Forensicare - An Introduction

VICTORIAN INSTITUTE OF FORENSIC MENTAL HEALTH

The Victorian Institute of Forensic Mental Health, known as Forensicare, was established as a statutory agency in 1997 to provide forensic mental health services in Victoria. Established by a detailed amendment of the Mental Health Act 1986, Forensicare provides services to meet the needs of mentally disordered offenders, the mental health and justice sectors and the community.

Forensicare’s primary focus is the provision of clinical services within a recovery framework. These services include the effective assessment, treatment and management of forensic patients and clients and others at risk. A comprehensive research program operates to support the ongoing development of clinical services and specialist training and professional education is provided for our staff and the broader mental health and justice fields.

Forensicare is governed by a 10 member Council that is accountable to the Minister for Mental Health.

OUR VISION

To provide leadership at an international, national and local level in the understanding and treatment of mental disorders associated with criminal behaviour.

STATEMENT OF PURPOSE

We provide high quality assessment and treatment for people with a mental disorder and a history of criminal offending or who present a serious risk of offending behaviour. In doing so, we are an effective link for people, organisations and government between the justice and mental health sectors.

OUR COMMUNITY

People in the criminal justice system with a serious mental illness and a history of offending, or who present a serious risk of such behaviour.

SERVICE OBJECTIVES

In keeping with our legislative mandate (Mental Health Act 1986), Forensicare has the following business objectives –

› improve outcomes for people with a mental disorder in the criminal justice system
› reduce the burden of mental illness in the criminal justice system
› contribute to the delivery of public mental health services
› enhance community safety.

STRATEGIC PRIORITIES

› Access and Recovery

We will improve access and outcomes for consumers, health services and other agencies, families and carers.

› Sustainability

Our corporate and clinical practices will be accountable and excel in governance, people management and financial security.

› Engagement and Collaboration

We will engage with our stakeholders to improve outcomes for our consumers.

CLINICAL SERVICES

We provide an integrated range of clinical services for people with a serious mental illness in the criminal justice and general mental health systems that consist of –

› Thomas Embling Hospital – a 116 bed, secure inpatient hospital located in Fairfield.
› Prison Mental Health Service – consisting of a 16-bed Acute Assessment Unit, specialist clinics, outpatient services and a reception assessment program at Melbourne Assessment Prison, a 20-bed residential program in the Marmion Unit, intensive outreach program and therapeutic day program for women at Dame Phyllis Frost Centre, and visiting psychiatric and Nurse Practitioner services to the larger state-managed prisons.
› Community Forensic Mental Health Service – providing specialist community programs including Mental Health Program (incorporating a Community Integration Program which supports prisoners with a serious mental illness on their release to the community), Court Services and Problem Behaviour Program.

OUR LEGISLATION

Mental Health Act 1986 – the Act that establishes the Institute and governs our responsibilities.

Crimes (Mental Impairment and Unfitness to be Tried) Act 1997; Corrections Act 1986; Sentencing Act 1991 – these Acts all provide the framework within which we operate.

Chairman’s Report

Our Values
Forensicare is guided by the Code of Conduct and Values established by the State Services Authority for the public sector, and promotes behaviours that are consistent with these values at all times and in all circumstances.

Our values are –

Respectfulness - we will provide frank, impartial and timely advice to the Government, provide high quality services to the Victorian community and identify and promote best practice.

Integrity - we will be honest, open and transparent in our dealings, use our powers responsibly, report improper conduct, avoid any real or apparent conflicts of interest and strive to earn and sustain public trust of a high level.

Impartiality - we will make decisions and provide advice on merit and without bias, caprice, favouritism or self-interest, act fairly by objectively considering all relevant facts and fair criteria and implement Government policies and programs equitably.

Accountability - we will work to clear objectives in a transparent manner, accept responsibility for our decisions and actions, seek to achieve best use of resources and submit ourselves to appropriate scrutiny.

Respect - we will treat colleagues, other public officials and members of the Victorian community fairly and objectively, ensure freedom from discrimination, harassment and bullying and use their views to improve outcomes on an ongoing basis.

Leadership - we will actively implement, promote and support these values.

Human rights - we will respect and promote the human rights set out in the Charter of Human Rights and Responsibilities by making decisions and providing advice consistent with human rights and actively implementing, promoting and supporting human rights.

Mapping our Development – Significant Events

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tbody>
<tr>
<td>1997</td>
<td>Forensicare established as statutory authority. Final approval/ work commenced on Thomas Embling Hospital. Forensicare appointed to provide health and mental health services at Melbourne Assessment Prison when it opened.</td>
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<tr>
<td>2000</td>
<td>Thomas Embling Hospital opened in April 2000 with 75 beds - increased to 80 beds in Oct 2000.</td>
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<tr>
<td>2002</td>
<td>Forensicare reappointed to provide mental health services at Melbourne Assessment Prison; ceased as provider of general health services. Thomas Embling Hospital increased to 100 beds in October 2002.</td>
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<td>2003</td>
<td>Problem Behaviour Program established.</td>
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<td>2004</td>
<td>Jardine Unit opened as a community based Transition Program.</td>
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<tr>
<td>2006</td>
<td>Centre for Forensic Behavioural Science established as collaborative venture with Monash University.</td>
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<tr>
<td>2007</td>
<td>Service commenced at Marmak Unit, Dame Phyllis Frost Centre. Thomas Embling Hospital increased to 118 beds through the commissioning of Jardine as an inpatient Unit.</td>
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<tr>
<td>2010</td>
<td>Strategic Plan 2010-2014 released. Thomas Embling Hospital reduced to 116 beds.</td>
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<tr>
<td>2012</td>
<td>Reached 5 year agreement with Department of Justice to continue provision of mental health services at Melbourne Assessment Prison and Dame Phyllis Frost Centre.</td>
</tr>
<tr>
<td>2013</td>
<td>Appointed as the provider of forensic mental health services at the new 1,000 bed private prison to be built at Ravenhall (which includes 75 mental health beds), due for completion in late 2017.</td>
</tr>
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</table>

This year has been a time of considerable challenge and achievement by the management and staff of Forensicare. The continuing escalation of demand for our services at Thomas Embling Hospital, in our Community programs, in various prisons (especially the Acute Assessment Unit in the Melbourne Assessment Prison), the Court Liaison Service and in the consultation and reports that we provide to other services, including Area Mental Health Services and the Adult Parole Board, has been both a source of great accomplishments as well as a major stressor on staff.

One key reason for the increase in demand is the extraordinary increase in prison population numbers over the past 3-4 years, with an associated rise in numbers of seriously mentally ill prisoners, many of whom need the specialist clinical services of Forensicare and who now typically arrive at Thomas Embling Hospital from prison with increased acuity. The pace of increase in prison numbers has not been matched by a concomitant increase in capacity at Thomas Embling Hospital, where bed numbers remain at the level that was designed for a prison system 40% of its current size. The human impact on prisoners with a mental illness, correctional staff and clinical staff where mentally ill prisoners are waiting more than 30 days for involuntary treatment is concerning to myself and the Board.

Some mitigation of the problems of this shortfall in capacity at Thomas Embling Hospital is being met by a welcome significant increase in funding from Justice Health for expanded services in prisons, most especially the anticipated appointment of a multidisciplinary team at the Metropolitan Remand Centre. Furthermore, the planned completion of the new prison at Ravenhall in late 2017, with a 75 bed mental health unit run by Forensicare, will provide some additional resources.

In the meantime there remains a considerable crisis around the shortfall between demand and our capacity to admit people to Thomas Embling Hospital. The Board and management are currently in discussion with the Department of Health seeking to address these issues.

The achievements of this year are several and considerable. The acceptance of Forensicare as the provider of mental health services in the new prison at Ravenhall has been the result of major effort by management and staff, and is a tribute to their high level of professionalism and the continuing high regard by Government for the specialist work of Forensicare. Under the new Mental Health Act, work has begun on a new Strategic Plan which is intended to set directions for the next three years. In addition, the Board, management and staff have variously been active participants in the consultations for the Forensic Mental Health Service Plan that is being developed by the Department of Health with input from the Department of Justice.

The research arm of Forensicare, the Centre for Forensic Behavioural Science, has, since January, successfully relocated to Swinburne University of Technology and we welcome this very positive new relationship. Happily we again finished the year with a small surplus.

Once again I wish to record my appreciation of the consistent high commitment and professionalism of the CEO, the executive team and the directors of the Board. The achievements of this year owe special acknowledgement to the skilled work of staff in what is a complex and often challenging work environment.

The support of Minister Wooldridge continues to be highly significant, as are the contributions from the Mental Health Branch in the Department of Health, Corrections Victoria and Justice Health.

Bill Healy
Chair, Victorian Institute of Forensic Mental Health
There has been an enormous amount of activity in the reporting year as mental health services and consumers prepared for the introduction of the new Mental Health Act 2014, which came into effect on 1 July 2014. The new Act has a significant focus on the rights of consumers and explicitly requires mental health services to take into account the Recovery principles which we have been working at Forensicare to embed for a number of years. In addition, there are changes to the governance arrangements for Forensicare, which see us move from an organisation governed by a Council, including the CEO and Clinical Director, to a governance framework which is more aligned with other public sector health services, with a Board of up to 9 Directors. This is a change which has been supported by our organisation for a long time.

Since 2010 we have worked to improve and expand our services under our Strategic Plan 2010-2014. As the financial year drew to a close we have commenced work engaging with our key stakeholders to develop a new Strategic Plan under the new Mental Health Act which will guide us through the next three year period. As in previous years, I will review the past year in the context of the framework provided by our Strategic Plan 2010-2014.

For another year, I am pleased to report that Forensicare has made significant achievement in the goals which we set for ourselves. These include positive changes to the way we incorporate consumer perspectives at all levels of the organisation, strengthening our clinical governance frameworks, having input into the government’s planning for the future of forensic mental health services in hospital and community settings, and cementing the ability of the organisation to meet the needs of prisoners who have a serious mental illness. All of these have been delivered while remaining within the financial and funding targets set by our government funding, which comes primarily from the Department of Health in terms of our hospital and community operations, and the Department of Justice in our prison settings.

**Access and Recovery**

The training designed by our Recovery Committee incorporating the Patient Consultation Group and the “Recovery Pyramid” they designed continued to be delivered, to our Council, administrative staff, and consumers and staff across all our service settings. The Patient Consultation Group have also led the incorporation of this material into a new video which will be launched later this year and provided to all staff, patients and the public.

We will continue to work with consumers and carers to implement changes to the way we work to reflect the Recovery principles in the new Mental Health Act.

In the last year we have implemented significant changes to the vocational and education/training services provided in the Hospital following a tender run in 2012-13. The new services, which continue to be run by Kangan Institute give a different vocational focus and an improved curriculum which is more responsive to consumer needs. New arrangements for our health and leisure services at the Hospital commenced with a new provider, Healthstream, in January 2014. The timetable for all these services is now scheduled to allow full consumer participation in our new therapeutic programs, which have been redesigned during the year in preparation for the commencement of new programs in September 2014.

During the year we commenced using the new de-escalation area in the Barossa Unit to enable women to safely manage their mental health symptoms, to reduce the need to use seclusion. This work was funded by the Minister for Mental Health’s Safety of Women in Mental Health Care Initiative. Work on other units also focussed on other interventions which reduce the potential for violence and use of seclusion. Our performance in maintaining our overall seclusion rate significantly below levels required of all mental health services is notable, given the nature of our hospital. During the year we were also successful in obtaining funding from the Government’s Enhanced Community Mental Health Initiative to remodel the meeting room in Community service to provide a better space for consumers, carers and families to utilise, which was commissioned in June 2014. We also remodelled a meeting room in the Hospital to provide a child and family friendly area for consumers and where the Hospital to meet with children and family visitors, as part of our changed approach to children’s access to the Hospital. This is now a warm and welcoming area for families to meet with consumers and I would like to acknowledge the input and drive of our consumer and carer consultants and the Family Sensitive Practice Committee in bringing this project to life.

**Service Demand**

Across the organisation we have continued to focus on meeting demand for services. Looking to the future, we participated in the Service Planning Project initiated by the Department of Health which sought to develop recommendations for the needs of the forensic mental health service system in Victoria over the next 10-15 years. We will continue to engage with the Department on this issue, which is pressing now. As the Ombudsman pointed out in his March 2014 Report into his Investigation into Deaths and Harm in Custody, Forensicare has been raising the need to increase the number of beds available in the forensic system for many years. In the current year the limited number of beds available at Thomas Embling Hospital has had a significant impact on our ability to admit mentally ill prisoners requiring involuntary treatment. The significant drop in the number of admissions to the Hospital reflects this.

We have continued to work closely with Corrections Victoria and Justice Health to increase our activity in the prisons to meet the needs of mentally ill prisoners. This work has included changes to the model of care at Marrmack Unit in the Dame Phyllis Frost Centre, commencement of the full scope of practice for our two Nurse Practitioners in November 2013 and the commencement of a new Nurse Practitioner candidate with funding support from Justice Health in February this year. We have also increased nursing hours at the Melbourne Assessment Prison and the amount of psychiatrist time provided to a number of prisons, and finalised arrangements to put new psychology positions into Barwon and Marngeet prisons. As outlined elsewhere in this Report, this has taken place at the same time as we have increased the amount suicide and self harm training to Correctional staff and commenced implementation of a new model of suicide and self harm training for our own prison staff (see page 25).

In 2013 the Government committed to a public private partnership approach to deliver a new 1,000 bed medium security prison to be built at Ravenhall, adjacent to the Dame Phyllis Frost Centre. Following an EOI process for the prison design, construction and operation, the Government announced that Forensicare would be the mandated sub-contractor to the private operator to provide forensic mental health services, including 75 beds for mentally ill male prisoners and outpatient services. Throughout the year, funded by the Department of Justice, we have worked to develop a service model which can be used at the prison, and we participated in the tender process with the Department.

Outside the reporting period, in August 2014 the Government announced CEO Consortia as the preferred provider for the prison project, and in the next few months we are looking forward to continuing our work with them on this exciting new project. The mental health service at the prison will make a critical impact on the availability of treatment for mentally ill prisoners and provide greater options for how this treatment is delivered, all in a recovery based framework.

**Sustainability**

This year we have again met our commitment to maintain a surplus operating budget, as is required by Government of all health services. Through the year we were able to reinvest surpluses from previous years into capital improvements in seclusion and de-escalation areas, provide greater disability access, repair our gymnasium and improve security, information technology and communication systems. While we continued to effectively manage many areas of operational expenditure, the impact of high levels of acuity at the Hospital and an increase in admissions to general hospitals for physical health care meant that costs associated with extra staffing increased. Continued funding support from the Department of Justice for our activities in the Problem Behaviour Program and for the provision of reports on mental impairment to the Office of Public Prosecutions has enabled greater productivity in both these programs.

In the reporting year we provided 61 reports, with an average turnaround time of 85 days.

An often under-recognised part of our work is the support we provide to other mental health services through primary and secondary consultations on challenging cases. In the year we provided 72 primary consultations and 21 secondary consultation to these services. Elsewhere in our community program we are supporting more consumers than ever before on Extended Leave in the community following discharge, of which a major challenge is treating our forensic patients as forensic patients, and supporting the work of other services who treat the 77 consumers on Non-custodial Supervision Orders under the Crimes (Mental Impairment) legislation. This work is vital

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Chief Executive Officer’s Report

I am pleased to report that Forensicare has made significant achievement in the goals which we set for ourselves.

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to community safety and recovery for consumers on these orders, with over 35 cases each year reviewed by the courts. Our clinical governance structures build on the skills of our staff to ensure that we continue to improve our service delivery. In September 2013 we undertook a periodic review by the Australian Council on Healthcare Standards against a number of the National Safety and Quality Health Service Standards, and we are pleased with the positive assessment and ongoing accreditation we received. We have continued to refine our systems at all levels to ensure that we comply with the National Standards and the National Mental Health Service Standards. Staff are to be commended for their commitment to improving our performance in key areas, such as infection control and preparing for the implementation, in July 2014, of new internal clinical indicators for performance. These indicators have been developed with input from consumers across the service, as well as staff. Training and staff development are key to equipping our people to improve the outcomes for consumers. We have supported our staff with training on the many new aspects of the Mental Health Act 2014 and the changed requirements and policies which have had to be implemented as part of this significant shift. At the same time, we have focussed on providing risk assessment training to staff and implemented new models of care for our social work staff. I am particularly pleased to note that many of our staff have also undertaken Koori Cultural Awareness training as we are committed to ensuring that we provide a culturally safe and appropriate service to people from all backgrounds. In pursuit of the objectives under our Aboriginal and Torres Strait Islander Action Plan we have developed stronger relationships with a range of Indigenous services. Our ongoing commitment to research as a vital part of improving clinical services was bolstered by the move of the Centre for Forensic Behavioural Sciences in January this year to the Swinburne University of Technology, after a 10 year collaboration with Monash University. A new focus on research has been augmented by the appointment of Dr Rachel Fullam to co-ordinate our research efforts within the organisation and support staff to participate in research and develop proposals. We are currently undertaking significant research on how prisoners with a mental illness receive treatment in prison and evaluating the effectiveness of our Problem Behaviour Program and Community Integration Program, as some key examples of how this research can lead to improved outcomes.

Collaboration and Engagement

Our improved involvement with our consumers is evidenced throughout this report is testimony to our commitment to a recovery approach. In May we held a “Recovery BBQ” at the Hospital which many consumers and their carers attended, and where Anthony Stratford, the Senior Recovery Adviser from MIND talked about the importance of the Recovery approach. We are forging new partnerships with MIND and other organisations to further this work.

We continue the important work with other agencies through the Forensic Clinical Specialist Initiative and Youth Justice Mental Health Initiative. The Forensic Clinical Specialist Initiative has received positive evaluation by the Department of Health and has had a significant impact on those services where specialists are based, and on the type of referrals we receive from those services. These are both important initiatives which focus on enabling other services to meet the needs of people with a mental illness who are involved in the criminal justice system. Our ultimately unsuccessful tender with Doutta Galla Community Health to deliver health and mental health services in Youth Justice custodial settings demonstrated that we can partner with new agencies to meet the needs of people with a mental illness, and I would like to take this opportunity to thank the many of our staff who were involved in the development of a really innovative and comprehensive bid.

Our external training program continued to grow throughout the year, seeking to engage a wider audience on issues in relation to our work. We held eight workshops, which for the second year in a row received positive feedback from participants in all sessions.

Our staff and Council

When you bundle them up in an Annual Report, there are many significant achievements this year. The quotes included from some of our consumers show we are making inroads in working to a Recovery approach, but there is still further to go. I would like to acknowledge the commitment of our staff in all our different workplaces and their efforts in trying to enable people with a mental illness in the criminal justice system to achieve all that they can in their recovery. I would also like to acknowledge the ongoing support of the Executive Team, and particularly Cathie Seccombe, who retained an Executive Director Inpatient Operations this year, who had worked with Forensicare since it was established. Dr Peter Doherty resigned from Council after more than eight years and his insights and contributions to our governance in this period were many. As the Council has transitioned to being a Board in July it is also important to acknowledge their leadership and governance, which has added much to the operation of Forensicare beyond just this reporting year.

TOM DALTON
Chief Executive Officer

Forensicare has a legislative requirement to prepare a Corporate Plan for the Minister for Mental Health each year. The Plan details the initiatives to be undertaken in the coming year, together with the performance measures established in collaboration with the Department of Health. The initiatives detailed align with the Victorian Health Priorities Framework 2012-2022.

The initiatives in the Corporate Plan 2013-2014 are detailed below, together with a summary of our achievement, a self-assessment of our performance during the year and any ongoing issues in relation to each initiative.

Reports against Performance Measures/Targets are detailed on pages 23, 26, 33, 41.

<table>
<thead>
<tr>
<th>DELIVERABLES</th>
<th>PROGRESS</th>
<th>SELF-RATED PERFORMANCE</th>
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<tbody>
<tr>
<td>The incorporation of Recovery principles into clinical practice across the organisation, led by the Recovery Committee, is well advanced. (see pages 4, 17-20).</td>
<td></td>
<td>This is an important clinical initiative and will remain an ongoing focus of development in the coming year.</td>
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<tr>
<td>Forensicare was closely involved in the Forensic Mental Health Service Plan Project undertaken by the Department of Health as they work to implement the recommendations.</td>
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<td>We will continue to engage with the Department of Health as they work to implement the recommendations.</td>
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<tr>
<td>Completed. A detailed response was prepared for the Victorian Law Reform Commission’s review of the Crimes (Mental Impairment and Unfitness to be Tried) Act 1997.</td>
<td></td>
<td>The review has been completed, and is due to be released by October 2014.</td>
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<tr>
<td>Commence preparation of a Strategic Plan 2015-2017.</td>
<td>Preparation of a new three-year Strategic Plan has commenced (see pages 3, 4).</td>
<td>As required under the Mental Health Act 2014, the Strategic Plan 2015-2017 will be completed and submitted to the Minister for Mental Health.</td>
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Reporting Against Our Objectives 2013-2014 cont

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<tr>
<td>Participate in the Ravenhall prison project</td>
<td>Forensicare has been appointed to provide forensic mental health services at the new prison to be built at Ravenhall (see pages 28-29).</td>
<td>This is an enormous project which will require comprehensive development plans and increasing resources as the project moves towards completion in late 2017.</td>
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<tr>
<td>Work with Justice Health to implement –</td>
<td>Completed. The model of care at Marrmak Unit has been amended (see page 25).</td>
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<tr>
<td>• a revised model of care at Marrmak Unit</td>
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<td>• new roles for Nurse Practitioners</td>
<td>Achieved. A new Nurse Practitioner has commenced full scope of practice (see pages 18, 25).</td>
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<tr>
<td>• staffing models which respond to increasing prisoner numbers</td>
<td>Achieved. Funding provided by Justice Health and additional staff appointed in response to the overall increase in prison beds and prisoner numbers (see page 24).</td>
<td>Additional new prison based services are currently being considered by Justice Health and Forensicare.</td>
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<tr>
<td>Pursue opportunities to provide services in the youth justice sector</td>
<td>Forensicare participated in the tender process to provide health, mental health and rehabilitation programs in Youth Justice and Secure Welfare. (see page 31).</td>
<td>The tender submitted was unsuccessful.</td>
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<tr>
<td>Continue to progress the introduction of a smoke-free environment at Thomas Embling Hospital from 1 July 2014</td>
<td>The introduction of a smoke free environment at Thomas Embling Hospital has changed to 1 July 2015, to align with the introduction in the prison system (see page 21).</td>
<td>The Breathe Easy Committee will continue to work towards the introduction of a smoke free environment on 1 July 2015.</td>
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VICTORIAN HEALTH PRIORITY 2012-2022
PRIORITY AREA - Improving every Victorian’s health status and experience

**Improve the model of care at the new prison to be built at Ravenhall**

- Developed a model of care for prison health services (see page 31).
- Implementing a new Nurse Practitioner role to support the model of care (see pages 18, 25).

**New Therapeutic Programs**

- Developed and implemented a new therapeutic program model which has been adopted. (see pages 18, 21).

