

ANNUAL REPORT

2019 – 20



Forensicare

We acknowledge the Traditional Custodians of the land and we pay our respects to their Elders past, present and emerging.



Lived Experience Statement

We recognise and value the knowledge and wisdom of people with a lived experience of mental ill-health, their families and supporters. We celebrate their strengths in facing the challenges associated with Recovery and include the voice of Consumers and Carers in the development, delivery and evaluation of Forensicare Services and Care.

This publication is copyright. No part may be reproduced by any process except in accordance with the provisions of the *Copyright Act 1968*.

© Victorian Institute of Forensic Mental Health 2020

Designed by OÙ

VICTORIAN INSTITUTE
OF FORENSIC MENTAL HEALTH

Yarra Bend Road
Fairfield VIC 3078

T 03 9495 9100
F 03 9495 9199
E info@forensicare.vic.gov.au

ABN 32 807 323 885

ISSN: 2208-9403 (Print)
ISSN: 2652-3434 (Online)

www.forensicare.vic.gov.au

Contents

Our vision	4	Corporate Services	44
Our mission	4	Strategy, planning and performance	44
Our strategic goals	4	Legal services	44
Our values	5	People and Culture—Our People	48
Our organisation	6	Occupational health and safety	48
About us	6	Occupational violence	50
Our services	8	Workforce profile	52
Board Chair and CEO Report	10	Sustainability—Our Environment	56
Responding to COVID-19	10	Statement of Priorities 2019 – 2020	58
Focussing on safety and wellbeing	12	Part A: Strategic priorities	58
Playing our part in shaping the future of mental health	12	Part B: Performance priorities	62
Changes to Board	12	Disclosures	64
Recognising our achievements	13	Building Act	64
Governance	14	Freedom of Information Act	64
Responsible minister	14	Protected Disclosure Act	65
Forensicare board	14	Carers Recognition Act	65
Board movements	14	National Competition Policy	67
Board directors	15	Local Jobs First – Victorian Industry Participation Policy	67
Board committees	18	Additional information	67
Organisational chart	20	Consultancies used in 2019 – 20	68
Executive leadership team	21	Details of information and communication technology expenditure 2019 - 2020	69
Awards and Achievements	24	Financial Performance Summary in 2019 – 2020	70
Clinical Services	26	Revenue	70
Royal Commission into Victoria's Mental Health System	26	Expenditure	70
Lived Experience	28	Historical financial analysis and key financial statistics	71
2019-2020 Highlights	28	Net result from transactions	72
Consumer and Carer Participation	31	Attestations	74
COVID-19	31	Disclosure index	74
Prison Mental Health Service	36	Data integrity attestation	74
Research Overview	38	Responsible bodies declaration	74
Promoting forensic mental health innovation	38	Conflict of interest attestation	74
Research dissemination	38	Financial management compliance attestation	74
Research governance and oversight	39	Financial Statements 2019 – 2020	75
Education and Training	42	Disclosure Index	120
External training program	42	Glossary	122
Staff Learning and Development	43		

Our vision

Clinical excellence and translational research enable consumers to lead fulfilling and meaningful lives in a safer community.

Our mission

We will provide high-quality specialist clinical services that:

- > focus on the recovery of our consumers
- > support our workforce
- > build our translational research capacity
- > work collaboratively with our stakeholders to achieve better and safer outcomes for our consumers and the community.

Our strategic goals

- > better health – skills and support to be healthy and well
- > better access – fair, timely and easier access to care
- > better care – world-class health care every time

Our values

Responsiveness

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

Integrity

We are 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 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 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 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 actively implement, promote and support these values.

Human rights

We 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.

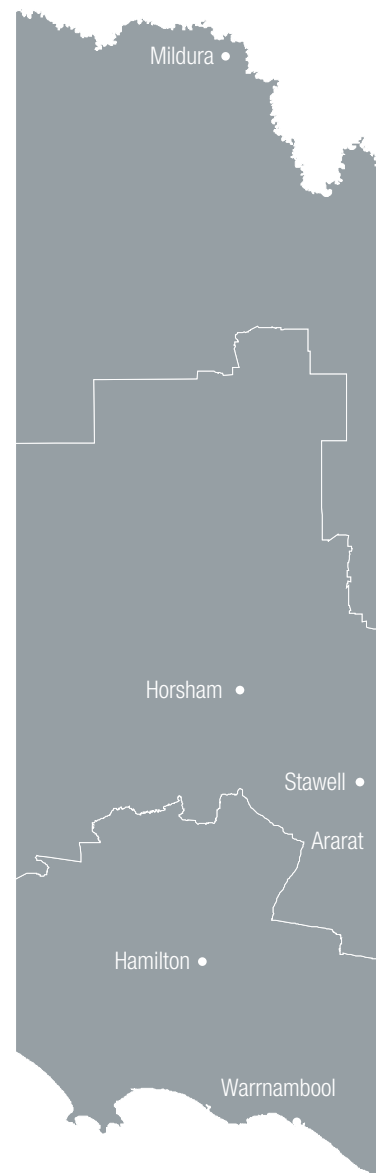
Our Organisation

About us

The Victorian Institute of Forensic Mental Health, known as Forensicare, is the state-wide provider of specialist forensic mental health services in Victoria. Forensicare is a statutory body established in 1997 under the *Mental Health Act 1986* and continued under the *Mental Health Act 2014*. The Minister for Mental Health is the Minister responsible for Forensicare and the forensic mental health services provided. Forensicare operates under the *Mental Health Act 2014* in terms of its treatment of consumers, however, Forensicare also has obligations under the *Crimes (Mental Impairment and Unfitness to be Tried) Act 1997* in respect of consumers placed on supervision orders under that Act.

Forensicare delivers a range of forensic mental health services based on a recovery-oriented mental health framework for people living with mental illness. Services are tailored to different stages of recovery and range from assessment, early intervention and prevention, inpatient care, rehabilitation, and community transition support. Forensicare's primary consumers are:

- Individuals with a mental illness at risk of, or involved in, the criminal justice system.
- Individuals who have carried out a criminal offence but who have been found not guilty, or unfit to be tried, under the CMIA 1997.
- Individuals within the community at risk of offending and/or who pose a risk to themselves or others.



Service locations

Visiting sessions at the following prisons

- Barwon Prison
- Dhurringile Prison
- Hopkins Correctional Centre (Ararat)
- Karreenga Annexe
- Langi Kal Kal Prison
- Loddon Prison Precinct (Middleton)
- Marngoneet Correctional Centre
- Tarrengower Prison

Forensic Mental Health Services

- 1 Community Forensic Mental Health Service
- 2 Dame Phyllis Frost Centre
- 3 Melbourne Assessment Prison
- 4 Metropolitan Remand Centre
- 5 Port Phillip Prison
- 6 Thomas Embling Hospital
- 7 Victorian Fixated Threat Assessment Centre
- 8 Ravenhall Correctional Centre

Court Mental Health Advice and Response Service

- 9 Broadmeadows Magistrates' Court
- 10 Dandenong Magistrates' Court
- 11 Frankston Magistrates' Court
- 12 Heidelberg Magistrates' Court
- 13 Melbourne Magistrates' Court
- 14 Moorabbin Justice Centre
- 15 Ringwood Magistrates' Court
- 16 Sunshine Magistrates' Court



Our services

Thomas Embling Hospital

Thomas Embling Hospital (TEH) is a 136-bed secure forensic mental health hospital providing care and treatment for people living with a serious mental illness. TEH provides intensive, acute, sub-acute, extended rehabilitation for consumers, with a specific women's-only unit for acute and sub-acute care. Extended and transitional rehabilitation is provided within mixed gender units.

Patients are admitted to the hospital from the criminal justice system under the *Crimes (Mental Impairment and Unfitness to be Tried) Act 1997*, the *Mental Health Act 2014* (MHA) or the *Sentencing Act 1991*. Patients may also be admitted from the general mental health system under the MHA.

Prison Mental Health Service

Forensicare provides specialist forensic mental health services across 12 of Victoria's 14 prisons. Services include mental health reception assessments, dedicated units for the care and treatment of prisoners with mental illness, as well as outpatient care and mobile forensic mental health services. Our prison services also provide suicide and self-harm prevention assessment services. There are 141 prison-based mental health beds across the Victorian prison system serviced by Forensicare. All Forensicare's prison based specialist mental health services are voluntary.

Our prison service locations include:

- **Acute Assessment Unit (Melbourne Assessment Prison)**— a 16-bed short stay unit for patients thought to be experiencing mental illness, requiring psychiatric assessment and a range of recovery-oriented short-term interventions and support. Forensicare also provides initial mental health reception assessments, at-risk assessments, and care within the custodial unit to treat male prisoners experiencing mental ill-health, as well outpatient services to prisoners requiring ongoing non-residential mental health care.
- **Ballert Yeram-boo-ee Forensic Mental Health Unit (Ravenhall Correctional Centre)**—75 prisons-based mental health beds as well as assessments and outpatients services provided in maximum-security forensic mental health complex within the medium-security prison.
- **Marmak Unit (Dame Phyllis Frost Centre)**—a 20-bed residential unit that provides acute, sub-acute and rehabilitative care to women experiencing mental ill-health while in prison.
- **Mobile Forensic Mental Health Service (Metropolitan Remand Centre)**—a mobile forensic mental health service that provides mental health treatment to prisoners experiencing mental ill-health, as well as an outpatient clinic service and initial reception assessments. The service also provides outpatient services to Barwon, Marngoneet and Kareenga prisons.
- **St Paul's Unit (Port Phillip Prison)**—a 30 prison-based bed unit provides mental health care, treatment and therapeutic programs.
- **Other outpatient services**—Forensicare provides visiting sessions at Hopkins, Langi Kal Kal and Loddon prisons, as well as sessions by visiting psychiatrists at Hopkins, Barwon, Dhurringile, Karreenga, Loddon, Marngoneet, Middleton and Tarrengower prisons to support prisoners with their mental health recovery.

Community Forensic Mental Health Service

Forensicare's Community Forensic Mental Health Service provides a diverse suite of consultation and direct clinical services for those engaged in—or at risk of coming into contact with—the justice system. This includes:

- **Court reports service**—this service provides psychiatric and psychological pre-sentence reports to courts at the request of the judiciary.
- **Community Transition and Treatment Program (CTT)**—this program oversees the treatment, care and supervision for forensic and civil patients transitioning from TEH back into the community to ensure they are well supported in their reintegration.
- **Non-Custodial Supervision Order Consultation and Liaison Program**—this program supervises the monitoring and direct treatment of clients placed on a Non-Custodial Supervision Order under the *Crimes (Mental Impairment and Unfitness to be Tried) Act 1997*.
- **Forensicare Serious Offender Consultation Service (F-SOCS)**—this initiative provides support to Community Correctional Services (CCS) and mental health services in the management of individuals who have a serious mental illness and a history of serious violent and/or sexual offending.
- **Mental Health Advice and Response Service (MHARS)**—this service operates in eight metropolitan courts across Victoria, providing clinical mental health advice. The service aims to reduce delays in proceedings and remands, and improve the appropriateness of mental health interventions and referrals for people appearing before the court.
- **Non-Custodial Supervision Order Consultation and Liaison Program**—this program supervises the monitoring and direct treatment of clients placed on a Non-Custodial Supervision Order under the *Crimes (Mental Impairment and Unfitness to be Tried) Act 1997*.

- **Problem Behaviour Program (PBP)**—this program provides psychiatric and psychological consultation and treatment for adults aged 18 years and over with a range of “problem” behaviours associated with offending, and for whom services are not available elsewhere.
- **Victorian Fixated Threat Assessment Centre (VFTAC)**—this service provides a structured and coordinated approach to serious threats of violence posed by people with complex needs, which could result in terrorist acts or the perpetration of other forms of extreme violence.

The CFMHS also provides the following advice and consultation services to the broader mental health sector:

- **Forensic Clinical Specialist (FCS) Program**—this program builds forensic mental health expertise and capacity in Victoria's mental health services. Forensicare provides central coordination of the program, which is delivered in partnership with local specialist mental health service providers.
- **Youth Justice Mental Health Program**—this program was established to improve access to mental health services for people within the youth justice setting, as well as enhance the capacity of justice and mental health staff to effectively meet their needs. Forensicare provides direct services to Parkville Youth Justice Precinct and coordinates the overall program.

Centre for Forensic Behavioural Science

As required by the *Mental Health Act 2014*, Forensicare has responsibility in undertaking research, education, and training in forensic mental health. Forensicare works in partnership with Swinburne University of Technology through the Centre for Forensic Behavioural Science (CFBS) to deliver a comprehensive program of forensic mental health research, specialist training and ongoing professional development and education to support not only Forensicare, but also the wider mental health community.

Board Chair and CEO Report

10

It's been another busy year for everyone at Forensicare.

We've made some great progress, strengthening our strategy, focusing on staff well-being, and even celebrating an important milestone—the 20th anniversary of Thomas Embling Hospital's opening—all during the global pandemic of COVID-19.



We've achieved a lot this year. With the commencement of the Forensicare Renewal Project, we are working together to build an organisation that is ready for the future, and ready to respond effectively to the findings of the Royal Commission into Victoria's Mental Health System.

We have a lot to be proud of—and we're looking forward to taking the next steps in making our organisation the best it can be. By making these changes—and addressing these challenges head-on—we will be able to support our staff to do what they do best and enable our consumers live meaningful lives in a safer community.

Responding to COVID-19

Like many organisations around the globe, the unexpected COVID-19 pandemic has challenged us like nothing before.

While we maintained our delivery of high-quality care to consumers without interruption, many of our services have had to quickly adapt to a new way of operating. A large proportion of staff transferred to work-from-home arrangements from early March and, like many organisations, we have quickly adapted to working in an online environment.

We were successful in preventing the virus from entering the hospital, particularly important given that many of our client population in the hospital have co-morbidities, placing them at higher risk of severe virus outcomes. Our success was largely due to a general willingness and ability to adapt quickly to changing circumstances and evolving medical advice.

