The Social and Economic Benefits of Improving Mental Health

Neighbourhood Houses Victoria response to the Productivity Commission Inquiry

April 2019
Questions on specific health concerns

Should there be any changes to mental illness prevention and early intervention by healthcare providers? If so, what changes do you propose and to what extent would this reduce the prevalence and/or severity of mental illness? What is the supporting evidence and what would be some of the other benefits and costs?

At the broader population level, more can be done to facilitate the engagement of individuals at risk of experiencing mental ill health in meaningful and inclusive activities that strengthen their sense of connection, wellbeing, independence and confidence. The Neighbourhood House sector in Victoria has a track record of achieving strong social inclusion outcomes but operates with significant capacity constraints. With 90% of Victoria’s Neighbourhood Houses funded at less than full time with the majority funded for just 25 hours per week of coordination, there is significant potential to increase activities that strengthen mental health and wellbeing with relatively modest investment. A recent Deloitte Access Economics evaluation\(^1\) of a Neighbourhood House in Victoria demonstrated a 4.5-fold return on investment with the majority occurring in the benefits of social inclusion and improved well-being. This is discussed in more detail below.

Questions on health workforce and informal carers

How could training and continuing professional development be improved for health professionals and peer workers caring for people with a mental illness? What can be done to increase its take up?

Improving social inclusion requires investment in skills for non-health professionals whose ability to work effectively with people at risk of or experiencing mental ill health can determine the success or otherwise of their participation. While workers such as Neighbourhood House staff do not provide a direct caring role, the quality of their

interactions, their attitudes and actions all impact on vulnerable participants such as those experiencing mental illness. Neighbourhood Houses have expressed a desire for training on working with people with mental illness as this cohort are appropriately attracted to the non-judgemental and accessible nature of Neighbourhood Houses.

In addition, Neighbourhood Houses often refer people to other services and need to be able to identify people at risk and refer appropriately. Understanding mental ill health, including major psychiatric illnesses and their impacts as well as mental health and first aid type training is an example of what would be beneficial.

The cost, time involved and availability of training remains a barrier in an environment where there are many and diverse training needs. Training needs to be free or affordable, locally available including in rural areas and carefully timed to optimise attendance. This is best achieved by allowing for local control of the timing. For example, the Neighbourhood House sector is organised into Networks that can plan and schedule this kind of training around other events that impact the Neighbourhood House workforce.

Questions on social participation and inclusion

In what ways are governments (at any level) seeking to improve mental health by encouraging social participation and inclusion? What evidence is there that public investments in social participation and inclusion are delivering benefits that outweigh the costs?

The Victorian state government through the Dept. of Health and Human service provides Neighbourhood House Coordination Program funding for the coordination of about 400 Neighbourhood Houses across Victoria. The program is a community development program enabling each locally managed Neighbourhood House to determine and address their community’s needs.

However, the program funds coordination and not the provision of activities.

While the program does not specifically target people with mental ill health, the Neighbourhood House Coordination Program (NHCP) provides funding to neighbourhood houses... to:
“support the provision of community development programs and activities that lead to community strengthening outcomes by:

- supporting diversity and promoting community participation and inclusion
- facilitating community development and capacity building in support of individuals and groups within communities
- supporting lifelong learning opportunities for people to improve their access to training and employment pathways

The program requires Neighbourhood Houses to:

“promote participation in the neighbourhood house program and activities by diverse community groups and individuals”²

In addition, the Neighbourhood House Sector Principles, which are incorporated in the Guidelines, include community participation, access and equity as well as inclusion among other principles that contribute to creating a space that is accessible and comfortable for people with experience of mental ill health.

However, while the Victorian government continues to invest and indeed increase its investment, the indexation applied to funding rate has failed to offset the effects of CPI increases and Fair Work’s community sector Equal Remuneration Order. This has created an effective 10% cut to the value of the grant rate since 2012. This in tum impacts Neighbourhood Houses’ ability to operate within budgets.

Unsurprisingly, given the funding model, Neighbourhood Houses predominantly provide activities that come with their own funding such as childcare, adult education and training, health programs, community transport, events etc as well as supporting other community and self-help groups.

