



Mental Health
Community Coalition ACT

2026-2027 ACT Budget Submission

November 2025

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Acknowledgements

Acknowledgement of Country

Mental Health Community Coalition ACT is located on Ngunnawal Country. We acknowledge the Traditional Custodians of the land. We pay our respects to their Elders, past and present. We further acknowledge all Aboriginal and Torres Strait Islander Traditional Custodians and Country and recognise their continuing connection to land, sea, culture and community.

Acknowledgement of mental health lived experience

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

About MHCC ACT

The Mental Health Community Coalition of the ACT (MHCC ACT) is a membership-based organisation which was established in 2004 as a peak agency. It provides vital advocacy, representational and capacity building roles for the Not for Profit (NFP) community-managed mental health sector in the ACT. This sector covers the range of non-government organisations (NGO) that offer mental health recovery, early intervention, prevention, health promotion and community support services.

We advocate for a mental health system that offers people support and belonging within their community.

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“Yes, the problem is medical, but the solutions are social, environmental, and political” – Dr. Tom Insel

Executive Summary

Problem Statement

A lack of focused investment in the prevention of mental ill-health has driven increased demand for acute care service models, creating higher costs, increasing unmet need and lifelong impacts on consumers, carers and the community.

If

we invest in prevention,

and

have community-based safe spaces,

and

provide supports that enable meaningful participation in community and increase community cohesion,

and

make suicide prevention everyone's responsibility

Then we would expect

To reduce demand on acute services, increase socioeconomic participation, and reduce the negative impacts on consumers, families, and the community.

Recommendations:

Mental Health Community Coalition ACT recommends an initial investment towards prevention of mental ill-health in the 2026/27 ACT Budget with a specific focus on:

1. It is recommended the ACT Government allocate a minimum of 10% of its investment in mental health towards prevention and early intervention services.
2. We recommend the ACT Government commit to prioritising the mapping of the ideal-state psychosocial service landscape.
3. ACT Government invest in a co-design project to scope the design, model of care and costing of a peer led mental health community based safe space and respite centre.
4. It is recommended that the ACT implements a Suicide Prevention Bill into legislation
5. It is recommended that the ACT Government commit funding to implement a community run social prescribing model to address loneliness and prevent mental ill health.

Endorsement from Advocacy for Inclusion:

Notes of Endorsement

To: ACT Government Budget Consultation Team

The ACT Disability Directed Advocacy Caucus is pleased to endorse the 2026–27 Budget Submission from the Mental Health Community Coalition ACT. Their recommendations strongly align with the priorities of the disability community, particularly in strengthening psychosocial supports, expanding prevention and early-intervention capacity, and addressing longstanding service gaps that contribute to crisis, exclusion, and avoidable harm.

We support MHCC ACT's calls for increased investment in psychosocial foundational supports, whole-of-government suicide-prevention legislation, and the development of lived-experience-led mental health respite and safe spaces. Clearer psychosocial pathways and sustained investment in foundational supports will reduce pressure on the NDIS, schools, emergency departments, and housing systems. Importantly, this work needs to be grounded in genuine co-design with people with lived experience.

Supporting the priorities outlined in MHCC ACT's submission will contribute to improved mental health, safety, participation, and wellbeing across the ACT. We urge the ACT Government to give strong consideration to these recommendations as part of the 2026–27 Budget.

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Introduction

The Mental Health Community Coalition ACT (MHCC ACT) is the peak body for community-based mental health in the Territory. We advocate for a system that prioritises prevention, early intervention, and recovery - delivered in the community, where holistic, person-centred, lived experience informed and human rights-informed care can thrive.

Currently, the bulk of government mental health funding is directed toward acute, hospital-based care. While hospitalisation is sometimes necessary, it often represents a failure of earlier intervention. Each person hospitalised has reached a crisis point, often because they didn't receive support when they first needed it. This is a missed opportunity for both wellbeing and cost-effectiveness.

We envision a mental health system that is less costly, both financially and in terms of human impact. The community-managed sector is a vibrant, adaptive space that responds to the unique needs of individuals, families, and communities. It is well placed to reduce reliance on the tertiary public mental health system, which cost the ACT Health budget approximately \$309 million in 2024–25 alone.