In recognition of the potential for increased mental health impacts in the prison system, we expanded our service there with early and more frequent monitoring of people while they spent two weeks in mandatory protected quarantine when coming into prison.

Our community services continued to support consumers and provide assessments, face-to-face in courts, by videoconference for court reports, and flexibly for our case-managed consumers.

It's important for us to recognise the sheer resilience and commitment from our staff as we've worked through these challenging times. They have worked alongside consumers to maintain their personal safety, while also managing huge impacts in their personal lives such as home-schooling of their children, and challenges to the resilience of their communities.

Throughout this period, our staff have maintained their focus on what is most important: the care and recovery of our consumers.

Unfortunately, this pandemic is far from over. But we are confident that together, we can meet these challenges that have only strengthened the way we work.

Strengthening our capability

Last August, we requested the Victorian Public Service Commission to conduct a capability review of our organisation.

The review's aim was to provide us with a fresh and independent perspective of the challenges our organisation faces, and how we can address those to ensure Forensicare has the structures and systems in place to continue to deliver high-quality care to consumers.

With our organisation's rapid growth and change over recent years, we knew how important it was to make sure we are ready for the future. And while the Capability Review found a number of gaps in our strategy and systems, we have embraced these challenges head-on, and have responded swiftly to its recommendations.

To guide us through the delivery of the important changes and improvements we have planned for the next 12 months—and beyond—we have developed the Forensicare Renewal Plan. This plan includes a range of initiatives to improve our systems, processes and further build a safe and positive workplace culture that fosters collaboration, kindness and innovation in our service delivery—which is particularly important, as we begin to map out our new strategic direction.

Setting a new strategic direction

We want Forensicare to be the best organisation it can be. To better prepare and respond to the outcomes of the Royal Commission into Victoria's Mental Health System, we have brought the development of our next Strategic Plan forward by six months. We've invited input from staff and consumers across the organisation, as well as input from our carers and other key stakeholders. We've also established a diverse working group, where members from across our organisation can bring their unique insights to the table.

It's important for us to recognise the sheer resilience and commitment from our staff as we've worked through these challenging times.

To meet the changing needs of our consumers and the Victorian community, we are also developing a new Service Plan, which will clarify current—and future—demand for our sites and services. It will also identify key areas for reform to align with the recommendations from the Royal Commission's interim report, and prepare us for the commission's findings, expected to be handed down early in 2021.

Focussing on safety and wellbeing

The safety and well-being of staff is our top priority—and creating a psychologically safe workplace has been a huge area of focus for our organisation over the past 12 months.

In response to our 2019 People Matter Survey results, we conducted CEO Roundtables across the organisation to highlight issues staff face. From there, we established the People Matter Committee, featuring staff from all levels and service locations to develop initiatives to improve working at Forensicare.

As part of this feedback, as well as the results from our recent psychosocial survey, we've developed a number of improvements to support staff and foster a positive workplace culture, including a new Employee Wellbeing Program that includes an expanded employee assistance program and a new critical incident support program.

The board has also established the new People and Culture Committee to ensure they focus on staff wellbeing and safety, with our People and Culture team working to deliver our three year Health, Safety and Wellbeing Plan 2020-2022. This will allow us to ensure staff wellbeing and safety continues to be a top priority.

Playing our part in shaping the future of mental health

Last November, the Royal Commission into Victoria's Mental Health System released its Interim Report.

In early recommendations, it was encouraging to see an acknowledgement of many things Forensicare has advocated for in the past, and in our submissions to the commission. This includes a greater investment in mental health, increased access and continuity of care, a greater focus on prevention and early intervention, addressing stigma, as well as a need for growth in the mental health and lived experience workforce.

We look forward to seeing the commission's final recommendations early next year, and are confident they will bring positive change for Victoria's mental health system.

Changes to Board

With a number of changes to the board during the year, we would like to thank retiring Board Directors Julie Anderson and Jenny Roberts for their valuable contributions to Forensicare. I would also like to thank Lance Wallace who provided support to the Board as a Finance advisor in the first half of the year.

We would also like to welcome our new board directors The Hon. Wade Noonan, Jo Flynn and Ian Forsyth, as well as Frances Sanders, who joins us as our lived experience board director. With lived experience as a carer, we look forward to the perspective she will bring to our organisation.

We also want to take this opportunity to recognise and thank Board Director Sue Williams, who acted as Board Chair during the current Chair's leave of absence whilst leading Bushfire Recovery Victoria.

Recognising our achievements

In April this year, we celebrated the 20th anniversary of Thomas Embling Hospital's opening. This is an enormous milestone for Forensicare and Victoria, as the hospital was Australia's first purpose-built adult forensic mental health facility.

Over 20 years, the hospital has made a huge difference to the lives of so many Victorians living with a mental illness—and that is something we are very proud of. To commemorate this anniversary, we created a series of videos celebrating the hospital, our dedicated and passionate staff, and stories of consumer recovery, as well as how since then, we've expanded across Victoria's mental health system.

We can't wait to see where the next 20 years takes us.

In closing, we would like to thank our hard-working staff for their phenomenal dedication. Despite the challenges we've faced this year, we have achieved an enormous amount—and we owe that to you. Without you, we couldn't provide the high-quality care that truly makes a difference in the lives of Victorians living with a mental illness.

Thank you.

In accordance with the *Financial Management Act 1994*, I am pleased to present the report of operations for Forensicare for the year ending 30 June 2020.



Ken Lay AO APM

Chair
Forensicare Board

26 August 2020



Ken Lay AO APM

Chair
Forensicare Board

26 August 2020

Dr Margaret Grigg

Chief Executive
Officer

26 August 2020

Governance

Forensicare was established in 1997 under section 117B of the *Mental Health Act 1986* (Vic) and continued under the *Mental Health Act 2014* (Vic). Our statutory functions are:

- to provide, promote and assist in the provision of forensic mental health and related services in Victoria
- to provide clinical assessment services to courts, the Adult Parole Board and other relevant government agencies
- to provide inpatient and community forensic mental health services and specialist assessment and treatment services
- to provide community education in relation to the services provided by Forensicare and forensic mental health generally
- to provide, promote and assist in undergraduate and postgraduate education and training of professionals in the field of forensic mental health
- to provide, promote and assist in the teaching of, and training in, clinical forensic mental health within medical, legal, general health and other education programs
- to conduct research in the fields of forensic mental health, forensic health, forensic behavioural science and associated fields
- to promote continuous improvements and innovations in the quality and safety of forensic mental health and related services in Victoria
- to promote innovations in the provision of forensic mental health and related services in Victoria
- to perform any other functions conferred on it under the *Mental Health Act 2014* or any other Act

Responsible minister

The Victorian Minister for Mental Health is the minister responsible for Forensicare and the forensic mental health services we provide.

Forensicare board

The Board of Forensicare is appointed by the Governor in Council for three-year terms on the recommendation of the Minister for Mental Health. The Board, which consists of up to nine directors, reports to the Minister for Mental Health.

The Board includes a nominee of the Attorney-General, a nominee of the Minister administering the *Corrections Act 1986* (Vic), and between four and seven other members, of whom at least one is able to reflect the perspective of people receiving mental health services, and at least one has the knowledge of, or experience in, accountancy or financial management.

Board movements

In 2019–20 Ms Jenny Roberts and Ms Julie Anderson left the Board at the expiry of the terms of their appointments.

Dr Jo Flynn, Mr Ian Forsyth, The Hon. Wade Noonan and Ms Frances Sanders were appointed to the Board during 2019–2020.

Board directors

As of the 30 June 2020, Forensicare's Board comprised of 9 directors:

Ken D Lay AO APM

BA (Pol Stud), GDip Pub Admin, HonLLD (Monash), FAICD

Chair

Appointed 10 April 2019

Mr Lay is a professional non-executive director, and the Lieutenant-Governor of Victoria. His substantial career was with Victoria Police, concluding as the Chief Commissioner (2011-2015). He has since conducted a number of reviews for both state and federal agencies concerning significant social policy, community safety, governance and leadership issues.

His Board portfolio in 2019-20 included the Federal Heavy Vehicle Regulator Board (Director), and chairing roles with Ambulance Victoria and Forensicare (Victorian Institute of Forensic Mental Health). From January to April 2020, Mr Lay was Chair of Bushfire Recovery Victoria, a new permanent Victorian Government agency created to work directly with communities to listen, help and deliver what they need after the 2019/20 Victorian Bushfires.

He is an Officer of the Order of Australia, and an Australian Police Medal recipient.

As Forensicare's Board Chair, Mr Lay attends a variety of Committee meetings in an ex officio capacity throughout the year, and is chair of the Remuneration and Nominations Committee.

Sally Campbell

BA, LLB

Appointed on 31 March 2018

Sally is a business leader with extensive executive private and public sector experience, gained in commercial and government industries all around the globe, including Australia, New Zealand and the United Kingdom. In addition, Sally has extensive experience in law, governance and strategy, informatics, technology, telecommunications, manufacturing and services, spanning the health and research sectors--most recently at the Royal Melbourne Hospital, and Barwon Health. With a proven track record in designing and delivering major business strategies and systems, Sally has driven significant cultural changes, improvements and exemplary operational results for large, complex, and politically-sensitive organisations. Sally currently sits on the Board of Alfred Health, and is the Chair of the Alfred Health Audit Committee.

Greg Pullen

MBA, FCPA, FAICD

Appointed on 10 April 2013

Throughout his time on the board, Greg has held the position of chair of the Forensicare Finance Committee. He is an experienced business leader with extensive financial credentials in accounting, management and company directorship.

Prior to retiring from full-time work, Greg spent 38 years working in senior management roles in the Victorian public healthcare and not-for-profit sectors. He is also a current board director of Central Highlands Rural Health.

Associate Professor Ruth Vine

MBBS, FRANZCP, LLB

Appointed 12 May 2015

Associate Professor Ruth Vine was appointed to the Board on 12 May 2015. She was the Executive Director of North Western Mental Health until mid-2019, and has previously worked in the Victorian Department of Health as the Director of Mental Health, and has also been the Chief Psychiatrist for Victoria. Ruth was appointed to a new role—Deputy Chief Medical Officer (Mental Health) in the Commonwealth Department of Health in May 2020.

Ruth spent many years working as a consultant psychiatrist working in forensic mental health, as well as community health. She has also worked with the Commonwealth Department of Health and Ageing to develop the fourth National Mental Health Plan.

Ruth has also contributed to the development of legislation and policy in areas such as mental health, disability and the management of offenders living with mental illness.

Susan Williams

Appointed on 10 April 2019

Beginning her role as Board Director on 10 April 2019, Sue brings more than 25 years of experience in the healthcare industry to Forensicare. Currently, she is the Chief of Health Operations at Cabrini Hospital, and on the Board of Better Care Victoria. She has a Bachelor of Business Management, and Master of Business Administration from Monash University, as well as an Advanced Management Program at Harvard University. Her previous roles include the Director of Nursing at Royal Melbourne Hospital, Chief Operating Officer of 44 hospitals at Healthscope, and Chief Executive Officer of Peninsula Health, where she managed over 5000 staff across 12 sites.

Ian Forsyth

Appointed 17 September 2019

Ian has extensive leadership experience across the public, private and not-for-profit sectors, including the media, health, finance, insurance, IT, and the arts. He began his career as a journalist, and has held a range of senior executive positions including Deputy Chief Executive, WorkSafe Victoria, and Managing Director, Norwich Union Life Australia.

Ian is also a Board Director for the Australian Centre for the Moving Image, Ambulance Victoria and the Emergency Services Foundation.

While working as a Forensicare Board Director, Ian continues to maintain his role as Managing Partner with behaviour change communications specialists The Shannon Company.

Dr Jo Flynn AM

MBBS, MPH, HonDMedSc, FRACGP, FAICD

Appointed 2 July 2019

Dr Flynn is a medical practitioner worked as a general practitioner and medical educator and has held extensive governance and advisory roles at national and state levels over many years.

Most recently, Dr Flynn was Chair of Eastern Health and the Medical Board of Australia, and is the current Chair of the Board Ministerial Advisory Committee advising the Victorian Minister for Health on appointments to health related boards. She is also a Board Director at Ambulance Victoria and President of Berry Street.

Jo is a Member of the Order of Australia, and in 2018 was recognised in the Victorian Public Sector's Top 50 Public Sector Women Awards.

The Hon. Wade Noonan

Appointed on 10 December 2019

Wade is the Executive Director of the West of Melbourne Economic Alliance (WOMEDA) and Associate Director, Social Enterprise and Investment in the Policy, Strategy and Impact portfolio at RMIT.

Wade holds a number of board and committee roles with Jobbank, the Western Bulldogs Community Foundation, and the Victorian Health and Human Services Building Authority (VHHSBA). He is also an Ambassador for the Indigenous Marathon Foundation.

Prior to accepting appointments with WOMEDA and RMIT, Wade served as a Member of the Victorian Parliament (2007-18), including appointments as the Minister for Police and Corrections (2014-2016) and the Minister for Industry, Employment and Resources (2016-2017).

Frances Sanders

Appointed 18 February 2020

Frances Sanders provides a lived experience perspective to the board and across the organisation.

Frances has worked in the mental health sector for more than 25 years, and is passionate about making a real difference in the world. With strong skills in organisational analysis, change management and project management, she is an expert in helping organisations develop their strategic capacity.

Frances has held a wide range of senior management and executive positions across the mental health and human services sector—including as a Senior Carer Advisor at the Office of the Chief Psychiatrist, and a Director of Business Development at Mind Australia. She is currently the Senior Manager of NDIS Packages at ERHMA365 (complex mental health and disability services).

Retired board members

Jenny Roberts

BASocSci

Jenny was appointed as the nominee of the Minister for Corrections on 1 December 2016. Jenny has had an incredibly impressive career, with more than 30 years' experience in corrections—including senior operational, policy and project management roles in prisons, community corrections services, and women, drug, and education areas.

Julie Anderson

CertBus(Acc), CertTheo, completion AICD Company Directors course

Julie was appointed to the Board to represent the perspective of mental health consumers. She has a wealth of knowledge from her array of experiences, including her current role as Senior Consumer Advisor in the Office of the Chief Mental Health Nurse in the Department of Health and Human Services. She is a member of Mental Health Australia National Registrar of Consumer and Carer Leaders, and consults with federal and state governments on mental health issues from a perspective of lived experience.