**Pursue opportunities to provide health, mental health and rehabilitation programs in Youth Justice and Secure Welfare**

- Identified and implemented additional new prison based services (see page 24).

**Ensure the existing staffing profile achieves best outcomes for consumers**

- Identified initiatives to improve rostering practices are being investigated. (see page 18).

**Implement a new training and professional education program**

- Developed a new training program, including Forensic Risk Assessment and Treatment and Short Term Assessment of Risk and Treatability, has been developed and implemented - 122 members of our nursing staff have completed the training (see pages 16, 40).

**Finalise the development of the Workforce Plan 2013-2017**

- Completed. The scope of the Workforce Plan has been expanded to include new service areas, including the Ravenhall prison project (see page 40).
### PRIORITY AREA - Increasing accountability and transparency

**Implement new arrangements for the provision of recreation and vocational education and training services at Thomas Embling Hospital**

Completed. New provider of health and leisure services appointed in January 2014, and new TAFE/VET contract commenced (see pages 21-22).

**Progress recommendations contained in organisational reviews conducted in 2012-2013**

The implementation of appropriate and supported recommendations has continued.

### PRIORITY AREA - Implementing continuous improvements and innovation

**Continue to implement scheduled initiatives identified in the Research Strategy 2012-2014**

Achieved. Evidence based research detailed in the Research Strategy resulted in publication of 46 articles in international refereed journals and 5 chapters in books in 2013 (see pages 44-47).

**Prepare for implementation of the new Mental Health Act**

Strategies implemented throughout the year to ensure operational readiness by 1 July 2014 (see page 34).

### DELIVERABLES

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<tr>
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<tr>
<td>Seek ways to establish positions identified in the model of care within budget</td>
<td>A permanent and fixed term position have been established within budget to progress the implementation of therapeutic programs (see pages 16, 19).</td>
<td></td>
<td>This will remain an organisational priority.</td>
</tr>
<tr>
<td>Continue to implement the recommendations of the Chief Psychiatrist’s report into the death of a patient in Argyle Unit in December 2012</td>
<td>Recommendations continue to be implemented. A High Risk Assessment Panel has been established and a new observation policy implemented (see page 17).</td>
<td></td>
<td>CCTV will be progressively installed in communal areas in units at Thomas Embling Hospital in 2014.</td>
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<td>VICTORIAN HEALTH PRIORITY 2012-2022</td>
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<tr>
<td>PRIORITY AREA - Increasing the system’s financial sustainability and productivity</td>
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<td>Implement new arrangements for the provision of recreation and vocational education and training services at Thomas Embling Hospital</td>
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<td>Progress recommendations contained in organisational reviews conducted in 2012-2013</td>
<td>The implementation of appropriate and supported recommendations has continued.</td>
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<tr>
<td>PRIORITY AREA - Implementing continuous improvements and innovation</td>
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<tr>
<td>Continue to implement scheduled initiatives identified in the Research Strategy 2012-2014</td>
<td>Achieved. Evidence based research detailed in the Research Strategy resulted in publication of 46 articles in international refereed journals and 5 chapters in books in 2013 (see pages 44-47).</td>
<td></td>
<td>A plan of research to be conducted across Forensicare over the coming five years is currently being developed. In late 2014 changes to the research governance arrangements will be implemented.</td>
</tr>
<tr>
<td>Prepare for implementation of the new Mental Health Act</td>
<td>Strategies implemented throughout the year to ensure operational readiness by 1 July 2014 (see page 34).</td>
<td></td>
<td>The Mental Health Act Project Development Officer will continue to have oversight of this project to October 2014.</td>
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<tr>
<td>VICTORIAN HEALTH PRIORITY 2012-2022</td>
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<tr>
<td>PRIORITY AREA - Improving utilisation of e-health and communications technology</td>
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<tr>
<td>Expand the use of ICT across the organisation</td>
<td>Achieved. A range of new ICT initiatives, including the introduction of tablets for clinical staff and wireless access across the hospital has been introduced across the organisation.</td>
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<td>Continue to progress the availability of electronic health records</td>
<td>Achieved. Electronic progress notes fully implemented at Community Forensic Mental Health Service and implementation commenced at Thomas Embling Hospital.</td>
<td></td>
<td>Electronic progress notes to be fully implemented across Thomas Embling Hospital on 1 July 2014.</td>
</tr>
</tbody>
</table>
At the end of the reporting period Forensicare recorded a surplus of $0.216m for the year ended 30 June 2014, excluding depreciation and capital. The key contributing factors included –

› Additional one off funding and project funding
› Additional funding for the implementation of the new Mental Health Act
› Department of Health long service leave debtor adjustment due to movements in bond rates
› Unfavourable bad debt write off regarding patient fee settlement
› Specific funding for the Ravenhall prison project.

**Historical Financial Analysis and Key Financial Statistics**

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Revenue</th>
<th>$'000</th>
<th>Operating Expenditure</th>
<th>($'000)</th>
<th>Net Result</th>
<th>($'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>52,325</td>
<td></td>
<td>52,109</td>
<td></td>
<td>216</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>49,449</td>
<td></td>
<td>49,046</td>
<td></td>
<td>403</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>49,368</td>
<td></td>
<td>49,417</td>
<td></td>
<td>403</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>47,598</td>
<td></td>
<td>48,206</td>
<td></td>
<td>579</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>46,527</td>
<td></td>
<td>46,693</td>
<td></td>
<td>579</td>
<td></td>
</tr>
<tr>
<td>2010-14</td>
<td>$5,798</td>
<td></td>
<td>$5,416</td>
<td></td>
<td>$382</td>
<td></td>
</tr>
</tbody>
</table>

**Financial Performance**

- Operating Revenue:
  - 2014: $52,325
  - 2013: $49,449
  - 2012: $49,368
  - 2011: $47,598
  - 2010: $46,527

- Operating Expenditure:
  - 2014: $52,109
  - 2013: $49,046
  - 2012: $49,417
  - 2011: $48,206
  - 2010: $46,693

- Net Result:
  - 2014: $216
  - 2013: $403
  - 2012: $403
  - 2011: $579
  - 2010: $579

**Historical Performance at a Glance 2013-2014**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Thomas Embling Hospital</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of beds</td>
<td>116 beds</td>
<td>116 beds</td>
<td>116 beds</td>
<td>No change</td>
</tr>
<tr>
<td>Occupied bed days</td>
<td>39,805</td>
<td>40,936</td>
<td>41,155</td>
<td>- 3.3%</td>
</tr>
<tr>
<td>Occupancy rate</td>
<td>94.01%</td>
<td>96.66%</td>
<td>97.88%</td>
<td>- 4%</td>
</tr>
<tr>
<td>Number of admissions</td>
<td>93</td>
<td>121</td>
<td>126</td>
<td>- 26.2%</td>
</tr>
<tr>
<td>Number of separations</td>
<td>93</td>
<td>125</td>
<td>124</td>
<td>- 25%</td>
</tr>
<tr>
<td>Community</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of service hours</td>
<td>16,189</td>
<td>14,749</td>
<td>12,039</td>
<td>▲ 34.5%</td>
</tr>
<tr>
<td>Number of reports prepared for Victorian courts on bail</td>
<td>173*</td>
<td>167*</td>
<td>201*</td>
<td>▲ 13.9%</td>
</tr>
<tr>
<td>Prison Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of reports prepared for Victorian courts for detainees in custody</td>
<td>154</td>
<td>142*</td>
<td>193*</td>
<td>▲ 20.2%</td>
</tr>
<tr>
<td>Number of reports prepared for Adult Parole Board</td>
<td>191</td>
<td>109</td>
<td>114</td>
<td>▲ 32.5%</td>
</tr>
<tr>
<td>Melbourne Assessment Prison</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of reception assessments</td>
<td>6,680</td>
<td>6,611</td>
<td>5,930</td>
<td>▲ 12.5%</td>
</tr>
<tr>
<td>Acute Assessment Unit - number of admissions</td>
<td>172*</td>
<td>203</td>
<td>224</td>
<td>▲ 23.2%</td>
</tr>
<tr>
<td>average length of stay</td>
<td>31.9 days</td>
<td>30.2 days</td>
<td>22.5 days++</td>
<td>▲ 41.8%</td>
</tr>
<tr>
<td>Marrm ak Unit, Dame Phyllis Frost Centre</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of admissions</td>
<td>115</td>
<td>91</td>
<td>77</td>
<td>▲ 48.4%</td>
</tr>
<tr>
<td>Average length of stay</td>
<td>43.9 days</td>
<td>48.5 days</td>
<td>47.15 days</td>
<td>▲ 6.8%</td>
</tr>
<tr>
<td>Corporate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees, EFT number at 30 June</td>
<td>352.6</td>
<td>330.4</td>
<td>339.9</td>
<td>▲ 3.7%</td>
</tr>
<tr>
<td>Professional development – number of clinical staff training hours</td>
<td>8,760.5</td>
<td>7,253</td>
<td>9,512</td>
<td>▲ 7.9%</td>
</tr>
<tr>
<td>Number of nursing and allied health student placements</td>
<td>110</td>
<td>112</td>
<td>103</td>
<td>▲ 6.8%</td>
</tr>
</tbody>
</table>

* Demand for court reports is entirely court driven. Although there has been a decrease in the number of court reports prepared for people in custody and people on bail from 2011-2012, there was still an average of 6.2 court reports prepared each week across Forensicare. This figure excludes reports requested by the Adult Parole Board, Office of Public Prosecutions and other agencies (including assessments/opinions in relation to the Serious Sex Offender Monitoring Act 2005).

* The level of acuity of prisoners and the waiting time for admission to Thomas Embling Hospital (also reflected in the average length of stay) has reduced the number of admissions to the Acute Assessment Unit and increased the average length of stay in the unit in 2013-2014 and previous year.

**Cash Held**

- Cash at the end of reporting period:
  - 2014: $3,045
  - 2013: $2,121
  - 2012: $3,037
  - 2011: $3,736
  - 2010: $3,480

**Key Statistics**

- Current Ratio - Liability: 0.45
- Equity / Assets - Stability: 0.88


13
The past year has seen Forensicare rise up to many challenges. Two major services look set to reshape our services and the way we deliver them. Forensicare was successful in its bid to provide the forensic services at the new 1,000 bed male prison to be built at Ravenhall. The prison is scheduled to be completed in late 2017. Ensuring the success of this project will require considerable work over the next few years from corporate and clinical staff.

One of the highlights of the year has been the success in reducing use of seclusion in our Acute Units. In particular, the pioneering of Trauma Informed Care by our nursing staff has been pivotal in changing the way staff deal with disturbed behaviours. The number of seclusions per 1,000 bed days (11.85) was well below the Departmental target of 15, and better than the previous year.

Another highlight has been the increased bed occupancy at Marmuk Unit during this year (over 80% for the year). The team reviewed their model of care and actively sought to ensure that prisoners requiring admissions were identified, both with very positive results. It is pleasing to see that more women in need of psychiatric care are actually now being treated at Dame Phyllis Frost Centre. The Community Service remains under pressure to deliver services to a very diverse clientele. The need to demonstrate the efficacy of services is now essential to ensure the ongoing viability of the service. To demonstrate the need for ongoing investment, the unique Problem Behaviour Program is currently being evaluated.

A number of initiatives within our Corporate Plan have borne fruit this year. The Aboriginal and Torres Strait Islander Action Plan has increased awareness of indigenous patients’ needs through staff training, changes to identification practices, availability of culturally appropriate activities and spaces. The NADOC week celebration has now become a regular feature at Thomas Ebling Hospital and Forensicare is building relationships with the local Aboriginal community.
Clinical Governance has further developed this year. The committee structures were realigned to match the National Standards and facilitate preparation for the 2015 full accreditation review. This will be a big challenge with both National Health and Mental Health standards being assessed. Forensicare attained successful accreditation against the new National Safety and Quality Health Service Standards in September 2013. This is a significant achievement for the service and provides the foundation for ensuring a safe and high quality health service.

The initial assessment process for new Forensic Patients (CPA 90) has now commenced and a related project to revise the ongoing review of these patients and their Recovery Care Plan is under way. The Social Workers at Thomas Embling Hospital now provide a continuity of care model from admission to discharge. This is an exciting development and with time should positively influence patient Recovery pathways. The development of Therapeutic Program streams was brought to completion by year end by redirecting some psychology resources. Professor Ogloff led the development of a Forensicare wide Clinical Risk Assessment framework which will be implemented in the next year.

The last recommendations from the Chief Psychiatrist review of the Homicide in 2012 were addressed - a new policy for patient observations was developed by Nursing following the release of the Chief Psychiatrist guidelines and after extensive consultation with the staff and patients, the Forensicare Council approved the installation of CCTV into several areas within Units at Thomas Embling Hospital. A security review was completed and the findings were made available to the Department and the Service Plan review team. The increasing complexity and severity of illness of consumers now being referred from the prison system indicates that there is a pressing need for a small high secure unit and an acute high dependency treatment unit at Thomas Embling Hospital.

A sentinel event that occurred late in the previous reporting year led to a detailed review of ligature points and upgrading of fittings at Thomas Embling Hospital to improve patient safety. This need was also the subject of the Ombudsman’s Report, Investigation into deaths and harm in custody, which was released in March 2014.

In the difficult environment that we have experienced over the past year, I am fortunate to be supported by a dedicated and highly skilled team of clinicians who work tirelessly to provide best quality care for our consumers. I thank them for their support.

MAURICE MAGNER
Clinical Director
MBCHB, MMed, LLM, FFPsych, MRCPsych, FRANZCP

Clinical Services

CLINICAL GOVERNANCE
Implementation of the Clinical Governance Framework has been completed. Committees have been restructured to align with the National Standards and to facilitate meeting the accreditation processes.

The use of clinical data has been improved through the provision of ongoing training in Riskman data entry and training of local governance teams in the input and reporting of a suite of relevant clinical indicators. Reporting processes have been streamlined within the governance structure. Quality plans are being developed across the organisation and data captured in additional Riskman modules. A comprehensive policy on clinical risk assessment has been developed which provides a standard across the organisation. Staff training has commenced and the policy will be fully implemented in the coming year.

REVIEWS – MAJOR INCIDENTS
The recommendations from the investigations into the two major incidents in 2012-2013 have been fully implemented. Of particular importance was the upgrading of facilities at Thomas Embling to ensure ligature safety, the introduction of a new patient observation policy (based on the Chief Psychiatrist Guidelines) and planning for the introduction of CCTV into communal areas of inpatient units. Other initiatives implemented include -

- The establishment of a High Risk Assessment Panel to enhance the pre admission management planning process for high risk prisoners transferring to Thomas Embling Hospital from Melbourne Assessment Prison.

- A security review was conducted at hospital against UK Medium Secure Hospital Standards, which identified the security needs of different patient groups. Information from the Review has been utilised in planning processes with the Department of Health.

MEDICAL
- The Medical staffing profile consists of 26 Consultants (many of whom are employed on a part-time basis) and 14 Registrars.

- Dr Nina Zimmerman, a Consultant Psychiatrist with Forensicare for over 15 years left in June 2014. Nina worked in several clinical areas across Thomas Embling Hospital, and in recent years focussed on the mental health needs of female offenders. This was not only with the women in Barossa Unit, but also in pursuing a programme of research as a forensic fellow in collaboration with the Centre for Forensic Behavioural Science. We wish Nina well in her future clinical pursuits.

- Dr Mark Ryan was appointed as Assistant Clinical Director, Thomas Embling Hospital.

- Consultants and Registrars have managed increasing demands for services, while continuing to provide a high standard of care and assessments that are highly regarded by the justice system.

- Consultants engaged in research activities, produced academic papers and delivered talks and training to a diverse range of audiences.

NURSING
- The Patient Observation and Engagement Policy was developed following extensive consultation and education with both staff and patients. The policy emphasises that observations are based on engagement with the patient and conducted within a recovery framework. The practice of observation is therapeutic and integrated with quality therapeutic care with consideration to the patient’s experience of trauma. The practices incorporated into this policy support the philosophy of the new Mental Health Act 2014 in reducing restrictive practices.

- A coordinated Trauma Informed Care approach was piloted in one of the male acute units, to address the needs of the many patients who have a history of trauma (Forensic patients, in particular, represent a severely traumatised population). A Project Steering Committee, including two consumers, had oversight of the pilot program. Over 65 staff (including maintenance, cleaning and catering staff) attended training with the Trauma Informed Toolkit which was chosen to be the roadmap for the project. The project led to the adoption of a model of assessment and treatment that is patient centred and trauma informed.

As part of the Department of Health’s Providing a safe environment for all framework for reducing restrictive interventions, this will now be rolled out across all units in 2014-2015.

- A patient de-escalation area was established adjacent to the seclusion rooms in one of the Acute Units at Thomas Embing Hospital. It is used to meet the needs of patients in a crisis situation or when a lower stimulus area is required for calming. A survey of staff and patients and a literature review had highlighted the need for such an area. The use of this room has been very positive, with a review showing that the more the area was used the less seclusion occurred. We will provide all acute units with a de-escalation area in the coming year.

- A medical monitoring response to either the prone or supine position during physical restraint was trialed by the Management of Aggression (M4) team. Additional medical monitoring trolleys were deployed in all units at Thomas Embling Hospital and additional training provided on restraint procedures.
All registered nurses across the organisation are undertaking training on Short Term Assessment of Risk and Trespassability (START). The START risk assessment tool is part of a suite of risk assessment instruments that have been selected for implementation across Forensicare. It contributes to the risk formulation which assists in the understanding of the factors that relate to the risk behaviours of patients. Professor James Ogloff trained key Forensicare staff in a train the trainer model, with 122 nurses undertaking the training in 2013-2014. This training is now ongoing and being led by a Clinical Nurse Consultant.

The two Nurse Practitioners commenced full scope of practice in November 2013 and are now providing nurse-led clinics at the Melbourne Assessment Prison, the Metropolitan Remand Centre and Hopkins, Loddon and Langi Kalai prisons. The program has been expanded and a new Nurse Practitioner candidate commenced at Melbourne Assessment Prison in March 2013. The model of care for this position is currently under development.

In response to more than 10 substantive Enrolled Nurse vacancies at Thomas Embling Hospital, planning for an Enrolled Nurse program commenced in 2013-2014. The program will support Enrolled Nurses transition into the mental health workforce, providing an intensive orientation, ensuring attainment of required competencies, education and mentorship. This program commenced in July 2014.

36 Rapid-Fire Education Sessions were delivered to nurses on units at Thomas Embling Hospital. These are brief education sessions that are provided on units immediately prior to the afternoon shift handover. To date 210 staff have participated.

Social Work

Social Work Service Model - Thomas Embling Hospital - A new model of social work service delivery was introduced at Thomas Embling Hospital in October 2013. Under the new model, Social Workers across the Continuing Care/Rehabilitation Units have a patient allocation, rather than the previous unit based allocation. The new model has improved continuity of care for the patients and their families, with the designated Social Worker following the patient across units throughout their hospital stay.

Care Pathway Assessment (CPA90) The Social Work team has designed and implemented a detailed Social Work Assessment Report (SWAIR) as part of the Care Pathway Assessment package.

Cultural Responsiveness

Social Work activity continued to focus on promoting culturally responsive practice across the organisation in 2013-2014. Initiatives introduced include –

Training for Indigenous Service Officer portfolio holders – Eight Social Workers who hold the Indigenous Service Officer portfolio have undertaken training in Aboriginal Mental Health First Aid. This training assists when consulting on clinical and cultural issues for Aboriginal and Torres Strait Islander clients, and their families and carers.

Aboriginal Fire Pit – Indigenous Service Officers facilitated the building and launch of an Aboriginal Fire Pit and gathering place located in the grounds of Thomas Embling Hospital. The Fire Pit was launched by Wurrundjeri Elder, Colin Hunter, and the event was attended by faith leaders from the Hindu, Jewish, Sikh, Buddhist, Muslim and Baptist communities.

Indigenous Service Officers arranged for a smoking ceremony on each unit of Thomas Embling Hospital.

Koori Cultural Awareness Training, facilitated by the Koori Cultural Training Officer, Justice Learning Team, continued during the year, and four workshops were held at all Forensicare sites.

The Chief Social Worker has established a Culture and Diversity Committee with cross organisational representation to assist in the development and implementation of practices related to improving cultural/diversity responsive safety and care. The Committee met for the first time in June 2014.

The Chief Social Worker and two senior social workers at Thomas Embling Hospital hold the Cultural Portfolio Holder role with Victorian Transcultural Mental Health. Forensicare is in the second year of a formal partnership arrangement with the Victorian Transcultural Mental Health which has enabled access to a number of support initiatives.

Women’s Specialist Care Pathway Social Work position - Together with the Victorian Women’s Mental Health Network, work is being undertaken to develop a Women’s Specialist Care Pathway position at Thomas Embling Hospital as part of the Care Pathway Social Work changes. The position will –

help create opportunities for female patients
identify specific needs of female patients and help ensure appropriate provision of programs and the delivery of services
pursue opportunities for service development initiatives and collaboration and partnerships with the wider service network in the region.

Promote systemic change in order to make Forensicare policies and services more responsive to women.

Therapeutic Programs

Members of the Social Work team have developed and implemented a Dual Diagnosis group program across Thomas Embling Hospital and Community Forensic Mental Health Service. Introductory groups commenced in May 2014 on the Male Acute Units, and an introductory group will commence in July 2014 in a Continuing Care Unit.

The program recognises that many Forensicare consumers have past and current problems with drugs and alcohol, which also have a significant impact on health and wellbeing, relationships and transition to the community.

Occupational Therapy

Three Honours level research projects were continued by students, supervised by members of the Occupational Therapy team at Forensicare. These projects were –

Staff and patient perspectives on the use of a sensory room
The impact of structured exercise program on weight gain associated with acute psychiatric admissions
The use of a structured tool to evaluate community day leaves.

Six presentations were made at national and international conferences on a range of topics, including consumer participation, community day leaves, weight loss exercise programs and the use of group supervision.

The Occupational Therapy team continued to support student education by providing 11 clinical and project / research placements in 2013-2014.

Tutorials and virtual site tours of Thomas Embling Hospital were provided for 75 occupational therapy students from Monash University and 36 from Deakin University.

Thomas Embling Hospital transitioned to a new health and leisure service provider, with a greater emphasis on individual health promotion and a wider variety of exercise opportunities. The new service has had over 650 patient visits by patients per month in the period January – June 2014, and an average of 40 patients per month utilising these new classes.

A new Vocational Educational Training contract commenced at Thomas Embling Hospital, with more courses provided and a greater vocational focus.

The Chief Occupational Therapist worked with the Patient Consulting Group in creating a training DVD on the importance of recovery at Forensicare. The DVD will be used as part of future staff induction programs and as a tool to foster recovery discussions with consumers.

Two of Forensicare’s Occupational Therapy staff continued to pursue post-graduate qualifications, and the Senior Occupational Therapist successfully completed a Masters in Advanced Occupational Therapy studies.

Psychology

All Psychologists participated in training for the HCR-20 v3 risk assessment tool. This tool, which is based on the Structured Professional Judgement model, is the latest version of a comprehensive set of professional guidelines for violence risk assessment and management.