In 2017, there were over 190,000 visits to Victorian Neighbourhood Houses each week with participation increasing by 24% over the last 5 years. The cost per visit to the NHCP in 2017 was $2.73³

A 2018 Deloitte Access Economics report⁴ examining Morwell Neighbourhood House estimated the quality of life gain associated with improved social capital at $393,762

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for 188 participants engaged in activities in 2017 that were likely to assist them in building and maintaining social relationships.

The report identified a further $39,407 in value of further social participation and improvements to mental health that were unable to be calculated due to lack of existing valuing frameworks. The total calculable community benefit from all Morwell Neighbourhood House activity was estimated at around $600,000 while total income for the Neighbourhood House for 2016/17 was under $140,000.

This evidence suggests leveraging local community organisations focused on social inclusion, such as Neighbourhood Houses, is a cost-effective way to increase social inclusion overall with its related mental health benefits and can benefit people with mental health issues. This capacity could be significantly improved by directly funding ongoing and flexible programs/activities targeting people experiencing or at risk of mental ill health similar to the UKs Building Connections Fund⁵.

The personal and economic costs of social isolation are gaining prominence internationally. Research has shown that loneliness cost UK employers £2.5 billion annually⁶ and, in the US, the additional cost to the health system of loneliness amongst older Americans alone was US$6.7 billion⁷. According to research by Holt-Lunstad, Robles, & Sbarra, (2017), ‘feeling socially connected to the people in one’s life is associated with decreased risk for all-cause mortality as well as a range of disease morbidities’.

Given the stronger correlation with loneliness for people experiencing mental ill health, the causal relationship between loneliness and mental and physical ill health and the costs of subsequent interventions and economic loss, programs to support and expand inclusion such as those run by Neighbourhood Houses should provide a net cost benefit.

⁵ https://www.tnlcommunityfund.org.uk/funding/programmes/building-connections-fund#section-1
⁷ https://www.aarp.org/content/dam/aarp/ppi/2017/10/medicare-spends-more-on-socially-isolated-older-adults.pdf
What role do non-government organisations play in supporting mental health through social inclusion and participation, and what more should they do?

Neighbourhood Houses are experts in social inclusion, supporting people with mental ill health alongside others in the community to participate socially, in learning and in some cases transitions to employment. This is almost entirely done without health or mental health funding.

While Neighbourhood Houses do not collect data on people with mental health issues specifically, a 2017 survey of over 47,700 Neighbourhood House participants found that:

- 21% of respondents identified as having a disability or long-term impairment
- The most commonly identified benefits of attending a Neighbourhood House were spending time with other people (47%) or meeting new people/make new friends (40%) with 57% of all respondents identifying one or both of these benefits.
- For the 21% who identified as having a disability or long term impairment, 56% identified spending time with other people (47%) or meeting new people/make new friends (45%) with 65% of all respondents identifying one or both of these benefits.
- 34% of all respondents and 44% of respondents with a disability or long-term impairment identified improved wellbeing/confidence as a benefit of attending.
- More than half (52%) had a healthcare or concession card, compared with 23.7% of the Victorian population as a whole. Non-age pension concession cardholders were represented at more than double the background population rate.
- 24% of respondents who attended to volunteer or who were on a student placement (n=974) identified as having a disability and 65% of these were aged 20-64.

This 2017 survey findings are consistent with findings from a 2013 survey which had over 46,500 responses from Neighbourhood House participants.

46% of Neighbourhood Houses reported running activities determined by people with mental health issues. Through the NHCP, Neighbourhood Houses can source and utilise a range of funding streams to develop activities that foster mental wellbeing and support people including those who experience mental ill health. The activities

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8 Unpublished survey data
are predominantly aimed at the broad community however there is an emphasis on social inclusion for those who experience disadvantage or isolation.

Activities include adult education, both accredited and pre-accredited which can lead to employment outcomes. For example, the Mindworks program\textsuperscript{11} at Farnham Street Neighbourhood Learning Centre provides training in employability skills and has led to employment for some participants.

