

alcoholthinkagain.com.au

DRUG AWARE

DRUGAWARE.COM.AU

think MENTAL HEALTH

thinkmentalhealth.com.au

STRONG SPIRIT STRONG MIND

strongspiritstrongmind.com.au

Think Mental Health

We launched the 'Find Your Way to Okay' in September 2023.

The campaign aims to encourage more young adults aged 18 to 24 years to proactively and regularly engage in behaviours that increase and maintain their own levels of mental wellbeing. A series of short videos ran across social media channels, featuring young adults engaging in a range of activities that helped improve their wellbeing, such as volunteering, spending time with friends, practicing mindfulness and connecting with nature.

Of those young people who had seen the campaign:

- 84 per cent could recall at least one key message.
- 77 per cent had taken action as a result of seeing the campaign, with the most common action being reflecting on what they were currently doing.

Find your way to okay

Strong Spirit Strong Mind Youth Project

Our Stronger You Strong Mob campaign targets Aboriginal and Torres Strait Islander young people aged 12 to 25 years old to provide strategies to improve and maintain Social and Emotional Wellbeing (SEWB). Culturally appropriate consultations were undertaken to inform the messaging, design, and development of the campaign. Development of the campaign carefully considered young Aboriginal people becoming disconnected from Country and culture as a major factor in experiencing SEWB issues and increased risk of alcohol or other drug use.

Training and Development

This year we:

- Conducted nine Structured Administration and Supply Arrangements face-to-face training sessions to more than 100 people, equipping them with the knowledge and skills to supply naloxone.
- Delivered or coordinated 37 Gatekeeper workshops across the Perth metropolitan area, Southwest, Midwest, Wheatbelt and Goldfields regions.
- eLearning programs were accessed by 317 people through the AOD eLearning online learning platform.
- 22 participants completed the five-month Volunteer AOD Counsellors' Training Program. The training for the 2024 intake of the Volunteer AOD Counsellors' Training Program began on 10 June 2024 with 26 people participating.

Strong Spirit Strong Mind Aboriginal Programs

Our Certificate III in Community Services is a unique program targeted to meet the needs of Aboriginal and Torres Strait Islander AOD Workers. The content is culturally secure and evidence-based. The learning materials and methods have been developed by Aboriginal professionals and relate to an Aboriginal worldview through the introduction of cultural models of practice and ways of working. This year, 11 students graduated from the course.

Gatekeeper Training is making an impact

94 per cent of participants rated their ability to identify and assess suicide risk, and their knowledge of intervention in a suicide crisis had increased.

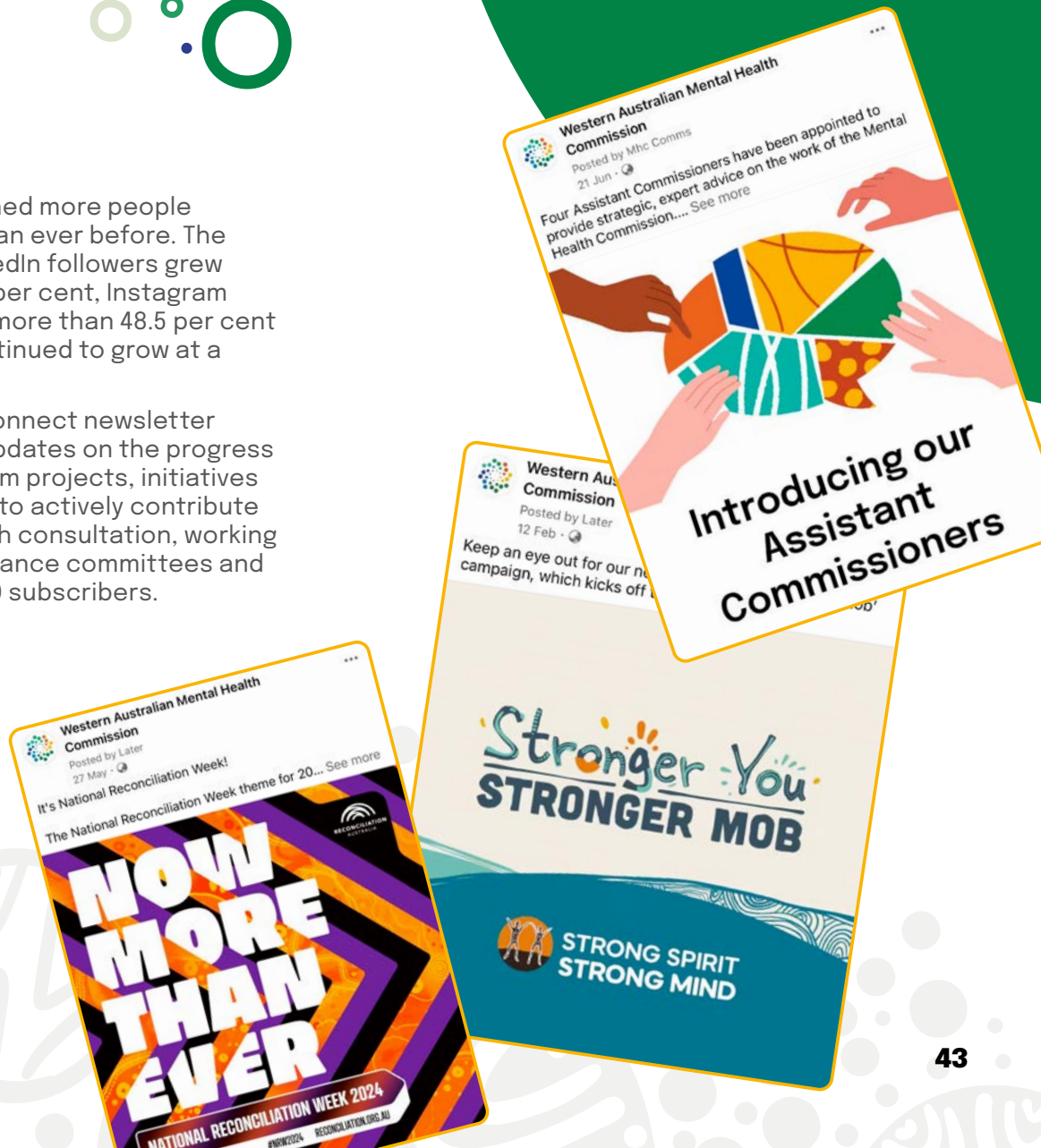
Reaching you in the digital world

We use social media to educate, promote and raise awareness of mental health, wellbeing and alcohol and other drug issues, and increase public knowledge of the work of the Commission.

This year, we reached more people on social media than ever before

This year, we reached more people on social media than ever before. The Commission's LinkedIn followers grew by more than 68.5 per cent, Instagram followers grew by more than 48.5 per cent and Facebook continued to grow at a steady rate.

Our Stakeholder Connect newsletter provides regular updates on the progress of key sector reform projects, initiatives and opportunities to actively contribute to our work through consultation, working groups and governance committees and has more than 1700 subscribers.



Disclosures and legal compliance

Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

Mental Health Commission

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

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

- the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended
- administered schedules comprising the administered assets and liabilities as at 30 June 2024 and administered income and expenses by service for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Mental Health Commission for the year ended 30 June 2024 and the financial position as at the end of that period
- in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

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

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

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

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'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 Mental Health Commission are those policies and procedures established to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with the State's financial reporting framework (the overall control objectives).

In my opinion, in all material respects, the controls exercised by the Mental Health Commission are sufficiently adequate to provide reasonable assurance that the controls within the system were suitably designed to achieve the overall control objectives identified as at 30 June 2024, and the controls were implemented as designed as at 30 June 2024.

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 the State's financial reporting framework as at 30 June 2024.

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 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 2024 reported in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions (legislative requirements). The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators report of the Mental Health Commission for the year ended 30 June 2024 is in accordance with the legislative requirements, and the key performance indicators are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2024.

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 controls as the Commissioner 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 management relating to the report on financial statements, controls and key performance indicators

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

Other information

The Commissioner is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2024, but not the financial statements, key performance indicators and my auditor's report.

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

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

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

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

This auditor's report relates to the financial statements and key performance indicators of the Mental Health Commission for the year ended 30 June 2024 included in the annual report on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.

Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
6 September 2024

Financial statements

Certification of financial statements

For the reporting period ended 30 June 2024

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 2024 and the financial position as at 30 June 2024.

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

Byron Savage
Chief Financial Officer
Mental Health Commission

5 September 2024

Maureen Lewis
Commissioner
Mental Health Commission
Accountable Authority

5 September 2024

Mental Health Commission
Statement of Comprehensive Income
For the year ended 30 June 2024

	Notes	2024 $	2023 $
COST OF SERVICES			
Expenses			
Employee benefits expenses	3.1(a)	52,886,614	50,025,666
Service agreement - WA Health	3.2	1,032,857,134	966,029,000
Service agreement - non government and other organisations	3.2	218,243,505	200,551,688
Grants and subsidies	3.3	7,215,646	1,978,128
Supplies and services	3.4	18,431,874	22,528,972
Depreciation expense	5.1.1 & 5.2	805,776	784,137
Finance costs	5.2 & 7.3	8,925	6,904
Accommodation expenses	3.5	3,099,091	2,832,919
Other expenses	3.6	4,116,463	4,502,960
Total cost of services		**1,337,665,028**	**1,249,240,374**
Income			
Commonwealth grants and contributions	4.2	3,531,178	754,346
Other income	4.3	1,562,677	2,369,683
Total income		**5,093,855**	**3,124,029**
NET COST OF SERVICES		**1,332,571,173**	**1,246,116,345**
Income from State Government			
Service appropriation	4.1	938,161,000	914,085,000
Service agreement funding - Commonwealth	4.1	329,980,653	338,032,395
Income from other public sector entities	4.1	3,004,125	3,574,678
Resources received	4.1	3,182,050	2,668,032
Royalties for Regions Fund	4.1	31,341,000	25,617,000
Total income from State Government		**1,305,668,828**	**1,283,977,105**
(DEFICIT) / SURPLUS FOR THE PERIOD		**(26,902,345)**	**37,860,760**
OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation surplus	9.9	(439,683)	1,680,898
Total other comprehensive income		**(439,683)**	**1,680,898**
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD		**(27,342,028)**	**39,541,658**

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 2024

	Notes	2024 $	2023 $
ASSETS			
Current Assets			
Cash and cash equivalents	7.4.1	70,112,144	104,905,207
Restricted cash and cash equivalents	7.4.1	7,773,972	10,529,885
Receivables	6.1	515,269	561,753
Inventories	6.3	9,643	6,347
Other current assets	6.4	1,627,860	111,900
Total Current Assets		**80,038,888**	**116,115,092**
Non-Current Assets			
Restricted cash and cash equivalents	7.4.1	-	1,271,381
Receivables	6.1	1,500,519	-
Amounts receivable for services	6.2	8,361,123	7,886,123
Property, plant and equipment	5.1	20,146,835	21,732,261
Right-of-use assets	5.2	125,186	150,490
Total Non-Current Assets		**30,133,663**	**31,040,255**
TOTAL ASSETS		**110,172,551**	**147,155,347**
LIABILITIES			
Current Liabilities			
Payables	6.5	4,409,678	4,997,404
Employee related provisions	3.1 (b)	8,246,611	7,764,639
Lease liabilities	7.1	42,135	45,299
Total Current Liabilities		**12,698,424**	**12,807,342**
Non-Current Liabilities			
Employee benefits provisions	3.1 (b)	2,598,801	2,522,806
Lease liabilities	7.1	89,624	110,469
Total Non-Current Liabilities		**2,688,425**	**2,633,275**
TOTAL LIABILITIES		**15,386,849**	**15,440,617**
NET ASSETS		**94,785,702**	**131,714,730**
EQUITY			
Contributed equity	9.9	39,254,048	48,841,048
Reserves	9.9	2,281,961	2,721,644
Accumulated surplus	9.9	53,249,693	80,152,038
TOTAL EQUITY		**94,785,702**	**131,714,730**

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 2024

	Notes	2024 $	2023 $
CONTRIBUTED EQUITY	9.9		
Balance at start of period		48,841,048	37,385,891
Transactions with owners in their capacity as owners:			
Capital appropriation		6,049,000	16,224,000
Other contribution by owners - Digital Capability Fund		2,309,000	430,298
Distribution to owner		(3,037,000)	-
Other distribution to owner - Department of Health		(4,017,000)	-
Other distribution to owner - Department of Communities		(10,891,000)	(5,199,141)
Balance at end of period		**39,254,048**	**48,841,048**
RESERVES			
Asset Revaluation Reserve			
Balance at start of period		2,721,644	1,040,746
Other comprehensive income for the period		(439,683)	1,680,898
Balance at end of period		**2,281,961**	**2,721,644**
ACCUMULATED SURPLUS	9.9		
Balance at start of period		80,152,038	42,291,278
(Deficit)/surplus for the period		(26,902,345)	37,860,760
Balance at end of period		**53,249,693**	**80,152,038**
TOTAL EQUITY	9.9		
Balance at start of period		131,714,730	80,717,915
Total comprehensive (loss)/income for the period		(27,342,028)	39,541,658
Transactions with owners in their capacity as owners		(9,587,000)	11,455,157
Balance at end of period		**94,785,702**	**131,714,730**

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 2024

	Notes	2024 $	2023 $
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		937,686,000	913,606,000
Capital appropriations	9.9	8,358,000	16,654,298
Service agreement funding - Commonwealth		329,980,653	338,032,395
Income from other public sector entities		2,907,196	3,705,573
Royalties for Regions Fund - Recurrent	4.1	31,341,000	25,617,000
Return of Royalties for Regions Fund	9.9	(3,037,000)	-
Payment to Department of Health	9.9	(4,017,000)	-
Payment to Department of Communities	9.9	(10,891,000)	(5,199,141)
Net cash provided by State Government		**1,292,327,849**	**1,292,416,125**
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits expenses		(51,919,663)	(49,120,180)
Service agreement - WA Health		(1,032,857,134)	(966,029,000)
Service agreement - non government and other organisations		(219,139,213)	(200,868,973)
Grants and subsidies		(7,215,656)	(1,978,128)
Supplies and services		(17,020,750)	(18,951,293)
Finance costs		(8,925)	(6,904)
Accommodation expenses		(3,053,010)	(2,596,255)
Other payments		(3,396,480)	(3,875,205)
Receipts			
Commonwealth grants and contributions		3,481,239	752,457
Other receipts		1,632,408	2,473,999
Net cash used in operating activities	7.4.2	**(1,329,497,184)**	**(1,240,199,482)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets	5.1	(101,185)	(906,507)
Net cash used in investing activities		**(101,185)**	**(906,507)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Lease payments		(49,318)	(37,850)
Payments to accrued salaries account		(229,138)	-
Net cash used in financing activities		**(278,456)**	(37,850)
Net (decrease) / increase in cash and cash equivalents		(37,548,976)	51,272,286
Cash and cash equivalents at the beginning of the period		116,706,473	65,434,187
Adjustment for the reclassification of accrued salaries account		(1,271,381)	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7.4.1	**77,886,116**	**116,706,473**

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 2024

	2024 Budget $	2024 Section 25 transfers $	2024 Additional Funding $	2024 Revised Budget $	2024 Actual $	2024 Variance $
Delivery of Services						
Item 58 Net amount appropriated to deliver services	962,150,000	197,000	-	962,347,000	937,347,000	(25,000,000)
Amount Authorised by Other Statutes						
- *Salaries and Allowances Act 1975*	814,000		-	814,000	814,000	-
Total appropriations provided to deliver services	**962,964,000**	**197,000**	**-**	**963,161,000**	**938,161,000**	**(25,000,000)**
Capital						
Item 139 Capital appropriations	24,277,000	(11,489,000)	-	12,788,000	6,049,000	(6,739,000)
Administered Transactions						
Administered grants, subsidies and other transfer payments	14,332,000	31,000	307,000	14,670,000	14,670,000	-
Total administered transactions	**14,332,000**	**31,000**	**307,000**	**14,670,000**	**14,670,000**	**-**
Total consolidated account appropriations	**1,001,573,000**	**(11,261,000)**	**307,000**	**990,619,000**	**958,880,000**	**(31,739,000)**

Additional funding includes supplementary funding and new funding authorised under section 27 of the Act and amendments to standing appropriations. No supplementary funding was received by the Mental Health Commission in 2023-24.

Mental Health Commission
Administered Schedules
For the year ended 30 June 2024

Administered income and expense by service	Hospital Bed Based Services	Hospital Bed Based Services
INCOME FROM ADMINISTERED ITEMS	**2024**	**2023**
Income	**$**	**$**
Appropriations from Government for transfer to :		
Mental Health Tribunal	4,145,000	3,700,000
Mental Health Advocacy Service	5,795,000	3,696,000
Office of Chief Psychiatrist	4,730,000	4,122,000
Service received free of charge (a)	1,517,206	1,355,897
Other revenue	332,588	434,115
Total administered income	**16,519,794**	**13,308,012**
Expenses		
Employee benefits expense	11,262,847	10,117,526
Supplies and services	2,752,756	2,338,331
Depreciation expense	10,862	18,377
Grants and subsidies	100,000	-
Finance costs	1,829	1,500
Accommodation expense	475,573	444,390
Other expenses	355,377	446,001
Total administered expenses	**14,959,244**	**13,366,125**

(a) Service received free of charge in 2023-24 includes $1,436,875 ($1,285,655 in 2022-23) from MHC (refer to note 9.10 'Services provided free of charge'), $53,675 ($43,953 in 2022-23) from the State Solicitor's Office and $26,656 from Department of Finance ($26,289 in 2022-23).