In the past, Julie has been the Director, President and Vice President of Neami National, as well as the past Chair of the Victorian Mental Illness Awareness Council. She has participated in the Leadership Plus Program, and the National Mental Health Commission Future Leaders Program—all based on her lived experience of recovery.

Board committees

Six committees help the Board to fulfil its responsibilities. Each committee reports to the Board, and some include non-Board members. During 2019-2020 Forensicare's Governance Framework was reviewed and the committee structure was updated to strengthen Board governance and better support the Board to meet its obligations. These changes resulted in the cessation of the Strategic, Planning and Oversight Committee, with the responsibility for strategy being subsumed by the Board, and the establishment of a dedicated People and Culture Committee that is focused—in part—on monitoring in more detail management's response to occupational violence.

Audit and Risk Committee

The Audit and Risk Committee's role is to assist the Board to fulfil its corporate governance and oversight responsibilities in relation to Forensicare's financial reporting, internal control structure, legal and regulatory compliance, risk management systems, and the internal and external audit functions.

Quality and Safety Committee

The Quality and Safety Committee plays a key role in ensuring effective clinical governance by providing leadership and advice to the Board in the assessment and evaluation of the safety and quality of Forensicare's clinical services.

Finance Committee

The Finance Committee's role is to assist the Board to fulfil its financial governance responsibilities.

Research Committee

The purpose of the Research Committee is to determine research priorities and activities, monitor and develop guidelines, progress and adherence to ethical standards of research, and encourage research across the organisation.

Remuneration and Nominations Committee

This committee helps the Board fulfil its responsibilities in relation to the review of performance, remuneration and succession of the Chief Executive Officer and the executive.

People and Culture Committee

The purpose and role of the People and Culture Committee is to oversee and advise the Board on the effectiveness of Forensicare's people-related policies, frameworks and strategies to ensure the health, safety and wellbeing of employees. It encourages and guides management building and maintaining a positive, healthy and productive workplace culture that is centred on patients and staff, and which supports the organisation's role in and contribution to the community.

Table 1: Board committee membership as at 30 June 2020

	Board		Audit & Risk		Quality & Safety		Remuneration & Nominations		Finance		People & Culture	
	H	A	H	A	H	A	H	A	H	A	H	A
Ken Lay ###	9 (C) Feb 20 missed due to BRV – leave of absence; observed at Mar 20 whilst still on leave of absence	9	4	4 = voting 1 = ex officio		3 = ex officio	1	1 = member 1 = ex officio		3 = ex officio	1	1 = member 1 = ex officio
Sally Campbell	11	10	6 (C)	6	Obs.	Obs. 1	2	2	2	2		
Greg Pullen	11	9	3	3	Obs.	Obs. 1			5	5		
Ruth Vine	11	9			7 (C)	7					2	2
Jo Flynn	11	10		6	6+	4 = voting 1 = obs.	2	2			3	3
Susan Williams	11	10		3	4	3^^^			5	4	3 (C)	3
Ian Forsyth ++	5	5	2+	2 x voting 1 = obs.								
Wade Noonan ^^	5	5	2				2	2				
Lance Wallace Δ ##	5	5							3 (C)	3		
Frances Sanders °	4	4			3	3						
Allison Smith Δ *	Obs.	Obs. 1							Obs.	Obs. 1		
Jenny Roberts @	5	3	4	4	2	2						
Julie Anderson @	5	4			2	1						

19

Note: the attendance by Directors at the April 2020 joint meeting of the Audit and Risk Committee and Quality and Safety Committee are counted in each of their columns.

^^ Appointed as a Director in November 2019, Forensicare notified in December 2019, first Board meeting February 2020

^^^ Ceased Committee membership February 2020

++ Appointed in September 2019, Forensicare notified in December 2019, commenced Board meetings February 2020

Does not include circular resolutions

Commenced first meeting on 21 February 2020 – appointed as independent advisor until 30 June 2020

° Commenced February 2020

Took leave of absence from 12 January 2020 to 20 April 2020 to undertake work for Bushfire Recovery Victoria (BRV)

* Commenced formal meetings as an independent advisor of Board and Forensicare from 1 July 2020 – observed at Forensicare and Board in June 2020 (took over from Lance). Tenure concluded November 2020

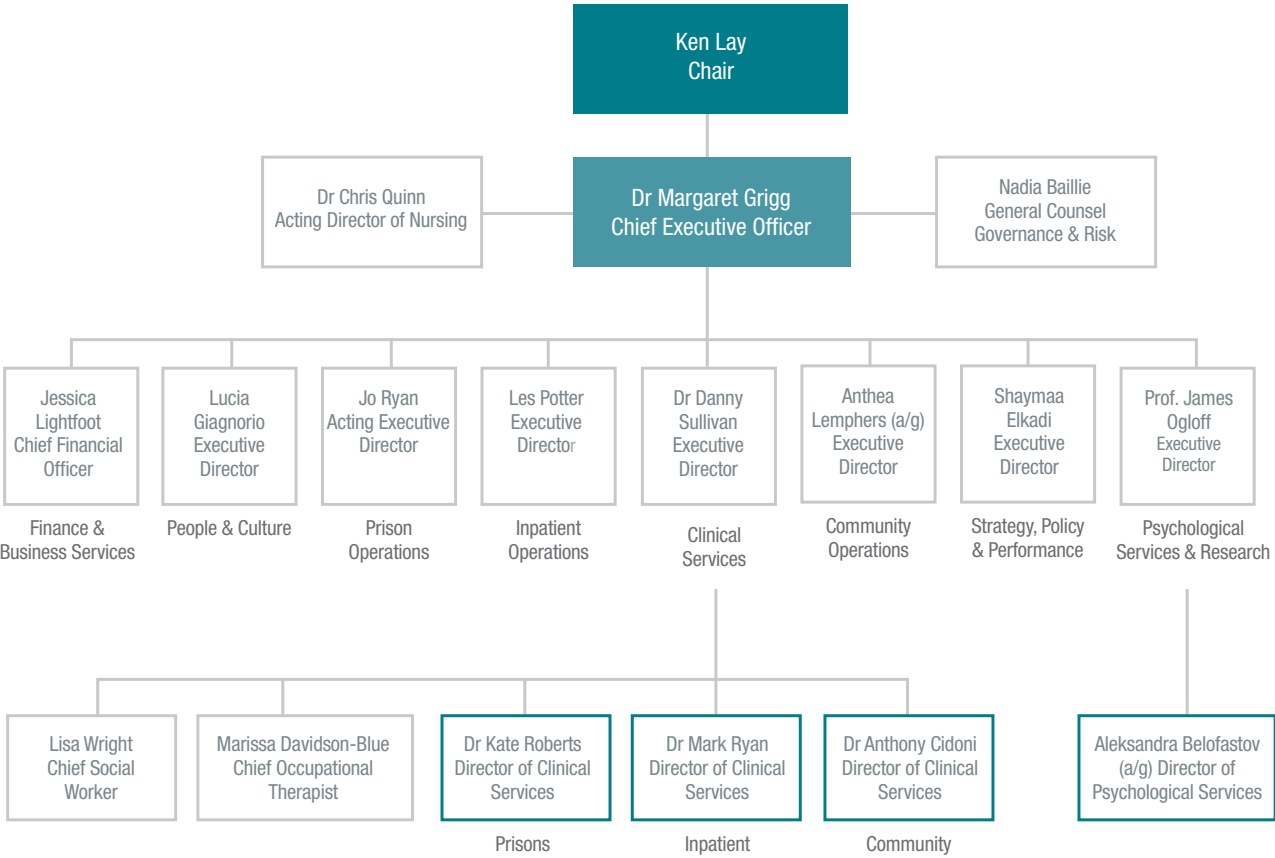
Δ Board Advisor

Obs Observer

@ Retired during financial year

Organisational chart

Figure 1: Organisational chart as of 30 June 2020



Executive leadership team

The Board, subject to the Secretary of the Department of Health and Human Services' approval, appoints Forensicare's chief executive officer. The executive leadership group assists the Forensicare's chief executive officer in the overall management and strategic and delivery of the organisation's priorities and objectives.

Dr Margaret Grigg

PhD, MS (Health Policy & Administration),
MBio, BA, RN, RPN MAICD

Chief Executive Officer

Appointed August 2019

Margaret was appointed as Forensicare's CEO after a unanimous Board endorsement, following a four-month period as interim CEO. She is an experienced health professional with extensive experience in senior leadership roles. Previously, she has worked as the Deputy Chief Executive of Mind Australia, and the Vice President of the Kyneton District Health Service Board. She has also worked for the Victorian Department of Health and Human Services as a senior executive for many years, and was the Executive Director of Health Services Policy and Commissioning.

Jessica Lightfoot

LLB/BA LL.M GAICD MBA CPA

Chief Financial Officer

Appointed March 2020

Jessica is responsible for the financial stewardship of the organisation, including procurement, ICT and property services.

Jessica began her career as a lawyer, and spent three years working on the policy and legislative reforms, including the reforms that led to the establishment of Forensicare.

She transitioned to project management to lead the establishment of the National Coroners Information System, and managed large-scale property projects at Monash University. She then took on the role of leading the University's financial performance management division, before assuming a Chief Financial Officer role in the private sector. Jessica holds Non-Executive Director roles at VESKI and the Springvale Monash Legal Service.

Dr Danny Sullivan

MBBS, MBioeth, MHLthMedLaw,
AFRACMA, FRCPsych, FRANZCP

Executive Director, Clinical Services

Appointed June 2017

Danny joined Forensicare in 2004 and has held a range of consultant positions throughout the organisation. As Executive Director of Clinical Services, Danny is responsible for the leadership and governance of clinical services across the organisation and heads up the medical team. He is keen to cement Forensicare's position as a high-quality service, with great expertise in assessing and treating mentally disordered offenders.

Dr Shaymaa Elkadi

Executive Director, Strategy, Policy and Performance

Appointed May 2020

Shaymaa commenced at Forensicare in May 2019 as Executive Director of Community Operations and has since been appointed to the newly established position of Executive Director of Strategic Planning and Performance. Shaymaa is responsible for leading the development, implementation and monitoring of Forensicare's strategic objectives and projects, quality and safety, information and data management, as well as data analytics and communications portfolios. She is also the executive sponsor of Forensicare's First Nations portfolio.

Shaymaa has PhD from the University of Melbourne in neuropsychology, and has worked extensively across the private, not-for-profit and public justice and mental health sectors in system and service design.

Lucia Giagnorio

BBus, Grad Cert OHM and Change Management
Certification Program (PROSCI)

Executive Director, People and Culture

Appointed May 2019

Lucia was the original Human Resources Manager when Forensicare was first established in 1998. Years later, she has made the decision to return to the organisation. With a genuine passion for helping people achieve their full potential, Lucia aims to bring Forensicare into a workplace of the future, updating processes to ensure a smooth transition, as the organisation approaches a new period of growth.

Our staff work hard—and we are extremely proud of their dedication and commitment to improving mental health outcomes for consumers, carers and the wider community.



Distinguished Professor James Ogloff AM FAPS

BA, MA (ClinPsych), JD, PhD, FAPS

Executive Director, Psychological Services and Research

Appointed November 2001

Professor Ogloff is responsible for delivering psychology services and research across the organisation, and provides vital service development advice. Jim serves on many boards and advisory groups on matters pertaining to forensic mental health and justice. He has led many service reviews and evaluations nationally and internationally. He also holds the positions of Foundation Professor of Forensic Behavioural Science at Swinburne University of Technology, Director of the Centre for Forensic Behavioural Science, and was recently recognised as a University Distinguished Professor by Swinburne University for his significant and exceptional contributions to forensic mental health research.

Les Potter

RN, BAppSc(AdvNurs), Administration (Dist)

Executive Director, Inpatient Operations

Appointed May 2014

As Executive Director of Inpatient Services, Les is responsible for managing inpatient services at the 136-bed Thomas Embling Hospital facility, and the strategic management and planning of service changes or enhancements. He provides leadership to drive the development of services that are sensitive to the needs of consumers and carers, and ensures the delivery of clinical excellence.

Jo Ryan

RN, BEd, CertForPsychNurs, PGC-VRAM

Acting Executive Director of Prison Services

Appointed May 2019

As Acting Executive Director of Prison Services, Jo is responsible for the management and performance of Forensicare's prison mental health services. Her substantive position is as Forensicare's Director of Nursing, a role she's held since December 2013, and has worked with Forensicare since it was established in 1998. She has extensive experience as a psychiatric nurse in forensic mental health settings as a clinician, manager and educator.

Dr Chris Quinn

RN, DAS (Nurs), Cert PN, Grad Dip (MHN), PhD

Acting Director of Nursing

Appointed May 2019

As Acting Director of Nursing, Chris is responsible for providing nursing leadership, embedding a nursing culture that values professional standards and the delivery of best practice nursing care. In Chris's substantive position as the Senior Mental Health Nurse, he manages the Nursing Practice and Development Unit. He is the lead trainer for the Short Term Assessment of Risk and Treatability program and has taken a lead role in promoting clinical supervision for Forensicare nurses.

Chris is also currently leading the coordination and delivery of Forensicare's COVID-19 response.

Anthea Lemphers

BSc Honours (Psych), MPsy (Clin), MAPS

Acting Executive Director, Community Operations

Appointed May 2020

Anthea has over 20 years' experience as a clinical and forensic psychologist, and has worked across all directorates within Forensicare's services in various operational and discipline leadership roles. Anthea's substantive position is as the Director of Psychological Services which she has held for over 10 years. As Acting Executive Director of Community Operations, she is currently responsible for overseeing the delivery of our community-based services which includes the Problem Behaviour Program, the Mental Health Court Liaison Service, Community Treatment and Transition program, and many more.

Departing executive team members**Ian Holland**

BBus(Admin), CA

Resigned January 2020

Ian joined Forensicare in April 2017. He is a member of the Institute of Chartered Accountants, and is responsible to the CEO for Forensicare's overall financial management and compliance, maintenance, procurement and contract management services.

