



The Royal
Australian &
New Zealand
College of
Psychiatrists



RANZCP Victorian Branch 2025-2026 Victorian State Budget Submission

Towards an Integrated and Innovative Mental Health and Wellbeing System for all Victorians: the right treatment, care, and support at the right time, and in the right place.

Acknowledgement of Country

We acknowledge Aboriginal and Torres Strait Islander Peoples as the First Nations and the traditional custodians of the lands and waters now known as Australia, and Māori as tangata whenua in Aotearoa, also known as New Zealand. We recognise and value the traditional knowledge held by Aboriginal and Torres Strait Islander Peoples and Māori. We honour and respect the Elders past and present, who weave their wisdom into all realms of life – spiritual, cultural, social, emotional, and physical.

Acknowledgement of Lived and Living Experience

We recognise those with lived and living experience of a mental health condition or psychological distress, including community members, RANZCP members and staff. We affirm their ongoing contribution to the improvement of mental healthcare for all people.

About the Royal Australian and New Zealand College of Psychiatrists

The [Royal Australian and New Zealand College of Psychiatrists \(RANZCP\)](#) is a membership organisation that prepares doctors to be medical specialists in the field of psychiatry, supports and enhances clinical practice, advocates for people affected by mental illness, and advises governments on mental health care.

The RANZCP is the peak body [representing over 8500 members](#) in Australia and New Zealand and, as a bi-national college, has strong ties with associations in the Asia and Pacific regions.

The [RANZCP Victorian Branch supports 2122 members across the state](#), including 1484 qualified psychiatrists and 638 members psychiatrists in training and affiliates. [Psychiatrists are clinical leaders](#) in the provision of mental health care in the community and use a range of evidence-based treatments to support people in their journey of recovery.

Notes about this submission

The recommendations contained within this submission are based on consultations within the RANZCP Victorian Branch membership and committees.

We acknowledge that language, and the way we use it, can affect how people think about different issues. We acknowledge the need to give due consideration to the words we choose when communicating with and about people with a lived and living experience of mental health conditions. We recognise there are a variety of terms people prefer to use, such as 'client', 'consumer', 'patient', 'peer', and 'expert by experience'.

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Foreword

Towards an Integrated and Innovative Mental Health and Wellbeing System for all Victorians.

It gives me great pleasure to present the 2025-26 Victorian Budget Submission on behalf of the Victorian Branch of the Royal Australian and New Zealand College of Psychiatrists (RANZCP). This document has been produced following extensive consultation with Fellows, Authorised Psychiatrists, and Trainee Psychiatrists across Victoria.

In our consultations, we heard of the significant progress made since the Final Report of the Royal Commission into Victoria's Mental Health System (RCVMHS) was handed down in March 2021. However, implementation of mental health reform is a journey of a thousand steps, and it remains incomplete. Cultural change across the system has been uneven. More work is needed now to grow the clinical and peer leadership required to drive reform and improve outcomes for those Victorians with a lived and living experience of mental health conditions or psychological distress.

Workforce challenges persist with many funded positions remaining unfilled. The system does not allow for rapid adoption of innovative and novel forms of treatment, care, and support, including advances in digital health. Services in many parts of the state continue to experience difficulties providing the right treatment, care, and support in the right place and at the right time.

We heard that crisis mental health care is beset by uneven distribution of clinical and non-clinical options within and outside emergency departments. The availability of acute beds in the Eastern and Southern metropolitan regions is not meeting current demand. And finally, needs remain unmet for people with severe mental illness who require secure or other forms of extended care. There are unacceptable delays in accessing appropriate care, and lack of options for rehabilitation and recovery.

Outside hospital, stepped mental healthcare remains inadequately resourced and integrated. The rollout of Mental Health and Wellbeing Locals is incomplete. The impact of those already commissioned is unclear, given the lack of outcome data and the inconsistent implementation of a clinical framework underpinning their operation. The interface with Commonwealth-funded Head to Health and headspace centres has not achieved the integration recommended by the Royal Commission, and the interface with general practice and community health remains unsupported.

We acknowledge that repair of the broken system will take time and will require a long-term investment. Despite the remaining shortcomings, we commend the Victorian government for its commitment to long-term reform. We present this document in good faith, as a contribution to the process of change and with the shared objective of restoring trust in Victoria's mental health system.