Two of Forensicare’s Psychologists completed their Doctorate in Clinical and Forensic Psychology. Two Psychologists are enrolled in a PhD. All Psychology staff have a minimum of a Masters or Doctorate level degree in Clinical and/or Forensic Psychology.

Psychologists continue to contribute to Forensicare’s research program, with 12 having research published in 2013 and six presenting at national and international conferences.

The Principal Psychologist for Thomas Embling Hospital led the re-development and implementation of therapeutic programs at the hospital. Psychology staff at Thomas Embling Hospital developed new therapeutic programs that address patient offending issues.

Psychology staff led the development and facilitation of group based therapeutic programs within Forensicare’s community services.

12 post-graduate Psychology students completed a placement with Forensicare.

The Psychology team at Thomas Embling Hospital developed discipline specific tools for the Care Pathway Assessment package.

Clinical Services cont
Thomas Embling Hospital

Thomas Embling Hospital is a 116-bed secure hospital for patients from the criminal justice system who are in need of psychiatric assessment and/or care, together with treatment of patients from the public mental health system who require specialised management. The hospital provides acute and continuing care units, together with a dedicated unit for women.

KEY OUTCOMES

INTRODUCTION OF A SMOKE FREE ENVIRONMENT

Following the announcement that all Victorian Prisons would become Smoke-Free on 1 July 2015, the Forensicare Council endorsed the decision to delay the implementation of our decision to go smoke free at Thomas Embling Hospital until the same date.

To successfully implement this initiative Forensicare has employed a part time project officer with extensive experience within the smoking cessation and mental health sector, to provide timely and expert advice to guide us towards implementation.

Forensicare is using an evidence based approach to support staff and patients through this process. This will be done through the provision of combination Nicotine Replacement Therapy, brief intervention support and ongoing monitoring. 25 staff and patients are being trained as ‘smoking cessation specialists’ to provide timely support to those members of our community who may wish to quit in advance of the 1 July 2015 implementation date. Forensicare specific information has been provided to Quitline workers, and staff and patients are encouraged to access this Government sponsored support line.

On World No Tobacco Day (29 May 2014), Forensicare hosted a forum with interstate experts and consumers to discuss the subject. Attended by almost 100 staff, patients, family and carers, as well as other professional stakeholders, the forum was interactive and energetic and indicated a general shift in attitude as the organisation moves towards smoke-free status.

Forensicare hosted a forum with interstate experts and consumers to discuss the subject. Attended by almost 100 staff, patients, family and carers, as well as other professional stakeholders, the forum was interactive and energetic and indicated a general shift in attitude as the organisation moves towards smoke-free status.

RECREATION SERVICES

Following a tender process that was conducted in 2013, Corporate Health Management, operating as Healthstream was appointed as provider of Recreation Services from 1 January 2014. The YMCA had previously provided these services for 12 years, providing leisure and recreational programs that enhanced the patient’s rehabilitation experience. The YMCA staff had developed strong relationships over the years and their ongoing commitment was greatly appreciated.
From 1 January 2014 Healthstream began offering programs that emphasise health promotion, education and a wide variety of fitness programs. This is integrated into our other therapeutic activities in the hospital. These programs are vitally important given the physical side effects (including weight gain) of many of the medications our consumers are required to take.

VOCA TIONAL ED UCAT IO N AN D TRAINING
A formal tender process was also conducted for the provision of vocational education and training services at Thomas Embling Hospital. The existing service provider, Kangan Institute, was successful in their tender bid and the new contract commenced on 1 January 2014. Under the new contract, Kangan Institute offer patients a wider variety of courses, with a greater emphasis on employable skills. The provision of four short courses each year enables patients to achieve a nationally recognised qualification in a short timeframe.

ENHANCING SAFETY
A range of recommendations from the Office of the Chief Psychiatrist review of the December 2012 homicide, hospital wide ligature review and the Victorian Ombudsman’s investigation into deaths and harm in custody, were actioned in the reporting period. These actions included –

> Commitment of Council to a phased introduction of closed circuit television cameras in shared ward areas. This was followed by extensive stakeholder consultation prior to commencement of preliminary installation work.
> Implementation of an anti-ligature program, with the replacement of tapware and hinges and the modification of beds and bathroom doors across the hospital.
> Revision of the observation policies and procedures.

CLINICAL ADMINISTRATION REVIEW
A review of the Clinical Administration function was undertaken to consider the role and function of the service to be enhanced. As a result, increased emphasis has been given to clinical audit and review which will assist in meeting the National Mental Health and National Safety and Quality Standards. The service was also relocated to provide greater connectedness with the administrative centre.

ACUITY AND DEMAND
In tandem with the increase in the prison population in 2013-2014, there was an increase in the demand for beds to admit patients from the Melbourne Assessment Prison. As a result, there has been a substantial rise in acuity in the male acute units. A range of interventions was adopted to reduce restrictive interventions with acutely ill patients, including increasing the levels of close observation and the use of calming areas. This has contributed to the reduction of the seclusion rate in the units with a seclusion suite to 11.85 per 1,000 occupied bed days.

The admission demand and high level of patient acuity bed is reflected in the 99.3% bed occupancy experienced in the male Acute Units. This in turn has limited our ability to move patients to the Continuing Care Units, which have at times operated at lower than full capacity over the year. This is most noticeable in Jardine Unit, the unit located outside the secure perimeter of the hospital, which had a full year occupancy rate of 79.1%. The Continuing Care Units have also been impacted by the opening of the Community Recovery Program, at Austin Health. This facility has seven dedicated beds for use by Forensicare patients, which has enabled four of our stable patients to move to the facility to further progress their transition to independent living.

PERFORMANCE MEASURES 2013-2014
Our performance measures for Thomas Embling Hospital for 2013-2014 are shown below, together with comparative data from the previous two years where the measures have remained unchanged and the percentage change is meaningful.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of admissions</td>
<td>120 93 123 126</td>
<td>138 93 123 124</td>
<td>14% 1.6% 1.4% 4.14%</td>
<td>26.2% 25%</td>
<td></td>
</tr>
<tr>
<td>30 day readmission rate</td>
<td>14% 1.6% 1.4% 4.14%</td>
<td>14% 1.6% 1.4% 4.14%</td>
<td>26.2% 25%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupied bed days – breakdown by legal status of patients –</td>
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<td>n/a</td>
<td></td>
<td></td>
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<tr>
<td>security patients</td>
<td>7,847 7,982</td>
<td>7,847 7,982</td>
<td>21 n/a</td>
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<td></td>
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<tr>
<td>forensic patients</td>
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<td>27,942 27,241</td>
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<td></td>
</tr>
<tr>
<td>s.12/other</td>
<td>4,465 4,669</td>
<td>4,465 4,669</td>
<td>83 n/a</td>
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<td></td>
</tr>
<tr>
<td>Length of stay –</td>
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<tr>
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<td>60 n/a</td>
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<td></td>
</tr>
<tr>
<td>forensic patients</td>
<td>2,112 days* 1,559 days*</td>
<td>2,112 days* 1,559 days*</td>
<td>22 n/a</td>
<td></td>
<td></td>
</tr>
<tr>
<td>s.12/other</td>
<td>191 days 164 days</td>
<td>191 days 164 days</td>
<td>25 n/a</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seclusions (in 4 units with acute seclusion suites)</td>
<td>No target</td>
<td>n/a</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>per 1,000 bed days</td>
<td>&lt; 20 11.85% 19.66% 22.9%</td>
<td>22 n/a</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>multiple seclusion episodes</td>
<td>No target</td>
<td>n/a</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security –</td>
<td>No target</td>
<td>n/a</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>number of escapes from Thomas Embling Hospital</td>
<td>0 0 0 0</td>
<td>0 0 0 0</td>
<td>n/a</td>
<td></td>
<td></td>
</tr>
<tr>
<td>number of absconds from leave</td>
<td>No target</td>
<td>n/a</td>
<td></td>
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</tr>
</tbody>
</table>

* only includes patients detained on a Custodial Supervision Order under the Crimes (Mental Impairment and Unfitness to be Tried) Act 1997

"The problem is ‘Thomas Embling time’. It hinders recovery when you are ok to go, move on, and you can’t. It takes too long to move through Thomas Embling – it can be frustrating”

"Recovery is like a stepping stone"
Barwon Prison, Loddon and Langi Kal Kal Prisons, and the Metropolitan Remand Centre, providing psychiatric services to women prisoners thought to be mentally ill who were being met. Following the strategy, a new Nurse Practitioner Candidate commenced in March 2014. In the first half of 2014 detailed discussions with Justice Health will enable increased sessions to commence in 2014–2015 at the Melbourne Assessment Prison, Melbourne Remand Centre and regional public prisons where Forensicare has a presence. This includes a new psychiatry service at the Middlesex Facility (the new stand-alone annexe to Loddon Prison). Extra psychology services at Melbourne Assessment Prison will commence shortly and two new positions will be established at Barwon Prison and Marngoneet Correctional Centre. This is the first increase in the prison based psychology sessions provided by Forensicare.

Further negotiations have begun with Justice Health examining the needs of prisoners at high risk of self-harm who are placed in the isolation (‘Muirhead’) cells at Melbourne Assessment Prison. This initiative is likely to be implemented in the second half of 2014. Forensicare has commenced discussions with the Departments of Health and Justice to address the impact of the growth in prisoner numbers, and specifically prisoners with a mental illness, on the existing forensic mental health services provided by Forensicare within the prison system.

MARRMAK PROGRAM, DAME PHYLLIS FROST CENTRE

**Revised Model of Care**

We reviewed the model of care for the Marmak Program in collaboration with Justice Health and local management in 2013–2014 to ensure that the needs of women prisoners with a mental illness were being met. Following the review, strategies implemented include –

- Redesigning of the Marmak inpatient service as a ‘residential’ program, with composition of the ‘A’ and ‘B’ sides of changes to local operating procedures for the ‘A’ and ‘B’ sides of the building in relation to campus access and correctional officer presence.
- Providing additional support to primary health care staff of GEO Care to conduct reception screening at the prison, to assist them in identifying women appropriate for referral to the Marmak program.
- As a result of these initiatives, the overall occupancy rates of Marmak Unit increased (from 59.79% in 2012–2013 to 80.48% in 2013–2014).
- Corrections Victoria has recently initiated a project to rejuvenate specialist mental health services for female prisoners at Dame Phyllis Frost Centre in the coming year. The project scope will include the physical and operational environment for delivering mental health care, as well as the model of care. Forensicare has been invited to participate in this project, and we look forward to improving the outcomes for women accessing specialist mental health care at the prison.

**Marmak Unit**

Physical upgrades of the Marmak Unit were undertaken during the year with the support of management at Dame Phyllis Frost Centre. These included upgrading the office space, repainting and carpeting of the Unit and redevelopment of a courtyard into a therapeutic garden.

Forensicare and Corrections Victoria staff at the prison jointly hosted events to mark International Women’s Day and White Ribbon Day. Both events were well supported and attended by prisoners and staff. Forensicare appreciates the close working relationship that exists with the prison management team at Dame Phyllis Frost Centre, and the high level of collaboration and co-operation that occurs to improve outcomes for women in the prison system with a mental illness.

**JCare – Electronic medical records**

The new Justice Health electronic medical records system, JCare, became operational at Dame Phyllis Frost Centre in May 2014. Forensicare staff worked closely with Justice Health to ensure the successful introduction and implementation of the new system. JCare has been well received by Forensicare staff and is leading to efficiencies in process and practice.

**Funding**

The Marmak program has been funded through the Better Pathways program, which was to be reviewed at the end of June 2014. A one year extension of the program has been announced by the Victorian Government, during which time a detailed program evaluation is to be undertaken. This will occur concurrently with the economic review being undertaken by the Department of Justice.

**NURSE PRACTITIONERS**

With the support of Justice Health, our newly endorsed Nurse Practitioners commenced full scope of practice in November 2013, providing services to Melbourne Assessment Prison, the Metropolitan Remand Centre and Hopkins, Loddon and Langi Kal Kal prisons (see also page 18). Their role includes assessment and management using nursing knowledge and skills, and encompasses direct service delivery, prescribing medications, ordering diagnostic investigations and referral of patients to other healthcare professionals as needed.

Forensicare is very pleased that Justice Health has supported the establishment of a further Nurse Practitioner Candidate who commenced at the Melbourne Assessment Prison in March 2014.

**NEW MULTIDISCIPLINARY UNIT BASED AT THE METROPOLITAN REMAND CENTRE**

At the end of 2013 Justice Health sought Forensicare’s advice on how to respond to known gaps in the mental health service system for male prisoners. Forensicare developed a proposal to establish a new unit at Metropolitan Remand Centre, to provide outreach services to other prisons, which is anticipated will be operational in 2014–2015. While the final details of this new Unit are still being discussed, the proposed unit will significantly enhance services provided by Forensicare for male prisoners with major mental disorders.

**SUICIDE AND SELF HARM TRAINING**

As a result of the growth of the workforce of Corrections Victoria, there was an increase in the level of Suicide and Self Harm training provided by Forensicare in 2013–2014. The training has a risk minimisation focus and sessions are provided to new and existing correctional officers, and community corrections staff, including field officers. A team of 20 senior Forensicare multidisciplinary clinicians, is involved in the training program, and the feedback received from the sessions provided during the year indicates that participants found the training to be of a high standard and the experience was regarded as positive.
Other developments in 2013-2014 –

> Forensicare developed a Suicide and Self Harm training package for our prison based clinical staff. The course was piloted in early 2014 and the training will become part of the mandatory training requirements for Forensicare clinicians providing services within the prison system.

> At the request of Corrections Victoria, Forensicare developed a package of general mental health training for prison officers, to provide an understanding of the presentation of mental illness in the prison system and assist with the management of prisoners affected by mental illness. It is anticipated that this training will commence in 2014-2015.

**Performace Measures 2013-2014**

Our performance measures for Prison Services for 2013-2014 are shown below together with comparative data where the % change is meaningful. Performance measures are reported separately to Justice Health and Corrections Victoria, Department of Justice, under our Funding and Services Agreement.

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Average daily number of prisoners waiting transfer to Thomas Ewing Memorial Hospital (from Acute Assessment Unit, Melbourne Assessment Prison)</td>
<td>No target</td>
<td>4.3</td>
<td>3.13</td>
<td>1.6</td>
<td></td>
</tr>
<tr>
<td>Average number of days between certification and transfer to Thomas Ewing Memorial Hospital</td>
<td>No target</td>
<td>22.2</td>
<td>10.1</td>
<td>5.7</td>
<td></td>
</tr>
<tr>
<td>In Custody Reports (including prison and Thomas Ewing Memorial Hospital)</td>
<td>No target</td>
<td>305</td>
<td>251</td>
<td>307</td>
<td>0.7%</td>
</tr>
<tr>
<td>Court</td>
<td>154</td>
<td>142</td>
<td>193</td>
<td>20.2%</td>
<td></td>
</tr>
<tr>
<td>Adult Parole Board</td>
<td>191</td>
<td>109</td>
<td>114</td>
<td>32.5%</td>
<td></td>
</tr>
</tbody>
</table>

**Outpatient Services**

- **Performance Measure**
  - **Outcomes 2013-2014**
  - **Outcomes 2012-2013**
  - **Outcomes 2011-2012**

  **Number of reception assessments**
  - 6,680
  - 6,511
  - 5,038
  - ▲ 12.5%

  **Occasions of service –**
  - **Psychiatric nurse clinic**
    - 4,876
    - 2,982
    - 2,764
    - ▲ 26.4%
  - **Nurse practitioner**
    - 716
    - 746
    - 825
    - ▲ 14.3%
  - **Psychiatric Consultant**
    - 203
    - 282
    - 246
    - ▲ 17.5%
  - **Psychiatric Registrar**
    - 686
    - 584
    - 615
    - ▲ 11.5%

**Dame Phyllis Frost Centre - Marmuk Unit**

- **Performance Measure**
  - **Outcomes 2013-2014**
  - **Outcomes 2012-2013**
  - **Outcomes 2011-2012**

  **Bed occupancy rate**
  - 80.3%
  - 59.8%
  - 66.5%
  - ▲ 21.1%

  **Average length of stay**
  - 43.9 days
  - 48.4 days
  - 47.1 days
  - ▲ 6.8%

  **Number of admissions**
  - 115
  - 91
  - 77
  - ▲ 39.4%

  **Average number of monthly inpatient group sessions**
  - 44
  - 42.3
  - 37.3
  - ▲ 15.9%

  **Average number of monthly participants in group sessions**
  - 193
  - 117.0
  - 110.2
  - ▲ 25.5%

*This excludes the discharge of a prisoner from the Unit in July 2011 after an extended stay of 766 days
The major correctional infrastructure project, the building of a new medium security men’s prison in Ravenhall in Melbourne’s west, was announced in the 2012-2013 Victorian State Budget. Initially planned as a 508 bed facility, the Government announced in September 2013 that the prison would be expanded to accommodate 1,000 prisoners. The prison, which is to be located adjacent to the Metropolitan Remand Centre and Dame Phyllis Frost Centre, will be privately built and operated. It will provide accommodation for mainstream and protection prisoners, and include 75 mental health beds, and a large expansion of our prison-based services. The project was to be completed by the end of 2017.

Forensicare has been appointed by Government to provide the specialist forensic mental health services at the new prison. These services will be provided under a contract arrangement with the preferred tenderer.

In June 2013 the Government commenced an Expression of Interest (EOI) process for consortia to bid for this project, and Forensicare engaged with all interested parties in relation to this. The EOI process closed in July, and through to October 2013 the Department of Justice evaluated the EOI and how specialist forensic mental health services would be delivered at the prison.

In October 2013, the Department of Justice announced that Forensicare was to be the nominated provider of forensic mental health services at the new prison to be built at Ravenhall. This is an exciting development for Forensicare, providing the opportunity to significantly expand our prison-based services. The service will include 75 mental health beds and a large outpatient program.

The prison at Ravenhall will be built and operated as a public-private partnership between the State and the successful private sector bidder. Forensicare will be a subcontractor to the operator of the prison.

### Oversight of the project

Acknowledging the importance of this project, a dedicated Project Team, led by Louise Rawden, a senior Forensicare clinician, was established to be responsible for the overall planning and implementation of this significant project. The Project Team reports to an internal steering committee, which monitors the project timelines and risks. The initial task of the project team was to develop a model of care for the new service, which was undertaken within a six-week period, and completed in December 2013. As the project has moved through different stages, additional staff have been employed to meet the changing demands of this long term development.

### Specialist forensic mental health services at the new prison

The comprehensive suite of forensic mental health services to be provided by Forensicare at the new prison include –

- **Initial reception assessments**
- **At risk assessments**
- **Acute unit – 25 beds**
- **Sub-acute unit – 30 beds**
- **Complex and challenging behaviours unit – 10 beds**
- **Community transitions unit – 10 cottage-style beds**
- **Community Integration Program**
- **Forensic Mental Health Outpatients Service**

### Workforce challenges

A significant challenge for Forensicare in the coming two years will be the expansion of our workforce to supply the clinical and corporate support staff required to deliver the forensic mental health services at the Ravenhall prison.

- **Internal capacity building**
- **Developing existing staff who wish to work at Ravenhall**
- **Growing our own**
- **Expanding graduate programs and Registrar training places**
- **Domestic recruitment**
- **National recruitment campaign**
- **International recruitment**
- **International recruitment campaign**

The Forensicare Ravenhall Project Team has provided a high level of consultation into the design of the mental health inpatient units at Ravenhall prison. The purpose-built mental health facilities will be developed to international best-practice standards, and will dramatically improve access to mental health care for men with serious mental illness within Victoria’s prison system. It will also significantly expand the capacity and scope of our organisation, offering unique opportunities for Forensicare staff to advance their professional skills in line with world-class clinical and mental health service provision.

### Model of Care

The set of principles to underpin the model of care developed by the Project Team –

- **Recovery-orientated practice**
- **Equivalence**
- **Clinical risk reduction**
- **Integration**
- **Innovation and best practice standards**
- **Early intervention and prevention**

Forensicare will be pioneering the implementation of Recovery-orientated mental health services within a custodial setting at the Ravenhall prison.

The aim of Recovery-orientated mental health practice at the prison will be to support prisoners to maximise opportunities for choice and self-determination within a climate of hope and optimism, and with a focus on the prisoners’ strengths and individualised care and treatment. This challenge will involve bringing along both clinical and custodial staff on the journey from traditional practices to partnering, and genuinely collaborating, with prisoners to support and facilitate personal Recovery.

### Forensicare staffing profile at Ravenhall prison

Staffing models will be developed to provide multidisciplinary clinical teams, supported by a number of clinical and corporate positions, including a Quality and Clinical Governance Coordinator, Training and Professional Development Coordinators and a Contracts Compliance Officer.

In keeping with the Recovery-orientated practice, the forensic mental health service will include a Consumer Consultant, Family and Carer Advocate, an Indigenous Health Worker and a Peer Support Worker. We anticipate that over 100 Forensicare staff will be based at the prison.

### Workforce development activities

A detailed and comprehensive operational readiness and ramp-up plan has been developed to support workforce development activities over the next three years. The plan outlines four broad strategies designed to attract and recruit the required workforce –

- **Internal capacity building**
- **Developing existing staff who wish to work at Ravenhall**
- **Growing our own**
- **Expanding graduate programs and Registrar training places**
- **Domestic recruitment**
- **National recruitment campaign**
- **International recruitment**
- **International recruitment campaign**

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The Community Forensic Mental Health Service is a statewide service, responsible for the provision of Forensicare’s outpatient programs. The service provides assessment and multidisciplinary treatment to high risk clients referred from area mental health services, correctional providers, courts, Adult Parole Board, Thomas Embling Hospital, Acute Assessment Unit at Melbourne Assessment Prison, Marnak Unit at Dame Phyllis Frost Centre, government agencies and private practitioners.

The programs provided by the Community Forensic Mental Health Service include —

- Community Forensic Mental Health Program
- Problem Behaviour Program
- Court Services Program
- Community Integration Program
- Non-custodial Supervision Order Consultation and Liaison Program

### KEY OUTCOMES

#### DEPARTMENT OF JUSTICE TENDER - EXTENDED SUPERVISION ORDER ASSESSMENTS

Forensicare secured a Department of Justice tender for the provision of secondary assessments (neuropsychological and psychiatric) for the Detention and Supervision Order program. With the funding received a part-time Neuropsychologist will be employed to deliver the program, which will be the first appointment of a Neuropsychologist made by Forensicare. This will enable skills and expertise to be developed that will be of relevance to all forensic mental health service delivery.

#### CAPITAL WORKS GRANT

In February 2014 we received advice that we had been successful in obtaining funding of $45,668 from the Department of Health’s Enhanced Community Mental Health Initiative. Our proposal was to create a better space for consumer and family meetings and clinical group programs at the Clifton Hill premises. The new space became operational in June 2014, and feedback received from consumers, carers and clients has been very positive. The new area is spacious, light, well-appointed and accessible.