Ian has worked in public health for more than 10 years. Prior to joining Forensicare, Ian was the Director of Finance for Peter MacCallum Cancer Centre from 2014 until 2017. He also worked for eight years at Melbourne Health, where he spent six years as the business manager for the Royal Melbourne Hospital.

Awards and Achievements

Our staff work hard—and we are extremely proud of their dedication and commitment to improving mental health outcomes for consumers, carers and the wider community. That’s why this year, we want to recognise and congratulate our staff and teams for their invaluable contributions.

Forensicare, through its Infection Prevention and Control team, was awarded the 2019 Hepatitis Victoria Organisational Collaboration Award for making a significant impact to reducing the prevalence of hepatitis in patients at Thomas Embling Hospital.

October

The Centre for Forensic Behavioural Science’s Associate Professor Stephane Shephard won an Afroshine Africa Media Australia award for Academic Excellence. The Afroshine awards recognise successful stories and positive achievements from African-Australian communities.

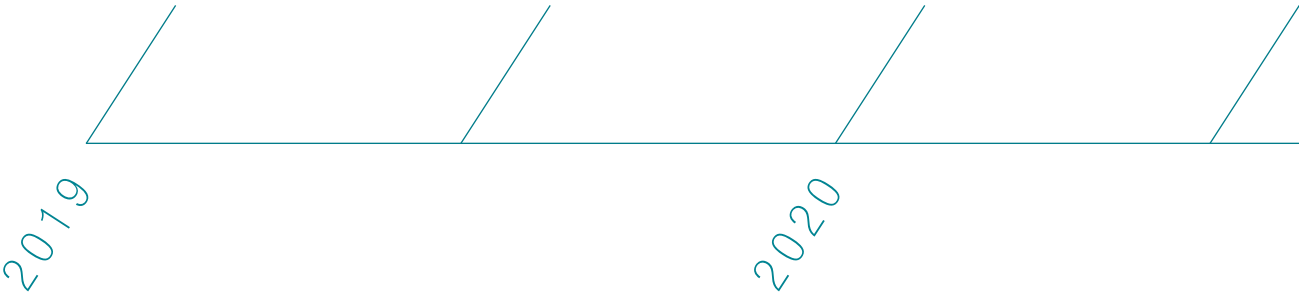
November

Forensicare was announced as one of six Victorian health services to be funded for the Victorian Government’s Personality Disorder Initiative. The Personality Disorder Initiative aims to build the expertise and capability of the mental health workforce to assess, treat and support people with severe personality disorders at high risk of suicide, self-harm, or challenging behaviour.

December

Forensicare psychologist Dr Nina Papalia was awarded a Fulbright Scholarship to explore the psychosocial mechanisms that influence maltreated children to commit — or avoid committing — violence later in life.

February



Apsley Unit at Thomas Embling Hospital celebrated their first anniversary. Providing short-term psychiatric care for male prisoners with an acute mental illness who require treatment under the *Mental Health Act 2014*, Apsley is the hospital's first major expansion since its opening in 2000.

The Centre for Forensic Behavioural Science's Dr Ashley Dunne was awarded the 2020 Australian Psychological Society College of Forensic Psychologist's Maconochie Prize for outstanding forensic psychology research.

In collaboration with Occupational Therapy Australia, Forensicare occupational therapist, Lorrae Mynard published the e-book, *Normal Life has been disrupted: a guide to managing disruption caused by COVID-19*. The book addresses how our productivity, leisure, self-care, routine and roles are impacted by the virus and suggests ways we can manage these changes. It has been recognised internally and translated into multiple languages.

March

Thomas Embling Hospital celebrated its 20th anniversary. The hospital officially opened its doors in 2000 as Australia's first purpose-built adult forensic mental health facility.

Forensicare's Executive Director of Research and Psychological Services, Professor James Ogloff AM, was recognised by Swinburne University as a University Distinguished Professor for his significant and exceptional contributions to forensic mental health research.

A female consumer at Forensicare gained paid employment in an advisory role for a local legal organisation. She will be working to help women who are incarcerated by providing a lived experience perspective of women in the prison system, along side eight other women.

April

Forensicare Consultant Psychiatrist Dr Doug Bell was awarded the esteemed Ian Simpson Award by the Royal Australian and New Zealand College of Psychiatrists (RANZCP). The award recognises outstanding contributions to the profession of clinical psychiatry.

Forensicare Consultant Psychiatrist Dr Sam Pang was awarded the Medicott Reward by RANZCP. The award which recognises meritorious research in forensic psychiatry by an advanced trainee or recent graduate.

May

Clinical Services

Despite COVID-19, Forensicare maintained high-quality services for consumers across our hospital, prison and community settings. This is a testament to our courageous and adaptable staff, who have managed the challenges and transformations required by the pandemic with resilience and strength. All around the world, communities have paid tribute to frontline healthcare workers—and as frontline mental health care workers, our phenomenal employees warrant the same gratitude.



Our services adapted to safely support consumers on their recovery journeys, with video conferencing options for family and carer visits and appointments with community services staff. Assessment continued in courts face-to-face and by video conference as required, and provided flexibility for our case-managed consumers. It's been a difficult year for many—but together, we have gotten through it.

We have also managed to make a number of improvements—through advocating for consumer voices in the care we provide, our engagement with the Royal Commission into Victoria's Mental Health System, and shaping our Model of Care for the future. These advances will ensure we can continue to walk beside our consumers in ensuring the best support and opportunity for recovery.

I am incredibly proud of our clinicians and those who support them.

Royal Commission into Victoria's Mental Health System

The Royal Commission into Victoria's Mental Health System is well underway and offers great promise. We have sought to elevate the perception of forensic mental health services, and their vital importance to people living with a mental illness, championing the often complex needs of consumers within our services. I, and a number of other Forensicare staff members—including CEO Margaret Grigg, Executive Director of Strategy, Policy and Performance Shaymaa Elkadi, and Executive Director of Research and Psychological Services—provided witness statements for the Commission to ensure a forensic mental health lens on the issues facing Victoria's mental health system. I was greatly assisted by several consultant psychiatrists across the organisation, who also contributed ideas and feedback in my Royal Commission statement. With our involvement, I am optimistic the forensic mental health system will be positively impacted by the Royal Commission.

Planning for future needs

The exciting task of planning for the future development of our services has commenced with a service plan which articulates future demand for forensic mental health services and reflects on opportunities to strengthen our service responses into the future. There is widespread acknowledgement that despite a significant improvement in wait times for men in prison (due to the opening of the Apsley Unit at Thomas Embling Hospital)—the delays for transfer to the hospital remain unacceptable. Twenty years into the life of Thomas Embling Hospital, we continue to advocate for further development and expansion in recognition that the current hospital design prevents us from meeting the full range of needs of female forensic patients, and the increasing number of elderly and frail consumers.

Our Model of Care is in the last stages of development. Commenced in 2018, this project will underpin and frame service provision in coming years, and ensure Forensicare offers the best of contemporary, evidence-based forensic mental health care to all who need it. The Model of Care has drawn on the most essential and influential national and international philosophies and practices, as well as direct involvement with staff, external experts and stakeholders, carers, consumers and their families. When completed in late 2020, the project will be the foundation of operational guidance to ensure our activities are well understood by staff, consumers and stakeholders, no matter where they are in Forensicare's dispersed services.

Reducing Restrictive Interventions

Ensuring everyone - consumers, families, carers, staff and visitors - are safe at Forensicare remains a top priority.

Following on from the Seclusion Review undertaken in 2018-2019, work has continued on identifying measures to reduce restrictive interventions and promote recovery for our consumers.

This important piece of work has informed the development of our Model of Care and ServicePlan. Over the coming year we will continue to work with staff, consumers and carers to identify and implement improvements to reduce restrictive practices.

DUNDRUM tools

The DUNDRUM Quartet of tools is now operational across Forensicare. Despite the difficulties of training staff effectively during COVID-19, we are hopeful it will result in increased clarity of criteria for admission of security patients and discharge of forensic patients. It will also guide us to tailor recovery-oriented therapeutic and rehabilitative interventions to each consumer's needs.

I am supported by a great team, including our directors of clinical services—Dr Mark Ryan, Dr Kate Roberts and Dr Anthony Cidoni—and by the chiefs of other disciplines, including Jo Ryan and Dr Chris Quinn (Nursing), Anthea Lemphers and Dr Aleks Belafastov (Psychology), Marissa Davidson-Blue (Occupational Therapy), and Lisa Wright (Social Work). But there are many more who work quietly behind the scenes and ensure that a growing, dispersed, and complex organisation can meet its goals. It is our staff that have shown the way forward in these challenging times—and we can't thank them enough for their dedication.



Dr Danny Sullivan
Executive Director, Clinical Services

Lived Experience

A clear theme coming out of the Royal Commission into Victoria's Mental Health System's interim report released in November 2019, is that the lived experience of consumers and carers are central to the successful planning and delivery of mental health treatment and care. Forensicare shares this view.

We would not have been able to succeed or overcome the challenges this year without the outstanding contribution and commitment of the lived experience workforce, in collaboration with Forensicare consumers and carers. As a recovery-oriented mental health service, we walk alongside our consumers in their recovery.

¹ Thomas Embling Hospital provides TAFE certificate courses and modules through Kangan Education. Courses on offer include literacy and numeracy, hospitality, information technology, cleaning, furniture and building, horticulture and much more.

2019-2020 Highlights

New peer worker

In mid 2019 we welcomed Glenn Broome to the Forensicare Team as the new peer worker at Ballertr-Yeram-boo-ee Forensic Mental Health Service, Ravenhall Correctional Centre. Glenn brings his lived experience of the mental health and prison systems to help prisoners find hope, support them in their mental health recovery and assist them with reintegration back into the community. Glenn's ingenuity, passion and success has proven how valuable peer work is to improving recovery outcomes. As our only peer worker, Glenn is working with staff across Forensicare to look at ways we can incorporate more peer work into our services.

New trainee

In June 2020, we welcomed Cameron Balcombe in the role of Aboriginal Mental Health Trainee as part of a Department of Health and Human Services initiative to increase the number of qualified Aboriginal mental health professionals in the workforce. Cameron's role aims to increase mental health outcomes for Aboriginal consumers and strengthen awareness and understanding of Aboriginal social and emotional wellbeing with staff. As a trainee, Cameron is being supported to complete a Bachelor of Health Science majoring in Aboriginal Mental Health whilst being employed full time in the service.

Strengthening inclusion

We commenced the development of a new family and carer inclusion policy strengthens how we work with families and the important role carers play in consumer recovery.

Road to success

The new peer written and led workshop 'Road to Success' has been well attended and covered a range of topics including grief and loss in a prison context, advance statements and 'tuff conversations'.

Coffee Chats

Initiated by peer worker, Glenn Broome, Coffee Chats commenced in late 2019 and have proven to be a popular opportunity for prisoners to connect with services in the community. Special guests included the then Minister for Corrections, the Hon. Ben Carroll MP and Dr Margaret Grigg, CEO. During COVID lockdown, Coffee Chat utilised internal staff expertise instead of external stakeholders.

Fluvax record

A record uptake in influenza vaccinations was seen not only in our staff but also our consumers at Thomas Embling Hospital.

80.92%

Number of flu vaccinations given to Thomas Embling Hospital patients.

This achievement was due to the willingness and commitment to the strong sense of community at the hospital. With the onset of COVID-19, many consumers wanted to get a flu vaccination not only to protect their own health, but to minimise the harm to fellow patients and staff.

Education and vocation¹

62

Patients enroll in at least one module or certificate of study

14

Patients new to studying (Jan – Jun 2020)

Royal Commission

The Thomas Embling CAG met with members from the Royal Commission in a confidential session that enabled consumers to speak freely with the Royal Commission on their experience with the forensic mental health system.

Service and business planning

The Lived Experience Team, CAGs, carers and consumer representatives have played an integral role in the development of our Service Plan, Model of Care, and business planning. From March-June 2020, our two consumer representatives attended over 10 meetings each contributing to these projects. Our Lived Experience Team, CAGs, and carers were also regularly engaged in the process. As we move into the next financial year, lived experience representatives will continue to provide a significant voice in the development of our new strategic plan, new processes and organisational projects.

We owe a good deal of our success in preventing an outbreak at the hospital to the ongoing willingness of patients to actively play their in keeping themselves and everyone at the hospital safe.



Consumer and Carer Participation

Consumer Advisory Groups

Consumer participation at Forensicare is led by our Consumer Advisory Groups (CAG) which are held at Thomas Embling Hospital, Community Forensic Mental Health Service and Ballerit Yeram-boo-ee Forensic Mental Health Service at Ravenhall Correctional Centre. CAG members meet regularly to discuss policy, process, and general issues affecting consumers. Their input and feedback strengthens the way we deliver our services and provides consumers with a platform for advocating for changes and improvements.

With the onset of COVID-19, meetings were forced to meet remotely at the hospital and in the community. Community CAG members were quick to embrace new technology and teleconference meeting style. The new format resulted in increased attendance levels and high engagement, particularly in the trauma informed care audit where members attended many focus groups. Feedback was used as part of the review into trauma informed practices and to guide how the service coordinated changes in building works.

Family and Carer Advisory Group

The Family and Carer Advisory Group meets monthly. The Committee is dedicated to the development and continual improvement of a culture within our service which is sensitive and inclusive of families and carers. COVID-19 has been a very difficult year for our carers particularly with the cancellation of visits to Thomas Embling Hospital. That being said, carers were incredibly understanding of the need to keep the hospital covid-free. Many embraced the challenge of using new technology to maintain contact with patients. This in turn saw the implementation of new streamlined processes for contacting and communicating with carers.

COVID-19

Like the rest of the Victorian community, patients at Thomas Embling Hospital were required to follow the Chief Health Officer's advice and COVID-19 safe measures. Community leave and hospital visits were ceased to meet lockdown requirements. Some hospital and TAFE programs were redesigned to meet COVID-19 safe requirements while others were cancelled. Patients were temperature checked daily and any symptoms, however minor, were tested for COVID-19.