Yours sincerely,



A/Prof Simon Stafrace

Chair, RANZCP Victorian Branch Committee

Executive Summary

RANZCP Victorian Branch 2025-2026 Budget Priorities

Rapid technological, demographic, and social changes are increasing the demand for mental health services. The RANZCP Victorian Branch urges that the next phase of mental health reform focus on developing a sustainable workforce and ensuring an accessible, integrated, and innovative system for all Victorians.

We present four priorities for implementation by the Victorian Government.

First, we need to build a skilled, resilient mental health workforce equipped to respond to existing and emerging demand. Continuing lapsing programs that support the training of psychiatrists is an urgent priority. We believe this is essential for addressing [locally identified mental health needs](#) across Victoria. These efforts need to be aligned with the [National Mental Health Workforce Strategy 2022-32](#) and the [Victorian Mental Health and Wellbeing Capability Framework](#).

Second, we urge priority for RCMHS recommendations [11](#) and [12](#). Planning and commissioning must be undertaken in partnership with local communities and their health service networks and primary health networks to ensure the services are responsive to local need. Their implementation would deliver co-designed rehabilitation and recovery focused models of care, in a range of settings. This is particularly crucial for addressing the needs of Victorians experiencing enduring or complex mental health conditions and Alcohol and Other Drugs (AOD) crisis.

Central to this is continuity of person-centred treatment, care, and support, delivered in a person's home and fit-

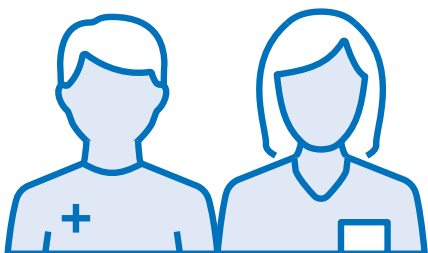
for-purpose community and hospital environments by a specialist workforce. To complement this, we urgently require expanded options for crisis intervention within and beyond the emergency department, by delivering fully on RCMHS recommendations [8](#), [9](#) and [10](#).

Collectively, this investment will address the long-term clinical and social needs of people experiencing enduring and severe mental illness—including housing, social connection, and poverty relief—which are not being met. In addition, it will ease system pressures on the revolving door of emergency hospital presentations and admissions.

Further to this, a clinical framework is essential to inform the clinical treatment, care and support available through Mental Health and Wellbeing Locals to ensure Victorians have access to the best available clinical treatments, including in community settings. These should be embedded in mental health and wellbeing locals and integrated with community services provided by area mental health and wellbeing services.

Finally, the public mental health system must be able to adopt rapidly emerging technological advances and novel treatments that improve outcomes for those with a lived and living experience of mental health conditions, and their experience of treatment, care, and support. This requires academic support for evaluation, research, and professional development to grow workforce capability.

Collectively, these measures will realise a system capable of supporting positive mental health and wellbeing outcomes for all Victorians. We call on the Victorian government to prioritise these actions in the upcoming budget to support meaningful progress in mental health and wellbeing reform.



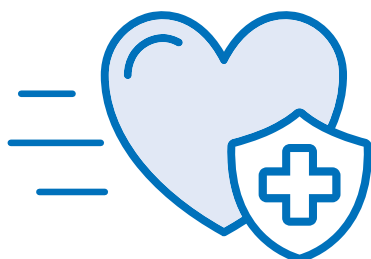
Priority 1:

Workforce – a skilled and resilient workforce, responsive to current and emerging mental health and wellbeing needs of the Victorian community.



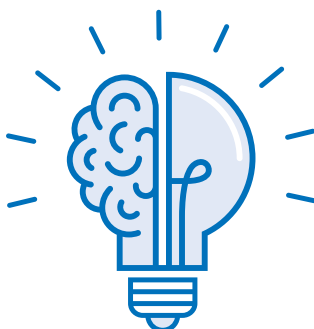
Priority 2:

Build capacity in hospital and rehabilitation services with priority for Victorians experiencing complex and enduring mental illness.



Priority 3:

Integrate emergency mental health and AOD services in health and community services.



Priority 4:

Innovation and translation – improve the mental health and wellbeing outcomes of all Victorians, and their experiences of care.

Priority 1:

Workforce – a skilled and resilient workforce, responsive to current and emerging mental health and wellbeing needs of the Victorian community.