#### COMMUNITY INTEGRATION PROGRAM

The Community Integration Program includes time limited (up to 12 weeks) assistance to people with a serious mental illness in their transition from prison back into the community to enable them to establish treatment with their local mental health service. The program is provided to clients leaving the Melbourne Assessment Prison and Dame Phyllis Frost Centre, and since July 2012 has been funded by the Department of Justice.

We have commenced an evaluation of client outcomes in consultation with the Centre for Forensic Behavioural Science. This will compare outcomes over one year for prisoners who received the service against outcomes for those offered a different pathway or dropped out, together with a stakeholder feedback process. The outcome measures to be adopted are rehospitalisation and recidivism.

The Centre for Forensic Behavioural Science will commence the evaluation once the final ethics approval from the Human Research Ethics Committee is received, with results expected early in 2015.

The Program also provides community based mental health care for those on a Custodial Supervision Order under the Crimes (Mental Impairment and Unfitness to be Tried) Act 1997. This service is for clients at Thomas Embling Hospital in the lead up to their extended leave application, and following extended leave being granted.

The case load in this program has grown over the last two years as more patients transition from hospital and there has been a decrease in the number of people moving to Non-custodial Supervision Orders. In July 2012 we were working with 18 consumers and by June 2014, this had grown to 25. We will continue to monitor the complexity and demands of the care for Forensicare patients on Extended Leave, and work with the Department of Health to consider future needs and projected client numbers.

#### NON-CUSTODIAL SUPERVISION ORDER PROGRAM

Non-custodial Supervision Orders are orders made by a court under the Crimes (Mental Impairment and Unfitness to be Tried) Act 1997, which allow a person to live in the community while receiving treatment or services. At 30 June 2014, there were 77 people in Victoria on a Non-custodial Supervision Order, all of whom were supervised by Forensicare.

The work of the program includes seeing and supervising clients, and liaising with and supporting services which directly treat the client.

While the number of people on Non-custodial Supervision Orders remains relatively constant, the demands on the clinicians working in the program continue to increase in complexity. Situations arose during the year that involved complicated and sensitive liaison with interstate police, judicial and mental health systems. As a result, with the support of funding from the Department of Health, an additional 0.5EFT nursing position was allocated to the program in 2013.

#### EXTERNAL TRAINING PROGRAM

We have expanded our training for external individuals and organisations, including a calendar of workshops and individually designed training programs. Topics were broadened to include dealing with anger and hard to like clients, a targeted workshop for lawyers and health professionals on clinical and legal perspectives on mental disorder in criminal law, ‘working with complexity’, understanding personality disorders and offending, and risk assessment.

Over 150 participants attended these sessions and formal feedback provided confirms that the workshops were found to be useful, highly informative and well presented. Our thanks to the many staff involved in organising and presenting the training, which is an important part of our engagement and collaboration strategy.

#### YOUTH JUSTICE

Forensicare coordinates the Youth Justice Mental Health Program which supports a stable team of clinicians based in Child and Youth Mental Health Services. We continued to develop good working relationships with Youth Justice staff, delivering training and professional development sessions across multiple settings, including Parkville Youth Justice Precinct, and contributed to presentations at International Conferences on the program.

During the 2013-2014, the Department of Human Services released tenders for the provision of ‘health services’ and ‘rehabilitation programs’ in Youth Justice Centres, as well as for young people on youth justice orders in the community.

Forensicare, together with Dottua Gala Community Health, submitted a tender to provide health services, which included primary care and secondary mental health (psychiatry and mental health nursing) care. Independently, Forensicare submitted a tender to provide rehabilitation programs, including comprehensive forensic mental health assessment and services aimed at responding to particular offending behaviours and associated issues.

While our tender submissions were not successful, many contributors developed a strong proposal which demonstrated our commitment and ability to work in this area and collaborate in new ways with another service. We acknowledge the hard work of the Forensicare and Dottua Gala staff on this excellent bid.

#### PROBLEM BEHAVIOUR PROGRAM

The Problem Behaviour Program continues to attract national and international praise and attention. A reporter from the Tokyo Broadcasting System visited in October 2013 to interview staff from the Problem Behaviour Program about the stalking research and the assessment and treatment services offered to stalkers at Forensicare. This followed media attention in Japan after the murder of a number of young women by ex-partners who were known to be stalking them. At the request of the National Policy Agency in Japan, a visit is also scheduled to occur in July 2014 from a Japanese forensic psychiatrist researching the treatment of stalkers.
welcome outcome that recognises the effectiveness of the program and the contribution that Forensicare has made through the Co-ordinator in supporting the Forensic Clinical Specialist Clinicians. This year the Co-ordinator developed program guidelines, provided consultation to the Forensic Clinical Specialists and delivered 13 development forums, together with peer support and supervision sessions. We had significant input into the formal review of the pilot program which led to the decision to fund it recurrently.

MENTAL HEALTH COURT LIAISON SERVICE

The Mental Health Court Liaison Service is a highly regarded court based assessment, liaison and advice service that operates in seven metropolitan Magistrates’ courts (Melbourne, Broadmeadows, Ringwood, Heidelberg, Dandenong, Frankston and Sunshine). A detailed analysis of the activity of the position at Sunshine was undertaken over 19 working days in 2013-2014. In this period –

- A total of 193 clients were assisted.
- The majority of activity (82%) and time (72%) was for client related tasks.
- The common client profile was - male (85%), no previous mental health diagnosis (46%), using drugs and alcohol (51%), in custody (73%), before the court for a violent offence (60%), receiving disability support pension (67%), and living independently in fragile/unstable accommodation (39%).
- The Police Custodial Nursing Service was the predominant referrer or requester of service (44%).
- The primary issue of concern was clarification of treatment needs (73%).

The results provide an insight into the detail of this role that has not been available to date, and will guide ongoing service development.

The Mental Health Court Liaison Service celebrates its 20th anniversary in 2014 and Forensicare will mark this occasion with a special celebration.

SUPPORT FOR CARERS

An Information Session for carers of forensic mental health clients in the community was held in April 2014. The session, which was facilitated by Forensicare’s Family and Carer Advocate and Social Workers from the Community Forensic Mental Health Service, was attended by 12 carers and feedback received was very positive. The Information Session will be followed up by an extended ‘well ways’ course, to be held for community carers in the second half of 2014.

KOORI CULTURAL AWARENESS

For the first time, Koori Cultural Awareness Training run by the Koori Cultural Training Officer from Department of Justice Learning, People and Culture was offered for staff at the Community Forensic Mental Health Service. Twenty three staff attended the half day training. Staff feedback confirmed the high standard of training which provided information and experiences that will enhance our service operations. The training is to become an ongoing inclusion in our staff training calendar.

PERFORMANCE MEASURES 2013-2014

Our performance measures for Community Forensic Mental Health Service are shown below, together with comparative data from the previous two years where the measures have remained unchanged.

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Number of service hours</td>
<td>5,000</td>
<td>16,189</td>
<td>14,749</td>
<td>12,039</td>
<td>▲ 34.5%</td>
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<tr>
<td>Problem Behaviour Program – new cases</td>
<td>174</td>
<td>234</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>total contact hours</td>
<td>6,361</td>
<td>4,719</td>
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<td>Mental Health Program – new cases</td>
<td>75</td>
<td>108</td>
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<td></td>
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<tr>
<td>total service hours</td>
<td>5,700</td>
<td>3,428</td>
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<tr>
<td>Court Liaison Service – total contacts</td>
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<tr>
<td>total service hours</td>
<td>4,128</td>
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<tr>
<td>total contact hours</td>
<td>1,060</td>
<td>n/a</td>
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<tr>
<td>Average length of case</td>
<td>No target</td>
<td>106 days</td>
<td>132.7 days</td>
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<tr>
<td>Average treatment days</td>
<td>No target</td>
<td>0.51 days</td>
<td>0.48 days</td>
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<tr>
<td>On bail court reports – number of reports completed for courts</td>
<td>173</td>
<td>187</td>
<td>201</td>
<td>▼ 13.9%</td>
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</tr>
<tr>
<td>total service hours</td>
<td>698</td>
<td>542</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>total contact hours</td>
<td>170</td>
<td>n/a</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outcome measures – compliance with Basis 32</td>
<td>Full compliance</td>
<td>100%</td>
<td>100%</td>
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</tr>
</tbody>
</table>
**IMPLEMENTATION OF NEW MENTAL HEALTH ACT**

Forensicare joined the Department of Health’s state-wide project to implement Victoria’s new Mental Health Act in December 2013. A Mental Health Act Steering Committee, chaired by the CEO and consisting of senior and executive staff, legal counsel and the consumer/carer workforce, was formed and met fortnightly to oversee Forensicare’s response to reforms in the legislation.

Work on the project intensified when the Act was passed by Parliament in April 2014. Across Forensicare, tasks associated with communicating changes to staff, patients and carers, preparing for the new Mental Health Tribunal and adapting local processes regarding the use of restrictive interventions were prioritised.

Twelve training workshops and an online training tool were provided to staff and training in the new components of Advance Statements, Nominated Persons and the Mental Health Tribunal will be embedded into the ongoing staff development plan. Work updating policies and procedures to accord with the Act will continue until the project ends in October 2014.

**ACCREDITATION**

Forensicare participates in the Australian Council on Healthcare Standards EDUQUAL Program, a comprehensive accreditation program which combines the new National Safety and Quality Health Service Standards and five EDUQUAL Standards. As part of our accreditation cycle, we participated in a Periodic Review in September 2013, and attained successful accreditation. This is a significant achievement for the service and provides the foundation for ensuring a safe and high quality health service.

Forensicare operates under a complex legislative environment that governs its relationships with government and the services it supplies to patients and clients. The Mental Health Act 2014 and the Crimes (Mental Impairment and Unfitness to be Tried) Act 1997 detail the legal framework for the provision of treatment and care of our patients and clients.

**CRIMES (MENTAL IMPAIRMENT AND UNFITNESS TO BE TRIED) ACT 1997**

This piece of legislation governs the disposition and treatment of people who are found not guilty by reason of mental impairment or unfit to plead. The cumulative number of people under supervision orders has continued to grow, and at 30 June 2014 there were 161 people with a mental illness under Supervision Orders under the Act. These consist of 72 Custodial Supervision Orders, 12 Custodial Supervision Orders (Extended Leave) and 77 Non-Custodial Supervision Orders.

There were 22 new Supervision Orders made in the year for people with a mental illness, compared to 19 in the previous year. In each case, a Forensicare clinician was required to prepare a detailed report for the Office of Public Prosecutions on the issues of fitness to plead or the mental impairment defence and give evidence in Court. Prior to the final order being made, a further report is generally prepared for the court under the Act advising on risk and appropriate treatment. In the case of Non-custodial Supervision Orders (NCOSOs) this involves liaison with a person’s existing treatment providers and organising arrangements for further community treatment. In each case, Forensicare must provide a certificate to the Court indicating that facilities and services to provide the treatment are available.

**CUSTODIAL SUPERVISION ORDERS**

- Six of the nine people who were put onto Custodial Supervision Orders in 2013-2014 had been admitted to Thomas Embling Hospital as remandees prior to the disposition of their criminal trial.
- Eight patients moved from the Thomas Embling Hospital to live full time in the community on extended leave (compared to four in the previous year).
- Five patients on Custodial Supervision Orders returned to Court for a review of their order, which had been initiated by the Court at the time the original order was made or for a major review. In all cases the custodial order was confirmed and a further review date set.
- Two people on extended leave had their Custodial Supervision Order varied to a Non-custodial Supervision Order. One person had their extended leave revoked and returned to Thomas Embling Hospital.

**NON-CUSTODIAL SUPERVISION ORDERS**

- 13 Non-custodial Supervision Orders (NCOSOs) were made for new offenders (this was one less than were made in 2012-2013).
- Three people on Non-custodial Supervision Orders were apprehended and admitted to Thomas Embling Hospital following breach of the conditions of their order. One person on a Non-custodial Supervision Order had their order varied to a Custodial Supervision Order.
- All of the 77 clients in the community on Non-custodial Supervision Orders at 30 June 2014 are supervised by Forensicare through the Community Forensic Mental Health Service.
- Fourteen people on a Non-custodial Supervision Order had their Order revoked (four less than last year).
- 35 review hearings were held for people on Non-custodial Supervision Orders, either due to the review being set by the Court, or being triggered by the major review provisions in s.35 of the Crimes (Mental Impairment and Unfitness to be Tried) Act. This compares to 34 such hearings last year. Seven people had their order revoked as a result of these reviews (referred to above).

During the year Forensicare staff prepared reports for 75 Court hearings for people on Supervision Orders under the Crimes (Mental Impairment and Unfitness to be Tried) Act. Forensicare staff attended court to give evidence in 55 of these court hearings. Some court hearings were delayed or adjourned, for various reasons. This often results in the need for further, updated reports when the matter returns to court.

As reported last year, participation in court hearings involves the investment of considerable time for clinical staff, both at Thomas Embling Hospital and at the Community Forensic Mental Health Service and has a significant impact on the workload of staff.

**SUPERVISION ORDERS AS AT 30 JUNE 2014**
COURT REPORTS
The strong demand from Courts for psychiatric and psychological reports experienced in previous years continued in 2013 – 2014. Requests from the Office of Public Prosecutions for reports on issues of fitness to plead or the mental impairment defence under the Crimes (Mental Impairment and Unfitness to be Tried) Act 1997 continue to take considerable time and effort. In 2013-2014 Forensicare accepted 54 requests for reports from the Office of Public Prosecutions (a decrease of seven from the previous year). As in previous years, a significant number of reports requested (14, or 25%) were for accused people whose primary diagnosis was not a mental illness – six of the requests were for reports on people with an intellectual disability.

This important work that Forensicare undertakes to assist the courts has been funded by the Department of Justice since 2012.

OTHER ACTIVITIES
Forensicare’s lawyers are involved in a wide variety of legal and policy issues. The passage through Parliament of the Mental Health Act 2014, the legal framework which authorises compulsory mental health treatment, was of major importance during the year. The Act also contains the provisions that establish and govern Forensicare, including its powers and functions and the arrangements for its Board of directors. Preparation for the implementation of the new Act commenced across the organisation during the year and the implementation will remain a focus of legal work in the coming year.

In August 2013, Forensicare made a submission to the Victorian Law Reform Commission’s review of the Crimes (Mental Impairment and Unfitness to be Tried) Act. This Act, which has been in force since 1998, is central to Forensicare and our consumers and we wait the tabling of the review in parliament in the coming months with interest.

A substantial area of legal work has been the Ravenhall Prison Project. As the mandated provider of forensic mental health services at the prison, Forensicare has worked closely with the State throughout this process to ensure that appropriate arrangements are in place for Forensicare’s service delivery as a subcontractor.

Other important areas of legal advice and representation over the last year include: privacy, confidentiality and Freedom of Information, representation and support to witnesses at Coronial Inquests, compliance with the Charter of Human Rights and Responsibilities, legislative compliance and auditing and policy development.

We continued to deliver a variety of training to Forensicare staff in regard to the Mental Health Act, the Charter of Human Rights and Responsibilities, Freedom of Information, consumer confidentiality and other issues.

In recognition of the need to maintain strong links with the criminal justice system, we provided formal tours of Thomas Embling Hospital to the Judicial College and lawyers from the Office of Public Prosecutions and Victoria Legal Aid.

SUSTAINABILITY – OUR ENVIRONMENT
Forensicare continues to monitor and report on our environmental performance. We have continued to decrease our total greenhouse gas emissions during the year by further reducing our vehicle fleet. This has had the flow-on effect of lowering the total fleet kilometres travelled in 2013-2014 (see Vehicle Use).

In addition, the procurement of stationary was reviewed, and a line of cost neutral sustainable office products introduced.

“I think it’s good, you feel that staff have got your back, that you are supported. It’s helpful to know what recovery is.”
EXECUTIVE OFFICERS

Executive Officers at Forensicare are employed as GSERP Executives, Group 3, Cluster 2.

<table>
<thead>
<tr>
<th>Date</th>
<th>Number of Executives</th>
<th>Vacancies</th>
<th>Ongoing/special projects</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 June 2014</td>
<td>4</td>
<td>0</td>
<td>4 x Ongoing</td>
<td>4 Male</td>
</tr>
<tr>
<td>30 June 2013</td>
<td>4</td>
<td>0</td>
<td>4 x Ongoing</td>
<td>3 Males</td>
</tr>
<tr>
<td>30 June 2012</td>
<td>4</td>
<td>0</td>
<td>4 x Ongoing</td>
<td>1 Female</td>
</tr>
</tbody>
</table>

Note – This details the Executive Officers, including the CEO, at the last pay period of each year. The information contained in Note 18 (c) in the Financial Statements details the remuneration of all Executive Officers, excluding the CEO, in the years 2013-2014 and 2012-2013. As the Responsible Person, the CEO is included in Note 18 (b) of the Financial Statements.

STAFF GENDER

Our staff gender profile consists of more women than men, which is consistent with the profiles reported across the mental health and health fields.

- Women – 251 (63%)
- Men – 149 (37%)
### Human Resources – our People cont

**OCCUPATIONAL HEALTH AND SAFETY**

Forensicare has a dedicated commitment to Occupational Health and Safety, which is demonstrated by the adherence to Occupational Health and Safety policies and procedures and commitment to reporting hazards and occupational safety events on Risksman (our electronic reporting system).

Our bi-monthly Occupational Health and Safety Committee is attended by our OHS representatives and managers. All OHS representatives have attended the 5 day accredited training for workplace representatives.

While incidents retaining patient aggression still remain at a concerning level, we continue to improve our practices.

A strong commitment to maintain a safe and healthy environment for staff, contractors, visitors and patients is evident across all levels of the organisation. All sites have an annual inspection audit undertaken by the Occupational Health and Safety representative and area Manager. Incidents of patient aggression remain at a level that is concerning to the Executive, and we continue to work to improve our practices.

Occupational Health and Safety training is provided as part of our mandatory orientation for all new staff. Managers and supervisors from across the organisation attend annual Occupational Health and Safety training to ensure that they understand their obligations in this area.

**INDUSTRIAL RELATIONS**

There was no time lost due to industrial action or disputes in 2013-2014. The Workplace Consultative Committee, which consists of union, workplace and management representatives as required under the current Certified Agreement, continues to meet monthly. The Committee provides a forum for open communication between management and unions which focuses on providing the opportunity to table proposed changes and assist with planning for the future.

**MERIT AND EQUITY**

Forensicare is committed to upholding the principles of merit and equity in all aspects of the employment relationship to ensure fair and transparent processes for recruitment, selection, transfer and promotion of staff. Employment related decisions are based on merit and Forensicare complies with all relevant legislation and policies.

Complaints involving discrimination, bullying and harassment are dealt with in accord with organisation policy. All staff are given information on their rights and responsibilities and a network of 17 EEO contact officers has been established from all locations to provide support to staff as required. No formal merit and equity complaints were received in 2013-2014.

**WORKFORCE PLAN 2013-2018**

The Operational Readiness Plan for the Forensic Mental Health Service at Ravenhall has been completed and aligned with our already completed broader Workforce Plan. This is to ensure that we have effective strategies in place to attract, develop and retain a workforce with the necessary qualifications, skills and capabilities to deliver high quality patient centred programs and services.

Forensicare has an excellent retention rate, with our separation rate across all our professional disciplines lower than our comparator organisations as published in the most recent ‘Workforce Data Comparison Report’ from State Services Authority. We have maintained staffing levels across all areas of the organisation and decreased our reliance on external employment agency staff.

**TRAINING AND PROFESSIONAL EDUCATION PROGRAM**

Forensicare continued to deliver a range of personal and professional development opportunities for staff. Programs provided included Management Induction Training, Workplace Bullying, EEO and Disability Awareness training.

In addition, the Forensic Risk Assessment and Treatment training was reinvigorated in late 2013. The training has been provided to all clinical staff who commenced with Forensicare post March 2010 and/or who have not previously completed the training. By 30 June 2014, 89% of eligible staff had completed the training. The five training modules provide an overview of the Model of Offending Behaviour and related factors - mental illness factors, personality factors, dual diagnosis and social factors.

**STAFF FEEDBACK – PEOPLE MATTER SURVEY**

Forensicare’s participation in the People Matter Survey, conducted by the State Services Authority, provides an avenue for staff to provide the organisation with feedback about how they feel about working at Forensicare and within the Victorian Public Sector. It provides an insight into our organisational culture and an indication of the levels of satisfaction of our workforce. Although most public health sector employers take part in the survey every two years, Forensicare has elected to participate annually. We value the opinions of our staff and actively use the information provided to improve staff morale, which we know leads to improved staff retention. The culture and promotion of our values remains a high priority across Forensicare.

**CORPORATE SERVICES PERFORMANCE MEASURES 2013-2014**

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>Performance Target</th>
<th>Outcomes 2013-2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing result – YTD ($m)</td>
<td>$75k surplus</td>
<td>$215k surplus</td>
</tr>
<tr>
<td>Cash Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors</td>
<td>&lt; 60 days</td>
<td>36.10 days</td>
</tr>
<tr>
<td>Debtors</td>
<td>&lt; 60 days</td>
<td>73.10 days</td>
</tr>
</tbody>
</table>

**Quality and Safety**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Service accreditation</td>
<td>Full compliance</td>
<td>Full compliance</td>
<td>Full compliance</td>
<td>Full compliance</td>
</tr>
<tr>
<td>Cleaning standards</td>
<td>Full compliance</td>
<td>Full compliance</td>
<td>Full compliance</td>
<td>Full compliance</td>
</tr>
<tr>
<td>Staff Turnover Rates</td>
<td>11.2%</td>
<td>3.5%</td>
<td>8.5%</td>
<td>6.9%</td>
</tr>
<tr>
<td>Number of professional training hours undertaken by staff/per EFT</td>
<td>20.6 hrs</td>
<td>26.5 hrs per EFT</td>
<td>21.33 hrs per EFT</td>
<td>20.48 hrs per EFT</td>
</tr>
</tbody>
</table>

**The latest People Matter Survey results provided us with the following information in regard to our organisational values and integrity –**

- 96% of respondents were aware of the EAP program
- 100% said that they could provide help and support to other people in their workgroup
- 96% felt that they receive help and support from others in their workgroup
- 97% of respondents said that they are encouraged by colleagues to report concerns they may have about patient safety
- 96% agreed that patient care errors are handled appropriately
Research

CENTRE FOR FORENSIC BEHAVIOURAL SCIENCE
This year was marked by significant change and growth for the Centre for Forensic Behavioural Science. The Centre was originally established in 2006 as a joint enterprise by Forensicare and Monash University, and served to meet Forensicare’s responsibilities under the Mental Health Act to carry out research, education, and professional training in forensic mental health and related areas. Over the years the Centre has grown and is seen as a centre of excellence in forensic behavioural science and forensic mental health.

Move to Swinburne University of Technology
Following a number of changes in priorities at Monash University, the decision was made in 2013 to move the academic base of the Centre to Swinburne University of Technology. Swinburne University has demonstrated a strong interest in forensic science and forensic psychology by offering the only undergraduate degree in forensic science and psychology in Australia. In addition, Swinburne University has shown a strong commitment to multidisciplinary health sciences in a recent restructure to the university that saw the establishment of the School of Health Sciences in the new Faculty of Health, Arts and Design. Effective January 2014 the Centre joined Swinburne University, and Forensicare has signed an agreement with the university to jointly operate the Centre. Although a newer and smaller university, Swinburne University has quickly risen to the top 3% of universities internationally and the psychology department is ranked second in Victoria, next to the University of Melbourne, for research productivity and output.