Mental Health Commission
Administered Schedules
For the year ended 30 June 2024

Administered assets and liabilities	2024 $	2023 $
Current Assets		
Cash and cash equivalents	5,516,886	3,034,973
Receivables	29,512	22,092
Total Administered Current Assets	**5,546,398**	**3,057,065**
Non-Current Assets		
Right-of-use assets	42,368	23,808
Total Administered Non-Current Assets	**42,368**	**23,808**
TOTAL ADMINISTERED ASSETS	**5,588,766**	**3,080,873**
Current Liabilities		
Payables	648,629	361,517
Provision	1,652,809	1,505,208
Lease Liabilities	11,539	6,706
Total Administered Current Liabilities	**2,312,977**	**1,873,431**
Non-Current Liabilities		
Provision	203,900	114,329
Lease Liabilities	32,224	17,999
Total Administered Non-Current Liabilities	**236,124**	**132,328**
TOTAL ADMINISTERED LIABILITIES	**2,549,101**	**2,005,759**

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2024

1. Basis of preparation

The Mental Health Commission (MHC) is a Government not-for-profit entity controlled by the State of Western Australia, which is the ultimate parent. These annual financial statements were authorised for issue by the accountable authority of the MHC on 4 September 2024.

Statement of compliance

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

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

Basis of preparation

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

Accounting for Good and Services Tax (GST)

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

Contributed equity

Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated as contributions by owners (at the time of, or prior, to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed Equity.

Administered items

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

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2024

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's objectives

Mission

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

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

Services

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

The MHC provides the following services.

Prevention

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

Hospital Bed Based Services

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

Community Bed Based Services

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

Community Treatment

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

Community Support

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

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2024

2.2 Schedule of Income and Expenses by Service

	Prevention		Hospital Bed Based Services		Community Bed Based Services		Community Treatment		Community Support		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	$	$	$	$	$	$	$	$	$	$	$	$
COST OF SERVICES												
Expenses												
Employee benefits expenses	1,396,207	1,320,678	21,122,914	20,750,646	4,267,949	3,286,686	22,423,924	22,181,380	3,675,620	2,486,276	52,886,614	50,025,666
Service agreement - WA Health	27,267,428	25,503,166	412,523,139	400,708,829	83,351,571	63,468,105	437,931,425	428,337,259	71,783,571	48,011,641	1,032,857,134	966,029,000
Service agreement - non government and other organisations	5,761,629	5,294,565	87,166,456	83,188,840	17,612,250	13,176,246	92,535,246	88,924,618	15,167,924	9,967,419	218,243,505	200,551,688
Grants and subsidies	190,493	52,223	2,881,929	820,527	582,303	129,963	3,059,434	877,102	501,487	98,313	7,215,646	1,978,128
Supplies and services	486,601	594,765	7,361,690	9,345,018	1,487,453	1,480,153	7,815,115	9,989,346	1,281,015	1,119,690	18,431,874	22,528,972
Depreciation expense	21,272	20,701	321,827	325,260	65,027	51,518	341,649	347,686	56,001	38,972	805,776	784,137
Finance costs	236	182	3,565	2,864	720	454	3,784	3,061	620	343	8,925	6,904
Accommodation expenses	81,816	74,789	1,237,777	1,175,095	250,096	186,123	1,314,015	1,256,116	215,387	140,796	3,099,091	2,832,919
Other expenses	108,675	118,879	1,644,115	1,867,828	332,199	295,844	1,745,380	1,996,612	286,094	223,797	4,116,463	4,502,960
Total cost of services	35,314,357	32,979,948	534,263,412	518,184,907	107,949,568	82,075,092	567,169,972	553,913,180	92,967,719	62,087,247	1,337,665,028	1,249,240,374
Income												
Commonwealth grants and contributions	-	-	-	-	-	-	3,531,178	754,346	-	-	3,531,178	754,346
Other income	70,857	32,548	78,968	175,607	15,947	40,364	379,496	670,500	1,017,409	1,450,664	1,562,677	2,369,683
Total income	70,857	32,548	78,968	175,607	15,947	40,364	3,910,674	1,424,846	1,017,409	1,450,664	5,093,855	3,124,029
NET COST OF SERVICES	35,243,500	32,947,400	534,184,444	518,009,300	107,933,621	82,034,728	563,259,298	552,488,334	91,950,310	60,636,583	1,332,571,173	1,246,116,345
Income from State Government												
Service appropriation	24,783,244	26,004,027	374,720,298	349,891,564	75,671,261	75,041,341	397,791,002	400,817,155	65,195,195	62,330,913	938,161,000	914,085,000
Service agreement funding - Commonwealth	-	-	166,733,100	181,382,795	-	-	163,247,553	156,649,600	-	-	329,980,653	338,032,395
Income from other public sector entities	699,892	1,202,554	179,808	160,844	64,926	34,496	2,028,215	2,148,131	31,284	28,653	3,004,125	3,574,678
Resources received	84,060	75,901	1,270,975	1,021,264	256,660	219,031	1,349,226	1,169,904	221,129	181,932	3,182,050	2,668,032
Royalties for Regions Fund	6,854,108	6,716,993	-	-	9,356,000	9,831,000	14,332,516	8,341,263	798,376	727,744	31,341,000	25,617,000
Total income from State Government	32,421,304	33,999,475	542,904,181	532,456,467	85,348,847	85,125,868	578,748,512	569,126,053	66,245,984	63,269,242	1,305,668,828	1,283,977,105
SURPLUS/(DEFICIT) FOR THE PERIOD	(2,822,196)	1,052,075	8,719,737	14,447,167	(22,584,774)	3,091,140	15,489,214	16,637,719	(25,704,326)	2,632,659	(26,902,345)	37,860,760

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 2024

2.3 Schedule of Assets and Liabilities by Service

	Prevention		Hospital Bed Based Services		Community Bed Based Services		Community Treatment		Community Support		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	$	$	$	$	$	$	$	$	$	$	$	$
ASSETS												
Current assets	2,113,026	3,065,438	31,967,532	48,164,540	6,459,138	7,628,762	33,936,489	51,485,432	5,562,703	5,770,920	80,038,888	116,115,092
Non-current assets	795,528	819,463	12,035,385	12,875,498	2,431,787	2,039,344	12,776,673	13,763,249	2,094,290	1,542,701	30,133,663	31,040,255
Total Assets	2,908,554	3,884,901	44,002,917	61,040,038	8,890,925	9,668,106	46,713,162	65,248,681	7,656,993	7,313,621	110,172,551	147,155,347
LIABILITIES												
Current liabilities	335,238	338,114	5,071,751	5,312,485	1,024,763	841,442	5,384,132	5,678,776	882,540	636,525	12,698,424	12,807,342
Non-current liabilities	70,974	69,518	1,073,757	1,092,282	216,956	173,006	1,139,892	1,167,595	186,846	130,874	2,688,425	2,633,275
Total Liabilities	406,212	407,632	6,145,508	6,404,767	1,241,719	1,014,448	6,524,024	6,846,371	1,069,386	767,399	15,386,849	15,440,617
NET ASSETS	2,502,342	3,477,269	37,857,409	54,635,271	7,649,206	8,653,658	40,189,138	58,402,310	6,587,607	6,546,222	94,785,702	131,714,730

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 2024

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	2024 $	2023 $
Employee benefits expenses	3.1(a)	52,886,614	50,025,666
Employee benefits provisions	3.1(b)	10,845,412	10,287,445
Service agreements	3.2	1,251,100,639	1,166,580,688
Grants and subsidies	3.3	7,215,646	1,978,128
Supplies and services	3.4	18,431,874	22,528,972
Accommodation expenses	3.5	3,099,091	2,832,919
Other expenses	3.6	4,116,463	4,502,960

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2024

	2024	2023
3.1(a) Employee benefits expenses	**$**	**$**
Employee benefits	47,759,834	45,319,706
Termination benefits	9,322	-
Superannuation - defined contribution plans (a)	5,117,458	4,705,960
Total employee benefits expenses	**52,886,614**	**50,025,666**
Add: AASB 16 Non-monetary benefits (not included in employee benefits expense)	43,623	50,906
Less: Employee contributions (per the statement of comprehensive income)	(30,785)	(20,572)
Net employee benefits	**52,899,452**	**50,056,000**

(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 $3,497,558 (2022-23 $3,437,976).

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

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

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

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

Employee contributions are 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 2024

	2024	2023
3.1(b) Employee related provisions	**$**	**$**
Current		
Employee benefits provision		
Annual leave	4,439,759	4,277,789
Long service leave	3,783,350	3,486,850
Deferred salary scheme	23,502	-
Total current employee related provisions	**8,246,611**	**7,764,639**
Non-current		
Employee benefits provision		
Long service leave	2,598,801	2,522,806
Total employee related provisions	**10,845,412**	**10,287,445**

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

Annual leave liabilities are classified as current as there is no 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	3,144,219	3,002,692
More than 12 months after the end of the reporting period	1,295,540	1,275,097
	4,439,759	4,277,789

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

Long service leave liabilities are unconditional long service leave provisions and are classified as current liabilities as the MHC does not have 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	1,138,309	982,408
More than 12 months after the end of the reporting period	5,243,842	5,027,248
	6,382,151	6,009,656

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 and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

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

Within 12 months of the end of the reporting period	-	-
More than 12 months after the end of the reporting period	23,502	-
	23,502	-

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3.1(b) Employee related 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 7.8%. 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.

		2024	2023
		$	$
3.2	**Service agreements**		
	Service agreement - WA Health		
	East Metropolitan Health Service	265,459,201	250,061,000
	North Metropolitan Health Service	313,092,220	293,830,000
	South Metropolitan Health Service	193,645,513	177,465,000
	Child and Adolescent Health Service	88,959,615	85,463,000
	WA Country Health Service	171,700,585	159,210,000
	Total service agreement - WA Health	**1,032,857,134**	**966,029,000**

Metropolitan Health Service was abolished on 1 July 2016 and 5 Health Services Providers were established 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	**218,243,505**	**200,551,688**

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

	Total service agreements	**1,251,100,639**	**1,166,580,688**

Mental Health Commission
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For the year ended 30 June 2024

		2024	2023
3.3	**Grants and subsidies**	**$**	**$**
	Recurrent		
	Suicide Prevention Strategy	-	435,950
	Commitment to Aboriginal Youth Wellbeing	-	625,586
	Community Services Grants	1,169,970	637,068
	NDIS Access Support for People with Psychosocial Disability	379,957	-
	Enhanced Psychiatric Hostel & Long Stayers Funding (a)	310,000	194,875
	Other grants	355,719	84,649
	Total recurrent grants and subsidies	**2,215,646**	**1,978,128**
	Capital		
	Refurbish building grants for Nickoll Ward - Hollywood Private Hospital	5,000,000	-
	Total capital grants and subsidies	**5,000,000**	**-**
	Total grants and subsidies	**7,215,646**	**1,978,128**

(a) Grants and subsidies include payments to the Mental Health Advocacy Services $310,000 (2022-23 $194,875).

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

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

3.4	**Supplies and services**		
	Purchase of outsourced services (a)	10,877,034	12,912,716
	Corporate support services (b)	3,032,220	2,491,157
	Computer related services (c)	1,023,773	998,559
	Consulting fees (d)	2,290,182	4,944,624
	Consumables	668,339	518,320
	Communications	165,772	231,882
	Printing and Stationery	317,088	361,853
	Other	57,466	69,861
	Total supplies and services	**18,431,874**	**22,528,972**

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

(a) Includes supplies and services from the Department of Finance $5,074 (2022-23 $nil), the Landgate of WA $2,093 (2022-23 $nil), the Department of Health $77,594 (2022-23 $nil) and the Western Australian Police Forces $nil (2022-23 $500,00).
(b) Health Support Services has provided supply services, IT services, human resource services and finance services to the MHC free of charge.
(c) Includes supplies and services from the Department of The Premier and Cabinet $14,326 (2022-23 $nil).
(d) Includes supplies and services from the Western Australia Treasury Corporation $nil (2022-23 $25,300), The Public Sector Commission $137,342 (2022-23 $12,665), the Department of Finance $39,055 (2022-23 $555), the Landgate WA $3,352 (2022-23 $9,037), and the Department of Health $53,259 (2022-23 $nil).

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		2024	2023
3.5	**Accommodation expenses**	**$**	**$**
	Office rental	2,902,545	2,628,223
	Utilities	196,546	204,696
	Total accommodation expenses	**3,099,091**	**2,832,919**

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

3.6	**Other expenses**		
	Workers' compensation insurance (a)	132,142	127,125
	Other employee related expenses (f)	828,373	742,543
	Consumable equipment, repairs and maintenance (b)	1,409,567	1,583,055
	Expected credit losses expense	-	12,961
	Travel related expenses (c)	116,252	55,674
	Audit fees (d)	512,743	544,981
	Legal fees (e)	166,064	171,471
	Administration	71,032	103,393
	Advertising	52,714	122,211
	Other insurance (a)	165,230	144,204
	Disposal of assets	-	448
	Other (g)	662,346	894,894
	Total other expenditures	**4,116,463**	**4,502,960**

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

(a) Includes expense to RiskCover, $132,142 has been classified as workers' compensation insurance and $165,230 as other insurance (2022-23 $127,125 workers' compensation insurance and $144,059 other insurance).
(b) Includes expense to Department of Finance, $321,319 (2022-23 $468,149) and Department of Fire and Emergency $5,130 (2022-23 $5,130).
(c) Includes expense to Department of Finance - Statefleet $136 (2022-23 $265).
(d) Includes expense to Office of the Auditor General $216,074 (2022-23 $190,900).
(e) Includes expense to Department of Justice - State Solicitor's Office $146,111 (2022-23 $157,994) inclusive of resources received free of charge.
(f) Includes expense to Public Sector Commission $27,622 (2022-23 $10,172), Department of Communities $nil (2022-23 $4,426), Department of Justice $941 (2022-23 $365), State Library of WA $601 (2022-23 $3,253), the Department of Education $nil (2022-23 $1,027), the Department of Training and Workforce Development $1,130 (2022-23 $nil) and the Pathwest Laboratory Medicine WA $2,222 (2022-23 $nil).
(g) Includes expense to Public Sector Commission $nil (2022-23 $10,172), Department of Treasury $nil (2022-23 $709,138), Landgate $nil (2022-23 $935), Department of Health $12,755 (2022-23 $6,558), the State Library of WA $5,878 (2022-23 $6,492) and Department of Communities $10,618 (20222 nil).

Expected credit losses is recognised for movement in allowance for impairment of receivables. Please refer to note 6.1.1 Receivables for more details.

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.

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.

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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	2024 $	2023 $
Income from State Government	4.1	1,305,668,828	1,283,977,105
Commonwealth grants and contributions	4.2	3,531,178	754,346
Other income	4.3	1,562,677	2,369,683

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2024

		2024	2023
4.1	**Income from State Government**	**$**	**$**
	Service appropriation received during the period:		
	Amount appropriated to deliver services	937,347,000	913,272,000
	Amount authorised by other statutes:		
	Salaries and Allowances Act 1975	814,000	813,000
	Total service appropriation received	**938,161,000**	**914,085,000**
	Commonwealth service agreement funding from State Pool Account during the period:		
	National Health Reform Agreement	**329,980,653**	**338,032,395**

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 of WA and the MHC.

Income from other public sector entities during the period:		
Department of Health	283,821	289,217
Department of Education	80,103	254,642
WA Police	1,617,000	1,569,000
Healthway	270,000	260,000
Insurance Commission of WA	256,585	-
Department of Communities	28,616	-
Department of Justice	50,000	271,219
Department of Mines, Industry Regulation and Safety	418,000	930,600
Total income from other public sector entities	**3,004,125**	**3,574,678**
Resources received from other public sector entities during the period:		
Services received free of charge:		
State Solicitor's Office - legal advisory services	130,747	157,583
Department of Finance - office accommodation leasing services	13,328	13,144
Department of Health	5,755	6,148
Health Support Services (a)	3,032,220	2,491,157
Total services received free of charge	**3,182,050**	**2,668,032**

(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.

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		2024	2023
4.1	**Income from State Government (cont.)**	**$**	**$**
	Royalties for Regions Fund		
	Regional Community Services Account	**31,341,000**	**25,617,000**
	Total income from State Government	**1,305,668,828**	**1,283,977,105**

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.

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

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

4.2 Commonwealth grants and contributions

Commonwealth grants and contributions		
National Mental Health and Suicide Prevention	2,744,846	-
Specialist Dementia Care Program	437,333	388,000
WA Peer Workforce Scholarships	54,000	66,000
Take Home Naloxone Pilot	294,999	300,346
Total commonwealth grants and contributions	**3,531,178**	**754,346**

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)	140,158	797,760
Interest revenue	183,952	131,053
Services to external organisations	152,232	192,769
Increment on revaluation of land (b)	-	150,400
Grants and contributions	1,020,969	1,045,769
Other income	65,366	51,932
Total other income	**1,562,677**	**2,369,683**

(a) Refunds were received from non-government organisations in 2023-24 and 2022-23, 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.