It is essential that Victorians with lived and living experiences of mental health conditions have equitable access to a specialist mental health and wellbeing workforce, including psychiatrists. The specialist workforce has the required capabilities for the delivery of comprehensive treatment, care, and support tailored to the local communities' needs and preferences.

The RANZCP Victorian Branch has welcomed the Victorian Government's commitment to strengthening the psychiatry workforce to improve outcomes for those with lived and living experience of mental health conditions. This commitment includes a significant increase in psychiatry training positions, which have tripled since the COVID pandemic.

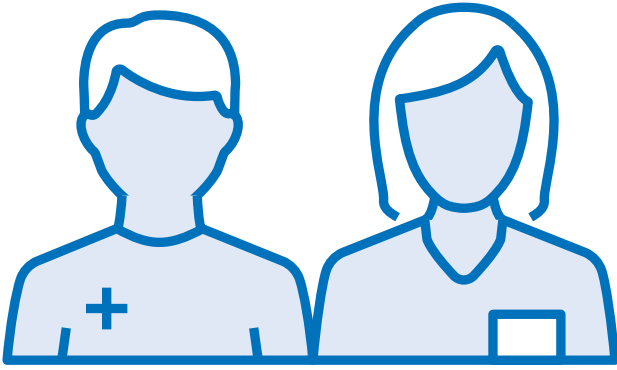
Unfortunately, several programs are lapsing or under-resourced. Sustained and flexible investment to recruit, train, and retain the specialist capabilities of psychiatrists in the public system is crucial. For instance, the expansion of child and adolescent psychiatry (CAP) trainee positions meets basic and advanced training needs, but the funding remains non-recurrent and does not fulfill [recommended training and support requirements](#).

The emergence of trauma-informed care, hospital post-suicide engagement, and Mental Health and Wellbeing Locals will greatly benefit Victorians seeking best available treatment, care and support, and create new opportunities for [advanced training in psychotherapy](#). Psychotherapy is an evidence-based feature of the specialist curriculum; however, further investment is needed to enhance therapeutic capabilities and frameworks to support delivery.

We also need further investment in leadership training to support initiatives based on the [Victorian Psychiatry Leadership Program Framework](#) (the Framework). The Framework was funded by the Victorian Department of Health from 2021 to 2023 and co-designed alongside individuals who have lived experience. This program equips psychiatrists with essential skills for leadership, co-design, and collaboration, thus supporting them to effectively address the mental health needs of the Victorian community throughout ongoing system reform.

Expanding mental health and wellbeing capabilities across Victoria's medical workforce is essential to address the Victorian community's current and evolving needs. Clear guidelines for early intervention and referral pathways to specialist services are crucial, as are a workforce with capabilities to provide community assessment and support. We recommend funding to enable General Practitioners (GPs) to undertake the [RANZCP Certificate of Postgraduate Training in Clinical Psychiatry](#), with priority for regional and outer metro areas. This Certificate equips GPs with the capabilities to better support and reduce the impact of mental health conditions for those with lived and living experiences, including applying principles of prevention and early intervention.

Government action is essential to fulfil the RCMHS Interim Report's recommendation for mandatory psychiatry rotations for all PGY1 and PGY2 doctors. Recent funding cuts have led to fewer available positions, raising concerns about the availability of these rotations for PGY1s and PGY2s in 2025. Additionally, we do not have enough data to accurately assess how many doctors are exposed to psychiatry during their foundational years. We need new targets and funding to ensure the continuation and equitable distribution of these positions across the state, including in regional Victoria.



Priority 1 Government Actions

1. Prioritise funding to support the training and development of psychiatry trainees, and ensure access to experienced supervisors and administrative support for training including:

- continued funding of Director of Training positions to [meet required standards](#):
 - 2.7 FTE Victorian Regional Director of Training and 2.7 FTE administrative support.
 - 1.0 FTE Rural Director of Training and 1.0 FTE administrative support.
 - 1.1 FTE Specialist International Medical Graduate Director of Training and 1.0 FTE administrative support.
- funding Director of Advanced Training (DoAT) positions to expand specialist treatment, care, and support within the public mental health and wellbeing system:
 - 1.2 FTE DoAT Addiction Psychiatry, Adult Psychiatry, Consultation liaison, Forensic, Old Age, Psychotherapy plus 1.2 FTE administrative support.
 - 0.2 FTE DoAT Child and Adolescent and 0.2 FTE administrative support to expand CAP training positions in Area Mental Health and Wellbeing Services.
 - 0.5 FTE DoAT Psychotherapy and 0.5 FTE administrative support to meet expanded psychotherapy capabilities in Mental Health and Wellbeing Locals.