In July 2014, the Centre for Forensic Behavioural Science was formally launched as a Centre within Swinburne University of Technology. The Vice Chancellor of Swinburne University, Professor Linda Kristjanson, and the Minister for Mental Health, The Honourable Mary Wooldridge, presided over the launch that was facilitated by Associate Professor Bill Healy, the Chairman of the Forensicare Board. The launch was attended by more than 100 people from a range of areas, including the university sector, Forensicare, the Department of Health, Department of Justice, the courts, the bar and the private sector.

Research Outcomes
Despite the flurry of activity leading up to the disestablishment of the Centre from Monash University and re-establishment of it at Swinburne University, the Annual Research Report that was released covering the 2012 and 2013 calendar years saw the highest level of academic outputs (i.e. publications and presentations) in the history of Forensicare. Staff members and students are regularly publishing between 40 and 50 scholarly articles a year. Our work is now being cited more than 1,200 times per year in scholarly publications and members of staff are regularly called on as invited speakers at services and conferences, nationally and internationally.

Perhaps most importantly, the work done in the Centre translates to service development and evaluation. Our work has transformed people’s understanding in a number of areas relating to mental illness and offending. This work is used to continuously improve evaluation and intervention work within Forensicare.

Dr Trish Martin Retirement
A significant figure in the development of Forensicare and in the Centre for Forensic Behavioural Science, Dr. Trish Martin, retired in 2014. Dr. Martin worked at Forensicare since its inception and served as the Director of Nursing. She completed a doctorate in nursing and excelled in both her nursing leadership and academic roles. She was a mentor to countless nurses and other members of staff. In the few years leading up to her retirement, Dr. Martin held the position of Director of Nursing Research. She developed and taught forensic mental health and forensic skills units in the Graduate Program in Forensic Behavioural Science offered by the Centre for Forensic Behavioural Science. She held academic appointments at the University of Melbourne and then at Monash University. In addition to her role on the local scene, Dr. Martin was a Member of the Board of the International Association of Forensic Mental Health Services and is on the Editorial Board of the International Journal of Mental Health Nursing. We wish her all of the best in her retirement.

Our Staff
With the move to Swinburne University of Technology, we have been able to appoint Dr. Rosemary Purcell as Associate Professor of Forensic Psychology and Deputy Director of the Centre. Associate Professor Purcell has been an active researcher in the field of forensic mental health since 1998, particularly on the topic of stalking. Prior to joining Swinburne, she was a Principal Research Fellow at Orygen Youth Health Research Centre at the University of Melbourne, where she was the inaugural Director of the Centre of Excellence in Youth Mental Health.

Mr. Brett McIvor was appointed to the post of Centre Coordinator. Mr. McIvor previously worked in finance and design at Swinburne University of Technology. He is responsible for the administration of the Centre and reports jointly to the Director of the Centre and the Manager of the Faculty of Health, Arts, and Design at Swinburne University.

Dr. Michael Daffern was promoted to Professor of Clinical Forensic Psychology. Professor Daffern works primarily in the areas of aggression (including intimate aggression), violence, personality disorders and he is a central figure in the development of the offence paralleling behaviour area. He is widely published and well known nationally and internationally. Dr. Andrew Carroll was promoted to Adjunct Associate Professor of Forensic Psychiatry. Associate Professor Carroll is a well-regarded clinical leader in forensic psychiatry who has made significant and ongoing contributions to training, research and service development in forensic mental health. Dr. Kylie Thomson was appointed Senior Lecturer in Clinical Forensic Psychology. Dr. Thomson is a clinical and forensic psychologist who has held leadership roles and has a strong reputation for service development, training and supervision. Dr. Troy McEwan, who was an Australian Research Council funded research fellow in the Centre, was promoted to Lecturer in Clinical Forensic Psychology. Dr. McEwan has developed a strong reputation for research in problem behaviours, including stalking and firesetting.

Finally, four existing academic staff members at Swinburne University joined the Centre – Associate Professor Jeff Pfeifer (Head, Department of Psychological Science), Dr. Diane Swaminathan, Dr. Jennifer Beaudry, and Dr. Jason Skues. They have all made contributions in psychology and law and form a vital part of the Centre.

As part of the strategic development of research within Forensicare, Dr. Rachael Fullam was appointed Research Lead and Development Officer for Forensicare. Her role is central in coordinating and supporting research within Forensicare. With the ongoing development in the Centre for Forensic Behavioural Science, we are well poised to continue to strengthen our research and training profile which will serve Forensicare well into the future.

PROFESSOR JAMES R. P. O'GLOFF
Director, Centre for Forensic Behavioural Science
Forensic has a sound research base and a strong commitment to supporting research across the organisation. The research programme, which is underpinned by our legislation (Mental Health Act 1986, s117 V (1)(i)), ensures that our clinical practice is informed by high-quality research which positions the organisation to innovate and develop new methods of assessment and treatment.

Forensic’s research programme operates in close collaboration with our research partner, the Centre for Forensic Behavioural Science. Operating as a joint venture with Swinburne University of Technology, the Centre was established in 2006 and undertakes research, training and education and provides an advisory and program evaluation service to national and international agencies. The Centre is headed by Professor James O’Gloff, the Director of Psychological Services at Forensicare and the Foundation Professor of Forensic Behavioural Science at Swinburne University of Technology.

The Centre is headed by Professor James O’Gloff, the Director of Psychological Services at Forensicare and the Foundation Professor of Forensic Behavioural Science at Swinburne University of Technology.

Research cont
Corporate Governance

RESPONSIBLE MINISTER
The Hon. Mary Wooldridge, Minister for Mental Health, is the Minister responsible for Forensicare and forensic mental health services provided by the organisation.

The Minister for Mental Health appoints the ten member Council of Forensicare, which is required to report quarterly to the Minister on the operation and performance of the organisation.

VICTORIAN INSTITUTE OF FORENSIC MENTAL HEALTH COUNCIL
The Victorian Institute of Forensic Mental Health Council was established in December 1997 by a detailed amendment to the Mental Health Act 1986. Effective 1 July 2014 the new Mental Health Act 2014 came into effect and through transitional provisions, existing members of Council became Directors, with the Council becoming a ‘Board’. The Board continues to be accountable to the Minister for Mental Health with Directors being appointed by the Governor in Council for 3 year terms on the recommendation of the Minister for Mental Health.

COUNCIL SIZE, COMPOSITION AND EXPERTISE
During the year the composition of the Council was as detailed in the Mental Health Act 1986 (s117F). Council members have a broad range of relevant skills, experience and expertise to enable Council to meet its objectives. Ms Vivienne Topp resigned from Council in August 2013. Dr Peter Doherty resigned from the Council in May 2014 and Forensicare acknowledges his contributions to the Council since his appointment in 2006.

COUNCIL MEMBERS
Bill Healy
- Chair
- BA, Dip Social Studies, MA
- Appointed as Chair and member of Council for a three year period on 10 April 2013
- Chair of the Executive Performance and Remuneration Committee, Member of the Finance Committee
- Currently Adjunct Professor, School of Social Work and Social Policy, La Trobe University
- Formerly Associate Professor of Mental Health and Social Work, La Trobe University and the Psychosocial Research Centre, Northwestern Mental Health
- Extensive academic background and widely published on mental health issues
- Director of MIND Australia since 1992-2013, and Chair from 1999-2011
- Community Member, Mental Health Review Board from 2000

Julie Anderson
- Appointed to Council on 1 December 2013 for a 3 year period to represent the interests of patients
- Cert Bus (Acc), Cert Theo, Completion ACCD course
- Appointed to Council on 1 December 2013 for a 3 year period to represent the interests of patients
- Member of Clinical Governance and Quality Committee and Research Committee
- Member of Mental Health Australia National Register of Consumer and Carer Leaders, and Consumer Partnership Forum, Mental Health Branch, Department of Health, Victoria
- Member of Council of Victorian Mental Illness Awareness Council
- Currently Manager Consumer Participation Strategy, Neami National
- Graduate of Leadership Plus Program
- Experienced consumer leader with lived experience of recovery

Andrew Buckle, OAM
- Appointed to Council on 10 April 2013 for a three year period
- Member of the Audit, Security and Risk Management Committee and Research Committee
- Formerly Vice President and Board member, National Stroke Foundation (2000-2012), and member of Governance Committee
- Extensive corporate/management experience in wide ranging portfolios
- Awarded OAM in 1992 for his work with disadvantaged and underprivileged youth
- Currently Consultant with Activetics, focusing on providing solutions to challenges driven by an ageing workforce

Tom Dalton
- BA, LLB
- Appointed to Council on 10 December 2009
- Member of Finance Committee and Research Committee
- Chief Executive Officer, Victorian Institute of Forensic Mental Health
- Member of the Clinical Governance and Quality Committee and Audit, Security and Risk Management Committee
- Rapid Growth and Quality Committee and Audit, Security and Risk Management Committee, Member of Finance Committee and Executive Performance and Remuneration Committee

Independent Chair, headspace Geelong Consortium Committee
- Adjunct Academic Staff Member, School of Social Work, University of Melbourne
- Director, Children’s Protection Society Board, Chair Quality and Risk Committee

Dr Maurice Magner
- MBChB, MMed, LLM, FPpsych, MRCPsych, FRANZCP
- Appointed to Council on 1 October 2010 as Clinical Director
- Member of Clinical Governance and Quality Committee and Research Committee
- Com menced as Clinical Director, Forensicare in March 2011
- Trained in South Africa, and extensive experience working in forensic psychiatry and hospital management
- Prior to commencing with Forensicare, worked in the private sector with medium secure forensic female services in the United Kingdom

Dr Cristea Mileshkin
- MB BS, FRANZCP
- Appointed to Council as the nominee of the Attorney-General for a 3 year period on 6 June 2011
- Member of the Clinical Governance and Quality Committee and Audit, Security and Risk Management Committee
- 2010 recipient of the Ian Simpson Award by the Royal Australian and New Zealand College of Psychiatry
- Seasonal academic teacher with the Faculty of Medicine, University of Melbourne
- Current member of the Mental Health Tribunal
- Over 30 years in senior positions in the Victorian public mental health service

Most recently Clinical Director of St Vincent’s Hospital Mental Health Service

Previously Director of Psychiatry of Maroondah Hospital Mental Health Service

Janet Noblett
- BEA(Secondary), Dip Ed Psych, GAICD
- Appointed to Council as the nominee of the Minister for Corrections for 2 years and 11 months on 23 March 2012
- Member of Audit, Security and Risk Management Committee
- Over 22 years in the Victorian public service, primarily in the Departments of Health and Community Services and Department of Justice, including the Child Protection Program and Director, Youth Services and Youth Justice 2004 – 2009
- Currently Executive Regional Director, West Area, Department of Justice, with responsibility for Barwon South West and Grampians Region. Services in the area include prisons, Community Correctional Services, Sheriff’s Operations, Consumer Affairs Victoria, Dispute Settlement Centre, Regional Aboriginal Justice Advisory Committee, Crime Prevention Reference Group and Victims Support Services

Greg Pullen
- Dip Bus Stud (Accounting), Grad Dip Health Services Management, MBA, Institute of Company Directors Dip, Institute of Company Directors Adv Dip
- Appointed to Council on 10 April 2013 for a three year period
- Chair of Finance Committee, Member of Executive Performance and Remuneration Committee
- Currently CEO, Catholic Homes, an aged care provider in the Not-For-Profit sector

NEW APPOINTMENTS TO COUNCIL
The following appointment was made to Council in 2013-2014 –

Julie Anderson was appointed to Council for a three year period on 1 December 2013.

MEMBERS LEAVING COUNCIL
The following members of Council resigned in 2013-2014 –


Associate Professor Peter Doherty – resigned from Council on 27 May 2014.

33 years experience in various senior roles within the public healthcare industry in regional Victoria and metropolitan Melbourne. His most recent appointment prior to his current position was as CEO, Northern Health, Melbourne.

Has formal accounting, management and board director training and qualifications, and is a Fellow of Certified Practicing Accountants (CPA) and a Fellow of Australian Institute of Company Directors (FAICD).
COUNCIL COMMITTEES

A Committee structure has been implemented to assist Council fulfil its responsibilities in areas that require detailed governance. Each Committee has specific roles and responsibilities, which are detailed in the Charter of each committee.

Finance Committee

- **Members** – Greg Pullen (chair), Bill Healy, Janet Farrow, Tom Dalton
- **Responsibilities** – Assist the Council to fulfil its financial governance obligations, monitor monthly financial reporting and compliance with government requirements.

Audit, Security and Risk Management Committee

- **Members** – Janet Farrow (chair), Jan Noble, Andrew Buckle, Cristea Mileshkin
- **Responsibilities** – Assist the Council to fulfil its corporate, governance and oversight obligations in relation to the organisation’s financial reporting, internal control structure, legal and regulatory compliance, risk management systems and the internal and external audit functions.

Clinical Governance and Quality Committee

- **Members** – Janet Farrow (chair), Peter Doherty, Cristea Mileshkin, Vivienne Topp (until August 2013), Maurice Magner
- **Responsibilities** – Assess, monitor and review the quality of clinical services.

Executive Performance and Remuneration Committee

- **Members** – Bill Healy (chair), Janet Farrow, Greg Pullen
- **Responsibilities** – Review performance and remuneration of the Chief Executive Officer and those people (Executive) reporting directly to the Chief Executive Officer.

Research Committee

- **Members** – Professor David Copolov (external chair), Peter Doherty (until May 2014), Janet Farrow, Andrew Buckle, Maurice Magner, Tom Dalton
- **Responsibilities** – Determine research priorities and activities, monitor and develop guidelines and progress and adherence to ethical standards of research, and encourage research across the organisation.

Strategic Planning and Oversight Committee

- **Members** – Bill Healy (chair), Andrew Buckle, Janet Farrow, Andrew Buckle, Maurice Magner, Tom Dalton, Jim O’Goff
- **Responsibilities** – Identify, review and prioritise key strategic challenges and risks and develop recommendations for the Board on strategic plans and the governance framework of Forensicare.
EXECUTIVE LEADERSHIP TEAM

The Chief Executive Officer of Forensicare is appointed by Council, and the Clinical Director is appointed by the Minister for Mental Health. An executive leadership group assists the Chief Executive Officer in the overall management and strategic development of the organisation.

The Executive meets monthly, or more frequently if required, with the exception of January. Where relevant, the Chief Executive Officer reports to Council on these meetings.

Tom Dalton
Chief Executive Officer
BA, LLB
Tom was appointed Chief Executive Officer in December 2009. He is responsible for the management and performance of Forensicare and leads the Executive in delivering contemporary forensic mental health services that meet the needs of stakeholders. Tom commenced with Forensicare as Corporate Counsel in 1999, responsible for providing high level legal advice to the organisation and staff on our statutory and other legal obligations. Prior to commencing with Forensicare, Tom worked in the Legal Unit of the Department of Human Services advising on mental health and intellectual disability law. He previously worked in Community Legal Centres and private practice.

Maurice Magner
Clinical Director
MBChB, MMed, LLM, FFPsysch, MRCPsych, FRANZCP
Maurice joined Forensicare as Clinical Director in March 2011. Trained in South Africa, he has worked in forensic psychiatry and hospital management for many years. Prior to joining Forensicare, Maurice worked in the private sector with medium secure forensic female services in the United Kingdom.

Louise Bawden
Lead, Ravenhall Project Team
Louise was appointed as the Project Lead for the Ravenhall Prison Project in October 2013. She is responsible for leading all aspects of the expansion of Forensicare’s prison-based services into the new prison at Ravenhall. Louise is managing a project team that is expanding the Forensicare workforce by over 100 staff, and implementing an innovative suite of inpatient, at risk, and outpatient forensic mental health services at the Ravenhall prison. She brings to the position extensive clinical, management, nurse education, program development and project work experience, within both forensic and area mental health services.

Sue Britggs
Senior Adviser
BA, BSW
Sue has organisation wide responsibility for policy, planning and reporting, and our communication activities. She has worked in the correctional and forensic mental health systems for 27 years, and joined Forensicare in 1998 after having managed Prison Health Services in the Department of Health (then part of the Forensic Health Service). She has wide clinical and policy experience gained working in the correctional system in Victoria and ACT, before moving to Forensicare to work in prison health and then forensic mental health.

Vince Di Stefano
Assoc Dip Bus Accting, BBus (Acct), CPA
Vince commenced with Forensicare in February 2014. He is responsible for the financial operations and associated reporting requirements of Forensicare, together with procurement, facilities management and security. Vince has 20 years’ experience in accounting and finance across many industries in both the public and private sectors. Prior to joining Forensicare, he was the Chief Finance Officer at TLC Aged Care, and previously was Financial Operations Manager at Corrections Victoria. Vince is instrumental in ensuring that Forensicare is fully compliant with all financial and government requirements.

Les Potter
Executive Director, Inpatient Operations
RN, B. AppSc Advanced Nursing, Administration (Dist)
Les joined Forensicare to manage the Inpatient Services at Thomas Embling Hospital in January 2014 and was promoted to the position of Executive Director, Inpatient Operations in May 2014. Prior to joining Forensicare, Les was Director, Mental Health Services, Austin Health, where he was responsible for the significant construction and redevelopment of over 130 inpatient beds and the planning of medium secure mental health services (in partnership with Forensicare). Les has extensive Area Mental Health Service, budget management, accreditation and Department of Health experience.

Wendy McManus
Executive Director, Human Resources
Dip Arts, Dip Soc Sc, FAICD
Wendy joined Forensicare in August 2008 as Manager, Human Resources. She is responsible for the Human Resource capabilities within the organisation and pursuing excellence in culture, wellbeing and development of our employees. Wendy is an Alternative Dispute Resolution Practitioner and is accredited to practice under the National Mediation Accreditation Scheme and is a member of Australian Institute of Company Directors. With an extensive background in Human Resources/Industrial Relations, Wendy’s career has spanned several industries. She brings to the organisation a range of experiences from previous board appointments and positions in both the public and private sector.

Jonathan Norton
Executive Director, Community and Prison Operations
BA, BSc (Hons), Grad Cert Management, MSc (Couns Psych), MAPS
Jonathan is responsible for the management and performance of both the Community Forensic Mental Health Service, and all Forensicare’s prison services. He joined Forensicare in October 2011, having previously been a senior manager at the University of Melbourne and prior to that a clinical manager in a variety of mental health and community services. With an extensive background as a practising psychologist in community health, tertiary education, hospital, NGO and private settings, Jonathan has published widely in the fields of psychology and psychotherapy.

Professor James Ogloff
Director of Psychological Services
BA, MA (ClinPsych), JD, PhD, FAPS
Jim was appointed as Director of Psychological Services in November 2001. Jim is responsible for the delivery of psychology services across the organisation, and assists with the provision of vital service development advice. He also holds the positions of Foundation Professor of Forensic Behavioural Science at Swinburne University of Technology and Director of the Centre for Forensic Behavioural Science. Jim has worked in the field of clinical and forensic psychology in a variety of settings, including jails, prisons, forensic psychiatric clinic and hospitals, since 1984. He has a strong research interest and has published 17 books and more than 240 scholarly articles and book chapters. He has led professional associations in Australia and internationally. In 2012 Jim received the Career Contributions Award for Criminal Justice Psychology from the Canadian Psychological Association.

Jo Ryan
Director of Nursing
RN, BEd, Cert Forensic Psychiatric Nursing
Jo was appointed as Director of Nursing in December 2013. Jo is responsible for providing nursing leadership and embedding a nursing culture that values professional standards and the delivery of best practice nursing care. She has extensive clinical experience having worked for over 20 years in forensic mental health settings as a clinician, senior manager and educator. Jo is also responsible for the management of the Nursing Practice Development Unit.
Disclosures

LEGISLATION

FINANCIAL MANAGEMENT ACT 1994
In compliance with the requirements of the Standing Directions of the Minister for Finance, the following details are retained by the Chief Executive Officer (Accountable Officer) and available on request –

› declarations of pecuniary interests by relevant officers
› shares held by senior officers in a statutory authority or subsidiary
› Forensicare publications
› fees charged
› major external reviews conducted on Forensicare
› research and development activities undertaken
› overseas visits taken, together with objectives and outcomes of all visits
› promotional, public relations and marketing activities conducted to develop community awareness
› assessments and measures undertaken to improve employee occupational health and safety
› statement of industrial relations, including time lost through industrial accidents and disputes
› major committees sponsored, together with details of purpose and achievements of each committee.

BUILDING ACT 1993

OCCUPATIONAL HEALTH AND SAFETY ACT 2004
There were no breaches of the Occupational Health and Safety Act 2004 in 2013-2014. For full details of Forensicare’s Occupational Health and Safety Program see page 40.

VICTORIAN INDUSTRY PARTICIPATION ACT 2003
The Victorian Industry Participation Policy is a state government policy designed to maximise the involvement of Victorian and Australian industry in government funded projects and purchases. The policy ensures that procurement and industry assistance activities support local industry when they represent best value for money.

The Victorian Industry Participation Policy applies to all tenders worth over $3 million in metropolitan Melbourne and $1 million in regional Victoria, Partnership Victoria projects, investment attraction grants, funding for major events and major projects.

There were no contracts commenced or completed by Forensicare in 2013-2014 to which the Victorian Industry Participation Policy Act 2003 applied.

PROTECTED DISCLOSURE ACT 2012
The purposes of the Protected Disclosure Act 2012 are to –

› encourage and facilitate disclosures of –
› improper conduct by public officers, public bodies and other persons
› detrimental action taken in reprisal for a person making a disclosure under the Protected Disclosure Act.

Forensicare recognises the special role that is filled by carers and supports people in care relationships, including those receiving services. In compliance with the Carers Recognition Act 2012, the following initiatives were undertaken in 2013-2014 to develop staff, carer and consumer awareness and understanding of the care relationship principles –

› An additional Family and Carer Advocate was employed – Forensicare now has two Advocates, working 27.5 hours per week, providing advocacy for family/carers, information and support.

Funding is provided from the Carer Support Funding to assist family/carers to visit (this is used by family/carers statewide, nationally and overseas)

› An education program (Forensicare Well Ways, a program adapted by Forensicare from a Mental Illness Fellowship Victoria program) is provided for family/carers in Forensicare and the criminal justice system

› A Family Visitor Room has been developed at Thomas Embling Hospital, which provides a separate, safe space for visits from children under 16 years

› Family BBQs are held annually to celebrate Carers’ Week and the Christmas/end-of-year season.

› A separate lunch is held for carers during Carers’ Week

› A Family and Friends Newsletter is published b-monthly to keep family/carers connected and informed.


Forensicare, Fairfield, 3078.

T he purposes of the Disability Action Plan 2011-2014 are to –

› encourage and facilitate disclosures of –
› improper conduct by public officers, public bodies and other persons

A separate lunch is also held for carers during Carers’ Week

A Family and Friends Newsletter is published bi-monthly to keep family/carers connected and informed.