The most common Victorian Neighbourhood House activities include:

- Health and wellbeing courses (e.g. walking, yoga, exercise, social connection, recreational etc.)
- Pre-accredited/Non-accredited adult education & training
- Art & Craft
- Accredited vocational education & training
- Computer training/digital literacy
- Childcare
- English as a second language (ESL) training/English conversation
- Children's activities (5-12)
- Senior's Groups (60+)
- Life Skills programs & courses
- Self-help groups
- Children’s activities (under 5)
- Play Groups
- Community Lunches/Social Eating Groups
- Alternative to school programs (VCAL, etc.)\textsuperscript{12}

The generalist, informal and localised nature of Neighbourhood Houses creates a space where people from all backgrounds can gather, creating what is termed bridging capital in Social Capital Theory and breaking down barriers between groups.

Other key factors contributing to the success of Neighbourhood Houses in the practice of social inclusion, are:

- the ongoing nature of the NHCP, allowing time to develop strong positive relationships and trust as well as deep connection in the community

- The generalist nature of the program’s core funding allowing the development of diverse activities not limited to specific cohorts
- Flexibility to target specific cohorts where required and respond quickly to emerging issues or ideas

\textsuperscript{11} \url{http://farnhamst.fsnlc.net/online/courses/life-skills}
\textsuperscript{12} \url{https://www.nhvic.org.au/documents/item/747}
• A diverse and responsive mix of programs and activities

However, there are limiting factors that undermine or cap the ability of the sector to do more such as:

• The part time nature of the core Neighbourhood House funding
• The lack of sustainable ongoing activity or program funding to support inclusion
• The predominantly one-off nature of existing funding opportunities
• The cost, availability and time required for training, challenging in rural areas.

Investing in flexible and enduring program-based funding like the UK’s Building Connections Fund\(^\text{13}\) as well as training in working with people experiencing mental ill health for inclusion focused organisations such as Neighbourhood Houses would strengthen organisational capacity and social inclusion outcomes.

Recent research conducted as part of the Victoria ALIVE project\(^\text{14}\) has shown organisations require better access to training and that they particularly want training in facilitating inclusion for people with mental health issues.

While there is capacity for training through the NDIA, tier 1 and 2 level program grants are currently not flexible enough to provide for programming that facilitates inclusion in an ongoing way.

**Are there particular population sub-groups that are more at risk of mental ill-health due to inadequate social participation and inclusion? What, if anything, should be done to specifically target those groups?**

Neighbourhood Houses target programs at a number of cohorts that may be at risk of mental illness. These include:

• senior Victorians (60+)
• people with a disability
• men aged 45-64
• people with mental health issues
• young people (13-25)
• single parents
• public housing tenants
• CALD communities
• Aborigines and/or Torres Strait Islanders
• teenage parents

\(^{13}\) https://www.tnlcommunityfund.org.uk/funding/programmes/building-connections-fund#section-1

• gay, lesbian, bisexual and/or transgender people
• Refugees/Asylum Seekers\textsuperscript{15}

In addition, some Neighbourhood Houses report other vulnerable cohorts including:

• people from some CALD backgrounds where their culture doesn’t recognise Mental Illness (often people are rejected by their communities e.g. they may be seen as being possessed by evil spirits).
• People who are homeless or in transitional housing, those who have recently exited the Prison system.
• People with drug and alcohol issues.

Support workers in the above areas are usually aware that their clients have mental illnesses but have difficulty connecting them to services due to their precarious housing situations.

 Strengthening relationships and referral processes between housing and mental health organisations and inclusion organisations such as Neighbourhood Houses will help to support specific clients.

Working with distinct cohorts can require additional training. Addressing the cost and time commitment required would assist in increasing reach into these and other vulnerable groups.

Questions on education and training

Do students in all levels of education and training have access to adequate mental health-related support and education? If not, what are the gaps?

A recent NCVER report\textsuperscript{16} shows Adult Community Education providers have better employment and further education outcomes for learners that are not already in employment or education at the time of enrolment than other vocational education provider types including TAFE, Universities and private VET providers.