2. Fund training and development programs that build leadership skills including \$600,000 for the Victorian Psychiatry Leadership Development Framework.

3. Support specialist medical workforce planning, strategies, and investments including:

- within the Office of the Chief Psychiatrist, continue funding 0.4 FTE Victorian Psychiatry Training Partnership Director to:
 - maintain and improve partnerships between the Victorian Department of Health, services, specialist training, and workforce.
 - establish a framework for regular monitoring and evaluation of investments.

4. Embed key mental health capabilities across the Victorian health system by funding:

- psychiatry rotations for 70% of Junior Medical Officers
- 0.1-0.2 FTE Psychiatry Supervisors (at specialist or trainee level) to coordinate and support professional development of Junior Medical Officers in each of the 21 area mental health and wellbeing services that provide jobs for JMOs.
- In partnership with the Commonwealth, 10 + GPs across regional and outer metro areas to undertake the [RANZCP Certificate of Postgraduate Training in Clinical Psychiatry](#).



Priority 2:

Build capacity in hospital and rehabilitation services with priority for Victorians experiencing complex and enduring mental illness.

Integrated, person-centred and evidence-based treatment, care, and support must be available to all Victorians, at the right time, and in the right place, near where they live.

The Final Report of the RCMHS describes the functions of community mental health and wellbeing services as including:

- integrated treatment, care and support across four components: treatments and therapies; wellbeing supports; education, peer support and self-help; and care planning and coordination.
- services to help people find and access treatment, care and support.
- support for primary and secondary services through secondary consultation with providers of those services, primary consultation with their consumers, and a formal model of comprehensive shared care.

We believe that work is needed to:

- identify the treatments and therapies that should be delivered by Victoria's mental health and wellbeing services and;
- the models of care and care pathways required to ensure that Victorians experiencing complex and/or enduring mental illness receive evidence-based treatment, care and support.

Psychiatrists are well positioned to support a clinical framework as a result of their training in [trauma-informed assessment and treatment](#), including pharmacotherapy; individual, group and systemic psychotherapy; and neurostimulation treatments, particularly for complex and enduring conditions.

We advocate for investment in a clinical strategy to identify the core evidence-based clinical care that should be provided to Victorians in Mental Health and Wellbeing Locals and Area Mental Health and Wellbeing Services. This should sit alongside a framework for peer and social interventions and will shape the training and professional development provided to Victoria's mental health workforce.

In addition, work is needed to re-design the extended care, rehabilitation, and recovery pathways required by people with severe mental illness and associated disability. The RCMHS reported that [over 200,000 Victorians](#) live with complex and enduring mental illness. For these individuals, inadequate service design and lack of integration with suitable housing and healthcare hits particularly hard with the Final Report noting the public mental health system's struggles to meet their recovery and rehabilitation needs.

We therefore also urge the Victorian government to prioritise the delivery of RCMHS Rec [12](#). Absence of appropriate extended care services leads to social decline, including homelessness, poverty, and social isolation. Repeated interactions with acute hospital and emergency services and the justice system inevitably follow. Delays in accessing appropriate care have a devastating impact on families, carers, supporters, and communities.



Priority 2 Government Actions:

1. Prioritise implementation of RCVMS recommendations (Recs) including:

- Recs [11](#) and [12](#), to support people living with serious and complex mental illness and additionally provide funding to the Victorian Department of Health to:
 - lead a review of current models of care for recovery and rehabilitation delivered across the system.
 - support system-wide benchmarking and implementation of best practice models of care for recovery and rehabilitation.

2. Expand community access to a specialist workforce with recovery-orientated care capabilities, including:

- 1.0 FTE [psychiatric psychotherapist and psychiatric registrar position](#) at each of the Adult and Older Adult Locals and Infant, Child and Youth Area Mental Health and Wellbeing Services.

3. Fund a clinical framework for the delivery of evidence-based clinical treatments provided through integrated models of care and care pathways that:

- focus on local mental health needs and outcome preferences, and are co-designed with those with a lived and living experience of mental health challenges.