Forensicare from a Mental Illness Fellowship Victoria program) is provided for family/carers in Forensicare and the criminal justice system

› Information sessions are held for family/carers on Transitioning Into Community

› Information sessions are held for family/carers to visit (this is used by family/carers statewide, nationally and overseas)

› Information sessions are held for family/carers to visit (this is used by family/carers statewide, nationally and overseas)
POLICY

CONSULTANTS
In 2013-2014, there were 14 consultancies where the total fees payable to the consultants were $10,000 or greater. The total expenditure incurred during 2013-2014 in relation to these consultancies is $707,605.00 (excl. GST). Details of individual consultancies can be viewed at our website – www.forensicare.vic.gov.au

In 2013-2014, there were 24 consultancies where the total fees payable to the consultants were less than $10,000. The total expenditure incurred during 2013-2014 in relation to these consultancies is $74,236.62 (excl. GST). This disclosure on Consultants cannot be compared to previous years, as a different definition of a Consultant has been used, in keeping with the directions detailed in FRD22E, Standard Disclosures in the Report of Operations (May 2014).

DISCLOSURE INDEX
The index identifying Forensicare’s compliance with statutory disclosure requirements is provided on pages 98-100.

NATIONAL COMPETITION POLICY
In accordance with the National Competition Policy, government agencies and local authorities are obliged to apply competitive neutrality policy and principles to all significant business activities undertaken. Competitive Neutrality: A Statement of Victorian Government Policy and the Victorian Government Timetable for the Review of Legislative Restrictions on Competition set out the Victorian approach to competitive neutrality. Forensicare acknowledges the need to have regard to this policy where relevant.

STATEMENT OF CORPORATE INTENT
As required by the Mental Health Act 1986, a Statement of Corporate Intent is prepared for the Minister for Mental Health each year (s.117P) and included in our Report of Operations (s.117U(b)). The statement details the main activities to be undertaken in the coming three years, and sets specific objectives for the organisation. It also establishes the targets that are to be used to measure our performance. The Statement of Corporate Intent 2013-2014 – 2015-2016 is published on pages 97-98.

Thomas Dalton
Chief Executive Officer (Accountable Officer)
Dated this 1st day of September 2014
Melbourne, Victoria

ATTESTATION FOR COMPLIANCE WITH THE AUSTRALIAN/NEW ZEALAND RISK MANAGEMENT STANDARD
I, Thomas Dalton, certify that the Victorian Institute of Forensic Mental Health has risk management processes in place consistent with the AS/NZS ISO 31000:2009 (or an equivalent designated standard) and an internal control system is in place that enables the Executive to understand, manage and satisfactorily control risk exposures. The Audit, Security and Risk Management Committee of Council verifies this assurance and that the risk profile of the Victorian Institute of Forensic Mental Health has been critically reviewed within the last 12 months.

Thomas Dalton
Chief Executive Officer (Accountable Officer)
Dated this 1st day of September 2014
Melbourne, Victoria

ATTESTATION ON DATA INTEGRITY
I, Thomas Dalton, certify that the Victorian Institute of Forensic Mental Health has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. The Victorian Institute of Forensic Mental Health has critically reviewed these controls and processes during the year.

Thomas Dalton
Chief Executive Officer (Accountable Officer)
Dated this 1st day of September 2014
Melbourne, Victoria

ATTESTATION ON INSURANCE
I, Thomas Dalton, certify that the Victorian Institute of Forensic Mental Health has complied with Ministerial Direction 4.5.5.1 – Insurance.

Thomas Dalton
Chief Executive Officer (Accountable Officer)
Dated this 1st day of September 2014
Melbourne, Victoria
What do financial statements show?
Our financial statements provide an insight into the Institute’s financial health by showing:

- how the Institute performed during the year
- the value of assets held by the Institute
- the ability of the Institute to pay its debts

What’s in the financial statements?
The Financial Statements of the Institute consist of four financial reports, explanatory notes supporting the financial statements and the endorsement statement by the Institute and the Victorian Auditor-General.

The four financial reports are –

- Operating Statement
- Balance Sheet
- Statement of Changes in Equity
- Cash Flow

Comprehensive Operating Statement
The Comprehensive Operating Statements (previously known as the Operating statement and the Statement of Financial Performance and sometimes called the Profit and Loss Statement) show how well the Institute has financially performed during the financial year.

The Statement lists the main sources of revenue under Revenue (e.g., Department of Health) and expenses included in the Operating Statement only include day to day running costs. Costs associated with the purchase of assets (e.g., Buildings, Plant and Equipment) are not included in the Comprehensive Operating Statement. Depreciation is included. Depreciation is the value of any asset that is used up during the year.

The Statement is prepared on an accrual basis, which means that all revenue and costs for the year are recognised, even though the income may not yet be received or expenses not yet paid. The Institute’s financial performance is reflected in the net result before capital and specific items. A surplus or deficit is the difference between revenue and expenses for the Institute.

Balance Sheet
The Balance Sheet discloses the Institute’s net accumulated financial worth at the end of the financial year. It shows the value of assets that we hold, as well as liabilities or claims against these assets.

The assets and liabilities are expressed as current or non-current. Current refers to assets or liabilities that will be expected to be paid or converted into cash within the next 12 months.

Significant assets consist of Property, Plant and Equipment which includes all infrastructure assets such as buildings and land as detailed in Note 10(a) of the Financial Statements (page 83).

Statement of Changes in Equity
This statement summarises the change in Forensicare’s net worth.

Our net worth can only change as a result of

• a ‘profit’ or ‘loss’ as recorded in the Operating Statement
• an increase in the value of non-current assets resulting from a revaluation of those assets. This amount is transferred to an Asset Revaluation Reserve until the asset is sold or a real profit is realised, as opposed to being book entry only. The value of all non-current assets must be reviewed each year to ensure that they reflect their true value in the Balance Sheet.

Any movements in other reserves within this statement are adjusted through accumulated surplus.

Cash Flow Statement
Cash flows are classified according to whether or not they arise from operating activities, investing activities, or financing activities. This classification is consistent with requirements under AASB 107 Statement of Cash Flows.

Cash Flow Statement summarises our cash receipts and payments for the financial year and shows the net increase or decrease in cash held by the Institute.

Cash Flow Statement represents cash ‘in hand’, whereas the Income Statement is prepared on an accrual basis (including money not yet paid or spent). This means that the values in both statements may differ.

The Institute cash arises from, and is used in, two main areas - the ‘Cash Flows from Operating Activities’ section summarises all income and expenses relating to the Institute’s delivery of services.

The ‘Cash Flows from Investing Activities’ refers to the Institute’s capital expenditure or other long-term revenue producing assets, as well as money received from the sale of assets.

See the Cash Flow Statement at page 67 of the Financial Statements.

Notes to the Financial Statements
The Notes to the Accounts provide further information in relation to the rules and assumptions used to prepare the Financial Statements, as well as additional information and details about specific items within the statements.

The Notes also advise if there have been any changes to accounting standards, policy or legislation that may change the way the statements are prepared. Within the four Financial Statements, there is a column that indicates to which note the reader can refer for additional information.

Information in the notes is particularly useful where there has been a significant change from the previous year’s comparative figure.
Victorian Institute of Forensic Mental Health

Council Member’s, Accountable Officer’s and Chief Finance and Accounting Officer’s Declaration

We certify that the attached financial statements for the Victorian Institute of Forensic Mental Health have been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards, Australian Accounting Interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2014 and the financial position of the Victorian Institute of Forensic Mental Health at 30 June 2014.

At the time of signing, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on this day.

Mr William Healy
Chairperson
(on behalf of Council)

Thomas Dalton
Chief Executive Officer
(Accountable Officer)

Vince Di Stefano
Executive Director Finance & Business Services

Monty Nedjip
Financial Controller
(Chief Finance and Accounting Officer)

Dated this 1st day of September 2014
Melbourne, Victoria
INDEPENDENT AUDITOR’S REPORT

To the Council Members, Victorian Institute of Forensic Mental Health

The Financial Report

The accompanying financial report for the year ended 30 June 2014 of the Victorian Institute of Forensic Mental Health which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the council member’s, accountable officer’s and chief finance and accounting officer’s declaration has been audited.

The Council Members’ Responsibility for the Financial Report

The Council Members of the Victorian Institute of Forensic Mental Health are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the Financial Management Act 1994, and for such internal control as the Council Members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

As required by the Audit Act 1994, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity’s preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Council Members, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor’s Report (continued)

Independence

The Auditor-General’s independence is established by the Constitution Act 1975. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Victorian Institute of Forensic Mental Health as at 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the Financial Management Act 1994.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor’s report relates to the financial report of the Victorian Institute of Forensic Mental Health for the year ended 30 June 2014 included both in the Victorian Institute of Forensic Mental Health’s annual report and on the website. The Council Members of the Victorian Institute of Forensic Mental Health are responsible for the integrity of the Victorian Institute of Forensic Mental Health’s website. I have not been engaged to report on the integrity of the Victorian Institute of Forensic Mental Health’s website. The auditor’s report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE
2 September 2014

/\ John Doyle
Auditor-General
Victorian Institute of Forensic Mental Health
Comprehensive Operating Statement
For the Year Ended 30 June 2014

<table>
<thead>
<tr>
<th>Note</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Income</td>
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<td></td>
</tr>
<tr>
<td>3</td>
<td>Government Grants (Department of Health)</td>
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<tr>
<td></td>
<td>Other Government Revenue (Justice Health - Service Agreement)</td>
<td>7,565</td>
</tr>
<tr>
<td></td>
<td>Other Income</td>
<td>959</td>
</tr>
<tr>
<td>Total Income</td>
<td></td>
<td>53,325</td>
</tr>
<tr>
<td>Less Expenses</td>
<td></td>
<td>40,962</td>
</tr>
<tr>
<td>4</td>
<td>Employee Benefits</td>
<td>1,544</td>
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<tr>
<td></td>
<td>Contracted Staff Costs</td>
<td>970</td>
</tr>
<tr>
<td></td>
<td>Medicines, Drugs &amp; Diagnostics</td>
<td>6,351</td>
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<tr>
<td></td>
<td>Other Expenses</td>
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<tr>
<td>Total Expenses</td>
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<td>41,109</td>
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Net Result Before Capital & Specific Items

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<tr>
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<tr>
<td>1(y)</td>
<td>216</td>
<td>403</td>
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Capital Purpose Income

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<tr>
<td>3</td>
<td>46</td>
<td>250</td>
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Depreciation & Amortisation

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<tr>
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<tbody>
<tr>
<td>6</td>
<td>(1,706)</td>
<td>(1,811)</td>
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Net Result For The Year

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<th>2013</th>
</tr>
</thead>
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<tr>
<td>(1,444)</td>
<td>(1,158)</td>
<td>(1,158)</td>
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</tbody>
</table>

Other Comprehensive Income

<table>
<thead>
<tr>
<th>Note</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Fair Value – Revaluation on Non-Financial Assets</td>
<td>42,641</td>
<td>-</td>
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</table>

Comprehensive Result For The Year

<table>
<thead>
<tr>
<th>Note</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>41,197</td>
<td>(1,158)</td>
<td>(1,158)</td>
</tr>
</tbody>
</table>

This Comprehensive Operating Statement should be read in conjunction with the accompanying Notes.

Victorian Institute of Forensic Mental Health
Balance Sheet
As at 30 June 2014

<table>
<thead>
<tr>
<th>Note</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>7,16</td>
<td>3,046</td>
</tr>
<tr>
<td>Receivables</td>
<td>9,16</td>
<td>1,085</td>
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<tr>
<td>Total Current Assets</td>
<td>9,16</td>
<td>26</td>
</tr>
<tr>
<td>Non-Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>2,8</td>
<td>2,861</td>
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<tr>
<td>Property, Plant &amp; Equipment</td>
<td>10</td>
<td>88,077</td>
</tr>
<tr>
<td>Total Non-Current Assets</td>
<td>2,327</td>
<td>49,046</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>95,130</td>
<td>52,888</td>
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<tr>
<td>LIABILITIES</td>
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<td></td>
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<tr>
<td>Current Liabilities</td>
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<td></td>
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<tr>
<td>Payables</td>
<td>11,16</td>
<td>1,757</td>
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<tr>
<td>Provisions</td>
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<td>7,124</td>
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<tr>
<td>Other Liabilities</td>
<td>13</td>
<td>437</td>
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<tr>
<td>Total Current Liabilities</td>
<td>9,318</td>
<td>4,881</td>
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<tr>
<td>Non-Current Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td>12</td>
<td>2,327</td>
</tr>
<tr>
<td>Total Non-Current Liabilities</td>
<td>2,327</td>
<td>2,129</td>
</tr>
<tr>
<td>TOTAL LIABILITIES</td>
<td>11,645</td>
<td>10,601</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td>83,484</td>
<td>42,287</td>
</tr>
<tr>
<td>EQUITY</td>
<td></td>
<td></td>
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<tr>
<td>Contributed Capital</td>
<td>14(b)</td>
<td>34,139</td>
</tr>
<tr>
<td>Asset Revaluation Reserve</td>
<td>14(a)</td>
<td>53,553</td>
</tr>
<tr>
<td>Accumulated Surplus / (Deficit)</td>
<td>14(c)</td>
<td>(4,208)</td>
</tr>
<tr>
<td>TOTAL EQUITY</td>
<td>83,484</td>
<td>42,287</td>
</tr>
</tbody>
</table>

This Statement should be read in conjunction with the accompanying Notes.
### Victorian Institute of Forensic Mental Health
### Statement of Changes in Equity
#### For the Year Ended 30 June 2014

<table>
<thead>
<tr>
<th>2014</th>
<th>Note</th>
<th>Equity at 1 July 2013 $'000</th>
<th>Changes due to Comprehensive Result $'000</th>
<th>Equity at 30 June 2014 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated Surplus / (Deficit)</td>
<td>14(c)</td>
<td>(2,764)</td>
<td>(1,444)</td>
<td>(4,208)</td>
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<tr>
<td>Asset Revaluation Reserve</td>
<td>14(a)</td>
<td>10,912</td>
<td>42,641</td>
<td>53,553</td>
</tr>
<tr>
<td>Contributed Capital</td>
<td>14(b)</td>
<td>34,139</td>
<td>-</td>
<td>34,139</td>
</tr>
<tr>
<td></td>
<td></td>
<td>42,845</td>
<td>41,197</td>
<td>83,444</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>2013</th>
<th>Note</th>
<th>Equity at 1 July 2012 $'000</th>
<th>Changes due to Comprehensive Result $'000</th>
<th>Equity at 30 June 2013 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated Surplus / (Deficit)</td>
<td>14(c)</td>
<td>(1,606)</td>
<td>(1,158)</td>
<td>(2,764)</td>
</tr>
<tr>
<td>Asset Revaluation Reserve</td>
<td>14(a)</td>
<td>10,912</td>
<td>-</td>
<td>10,912</td>
</tr>
<tr>
<td>Contributed Capital</td>
<td>14(b)</td>
<td>34,139</td>
<td>-</td>
<td>34,139</td>
</tr>
<tr>
<td></td>
<td></td>
<td>43,445</td>
<td>(1,158)</td>
<td>42,287</td>
</tr>
</tbody>
</table>

*This Statement should be read in conjunction with the accompanying Notes*

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### Victorian Institute of Forensic Mental Health
### Cash Flow Statement
#### For the Year Ended 30 June 2014

<table>
<thead>
<tr>
<th>Note</th>
<th>2014 $'000</th>
<th>2013 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Receipts</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Governments Grants</td>
<td>43,843</td>
<td>40,358</td>
</tr>
<tr>
<td>Justice Health</td>
<td>8,616</td>
<td>6,949</td>
</tr>
<tr>
<td>Ravenhall Project</td>
<td>668</td>
<td>-</td>
</tr>
<tr>
<td>Professional Service Fees</td>
<td>467</td>
<td>661</td>
</tr>
<tr>
<td>Interest</td>
<td>160</td>
<td>132</td>
</tr>
<tr>
<td>Patient Fees</td>
<td>31</td>
<td>202</td>
</tr>
<tr>
<td>Other</td>
<td>1,085</td>
<td>2,063</td>
</tr>
<tr>
<td><strong>Total Receipts</strong></td>
<td>54,890</td>
<td>50,385</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note</th>
<th>2014 $'000</th>
<th>2013 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Payments</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>(38,442)</td>
<td>(37,410)</td>
</tr>
<tr>
<td>Payments and Supplies</td>
<td>(13,872)</td>
<td>(13,913)</td>
</tr>
<tr>
<td><strong>Total Payments</strong></td>
<td>(53,314)</td>
<td>(51,323)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note</th>
<th>2014 $'000</th>
<th>2013 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Generated From Operations</strong></td>
<td>1,576</td>
<td>(938)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note</th>
<th>2014 $'000</th>
<th>2013 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Grants from Government</td>
<td>46</td>
<td>250</td>
</tr>
<tr>
<td><strong>Net Cash Inflow/(Outflow) From Operating Activities</strong></td>
<td>1,622</td>
<td>(888)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note</th>
<th>2014 $'000</th>
<th>2013 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows From Investing Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of Properties, Plant &amp; Equipment</td>
<td>(949)</td>
<td>(400)</td>
</tr>
<tr>
<td>Proceeds from Sale of Properties, Plant &amp; Equipment</td>
<td>5</td>
<td>157</td>
</tr>
<tr>
<td><strong>Net Cash Inflow/(Outflow) From Investing Activities</strong></td>
<td>(791)</td>
<td>(243)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note</th>
<th>2014 $'000</th>
<th>2013 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows From Financing Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from Financing Activities</td>
<td>63</td>
<td>15</td>
</tr>
<tr>
<td><strong>Net Cash Inflow/(Outflow) From Financing Activities</strong></td>
<td>63</td>
<td>15</td>
</tr>
<tr>
<td>Net Increase / (Decrease) In Cash Held</td>
<td>924</td>
<td>(916)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note</th>
<th>2014 $'000</th>
<th>2013 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and Cash Equivalents at Beginning of Period</strong></td>
<td>2,121</td>
<td>3,037</td>
</tr>
<tr>
<td><strong>Cash and Cash Equivalents at End of Period</strong></td>
<td>3,045</td>
<td>2,121</td>
</tr>
</tbody>
</table>

*These Statements should be read in conjunction with the accompanying Notes*
Note 1
Summary of Significant Accounting Policies

(a) Statement of compliance
These financial statements are general purpose financial statements which have been prepared in accordance with the Financial Management Act 1994 and applicable AASs, which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB 1 Presentation of Financial Statements.

(b) Basis of accounting preparation and measurement
Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2014, and the comparative information presented in these financial statements for the year ended 30 June 2013.

The going concern basis was used to prepare the financial statements.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. Under the accrual basis, items are recognised as assets, liabilities, equity, income or expenses when they satisfy the definitions and recognition criteria for those items, that is they are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are prepared in accordance with the historical cost convention, except for:

- non-current physical assets, which subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made and are re-assessed with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair values.

Historical cost is based on the fair values of the consideration given in exchange for assets. Cost is based on the fair values of the consideration given in exchange for assets.

In the application of AASs management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision, and future periods if the revision affects both current and future periods.

Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates, with a risk of material adjustments in the subsequent reporting period, relate to:

- the fair value of land, buildings, infrastructure, plant and equipment
- superannuation expense; and
- actual or assumed future salary movements and future discount rates.
Balance sheet
Assets and liabilities are categorised either as current or non-current (non-current being those assets or liabilities expected to be recovered/settled more than 12 months after reporting period), are disclosed in the notes where relevant.

Statement of changes in equity
The statement of changes in equity presents reconciliations of each non-owner and owner changes in equity from opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to amounts recognised in the comprehensive result and amounts recognised in other comprehensive income.

Cash flow statement
Cash flows are classified according to whether or not they arise from operating activities, investing activities, or financing activities. This classification is consistent with requirements under AASB 107 Statement of Cash Flows.

Rounding Of Amounts
All amounts shown in the financial statements are expressed to the nearest $1,000 unless otherwise stated.

Functional and Presentation Currency
The presentation currency of the Institute is the Australian dollar, which has also been identified as the functional currency of the Health Service.

Change in Accounting Policies
AASB 13 Fair Value Measurement
AASB 13 establishes a single source of guidance for all fair value measurements. AASB 13 does not change when a health service is required to use fair value, but rather provides guidance on how to measure fair value under Australian Accounting Standards when fair value is required or permitted. The Institute has considered the specific requirements relating to highest and best use, valuation premise, and principal or most advantageous market. The methods, assumptions, processes and procedures for determining fair value were reviewed and adjusted where applicable. In light of AASB 13, the Institute has reviewed the fair value principles as well as its current valuation methodologies in assessing the fair value, and the assessment has not materially changed the fair values recognised.

AASB 13 has predominantly impacted the disclosures of the Institute. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards, including AASB 7 Financial Instruments: Disclosures. The disclosure requirements of AASB 13 apply prospectively and need not be provided for comparative periods, before initial application. Consequently, comparatives of these disclosures have not been provided for 2012-13, except for financial instruments, of which the fair value disclosures are required under AASB 7 Financial Instruments Disclosures.

AASB 119 Employee Benefits
In 2013-14, the Institute has applied AASB 119 Employee Benefits (Sep 2011, as amended), and related consequential amendments for the first time.

The revised AASB 119 changes the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligation and plan assets. As the current accounting policy is for the Department of Treasury and Finance to recognise and disclose the State’s defined benefit liabilities in its financial statements, changes in defined benefit obligations and plan assets will have limited impact on the Institute.

The revised standard also changes the definition of short-term employee benefits. These were previously benefits that were expected to be settled within 12 months after the end of the reporting period in which the employees render the related service, however, short-term employee benefits are now defined as benefits expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. As a result, accrued annual leave balances which were previously classified as short-term employee benefits no longer meet this definition and are now classified as long-term employee benefits. This has resulted in a change of measurement for the annual leave provision from an undiscounted to discounted basis.

Comparative amounts for the 2012-13 and the related amounts as at 1 July 2012 have been restated in accordance with the relevant transitional provisions set out in AASB 119.

The change in classification has not materially altered the measurement of annual leave provision.

(e) Income from transactions
Income is recognised in accordance with AASB 118 Revenue and is recognised as to the extent that it is probable that the economic benefits will flow to the Institute and the income can be reliably measured at fair value. Unearned income at reporting date is reported as income received in advance.

Amounts disclosed as revenue in, where applicable, net of returns, allowances and duties and taxes.

Government Grants and other transfers of income (other than contributions by owners)
Grants are recognised as income when the Institute gains control of the underlying assets in accordance with AASB 1004 Contributions. For reciprocal grants, the Institute is deemed to have assumed control when the performance has occurred under the grant. For non-reciprocal grants, the Institute is deemed to have assumed control when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

Indirect Contributions from the Department of Health
» Insurance is recognised as revenue following advice from the Department of Health.
» Long Service Leave (LSL) – Revenue is recognised upon finalisation of movements in LSL liability in line with the arrangements set out in the Metropolitan Health and Aged Care Services Division Hospital Circular 05/2013.

