

## **Inquiry into the equity, accessibility and appropriate delivery of outpatient and community mental health care in New South Wales**

### **Question on notice**

You noted in your submission that the contracts funded by the DCJ and the ministerially approved grants have a 5.75 per cent indexation rate but that many grants relevant organisations haven't had their level of indexation. I wanted to clarify which departments we're specifically talking about that haven't yet applied that indexation.

### **Response**

In our submission, NCOSS was referring to community organisations that were not part of the NSW Health Ministerially Approved Grants program.

However, since the date of submission, NSW Health approved 5.75% indexation for recurring funding to non-government organisations, not just those that are a part of the Ministerially Approved Grants program. This has brought certainty and relief to the health and community sector, particularly community managed mental health organisations, who are now able to better meet the rising costs of service provision.

It's important to note that this rate is only applicable for 2023/24. In order for community organisations to continue providing essential support while meeting the rising costs of service provision, the NSW Government must prioritise a consistent, sector-wide and evidence-based approach to indexation.

Additionally, NCOSS wishes to request one minor change to the evidence provided for technical accuracy. In response to the above question, NCOSS stated during the hearing that:

*We can see that the Government has made a great commitment for that particular area, but there hasn't been indexation across any of the other community services sector*

As per the Chair's question, NCOSS noted in our submission that the contracts funded by the Department of Communities and Justice and the Ministerially Approved Grants (Health) received a 5.75 per cent indexation rate. The evidence above should have stated that there has not been an **ongoing commitment** to indexation across the sector in future years. This is why NCOSS is advocating for a transparent, consistent, and evidence-based approach to indexation for the entire sector.