

2026-27

Victorian State Budget

Public Accounts and Estimates
Committee

Ingrid Stitt MP
Minister for Mental Health

OFFICIAL



VICTORIA
State
Government

Department
of Health



Acknowledgment

TITLE

Bayi Dha-ang: Walk Strong
(Dhudhuroa language)

ARTIST ACKNOWLEDGEMENT

Bitja (Dixon Patten Jnr)
Baylia Creative

TRIBES

Gunnai, Yorta Yorta, Gunditjmara,
Dhudhuroa/Jaithmathang, Djab Wurrung, Wemba
Wemba, Wadi Wadi, Barapa Barapa, Monero,
Wadawurrung.

State Budget 26-27 funding overview

We are continuing to invest in a system that makes care easier to access and helps ease cost of living pressures.

The 2026–27 Budget maintains free and accessible services, strengthens frontline supports and expands care closer to home for Victorians.



\$250m

invested to support Victoria's mental health and wellbeing system

\$94.3m

invested in alcohol and other drug services

\$10m

boost to the MH and AOD Capital Renewal Fund

Achievements in the past year

In the past year we have opened new services, and continued to reform our mental health and wellbeing and AOD service systems:

-  Established the **Victorian Pill Testing Service** that has tested over **5,800** samples
-  Added **7 new Mental Health and Wellbeing Locals** to the network, which has supported over **41,000 Victorians**
-  Established **Parkville Youth Mental Health and Wellbeing Service**
-  Major upgrades completed at **21 Mental Health Intensive Care Areas**
-  Opened and upgraded **Youth Prevention & Recovery Care Units** in Heidelberg, Traralgon and Frankston
-  Launched **Victoria's Distress Support Service trial** across two locations
-  Achieved a **33% increase** in the public mental health workforce since 2021
-  15 community-led projects funded through the **Healthy Equal Youth grants**
-  Opened **2 new mental health and AOD ED hubs**
-  Commenced an expansion of the **Community Forensic Youth Mental Health Service** to support at-risk youth
-  Launched strategies to guide mental health and AOD reforms:
 - ***Diverse Communities Mental Health and Wellbeing Framework 2025–2035***
 - ***Wellbeing in Victoria 2025–35***
 - ***Victorian Alcohol and Other Drugs Strategy 2025-35***

Investing in Mental Health and Wellbeing

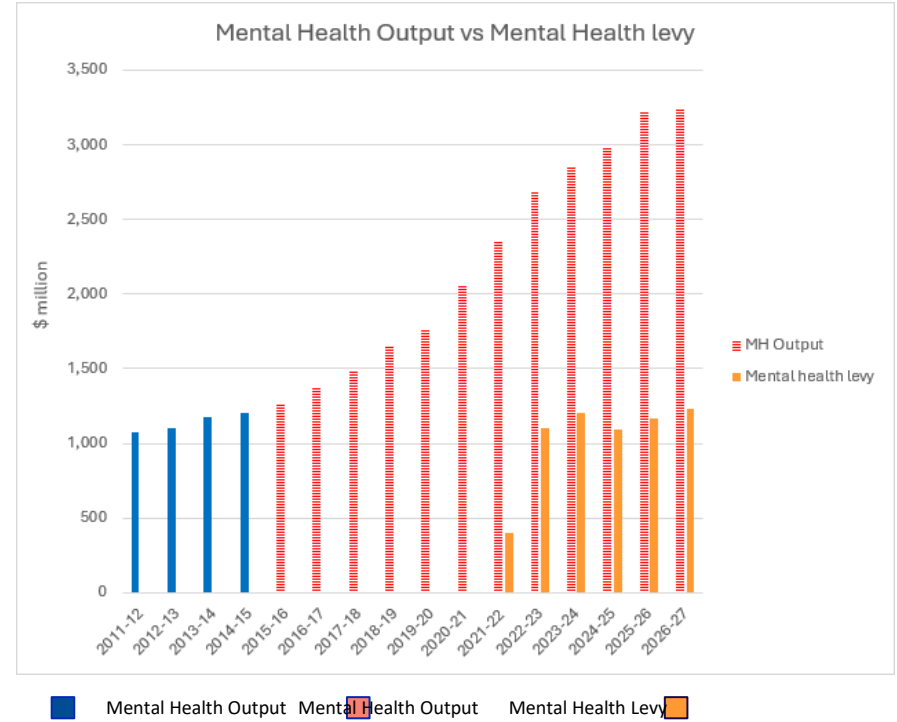
The Mental Health and Wellbeing levy is expected to raise \$1.2 billion in 2026-27.

Introduced in 2021-22, the Mental Health and Wellbeing Levy provides dedicated funding to Victoria's mental health and wellbeing system.

The levy has supported:

- New services and beds, contributing to a 21% increase in registered mental health consumers
- Lived and living experience workforce growth
- A significant increase to community mental health and wellbeing service hours
- Suicide prevention and response activities

**Victorian Budget Papers, 2011-12 to 2026-27
Victoria Annual Financial Reports 2021-22 to 2023-24*



2026-27 Budget Outcomes

Expanding bed-based mental health care

\$154.8 million to support continued operation and establish new acute beds:



40 new forensic mental health beds at Thomas Embling Hospital



Establish **10 new Hospital In The Home beds** at Monash Health



Continue operation of **19 Hospital In The Home beds** at Barwon Health and Parkville Youth Mental Health and Wellbeing Service



Maintaining care in the community

\$10 million to support Victorians close to home:

- Continue the Youth Outreach Recovery Service, and the Group-Based Parenting and Be Well in the Ranges programs.

\$4.9 million for expanded reach of Mental Health and Wellbeing Locals to support bushfire affected communities

\$4.9 million invested in the continuation of Mental Health and Wellbeing Hubs and the Statewide Intake Hotline and Wellbeing Support Program



Additional Mental Health investments



\$13.2m

for The Nest to improve mental health and wellbeing for Aboriginal children and families

\$6.5m

investment in suicide prevention and aftercare services

\$5.5m

to improve Victoria's mental health crisis response, including outreach and telehealth services

\$3.5m

to support the operations of the Mental Health Tribunal

\$0.8m

to support diverse and marginalised communities

\$1m

to support local crime prevention initiatives through the Violence Reduction Unit



Mental health workforce growth

Investing over **\$44.9 million** in training and development, including:

- Psychology registrar program
- Junior Medical Officer psychiatry rotations program
- Psychiatry registrar training and supports program

33 per cent growth in FTE in public mental health and wellbeing services and a **125 per cent increase** in the lived and living experience workforce, since 2021.

Alcohol and Other Drugs

\$32.3 million for the sustainability of AOD services and programs including:

Reducing drug harms

- Expanded outreach and low-dose Methadone trial

Maintaining critical service delivery

- Pharmacotherapy, Take Home Naloxone and Needle and Syringe programs
- Support services at the Melbourne Drug Court and community programs

Reforming AOD services

- Aboriginal self-determined pharmacotherapy model trial



Public Intoxication Services and Drug Checking

\$52 million to maintain core elements of the public intoxication response:

- Outreach and Places of Safety across 8 regional locations
- 24/7 decentralised sobering and respite services in metro Melbourne
- Continued 24/7 Intake, Referral and Dispatch service
- Monitoring and Oversight Group to support culturally responsive reform

\$9.6 million to continue operations of the Victorian Pill Testing Service and drug surveillance activities.



Thank you



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