- prioritise recovery and rehabilitation, including psychotherapeutic support, supported housing, and extended care models.
- address regional and outer metro disparities and gaps, as well as the intersection of state and Commonwealth services.
- support multidisciplinary team approaches with person-centred, trauma-and rights-based approaches across various settings.
- include an evaluation framework that:
 - prioritises and is driven by outcome measures that evidence the experience of those with a lived and living experience of mental health conditions
 - is undertaken at the local point of care delivery
 - delivers annual reviewing and reporting together with steps for continuous improvement and benchmarking.

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Priority 3:

Integrate emergency mental health and AOD services in health and community services.

Access to evidence-based mental health treatment, care, and support must be available at the right time and in the right place for all Victorians, during mental health and Alcohol and Other Drug (AOD) crises.

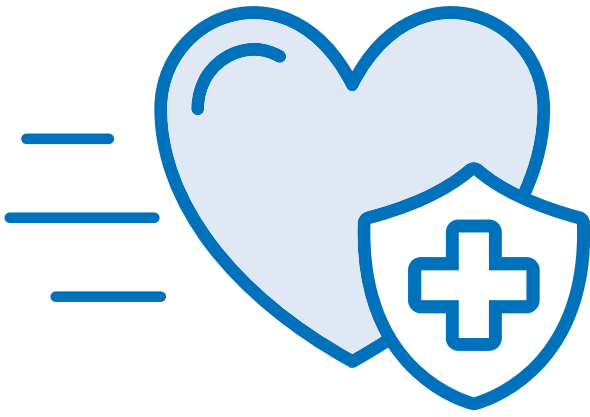
The Victorian community requires a more integrated and effective response to crises, including support for recovery within their community, with a priority on addressing the needs of those with complex and enduring mental health issues. In many regions, an emergency department, ambulance, or police response is the only option. When these are not designed to meet those individuals' needs or are not suitably integrated with community services, the risk of re-traumatisation increases, and hope for recovery diminishes.

The RANZCP Victorian Branch therefore recommends further investment to deliver RCVMHS Rec [8](#), [9](#) and [10](#) in full, to ensure alternatives to emergency departments and to strengthen recovery pathways. We further advocate for these services to be co-located with Area Mental Health and Wellbeing Services statewide, or provided by partnerships with those services. Consistent access to Hospital in the Home across all areas and age groups is also essential.

This investment will help alleviate the pressure of frequent hospital admissions that occur when the long-term clinical and social needs of individuals with severe mental illness—such as housing, social connection, and poverty relief—are not met.

As an individual moves from crisis to recovery or, where a crisis is imminent, Victorian services including [urgent care clinics](#), short-stay crisis units and community [adult specialist mental health services](#) can offer treatment and support outside of hospitals or emergency departments. Short-stay crisis units including Psychiatric Assessment & Planning Units (PAPUs) have demonstrated a [reduction in restrictive practices and improvement of follow-up care](#), relieving pressure on inpatient facilities and mitigating the negative impacts of long waits in emergency departments.

This action will additionally require the Victorian Government to implement transparent bed modelling and invest in additional beds, while expanding community mental health and AOD crisis services that respond to local community needs. Investment in mental health and crisis addiction services must integrate recovery and rehabilitation pathways, to bridge immediate crisis care with ongoing community support for individuals facing acute crises and enduring conditions.



Priority 3 Government Actions:

1. Implement RCMHS recommendations [8](#), [9](#) and [10](#), including:

- ensuring crisis mental health and AOD services are:
 - co-located with Area Mental Health and Wellbeing Services or Mental Health and Wellbeing Locals.
 - resourced to deliver best available treatment, care and support for people experiencing mental health or AOD crises, including specialist mental health clinicians and peer workers.
- urgently and transparently undertaking statewide mental health bed modelling and:
 - benchmarking for equity and access.
 - investment in beds according to identified local needs, in line also with the [Statewide Plan](#).
- an evaluation framework that:
 - prioritises, and is driven by, outcome measures that evidence the experience of those with a lived and living experience of mental health conditions.
 - is undertaken at the local point of care delivery.
 - delivers annual reviewing and reporting together with steps for continuous improvement and benchmarking.