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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	2024 $	2023 $
Property, plant and equipment	5.1	20,146,835	21,732,261
Right-of-use assets	5.2	125,186	150,490

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2024

		2024	2023
5.1	**Property, plant and equipment**	**$**	**$**
	Land		
	Carrying amount at start of period (fair value)	**6,356,915**	**5,346,700**
	Revaluation (decrements)/increments	(636,415)	1,010,215
	Carrying amount at end of period	**5,720,500**	**6,356,915**
	Buildings		
	Carrying amount at start of period (fair value)	**13,792,568**	**11,309,812**
	Transfer from Work in Progress	77	2,183,806
	Revaluation increments	196,732	821,082
	Depreciation	(541,727)	(522,134)
	Carrying amount at end of period	**13,447,650**	**13,792,566**
	Leasehold improvements		
	Gross carrying amount	1,037,856	-
	Accumulated depreciation	(144,817)	-
	Carrying amount at start of period (fair value)	**893,039**	**-**
	Transfer from Work in Progress	-	1,037,856
	Additions	15,505	-
	Depreciation	(149,144)	(144,817)
	Carrying amount at end of period	**759,400**	**893,039**
	Computer equipment		
	Gross carrying amount	69,973	69,973
	Accumulated depreciation	(64,952)	(59,930)
	Carrying amount at start of period	**5,021**	**10,043**
	Additions	85,680	-
	Depreciation	(5,022)	(5,022)
	Carrying amount at end of period	**85,679**	**5,021**
	Medical equipment		
	Gross carrying amount	205,094	198,044
	Accumulated depreciation	(154,302)	(127,600)
	Carrying amount at start of period	**50,792**	**70,444**
	Additions	-	7,050
	Depreciation	(25,410)	(26,702)
	Carrying amount at end of period	**25,382**	**50,792**

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		2024	2023
5.1	**Property, plant and equipment (cont.)**	**$**	**$**
	Other plant and equipment		
	Gross carrying amount	360,729	360,729
	Accumulated depreciation	(236,646)	(201,443)
	Carrying amount at the start of year	**124,083**	**159,286**
	Depreciation	(33,860)	(35,203)
	Carrying amount at the end of year	**90,223**	**124,083**
	Artworks		
	Gross carrying amount	18,000	18,000
	Carrying amount at the start of year	**18,000**	**18,000**
	Carrying amount at the end of year	**18,000**	**18,000**
	Works in progress		
	Carrying amount at the start of year	491,843	2,814,049
	Additions	-	899,457
	Expensed	(491,766)	-
	Capitalised to asset classes	(77)	(3,221,662)
	Carrying amount at the end of year	**-**	**491,844**
	Total property, plant and equipment		
	Gross carrying amount	22,332,978	20,117,308
	Accumulated depreciation	(600,717)	(388,973)
	Carrying amount at the start of year	**21,732,261**	**19,728,335**
	Additions	101,185	906,507
	Transfers from Work in Progress	77	3,221,662
	Capitalised to asset classes	(77)	(3,221,662)
	Expensed	(491,766)	-
	Revaluation (decrements)/increments	(439,682)	1,831,297
	Depreciation	(755,163)	(733,878)
	Carrying amount at the end of year	**20,146,835**	**21,732,261**

5.1 Property, plant and equipment (cont.)

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).

Subsequent measurement

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

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

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

Land and buildings are independently valued annually by the Western Australian Land Information Authority (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 2023 by the Western Australian Land Information Authority (Valuations and Property Analytics).The valuations were performed during the year ended 30 June 2024 and recognised at 30 June 2024. In undertaking the revaluation, fair value was determined by reference to market values for land: $159,000 (2022-23 $430,000) and buildings $425,000 (2022-23 $985,772). 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	**2024 $**	**2023 $**
Buildings	541,727	522,134
Computer equipment	5,022	5,022
Medical equipment	25,410	26,702
Leasehold improvements	149,144	144,817
Other plant and equipment	33,860	35,203
Total depreciation for the period	**755,163**	**733,878**

As at 30 June 2024 there were no indications of impairment to property, plant and equipment.

All surplus assets at 30 June 2024 have either been classified as assets held for sale or have been written-off.

5.1 Property, plant and equipment (cont.)

5.1.1 Depreciation expense (cont.)

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	16 to 50 years
Computer equipment	3 to 4 years
Medical equipment	7 to 10 years
Leasehold improvements	7 years
Other plant and equipment	8 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 2024. 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.

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		2024	2023
5.2	**Right-of-use assets**	**$**	**$**
	Vehicles		
	Gross carrying amount	258,065	232,566
	Accumulated depreciation	(107,575)	(120,332)
	Accumulated impairment loss	-	-
	Carrying amount at start of period	**150,490**	**112,234**
	Additions	25,309	126,370
	Disposals	(19,374)	(100,871)
	Reversal of accumulated depreciation on disposal	19,374	63,016
	Depreciation expense	(50,613)	(50,259)
	Carrying amount at the end of year	**125,186**	**150,490**
	Gross carrying amount	264,000	258,065
	Accumulated depreciation	(138,814)	(107,575)
	Accumulated impairment loss	-	-

Initial recognition

At the commencement date of the lease, the MHC recognises right-of-use assets are measured at cost comprising of:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentive received;
- any initial direct costs; and
- restoration costs, including dismantling and removing the underlying asset.

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

Subsequent measurement

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

5.2 Right-of-use assets (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

	2024 $	2023 $
Depreciation expense of right-of-use assets	50,613	50,259
Lease interest expense	8,925	6,904
Expenses relating to variable lease payments not included in lease liabilities	1,792	435
Short-term leases	-	-
Gains or losses arising from sale and leaseback transactions	-	127
Total amount recognised in the statement of comprehensive income	**61,330**	**57,725**

The total cash outflow for leases in 2023-24 was $60,035 (2022-23: $45,189). As at 30 June 2024 there were no indications of impairment to right-of-use assets.

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.

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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	2024 $	2023 $
Receivables	6.1	2,015,788	561,753
Amounts receivable for services	6.2	8,361,123	7,886,123
Inventories	6.3	9,643	6,347
Other current assets	6.4	1,627,860	111,900
Payables	6.5	4,409,678	4,997,404

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		2024	2023
6.1	**Receivables**	**$**	**$**
	Current		
	Receivables (a)	139,669	215,216
	Allowance for impairment of receivables	(31,872)	(34,584)
	Accrued revenue (a)	269,766	191,947
	GST receivables	137,706	189,174
	Total current receivables	**515,269**	**561,753**

(a) This include amounts owing from the WA Police $68,000 (2022-23 $nil), Small Business Development Corporation $28,929 (2022-23 $nil), Department of Primary Industries and Regional Development $nil (2022-23 $37,672) and Main Roads WA $nil (2022-23 $41,754).

Non-Current		
Accrued salaries suspense account (a)	**1,500,519**	**-**

(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.

Total receivables	**2,015,788**	**561,753**

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

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

For receivables, the MHC recognises an allowance for ECLs measured at the lifetime expected credit losses at each reporting date. The MHC has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Please refer to note 3.6 for the amount of ECLs expensed in this financial year.

Accounting procedure for Goods and Services Tax

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

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

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

The account has been reclassified from ‘Cash and cash equivalents’ to ‘Receivables’ as it is considered that funds in the account are not cash but a right to receive the cash in future. Comparative amounts are not restated.

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2024

		2024	2023
		$	$
6.1.1	**Movement in the allowance for impairment of receivables**		
	Reconciliation of changes in the allowance for impairment of receivables:		
	Opening balance	34,584	25,198
	Expected credit losses expense	-	12,961
	Amount recovered during the period	(2,712)	-
	Amount written off during the period	-	(3,575)
	Allowance for impairment at the end of the period	**31,872**	**34,584**

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	**8,361,123**	**7,886,123**

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. The amounts receivable for services are financial assets at amortised cost, and are not considered impaired (i.e. there is no expected credit loss of the holding accounts).

6.3 Inventories

Current		
Pharmaceutical stores - at cost	**9,643**	**6,347**

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	**1,627,860**	**111,900**

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)	662,888	773,376
Accrued salaries	1,729,797	1,468,673
Accrued expenses (a)	2,016,993	2,755,355
Total payables at the end of period	**4,409,678**	**4,997,404**

(a) Includes amounts not yet paid to the Public Sector Commission $2,598 (2022-23 $nil), Department of Premier and Cabinet $nil (2022-23 $15,375), the Department of Finance $418,547 (2022-23 $88,070), the Department of Health $7,000 (2022-23 $nil), the Health Support Services $8,525 (2022-23 $nil) and the Department of Primary Industries and Regional Development $913 (2022-23 $nil).

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

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

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2024

7. Financing

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

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

Mental Health Commission
Notes to the Financial Statements
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		2024	2023
7.1	**Lease liabilities**	**$**	**$**
	Current	42,135	45,299
	Non-current	89,624	110,469
	Total lease liabilities	**131,759**	**155,768**

Initial measurement

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

Lease payments included by the MHC as part of the present value calculation of lease liability include:

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

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

Periods covered by extension or termination options are only included in the lease term by the MHC if the lease is reasonably certain to be extended (or not terminated).

Variable lease payments, not included in the measurement of lease liability, that are dependant on sales are recognised by the MHC in profit or loss in the period in which the condition that triggers those payment occurs.

This section should be read in conjunction with note 5.2.

Subsequent measurement

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

7.2	**Assets pledged as security**		
	The carrying amounts of non-current assets pledged as security are:		
	Right-of-use assets: vehicles	125,186	150,490
	Total assets pledged as security	**125,186**	**150,490**

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

7.3	**Finance costs**		
	Lease interest expense	**8,925**	**6,904**

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

Mental Health Commission
Notes to the Financial Statements
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			2024	2023
7.4	**Cash and cash equivalents**		**$**	**$**
7.4.1	**Reconciliation of cash**			
	Cash and cash equivalents		70,112,144	104,905,207
	Restricted cash and cash equivalents		7,773,972	11,801,266
	Total cash and cash equivalents at end of period		**77,886,116**	**116,706,473**
	Restricted cash and cash equivalents			
	Current			
	- Commonwealth special purpose account (b)		4,089,268	4,619,225
	- Royalties for Regions Fund (c)		1,413,966	5,894,395
	- Digital Capability Fund		1,985,405	16,265
	- Specialist Dementia Program		285,333	-
	Total current restricted cash and cash equivalents		**7,773,972**	**10,529,885**
	Non-Current			
	- Accrued salaries suspense account (a)		**-**	**1,271,381**

(a) Funds held in the account for the purpose of meeting the 27th pay. The account has been reclassified to Receivables in the current 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.

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

	Notes		
Net cost of services		(1,332,571,173)	(1,246,116,345)
Non-cash items:			
Resources received free of charge	4.1	3,182,050	2,668,032
Depreciation expense	5.1.1 & 5.2	805,776	784,137
Increment on revaluation of land	4.3	-	(150,400)
Expected credit losses expense	3.6	-	12,961
Adjustment for other non-cash items		491,765	(3,575)
(Increase)/decrease in assets:			
Current receivables (a)		143,413	727
Inventories		(3,296)	6,887
Other current assets		(1,515,960)	(10,071)
Increase/(decrease) in liabilities:			
Current payables		(587,726)	1,946,157
Current provisions		481,972	270,766
Non-current provisions		75,995	391,242
Net cash used in operating activities		**(1,329,497,184)**	**(1,240,199,482)**

(a) This excludes allowance for impairment of receivable and income from state government as it does not part of the reconciling item.

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		2024	2023
7.5	**Capital commitments**	**$**	**$**
	Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:		
	Within 1 year	1,967,000	2,557,567
	Later than 1 year and not later than 5 years	9,341,000	6,061,929
		11,308,000	**8,619,496**

Mental Health Commission
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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
Notes to the Financial Statements
For the year ended 30 June 2024

8.1 Financial risk management

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

(a) Summary of risks and risk management

Credit risk

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

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

Liquidity risk

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

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

Market risk

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

(b) Categories of financial instruments

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

	2024 $	2023 $
Financial Assets		
Cash and cash equivalents	70,112,144	104,905,207
Restricted cash and cash equivalents	7,773,972	11,801,266
Receivables (a)	1,608,316	180,632
Accrued revenue	269,766	191,947
Amounts receivable for services	8,361,123	7,886,123
Total financial assets	**88,125,321**	**124,965,175**
Financial Liabilities		
Financial liabilities measured at amortised cost	4,541,437	5,153,172
Total financial liabilities	**4,541,437**	**5,153,172**

(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 2024

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 2024							
Expected credit loss rate		0.00%	0.00%	0.00%	0.00%	0.00%	27.85%
Estimated total gross carrying amount at default	139,669	8,294	1,338	858	-	14,736	114,443
Expected credit losses	(31,872)	-	-	-	-	-	31,872
30 June 2023							
Expected credit loss rate		0.00%	0.00%	0.00%	0.00%	0.00%	28.77%
Estimated total gross carrying amount at default	215,216	84,007	8,668	2,017	-	298	120,226
Expected credit losses	(34,584)	-	-	-	-	-	34,584

Mental Health Commission
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 $
2024											
Financial Assets											
Cash and cash equivalents	-	70,112,144	-	-	70,112,144	70,112,144	70,112,144	-	-	-	-
Restricted cash and cash equivalents	4.2%	7,773,972	-	4,089,268	3,684,704	7,773,972	7,773,972	-	-	-	-
Receivables (a)	-	1,608,316	-	-	1,608,316	1,608,316	1,608,316	-	-	-	-
Accrued revenue	-	269,766	-	-	269,766	269,766	269,766	-	-	-	-
Amounts receivable for services	-	8,361,123	-	-	8,361,123	8,361,123	-	-	-	-	8,361,123
		88,125,321	-	4,089,268	84,036,053	88,125,321	79,764,198	-	-	-	8,361,123
Financial Liabilities											
Payables	-	4,409,678	-	-	4,409,678	4,409,678	4,409,678	-	-	-	-
Lease liabilities (b)	6.3%	131,759	131,759	-	-	149,249	4,597	9,193	35,490	97,630	2,339
		4,541,437	131,759	-	4,409,678	4,558,927	4,414,275	9,193	35,490	97,630	2,339
2023											
Financial Assets											
Cash and cash equivalents	-	104,905,207	-	-	104,905,207	104,905,207	104,905,207	-	-	-	-
Restricted cash and cash equivalents	2.8%	11,801,266	-	4,499,225	7,302,041	11,801,266	11,801,266	-	-	-	-
Receivables (a)	-	180,632	-	-	180,632	180,632	180,632	-	-	-	-
Accrued revenue	-	191,947	-	-	191,947	191,947	191,947	-	-	-	-
Amounts receivable for services	-	7,886,123	-	-	7,886,123	7,886,123	-	-	-	-	7,886,123
		124,965,175	-	4,499,225	120,465,950	124,965,175	117,079,052	-	-	-	7,886,123
Financial Liabilities											
Payables	-	4,997,404	-	-	4,997,404	4,997,404	4,997,404	-	-	-	-
Lease liabilities (b)	6.0%	155,768	155,768	-	-	176,956	4,453	8,907	40,079	114,441	9,076
		5,153,172	155,768	-	4,997,404	5,174,360	5,001,857	8,907	40,079	114,441	9,076

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).
(b) The amount of lease liabilities $131,759 (2022-23: $155,768) is from leased vehicles.

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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
	$	$	$	$	$
2024					
Financial Assets					
Restricted cash and cash equivalents	4,089,268	(40,893)	(40,893)	40,893	40,893
Total Increase/(Decrease)		(40,893)	(40,893)	40,893	40,893

		-100 basis points		+100 basis points	
	Carrying amount	Surplus	Equity	Surplus	Equity
	$	$	$	$	$
2023					
Financial Assets					
Restricted cash and cash equivalents	4,499,225	(44,992)	(44,992)	44,992	44,992
Total Increase/(Decrease)		(44,992)	(44,992)	44,992	44,992

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.

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**
2024	**$**	**$**	**$**	**$**
Land (Note 5.1)	-	159,000	5,561,500	5,720,500
Buildings (Note 5.1)	-	425,000	13,022,651	13,447,651
	-	**584,000**	**18,584,151**	**19,168,151**
2023				
Land (Note 5.1)	-	430,000	5,926,915	6,356,915
Buildings (Note 5.1)	-	985,772	12,806,796	13,792,568
	-	**1,415,772**	**18,733,711**	**20,149,483**

Valuation techniques to derive Level 2 fair values

Level 2 fair values of 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.

Fair value has been determined by reference to market evidence of sales prices of comparable assets.

Mental Health Commission
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8.3 Fair value measurements (cont.)

Fair value measurements using significant unobservable inputs (Level 3)	**Land**	**Buildings**
2024	**$**	**$**
Fair value at start of period	5,926,915	12,806,796
Revaluation (decrements)/ increments recognised in Other Comprehensive Income	(645,415)	163,569
Transfers from/(to) Level 2	280,000	60,372
Addition	-	77
Depreciation expense	-	(8,163)
Fair value at end of period	**5,561,500**	**13,022,651**
2023		
Fair value at start of period	5,047,700	10,905,813
Transfer from work in progress	-	1,684,188
Revaluation increments/(decrements) recognised in Profit or Loss	19,400	-
Revaluation increments/(decrements) recognised in Other Comprehensive Income	859,815	721,765
Depreciation expense	-	(504,970)
Fair value at end of period	**5,926,915**	**12,806,796**

Valuation processes

There were no changes in valuation techniques during the period.

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 current replacement cost. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications, adjusted for obsolescence. Obsolescence encompasses physical deterioration, functional (technological) obsolescence and economic (external) obsolescence.