Despite how difficult lockdown has been for patients, they have continued to persevere. We owe a good deal of our success in preventing an outbreak at the hospital to the ongoing willingness of patients to actively play their role in keeping themselves and everyone at the hospital safe.

The following provides some of the reasons why consumers volunteered to be tested for COVID-19:

“...for my own peace of mind and for the sake of everyone else. I didn't want to be infected, not know, and pass it on to others”

“...Peace of mind, and to save lives. Mine and everyone else's. There's a lot of patients here who have a heap of health issues”

“... I wanted to be sure I didn't have it, I don't want anyone to have it. I don't want it in the hospital”

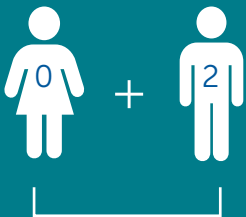
“... we're pretty protected in here, but every night you see the news and you hear how bad things are out there. We have to do what we can to control this virus”

Thomas Embling Hospital

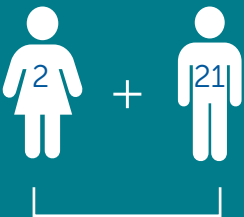
Patient profile 2019-2020

As of 30 June 2020

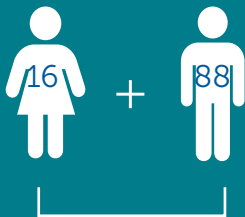
129 PATIENTS



2
Civil patients



23
Security patients



104
Forensic patients

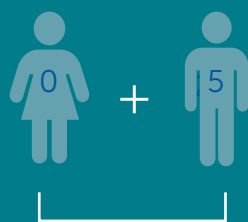
95.9%
Occupancy rate

24
Days, on average, wait
time for male security
patients to be admitted
following certification

9
Days, on average, wait
time for female security
patients to be admitted
following certification

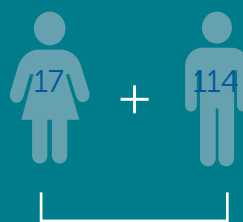
Total number of admissions 2019-2020 (according to legal status)

145 PATIENTS



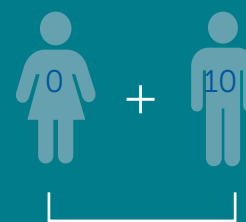
5

Civil patients



131

Security patients



10

Forensic patients

14

Admission who identified as Aboriginal and Torres Strait Islander people (9.6 per cent of all admissions to Thomas Embling Hospital)

1

Number of people waiting in prison for a bed to become available at Thomas Embling Hospital for the making of a custodial supervision order (as of 30 June 2020)

137

Separations (unit and hospital discharges)

Community Forensic Mental Health Service

Consumer and program file

As of 30 June 2020

SUPPORTING COMMUNITY TRANSITION AND REINTEGRATION



11
extended leave clients
(at 30 June 2020)



64
clients on non-custodial
supervision orders
(at 30 June 2020)

SUPPORTING TREATMENT AND REHABILITATION



23
accepted referrals from Area
Mental Health Services for high-
risk clients with mental illness



383
clients seen by the Problem
Behaviour Program



72
referrals accepted by the
Victorian Fixated Threat
Assessment Centre



31,769
total service hours – all sources

SUPPORTING THE JUSTICE SYSTEM



3,180
assessments completed for individuals being considered for a mental health treatment and rehabilitation condition on a community correction order



286
pre-sentence court reports for people in custody



72
contacts with Community Correctional Services for cases being coordinated by the Forensicare Serious Offender Consultation Service



5200
court liaison assessments completed by MHARS



31
reports prepared for the Adult Parole Board



43
court reports prepared for criminal trials (Office of Public Prosecutions)



97
pre-sentence court reports for people on bail

Prison Mental Health Service

Service overview

As of 30 June 2020

DAME PHYLLIS
FROST CENTRE*

176

admissions to the
Marrmak Unit

867

reception assessments
(commenced December 2019)

MELBOURNE
ASSESSMENT PRISON

342

admissions to the
Acute Assessment Unit

8748

reception assessments

METROPOLITAN
REMAND CENTRE

357

clients seen (Mobile Forensic
Mental Health Service)

1,203

reception assessments

3,176

occasions of services
(Mobile Forensic Mental
Health Service)

PORT PHILLIP PRISON

32

admissions to the
St Paul's Unit

896

occasions of service
(outpatients)

RAVENHALL CORRECTIONAL CENTRE

417

admissions to Ballerit Yeram-boo-ee
Forensic Mental Health Service

703

reception assessments

419

outpatient intensive
case management

*Expanded service at Dame Phyllis Frost Centre

In December 2019, Forensicare services at the Dame Phyllis Frost Centre (DPFC) were expanded to include responsibility for all reception screening and at-risk services. The expansion has improved how women's mental health is assessed and treated in the prison system and provides greater continuity of care for women with mental illness in the criminal justice system.

Research Overview

Promoting forensic mental health innovation

The Royal Commission into Victoria's Mental Health System (RCVMHS) promises to transform the way services are conceptualised and delivered. The Commission's interim report in 2019 sets out the "Guiding Principles for Victoria's Mental Health System," that envisage a mental health system in which "mental health services use continuing research, evaluation and innovation to respond to community needs now and into the future". This underpins the critical role that research, evaluation, and innovation play in the development and operation of mental health services.



Since its inception, Forensicare has embedded strong research values, and our research record has continued to strengthen and is recognised worldwide. Through its partnership with Swinburne University of Technology in operating the Centre for Forensic Behavioural Science (CFBS), our research group is among the most productive and influential of any forensic mental health service in the world. Our research collaborations also extend to other universities and agencies and mental health services to ensure what we learn is relevant, and can improve care offered by Forensicare and other providers of forensic mental health care.

Research dissemination

Forensicare and CFBS staff pursue multiple avenues to share and educate all Forensicare stakeholders about new research findings, how they impact Forensicare's practice, as well as supporting growth in expertise in the conduct and dissemination of research. In 2019/20, this included regular in-person presentations to Forensicare executives, Best Care, Consumer Advisory Group and discipline or directorate meetings, with regular research intranet and website stories also shared.

Dissemination seminars

Forensicare holds two research dissemination seminars each year for Forensicare staff members which run for one-half day, with research and clinical staff showcasing their work. To improve access, the October 2019 Seminar was live streamed and recorded for staff who could not attend. This doubled the number of Forensicare staff attending live (in-person or online), with additional staff able to download and view the recorded presentations. COVID-19 restrictions prevented the dissemination seminars proceeding in March 2020, but we are excited about again hosting the dissemination seminars via live streaming in October 2020.

Research governance and oversight

As part of the reorganisation of Forensicare Board committees, the Forensicare-Swinburne Research Governance Committee was established in 2020. This Board committee includes the CEO of Forensicare, the Executive Director of Clinical Services, two Forensicare Board members, the Dean of Health Sciences, Dean of Research for the Faculty of Health, Arts and Design, and a professor appointed by the university. The Director of the CFBS is an ex-officio member. The Research Governance Committee provides a senior-level, joint governance forum, providing both parties with the ability to effectively monitor and evaluate the research value and future strategic partnership opportunities arising from their joint investment in the CFBS.

The progress and success of the CFBS is measured by academic metrics and clinical service priorities. Academic monitoring includes the number and quality of publications, research grants and other funding awarded, impact and engagement, as well as student numbers and completions. The clinical service priorities are included to ensure the CFBS satisfies the strategic research needs for Forensicare, including the need for translational research and service evaluation. There is a goal, as well, to involve Forensicare staff members and consumers in research and to help ensure Forensicare's culture continues to reinforce the importance of evidence-based practice and continuing clinical excellence.

Our work transforms lives, and the research we do at Forensicare and the CFBS is invaluable, not only for service development, evaluation and improvement, but also for transforming people's understanding of mental illness and offending. The work we do not only strives for continuous improvement in our organisation, but in the wider mental health and criminal justice community, as well. In short, it helps ensure better outcomes for our consumers and contributes to a safer Victorian community—and we couldn't do that without the support and hard work of our staff.

I want to express my sincere gratitude to Associate Professor Rachael Fullam, the inaugural Research Manager at Forensicare who transformed the research program and research governance in Forensicare. I am also grateful to Professor Michael Daffern for his able leadership as Deputy Director of the CFBS. Mr Brett McIvor, Research Centre Coordinator, and Ms Maree Stanford, Executive Assistant, are also both extraordinary in their efforts. Likewise, CEO Dr Margaret Grigg has been a stalwart supporter of our work and notes the importance of evaluation and transformational research. But most of all, I thank our research students and fellows, as well as both Forensicare and CFBS staff, and our adjunct and honorary staff members—without you, the important work we are able to do—and highlight—in this report would not continue.

Thank you.



Distinguished Professor James Ogloff AM FAPS
Executive Director of Psychological Services and Research and Director of the Centre for Forensic Behavioural Science

PUBLISHED RESEARCH

During 2019/20 CFBS and Forensicare staff published:

60



Peer-reviewed journal articles

16



Book chapters and one book

13



Industry reports

72



Research projects in progress

NEW PRACTICE

Using the Model of Understanding Inpatient Aggression in prisons; Delphi Study to adapt *Safewords* for secure settings; Victoria Police Screening Assessment for Family Violence Risk (VP-SAFvR); Aboriginal Emotional & Social Wellbeing Assessment; "Healthy Habits, Healthy Me" in TEH; Utilising a co-design method to support implementation of *Clinical Support Team* in TEH; Video-health for forensic mental health assessment and treatment.

EVALUATED SERVICE

Ravenhall Mental Health Service; Reflective Practice Program; TEH Violence Risk Assessment Path; Problem Behaviour Program; Outcomes post-order for people managed under *CMIA 1997*; Vocational courses offered in TEH.

STAFF AND STUDENT HIGHLIGHTS



Dr Justin Trounson was appointed as a Lecturer greatly strengthening our research capacity. Justin was Swinburne University's inaugural Aboriginal and Torres Strait Islander Research Fellow. He is a member of Forensicare's First Nations Advisory Committee and the Youth Forensic Network.

Dr Tessa Maguire, a long-time clinical nurse consultant with Forensicare, joined the CFBS as a Lecturer in Forensic Mental Health Nursing.

Dr Margaret Nixon assumed the role of Professional Development and Training Lead for the CFBS.



Discipline research leadership has been enriched at Forensicare with Lorrae Mynard (Occupational Therapy Research Lead) and Dr Caroline Lambert (Social Work and Lived Experience Industry Research Fellow). Lorrae and Caroline's appointment along with Dr Tessa Maguire, has added to existing medical, psychology, criminology, computer science and legal expertise enhancing our ability to conduct research to improve forensic mental health care.

Associate Professor Stuart Lee joined Forensicare and the CFBS as the Forensicare Research Manager. He brings a wealth of expertise and experience conducting research and service development in mental health systems.

Education and Training

The vast shifts in our organisation to manage COVID-19 have challenged our capacity to provide internal and external education and training. Despite this, staff have adapted to new content and delivery methods. We continue to retain strong links with the Centre for Forensic Behavioural Science, and are engaged in a range of partnerships to collect and use data, explore what we need to know, test innovations and evaluate our programs. We maintain that a skilled and specialised workforce is necessary to best meet the needs of our consumers, and to ensure we can contribute to community safety through effective forensic mental health interventions.

External training program

- **Centre for Forensic Behavioural Science (CFBS)**
 - delivered external training to multiple services and individuals requiring continuing education. This included training sessions for staff in the Department of Justice and Community Safety (for example, Dynamic Risk Assessment for Offender Re-entry; Violence Training Program; Pre-service program training). We have also provided training through the Department of Health and Human Services to forensic mental health staff in community health programs. One-off training sessions were also delivered to audiences of Forensicare and external agency staff.
- **CFBS Seminar series** – The CFBS hosts a seminar series where invited speakers share their work with research staff from the CFBS and clinical staff from Forensicare. While this was impacted in 2019/20 by COVID-19, the following were given:
 - August, 2019: Susan Rossell, Swinburne University of Technology—Can we recommend Cognitive Remediation Therapy for schizophrenia?
 - October, 2019: Professor Ray Bull, The University of Derby—Improving interviewing of suspects.
 - February, 2020: The Honourable Dr Andrew Leigh, MP—The Second Convict Age: Explaining the Return of Mass Imprisonment in Australia.
- **Community Forensic Mental Health Service (CFMHS)** – CFMHS continued to deliver its external training program for area mental health services, community corrections and private practitioners during the year. Of the eight workshops that were planned during the year, four were cancelled due to COVID-19. The remaining workshops that proceeded were well-attended by 107 participants from community health organisations.

Staff Learning and Development

- Pilot leadership program** – In 2020, we ran a pilot leadership program for 12 participants, including leaders from the inpatient and prisons directorates. The program is an online leadership development opportunity for managers with direct reports. We know teams perform at their best when being supported by a great manager. That's why this program provides participants with a flexible and self-paced learning channel to develop new, practical skills for ready application in the workplace.
- Online training portal upgrades** – With a recently upgraded interface, our online learning system is now host to more than 40 in-house online modules with an excess of 150 face-to-face workshops since its implementation.
- Expanded online learning** – The impact of COVID-19 has resulted in much of the face-to-face delivery of learning to be offered online. The online learning interface has been instrumental in supporting the needs of our employees by promptly introducing online and virtual learning opportunities in various areas, including clinical and organisational delivery.
- Increased forensic mental health training for nurses in prisons** – The expansion of our prison nursing workforce brought with it a need for those nurses to have increased forensic mental health education to improve consumer outcomes by the provision of evidenced based safe care. In response, we have adapted the forensic mental health education program for registered nurses working in the prison system. This program was previously delivered only to nurses working at Thomas Embling Hospital. The program has assisted prison services nurses to develop their clinical skills and knowledge towards risk assessment, challenging behaviours, the impact of trauma and offending behaviours.
- Expanded nurse practitioner program** – We expanded our nurse practitioner service during the year, with the addition of more nursing practitioners. The role—which is more advanced and extended than general mental health nursing—also allows nurse practitioners to function autonomously. This brings our nurse practitioner workforce to nine, assisting us to deliver a broader service across prisons, and to increase services in the DPFC, as well as regional prisons.