Patient and Resident Fees
Patient fees are recognised as revenue at the time invoices are raised.

Donations and Other Bequests
Donations and bequests are recognised as revenue when received.

Interest Revenue
Interest revenue is recognised on a time proportionate basis that takes in account the effective yield of the financial asset.

(f) Expense Recognition
Expenses are recognised as they are incurred and reported in the financial year to which they relate.

Employee expenses
Employee expenses include:
» Wages and salaries;
» Annual leave;
» Sick leave;
» Long service leave; and
» Superannuation expenses which are reported differently depending upon whether employees are members of defined benefit or defined contribution plans.

Superannuation
Defined contribution plans
In relation to defined contribution (i.e. accumulation) superannuation plans, the associated expense is simply the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period. Contributions to defined contribution superannuation plans are expensed when incurred.

Defined benefit plans
The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by the Health Service to the superannuation plans in respect of the services of current Health Service staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

Employees of the Institute are entitled to receive superannuation benefits and the Institute contributes to both the defined benefit and defined contribution plans. The defined benefit plan(s) provide benefits based on years of service and final average salary.
The name and details of the major employee superannuation funds and contributions made by the Institute are as follows:

<table>
<thead>
<tr>
<th>Contributions Paid or Payable for the year</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Defined benefit plans:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Superannuation Fund</td>
<td>158</td>
<td>215</td>
</tr>
<tr>
<td>Defined contribution plans:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health Employee Superannuation Trust Australia Fund</td>
<td>1,775</td>
<td>1,549</td>
</tr>
<tr>
<td>First Super</td>
<td>985</td>
<td>936</td>
</tr>
<tr>
<td>Other Funds</td>
<td>59</td>
<td>86</td>
</tr>
<tr>
<td>Total</td>
<td>2,977</td>
<td>2,786</td>
</tr>
</tbody>
</table>

The Institute does not recognise any unfunded defined benefit liability in respect of the superannuation plans because the Institute has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due.

Depreciation

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets that have finite useful lives are depreciated (i.e. excludes land assets held for sale, and investment properties). Depreciation begins when the asset is available for use, which is when it is in the location and condition necessary for it to be capable of operating in a manner intended by management.

Intangible produced assets with finite lives are depreciated as an expense from transactions on a systematic basis over the asset’s useful life. Depreciation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and depreciation method for all assets are reviewed at least annually, and adjustments made where appropriate. This depreciation charge is not funded by the Department of Health. Assets with a cost in excess of $1,000 are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated useful lives.

The following table indicates the expected useful lives of non-current assets on which the depreciation charges are based.

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>50 Years</td>
<td>50 Years</td>
</tr>
<tr>
<td>Plant &amp; Equipment</td>
<td>8 to 10 Years</td>
<td>8 to 10 Years</td>
</tr>
<tr>
<td>Medical Equipment</td>
<td>7 to 9 Years</td>
<td>7 to 9 Years</td>
</tr>
<tr>
<td>Leased Assets</td>
<td>2 to 10 Years</td>
<td>2 to 10 Years</td>
</tr>
</tbody>
</table>

Please note: the estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

As part of the buildings valuation, building values were separated into components and each component assessed for its useful life which is represented above.

Intangible produced assets with finite lives are depreciated as an expense from transactions on a systematic basis over the asset’s useful life.

Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.
Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less any accumulated impairment.

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition. Collectability of debts is reviewed on an ongoing basis, and debts which are known to be uncollectible are written off. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred. Bad debts are written off when identified. Non-CURRENT Receivables are amounts recognised for Long Service Leave Debtor to the Department of Health.

Investments and Other Financial Assets

Other financial assets are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

The Institute classifies its other financial assets between current and non-current assets based on the purpose for which the assets were acquired. Management determines the classification of its other financial assets at initial recognition.

The Institute assesses at each balance sheet date whether a financial asset or group of financial assets is impaired. All financial assets, except those measured at fair value through profit and loss are subject to annual review for impairment.

Property, Plant and Equipment

Crown Land is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or constructive restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset(s) are not taken into account until it is virtually certain that any restrictions will no longer apply.

Land and Buildings are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment.

Plant, Equipment and Vehicles are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment. Depreciated historical cost is generally a reasonable proxy for fair value because of the short lives of the assets concerned.

Leasehold improvements

The cost of a leasehold improvement is capitalised as an asset and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the improvements.

Revaluations of Non-current Physical Assets

Non-current physical assets are measured at fair value and are revalued in accordance with FRD 103D Non-current physical assets. This revaluation process normally occurs at least every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the FRDs. Revaluation increments or decrements arise from differences between an asset's carrying value and fair value.

Revaluation increments are recognised in ‘other comprehensive income’ and are credited directly to the asset. The amount is recognised as a liability when the fair value is less than the cost. The amount of the impairment loss is determined by comparing the fair value of the asset with the carrying amount of the asset.

Revaluations of non-current physical assets were assessed to determine whether the carrying amount of the asset exceeds its recoverable amount. These valuations were performed by qualified independent valuers using the most appropriate of the valuation methods available. Management considers the existing carrying amount of the assets based upon the current and historical information available.

Prepayments

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Liabilities

Payables

Payables consist of:

- Contractual payables which consist predominantly of accounts payable representing liabilities for goods and services provided to the Health Service prior to the end of the financial year that are unpaid, and arise when the Health Service becomes obliged to make future payments in respect of the purchase of those goods and services. The normal credit terms for accounts payable are usually Net 30 days.

- Statutory payables, such as goods and services tax and fringe benefits tax payables.

Contractual payables are classified as financial instruments and are initially recognised at fair value, and then subsequently carried at amortised cost. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

Provisions

Provisions are recognised when the Institute has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a liability is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, using a discount rate that reflects the time value of money and risks specific to the provision.

When some or all of the economic benefits required to settle a provision are expected to be received from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Employee Benefits

This provision arises for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

Wages and Salaries, Annual Leave, Sick Leave and Accrued Days Off

Liabilities for wages and salaries, including non-monetary benefits, annual leave, and accumulating sick leave are all recognised in the provision for employee benefits as ‘current liabilities’, because the Institute does not have an unconditional right to defer settlements of these liabilities.
Depending on the expectation of the timing of settlement, liabilities for wages and salaries, annual leave and sick leave are measured at:

- Undiscounted value – if the Institute expects to wholly settle within 12 months; or
- Present value – if the Institute does not expect to wholly settle within 12 months.

**Long service leave (LSL)**

Liability for LSL is recognised in the provision for employee benefits. Unconditional LSL (representing 10 or more years of continuous service) is disclosed in the notes to the financial statements as a current liability, even where the Institute does not expect to settle the liability within 12 months, because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- Undiscounted value – if the Institute expects to wholly settle within 12 months; and
- Present value – if the Institute does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value.

Any gain or loss followed revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an other economic flow.

**Termination benefits**

Termination benefits are payable when employment is terminated before the normal retirement date or when an employee decides to accept an offer of benefits in exchange for the termination of employment.

The Institute recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

**On-costs**

Provisions for on-costs, workers compensation and superannuation are recognised together with provisions for employee benefits.

**Superannuation Liabilities**

The Institute does not recognise any unfunded defined benefit liability in respect of the superannuation plans because the Institute has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due.

### Leases

Leases are classified at their inception as operating leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership.

**Operating Leases**

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Operating lease payments, including any contingent rentals, are recognised as an expense in the Comprehensive Operating Statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

**Leasehold Improvements**

The cost of leasehold improvements are capitalised as an asset and depreciated over the remaining term of the lease or the estimated useful life of the improvements, whichever is the shorter.
In addition to the new standards above, the AASB has issued a list of amending standards that are not mandatory for the 2013-14 reporting period (as listed below). In general, these amending standards include editorial and references changes that are expected to have insignificant impacts on public sector reporting. The AASB Interpretation in the list below is also not effective for the 2013-14 reporting period and is considered to have insignificant impacts on public sector reporting.

<table>
<thead>
<tr>
<th>Standard/Interpretation</th>
<th>Summary</th>
<th>Applicable for annual reporting periods beginning on</th>
<th>Impact on public sector entity financial statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>AASB 9 Financial Instruments</td>
<td>This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the AASB’s project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).</td>
<td>1 Jan 2017</td>
<td>The preliminary assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.</td>
</tr>
<tr>
<td>AASB 1055 Budgetary</td>
<td>Reporting AASB 1055 extends the scope of budgetary reporting that is currently applicable for the whole of government and general government sector (GGS) to NFP entities within the GGS, provided that these entities present separate budget to the parliament.</td>
<td>1 July 2014</td>
<td>This Standard is not applicable as no budget disclosure is required.</td>
</tr>
</tbody>
</table>

Note 2
Statement of Understanding and Service Agreement
A Statement of Understanding (1 July 1998 to 30 June 1999) between the Department of Health and the Institute specifically provides for the following –

The Department of Health acknowledge their liability for the accrued long service leave entitlements for all employees with service up to 1 July 1998 transferred from the Department to the Institute under the provisions of section 97 of the Mental Health Act 1986. As at 30 June 2009 the amount previously recorded separately was consolidated into Non-Current Receivables, Department of Health – Long Service Leave in Note 8.

Note 3
Revenue from Operating Activities

<table>
<thead>
<tr>
<th>Note</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Grants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Agreement – (Department of Health)</td>
<td>43,487</td>
<td>41,125</td>
</tr>
<tr>
<td>Service Agreement – (Justice Health)</td>
<td>7,555</td>
<td>7,163</td>
</tr>
<tr>
<td>Total Government Grants</td>
<td>51,719</td>
<td>48,446</td>
</tr>
<tr>
<td>Indirect Contributions by Department of Human Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>47</td>
<td>89</td>
</tr>
<tr>
<td>Total Indirect Contributions by Department of Human Services</td>
<td>47</td>
<td>89</td>
</tr>
<tr>
<td>Total Other Revenues</td>
<td>99</td>
<td>94</td>
</tr>
<tr>
<td>Sub Total Revenue from Operating Activities</td>
<td>52,325</td>
<td>49,446</td>
</tr>
</tbody>
</table>

Revenue from Capital Purpose Income

<table>
<thead>
<tr>
<th>Note</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Grant</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government Grant – General Purpose - (OH)</td>
<td>46</td>
<td>250</td>
</tr>
<tr>
<td>Sub Total Revenue from Capital Purpose Income</td>
<td>46</td>
<td>250</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>52,371</td>
<td>49,699</td>
</tr>
</tbody>
</table>
### Note 4: Expenses From Continuing Activities

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employee Benefits</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>32,753</td>
<td>30,880</td>
</tr>
<tr>
<td>Employee Entitlements</td>
<td>4,390</td>
<td>3,858</td>
</tr>
<tr>
<td>Superannuation</td>
<td>2,983</td>
<td>2,786</td>
</tr>
<tr>
<td>WorkCover</td>
<td>436</td>
<td>520</td>
</tr>
<tr>
<td><strong>Total Employee Benefits</strong></td>
<td>40,562</td>
<td>38,054</td>
</tr>
<tr>
<td><strong>Non Salary Labour Costs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agency Staff</td>
<td>1,369</td>
<td>869</td>
</tr>
<tr>
<td>Medical Salaries</td>
<td>175</td>
<td>329</td>
</tr>
<tr>
<td><strong>Total Non-Salary Labour Costs</strong></td>
<td>1,544</td>
<td>1,198</td>
</tr>
<tr>
<td><strong>Medicines, Drugs &amp; Diagnostics</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medicines, Drugs</td>
<td>737</td>
<td>716</td>
</tr>
<tr>
<td>Diagnostics</td>
<td>233</td>
<td>195</td>
</tr>
<tr>
<td><strong>Total Medicines, Drugs &amp; Diagnostics</strong></td>
<td>970</td>
<td>911</td>
</tr>
<tr>
<td><strong>Property Maintenance &amp; Contracts</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Expenses</td>
<td>589</td>
<td>537</td>
</tr>
<tr>
<td>Maintenance Expenses</td>
<td>905</td>
<td>500</td>
</tr>
<tr>
<td>Contracts</td>
<td>2,974</td>
<td>3,127</td>
</tr>
<tr>
<td>Security</td>
<td>2,283</td>
<td>2,301</td>
</tr>
<tr>
<td><strong>Total Property Maintenance &amp; Contracts</strong></td>
<td>6,951</td>
<td>6,465</td>
</tr>
<tr>
<td><strong>Other Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information Technology</td>
<td>379</td>
<td>284</td>
</tr>
<tr>
<td>Supplies &amp; Consumables</td>
<td>1,910</td>
<td>1,576</td>
</tr>
<tr>
<td>Patient Stores &amp; Provisions</td>
<td>92</td>
<td>83</td>
</tr>
<tr>
<td>Financial Expenses</td>
<td>44</td>
<td>228</td>
</tr>
<tr>
<td>Internal Audit Fees</td>
<td>53</td>
<td>53</td>
</tr>
<tr>
<td>Loss on disposal of Assets</td>
<td>(4)</td>
<td>38</td>
</tr>
<tr>
<td><strong>Total Other Expenses</strong></td>
<td>2,682</td>
<td>2,418</td>
</tr>
<tr>
<td><strong>Total Expenses from Continuing Activities</strong></td>
<td>52,109</td>
<td>49,046</td>
</tr>
</tbody>
</table>

### Note 5: Net Gain / (Loss) on Disposal of Non-current Assets

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Proceeds from Disposal of Non-current Assets</strong></td>
<td>188</td>
<td>157</td>
</tr>
<tr>
<td><strong>Total Proceeds from Disposal of Non-current Assets</strong></td>
<td>188</td>
<td>157</td>
</tr>
<tr>
<td>Less – Written Down Value of Non-current Assets Sold</td>
<td>(184)</td>
<td>(195)</td>
</tr>
<tr>
<td><strong>Total Written Down Value of Non-current Assets Sold</strong></td>
<td>(184)</td>
<td>(195)</td>
</tr>
<tr>
<td><strong>Net Gain / (Loss) on Disposal of Non-current Assets</strong></td>
<td>4</td>
<td>(38)</td>
</tr>
</tbody>
</table>

### Note 6: Depreciation and Amortisation

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Buildings</strong></td>
<td>846</td>
<td>844</td>
</tr>
<tr>
<td><strong>Leasehold improvements</strong></td>
<td>207</td>
<td>207</td>
</tr>
<tr>
<td><strong>Plant &amp; Equipment</strong></td>
<td>649</td>
<td>756</td>
</tr>
<tr>
<td><strong>Medical Equipment</strong></td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total Depreciation and Amortisation</strong></td>
<td>1,706</td>
<td>1,811</td>
</tr>
</tbody>
</table>

### Note 7: Cash and Cash Equivalents

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash on Hand</strong></td>
<td>19</td>
<td>19</td>
</tr>
<tr>
<td><strong>Cash at Bank</strong></td>
<td>3,036</td>
<td>2,102</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,055</td>
<td>2,121</td>
</tr>
</tbody>
</table>

**Represented by -**

- **Cash for Institute Operations**: 2,772
- **Cash for Monies Held in Trust**
  - Cash at Bank – Salary Packaging: 220
  - Cash on Hand – Salary Packaging: 5
  - Cash at Bank – Patient Funds: 36
  - Cash on Hand – Patient Funds: 12
  - **Total**: 3,045
Note 10 (a)  

**Property, Plant & Equipment**

<table>
<thead>
<tr>
<th>Item</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Land</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land at Valuation at June 2011 (ii)</td>
<td>-</td>
<td>12,051</td>
</tr>
<tr>
<td>Land at Valuation at June 2014</td>
<td>47,600</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Land</strong></td>
<td>47,600</td>
<td>12,051</td>
</tr>
<tr>
<td><strong>Buildings</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings at Cost</td>
<td>34,486</td>
<td></td>
</tr>
<tr>
<td>Additions at Cost</td>
<td>121</td>
<td></td>
</tr>
<tr>
<td>Buildings at Valuation at June 2014 (i)</td>
<td>37,557</td>
<td>(3,346)</td>
</tr>
<tr>
<td><strong>Total Buildings</strong></td>
<td>37,557</td>
<td>31,210</td>
</tr>
<tr>
<td><strong>Leasehold Improvements</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improvements</td>
<td>2,128</td>
<td>2,085</td>
</tr>
<tr>
<td>- Less Accumulated Depreciation</td>
<td>(1,124)</td>
<td>(917)</td>
</tr>
<tr>
<td><strong>Total Leasehold Improvements</strong></td>
<td>1,004</td>
<td>1,168</td>
</tr>
<tr>
<td><strong>Plant and Equipment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant &amp; Equipment</td>
<td>6,739</td>
<td>6,424</td>
</tr>
<tr>
<td>- Less Accumulated Depreciation</td>
<td>(4,904)</td>
<td>(4,551)</td>
</tr>
<tr>
<td><strong>Total Plant &amp; Equipment</strong></td>
<td>1,835</td>
<td>1,873</td>
</tr>
<tr>
<td><strong>Medical Equipment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical Equipment</td>
<td>110</td>
<td>110</td>
</tr>
<tr>
<td>- Less Accumulated Depreciation</td>
<td>(89)</td>
<td>(89)</td>
</tr>
<tr>
<td><strong>Total Medical Equipment</strong></td>
<td>21</td>
<td>21</td>
</tr>
<tr>
<td><strong>Under Construction</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets under construction</td>
<td>64</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Assets under construction</strong></td>
<td>64</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Property, Plant &amp; Equipment</strong></td>
<td>1 (i)</td>
<td>88,077</td>
</tr>
<tr>
<td><strong>(i)</strong> As at 30 June 2014 an independent valuation of the Institute’s property was performed by the Valuer-General Victoria to determine the fair value of the land and buildings. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm’s length transaction. The valuation was based on independent assessments.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>(ii)</strong> As at 30th June 2011 a managerial valuation was undertaken, as instructed by the Department of Health based on the indices provided by Valuer General to determine fair value of land.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Financial Statements for the year ended 30 June 2014

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements
30 June 2014

Note 10 (b)

<table>
<thead>
<tr>
<th></th>
<th>Land ($'000)</th>
<th>Buildings ($'000)</th>
<th>Leasehold Improvements ($'000)</th>
<th>Plant &amp; Medical Equipment ($'000)</th>
<th>Asset Under Construction ($'000)</th>
<th>Total ($'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 30 June 2012</td>
<td>12,051</td>
<td>31,996</td>
<td>1,365</td>
<td>2,549</td>
<td>25</td>
<td>47,681</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>121</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>121</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Revaluation Increments / (Decrements)</td>
<td>-</td>
<td>-</td>
<td>(195)</td>
<td>-</td>
<td>(195)</td>
<td>-</td>
</tr>
<tr>
<td>Net Transfers Between Classes*</td>
<td>-</td>
<td>(10)</td>
<td>10</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation (Note 1e, 6)</td>
<td>-</td>
<td>(846)</td>
<td>(207)</td>
<td>(756)</td>
<td>(4)</td>
<td>(1,811)</td>
</tr>
<tr>
<td>Balance at 30 June 2013</td>
<td>12,051</td>
<td>31,263</td>
<td>1,168</td>
<td>1,873</td>
<td>21</td>
<td>46,976</td>
</tr>
</tbody>
</table>

*Restated For Financial Year 2012/13

Note 10 (c)

Fair Value Measurement Hierarchy for assets as at 30 June 2014

<table>
<thead>
<tr>
<th>Carrying amount as at 30 June 2014</th>
<th>Level 1 ($'000)</th>
<th>Level 2 ($'000)</th>
<th>Level 3 ($'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Fair Value</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specialised Land</td>
<td>47,600</td>
<td>-</td>
<td>47,600</td>
</tr>
<tr>
<td>Total of Land Fair Value</td>
<td>47,600</td>
<td>-</td>
<td>47,600</td>
</tr>
<tr>
<td>Buildings Fair Value</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specialised Buildings</td>
<td>37,567</td>
<td>-</td>
<td>37,567</td>
</tr>
<tr>
<td>Total of Buildings at Fair Value</td>
<td>37,567</td>
<td>-</td>
<td>37,567</td>
</tr>
<tr>
<td>Plant and Equipment at Fair Value</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vehicles</td>
<td>458</td>
<td>-</td>
<td>458</td>
</tr>
<tr>
<td>Plant and Equipment</td>
<td>1,377</td>
<td>-</td>
<td>1,377</td>
</tr>
<tr>
<td>Total of plant, equipment and vehicles at fair value</td>
<td>1,835</td>
<td>-</td>
<td>1,835</td>
</tr>
<tr>
<td>Medical Equipment at Fair Value</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical Equipment</td>
<td>17</td>
<td>-</td>
<td>17</td>
</tr>
<tr>
<td>Total Medical Equipment at Fair Value</td>
<td>17</td>
<td>-</td>
<td>17</td>
</tr>
<tr>
<td>Under Construction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets under construction</td>
<td>64</td>
<td>-</td>
<td>64</td>
</tr>
<tr>
<td>Total Assets under construction</td>
<td>64</td>
<td>-</td>
<td>64</td>
</tr>
</tbody>
</table>

Note 10 (d)

Reconciliation of Level 3 Fair Level

<table>
<thead>
<tr>
<th>Land ($'000)</th>
<th>Buildings ($'000)</th>
<th>Leasehold Improvements ($'000)</th>
<th>Plant &amp; Medical Equipment ($'000)</th>
<th>Asset Under Construction ($'000)</th>
<th>Total ($'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Balance</td>
<td>12,051</td>
<td>31,263</td>
<td>1,168</td>
<td>1,873</td>
<td>21</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>47</td>
<td>43</td>
<td>795</td>
<td>-</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Revaluation Increments / (Decrements)</td>
<td>35,549</td>
<td>7,093</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>(846)</td>
<td>(207)</td>
<td>(649)</td>
<td>(4)</td>
</tr>
<tr>
<td>Closing Balance</td>
<td>47,600</td>
<td>37,567</td>
<td>1,004</td>
<td>1,835</td>
<td>17</td>
</tr>
</tbody>
</table>

Specialised land and Specialised buildings

The market approach is also used for specialised land and specialised buildings although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued. Specialised assets contain significant, unobservable adjustments; therefore these assets are classified as Level 3 under the market based direct comparison approach.

The CSO adjustment is a reflection of the valuer’s assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For the Institute, the depreciated replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation. As depreciation adjustments are considered as significant and unobservable inputs in nature, specialised buildings are classified as Level 3 for fair value measurements.

An independent valuation of the Institute’s specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 30 June 2014.

Vehicles

The Institute acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by the Institute who set relevant depreciation rates during use to reflect the consumption of the vehicles. As a result, the fair value of vehicles does not differ materially from the carrying value (depreciated cost).

Plant and equipment

Plant and equipment is held at carrying value (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the depreciated replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying value. There were no changes in valuation techniques throughout the period to 30 June 2014. For all assets measured at fair value, the current use is considered the highest and best use.

Medical equipment

Medical equipment is held at carrying value (depreciated cost). When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, the depreciated replacement cost is used to estimate the fair value. Unless there is market evidence that current replacement costs are significantly different from the original acquisition cost, it is considered unlikely that depreciated replacement cost will be materially different from the existing carrying value. There were no changes in valuation techniques throughout the period to 30 June 2014. For all assets measured at fair value, the current use is considered the highest and best use.