Valuation using current replacement cost utilises the significant Level 3 input, 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
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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
Key Management Personnel	9.3
Related Party Transactions	9.4
Related bodies	9.5
Affiliated bodies	9.6
Special purpose accounts	9.7
Remuneration of auditors	9.8
Equity	9.9
Services provided free of charge	9.10
Supplementary financial information	9.11

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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
Operative for reporting periods beginning on/after 1 Jan 2024		
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 2024
AASB 2022-5	*Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback* This Standard amends AASB 16 to add measurement requirements for sale and leaseback transactions that satisfy the requirements in AASB 15 to be accounted for as a sale. There is no financial impact.	1 Jan 2024
AASB 2022-6	*Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants* This Standard amends AASB 101 to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. The Standard also amends an example in Practice Statement 2 regarding assessing whether information about covenants is material for disclosure. There is no financial impact.	1 Jan 2024
AASB 2022-10	*Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.* This Standard amends AASB 13 including adding authoritative implementation guidance and providing related illustrative examples, for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. Specifically, it provides guidance on how the cost approach is to be applied to measure the asset's fair value, including guidance on the nature of costs to include in the replacement cost of a reference asset. As such, for non-financial assets measured by the cost approach, professional and management fees are to be included in the replacement cost of a reference asset (that are currently excluded by the valuer). This is likely to increase the fair value of those assets (and a corresponding increase in other comprehensive income accumulated in revaluation surplus).	1 Jan 2024

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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 2023-1	*Amendments to Australian Accounting Standards – Supplier Finance Arrangements* This Standard amends: (a) AASB 107; and (b) AASB 7 as a consequence of the issuance of International Financial Reporting Standard Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) by the International Accounting Standards Board in May 2023. There is no financial impact.	1 Jan 2024
Operative for reporting periods beginning on/after 1 Jan 2025		
AASB 2014-10	*Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* This Standard amends AASB 10 and AASB 128 to address an inconsistency between the two standards The MHC has not assessed the impact of the Standard.	1 Jan 2025
AASB 2021-7C	*Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections* This Standard further defers (to 1 January 2025) the amendments to AASB 10 and AASB 128 relating to the sale or contribution of assets between an investor and its associate or joint venture. The standard also includes editorial corrections. The MHC has not assessed the impact of the Standard.	1 Jan 2025
AASB 2022-9	*Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector* This Standard amends AASB 17 and AASB 1050 to include modifications with respect to the application of AASB 17 by public sector entities This Standard also amends the following Standards to remove the temporary consequential amendments set out in AASB 2022-8 since AASB 4 and AASB 1023 do not apply to public sector entities for periods beginning on or after 1 July 2026: (a) AASB 1; (b) AASB 3; (c) AASB 5; (d) AASB 7; (e) AASB 9; (f) AASB 15; (g) AASB 119; (h) AASB 132; (i) AASB 136; (j) AASB 137; (k) AASB 138; (l) AASB 1057; and (m) AASB 1058 There is no financial impact.	1 Jan 2026
AASB 2023-5	*Amendments to Australia Accounting Standards – Lack of Exchangeability* This Standard amends AASB 121 and AASB 1 to require entities to apply a consistent approach to determining whether a currency is exchangeable into another currency and the sport exchange rate to use when it is not exchangeable. The Standard also amends AASB 121 to extend the exemption from complying with the disclosure requirements for entities that apply AASB 1060 to ensure Tier 2 entities are not required to comply with the new disclosure requirements in AASB 121 when preparing their Tier 2 financial statements. There is no financial impact.	1 Jan 2025

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9.3 Key Management Personnel

The MHC has determined that key management personnel include the responsible Cabinet 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 ($)	**2024**	**2023**
450,001 - 500,000	-	1
400,001 - 450,000	2	-
300,001 - 350,000	-	1
200,001 - 250,000	4	2
150,001 - 200,000	5	2
100,001 - 150,000	-	5
50,001 - 100,000	2	2
	$	**$**
Short-term employee benefits	2,320,394	2,007,207
Post-employment benefits	270,985	226,916
Other long-term benefits	218,378	171,064
Termination benefits	-	-
Total compensation of senior officers	**2,809,757**	**2,405,187**

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

9.4 Related Party Transactions

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

Related parties of the MHC include:
- all cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- 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).

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9.4 Related Party Transactions (cont)

Significant transactions with Government-related entities

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

- service appropriation (Note 4.1);
- contribution by owners (Note 9.9);
- services received free of charge from the other state government agencies (Note 4.1);
- royalties for regions fund (Note 4.1);
- income received from other public sector entities (Note 4.1);
- services agreement WA Health (Note 3.2);
- grants and subsidies payment to other government agencies (Note 3.3);
- legal fees and employement related payments (Note 3.6) - Department of Justice including State Solicitor's Office;
- corporate support services - Health Support Services (Note 3.4);
- valuation services and purchase of other outsourced services payment (Note 3.4), and other payment (Note 3.6) to Landgate WA;
- purchase of outsourced services from Western Australian Police Forces (Note 3.4);
- media monitoring service payments to Department of The Premier and Cabinet (Note 3.4);
- purchase of outsourced services and consulting fees (Note 3.4), leases and accommodation (Note 3.5) and travel related and repairs and maintenance expense (Note 3.6) to the Department of Finance;
- consulting expense (Note 3.4) and employment related payments (Note 3.6) to the Public Sector Commission;
- consulting expense (Note 3.4) to the Western Australian Treasury Corporation;
- workers' compensation and other insurance payment to Riskcover (Note 3.6);
- audit fee payments to the Office of the Auditor General (Note 3.6 and Note 9.8);
- annual monitoring related payments to the Department of Fire and Emergency Services (Note 3.6);
- employee related payments to Department of Communities (Note 3.6);
- employee related payments to State Library of WA (Note 3.6);
- employee related payments to Department of Education (Note 3.6);
- employee related payments to Department of Training and Workforce Development (Note 3.6);
- employee related payments to Pathwest Laboratory Medicine WA (Note 3.6);
- other payments to Department of Treasury (Note 3.6);
- other payments to Department of Commununities (Note 3.6);
- purchase of outsourced services and consulting fees (Note 3.4), and other payments (Note 3.6) to Department of Health;
- services provided free of charge to other state government agencies (Note 9.10).

Material transactions with related parties

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

Material transactions with other related parties

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

Mental Health Commission
Notes to the Financial Statements
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9.5 Related bodies

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

9.6 Affiliated bodies

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

During the financial year the following affiliated bodies received funding from the MHC:	2024 $	2023 $
Albany Halfway House Association Incorporated	2,009,823	1,887,951
Garl Garl Walbu Aboriginal Corporation	739,139	712,242
Goldfields Rehabilitation Services Inc	2,627,894	3,297,613
Home Health Pty Ltd (trading as Tender Care)	1,535,532	1,469,268
Local Drug Action Groups Inc. (a)	-	675,880
Palmerston Association Inc.	12,920,292	11,999,970
Pathways Southwest Inc.	1,472,204	1,111,686
Richmond Wellbeing Incorporated	22,594,486	20,731,680
Holyoake Australian Institute for Alcohol and Drug Addiction Resolution Inc	6,869,888	6,333,902
WA Council on Addictions (trading as Cyrenian House)	17,657,078	15,744,495
Total affiliated bodies	**68,426,336**	**63,964,687**

(a) The MHC has provided $NIL funding in 2023-24 to Local Drug Action Groups Inc. This organisation accessed as receiving more than half of its funding and resources from the MHC in 2022-23, hence was reported affiliated body.

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

Mental Health Tribunal is a government administered body that received administrative support from, but is not subject to operational control by the MHC (Note 9.10). It is funded by parliamentary appropriation of $4,145,000 for 2023-24 ($3,700,000 for 2022-23).

Mental Health Advocacy Service is a government administered body that received administrative support from, but is not subject to operational control by the MHC (Note 9.10). It is funded by parliamentary appropriation of $5,795,000 for 2023-24 ($3,696,000 for 2022-23).

Office of Chief Psychiatrist is a government administered body that received administrative support from, but is not subject to operational control by the MHC (Note 9.10). It is funded by parliamentary appropriation of $4,730,000 for 2023-24 ($4,122,000 for 2022-23).

Mental Health Commission
Notes to the Financial Statements
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9.7 Special purpose accounts

State Managed Fund (Mental Health) Account (a)

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

	2024 $	2023 $
Balance at start of period	-	-
Receipts:		
Service appropriations (State Government)	353,333,004	343,538,440
Royalties for Region Fund (State Government) (b)	4,595,501	3,893,979
Commonwealth grants and contributions	174,356,900	166,995,565
	532,285,405	**514,427,984**
Payments:		
Block grant funding to local hospital networks in WA Health	(497,028,170)	(482,709,719)
Block grant funding to non-government organisation	(14,781,955)	(13,506,542)
Block grant funding to next step drug and alcohol services	(20,475,280)	(18,211,723)
Balance at end of period	**-**	**-**

(a) Established under section 16(1)(b) of FMA.
(b) The Commonwealth provides block funding for subacute services which is partially funded by the Royalties for Regions fund. The funding is provided to non-government organisations to deliver the services.

9.8 Remuneration of auditors

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

Auditing the accounts, controls, financial statements and key performance indicators	**233,200**	**212,900**

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2024

		2024	2023
9.9	**Equity**	**$**	**$**
	Contributed equity		
	Balance at start of period	48,841,048	37,385,891
	Transactions with owners in their capacity as owners:		
	Capital appropriation	6,049,000	16,224,000
	Other contribution by owners - Digital Capability Fund	2,309,000	430,298
	Distribution to owners:		
	Return of Royalties for Regions Fund	(3,037,000)	-
	Other distribution to owner - Department of Health	(4,017,000)	-
	Other distribution to owner - Department of Communities	(10,891,000)	(5,199,141)
	Total contributed equity at end of period	**39,254,048**	**48,841,048**
	Asset revaluation surplus		
	Balance at start of period	2,721,644	1,040,746
	Net revaluation increments / (decrements) :		
	Land	(636,415)	859,816
	Buildings	196,732	821,082
	Total asset revaluation surplus at end of period	**2,281,961**	**2,721,644**
	Accumulated surplus / (deficit)		
	Balance at start of period	80,152,038	42,291,278
	Result for the period	(26,902,345)	37,860,760
	Total Accumulated surplus / (deficit) at end of period	**53,249,693**	**80,152,038**
	Total equity at end of period	**94,785,702**	**131,714,730**
9.10	**Services provided free of charge**		
	Services provided free of charge to other agencies during the period:		
	Mental Health Tribunal - corporate services	333,961	275,586
	Mental Health Advocacy Service - corporate services	477,772	429,183
	Office of the Chief Psychiatrist - corporate services and accommodation	625,142	580,886
	Total services provided free of charge	**1,436,875**	**1,285,655**
9.11	**Supplementary financial information**		
	Write-offs		
	During the financial year 2023-24 $NIL ($3,575 in 2022-23) was written off the MHC's asset register under the authority of:		
	The Mental Health Commissioner	**-**	**3,575**

Mental Health Commission
Notes to the Financial Statements
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10. Explanatory statements

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

	Notes
Explanatory statement for controlled operations	10.1
Explanatory statement for administered items	10.2

Mental Health Commission
Notes to the Financial Statements
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10.1 Explanatory statement for controlled operations

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

All variances between annual estimates (original budget) and actual results for 2024, and between the actual results for 2024 and 2023 are shown below. Narratives are provided for major variances which are more than 10% from the comparative and which are also more than 1% of the following:

1. Estimate and actual results for the current year

* Total Cost of Services of the annual estimate for the Statement of comprehensive income and Statement of cash flows (i.e. 1% of $1,357,595,000), and
* Total Assets of the annual estimate for the Statement of financial position (i.e. 1% of $127,638,000).

2. Actual results between the current year and the previous year

* Total Cost of Services of the previous year for the Statements of comprehensive income and Statement of cash flows (i.e. 1% of $1,249,240,374), and
* Total Assets for the previous year for the Statement of financial position (i.e. 1% of $147,155,347).

10.1.1 Statement of comprehensive income variances

	Variance Note	Estimate 2024 $	Actual 2024 $	Actual 2023 $	Variance between estimate and actual $	Variance between actual results for 2024 and 2023 $
COST OF SERVICES						
Expenses						
Employee benefits expenses		52,399,000	52,886,614	50,025,666	487,614	2,860,948
Service agreement - WA Health		1,022,480,000	1,032,857,134	966,029,000	10,377,134	66,828,134
Service agreement - non government and other organisations	1	249,705,000	218,243,505	200,551,688	(31,461,495)	17,691,817
Supplies and services		24,335,000	18,431,874	22,528,972	(5,903,126)	(4,097,098)
Grants and subsidies		228,000	7,215,646	1,978,128	6,987,646	5,237,518
Depreciation expense		475,000	805,776	784,137	330,776	21,639
Finance costs		9,000	8,925	6,904	(75)	2,021
Accommodation expenses		3,198,000	3,099,091	2,832,919	(98,909)	266,172
Other expenses		4,766,000	4,116,463	4,502,960	(649,537)	(386,497)
Total cost of services		**1,357,595,000**	**1,337,665,028**	**1,249,240,374**	**(19,929,972)**	**88,424,654**

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2024

10.1.1 Statement of comprehensive income variances (cont.)

	Variance Note	Estimate 2024 $	Actual 2024 $	Actual 2023 $	Variance between estimate and actual $	Variance between actual results for 2024 and 2023 $
Income						
Revenue						
Commonwealth grants and contributions		3,071,000	3,531,178	754,346	460,178	2,776,832
Other income		1,539,000	1,562,677	2,369,683	23,677	(807,006)
Total income other than income from State Government		**4,610,000**	**5,093,855**	**3,124,029**	**483,855**	**1,969,826**
NET COST OF SERVICES		**1,352,985,000**	**1,332,571,173**	**1,246,116,345**	**(20,413,827)**	**86,454,828**
Income from State Government						
Service appropriation		962,964,000	938,161,000	914,085,000	(24,803,000)	24,076,000
Service agreement funding - Commonwealth		342,905,000	329,980,653	338,032,395	(12,924,347)	(8,051,742)
Income from other public sector entities		2,989,000	3,004,125	3,574,678	15,125	(570,553)
Resources received		4,221,000	3,182,050	2,668,032	(1,038,950)	514,018
Royalties for Regions Fund		36,701,000	31,341,000	25,617,000	(5,360,000)	5,724,000
Total income from State Government		**1,349,780,000**	**1,305,668,828**	**1,283,977,105**	**(44,111,172)**	**21,691,723**
SURPLUS / (DEFICIT) FOR THE PERIOD		**(3,205,000)**	**(26,902,345)**	**37,860,760**	**(23,697,345)**	**(64,763,105)**
OTHER COMPREHENSIVE INCOME						
Changes in asset revaluation surplus		-	(439,683)	1,680,898	(439,683)	(2,120,581)
Total other comprehensive income		**-**	**(439,683)**	**1,680,898**	**(439,683)**	**(2,120,581)**
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		**(3,205,000)**	**(27,342,028)**	**39,541,658**	**(24,137,028)**	**(66,883,686)**

Mental Health Commission
Notes to the Financial Statements
For the year ended 30 June 2024

10.1.2 Statement of financial position variances

	Variance Note	Estimate 2024 $	Actual 2024 $	Actual 2023 $	Variance between estimate and actual $	Variance between actual results for 2024 and 2023 $
ASSETS						
Current Assets						
Cash and cash equivalents		51,445,000	70,112,144	104,905,207	18,667,144	(34,793,063)
Restricted cash and cash equivalents		3,291,000	7,773,972	10,529,885	4,482,972	(2,755,913)
Receivables		703,000	515,269	561,753	(187,731)	(46,484)
Inventories		13,000	9,643	6,347	(3,357)	3,296
Other current assets	2, A	102,000	1,627,860	111,900	1,525,860	1,515,960
Total Current Assets		**55,554,000**	**80,038,888**	**116,115,092**	**24,484,888**	**(36,076,204)**
Non-Current Assets						
Restricted cash and cash equivalents		929,000	-	1,271,381	(929,000)	(1,271,381)
Receivables		-	1,500,519	-	1,500,519	1,500,519
Amounts receivable for services		8,361,000	8,361,123	7,886,123	123	475,000
Property, plant and equipment	3	62,691,000	20,146,835	21,732,261	(42,544,165)	(1,585,426)
Right-of-use assets		103,000	125,186	150,490	22,186	(25,304)
Total Non-Current Assets		**72,084,000**	**30,133,663**	**31,040,255**	**(41,950,337)**	**(906,592)**
TOTAL ASSETS		**127,638,000**	**110,172,551**	**147,155,347**	**(17,465,449)**	**(36,982,796)**
LIABILITIES						
Current Liabilities						
Payables		1,630,000	4,409,678	4,997,404	2,779,678	(587,726)
Employee related provisions		9,194,000	8,246,611	7,764,639	(947,389)	481,972
Lease liabilities		38,000	42,135	45,299	4,135	(3,164)
Total Current Liabilities		**10,862,000**	**12,698,424**	**12,807,342**	**1,836,424**	**(108,918)**
Non-Current Liabilities						
Employee benefits provisions		2,132,000	2,598,801	2,522,806	466,801	75,995
Lease liabilities		71,000	89,624	110,469	18,624	(20,845)
Total Non-Current Liabilities		**2,203,000**	**2,688,425**	**2,633,275**	**485,425**	**55,150**
TOTAL LIABILITIES		**13,065,000**	**15,386,849**	**15,440,617**	**2,321,849**	**(53,768)**
NET ASSETS		**114,573,000**	**94,785,702**	**131,714,730**	**(19,787,298)**	**(36,929,028)**
EQUITY						
Contributed equity		72,478,000	39,254,048	48,841,048	(33,223,952)	(9,587,000)
Reserves		40,446,000	2,281,961	2,721,644	(38,164,039)	(439,683)
Accumulated surplus		1,649,000	53,249,693	80,152,038	51,600,693	(26,902,345)
TOTAL EQUITY		**114,573,000**	**94,785,702**	**131,714,730**	**(19,787,298)**	**(36,929,028)**

Mental Health Commission
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10.1.3 Statement of cash flows variances

	Variance Note	Estimate 2024 $	Actual 2024 $	Actual 2023 $	Variance between estimate and actual $	Variance between actual results for 2024 and 2023 $
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation		965,478,000	937,686,000	913,606,000	(27,792,000)	24,080,000
Capital appropriations	4	26,228,000	8,358,000	16,654,298	(17,870,000)	(8,296,298)
Service agreement funding - Commonwealth		342,905,000	329,980,653	338,032,395	(12,924,347)	(8,051,742)
Income from other public sector entities		-	2,907,196	3,705,573	2,907,196	(798,377)
Royalties for Regions Fund - Recurrent		44,405,000	31,341,000	25,617,000	(13,064,000)	5,724,000
Return of Royalties for Regions Fund		-	(3,037,000)	-	(3,037,000)	(3,037,000)
Payment to Department of Health		-	(4,017,000)	-	(4,017,000)	(4,017,000)
Payment to Department of Communities		-	(10,891,000)	(5,199,141)	(10,891,000)	(5,691,859)
Net cash provided by State Government		**1,379,016,000**	**1,292,327,849**	**1,292,416,125**	**(86,688,151)**	**(88,276)**
Utilised as follows:						
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits expenses		(52,254,000)	(51,919,663)	(49,120,180)	334,337	(2,799,483)
Service agreement - WA Health		(1,022,480,000)	(1,032,857,134)	(966,029,000)	(10,377,134)	(66,828,134)
Service agreement - non government and other organisations	5	(249,705,000)	(219,139,213)	(200,868,973)	30,565,787	(18,270,240)
Supplies and services		(20,258,000)	(17,020,750)	(18,951,293)	3,237,250	1,930,543
Grants and subsidies		(228,000)	(7,215,656)	(1,978,128)	(6,987,656)	(5,237,528)
Finance costs			(8,925)	(6,904)	(8,925)	(2,021)
Accommodation expenses		(3,167,000)	(3,053,010)	(2,596,255)	113,990	(456,755)
Other payments		(4,662,000)	(3,396,480)	(3,875,205)	1,265,520	478,725
Receipts						
Commonwealth grants and contributions		3,071,000	3,481,239	752,457	410,239	2,728,782
Other receipts		1,539,000	1,632,408	2,473,999	93,408	(841,591)
Net cash used in operating activities		**(1,348,144,000)**	**(1,329,497,184)**	**(1,240,199,482)**	**18,646,816**	**(89,297,702)**
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current assets	6	(35,355,000)	(101,185)	(906,507)	35,253,815	805,322
Net cash used in investing activities		**(35,355,000)**	**(101,185)**	**(906,507)**	**35,253,815**	**805,322**
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments						
Lease payments		(48,000)	(49,318)	(37,850)	(1,318)	(11,468)
Payments to accrued salaries account		-	(229,138)	-	(229,138)	(229,138)
Net cash used in financing activities		**(48,000)**	**(278,456)**	**(37,850)**	**(230,456)**	**(240,606)**
Net (decrease) / increase in cash and cash equivalents		(4,531,000)	(37,548,976)	51,272,286	(33,017,976)	(88,821,262)
Cash and cash equivalents at the beginning of the period		60,196,000	116,706,473	65,434,187	56,510,473	51,272,286
Adjustment for the reclassification of accrued salaries account		-	(1,271,381)	-	(1,271,381)	(1,271,381)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**55,665,000**	**77,886,116**	**116,706,473**	**22,221,116**	**(38,820,357)**

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10.1 Explanatory statements (cont.)