Corporate Services

Strategy, planning and performance

In April, we established a new strategy, planning and performance directorate to help us better track and analyse how we are doing against our strategic objectives and to ensure we are engaging effectively with our partners and stakeholders.

The directorate has responsibility for strategic planning, continuous improvement and external engagement, and will look to the future, assessing emerging opportunities and challenges for the organisation. By tracking our progress against agreed objectives, we will not only ensure the continuous improvement of our services; we'll also ensure we have the right capabilities and effective partnerships to meet our objectives both now, and into the future. The directorate will provide a centralised function for quality, including a data analytics function, which will bring together key metrics to help us undertake critical trend analyses of our activity.

To put it simply, the strategy, planning and performance directorate will assist the organisation in understanding how it currently operates, as well as building on ways we can improve to more effectively achieve our goals.

Early work from the directorate has included establishing a working group to drive the development of our next strategic plan, which will bring the process forward by six months, enabling the organisation to address recommendations from the Capability Review, as well as to position us to respond to the findings of the Royal Commission into Victoria's Mental Health System. This work is illustrative of the longer-term role that the new directorate will play.

As part of our improvements, we have also recently restructured our committee framework from 32 working committees down to eight—one to help us track against national standards, and the other seven being advisory committees comprised of expertise from within and outside Forensicare. This improved structure alone will improve efficiency, more effectively engage staff, and assist with clarifying committee purpose and output, while improving accountability.

In addition, by utilising external expertise, external committee members will be able to bring their unique perspectives to inform our practice, and help us become more outward-focused, ensuring our services are in-line with other mental health organisations.

The external engagement role of the new Strategy, Planning and Performance directorate will also identify stakeholders in the community with whom we need to build relationships so that Forensicare has a strong voice in important community discussions around mental health issues. By engaging more effectively with external stakeholders, we will be able to proactively advocate for the issues that are important to Forensicare and its consumers and identify opportunities for collaboration around those issues.

Legal

Forensicare, as the statewide provider of forensic mental health services, operates under the *Mental Health Act 2014* (MHA) in terms of treatment for consumers, however, also has obligations under the *Crimes (Mental Impairment and Unfitness to be Tried) Act 1997* (CMIA) in relation to consumers being assessed for, or who have been placed, on supervision orders under the CMIA.

Crimes (Mental Impairment and Unfitness to be Tried) Act 1997

In 2019-2020 Forensicare provided 45 reports to the Court under section 41 of the *Crimes (Mental Impairment and Unfitness to be Tried) Act 1997* (CMIA).

Sometimes when a custodial supervision order is recommended for a person, there is not a bed available for the making of that order. A certificate providing that no services are available is provided to the Court in accordance with section 47. In 2019-2020, there were 4 occasions where we provided a certificate that stated we did not have a bed available at Thomas Embling Hospital for the making of a custodial supervision order. At 30 June 2020 there was one person waiting in prison for a bed to become available for the making of a custodial supervision order.

Supervision orders under the *Crimes (Mental Impairment and Unfitness to be Tried) Act 1997*: An explainer

The CMIA upholds two legal principles that are fundamental to the Victorian legal system, namely: all people are entitled to a fair hearing and people should only be punished for behavior for which they are criminally responsible. Importantly, the CMIA recognises that those with a mental illness or cognitive impairment:

- may not be able to understand the criminal trial process, including why they are in court or what it means to plead guilty or not guilty
- may not have understood, at the time of an offence, what they were doing or what they were doing was wrong

The CMIA sets the test for both fitness to stand trial and the defense of mental impairment and specifies the Courts' options if a person is found unfit to stand trial or mentally impaired at the time of the offence. If the Court makes a supervision order, these orders are indefinite, and the person may be placed on a custodial supervision order at Thomas Embling Hospital or on a non-custodial supervision order where they will be supervised by Forensicare in the community. These supervision orders are focused on rehabilitation rather than punishment and are guided by the principle that restrictions on a person's freedom and personal autonomy should be kept to the minimum consistent with the safety of the community.

The Court cannot place a person with a mental illness under Forensicare's supervision (either in Thomas Embling Hospital or the Community) until they receive a report and a certificate from Forensicare confirming there are services available for the person. The reports provided to the Court in accordance with the CMIA are intended to assist the Court in making their decision as to the appropriate supervision order.

Supervision orders under the CMIA

As at 30 June 2020 there were:

- 171 people under Forensicare's supervision on a supervision order
- 99 on a custodial supervision order
- 10 on a custodial supervision order with a grant of extended leave
- 61 on a non-custodial supervision order

Custodial supervision orders

There were seven new custodial supervision orders made in 2019-2020 – three by the Supreme Court and four by the County Court. This is four fewer than 2018-2019.

A CSO can only be made when a bed becomes available at Thomas Embling Hospital. The average wait time for a bed for the six men recommended for a CSO was 307 days. The one woman placed on a CSO waited 38 days for a bed.

In addition, there were two new grants of extended leave and one grant of extended leave that was revoked. Four people on extended leave had their order varied to a non-custodial supervision order.

Non-custodial supervision orders

There were 14 new non-custodial supervision orders made in 2019-2020 all made by the County Court. This is more than 2018-2019.

Three people on non-custodial supervision orders breached their order and were apprehended and brought into Thomas Embling Hospital. Of these none have had their supervision order varied to a custodial supervision order. All are currently being treated and assessed for return to the community on their non-custodial supervision order where appropriate. One consumer, who was apprehended in the 2018-2019 financial year, had their supervision order varied from a non-custodial supervision order to a custodial supervision order.

Seventeen people had their non-custodial supervision order revoked, which means their order is complete and the person can live in the community without conditions. This is compared to eight in 2018/2019.

Figure 1 shows the trend of increasing numbers of patients at Thomas Embling Hospital.



Supervision order hearings

Forensicare staff prepared 102 reports for 83 consumers on supervision orders who had court hearings to review their order under the CMIA during 2019-2020. Forensicare staff attended court to give evidence in 76 of these court hearings.

Security patients

In addition to forensic patients (i.e. those consumers in Thomas Embling Hospital on an order under the CMIA), Forensicare also provides treatment to prisoners who require compulsory treatment under the MHA in a hospital on a secure treatment order—these patients are known as security patients. Thomas Embling Hospital is the only hospital in Victoria that can admit security patients for mental health treatment. During 2019/2020 Forensicare admitted 131 security patients for treatment at Thomas Embling Hospital.

Civil patients

Civil patients (defined as compulsory patients in the MHA) are those people who are on a temporary treatment order or treatment order under the MHA. Historically, Forensicare has admitted civil patients to TEH directly from the community where those people cannot be safely managed by an area mental health service in an inpatient unit. However, due to the high demand on Thomas Embling Hospital from forensic and security patients, the number of civil patients at Thomas Embling Hospital has steadily decreased over time and is now largely limited to those security patients who are converted to a civil order when they are at the end of their sentence or are bailed. During 2019-2020, 19 security patients had their order converted to a treatment order.

Royal Commission into Victoria's Mental Health System

Forensicare welcomes the Royal Commission into Victoria's Mental Health System and has engaged with the Royal Commission through 2019-2020 in order to advocate for system reform that will ensure all Victorians receive the right mental health care at the right time.

Since making a formal written submission to the Royal Commission in July 2019, we have engaged in a number of ways, including:

- participation in round tables and panel hearings
- responding to notices to produce
- provision of witness statements by:
 - Board Director, Dr Ruth Vine
 - Board Director, Sue Williams
 - Chief Executive Officer, Dr Margaret Grigg
 - Executive Director Clinical Services, Dr Danny Sullivan
 - Executive Director Research & Psychology, Professor James Ogloff
 - Executive Director Strategy, Policy and Performance, Dr Shaymaa Elkadi

Our witness statements covered various topics, including justice and forensic—in particular, the intersection of mental illness and offending and the principles of contemporary best practice in forensic mental health treatment. These statements are all publicly available via the Royal Commission's website.

The Royal Commission has also met with Forensicare's Thomas Embling Hospital Consumer Advisory Group (CAG). The CAG is an advisory group made up of Forensicare consumers and provides lived-experience advice and feedback to Forensicare about its services and programs.

Forensicare continues to engage with the Royal Commission ahead of the finalisation of its report, due to be handed down in March 2021.

People and Culture —Our People

48

We continue to work to deliver improvements to Forensicare's workplace and culture. Over the past 12 months we have delivered a series of improvements, including:

- a new employee wellbeing provider which offers a far more extensive range of wellbeing program supports, including a Critical Incident Service, Manager Assist, and regular wellbeing learning sessions to all staff
- the implementation of a three-year *Health Safety and Wellbeing Plan 2020 – 2022*
- a new Employee Support Network to support staff wellbeing in the workplace
- the introduction of an electronic onboarding system to improve recruitment capability and employee experiences
- training for managers on recruitment processes and systems
- electronic employee personal file system integrated with payroll
- commenced the development of an employee recognition program to acknowledge the outstanding contribution of staff.

Occupational health and safety

Forensicare is committed to providing a safe and healthy workplace for employees, contractors, our consumers and visitors.

Three new committees were implemented to support Thomas Embling Hospital, Prison Services and Community Forensic Mental Health Services. These committees report to the Strategic OHS Committee, which oversees the strategic and consistent delivery of OHS across Forensicare.

The Strategic OHS Governance Committee established a process to review every incident of occupational violence and aggression to ensure every incident was assigned to a responsible person and followed up. It also delivered a number of new initiatives which included establishing framework and capability for:

- annual internal occupational health and safety management system audits
- annual internal occupational violence and aggression systems audits
- biannual psychosocial survey to inform improvements in providing a mentally healthy and safe workplace

These major system reviews inform the priority projects within the *Health Safety and Wellbeing Plan 2020-2022*.

Occupation health and safety training

The two online OHS training modules developed for managers and new staff now have compliance monitoring and oversight from the Strategic OHS Committee. From this oversight, further opportunities have been identified to develop and deliver training to further enhance the capabilities of managers and our people. This includes:

- OHS roles and responsibilities
- psychological First Aid
- providing a mentally healthy workplace
- trauma informed workplaces

Counselling services

During the reporting period, 23 staff members accessed Forensicare's free employee assistance program for staff and their immediate family members. This confidential service provides short-term professional counselling delivered by an independent provider.

Workplace bullying

The *Working Respectfully Policy* has been reviewed and will be launched along with a revised and straight forward investigation procedure. New training for leaders will be delivered in the next financial year to enable leaders to recognise conflict and manage complaints with emphasis on resolution at the local level.



Occupational violence

Over the last 12 months the percentage of incidents resulting in staff injury has increased slightly even though there has been a decline in the incidents of occupational violence being reported by staff. The majority of these incidents were of short duration and all staff have returned to work.

Improvements to our OHS policies, process and procedures, critical incident response and health, safety and wellbeing have contributed to a decline in incidents.

Table 2: Occupational violence experienced at Forensicare, 2015-16 to 2019-20

Occupational violence statistics	2019-20	2018-19	2017-18	2016-17	2015-16
WorkCover-accepted claims with an occupational violence cause per 100 EFT	1.32	1.37	1.36	0.87	2.1
Number of accepted WorkCover claims with lost time with an occupational violence cause per 1,000,000 hours worked	8.06	7.64	7.44	4.83	11.28
Number of occupational violence incidents reported	251	276	202	143	141
Number of occupational violence incidents reported per 100 EFT	36.7	42.2	34.4	31	32.88
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	3.58%	3.26%	3.96%	3%	26.24%

Definitions

For the purpose of the above statistic the following definitions apply:

- *Occupational violence*—any incident where an employee is abused, threatened, assaulted or injured in circumstances in or out of the course of their employment.
- *Incident*—occupational health and safety incidents reported in the Forensicare RiskMan reporting system.

WorkCover

Table 3 summarises WorkCover claims and premiums over the past five years and WorkCover performance (five-year claims tracking), 2015–16 to 2019–20.

Insurance year	Wages	Premium (inc. GST)	Premium rate	Average industry rate	Days paid	Time lost claims	Total standard claims
2015–16	\$41,015,668	\$671,497	1.49%	1.38%	604	8	14
2016–17	\$46,566,958	\$803,413	1.56%	1.24%	1,298	6	8
2017–18	\$63,114,065	\$1,136,632	1.64%	1.50%	1,225	11	17
2018–19	\$76,078,552	\$1,594,253	1.88%	1.54%	882	14	20
2019–20	\$84,738,768	\$1,737,632	1.86%	1.65%	873	10	21

Workcover premiums increased by \$41,749 over the year due in part to claims experience, increased remuneration and growth in staff numbers. The number of standard WorkCover claims increased by one however this is a decline in the number of claims per 100 FTE. Forensicare achieved improved performance in days lost due to an injury received in the financial year. A significant portion of the days paid [873] is made up of claims from previous years. These results are reflective of an ongoing active return to work program and early intervention strategies to support staff with injuries.

During the reporting period, 23 staff members accessed Forensicare's free employee assistance program for staff and their immediate family members.



Workforce profile

All Forensicare employees are correctly classified and employed in accordance with the relevant enterprise agreement and are required to meet the standards set out in the Victorian Public Sector Commission's *Code of Conduct* at all times. Forensicare policies and procedures are in place to ensure all recruitment and employment-related practices are in line with the key principles of merit and equity.