More broadly, the Productivity Commission estimates that mental ill-health and suicide cost Australia \$220 billion per year, or around \$600 million per day. Our funding proposals represent significant value for money, reducing pressure on government services while improving community wellbeing and productivity.

This submission outlines a series of actions that will deliver better mental health outcomes for the ACT. We request that these proposals be considered as Ministers make decisions on the 2026–27 Territory Budget, and we welcome the opportunity to work with the ACT Government on their implementation.

Increase of funding for Mental Health Prevention

Mental illness is not inevitable, nor is it always a life-long impairment. With the right protective measures in place, mental illness, or the impact of mental illness, can be prevented.

The current mental health service system in the ACT, focuses heavily on clinical treatment interventions. Whilst these treatment interventions are important and play a vital role within the mental health service system, there is a gap within the current service system landscape, created through historic low investments in mental health prevention and early intervention. **A shift toward increased and ongoing funding for mental health prevention services must occur**, to help the ACT community live healthy, happy and financially autonomous lives, where they are able to contribute positively within the community.

Findings have consistently found long-term benefits to both prevention and early intervention strategies for mental health, reducing the cost of services over time. The Cost of Late Intervention in 2024 report, highlights the **high economic cost and increasing prevalence of mental health issues** for young people, which could **have been prevented or treated earlier** if the right preventative strategies and measures were put in place. Further supporting this, the Mental Health and Suicide Prevention

Agreement Review's Interim Report 2025, found that mental health prevention plays a critical role in reducing hospitalisation and treatment interventions, across the age span.

Increases in funding to prevention strategies for mental health is essential. The prevalence of **mental health conditions in the ACT continues to increase** each year. According to the 2022 ACT General Health Survey, 28.1% of adults had reported being diagnosed with a mental health condition in the last 12 months. This figure has increased each year and does not account for those experiencing mental health concerns without a formal diagnosis. Whilst mental health treatment services are essential, these services alone cannot decrease the number of mental health conditions arising each year.

Alignment

This work aligns with the ACT Labor's 24-25 Policy Platform, in particular items:

85. Focus on health promotion and protection recognising the benefits of such strategies not only to individuals but also to the community as a whole.

86. Give priority to health protection and promotion that focuses on both individuals and the community. Encourage the public and private sectors to participate in these programs.

87. Encourage the involvement of the community at all stages of the development of programs.

88. Develop programs to reach individuals and sectors of the community that are currently not reached.

Call to Action

We ask the ACT Government solidifies its commitment to prevention and early intervention through an **allocation of 10% of their mental health investment into prevention**. This investment would allow for a strong community-wide focus and approach to mental health prevention, in-turn, equipping individuals with the tools, strategies and knowledge to maintain their wellbeing and mental health. An increase in mental health prevention funding will further reduce the need for critical mental health treatment services in the ACT and overall reduce the impact of mental ill-health on consumers, carers and the community.

Recommendation

1. It is recommended the ACT Government allocate a minimum of 10% of its investment in mental health towards prevention and early intervention services.

Addressing Unmet Need and Strengthening Psychosocial Supports

Current mental health policy has strayed from its foundational vision. In 1992, Australia's first National Mental Health Strategy articulated a shared goal: to enable people with mental illness to live with dignity in the community - prioritising community-based care over hospitalisation.

Community managed mental health services in the ACT play a vital role in supporting recovery and inclusion. However, the service system continues to lean heavily toward clinically based interventions, often at the expense of psychosocial supports. This is not a reflection on the sector's commitment or capability, but rather a structural imbalance in funding, policy, and service design that limits the full potential of community-based care.

ACT Labor committed at the 2025 election to work with the Commonwealth to develop foundational psychosocial supports. The 2024 **Unmet Needs Report** found that the longstanding Commonwealth Psychosocial Support Program has not been able to keep up with the community's need, and there remains a clear responsibility to develop and expand these supports in a way that genuinely meets the scale of need. While the program provides a foundation, it is not sufficient to address the current levels of unmet need - particularly in the ACT, where **8,940 out of 11,390 people** aged 12 to 64 who require psychosocial support are going without – **a staggering 78.5%**. This is not just a gap, but a systemic failure.