In Victoria, about half of these Adult Community Education (ACE) providers, also known as Learn Local providers that are Registered Training Organisations (RTOs) are

\textsuperscript{15} https://www.nhvic.org.au/documents/item/747
Neighbourhood Houses. They have significant expertise in supporting people with a range of challenges to achieve vocational training outcomes. Many of these courses are in accredited foundation skills that prepare learners for further education however many of these providers also deliver accredited vocational qualifications. These can be delivered in informal and supportive environments that are more accessible to people who experience anxiety and stigmatisation.

From 2012 to 2017, the number of these ACE providers declined significantly with a 40% reduction of Neighbourhood House RTOs in Victoria.¹⁷

There are structural impediments in the VET system for people with mental illness. For example, providers consistently report that the contractual arrangements in Victoria require them to withdraw student from their course where they are unable to participate for a period, e.g. due to episodic ill health rather than to suspend the enrolment. Students need to reenrol and start again when they are well enough.

Furthermore, the funding regime has effectively made provision of Certificate I and II qualifications unviable. While courses at these levels have limited value from an industry perspective, they are a valuable tool for providing vocationally focused training while bridging the gap between preparatory training such as foundation skills for learners who have had incomplete or unsatisfactory schooling and post-secondary education.

Victoria has been trialling a more comprehensive approach to support disadvantaged learners through the Skills First Reconnect Program where providers are funded to:

- undertake outreach and engagement activities to locate, engage and attract disengaged, high-needs learners back into a learning environment
- assess the learning and non-learning needs of Reconnect participants and develop an agreed learning plan to transition participants to further training or employment
- coordinate and provide access to support services that help participants start and stay in training.

This allows for the provision of comprehensive supports beyond the purely educational, effectively removing the departmental silos that exist between education and human services. Consequently, this program can better support people with mental health issues. Some Reconnect models include provision of casework to ensure barriers to

participation in all areas of learners’ lives are mitigated as much as is possible. Anecdotally the program is producing positive outcomes and provides a potential model for wider adoption.

In addition to accredited training, around half of Victoria’s 400 funded Neighbourhood Houses were providers of pre-accredited education funded through the Adult Community and Further Education Board. These Learn Local providers are required to target the most educationally disadvantaged, including cohorts that are more likely to experience or be at risk of experiencing mental ill health, and initiate vocational and/or employment pathways for them. The priority cohorts in 2017 include:

- Women, including young mothers, women seeking to re-enter the workforce after significant time away and women who have experienced or are experiencing family violence
- People in low socio-economic status localities
- Early school leavers
- Indigenous people
- Low skilled and vulnerable workers
- Unemployed/underemployed people
- People from a culturally or linguistically diverse background
- People with a disability
- Young people who may be at risk of disengaging or who may have already disengaged from the community and/or education

According to a Deloitte Access Economics report\textsuperscript{19}, 82\% of the 24,600 unique learners enrolled experience in pre-accredited training in 2016 were in at least 2 cohorts and 54 \% belonged to three cohorts. Ninety percent of learners were in a priority cohort excluding a general female cohort.

Despite these challenges learners who transition to accredited training attain their qualifications at higher rates compared to the average Victorian VET student. Twenty-nine percent of learners transition into accredited training, with 64\% of those directly attaining a qualification and an additional 14\% indirectly attaining a qualification. The average Victorian VET completion rate is only 47.3\%\textsuperscript{20}.


\textsuperscript{20} https://www.education.vic.gov.au/Documents/about/programs/adult-learners-paper.PDF
Like accredited training, the funding model for these learners is based on Student Contact Hours and does not provide funding to support these learners. Providers consistently report that providing funding to support their participation would improve these outcomes. However, except for those involved in Skills First Reconnect programs, departmental funding silos effectively obstruct a more effective, whole of person approach to adult education.

Again, the provision of flexible and ongoing program funding could be effective in improving these educational and vocational outcomes.

How effective are mental health-related supports and programs in Australian education and training settings in providing support to students? How effective are programs in educating staff, students and families, on mental health and wellbeing? What interventions are most effective? What evidence exists to support your assessment?

Our feedback suggests there is much more recognition of mental health in adult education and training settings now than in the past and there have been numerous workshops and webinars on dealing with students with mental health issues. Educating teachers is viewed as very important and developing strong relationships with mental health agencies and workers within those agencies is vital. These agencies need to have the capacity to provide meaningful assistance. These relationships with service providers are particularly significant where interventions to support both learning and broader wellbeing are required.