Table 4: Forensicare's workforce profile, 2018–2020

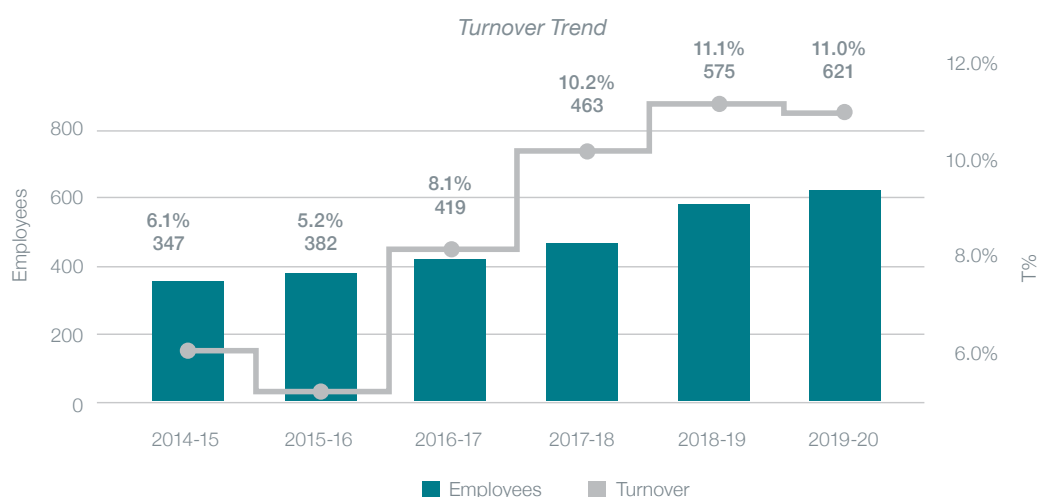
Staff	30 June 2020		30 June 2019		30 June 2018	
	Staff number	Total EFT	Staff number	Total EFT	Staff number	Total EFT
Clinical staff						
Nursing	455	412.32	415	378.43	359	325.05
Medical						
Consultants/medical Officers/registrars	70	57.19	64	51.04	64	51.63
<i>Medical total</i>	70	57.19	64	51.04	64	51.63
Clinical Support						
Clinical support	45	39.89	39	34.32	45	39.75
Allied health						
Psychologist	67	48.96	70	51.82	61	44.44
Social worker	32	29.96	32	31.26	34	33.75
Occupational therapist	28	25.55	28	25.57	24	21.95
Art therapist	1	1.00	1	1.00	1	1
Consumer consultant	2	1.17	3	2.40	3	1.8
Aboriginal health worker	1	1				
Family & Carer Consultant	1	1	2	1.60	1	0.86
Welfare worker	0	0	1	1.00	1	1
<i>Allied health total</i>	132	108.64	137	114.65	125	104.8

Staff	30 June 2020		30 June 2019		30 June 2018	
	Staff number	Total EFT	Staff number	Total EFT	Staff number	Total EFT
Corporate/admin						
Administration	78	67.09	75	68.68	63	53.22
Corporate support	8	8.00	10	9.84	13	12.55
Total staff	788	693.13	740	650.39	669	587
Age						
Under 25	29	26.17	29	27.75	31	30.84
25–34	215	199.32	204	186.94	175	161.67
35–44	245	212.16	219	188.23	194	164.01
45–54	165	143.83	150	134.50	132	116.75
55–64	107	89.22	113	95.45	113	93.61
Over 64	27	22.43	25	21.68	24	20.12
Total	788	693.13	740	650.39	669	587
Gender						
Women	516	448.04(64.6%)	478	413.37 (63.6%)	429	370.47 (63%)
Men	272	245.09(35.4%)	262	237.02 (36.4%)	240	216.53 (37%)

Permanent employees only

68 separations in the last financial year. Nine of those occurred within the first 12 months of employment (includes one employee who never showed and two who left in their first week).

Figure 2: Permanent employee turnover for 2019-2020



Forensicare is committed to providing a safe and healthy workplace for employees, contractors, our consumers and visitors.



Executive officers

Government Sector Executive Remuneration Panel executives at Forensicare are employed in line with the *Victorian Public Health Services Executive Remuneration Policy* and are categorised as Group 3, Cluster 2 for TRP purposes.

Length of Service Awards

Every year, we acknowledge the longstanding commitment of our highly experienced and valued employees. We have introduced a service recognition award and ceremony to celebrate their major milestones of employment. Staff with 10 or more years of service are acknowledged by our chairperson and CEO.

Table 5: Forensicare's executive staff, 2017–2019

	30 June 2020	30 June 2019	30 June 2018
Number of executives	7	6	5
Vacancies	1	0	0
Ongoing/special projects	0	0	5 ongoing
Gender	5 females, 2 males	2 females, 4 males	5 males

Table 6: Service recognition awards 2019

Years of service	Number of recipients
30 Year Service Award	1
25 Year Service Award	1
20 Year Service Award	8
15 Year Service Award	5
10 Year Service Award	17
CCAG and Family Sensitive Practice – 5 Year Service	2

Sustainability

—Our Environment

Forensicare continues to monitor and report on its environmental performance. Our Environmental Strategy – *Our contribution to a healthier environment – 2018-2020* commenced on 1 July 2018. Since its launch, we've continued to reduce our total greenhouse gas emissions and continue to work towards improving our targets.

Environmental achievements in 2019–20

For the period 2019-20, the Environmental Strategy achievements include the commencement of organic waste recycling in January 2020.

Recycling



Plastic bottles recycled
(240 litre bins)

349	2016–2017
398	2017–2018
460	2018–2019
530	2019–2020



Paper recycling (Kg)

2,223	2016–2017
2,426	2017–2018
3,202	2018–2019
2,560	2019–2020



Cardboard and paper
recycling (4 cubic metres)

53	2016–2017
51	2017–2018
52	2018–2019
52	2019–2020



General waste (tonnes)

219	2016–2017
239	2017–2018
115*	2018–2019
115*	2019–2020

* With the new Health Purchasing Victoria waste contract, a more accurate weight measurement is now possible

Water consumption



Water consumption (L)

14,672 2017–2018

14,248 2018–2019

13,775 2019–2020

Water reduction goal (L)

12,262 2017–2018

13,248 2018–2019

12,775 2019–2020

Vehicle use



Kilometres travelled

143,016 2017–2018

233,638 2018–2019

***163,758** 2019–2020

Total tonnes of fleet CO₂-e

47 2017–2018

45 2018–2019

31 2019–2020

** Reduction in total kilometers travelled reflective of COVID-19 travel restrictions*

Total greenhouse gas emissions



Total tonnes of CO₂-e

2,821 2017–2018

2,766 2018–2019

2,591 2019–2020

** With the new Health Purchasing Victoria waste contract a more accurate weight measurement is now possible*

Statement of Priorities

2019 – 2020

58

The *Statement of Priorities* is the key accountability agreement between Forensicare and the Victorian Minister for Mental Health and is in accordance with section 344 of the *Mental Health Act 2014*.

Part A: Strategic priorities

Table 6: Strategic priorities 2019-2020

Goals	Strategies	Deliverables	Outcomes
Better health A system geared to prevention as much as treatment Everyone understands their own health and risks Illness is detected and managed early Healthy neighbourhoods and communities encourage healthy lifestyles	Better health Reduce statewide risks Build healthy neighbourhoods Help people to stay healthy Target health gaps	Review our education and training programs provided to both staff and third parties	Complete
		Strengthen links with the Centre for Mental Health Learning	Complete
		Achieve the objectives of the Forensic Leave Panel Reform Project, including improved consumer participation in, and experience of, forensic leave panel processes	In progress To be reprioritised in 2020-21 due to COVID-19
		Prioritise the physical health of consumers consistent with the “Equally Well” consensus statement to support improved physical health outcomes	Complete
		Implement a model for consumer involvement in clinical reviews	Complete

Goals	Strategies	Deliverables	Outcomes
Better access Care is always there when people need it Better access to care in the home and community People are connected to the full range of care and support they need There is equal access to care	Better access Plan and invest Unlock innovation Provide easier access Ensure fair access	Review current approach to patient flow across Thomas Embling Hospital and our prison-based services to improve access	Complete
		Develop a proposal to improve the integration of mental health records across Forensicare	Complete
		Implement the DUNDRUM (Dangerous, Understanding, Recovery and Urgency Manual) as an assessment and planning tool across prisons and Thomas Embling Hospital as part of the new model of care	Complete
		Review performance indicators specific to access flow across Forensicare services to align with DHHS and improve monitoring	Complete
Better Care Target zero avoidable harm Healthcare that focuses on outcomes Patients and carers are active partners in care Care fits together around people's needs	Better Care Put quality first Join up care Partner with patients Strengthen the workforce Embed evidence Ensure equal care	Implement Safewards in all of Thomas Embling hospital wards	Complete
		Trial a model of peer support that enacts the principles of "active partners in care" within the women's program at Thomas Embling Hospital (TEH)	In progress To be reprioritised in 2020-21 due to COVID-19
		Implement the Your Experience of Service (YES) questionnaire across Forensicare to assist in improving the service we provide to consumers	In progress To be reprioritised in 2020-21 due to COVID-19
		Systematically review how structured therapeutic interventions are delivered across the organisation to improve their effectiveness	Complete
		Systematically review how structured therapeutic interventions are delivered across the organisation to improve their effectiveness	Complete

Goals	Strategies	Deliverables	Outcomes
Specific 2019-2020 priorities (mandatory)	Supporting the mental health system Improve service access to mental health treatment to address the physical and mental health needs of consumers.	Implement the recommendations of the seclusion review at TEH	In progress To be reprioritised in 2020-21 due to COVID-19
		Lead collaborative relationships with Area Mental Health Services (AMHS) and community service providers to improve access and transition pathways for forensic mental health consumers	Complete
	Addressing occupational violence Foster an organisation-wide occupational health and safety risk management approach, including identifying security risks and implementing controls, with a focus on prevention and improved reporting and consultation. Implement the department's security training principles to address identified security risks.	In the context of the seclusion review, review policies and procedures associated with occupational violence to ensure a comprehensive organisational wide approach to health and safety risk management	Complete
		Review current incident management processes to ensure all occupational violence incidents are reported	Complete
		In the context of the seclusion review, review policies and procedures associated with occupational violence to ensure a comprehensive organisational wide approach to health and safety risk management	Complete
	Addressing bullying and harassment Actively promote positive workplace behaviours, encourage reporting and action on all reports. Implement the department's Framework for promoting a positive workplace culture: preventing bullying, harassment and discrimination and Workplace culture and bullying, harassment and discrimination training: guiding principles for Victorian health services.	Encourage participation in the People Matter Survey and resulting strategies	Complete
		Develop an action plan that enacts the Department's framework	Complete
		Take action in accordance with the framework	In progress To be reprioritised in 2020-21 due to COVID-19
		Develop systems and processes that staff trust and which demonstrate that Forensicare does not tolerate bullying and harassment	In progress To be reprioritised in 2020-21 due to COVID-19

Goals	Strategies	Deliverables	Outcomes
Specific 2019-2020 priorities (mandatory)	Supporting vulnerable patients Partner with patients to develop strategies that build capability within the organisation to address the health needs of communities and consumers at risk of poor access to health care.	Develop and implement a Rainbow project action plan	In progress To be reprioritised in 2020-21 due to COVID-19
		Develop and implement an action plan to respond to the needs of culturally and linguistically diverse (CALD) consumers across the organisation	In progress To be reprioritised in 2020-21 due to COVID-19
	Supporting Aboriginal cultural safety Improve the health outcomes of Aboriginal and Torres Strait Islander people by establishing culturally safe practices across all parts of the organisation to recognise and respect Aboriginal culture and deliver services that meet the needs, expectations and rights of Aboriginal patients, their families, and Aboriginal staff.	Develop and implement a Reconciliation Action Plan	In progress To be reprioritised in 2020-21 due to COVID-19
	Addressing family violence Strengthen responses to family violence in line with the Multiagency Risk Assessment and Risk Management Framework (MARAM) and assist the government in understanding workforce capabilities by championing participation in the census of workforces that intersect with family violence.	Align the Forensicare family violence related policies, procedures, practice guidelines and tools to the pillars in the MARAM framework	In progress To be reprioritised in 2020-21 due to COVID-19
		Utilise existing governance and advisory structure to implement the MARAM framework	In progress To be reprioritised in 2020-21 due to COVID-19
		Support the implementation of the MARAM, including through staff training and development	Complete
	Implementing disability action plans Continue to build upon last year's action by ensuring implementation and embedding of a disability action plan which seeks to reduce barriers, promote inclusion and change attitudes and practices to improve the quality of care and employment opportunities for people with disability.	Deliver a Disability Action Plan for 2019/20	In progress To be reprioritised in 2020-21 due to COVID-19
	Supporting environmental sustainability Contribute to improving the environmental sustainability of the health system by identifying and implementing projects and/or processes to reduce carbon emissions.	Act on opportunities to improve environmental sustainability identified in the Forensicare Environmental Strategy 18-20, including food waste composting	In progress To be reprioritised in 2020-21 due to COVID-19
		Audit waste removal companies to ensure waste is being disposed of or recycled in a sustainable way	Complete

Part B: Performance priorities

Table 7: Performance priorities 2019-2020

High-quality and safe care	KPI	Target	Result
Infection prevention and control	Hand hygiene	83%	84.5%
	Healthcare worker immunisation	84%	93%
Patient experience*	Patient experience (Thomas Embling Hospital)	90%	n/a
	Patient experience (CFMHS)	90%	n/a
Adverse events	Sentinel events – root cause analysis (RCA) reporting	Submitted within 30 days	n/a
Mental health	Rate of seclusion relating to an adult acute mental health admission	≤ 15/1,000	33
	Percentage of acute mental health adult inpatients with post-discharge follow-up within seven days	80%	94%
Strong governance, leadership and culture*			2020 result
Organisational culture	People Matter Survey – percentage of staff with an overall positive response to safety and culture questions		n/a
	People Matter Survey – percentage of staff with a positive response to the question, 'I am encouraged by my colleagues to report any patient safety concerns I may have'		n/a
	People Matter Survey – percentage of staff with a positive response to the question, 'Patient care errors are handled appropriately in my work area'		n/a
	People Matter Survey – percentage of staff with a positive response to the question, 'My suggestions about patient safety would be acted upon if I expressed them to my manager'		n/a
	People Matter Survey – percentage of staff with a positive response to the question, 'The culture in my work area makes it easy to learn from the errors of others'		n/a
	People Matter Survey – percentage of staff with a positive response to the question, 'Management is driving us to be a safety-centred organisation'		n/a
	People Matter Survey – percentage of staff with a positive response to the question, 'This health service does a good job of training new and existing staff'		n/a
	People Matter Survey – percentage of staff with a positive response to the question, 'Trainees in my discipline are adequately supervised'		n/a
	People matter survey – percentage of staff with a positive response to the question, 'I would recommend a friend or relative to be treated as a patient here'		n/a

Timely access to care	Target	Result
Number of male security patients admitted to acute units at Thomas Embling Hospital	≥ 80	114
Percentage of male security patients admitted to Thomas Embling Hospital within 14 days of certification as requiring compulsory treatment	100%	43%
Percentage of male security patients discharged to prison within 80 days	75%	68%
Percentage of male security patients at Thomas Embling Hospital discharged within 21 days of becoming a civil patient	75%	100%
Effective financial management	Target	Result
Operating result (\$m)	0.0%	-0.3%
Average number of days to pay creditors	60 days	69 days
Adjusted current asset ratio	0.7 or 3% improvement from health service asset base target	0.9
Forecast number of days available cash	14 days	20.2
Actual number of days available cash each month	14 days	20.2
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June	+ / - 0.25	\$1,41m

*Due to COVID-19, these surveys have been postponed to the next financial year.