Current arrangements to address the Unmet Need have been stalled due to delays in developing the new National Mental Health and Suicide Prevention Agreement, ongoing negotiations between state and commonwealth parties, and national barriers to commit to the prioritisation of psychosocial supports. Leaving this population without answers and effectively denying access to these supports breaches the universal **Right to Health**, which recognises everyone's entitlement to the highest attainable standard of physical and mental health. Being able to access the services we need when we need them and the provision of responsive supports to those who require them to gain independence is also a priority outline in the **Access and Connectivity domain of the ACT Wellbeing Framework**. Delaying local investment until a National Agreement is met is now compromising the ACT's ability to meet targets in this domain.

Psychosocial supports are not optional extras. They are essential, community-based services that help people build relationships, manage daily activities, and participate meaningfully in society. For people living with severe mental health challenges, these supports are often the difference between isolation and inclusion, between crisis and recovery.

The cost of inaction is profound- not only for individuals, families, carers, and kin, but for the broader health system. Without adequate psychosocial infrastructure, pressure mounts on more expensive interventions such as hospitalisation. Investing in psychosocial supports is not only ethical, but fiscally responsible.

We must build the sector's capability to support not just treatment, but **quality of life**. This includes fostering community cohesion, reducing loneliness and enabling people to pursue education, employment, and connection to support a meaningful life.

Looking to Innovators

We should actively learn from exemplars in this space, such as the **Queensland Alliance for Mental Health's PATHS project** (Psychosocial Approaches to Thriving Health Systems). Finalised in May 2025, the PATHS project was designed to define the role of the community mental health and wellbeing sector in responding to the unmet need for psychosocial support. The project, currently testing its draft service model, highlights how non-clinical supports can play a meaningful role in mental health and wellbeing when embedded in the community and integrated with formal systems. It demonstrates the transformative potential of psychosocial supports and underscores the need for a similar strategic focus in the ACT.

Alignment

This work aligns with the ACT Labor's 24-25 Policy Platform, in particular items:

- 95. Focus on the area of mental health in the ACT to provide a comprehensive continuum of care, recognising the diversity of needs of those with psychiatric disabilities or mental illness.
- 97. Recognise that for many people with psychiatric disabilities or mental illness the most appropriate and effective treatment involves them living in family and community based support programs. These programs should be adequately funded.
- 106. Expand outpatient and community based programs to reduce the hospitalisation of people with psychiatric disabilities or a mental illness and enable them to remain in the community.
- 112. Ensure sufficient funding is made available to the Non-Government Sector – recognising the need for various service providers in mental health within the community.
- 117. Establish and maintain mental health and suicide prevention “drop in” centres to ensure greater access to care crisis care and social supports.

In addition, the work aligns with the ACT 2024 Election Health Policy Statement, specifically:

Our community sector provides critical support outside the public mental health system and peer support is often a vital part of a person's mental health journey. We will investigate options to establish a peer-led acute mental health supports as an alternative to hospitalisation and we will work with the community mental health sector to re-establish the evidence-based ACT Recovery College to provide an education-based mental health support service where people with lived experience of mental ill-health teach others with lived experience general life and psychological skills.

And we will work with the Commonwealth to develop psychosocial foundational supports, including for family mental health support, early psychosis youth services, mental health respite and carer support, as well as an evidence-based early intervention service aimed at capacity-building

We acknowledge progress towards the commitment to develop a mental health services plan and see that a detailed plan for a psychosocial service system would sit alongside this to ensure a comprehensive plan across the spectrum of mental health, mental ill-health and mental illness.

Call to Action

We request the ACT Government commit to prioritising the mapping of the ideal-state psychosocial service landscape. This must include defining the optimal suite of psychosocial services for the ACT - identifying service types, workforce qualifications (e.g., Cert I vs Cert II), pricing models, and appropriate types and levels of support. Importantly, reforms must **strengthen - not complicate - the existing service landscape**. The design of psychosocial supports must enhance continuity of care, reduce fragmentation, and build on both existing and new resources. We recommend this work is undertaken in partnership with MHCC ACT, as the peak body for community mental health. Funding for this initiative can be matched with the ACT Government's allocation through our existing Peak Body funding.