2. Evaluate and expand capabilities of existing services that provide alternatives to emergency departments and support recovery and rehabilitation for those with severe mental illness, or requiring secure or other forms of extended care, including:

- [urgent care clinics](#)
- [short-stay crisis units](#)
- [adult specialist mental health services](#)
- [secure extended care facilities](#)

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Priority 4:

Innovation and translation – improve the mental health and wellbeing outcomes of all Victorians, and their experiences of care.

The reality for too many Victorians is limited availability, long wait times and high costs for evidence-based mental health treatment, care, and support. This pinches hardest in regional and outer metro areas. [Equitable access](#) to quality mental health treatment, care and support – together with empowerment of Victorian communities to [identify local mental health and wellbeing needs](#) – are essential for person-centred service planning.

Urgently required are innovative solutions with flexible and sustained resourcing to support emerging technologies and novel treatments that enhance the outcomes and care experiences, currently unavailable or unaffordable equitably to the Victorian community. This includes academic support for evaluation, research, and workforce development. Such advancements should be co-designed with local communities, service providers, and stakeholders in collaboration with the Department of Health.

In Victoria, innovative mental health treatment services are emerging, but mechanisms to support their integration into and across the public system are lacking. Around [9.3 per cent of Australians](#) suffer from some form of depression and [24.5% of Victorian adults](#) reported a diagnosis of depression or anxiety. The [Advanced Interventions in Mood Disorders \(AIM\) Clinic](#) is a unique service at the Royal Melbourne Hospital that specialises in advanced interventions for severe mood disorders. AIM offers treatment to alleviate depressive symptoms for those individuals whose experience is unresponsive to traditional therapies, as part of a broader research initiative aimed at better understanding its effects.

Investment in community-based services would deliver Victorians timely access to affordable evidence-based assessment and treatment, in addition to advancing workforce training and supporting research to improve local and statewide mental health outcomes. The RANZCP Victorian Branch recommends prioritising investment in ambulatory clinics and services within local communities and Area Mental Health Services to address unmet mental health needs such as anxiety, depression, attention deficit hyperactivity disorder (ADHD), trauma-related disorders and addiction services.

Integration of digital technology and artificial intelligence in mental healthcare has the potential to greatly benefit outcomes in the Victorian public mental health and wellbeing system. Benefits include enabling clinicians to spend more time in therapeutic partnerships with consumers and carers, to collaborate with the multidisciplinary team, and in training and development. Beyond this, there is potential to enhance clinical insights; for example, allowing for analysis of large datasets of population, service or consumer and carer data to offer the Victorian community treatment, care, and support that meets their needs and preferences.

Gains in productivity are reported in private health settings piloting medical transcription and decision-support technologies. Initially, we recommend funding projects that clarify processes for adoption of digital technologies in mental health settings, to ensure the workforce can contribute to the safe, efficient, ethical, and effective use of these technologies. To assure the public of the therapeutic benefit and safety and security of technologies, all future policies, strategies, and evaluations should involve insights from people with lived experience working with psychiatrists and other clinicians.



Priority 4 Government Actions:

1. Prioritise investment in equitable access to novel specialist mental health treatments that addresses complex mental health needs by:

- funding ambulatory clinics offering clinical treatments for ADHD, anxiety, depression (including access to TMS), trauma-related disorders, addiction services and other locally identified mental health needs.
- ensuring these clinics provide access to clinical treatments including pharmacotherapy, psychotherapy and neuromodulation, as well as psychosocial and peer support.

2. Support clinical innovation and integration through:

- co-locating with partnerships of Area and Local Mental Health and Wellbeing Services with a focus on locally identified mental health needs and outcome preferences.
- ensuring services are co-designed with those with a lived and living experience of mental health challenges.
- advancing partnerships between Area Mental Health Services and tertiary academic institutions to engage research for continuous improvement and provide novel interventions.

- providing training and development opportunities that equip professionals with skills for specialist treatment, care, support, innovation and research.
- delivering an evaluation framework to ensure intended goals, benchmarking, and actionable steps for continuous improvement.

3. Invest in digital health and AI technologies that enhance productivity through:

- developing a framework that evaluates and assesses tools on effectiveness, security, and ethical use.
- adopting technology to manage administrative tasks and support consultations, collaboration, and clinical decision-making.
- funding the Victorian Collaborative Centre for Mental Health and Wellbeing to research the safe adoption of digital technologies that improve treatment precision and fidelity and enhance patient outcomes in mental healthcare.

