

Submission
No 62

**INQUIRY INTO EQUITY, ACCESSIBILITY AND
APPROPRIATE DELIVERY OF OUTPATIENT AND
COMMUNITY MENTAL HEALTH CARE IN NEW SOUTH
WALES**

Organisation: NSW Council of Social Service (NCOSS)

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Holly Rivas Perdomo
Principal Council Officer
Portfolio Committee 2 – Health
Parliament House
Macquarie Street, Sydney NSW 2000
portfoliocommittee2@parliament.nsw.gov.au

Dear Ms Perdomo,

Re: Submission from the NSW Council of Social Service to the Upper House Inquiry: Equity, accessibility and appropriate delivery of outpatient and community mental health care in NSW

The NSW Council of Social Service (NCOSS) is the peak body for the social services sector in NSW. With over 400 members and a wider network of approximately 4,000 non-government organisations, government and other entities and individuals who share our values, we advocate to alleviate poverty and disadvantage in NSW.

NCOSS welcomes the opportunity to provide a submission to the Upper House Inquiry: *Equity, accessibility and appropriate delivery of outpatient and community mental health care in NSW*. This inquiry is timely, as the NSW community continues to experience increasing levels of anxiety and mental distress following the impact of the pandemic, natural disasters, and now intensifying cost-of-living pressures. Recent research into the cost of living in NSW reports that higher-than-ever stress, anxiety and depression levels are taking a toll on the mental, emotional, and physical health of our community¹.

This is on top of earlier findings from the NCOSS Aftershock series, which highlighted COVID-related mental health impacts in NSW including:

- a 21% increase in self-reported anxiety and depression during 2021;
- between 2018 and 2021, a 46% increase in young females between 12 and 17 years of age presenting for self-harm or suicidal thoughts;
- an estimated \$7.4 billion in lost productivity to 2025 as a result of worsening mental health among the NSW workforce; and
- NSW spending on community mental health is \$53 per person **below** the national average².

NCOSS would like to draw the Committee's attention to the submission provided by the Mental Health Coordinating Council (MHCC). NCOSS supports this submission and acknowledges the critical role played by community-managed organisations in achieving equity, accessibility, and appropriate delivery of mental health care in NSW.

Complementing the MHCC submission, NCOSS wishes to amplify three recommendations, drawing on our own research and feedback from members. This letter focuses on the chronic underfunding of services and the need to invest in wellbeing support for the workforce.

Recommendation 5 - provide adequate indexation that responds to inflationary impact on salaries and service delivery in CMOs.

Inconsistent and inadequate indexation has been an ongoing issue in the social service sector. In a recent study undertaken by the Australian Council of Social Service (ACOSS) into the community

sector, only 13% of NSW sector leaders agreed that indexation is adequate.³ NCOSS members regularly report inadequate indexation that makes maintaining service provision incredibly difficult.

While we welcome the recently approved 5.75% indexation rate for contracts funded by the Department of Communities and Justice and NSW Health Ministerially Approved Grants for 2023-24, we are yet to hear an announcement for many grants related to mental health community-managed organisations and are concerned that sufficient indexation will not be provided.

NSW needs a consistent, sector-wide and evidence-based approach to indexation. Without this, the sector is unable to cover the rising costs of service provision while delivering the same high-quality services. Minimum wage increases, super guarantee increases and other rising operational costs must all be paid for – without indexation to cover these, organisations must cut jobs, reduce workplace benefits, reduce service delivery or cancel organisational investment. Further, they cannot provide their workforce with job security, which impacts their ability to attract and retain staff, keep their doors open and continue to deliver essential services to the NSW community.

Recommendation 9 – invest in wellbeing support for mental health care workers including through the provision of tailored wellbeing support programs and vicarious trauma education.

Between March and July 2021, NCOSS undertook a research study looking into the impact of the COVID-19 pandemic on staff wellbeing in the social services sector. Findings indicated that over a third (36.28%) of respondents reported their wellbeing had worsened since the beginning of the pandemic. Increased general uncertainty, a more complex work environment and worry about family and vulnerable community members left many workers feeling anxious, stressed and burnt-out⁴.

Required support was not always forthcoming – 54% of respondents nominated ‘having to do more because of increased demand on our service with no extra funding’ as impacting their personal wellbeing. While some reported their government funding bodies were highly flexible and responsive, others felt they did not receive needed support or guidance in a timely fashion, and that the funding body seemed out of touch with ‘on the ground’ issues⁵.

The findings of the study support the need for concerted action at the individual, organisational and government level to ameliorate stressors and invest in strategies designed to support workforce wellbeing.

Recommendation 19 - provide community-managed mental health organisations with 5-year contracts based on ongoing review and achievement of objectives so that they can offer secure employment and sustainability.

Longer-term contracts are critical to staff retention in the social service sector; insecure work has been cited as one of the biggest career impediments in our female-dominated sector⁶. Longer-term contracts also reduce administrative burden on organisations and on government, allowing organisations to focus on service delivery. This approach is also consistent with government commitments to reduce red-tape and streamline reporting and administrative requirements.

The NSW Government has made an important step in alleviating these issues by committing to longer-term five-year funding arrangements for key community services, which already exist for some programs, such as the Targeted Earlier Intervention (TEI) program. Other programs, such as the Tenants Advice and Advocacy program (TAAP), have 4-year contracts but we expect these to move towards 5-year contracts in line with Government commitments. However, this same commitment has not been implemented across all social service programs. NCOSS encourages the

government to do so by applying the same arrangement to community-managed mental health organisations in recognition of the work they do to support people battling mental health issues.

NCOSS asks that the Committee consider these recommendations when preparing its final report. We would welcome the chance to discuss the submission or any related issues with the Committee. Should you have any questions in relation to this matter, please do not hesitate to contact Ben McAlpine, Director, Policy and Advocacy

Yours sincerely,

Joanna Quilty
Chief Executive Officer



References

- ¹ NCOSS & The Institute of Public Policy and Governance, The University of Technology (2023), Barely hanging on: The Cost-of-Living Crisis in NSW, Sydney.
- ² NCOSS & Impact Economics and Policy (2022), Aftershock: Addressing the Economic and Social Costs of the Pandemic and Natural Disasters. Report One – Mental Health, Sydney
- ³ Cortis N and Blaxland, M (2022), Carrying the costs of the crisis: Australia’s community sector through the Delta outbreak. Sydney: ACOSS
- ⁴ NCOSS & Social Equity Works (2022). The Impact of COVID-19 on Staff Wellbeing in the Social Service Sector in NSW, Sydney.
- ⁵ NCOSS & Social Equity Works (2022). The Impact of COVID-19 on Staff Wellbeing in the Social Service Sector in NSW, Sydney.
- ⁶ NCOSS & Impact Economics and Policy (2022), A Long Way to the Top: career opportunities and obstacles for women in the social services sector in NSW, Sydney