Statement of Comprehensive Income Major Estimate and Actual (2024) Variance Narratives for Controlled Operations

1 Service agreement payment to non-government and other organisations are under budget by $31.461m (12.6%) due to lower spending and delays in implementation of various programs such as The Immediate Drug Assistance Coordination Centre, Kimberley Alcohol and Other Drug Youth Services, Youth Mental Health and Alcohol and Other Drug Homelessness, Digital Capability Fund for Mental Health, Alcohol and Drugs information Management Solution, Community Living Support, Broome Step Up Step Down, After Care and Community Care Unit.

Statement of Comprehensive Income Major Actual (2024) and Comparative (2023) Variance Narratives for Controlled Operations

A The Increase of $1.516M (1354%) relates to the prepayment of Fibroscans equipments that has not been received as at 30 June 2024.

Statement of Financial Position Major Estimate and Actual (2024) Variance Narratives for Controlled Operations

2 The Increase of $1.526m (1496%) primarily related to the prepayment of Fibroscans equipments that was not budgeted as a prepayment for current year.

3 The decrease of $42.544m (67.9%) in Property, plant and equipment is due to delays in the completion of the 20-Bed AOD Rehabilitation Facility in the Metropolitan Region. Additionally, subsequent changes to the budget were also made to transfer Broome, South Hedland Youth & Karratha Step Up Step Down Facilities to Department of Health WA.

Statement of Cash Flows Major Estimate and Actual (2024) Variance Narratives for Controlled Operations

4 The decrease of $17.870m (68.1%) in capital appropriations is related the subsequent changes to the budget to transfer Broome, South Hedland Youth & Karratha Step Up Step Down Facilities to Department of Health WA.

5 Service agreement payment to non-government and other organisations are under budget by $30.565m (12.2%) due to lower spending and delays in implementation of various programs such as The Immediate Drug Assistance Coordination Centre, Kimberley Alcohol and Other Drug Youth Services, Youth Mental Health and Alcohol and Other Drug Homelessness, Digital Capability Fund for Mental Health, Alcohol and Drugs information Management Solution, Community Living Support, Broome Step Up Step Down, After Care and Community Care Unit.

6 The decrease of $35.253M (99.7%) in the spend against Non Current Assets relates to capital works that was transferred in 23-24 for Step Up Step Down Facilities for Broome, South Hedland Youth & Karratha.

Mental Health Commission Administered Schedules
Notes to the Financial Statements
For the year ended 30 June 2024

10.2 Explanatory statement for administered items

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

All variances between annual estimates and actual results for 2024, and between the actual results for 2024 and 2023 are shown below. Narratives are provided for major variances which are more than 10% of the comparative and which are more than 1% of the Total Administered Income in the comparative (i.e. 1% of $15,865,000 for the current year and 1% of $13,308,012 for the previous year in the table below).

Administered income and expense by service		Estimate 2024 $	Actual 2024 $	Actual 2023 $	Variance between estimate and actual $	Variance between actual results for 2024 and 2023 $
Income						
For transfer:						
Administered appropriation						
Mental Health Tribunal	A	3,963,000	4,145,000	3,700,000	182,000	445,000
Mental Health Advocacy Service	B	5,701,000	5,795,000	3,696,000	94,000	2,099,000
Office of Chief Psychiatrist	C	4,699,000	4,730,000	4,122,000	31,000	608,000
Service received free of charge	D	1,502,000	1,517,206	1,355,897	15,206	161,309
Other revenue	1	-	332,588	434,115	332,588	(101,527)
Total administered income		**15,865,000**	**16,519,794**	**13,308,012**	**654,794**	**3,211,782**
Expenses						
Employee benefits expense	2, E	13,694,000	11,262,847	10,117,526	(2,431,153)	1,145,321
Supplies and services	3, F	1,672,000	2,752,756	2,338,331	1,080,756	414,425
Depreciation expense		9,000	10,862	18,377	1,862	(7,515)
Grants and subsidies		-	100,000	-	100,000	100,000
Finance costs		2,000	1,829	1,500	(171)	329
Accommodation expense	4	315,000	475,573	444,390	160,573	31,183
Other expenses		373,000	355,377	446,001	(17,623)	(90,624)
Total administered expenses		**16,065,000**	**14,959,244**	**13,366,125**	**(1,105,756)**	**1,593,119**

Mental Health Commission Administered Schedules
Notes to the Financial Statements
For the year ended 30 June 2024

10.2 Explanatory statement for administered items (cont.)

Major Estimate and Actual (2024) Variance Narratives

1 The increase of $0.332m in other revenue is primarily due funding received for Enhanced Psychiatric Hostel Visiting program which was not budgeted in 23/24.

2 The decrease of $2.431m (17.75%) in employee benefits against estimate is primarily due the delay in the implementation of Criminal Law Mental Impairment Bill.

3 The increase of $1.080m (64.4%) in supplies and services against estimate is primarily due to increase in Digital Capability Fund for Case Management System, resourced received free of charge costs and purchase of other outsourced services.

4 The increase of $0.160m (50.98%) in accommodation expense is primarily due to increase of Office of Chief Psychiatrist occupied office space as services received free of charge from the Mental Health Commission.

Major Actual (2024) and Comparative (2023) Variance Narratives

A The increase of $0.445M (12.03%) in Mental Health Tribunal income is primarily due to increase in funding received relating to aged-weighted population growth funding, escalation in salaries and non salaries and funding relating to programs such as Youth Long Term Housing & Support, Community Care Unit, Youth Mental Health & Alcohol and other drug homelessness.

B The increase of $2.099M (56.8%) in Mental Health Advocacy income is primarily due to increase in funding received relating to Criminal Law (Mental Impairment) Bill, increase in aged-weighted population growth funding, escalation in salaries and non salaries and funding relating to programs such as Youth Long Term Housing & Support Program.

C The increase of $0.608M (14.75%) in Office of Chief Psychiatrist income is primarily due to increase in funding received relating to Criminal Law (Mental Impairment) Bill, increase in aged-weighted population growth funding, escalation in salaries and non salaries and funding relating to programs such as Youth Long Term Housing & Support Program, Community Care Unit, Youth Mental Health & Alcohol and other drug homelessness.

D The increase of $0.161M (11.90%) in Resources Received Free of Charge relates primarily to an increase relating to corporate services received from MHC, Services received from the State Solicitors Office & an increase in Accommodation leasing received free of charge.

E The increase of $1.145M (11.32%) in employee benefits expense relates to pay increases in line with public sector wages policy and increases associated with Criminal Law (Mental Impairment) Bill & lower vacancies when compared to the previous financial year.

F The increase of $0.414m (17.2%) in Supplies and services is primarily due to increase in Digital Capability Fund fot Case Management System, Resourced received free of charge costs and purchase of other outsourced services.

Certified KPIs

Detailed Key Performance Indicators

Changes for the 2023-24 Key Performance Indicators

Changes to the Commission's 2023-24 Key Performance Indicators (KPIs) were made to ensure that the KPIs continue to be appropriate, are relevant and fairly represent the MHC's performance against the Outcome Based Management Framework (OBMF). These changes were approved by the Under Treasurer, Department of Treasury on the 25 January 2023.

A summary of the key changes is outlined below:

- **Key Effectiveness Indicator** *Percentage of contracted non-government mental health or alcohol and other drug services that met an approved standard* was removed as the indicator was no longer valuable since all services had met an approved standard and predetermined schedules to maintain their re-accreditation.
- **Consolidation of Key Efficiency Indicators:** *Average cost per purchased bed-day in specialised mental health units* and *Average cost per purchased bed-day in Hospital in the Home mental health units*. These two Key Efficiency Indicators shared the same methodology and sat within the same service stream (i.e. hospital bed-based) but were disaggregated by the type of ward.
- **Change in the data sources for the following Key Effectiveness Indicators from national surveys (collected every three years) to the Department of Health's (DoH) Health and Wellbeing Surveillance System (HWSS) survey, which is collected throughout the year.** The change to the DoH HWSS allows the Commission to monitor trends more closely in psychological distress, alcohol consumption and drug use over time and be more responsive to the needs of the Western Australian community.
  - *Percentage of the population with high or very high levels of psychological distress.*
  - *Percentage of the population aged 14 years and over reporting recent use of alcohol at a level placing them at risk of lifetime harm*, including a change in title and change in the age range from 14 years and over to 16 years and over.
  - *Percentage of the population aged 14 years and over reporting recent use of illicit drugs*, including a change in title and change in the age range from 14 years and over to 16 years and over.
  - The 2021 and 2022 prior results for these indicators have been restated for comparative purposes and have not been audited.
- **Change in the methodology for Key Efficiency Indicator** *Average cost per purchased treatment day of ambulatory care provided by public clinical mental health services*, including a change in the unit of measure for the non-government organisations data from number of hours to number of sessions, as it is a closer unit of measure to number of days.

Certification of Key Performance Indicators

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Mental Health Commission's performance, and fairly represent the performance of the Agency for the financial year ended 30 June 2024.

Maureen Lewis
Commissioner
Mental Health Commission
Accountable Authority

5 September 2024

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

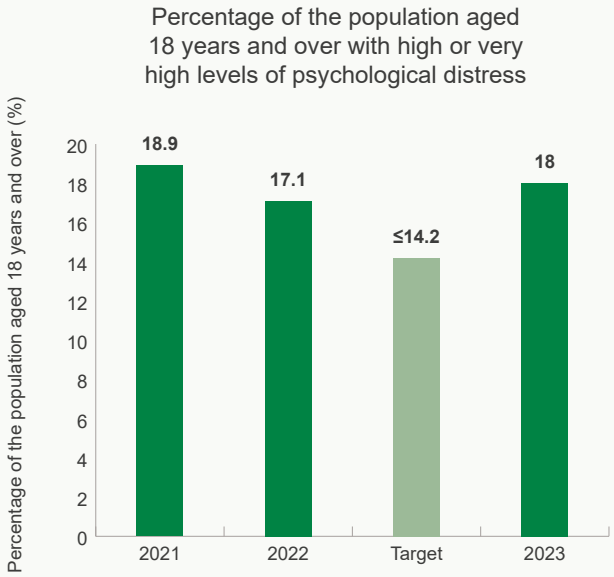
Measures the psychological distress of the Western Australian population aged 18 years and over. A higher proportion of people with high or very high levels of psychological distress is indicative of the potential population requiring mental health services. Data for the indicator is derived from the 10-item Kessler Psychological Distress Scale (K10) collected by the Epidemiology Directorate, Department of Health in the Western Australia Health and Wellbeing Surveillance System (HWSS).

The HWSS is a population-based survey representative of a wide range of WA residents selected through random sampling from the Western Australian Electoral Roll. The collection of information for the HWSS is through telephone interviews by trained interviewers or online surveys. In 2023, there were 11,307 responses collected in the HWSS and the DoH applies population weighting to estimate the prevalence of the WA population experiencing high or very high psychological distress.*

In 2023-24, the target for the percentage of the population with high or very high levels of psychological distress was ≤14.2%. This target was unusually low, as it was based on the 2022 preliminary results from the HWSS, which was the best available data at the time the target was set. Final figures from the HWSS for the 2022 period showed that 17.1% of Western Australians experienced high or very high psychological distress. Achieving a lower percentage indicates better performance.

The most recent HWSS result (2023) indicated that 18.0% of the Western Australian population aged 18 years and over experienced high or very high levels of psychological distress. This result was 3.8 percentage points higher than the 2023-24 target and 0.9 percentage points higher than the 2022 result. Annual attitudinal surveys have indicated that increases in the cost of living may be contributing to an increase in levels of psychological distress across the community.

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



The figures presented in the above are not comparable to previously published annual reports due to a change in data source from the Australian Bureau of Statistics National Health Survey to the HWSS and the use of preliminary HWSS data in setting the 2023-24 target. The figures for 2021 and 2022 presented in the above are unaudited.

Outcome 2

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

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

Measures the percentage of the Western Australian population aged 16 years and over reporting alcohol consumption at levels placing them at risk. Data for the indicator is derived from the Western Australia Health and Wellbeing Surveillance System (HWSS). 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.

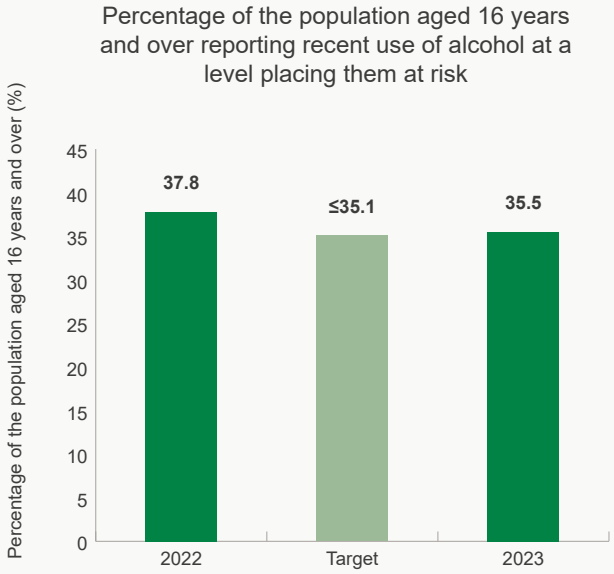
The HWSS is a population-based survey representative of a wide range of WA residents selected through random sampling from the Western Australian Electoral Roll. The collection of information for the HWSS is through telephone interviews by trained interviewers or online surveys. In 2023, there were 11,307 responses collected in the HWSS and the DoH applies population weighting to estimate the prevalence of the WA population reporting recent use of alcohol at a level placing them at risk.*

The data presented was collected from 2022 onwards and alcohol-related risk of harm was determined using the 2020 National Health and Medical Research Council (NHMRC) guidelines. Those guidelines recommend that healthy men and women aged 18 years and over should drink no more than 10 standard drinks a week and no more than 4 standard drinks on any one day to reduce the risk of harm from alcohol-related disease or injury. Additionally, children and people under 18 years of age should not drink alcohol.

The 2023-24 target for the percentage of the population aged 16 years and over reporting recent use of alcohol at a level placing them at risk of harm was ≤35.1%, which was based on the 2022 preliminary results from the HWSS. Achieving a lower percentage indicates better performance.

The most recent survey conducted in 2023 indicated that 35.5% of the Western Australian population aged 16 years and over reported use of alcohol at risky levels. This result was comparable to the 2023-24 target (0.4 percentage points higher than 35.1%) and an improvement on the 2022 result (2.3 percentage points lower than 37.8%).

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



The figures presented in the above are not comparable to previously published annual reports due to a change in data source and use of the updated NHMRC guidelines, whereas the previous annual reports sourced from the National Drug Strategy Household Survey using the 2009 NMHRC guidelines. The 2022 figure presented in the above is unaudited.

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

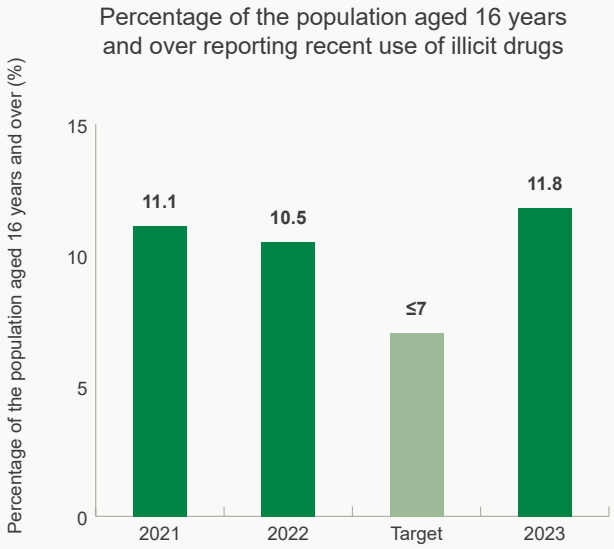
Measures the proportion of the Western Australian population aged 16 years and over reporting recent use of illicit drugs. The term 'illicit drugs', as reported in the Western Australia Health and Wellbeing Surveillance System (HWSS), includes illegal drugs (such as cannabis, ecstasy, methamphetamines,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

The HWSS is a population-based survey representative of a wide range of WA residents selected through random sampling from the Western Australian Electoral Roll. The collection of information for the HWSS is through telephone interviews by trained interviewers or online surveys. In 2023, there were 11,307 responses collected in the HWSS and the DoH applies population weighting to estimate the prevalence of the WA population reporting recent use of illicit drugs.*

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.