**Do teachers and other staff in schools and education facilities receive sufficient training on student mental health? Do they receive sufficient support and advice, including on the quality and suitability of different approaches, to adequately support students with mental ill-health?**

There probably needs to be more training on student mental health as it is such a complex area. Mental illness is a specialised field and teachers can only be supported in this area as they are not professionals. More support will lead to better outcomes for the student, as well as other students and staff members. Support services have limited capacity to provide this kind of support.
Mentally healthy workplaces

What are some practical ways that workplaces could be more flexible for carers of people with a mental illness? What examples are there of best practice and innovation by employers?

Neighbourhood House Victoria practices recognise the value of maintaining skilled workers with carer duties and the episodic nature of much mental illness. Flexible approaches adopted by NHVic include:

- Reducing carers working hours by negotiation thereby retaining continuity of employment
- Provision of leave without pay
- Providing flexible hours
- Enabling work from home
- Up to 21 days per year of personal leave

Improved technology allows for much work in our sector to be done remotely and out of hours, though this clearly depends on the nature of the role. Neighbourhood House Victoria has adopted systems that allow for this flexibility.

For the Neighbourhood House sector, NHVic has worked with Jobs Australia and three unions to negotiate a sector wide collective agreement with personal leave provisions above the National Employment Standards as follows:

- During the first year of service, one working day for each month of service;
- During the second, third and fourth years of service, fourteen working days in each year; and
- Thereafter 21 working days in each year.

Despite these more generous provisions which have been in place for over a decade, absenteeism is not raised as an issue during consultations associated with renegotiation of the agreement.

In NHVic’ experience, these provisions have been invaluable for at least one staff member needing to take on extended carer duties due to mental ill health of a family member. Otherwise, it is rare for staff to use all their personal leave entitlement.

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What role do industry associations, professional groups, governments and other parties currently play in supporting small businesses and other employers to make their workplaces mentally healthy? What more should they do?

Governments could, as a minimum, ensure that the sectors they fund are funded at levels that ensure the work can be reasonably done within the allocated funding and allow for the purchase of services to ensure that the contracted workforce has access to mental health assistance. The Neighbourhood House sector works at the frontline fielding disclosures of family violence, suicidality and other personal traumas or life stresses. Yet the core funding does not include or allow for access to professional supervision or employee assistance schemes.

What differences between sectors or industries should the Commission take account of in considering the scope for employers to make their workplaces more mentally healthy?

Exposure to trauma and suffering, both physical and mental, including direct and indirect creates additional risks. This is a recognised feature of several sectors including health, emergency services and welfare sectors but also impacts the Neighbourhood House sector. While causal factors have not been established, a 2016 survey of 382 Neighbourhood Houses found 34% of coordinators (managers) were reported to have been in the role for 2 years or less and 62% were in role for 5 years or less\textsuperscript{22}. This compared to 35% and 58% respectively in 2014\textsuperscript{23}. Overall this reflects reflectively high turnover of staff imposing a significant cost burden on Neighbourhood Houses and lost productivity and outcomes for the communities they operate in.

\textsuperscript{22} https://www.nhvic.org.au/documents/item/588
\textsuperscript{23} Unpublished Neighbourhood Houses 2014 Survey data
Questions on regulation of workplace health and safety

What, if any, changes do you recommend to workplace health and safety laws and regulations to improve mental health in workplaces? What evidence is there that the benefits would outweigh the costs?

Eighty-six percent of Victorian Neighbourhood Houses are managed by incorporated associations whose committees take on the legal obligations associated with employment. They are generally small employers. In that context, the biggest challenges are more about prevention than legal remedy. There is no structural mechanism for ensuring that committees understand what workplace bullying and harassment looks like in practice and what their obligations to employees are. This is made more challenging by the inevitable change in committee membership over time. Furthermore, when issues or concerns arise, access to early mediation could avert more serious escalations that adversely affect employee mental health.