As a community that values dignity, connection, and compassion, we owe it to every person in the ACT to return to the promise of dignity in community and build a mental health system that truly facilitates recovery.

Recommendation

2. We recommend the ACT Government commit to prioritising the mapping of the ideal-state psychosocial service landscape.

Lived Experience-led Mental Health Respite Care

In the ACT, there is currently **no dedicated mental health respite care centre** - a significant gap in the service system. For people experiencing mental health distress that doesn't meet the threshold for hospitalisation, being turned away from support can exacerbate their condition. This triage-based approach forces individuals and their carers to reach breaking point before help is available, making recovery harder and treatment more costly.

Mental health respite care offers a vital alternative. It provides a **short-term safe space** for people to stabilise, feel understood, and avoid escalation. For carers, it offers much-needed relief and reassurance that their loved one is safe and supported. The pressure of staying safe during a crisis is immense - having access to compassionate, community-based care can make all the difference.

Establishing a respite care centre would not only improve wellbeing outcomes but also deliver **cost savings** by reducing unnecessary hospital presentations and inpatient stays. The **Royal Commission into Victoria's Mental Health System** has strongly endorsed this approach, recommending investment in diverse and innovative "safe spaces" and crisis respite facilities (Recommendation 9), and the establishment of Victoria's first residential mental health service (Interim Recommendation 5).

Looking to Innovators

There are promising models to draw from:

- **Victoria's peer-led residential mental health service**, currently under development and set to open in 2026.
- **New Zealand's Tupe Ake service**, which has been operating successfully for over 16 years.

Alignment

Policy momentum is building around alternatives to hospitalisation and expanding community-based supports. The Labor Government has committed to **investigating peer-led acute mental health supports** and to **working with the Commonwealth to develop mental health respite options**. These priorities are also reflected in the Labor Policy Platform, which includes a commitment to **expand outpatient and community-based programs** to reduce hospitalisation and enable people to remain in the community.

This work aligns with the ACT Labor's 24-25 Policy Platform, in particular item:

102. Ensure support services include counselling and respite care for the families of those who suffer from psychiatric disabilities or mental illness. These services should be available both at the time of crisis and on an ongoing basis.

In addition, the work aligns with the ACT 2024 Election Health Policy Statement, specifically:

Our community sector provides critical support outside the public mental health system and peer support is often a vital part of a person's mental health journey. We will investigate options to establish a peer-led acute mental health supports as an alternative to hospitalisation

Call to Action

We call on the ACT Government **fund the development of a lived experience-led mental health respite care centre**, co-designed with the community and embedded within the broader mental health system. This initiative would fill a critical gap, support carers, reduce hospital reliance, and offer a compassionate, cost-effective alternative for people in distress.

Recommendation

3. **ACT Government invest in a co-design project to scope the design, model of care and costing of a peer led mental health community based safe space and respite centre.**

Suicide Prevention Bill

Suicide prevention should be everyone's responsibility. A whole-of-Government approach to suicide prevention must be urgently undertaken, to ensure the **ACT is at the forefront of suicide prevention.**

Suicide is a complex issue, impacting not just an individual, but a whole community. Suicide prevention must be viewed through the lens which looks at all potential risk factors, including social, biological, economic and environmental factors.

The ACT Government plays a vital role in the prevention of suicide. A suicide prevention approach which spans all government departments, as well as police, ensures that the responsibility of preventing suicide, is shared by the entire community, and removes the burden from the individual themselves.

Looking to Innovators

We should look to, and learn from, the **Suicide Prevention Bill** which was passed in New South Wales in September 2025. This legislation ensures that all government departments become responsible for **actively preventing suicide**. It is vital that the ACT echoes this legislation, ensuring the ACT recognises that the prevention of suicide must be a commitment undertaken by all government departments, rather than the responsibility of single services, individuals, families or communities.

Alignment

The **ACT Labor Government has already committed to being at the forefront of suicide prevention.** As stated in the Labor 24-25 Policy Platform, the ACT will “annually evaluate strategies and delivery of care to ensure that the ACT is at the forefront of suicide prevention”.