In 2023-24, the target for the percentage of the population aged 16 years and over reporting recent use of illicit drugs was ≤7.0%. This target was unusually low, as it was based on the 2022 preliminary results from the HWSS, which was the best available data for Western Australia at the time the target was set. Final figures from the HWSS for the 2022 period showed 10.5% of Western Australians aged 16 years and over reported recent use of illicit drugs. Achieving a lower percentage indicates better performance.

The most recent survey conducted in 2023 stated that 11.8% of the Western Australian population aged 16 years and over reported recent use of illicit drugs. This result was above the 2023-24 target (4.8 percentage points higher than 7.0%), but comparable to the 2022 result (1.3 percentage points higher than 10.5%). Drug harm indicators have shown an upwards trend for some illicit use since COVID border restrictions were lifted in 2022.



The figures presented in the above are not comparable to previously published annual reports due to a change in data source from the National Drug Strategy Household Survey to the HWSS and the use of preliminary HWSS data in setting the 2023-24 target. The figures for 2021 and 2022 presented in the above are unaudited.

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

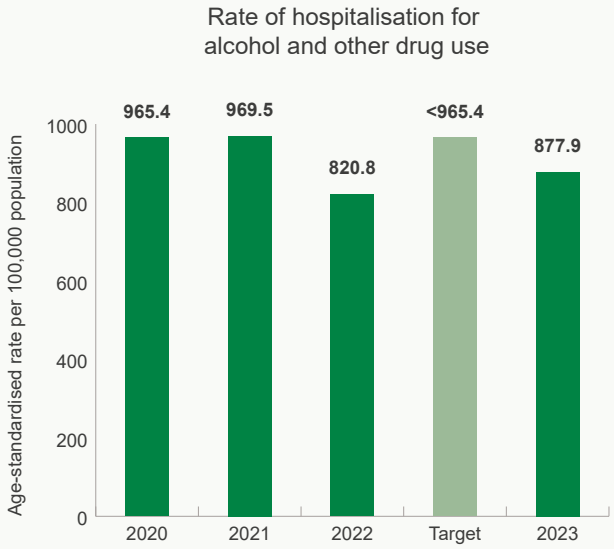
Key Effectiveness Indicator 2.3: Rate of hospitalisation for alcohol and other drug use

Measures the age-standardised rate of hospitalisations attributable to alcohol and other drug use per 100,000 population. 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 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 the Department of Health's Epidemiology Directorate for the calendar year using the Hospital Morbidity Data Collection (HMDC).

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

In 2023-24, the target for the rate of hospitalisations for alcohol and other drug use was <965.4 per 100,000 population. Achieving a lower rate indicates better performance.

The latest available data is for the 2023 calendar year, and the age-standardised rate of hospitalisations attributable to alcohol and other drug use is 877.9 per 100,000 population. The 2023 result is 9.1% below the 2023-24 target and 7.0% above the 2022 result. The reduction in hospitalisations compared to the target is in line with other alcohol and other drug harm indicators for the post-COVID period. However, other recent harm indicators have noted an upward trend in alcohol and other drug-related harms, which may result in increased hospitalisations in future reporting periods.



Outcome 3

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

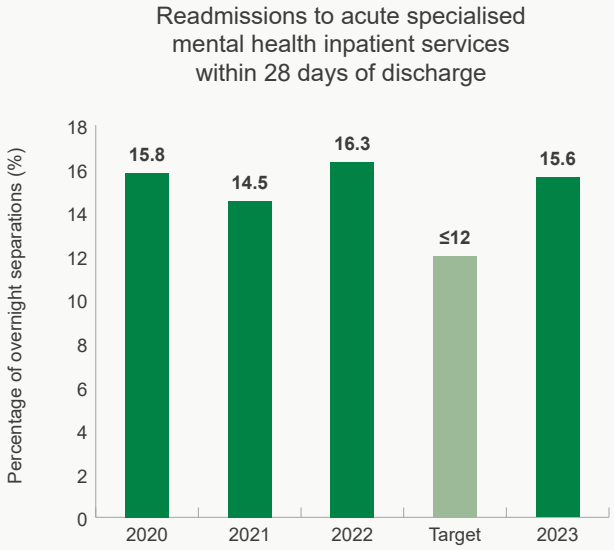
Key Effectiveness Indicator 3.1: Readmissions to acute specialised mental health inpatient services within 28 days of discharge

Measures the proportion of overnight separations from acute specialised mental health inpatient units that are followed by 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 (HMDC) for the calendar year.

In 2023-24, the target set for the percentage of readmissions to acute specialised mental health inpatient services within 28 days of discharge was ≤12.0%, which is the national target. Achieving a lower percentage indicates better performance.

The latest available data is for the 2023 calendar year, and the result for the readmission rate to acute mental health inpatient facilities within 28 days of discharge was 15.6%. This result is 3.6 percentage points higher than the target of ≤12.0% and 0.7 percentage points lower than the 2022 result of 16.3%. The Mental Health Commission is continuing to work with Health Service Providers to continue to improve performance.



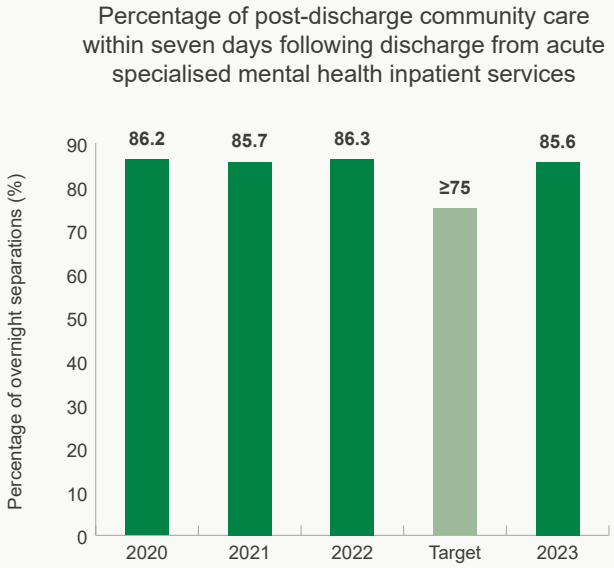
Key Effectiveness Indicator 3.2: Percentage of post-discharge community care within seven days following discharge from acute specialised mental health inpatient services

Measures the proportion of overnight separations from public mental health inpatient units where a community-based mental health service contact occurred within seven days following discharge (post-discharge follow-up). Seven days was recommended nationally as an indicative time period for contact within the community following discharge from hospital. This indicator measures the quality of care provided by mental health services. 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 (HMDC) for the calendar year.

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

In 2023-24, the target for the percentage of post-discharge community care within seven days following discharge from acute specialised mental health inpatient services was ≥75.0%, which is the national target. Achieving a higher percentage indicates better performance.

The latest available data is for the 2023 calendar year, and the percentage of post-discharge follow up was 85.6%. This result is 10.6 percentage points higher than the target and 0.7 percentage points lower than the 2022 result of 86.3%. Since 2020, performance above the target has been consistently achieved due to the Health Service Providers implementing strategies and formal processes to ensure patients discharged from specialised inpatient mental health services have a follow up within seven days. The Commission continues to monitor this indicator and regularly reviews results with the Health Service Providers to further improve performance and enhance data capture.

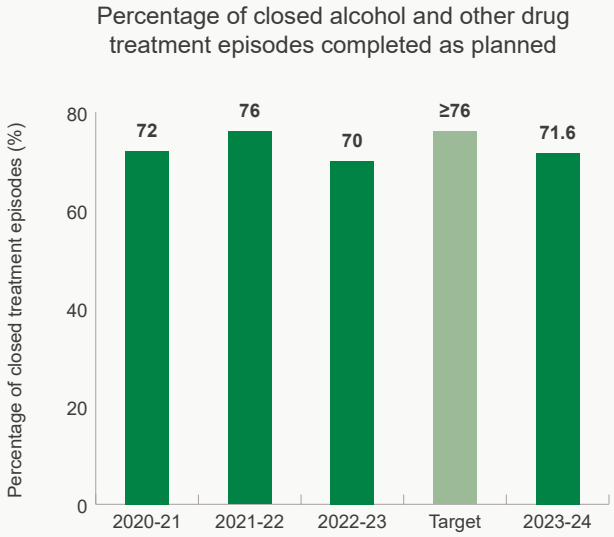


Key Effectiveness Indicator 3.3: Percentage of closed alcohol and other drug treatment episodes completed as planned

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

In 2023-24, 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 2023-24, the percentage of closed treatment episodes that were completed as planned was 71.6%. This result is 4.4 percentage points below the 2023-24 target and 1.6 percentage points higher than the 2022-23 result of 70.0%. The increasing complexity of clients particularly in relation to co-occurring mental health issues continues to impact completion rates. The pressure on community mental health services has also resulted in more clients with co-occurring issues being managed in services such as the Community Alcohol and Drug Services. The Commission is continuing to work towards the target to ensure high quality and appropriate care.



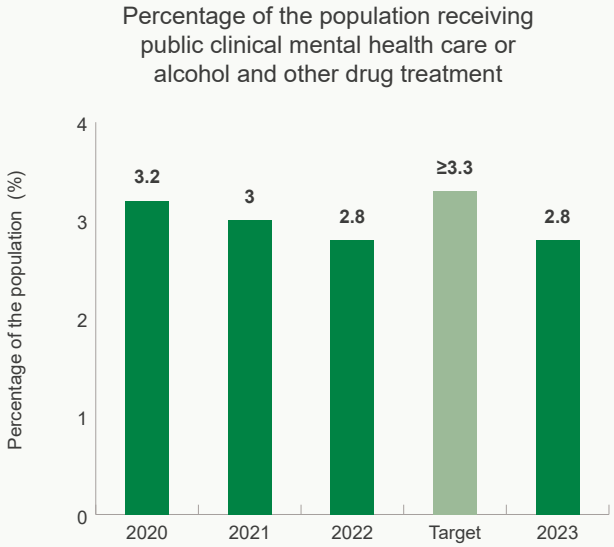
Key Effectiveness Indicator 3.4: Percentage of the population receiving public clinical mental health care or alcohol and other drug treatment

Measures the proportion of the Western Australian population using a specialised public mental health service or receiving public alcohol and other drug treatment. Data on public clinical mental health care is for the 2023 calendar year and is sourced from the Department of Health's Mental Health Information Data Collection (MIND) and the Hospital Morbidity Data Collection (HMDC). The population figures are sourced from the Australian Bureau of Statistics (ABS). Data is based on the ABS June 2023 population estimate released in December 2023 and last updated on 13 June 2024.

The Alcohol and Other Drug Treatment Services National Minimum Data Set (AODTS NMDS) collection covers most of the 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 treatment data is for the 2022-23 financial year.

In 2023-24, 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 2023, the percentage of the Western Australian population receiving public mental health care or alcohol and other drug treatment was 2.8%. The 2023 result is equivalent to the 2022 result and 0.5 percentage points lower than the 2023-24 target. The lower than expected result was due to reduced number of clients receiving alcohol and other drug treatment during the 2022-23 period.



The latest available data has been used to report performance and, in this instance, the mental health care result is for the 2023 calendar year, and the alcohol and other drug treatment result is for the 2022-23 financial year. The target and 2023 figures include 10-year-olds and above for the population receiving the alcohol and other drug treatment, while the historical figures presented use the whole Western Australian population.

Detailed Key Efficiency Indicators

Service 1

Prevention

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

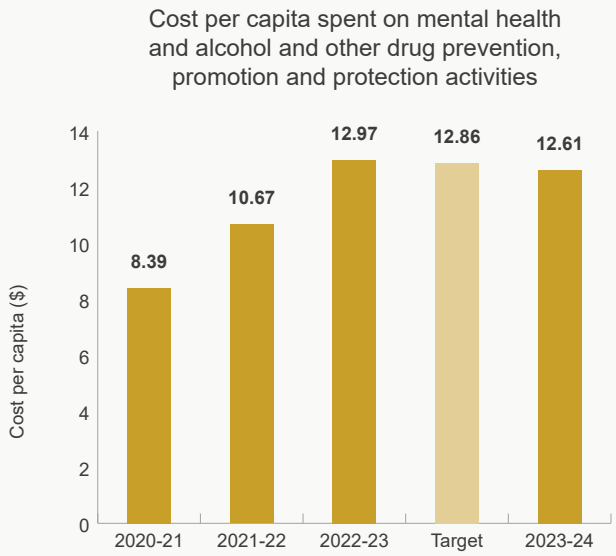
Measures the per capita expenditure by the Commission on mental health and alcohol and other drug prevention, promotion and protection activities for the Western Australian population. Mental health prevention, promotion and protection activities target all ages while alcohol and other drug initiatives 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 prevention activities and gain a return in health, economic and social benefits for the Western Australian community.

Data is sourced from the Commission's financial systems, while population figures for Western Australia are from the Australian Bureau of Statistics (ABS).

The population data for the 2023-24 result is based on the ABS June 2023 population estimate for Western Australia, released in December 2023 and last updated on 13 June 2024. Cost data is for the financial year.

In 2023-24, the target for the cost per capita spent on mental health and alcohol and other drug prevention and promotion activities was $12.86. A higher cost per capita indicates greater funding towards prevention and promotion activities in Western Australia.

In 2023-24, the cost per capita spent on mental health and alcohol and other drug prevention, promotion and protection activities was $12.61. The result is 1.9% lower than the 2023-24 target and 2.8% lower than the 2022-23 result of $12.97. The lower result in 2023-24 compared to the 2022-23 result is primarily due to the percentage population growth exceeding the percentage growth in prevention spending.



Service 2

Hospital Bed-Based Services

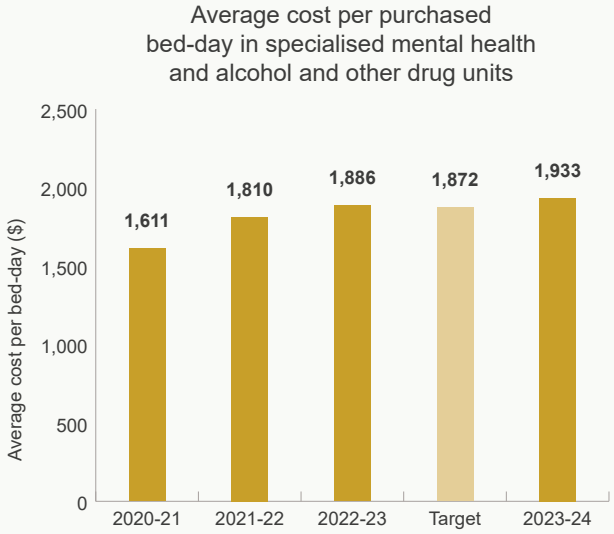
Key Efficiency Indicator 2.1: Average cost per purchased bed-day in specialised mental health and alcohol and other drug units

Measures the average cost per purchased bed-day in specialised acute, sub-acute and hospital in the home mental health units. Cost per inpatient bed-day is defined as expenditure on inpatient services divided by the number of inpatient bed-days. 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 Alcohol and Other Drug Treatment Data Collection.

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

In 2023-24, the target for the average cost per purchased bed-day in specialised mental health and alcohol and other drug units was $1,872. A result below target indicates there were more bed-days or less funding provided than expected. A result above target indicates there were fewer bed-days or more funding provided than expected.

In 2023-24, the average cost per bed-day in specialised mental health and alcohol and other drug units was $1,933. This result is 3.3% higher than the 2023-24 target and 2.5% higher than the 2022-23 result of $1,886.



Results for 2020-21 to 2022-23 have been recalculated to include hospital in the home mental health units, to align with 2023-24 reporting. Historical figures presented in the above are not comparable with previously published annual reports.

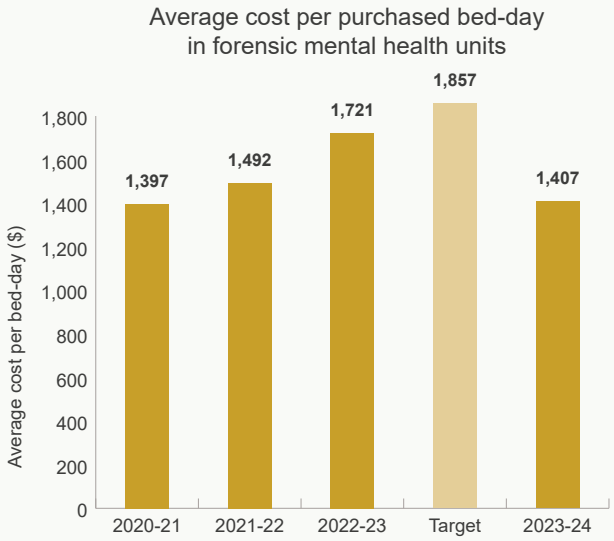
Key Efficiency Indicator 2.2: Average cost per purchased bed-day in forensic mental health units

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

Forensic beds include both acute and sub-acute beds. Forensic mental health acute inpatient beds are authorised to provide secure mental health care for 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 bed-day is defined as expenditure on forensic inpatient services divided by the number of forensic inpatient bed-days.

In 2023-24, the target for the average cost per purchased bed-day in forensic mental health units was $1,857. A result below target indicates there were more bed-days or less funding provided than expected. A result above target indicates there were fewer bed-days or more funding provided than expected.

In 2023-24, the average cost per bed-day in forensic units was $1,407. This result is 24.2% lower than the 2023-24 target of $1,857 and 18.2% lower than the 2022-23 result of $1,721. The below target result in 2023-24 is due to the higher number of bed-days and lower than expected expenditure, resulting in a lower average cost per purchased bed-day in forensic mental health services.