Note 10 (d)

Reconciliation of Level 3 Fair Level
Victorian Institute of Forensic Mental Health
Notes to the Financial Statements
30 June 2014

Note 11
Payables
Current
Trade Creditors 1,579 1,480
Accrued Expenses 178 137
Total Payables 1,757 1,617

Maturity analysis of payables
Please refer to note 16(c) for ageing analysis of payables

Nature and extent of risk arising from payables
Please refer to note 16(a) for the nature and extent of risks arising from payables

Note 12
Current Provisions
Employee Benefits
Unconditional and expected to be wholly settled after 12 months 6,345 5,772

Provisions relating to employee on-costs
Unconditional and expected to be wholly settled after 12 months 779 708
Total Current 7,124 6,480

Non-Current
Employee Benefits 2,073 1,888
Provisions related to employee benefit on-costs 254 252
Total Non-current 2,327 2,140
Total Provisions 9,451 8,600

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements
30 June 2014

Note 12 (a)
Employee Entitlements
Current 1(q)
Unconditional long service leave entitlements (excluding on-costs) 3,690 3,303
Annual leave entitlements expected to be wholly settled after 12 months 2,482 2,248
Accrued Salaries and Wages 174 221
6,346 5,772

Non-current
Conditional Long Service Leave entitlements (Present value) 2,073 1,888
2,073 1,888

Movement in Long Service Leave:
Balance at start of year 5,828 5,496
Balance at end year 6,470 5,828

** As explained in note 1 (q), the amount for long service leave is measured at its present value. The following assumptions were adopted in measuring present value
- Weighted Average Discount Rates 3.17% 3.79%
- Wage Inflation Rate 4.44% 4.50%

Note 13
Other Liabilities
Monies Held in Trust 273 210
Prepaid Revenue 164 174
Total 437 384

Represented by -
Cash for Monies Held in Trust 225 180
Cash at Bank – Salary Packaging 48 39
Total 273 219
Note 16  
Financial Instruments  

Financial Risk Management Objectives and Policies  
The Institute’s principal financial instruments comprise of:  
- Cash Assets  
- Term Deposits  
- Receivables  
- Payables  

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in note 1 to the financial statements.  
The main purpose in holding financial instruments is to prudentially manage the Institute’s financial risks within the government policy parameters.  
The Institute’s main financial risk includes liquidity and interest rate risk. The Institute manages these financial risks in accordance with its financial risk management policy  

Categorisation of financial instruments  
Details of each category in accordance with AASB 139 shall be disclosed either on the face of the balance sheet or in the notes.  

<table>
<thead>
<tr>
<th>Financial Assets</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>7,045</td>
<td>2,121</td>
</tr>
<tr>
<td>Receivables - Current</td>
<td>938</td>
<td>1,494</td>
</tr>
<tr>
<td>Total Financial Assets (i)</td>
<td>3,983</td>
<td>3,615</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Liabilities</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Creditors</td>
<td>1,579</td>
<td>1,480</td>
</tr>
<tr>
<td>Total Financial Liabilities (ii)</td>
<td>1,757</td>
<td>1,617</td>
</tr>
</tbody>
</table>

Accruals represented for invoices from creditors not received  
(i) The total amount of financial assets disclosed here excludes statutory receivables (i.e. Department of Health and GST input tax credit recoverable)  
(ii) The total amount of financial liabilities disclosed here excludes statutory payables (i.e. Taxes payable)  
(iii) Accruals represented for invoices from creditors not received
Financial Statements for the year ended 30 June 2014

Liquidity Risk
Maturity Analysis of Financial Liabilities as at 30th June

<table>
<thead>
<tr>
<th>Contractual</th>
<th>Maturity Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrying Amount</td>
<td>Less than 1 Month</td>
</tr>
<tr>
<td>$000</td>
<td>$000</td>
</tr>
<tr>
<td>Payables</td>
<td></td>
</tr>
<tr>
<td>Trade Creditors</td>
<td>1,579</td>
</tr>
<tr>
<td>Accruals</td>
<td>178</td>
</tr>
<tr>
<td>Total Financial Liabilities</td>
<td>1,757</td>
</tr>
</tbody>
</table>

2013

| Payables |
| Trade Creditors | 1,480 | 1,480 | 1,480 | - | - |
| Accruals | 137 | 137 | 137 | - | - |
| Total Financial Liabilities | 1,617 | 1,617 | 1,617 | - | - |

Ageing analysis of financial liabilities excludes the types of financial liabilities (i.e. GST payable).

(c) Liquidity Risk
Liquidity risk arises when the Institute is unable to meet its financial obligations as they fall due. The Institute operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, make payments within 30 days from the date of resolution. It also continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets and dealing in highly liquid markets.

The Institute’s exposure to liquidity risk is deemed insignificant based on prior periods’ data and current assessment of risk.

Maximum exposure to liquidity risk is the carrying amounts of financial liabilities.

Ageing analysis of financial liabilities excludes the types of financial liabilities (i.e. GST payable). The following table discloses the contractual maturity analysis for the Institute’s financial liabilities. For interest rates applicable to each class of liability refer to individual notes to the financial statements.

<table>
<thead>
<tr>
<th>Contractual</th>
<th>Maturity Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrying Amount</td>
<td>Less than 1 Month</td>
</tr>
<tr>
<td>$000</td>
<td>$000</td>
</tr>
<tr>
<td>Payables</td>
<td></td>
</tr>
<tr>
<td>Trade Creditors</td>
<td>1,579</td>
</tr>
<tr>
<td>Accruals</td>
<td>178</td>
</tr>
<tr>
<td>Total Financial Liabilities</td>
<td>1,757</td>
</tr>
</tbody>
</table>

2013

| Payables |
| Trade Creditors | 1,480 | 1,480 | 1,480 | - | - |
| Accruals | 137 | 137 | 137 | - | - |
| Total Financial Liabilities | 1,617 | 1,617 | 1,617 | - | - |

Ageing analysis of financial liabilities excludes the types of financial liabilities (i.e. GST payable).

Market Risk
The Institute's exposures to market risk are primarily through interest rate risk with only insignificant exposure to foreign currency and other price risks. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraph below.

Currency Risk
The Institute is exposed to insignificant foreign currency risk through its payables relating to purchases of supplies and consumables from overseas. This is because of a limited amount of purchases denominated in foreign currencies and a short timeframe between commitment and settlement.

Interest Rate Risk
Exposure to interest rate risk might arise primarily through the investments of the Institute’s cash and cash equivalents. Minimisation of risk is achieved by investing funds by way of purchasing of Commercial Bills of Exchange at fixed rates of interest.

The carrying amount must exclude types of financial assets and liabilities (i.e. GST input tax credit and GST payable).
Interest Rate Exposure of Financial Assets and Liabilities as at 30 June

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables - Current</td>
<td>938</td>
<td>1,494</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2.65</td>
<td>4.04</td>
</tr>
<tr>
<td><strong>Total Financial Assets</strong></td>
<td>3,983</td>
<td>3,615</td>
</tr>
<tr>
<td><strong>Financial Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade Creditors</td>
<td>1,579</td>
<td>1,480</td>
</tr>
<tr>
<td><strong>Total Financial Liabilities</strong></td>
<td>1,579</td>
<td>1,480</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,546</td>
<td>5,095</td>
</tr>
</tbody>
</table>

The carrying amount excludes statutory financial assets and liabilities (i.e. GST input tax credit and GST payable).

Sensitivity Disclosure Analysis

Taking into account past performance, future expectations, economic forecasts, and management’s knowledge and experience of the financial markets, the Institute believes the following movements are “reasonably possible” over the next 12 months (base rates are sourced from the Reserve Bank of Australia).

A shift of +1% and -1% in market interest rates (AUD) from year-end rates of 2.85%. The following table discloses the impact on net operating result and equity for each category of financial instrument held by the Institute at year end as presented to key management personnel, if changes in the relevant risk occur.

<table>
<thead>
<tr>
<th>Carrying Amount</th>
<th>-1%</th>
<th>+1%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and cash equivalents</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>3,045</td>
<td>3,045</td>
</tr>
<tr>
<td>2013</td>
<td>2,121</td>
<td>2,121</td>
</tr>
</tbody>
</table>

The carrying amount excludes types of financial assets and liabilities (i.e. GST input tax credit and GST payable).
Financial Statements for the year ended 30 June 2014

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements
30 June 2014

(b) Remuneration of Responsible Persons
The numbers of Responsible Persons are shown in their relevant income bands.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 - $9,999</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>$10,000 - $19,999</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>$200,000 - $209,999</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>$220,000 - $229,999</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>$320,000 - $329,999</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>$330,000 - $339,000</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>$330,000 - $339,000</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Total Numbers</td>
<td>9</td>
<td>13</td>
</tr>
</tbody>
</table>

Total Remuneration Received or Due and Receivable by Responsible Persons from the Reporting Entity Amounted to - 608 $'000

Amounts relating to the Responsible Minister are reported in the financial statements of the Department of Premier and Cabinet. No other transactions were made to or are payable by Councillors or related parties.

(c) Executive Officers Remuneration
The number of executive officers, other than Minister, Responsible persons and Accountable Officers, and their total remuneration during the reporting period are shown in the first two columns in the table in their relevant income bands. The base remuneration of executives is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits.

Total remuneration is inclusive of contract renegotiations, bonus payments, long-service leave payments and fringe benefits payments.

<table>
<thead>
<tr>
<th>Income Band</th>
<th>2014 Total Remuneration</th>
<th>2013 Total Remuneration</th>
<th>Base Remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>$120,000 - $129,999</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>$130,000 - $139,999</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>$140,000 - $149,999</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>$150,000 - $159,999</td>
<td>-</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>$160,000 - $169,999</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>$170,000 - $179,999</td>
<td>-</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>$180,000 - $189,999</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Total Number of Executives</td>
<td>4</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Total Annualised employee equivalents (AEE) (i)</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

Total Remuneration $679,551 $461,047 $591,337 $412,732

(i) Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for a reporting period
Main Undertakings
Forensicare provides forensic mental health services in Victoria. These services are required to meet the needs of mentally disordered offenders, the mental health and justice sectors and the community. While the primary focus is the provision of clinical services, including the assessment, treatment and management of forensic patients and clients, research, training and professional education is also undertaken.

The clinical services provided by Forensicare are delivered through –

Thomas Embling Hospital
Thomas Embling Hospital provides acute and continuing care for patients from the criminal justice system who are in need of psychiatric assessment and/or treatment and care, together with treatment of patients from the public mental health system who require specialised management. Initially developed to provide 100 inpatient beds, the hospital now operates with an interim capacity of 116 beds. Patient accommodation includes a dedicated women’s unit.

Prison services
Services provided within prisons include the acute assessment and treatment and forensic mental health outpatient services at the Melbourne Assessment Prison, specialist services (through Marrmuk Unit) and forensic mental health services at Dame Phyllis Frost Centre, and visiting consultant forensic mental health services at the larger regional prisons operated by Corrections Victoria. These services are provided under a Funding and Service Agreement with the Department of Justice which commenced on 1 July 2012 for a five year period.

Community Forensic Mental Health Service
The community program focuses on the assessment and treatment of forensic patients (people who are subject to a court order by virtue of mental impairment), selected offenders and potential offenders with a severe mental illness and significant forensic issues, and people with problem behaviours (including sex offenders) who pose a high risk to the community. The community service is also responsible for the Court Liaison Service (which provides court-based assessments at Melbourne Magistrates’ Court and six metropolitan magistrates’ courts) and the Community Integration Program, providing support to forensic patients transitioning from Thomas Embling Hospital to the community. A similar service is funded by Department of Justice to provide support to high risk prisoners with a serious mental illness being released from custody.

Service Objectives
In keeping with our legislative mandate (Mental Health Act 1986), Forensicare has the following business objectives –

› Improve outcomes for people with a mental disorder in the criminal justice system
› Reduce the burden of mental illness in the criminal justice system
› Contribute to the delivery of public mental health services
› Enhance community safety.

Accounting Policies
Forensicare prepares general purpose financial reports in accordance with Part 4.2 of the Standing Directions of the Minister for Finance under the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards and other mandatory professional reporting requirements. Following adoption by the Australian Standards Boards of the Australian equivalent to the International Financial Reporting Standards (A-IFRS), financial reports of Forensicare are prepared in accordance with A-IFRS. The published Annual Financial Report contains a comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, Accountable Officer’s, Chief Finance and Accounting Officer’s and member of responsible bodies declaration, and notes to the financial statements. The Report is audited by the Auditor-General’s Office Victoria. Forensicare reports each twelve-month period ending 30 June.

Main Undertakings 2013-2014 – 2015-2016
The main undertakings of Forensicare in 2015-2016 will be determined by the Strategic Plan 2015-2017, work on which will commence in the coming year. For the period to the end of 2014, the following main undertakings of Forensicare are outlined in the Strategic Plan 2010-2014 –

Access and Recovery
› Increase access to, and throughput at, Thomas Embling Hospital through program redesign and participation in service planning
› Strengthen clinical pathways for consumers from prison to Hospital within the Hospital on discharge from Hospital from Community to other providers

› Respond to the ‘whole of health’ care and treatment needs of all consumers (including gender, age and ethnic and indigenous background)

› Develop services and programs that are underpinned by contemporary evidence based research

› Respond to the mental health needs of people involved in the criminal justice system

› Strengthen the capacity of other mental health services in their work with high risk and complex consumers
Statement of Corporate Intent 2013-14 – 2015-16 cont

Performance Measures and Targets
Performance measures and targets are established annually by the Department of Health. The measures established for 2013-2014 are:

Financial Performance

Operating result – YTD ($m)
Cash Management

Access performance
Thomas Embling Hospital
Number of admissions 130
Number of separations 130
28 day readmission rate 14%
Bed occupancy rate 96%

Occupied bed days –
breakdown by legal status
security patients
forensic patients
<12/other
Length of stay –
security patients
forensic patients
<12/other
Sedations (in 4 units with acute sedation suites) –
per 1,000 bed days <15%
multiple sedation episodes No target

Security –
Number of escapes from Thomas Embling Hospital 0
Number of absconds from leave No target

Outcome measures –
% change by HOMOS (between admission and separation) No target
Compliance with Basis 32 Full compliance

Prison Services
Average daily number of prisoners waiting transfer to Thomas Embling Hospital No target
Average number of days between certification and transfer to Thomas Embling Hospital No target

Community Forensic Mental Health Service
Number of service hours 6,600
Problem Behaviour Program No target

Mental Health Program
new cases
continuing cases
total service hours
total contact hours

Court Liaison Service No target
total contacts
total service hours
total contact hours

Average treatment days No target
On bail court reports –
number of reports completed for courts 222
total service hours
total contact hours

Outcome measures –
% change by HOMOS (between admission and separation) No target
Compliance with Basis 32 Full compliance

Service performance
Quality and Safety
Health service accreditation Full compliance
Cleaning standards Full compliance
Staff turnover rate 11.2%

Number of professional training hours undertaken by staff/fac EFT 20.6 hrs

Disclosure Index

The annual report of the Institute is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Department’s compliance with statutory disclosure requirements.

Note: This Disclosure Index consists of 2 pages, and is not required to be completed by denominational hospitals.

Legislation Requirement Page Reference
FRD 10 Disclosure index 99
FRD 11A Disclosure of ex gratia expenses 96
FRD 21B Responsible person and executive officer disclosures 95
FRD 22E Application and operation of Freedom of Information Act 1982 54
FRD 22E Application and operation of Protected Disclosure Act 2012 55
FRD 22E Compliance with building and maintenance provisions of Building Act 1993 54
FRD 22E Details of consuls run over $10,000 56
FRD 22E Details of consuls run under $10,000 56
FRD 22E Employment and conduct principles 40
FRD 22E Major changes or factors affecting performance 7-11
FRD 22E Occupational health and safety 40
FRD 22E Operational and budgetary objectives and performance against objectives 7-11
FRD 24C Reporting of office-based environmental impacts 37
FRD 22E Significant changes in financial position during the year 13-14
FRD 22E Statement of availability of other information 54
FRD 22E Statement on National Competition Policy 56
FRD 22E Subsequent events n/a
FRD 23E Summary of the financial results for the year 13-14
FRD 22E Workforce Data Disclosures including a statement on the application of employment and conduct principles 38-39
FRD 25B Victorian Industry Participation Policy disclosures 54
FRD 29 Workforce Data disclosures 38
Financial Statements

Financial statements required under Part 7 of the FMA

- SD 4.2(a) Statement of changes in equity (66)
- SD 4.2(b) Comprehensive Operating statement (64)
- SD 4.2(c) Balance sheet (65)
- SD 4.2(d) Cash flow statement (67)

Other requirements under Standing Directions 4.2

- SD 4.2(a) Compliance with Australian accounting standards and other authoritative pronouncements (68)
- SD 4.2(c) Accountable officer’s declaration (61)
- SD 4.2(c) Compliance with Ministerial Directions (68)
- SD 4.2(d) Rounding of amounts (70)

Legislation

- Freedom of Information Act 1982 (54)
- Protected Disclosure Act 2012 (55)
- Carers Recognition Act 2012 (55)
- Victorian Industry Participation Policy Act 2003 (54)
- Building Act 1993 (54)
- Financial Management Act 1994 (54)

Glossary

Acute Assessment Unit (AAU) A 16-bed unit providing statewide assessment of male prisoners thought to be mentally disordered in the prison system. Forensicare provides forensic mental health services in the Acute Assessment Unit under a contractual arrangement with Department of Justice.

Australian Council on Healthcare Standards (ACHS) The agency which inspects and evaluates health care services, including Forensicare, for the purposes of accreditation.

Board The governing body of the Victorian Institute of Forensic Mental Health, established by the Mental Health Act 2014, replacing the previously designated Council.

Centre for Forensic Behavioural Science Forensicare’s research arm, established as a joint venture with Swinburne University of Technology. The Director of the Centre is Professor James Ogloff.

Client A person receiving care and/or treatment from Forensicare’s Community Forensic Mental Health Service.

Community Program, or Community Forensic Mental Health Service The service arm of Forensicare responsible for the delivery of community programs.

Consumer A person receiving services from Forensicare.

Corporate Governance Effective, fair, transparent and accountable management of the relationship with the community with integrity to produce an enhanced and efficient service.

Corporate Plan The annual planning document that Forensicare is required by legislation to prepare for the Minister for Mental Health.

Corrections Victoria The Victorian Government agency responsible for the 10 state managed prisons and community based corrections.

Council The Council of the Victorian Institute of Forensic Mental Health, established under the Mental Health Act 1986.

Custodial Supervision Order (CSO) An order made by a court following a finding that a person is permanently unfit to plead or not guilty by reason of mental impairment. The order commits the person to custodial supervision at Thomas Embling Hospital for an indefinite period.

Department of Health The Victorian Government department responsible for the provision of mental health, and through which Forensicare reports to the Minister for Mental Health.

Department of Justice The Victorian Government Department responsible for the criminal justice system (including prisons and community corrections).

EFT Equivalent Full Time staffing position

EDuIP Evaluation and Quality Improvement Program – the program by which Forensicare voluntarily undertakes continuous improvement to gain accreditation.

Forensic patient A person detained under Victoria’s mental impairment legislation – Crimes (Mental Impairment and Unfitness to be Tried) Act 1997

Inpatient A person who is admitted to Thomas Embling Hospital for care and treatment.

Inpatient episodes An episode of inpatient care that started and finished within a specific period.

Justice Health An independent business unit established within the Department of Justice to manage health services across the justice system.
Non-custodial Supervision Order

An order made by a court following a finding that a person is permanently unfit to plead or not guilty by reason of mental impairment. The order enables the person to live in the community subject to conditions set by the Court, which are supervised by a mental health service. Forensicare supervises all clients with a mental illness on these Orders in Victoria.

Occupied bed days

Total number of patients in Thomas Embling Hospital in a given period.

Outcome

Results that may or may not have been intended that occur as a result of a service or intervention.

Primary consultation

The provision of clinical advice to a service on an identified client or patient.

Ravenhall Prison Project

The 1,000 bed prison that is to be built at Ravenhall, in which Forensicare is to provide specialist forensic mental health services.

Recovery

A contemporary approach to mental health care which is based on individualised care that focusses on strengths, hope, choice and social inclusion.

Seclusion episodes

A single event of sole confinement of a patient to address imminent and immediate harm to self or others.

Separation/Discharge

The completion of an episode of care and the patient/client leaves the organisation.

Statutory requirements

Any requirement laid down by an Act of Parliament

State Services Authority

The agency established to foster the development of an efficient, integrated and responsive public sector which is highly ethical, accountable and professional in the way it delivers services to the Victorian community.

Statement of Corporate Intent

A three-year planning framework that is required under the Mental Health Act 1986 to be included in the annual Corporate Plan document that Forensicare prepares for the Minister for Mental Health.

Thomas Embling Hospital

Forensicare’s 116-bed secure inpatient facility.
<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Objectives</td>
<td>1</td>
</tr>
<tr>
<td>Service Performance</td>
<td>12</td>
</tr>
<tr>
<td>Significant Events – Our History</td>
<td>2</td>
</tr>
<tr>
<td>Smoke Free Environment - Introduction</td>
<td>21</td>
</tr>
<tr>
<td>Social Work</td>
<td>18</td>
</tr>
<tr>
<td>Staff Feedback</td>
<td>40</td>
</tr>
<tr>
<td>Staff Gender</td>
<td>39</td>
</tr>
<tr>
<td>Staffing Model – Prison Services</td>
<td>24</td>
</tr>
<tr>
<td>Statement of Corporate Intent</td>
<td>97-98</td>
</tr>
<tr>
<td>Statement of Purpose</td>
<td>1</td>
</tr>
<tr>
<td>Strategic Priorities</td>
<td>1</td>
</tr>
<tr>
<td>Suicide and Self Harm Training</td>
<td>25-26</td>
</tr>
<tr>
<td>Sustainability</td>
<td>36</td>
</tr>
<tr>
<td>Thomas Embling Hospital</td>
<td>21-22</td>
</tr>
<tr>
<td>Thomas Embling Hospital, Performance Measures</td>
<td>23</td>
</tr>
<tr>
<td>Training Program</td>
<td>40</td>
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<tr>
<td>Understanding our Financials</td>
<td>59</td>
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<tr>
<td>Values</td>
<td>2</td>
</tr>
<tr>
<td>Victorian Industry Participation Act 2003</td>
<td>54</td>
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<tr>
<td>Victorian Institute of Forensic Mental Health Council</td>
<td>44</td>
</tr>
<tr>
<td>Vision</td>
<td>1</td>
</tr>
<tr>
<td>Vocational Education and Training –</td>
<td></td>
</tr>
<tr>
<td>Thomas Embling Hospital</td>
<td>22</td>
</tr>
<tr>
<td>Workforce Plan</td>
<td>40</td>
</tr>
<tr>
<td>Workforce Profile</td>
<td>38</td>
</tr>
<tr>
<td>Youth Justice</td>
<td>31</td>
</tr>
</tbody>
</table>