Call to Action

To achieve this platform, and to ensure that the ACT upholds their commitment, MHCC ACT recommends the ACT Labor Government implement and pass a Suicide Prevention Bill.

This bill ensures that all government departments, as well as ACT Policing, are responsible for ensuring that the right measures are put in place, to have a whole-of-government response to suicide prevention.

Recommendation:

4. It is recommended that the ACT implements a Suicide Prevention Bill into legislation

Social Prescribing Model to Prevent the Onset of Mental Illness

As the ACT strengthens its early intervention efforts to prevent mental health crises, it is equally important to invest in initiatives that **prevent the onset of mental illness**. Loneliness and social isolation are among the strongest predictors of poor mental health. According to Professor Rachel Davey from the Health Research Institute, social isolation is linked to anxiety, depression, stroke, and cardiac disease - and in terms of premature death risk, is comparable to smoking 15 cigarettes a day.

The recent University of Canberra report on the changing wellbeing of Canberrans from 2019 to 2024 shows that isolation and lack of connection have worsened in recent years. Loneliness is a key measure in the ACT Wellbeing Framework, and addressing it is not an abstract feel-good concept but is a critical component of an effective and preventative health system.

We recommend the ACT Government **incorporate a social prescribing model to complement the existing mental health system**. This would include **navigation support to help individuals connect with community-based activities and services** - meeting people where they're at and offering multiple pathways to connection.

While online tools such as MindMap play a valuable role in helping people find support, it is important to also offer **in-person navigation options**. Some individuals may face barriers to accessing or navigating digital platforms, and personalised guidance can make a meaningful difference in helping people engage with their communities.

Looking to Innovators

There are several models to draw from:

- **Victoria's Local Connections program**, developed in response to Recommendation 15.4 of the Royal Commission into Victoria's Mental Health System, supports healthcare professionals to refer people—particularly older adults—into community initiatives. Link workers help individuals build confidence and participate in activities such as art, nature, and social groups.

- **Social Inclusion Action Groups (SIAGs)** in Victoria support the Local connection program by bringing together community members and leaders to co-design and deliver local initiatives that boost social inclusion and reduce isolation.
- **Connect Up 2617**, an ACT UC-led pilot in Bruce and Belconnen, is trialling a community-driven approach to building social infrastructure through a team of Connectors.

Momentum is building nationally. Events such as the Accelerating Social Prescribing Roundtable (2024) reflect growing support for embedding social prescribing alongside primary care. Enabling GPs to refer individuals to social prescribing linkers when mental health concerns are identified creates a pathway to non-clinical support, helping people build social connection and **reduce reliance on acute and clinical services**.

However, GPs should not be the sole entry point to social connection. A successful social prescribing system must offer **multiple, accessible pathways** into community engagement.

In the ACT, organisations like **Volunteering ACT** can be key partners in this initiative, drawing on their well-maintained directory of community opportunities to support navigation and engagement.

Alignment

This work aligns with the ACT 2024 Election Health Policy Statement, specifically:

Working with the community, a re-elected Labor Government will also investigate options to tackle loneliness by supporting activities that build human connection and co-designing a social prescribing program with GPs and youth health services.

Call to Action

This proposal supports the broader goals of **prevention and psychosocial support** outlined earlier in this submission. It also reflects ACT Labor's commitments to:

- Investigate options to tackle loneliness by supporting activities that build human connection.
- Co-design a social prescribing program with GPs and youth health services.
- Develop programs that reach individuals and sectors of the community not currently engaged (as outlined in their Policy Platform under Health Promotion).

We urge the ACT Government to **commit funding to develop and implement a social prescribing model**, co-designed with community partners, to strengthen social infrastructure, reduce isolation, and prevent mental illness before it begins. This includes investigating how Connect Up 2617 can be scaled across Canberra, with the goal of establishing robust social infrastructure by 2030.

Recommendation

5. **It is recommended that the ACT Government commit funding to implement a community run social prescribing model to address loneliness and prevent mental ill health.**



Mental Health
Community Coalition ACT