Service 3

Community Bed-Based Services

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

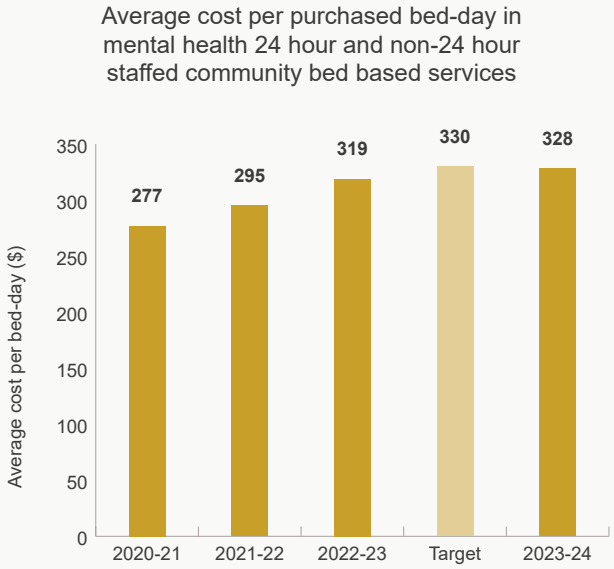
Measures the average cost per bed-day in mental health 24 hour and non-24 hour staffed community bed-based services. Data is for the financial year and is sourced from the Commission's financial systems and the Commission's Contract Acquittal Data Collection. Activity data is for six months (July 2023 to December 2023) extrapolated to twelve months.

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

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

In 2023-24, the target for the average cost per purchased bed-day in mental health 24 hour and non-24 hour staffed community bed-based services was $330. A result below target indicates there were more bed-days or less funding provided than expected. A result above target indicates there were fewer bed-days or more funding provided than expected.

In 2023-24, the average cost per purchased bed-day for 24 hour and non-24 hour staffed community bed-based services was $328. This result is 0.6% below the 2023-24 target and 2.8% higher than the 2022-23 result of $319.



Exemptions were obtained from the Under Treasurer from reporting this KPI in 2021-22. The data presented for 2021-22 is unaudited.

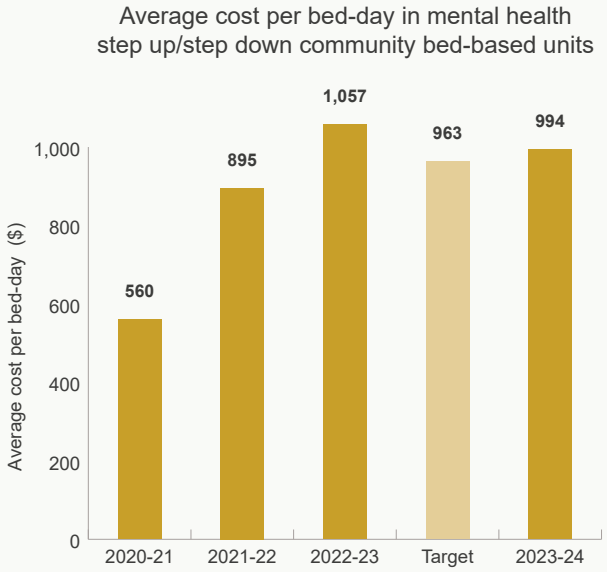
Key Efficiency Indicator 3.2: Average cost per bed-day in mental health step up/step down community bed-based units

Measures the average cost per bed-day in mental health step up/step down community bed-based units. Cost data is for the financial year and is sourced from the Commission's financial systems. Activity data is for six months (July 2023 to December 2023) extrapolated to twelve months and is sourced from the Commission's Contract Acquittal Data Collection.

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

In 2023-24, the target for the average cost per purchased bed-day in mental health step up/step down community bed-based units was $963. A result below target indicates there were more bed-days or less funding provided than expected. A result above target indicates there were fewer bed-days or more funding provided than expected.

In 2023-24, the average cost per purchased bed-day in step-up/step-down community bed-based units was $994. This is 3.2% higher than the 2023-24 target of $963, partly due to an increase in indexation announced in October 2023 back dated to July 2023 to compensate for cost pressures experienced by the community service sector not included in the original 2023-24 budget, and 6.0% lower than the 2022-23 result due to an increase in occupancy rates in Albany, Bunbury, Geraldton and Kalgoorlie step up/step down services in 2023-24. Occupancy in the two newest step up/step down services (Geraldton and Kalgoorlie) continue to increase year on year. The higher occupancy rates for Bunbury in 2023-24 is due to a suspension of overnight residential services for a period of three months in the 2022-23 financial year.



An exemption was obtained from the Under Treasurer from reporting this KPI in 2021-22. The data presented for 2021-22 is unaudited.

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 Alcohol and Other Drug Treatment Data Collection for the twelve-month period from April to March and allows for a three month lag for coding and auditing purposes. Cost data is for the financial year and is sourced from the Commission's financial systems.

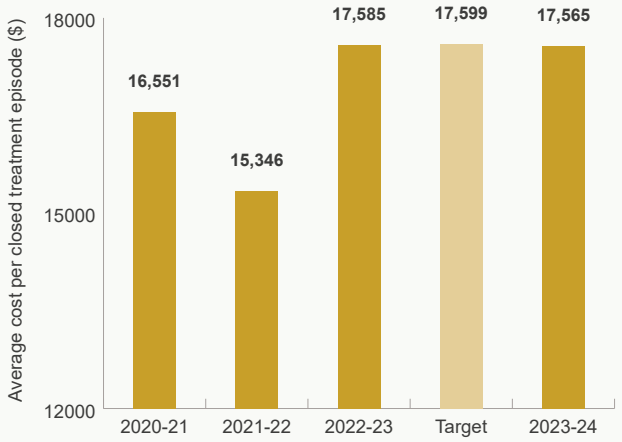
Alcohol and other drug community bed-based services include residential rehabilitation and low medical withdrawal services which provide 24 hour, seven days per week, recovery orientated treatment in a residential setting. Bed-based low medical withdrawal provides a supportive care model, based on non-medical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

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

In 2023-24 the target for the average cost per closed treatment episode in alcohol and other drug residential rehabilitation and low medical withdrawal services was $17,599. 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 2023-24, the average cost per completed treatment episode in alcohol and other drug residential rehabilitation services was $17,565. This is 0.2% below the 2023-24 target of $17,599 and 0.1% below the 2022-23 result of $17,585.

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



Exemptions were obtained from the Under Treasurer from reporting this KPI in 2021-22. The data presented for 2021-22 is unaudited.

Service 4

Community Treatment

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

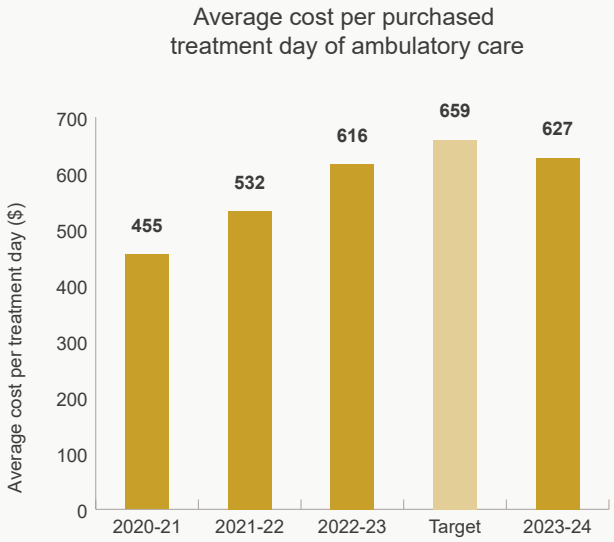
Measures the average cost per purchased treatment day of ambulatory care provided by public clinical mental health services. Treatment days is sourced from the Department of Health's Mental Health Information Data Collection (MIND), the Commission's Contract Acquittal Data Collection and non-government organisations. Treatment days from the Department of Health is for the financial year, while for non-government organisations it is for six months (July 2023 to December 2023) extrapolated to twelve months. Cost data is for the financial year and is sourced from the Commission's financial systems.

An ambulatory mental health care service (i.e., community treatment) is a specialised mental health organisation that provides services to people who are not currently admitted to a mental health inpatient or residential service. Services are delivered by health professionals with specialist mental health qualifications or training.

This indicator is the total funding divided by the number of community treatment days provided by ambulatory mental health services.

In 2023-24, the target for the average cost per purchased treatment day of ambulatory care provided by public clinical mental health services was $659. A result below target indicates that there were more treatment days or less funding provided than expected. A result above target indicates that there were fewer treatment days or more funding provided than expected.

In 2023-24, the average cost per purchased treatment day of ambulatory care provided by public clinical mental health services was $627. This is lower than the 2023-24 target of $659 (4.9% lower) but higher than the 2022-23 result of $616 (1.8% higher). Achieving below the target is indicative of more efficient services.



Exemptions were obtained from the Under Treasurer from reporting this KPI in 2021-22. The data presented for 2021-22 is unaudited. The unit measure for non-government organisations data for 2023-24 was changed from number of hours to number of sessions as each session is delivered within a day, and as such, historical figures are not comparable with the 2023-24 result and target.

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

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

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

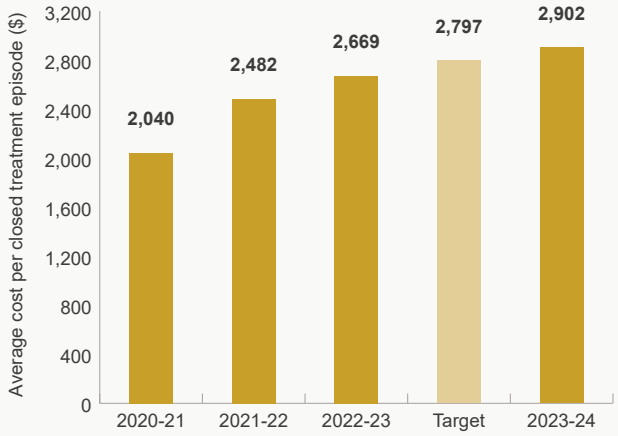
The Western Australian Diversion Program aims to reduce crime by diverting offenders with drug use problems away from the criminal justice system and into treatment to break the cycle of offending and address their drug use. The Alcohol and Drug Support Service (ADSS) is a 24-hour, statewide, confidential 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 2023-24, the target for the average cost per closed treatment episode in community treatment-based alcohol and other drug services was $2,797. 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 2023-24, the average cost of a completed treatment episode in community-based alcohol and other drug services was $2,902. This is 3.8% higher than the 2023-24 target of $2,797 and 8.7% higher than the 2022-23 result of $2,669. The higher cost per closed treatment episode in 2023-24 is primarily due to a decrease in treatment episodes resulting from ongoing staff vacancies due to recruitment challenges. This issue is most prevalent in the regions.

Average cost per closed treatment-based episode in community treatment based alcohol and other drug services



Exemptions were obtained from the Under Treasurer from reporting this KPI in 2021-22. The data presented for 2021-22 is unaudited.

Service 5

Community Support

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

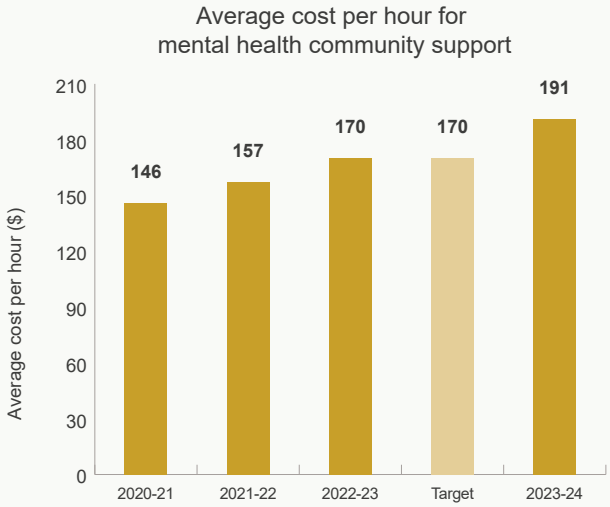
Measures the average cost per hour for community support provided to people with mental health services. Cost data is for the financial year and is sourced from the Commission's financial systems. Activity data is for 6 months (July 2023 to December 2023) extrapolated to 12 months and is sourced from the Commission's Contract Acquittal Data 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 are provided primarily in the person's home or in the local community. The range of services provided is determined by the needs and goals of the individual.

As a type of community support service, 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 2023-24, the target for the average cost per hour for community support provided to people with mental health issues was $170. 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 2023-24, the average cost per hour of community support provided to people with mental health issues was $191. This result is 12.4% higher than the 2023-24 target and 2022-23 result ($170). The higher result in 2023-24 can be attributed to several factors, including higher costs associated with increased licensing requirements at licensed psychiatric hostels, fewer hours of community support due to ongoing recruitment challenges and the resulting impact on service delivery (particularly in the regions), additional community support funding to support consumers with increased acuity and complexity, and an increase in indexation announced in October 2023 back dated to July 2023 to compensate for cost pressures experienced by the community service sector not included in the original 2023-24 budget.



Exemptions were obtained from the Under Treasurer from reporting this KPI in 2021-22. The data presented for 2021-22 is unaudited.

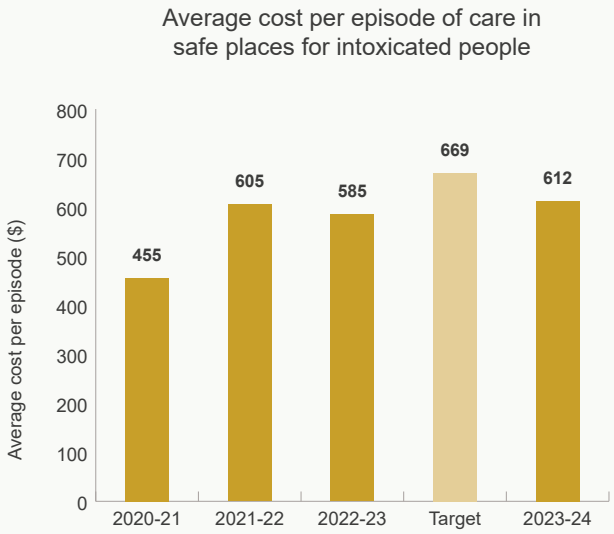
Key Efficiency Indicator 5.2: Average cost per episode of care in safe places for intoxicated people

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

Safe places for intoxicated individuals or sobering up centres provide residential care overnight for intoxicated individuals. As at 30 June 2024, there were nine sobering up centres in Western Australia providing a safe, care-oriented environment in which people found intoxicated in public may sober up. Sobering up centres help to reduce the harm associated with intoxication for the individual, their families, and the broader community, and play a key role in the response to family and domestic violence. People may refer themselves to a centre or be brought in by the police, a local patrol, health/welfare agencies, or other means. Attendance at a centre is voluntary and is influenced by seasonal factors such as wet seasons, transient populations (particularly in regional and remote areas), cultural requirements and liquor restrictions imposed in some areas.

In 2023-24, the target for the average cost per episode of care in safe places for intoxicated people was $669. 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 2023-24, the average cost per treatment episode of care in safe places for intoxicated people was $612. This result is 8.5% lower than the 2023-24 target of $669 and 4.6% higher than the 2022-23 result of $585. The lower result in 2023-24 compared to the target is due to the higher than expected number of admissions to sobering up centres, partly attributable to a pilot increasing the days of operations in Broome following increased liquor restrictions in the Kimberley announced in January 2024.



Exemptions were obtained from the Under Treasurer from reporting this KPI in 2021-22. The data presented for 2021-22 is unaudited.

Statutory information

Ministerial Directives

On 25 July 2023, Hon Amber-Jade Sanderson, Minister for Health; Mental Health, directed EMHS and the Commission to collaborate to transition Next Step Drug and Alcohol Services, including the inpatient and clinical community component of the metropolitan Community and Alcohol Drug Services, to the EMHS by 30 June 2024.

The scope and complexity of work involved to ensure a smooth transition required review of the completion date from 30 June 2024 to 7 October 2024.

Industrial determinations occurred resulting in an announced delay with a further date yet to be determined.

Other legal requirements

Personal expenditure

In accordance with section 903 of the Treasurer's Instructions, personal expenditure incurred on a WA Government Purchasing Card must be disclosed. During the reporting period there were 11 instances of personal expenditure incurred by Commission staff, as per below:

Number of instances a purchasing card has been used for personal use	11
Aggregate amount	$341.13
Aggregate amount settled by due date	$253.03
Aggregate amount settled after due date	$88.10
Aggregate amount outstanding	NIL
Number of referrals for disciplinary action	NIL

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
303 Mullenlowe	Advertising	$76,000
Public education campaigns via Cancer Council of Western Australia (inc)	Advertising	$4,735,651
First Nations Collective Consulting Pty Ltd	Market research	$79,927
Gatecrasher Advertising Pty Ltd	Advertising	$12,855
Initiative Media Australia Pty Ltd	Advertising	$71,456
Kantar Public Australia Pty Ltd	Market research	$410,000
MBC Studios Ltd	Advertising	$90,000
MM Research Pty Ltd	Market research	$55,040
Omnicom Media Group Australia Pty Ltd	Advertising	$2,793
Public education campaigns via Cancer Council Victoria	Advertising	$19,539
Total		**$5,553,261**

Disability Access and Inclusion Plan

The Disability Access and Inclusion Plan 2022-2026 (DAIP) demonstrates the Commission's commitment to removing any barriers that may exclude people from accessing information, services, facilities, events and employment opportunities.

This year we:

- Communicated to staff to encourage them to update their personal Equal Employment Opportunity details to enable increased understanding of the backgrounds of the Commission's staff to better inform plans and policies.
- Began work to achieve Disability Confident Recruiter status in order for the Commission to identify and remove barriers to ensure the agency was an attractive employment option for those with a disability.
- Hosted 'Let's Talk Disability Awareness Training' to increase awareness and understanding of the unique issues faced by people living with a disability.