Workplace health and safety campaigns tend to focus on physical injury or sexual harassment. Bullying behaviours leading to adverse mental health impacts are less prevalent in campaigns and may be less recognisable as such by some employers. Assuming that the issues affecting the Neighbourhood House sector would be experienced in many other sectors and businesses where HR expertise is not available, there is room for ongoing educational campaigns around the many faces of bullying and harassment. In addition, Fair Work requires provision of a Fair Work Information Statement to all employees. The statement contains no information on what constitutes bullying or harassment or employees’ rights and protections other than protection from discrimination and adverse action.

If employers and employees were better informed of their rights and obligations, and early mediation was available, incidents of adverse mental health outcomes related to bullying and harassment may decline.

What workplace characteristics increase the risk of mental ill-health among employees, and how should these risks be addressed by regulators and/or employers?

In the Neighbourhood House sector, the following are workplace mental ill health risk factors:

- exposure to trauma and distress
- excessive workload and inadequate core funding
- unequal power relationships between employer and employee
- limited capacity of committees of management to maintain currency around workplace law and regulations.

Mitigation of these risks is best achieved by increasing organisational capacity and funding shortfalls, including for professional supervision, rather than regulatory means.

Questions on funding arrangements

Can you provide specific examples of sub-optimal policy outcomes that result from any problems with existing funding arrangements?

Failure to invest in community wide generalist programs and activities has reduced the available points of engagement for people with mental health and other barriers to social and economic participation. For example, Neighbourhood Houses report that the narrowing of funding criteria for pre-accredited training to programs with direct further education or employment outcomes has meant they have cut activities that were essential for initial engagement of vulnerable community members. Many rural Victorian Neighbourhood Houses have ceased pre-accredited training altogether. Perversely, these less vocationally oriented programs were often the entry point for vulnerable Victorians such as those experiencing or at risk of mental ill health, who could then gain confidence and move into other forms of community participation, training, volunteering or employment.

Access to flexible program funding, and particularly ongoing program funding has been identified as limiting volunteering opportunities in recent work on volunteering for people with disability.
How could funding arrangements be reformed to better incentivise service providers to deliver good outcomes, and facilitate coordination between government agencies and across tiers of government?

From the perspective of social inclusion, the UK’s Loneliness Strategy26 and Civil Society Strategy provide examples of frameworks that can work across government departments. The Bracks Government in Victoria also had a Department for Victorian Communities and subsequently a Department for Planning and Community Development. There are currently proposals for an Australian Loneliness Ministry.

In each case, there is capacity through these structures to identify gaps created by existing government silos and invest directly in solutions such as the £11.5 million Building Connections Fund27 resulting from the UK’s Loneliness Inclusion Strategy. Funded activities in that program include “expanding existing programmes that harness sport, arts or music as a way to encourage people to establish lasting and meaningful friendships with those who have similar hobbies and interests”.

Essential to the success of such a funding strategy is ensuring that local, trusted, community run universal organisations with strong credentials in catering for diversity are the direct recipients of funding. These organisations are highly efficient and able to deliver significant returns on investment (see above) due to their local community connection, volunteer involvement, and generally have strong partnerships with other organisations. Victorian Neighbourhood Houses for example, have an average of 9.4 active partnerships in any given month28.

Importantly, these types of programs break down stigma as other community members are exposed to people with mental ill health in an ongoing way. People learn about each other leading to greater acceptance.

What government services and payments beyond those directly targeted at mental health should this inquiry seek to quantify, and how should this be done?

The work done by Deloitte Access Economics\textsuperscript{29} provides some quantification allowing for some understanding of the value gained from the investment in a single Neighbourhood House. With over 1000 Neighbourhood Houses across Australia, and almost 9 Million visits to Victorian Neighbourhood Houses in 2017, quantifying the national investment and its contribution to mental wellbeing may be worthwhile. While there are many other organisation types that focus on social inclusion, such as Men’s Sheds, the scale and specific recurrent grants underpinning the Neighbourhood House sector, together with existing sector data, allows for work to better quantify and evaluate government contribution to social inclusion and its outcomes. That work could guide investment decisions aimed at increasing community inclusion for people with or at risk of mental ill health.