Compliance with public sector standards and ethical codes

The Commission encourages ethical behaviour and reporting of instances of misconduct so they can be managed appropriately.

Our Code of Conduct guides employee code of conduct. All employees are made aware of the behaviour standards and requirements for public sector employees, through activities such as induction and mandatory training.

The public sector standards in human resource management and approved policies and procedures guide our management of employees and public sector functions. This year, there were no breach claims received against the public sector standards.

Staff involvement in integrity and conduct training resulted in an increase in reporting of alleged breaches of conduct during this period. There were eight findings of non-compliance with the Commission's Code of Conduct for which appropriate action was taken.

The Commission is also progressively implementing its Corporate Integrity Framework, including the establishment of a dedicated corporate integrity role.

Recordkeeping plans

The Commission uses the State Records Commission's standards and principles to govern best practice recordkeeping across the agency. The Commission is compliant with s.28 of the State Records Act 2000, with our existing Recordkeeping Plan being approved in 2019. A review of the Plan is being undertaken and will be submitted to the State Records Office in the latter part of 2024.

Recordkeeping is embedded in the Commission's Code of Conduct and the Commission promotes good recordkeeping practices through our training programs. All new employees are enrolled in mandatory online recordkeeping awareness training and provided with a suite of resources including policies, guidelines, fact and advice sheets, training videos and newsletters, which are available to users through our corporate intranet and email distribution lists. Individual assistance is also available through the Information Management Team, along with scheduled Electronic Records and Document Management System training in both face to face and virtual environments.

Privacy and Responsible Information Sharing

This year the Commission began preparing for new legislation dealing with Privacy and Responsible Information Sharing.

The anticipated legislation is set to reform personal privacy protections and accountability for information sharing within the State Government.

Preparatory activities at the Commission include the development of relevant guidelines and policies for the collection, use, disclosure and handling of personal information, plus responsible sharing, within a consistent agency framework. This includes mechanisms that support Aboriginal data governance in Western Australia, requiring involvement or consultation with Aboriginal people and communities when data that primarily affects Aboriginal people is shared.

Risk Management and Internal Audit

This year four internal audits were completed. This includes an annual data validation audit of performance information provided by Non-Government Organisations that informs the Commission's key efficiency performance indicators included in this Annual Report.

The Audit and Risk Team monitor the implementation of audit recommendations and report progress on these to the Senior Executive Group and the Audit and Risk Committee.

Gaye McMath commenced as the new Audit and Risk Committee Chair on 9 September 2023.

A Risk Management Roadmap was also developed to identify key milestones and deliverables to update the current Risk Management Framework which is overseen by the Audit and Risk Committee. This work includes updating the policies and processes relating to the management of risk and preventative measures to ensure the Commission's risk is within acceptable levels.

Asbestos National Strategic Plan 2024-2030

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. The Department of Finance is engaged to complete inspections of our buildings to assess asbestos-related risks.

Workforce inclusiveness statement

The Commission is committed to creating and sustaining a diverse and inclusive workplace. We recognise organisations that prioritise diversity and inclusion see higher staff satisfaction, better customer service outcomes and enhanced decision-making and performance. In the latest WA Public Sector Census, our staff were surveyed about their diversity, their willingness to share this information with our agency, and any reasons for withholding it. Employees' confidence in expressing their identities, workplace experiences, and concerns reflects the level of trust and inclusion in our workplace.

This year, the Inclusive Workplace Action Plan was launched, appointing executive champions to enhance practices for the LGBTQIA+SB community. The Commission also supported women's leadership through a new role under the Public Sector Commission Women in Executive Leadership Development Experience Initiative.

Our young professionals were also encouraged through the Public Sector Young Professionals Conference and school-based traineeships. Additionally, the Australian New Zealand School of Government First Nations Scholarship was endorsed, and intercultural communication was strengthened with the 'Culture Matters' training course.

Government policy requirements

Occupational safety, health and injury management

Our commitment

The Commission is committed to providing a healthy and safe environment to all employees, contractors and visitors, and recognises that everyone is responsible for health and safety.

To demonstrate this commitment, and to strive for best practice beyond mere compliance with the *Work Health and Safety Act 2020* (the WHS Act), the Senior Executive Group has requested a review of the Commission's safety management system and a review of the psychosocial risk controls.

The Commission is continuing its work in aligning systems and practices with the WHS Act, through a process of continuous improvement and review.

Consultation and governance mechanisms

The Commission's Work Health and Safety Committee (WHS Committee) consists of management representatives, employee representatives, all health and safety representatives, and is chaired by the Executive Director Governance and Corporate Services. The WHS Committee meets bi-monthly to review health and safety issues, incidents and hazards.

To support proper governance mechanisms, the People and Culture directorate provides quarterly reports and updates on safety management system performance and reform initiatives to the Senior Executive Group, as well as the Audit and Risk Committee.

In 2023-24:

- Five trained health and safety representatives operated across the Commission
- Five site inspections were conducted
- 69.14 per cent of managers were trained in WHS
- Five hazards and 21 incidents were reported, investigated and resolved
- Seven trained FAOs and seven trained fire wardens operated across the Commission
- 24 trained Mental Health First Aid Officers
- 18 ergo assessments were completed
- 91 WHS remote work assessments

Workers' compensation and injury management

The Commission's Injury Management Policy provides guidance for the management of employees with work and non-work-related injuries or illnesses. The Commission is committed to assisting injured employees to return to work as soon as medically appropriate, in accordance with the Workers Compensation and Injury Management Act 1981. The return-to-work process is a consultative one, with input from the employee, their treating medical team, managers, and support from the People and Culture team.

Measures	Results 2021-22	Results 2022-23	Results 2023-24	Targets	Comment on result
Number of workers' compensation claims received	1	0	2	Zero (0)	
Number of fatalities	0	0	0	Zero (0)	
Lost time injury and disease incidence rate[1]	0.9	0		0 or 10% reduction in incidence rate on the previous 3 years	
Lost time injury and severity rate[2]	0	0		0 or 10% reduction in severity rate on the previous 3 years	
Percentage of injured workers returned to work: **(i) within 13 weeks[3]** **(ii) within 26 weeks[4]**	(i) 100% (ii) 100%	(i) N/A (ii) N/A	(i) 0%[5] (ii) 0%[6]	Greater than or equal to 80% return to work within 26 weeks	We did not achieve our target of supporting 100% of our injured workers return to work within 26 weeks.
Percentage of managers trained in work health and safety injury management responsibilities, including refresher training within 3 years	73%	43%		Greater than or equal to 80%	
Number of initial contacts made to access the in-house Mental Health First Aid Program	248	117		N/A	

Health and wellbeing

During 2023-24, the Commission implemented a wellbeing calendar, which included influenza vaccinations, a step challenge, salary packaging and superannuation seminars, RU OK? Day and Mental Health Week activities and guest speakers and cultural celebrations.

We have continued our comprehensive Employee Assistance Program and the provision of the EAP Converge App, in-house Mental Health First Aid Officers, and the provision of corporate health insurance rates through HBF and Medibank.

This year, we started discussions with our workforce about psychological safety, partnering with IPAA to deliver a number of workshops with level 7 and 8 managers. The workshops provided an important opportunity to build the capability of managers to support psychological safety in the workplace.

Board and Committee remuneration

On 27 September 2023, the Minister determined new remuneration rates for board members to bring remuneration levels up to current rates based on the 2016 Mercer Remuneration framework for government boards and committees.

Mental Health Advisory Council

The Mental Health Advisory Council (MHAC) was formally dissolved by Cabinet on 5 March 2024, as an outcome of the Independent Review of WA Health System Governance.

Position	Member's name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/Sitting fees	Gross remuneration
Chair	**Ms Margaret Doherty**	Annual	1 July 2023 – 1 Oct 2023 16 Oct 2023 – 1 Jan 2024	2 Oct 2021 – 1 Oct 2023: 2 years 16 Oct 2023 – 1 Jan 2024: 3 months	**1 July 2023 – 27 Sept 2023:** $19,327 **27 Sept 2023 – 30 Jun 2024:** $26,147	$14,402.91
Deputy Chair	**Ms Patricia Councillor**	Annual	1 July 2023 – 27 Sept 2023 16 Oct 2023 – 1 Jan 2024	28 Sept 2021 – 27 Sept 2023: 2 years 16 Oct 2023 – 1 Jan 2024: 3 months	**1 July 2023 – 27 Sept 2023:** $15,916 **27 Sept 2023 – 30 Jun 2024:** $16,996	$10,698.85
Member	**Ms Tracey Young**	Sessional	1 July 2023 – 1 Oct 2023 16 Oct 2023 – 1 Jan 2024	2 Oct 2021 – 1 Oct 2023: 2 years 16 Oct 2023 – 1 Jan 2024: 3 months	**1 July 2023 – 27 Sept 2023:** $503 per day $327 per half day **27 Sept 2023 – 30 Jun 2024:** $680 per day $442 per half day	$2,989.23
Member	**Ms Lee Steel**	Sessional	1 July 2023 – 1 Jan 2024	2 Jan 2022 – 1 Jan 2024: 2 years	**1 July 2023 – 27 Sept 2023:** $503 per day $327 per half day **27 Sept 2023 – 30 Jun 2024:** $680 per day $442 per half day	$1,939.60
Member	**Ms Jessica Nguyen**	N/A	1 July 2023 – 1 Oct 2023 16 Oct2023 – 1 Jan 2024	2 Oct 2021 – 1 Oct 2023: 2 years 16 Oct 2023 – 1 Jan 2024: 3 months	N/A	

Position	Member's name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/Sitting fees	Gross remuneration
Member	**Dr Richard Oades**	Sessional	1 July 2023 – 1 Oct 2023 16 Oct 2023 – 1 Jan2024	2 Oct 2021 – 1 Oct 2023: 2 years 16 Oct 2023 – 1 Jan 2024: 3 months	**1 July 2023 – 27 Sept 2023:** $503 per day $327 per half day **27 Sept 2023 – 30 Jun 2024:** $680 per day $442 per half day	$3,679.43
Member	**Mr Paul Parfitt**	Sessional	1 July 2023 – 5 March 2024	3 June 2022 – 5 March 2024: 21 months	**1 July 2023 – 27 Sept 2023:** $503 per day $327 per half day **27 Sept 2023 – 30 Jun 2024:** $680 per day $442 per half day	$1,961.22
Member	**Ms Nafiso Mohamed**	Sessional	1 July 2023 – 31 Jan 2024	1 Feb 2022 – 31 Jan 2024: 2 years	**1 July 2023 – 27 Sept 2023:** $503 per day $327 per half day **27 Sept 2023 – 30 Jun 2024:** $680 per day $442 per half day	$2,234.43
Member	**Ms Jennifer Wilton**	Sessional	1 July 2023 – 31 Jan 2024	1 Feb 2022 – 31 Jan 2024: 2 years	**1 July 2023 – 27 Sept 2023:** $503 per day $327 per half day **27 Sept 2023 – 30 Jun 2024:** $680 per day $442 per half day	$2,989.23
Member	**Ms Virginia Catterall**	Sessional	1 July 2023 – 5 March 2024	17 April 2023 – 5 March 2024: 11 months	**1 July 2023 – 27 Sept 2023:** $503 per day $327 per half day **27 Sept 2023 – 30 Jun 2024:** $680 per day $442 per half day	$3,910.53
Total						**$44,805.43**

Alcohol and Other Drugs Advisory Board

Position	Member's name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/ Sitting fees	Gross remuneration
Chair	**Professor Steve Allsop**	Annual	1 July 2023 – 30 June 2024	1 Sept 2022 – 30 Aug 2025: 3 years	**1 July 2023 – 27 Sept 2023:** $19,327 **27 Sept 2023 – 30 Jun 2024:** $26,147	$22,662.56
Deputy Chair	**Ms Julia Stafford**	Annual	8 April 2024 – 30 June 2024	21 Jan 2022 – 31 Dec 2024: 3 years	**1 July 2023 – 27 Sept 2023:** $15,916 **27 Sept 2023 – 30 Jun 2024:** $16,996	$2,688.42
Member	**Ms Julia Stafford**	Sessional	1 July 2023 – 8 April 2024	1 Jan 2022 – 31 Dec 2024: 3 years	**1 July 2023 – 27 Sept 2023:** $503 per day $327 per half day **27 Sept 2023 – 30 Jun 2024:** $680 per day $442 per half day	$2,688.42
Deputy Chair	**Dr Mark Montebello**	Annual	1 July 2022 – 28 Feb 2023 13 March 2023 – 30 June 2023	1 Mar 2020 – 30 Jun 2023: 3 years	**1 July 2022 – 30 June 2023:** $15,916	$1,472.23 (last payment of 22/23 paid in 23/24 on 6/7/24)
Member	**Commander Lawrence Panaia**	N/A	1 July 2023 – 30 June 2024	27 Jan 2023 – 26 Jan 2026: 3 years	N/A	-
Member	**Ms Miriam Rudd**	Sessional	1 July 2023 – 30 June 2024	1 Jan 2022 – 31 Dec 2024: 3 years	**1 July 2023 – 27 Sept 2023:** $503 per day $327 per half day **27 Sept 2023 – 30 Jun 2024:** $680 per day $442 per half day	$3,051.39

Position	Member's name	Type of remuneration	Period of membership	Term of appointment/tenure	Base salary/ Sitting fees	Gross remuneration
Member	**Mr Ethan James**	N/A	1 July 2023 – 30 June 2024	26 Jan 2023 – 25 Jan 2026: 3 years	N/A	-
Member	**Ms Katiska Davis**	N/A	1 July 2023 – 10 Aug 2023	7 Nov 2022 – 10 Aug 2023 (resigned): 10 months	N/A	-
Member	**Ms Nafiso Mohamed**	N/A	8 April 2024 – 30 June 2024	8 April 2024 – 7 April 2027: 3 years	N/A	-
Total						**$28,874.60**

WA Multicultural Policy Framework

The Commission's Multicultural Action Plan 2022-25 was developed through consultation with staff to identify priority actions for implementation.

This year we:

- Improved awareness, skills and knowledge for staff working with people from culturally and linguistically diverse (CaLD) backgrounds to work in culturally secure ways, through completion of mandatory Diverse WA Cultural Competency training for all staff.
- Celebrated Harmony Week to build staff knowledge and awareness and promoted external events through internal communications.
- Delivered 'Culture Matters' training, which was available for all staff. Attendees learnt how to develop strategies and techniques to improve intercultural communication.
- Initiated a review of recruitment, career development and progression processes to identify ways to incorporate support and development of employees from CaLD backgrounds.

Our workforce

- Women in leadership – 78.9%
- Culturally and linguistically diverse people – 21.3%
- Aboriginal and Torres Strait Islander people – 3.7%
- Youth (people aged 24 years and younger) – 2.8%
- People with disability – 1.5%
- 10.9% of the Commission's survey respondents to the 2023 Public Sector Census identified as a person of diverse sexuality and gender.

Glossary

Aboriginal People

Within Western Australia, the term Aboriginal people is used in preference to Aboriginal and Torres Strait Islander people, in recognition that Aboriginal people are the original inhabitants of WA. Reference to Aboriginal people throughout this report is respectfully inclusive of Torres Strait Islanders.

Social and Emotional Wellbeing

The traditional Aboriginal understanding of health is holistic and does not refer to the individual but encompasses the social, emotional and cultural wellbeing of the whole community. The social and emotional wellbeing (SEWB) of Aboriginal people is strongly influenced by their connection to family, Elders, community, culture, Country, and spirituality. These connections work together to provide a culturally safe environment for Aboriginal people and helps individuals to maintain and enhance their SEWB.

Forensic

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.

Acute Care and Response Team

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

LGBTQIA+SB

Throughout this report we have used the acronym LGBTQIA+SB to refer to lesbian, gay, bisexual, transgender, intersex, queer, questioning, asexual, sistergirl and brotherboys and any other person or group that is diverse in sex, gender or sexuality. We also recognise that many people and populations have additional ways of describing their distinct histories, experiences and needs outside this acronym.

Health Service Providers

Health Service Providers are established as statutory authorities and are each governed by a board and/or chief executive. These statutory authorities are responsible and accountable for delivering public health services or health support services. Mental health and AOD health services are purchased from health service providers by the Commission through service agreements.

Acronyms and Abbreviations

AOD	Alcohol and Other Drugs
CaLD	Culturally and Linguistically Diverse
CAP	Conciliation Action Plan
CLMI	Criminal Law (Mental Impairment) Act 2023
CLO	Community Liaison Officer
CMC	Community Mental Health Alcohol and Other Drug Council
DACAS	Drug and Alcohol Clinical Advisory Service
DAIP	Disability Action Inclusion Plan
DoH	Department of Health
EMHS	East Metropolitan Health Service
HSP	Health Service Provider
ICAMHS	Infant, Child and Adolescent Mental Health Service
MHAC	Mental Health Advisory Council
MHEC	Mental Health Executive Committee
MHLS	Mental Health Leads Subcommittee
Regional Plans	Regional Aboriginal Suicide Prevention Plans
SEG	Senior Executive Group
SSSMAP	Strong Spirit Strong Mind Aboriginal Programs
The Act	Mental Health Act 2014

References

1 LTI/D incidence rate is (Number of LTI/Ds) ÷ (Number of FTE) × 100
2 LTI/D severity rate is (Number of LTI/Ds that resulted in 60 days or more lost) ÷ (Total number of LTI/D claims) × 100
3 Return to work within 13 weeks is (Number of LTI/Ds with a RTW outcome within 13 weeks) ÷ (Number of LTI/Ds reported) × 100
4 Return to work within 26 weeks is (Number of LTI/Ds with a RTW outcome within 26 weeks) ÷ (Number of LTI/Ds reported) × 100
5 Based on one claim lodged for lost time.
6 Based on one claim lodged for lost time.

GOVERNMENT OF WESTERN AUSTRALIA

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