Disclosures

Building Act

Forensicare complies with the building and maintenance provisions of the *Building Act 1993*.

During the financial year, no permits were obtained, and no registered building practitioners were engaged.

Freedom of Information Act

The *Freedom of Information Act 1982* (the Act) gives members of the public a right to apply for access to documents held by Forensicare. This comprises documents both created by Forensicare or supplied to Forensicare by an external organisation or individual and may include film and photographs, computer discs and tape recordings.

The Act allows Forensicare to refuse access, either fully or partially, to certain documents or information. The majority of information held by Forensicare consists of clinical records. Examples of documents that may not be accessed include: some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and information provided to Forensicare in-confidence.

From 1 September 2017, the Act has been amended to reduce the Freedom of Information (FOI) processing time for requests received from 45 to 30 days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, the processing time automatically reverts to 45 days. Processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

If an applicant is not satisfied by a decision made by the Department, under section 49A of the Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

The majority of FOI request Forensicare receives are from consumers or their legal representatives for clinical records. Requests for health records created in prison are not within Forensicare's scope and requests for access to these records must be directed to Justice Health.

Making an FOI request

FOI requests for Forensicare's Thomas Embling Hospital and Community Forensic Mental Health Service information are made by contact the Forensicare health information services team:

e: health.information@forensicare.vic.gov.au

p: (03) 9495 9100

An application fee applies unless waived. Access charges may also be payable if the document pool is large, and the search for material time consuming. When making an FOI request, applicants should ensure requests are in writing, and clearly identify what types of material/documents are being sought.

FOI requests for health records created by Forensicare Prison Services are made through the Justice Health Team at the Department of Justice and Community Safety:

p: (03) 8684 0063

FOI statistics/timeliness

No fees were charged for accessing information in 2019–20. During the reporting period, 80 requests were received and processed. All 80 requests were from members of the public, with none being received from media or Members of Parliament.

- Documents were released in full in response to 61 applications
- 1 application was received for which no documents were found
- No applications were denied
- No applications were transferred
- 18 applications had some exemptions applied

There were no applications carried over to be completed in 2019–20.

Of the 19 applications that were not released in full, the following exemptions* were applied to some of the documents:

- 14 had section 33(1) applied
- 8 had section 33(4) applied
- 7 had section 35(1) applied

*Note: Some applications had multiple exemptions.

All decisions were made within the statutory 30-day time period. The average time taken to finalise requests in 2019-20 was 9.4 days. Of requests finalised, the average number of days (over or under the average statutory time period to decide the request) was 20.6 days (under). During 2019-20, 1 request was subject to a complaint/internal review by OVIC. No requests progressed to the Victorian Civil and Administrative Tribunal (VCAT).

Further information

All patients are provided with a FOI kit as part of their admission packs upon admission to assist them in making an FOI request should they wish at any stage. More information can be obtained from the Act, from regulations made under the Act, or at <https://ovic.vic.gov.au>

Protected Disclosure Act

Forensicare complies with its obligations under the *Protected Disclosure Act 2012*. Forensicare's policy and procedure is available to all staff on the Forensicare intranet site and to the public at www.forensicare.vic.gov.au.

Carers Recognition Act

Forensicare has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012* (the Act). These include:

- ensuring our staff have an awareness and understanding of the care relationship principles set out in the Act
- considering the care relationships principles set out in the Act when setting policies and providing services
- implementing priority actions in *Recognising and supporting Victoria's carers: Victorian carer strategy 2018-22*.

Families and carers are important contributors to the care and wellbeing of our consumers and their ongoing recovery. Every effort is made to support the role of families and carers and to encourage and promote their involvement in all elements of our service delivery.

We continue to work to deliver improvements to Forensicare's workplace and culture. Over the past 12 months we have delivered a series of improvements.



National Competition Policy

Forensicare continues to comply with the *National Competition Policy* and the *Competitive Neutrality Policy Victoria* on competitive neutrality.

Local Jobs First – Victorian Industry Participation Policy

Forensicare complies with the *Victorian Industry Participation Policy Act 2003*, which requires local industry participation in supplier use, considering the value-for-money principle and transparent tendering processes.

Within the past 12 months Forensicare has not undertaken any projects within the meaning of the *Victorian Industry Participation Policy Act 2003*.

Additional information

In compliance with the requirements of Financial Reporting Direction (FRD) 22H, the following information is retained by the accountable officer and made available on request to the relevant ministers, members of parliament and the public, subject to the provisions of the Freedom of Information Act:

- a) a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- b) details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- c) details of publications produced by the entity about the entity, and how these can be obtained

- d) details of changes in prices, fees, charges, rates and levies charged by the entity
- e) details of any major external reviews carried out on the entity
- f) details of major research and development activities undertaken by the entity
- g) details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- h) details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services
- i) details of assessments and measures undertaken to improve the occupational health and safety of employees
- j) general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes
- k) list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved
- l) details of all consultancies and contractors including:
 - i. consultants/contractors engaged
 - ii. services provided
 - iii. expenditure committed to for each engagement.

Consultancies used in 2019–20

Table 8: Consultancies used in 2019-2020

Consultant	Purpose of consultancy	Total approved project fee (exc. GST)	Expenditure 2018–19 (exc. GST)	Future expenditure (exc.g GST)
Swinburne University Of Technology	Evaluation of Forensicare Services at Ravenhall	\$197,311	\$197,311	0
Brian Stevenson Consulting	Strategic Capital Development Advisory Services	\$156,100	\$156,100	0
Pricewatercoppers Consulting (Australia) Pty Ltd	Service Plan Development	\$125,569	\$125,569	0
Fbg Group Pty Ltd	Ravenhall Project-Wellbeing and Cultural Review	\$97,575	\$97,575	0
Victorian Public Sector Commission	Organisational Capability Review	\$97,114	\$97,114	0
Highlands Consulting Service	Project Management Plan	\$60,000	\$60,000	0
Myob Australia Pty Ltd	Payroll System Upgrade	\$54,764	\$54,764	0
Ncs Project Solutions	Capital Project Management	\$44,760	\$44,760	0
Helen Ormond	Organisational Renewal Project	\$38,475	\$38,475	0
Integrated Resilience Solutions Pty Ltd	Consulting for Business Continuity Plan	\$26,250	\$26,250	0
Wise Workplace Solutions	Consulting for Workplace Investigation	\$25,414	\$25,414	0
Redmosaic	ICT Strategy Review	\$22,500	\$22,500	0
Deloitte Touche Tohmatsu	Governance and Leadership Advisory	\$18,989	\$18,989	0
Alexander And Hamman Pty Ltd	Development of Operational Plan	\$17,600	\$17,600	0
Swannie Hr Legal Consulting	HR policy Advisory	\$16,210	\$16,210	0
Australian Institute Of Company Directors	Governing to Protect Vulnerable People	\$14,000	\$14,000	0
Joanne Silver	Development of Disability Action Plan	\$12,500	\$12,500	0

Throughout the financial year, Forensicare engaged 19 consultancies where the total fees payable to the consultants were less than \$10,000, with a total expenditure of \$69,895 (excl. GST).

Details of information and communication technology expenditure 2019-2020

The total ICT expenditure incurred during 2019–20 was \$2.8 million (excluding GST), with the details shown below.

Table 9: ICT expenditure in 2019-2020

Business as usual (BAU) ICT expenditure (Total) (excluding GST)	Non business as usual (non BAU) ICT expenditure (Total = operational expenditure and capital expenditure) (excluding GST)	Operational expenditure (OPEX) (excluding GST)	Capital expenditure (CAPEX) (excluding GST)
1.6m	1.2m	0.5m	0.7m

We have introduced a service recognition award and ceremony to celebrate their major milestones of employment.



Financial Performance Summary 2019 – 2020

At the end of the reporting period, Forensicare recorded a net deficit for the year of \$2.3m (2019: surplus of \$6.6m). The Statement of Priorities operating result was a deficit of \$354 against a break-even budget. The YTD deficit was driven by commercial prison revenue (\$363k unfavourable) due to reversal of a revenue accrual relating to the FY19 financial year. But for this reversal the operating result would have been a surplus of \$9k against a breakeven budget.

The Statement of Priorities operating result excludes capital purpose income, depreciation, revaluations of long service leave provisions due to probability or bond rate movements.

The breakeven result was in line with budget.

Revenue

Total Income from transactions grew during the year by 4.7 per cent to \$116.4m up from \$111.2m in 2018-19. Key increases in the year were due to:

- DHHS additional recurrent funding for 18 additional beds at Thomas Embling Hospital
- DHHS additional funding for Board Governance strengthening, Nurse Graduate Programs and Clinical Nurse Consultant program
- DHHS funded capital works primarily related to Thomas Embling's Priority Works Program

Expenditure

Salary and Wages

As services expanded employee benefits increased to \$100.4m up from \$87.2m in 2018-19 (15.1%), the result of a combination of 46 additional FTE and EBA increases.

Non-salary expenditure

Non-salary expenditure increased during the year to \$14.0 from \$13.5 in 2018-19 (3.7%), despite expenditure due to COVID such as additional PPE and cleaning services.

Other comments to the Financial Statements

- The cash and cash equivalents balance was \$14.5m down from \$18.9m. This decrease was predominantly due to higher employee expenses during the period.
- Property, plant and equipment increased by \$2.0m. This was for works undertaken for the Priority Works Program currently underway.

Historical financial analysis and key financial statistics

Table 10: Historical financial analysis and key financial statistics

	2020	2019	2018	2017	2016
	\$'000	\$'000	\$'000	\$'000	
Financial performance					
Operating revenue	\$114,298	\$101,138	\$89,540	\$68,200	\$61,706
Operating expenditure	(\$114,431)	(\$100,712)	(\$87,908)	(\$68,442)	(\$61,455)
	(\$133)	\$426	\$1,632	(\$242)	\$251
Other gains/(losses) from other economic flows	(\$417)	(\$1,322)	\$332	(\$163)	(\$228)
Capital revenues	\$2,141	\$10,109	\$17,394	\$3,729	\$483
Depreciation and amortisation	(\$3,902)	(\$2,619)	(\$2,307)	(\$1,907)	(\$1,859)
Net result	(\$2,311)	\$6,594	\$17,394	\$1,417	(\$1,353)
Financial position					
Current assets	\$21,503	\$25,322	\$16,625	\$8,469	\$6,054
Non-current assets	\$152,550	\$150,682	\$117,225	\$101,574	\$90,877
Total assets	\$174,053	\$176,004	\$133,850	\$110,043	\$96,931
Current liabilities	\$32,168	\$26,406	\$20,566	\$17,171	\$12,795
Non-current liabilities	\$7,956	\$5,787	\$4,098	\$3,517	\$4,059
Total liabilities	\$40,124	\$32,193	\$24,664	\$20,688	\$16,854
Net assets	\$133,929	\$143,811	\$109,186	\$89,355	\$80,077
Equity	\$133,929	\$143,811	\$109,186	\$89,355	\$80,077
Cash held					
Cash at the end of reporting period	\$14,470	\$18,874	\$8,924	\$5,097	\$3,258
Key statistics					
Current ratio – liquidity	0.67	0.96	0.81	0.49	0.47
Equity/assets – stability	0.83	0.82	0.82	0.81	0.83

Net result from transactions

Table 11: Reconciliation between the Net result from transactions reported in the model to the Operating result as agreed in the Statement of Priorities

	2019	2018	2017	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000
Net operating result *	-354	474	1,644	(234)	29
Capital and specific items					
Capital purpose income	2,416	10,109	17,736	3,729	484
Specific income	(455)	(1,361)	321	(171)	-
Assets provided free of charge	-	-	-	-	-
Assets received free of charge	-	-	-	-	-
Expenditure for capital purpose					
Depreciation and amortisation	(3,902)	(2,619)	(2,307)	(1,907)	(1,857)
Impairment of non-financial assets	-	-	-	-	-
Finance costs (other)	(54)	(9)	-	-	-
Net profit on disposal of assets	38				
Net result from transactions	(2,311)	6,594	17,394	1,417	(1,344)

* The Net operating result is the result which the health service is monitored against in its Statement of Priorities



Financial statements 2019 – 2020

For the Financial Year Ended 30 June 2020



HOW THIS REPORT IS STRUCTURED

The Victorian Institute of Forensic Mental Health has presented its audited general purpose financial statements for the financial year ended 30 June 2020 in the following structure to provide users with the information about the Institute's stewardship of the resources entrusted to it.

Note	Contents	Page
	Financial Performance Summary 2019-2020	
	Board Member's, Accountable Officer's and Chief Finance and Accounting Officer's Declaration	77
	Victorian Auditor – General's Office Report	78
	Comprehensive Operating Statement	80
	Balance Sheet	81
	Statement of Changes in Equity	82
	Cash Flow Statement	83
	Basis of Preparation	84
Note 1	Summary of Significant Accounting Policies	84
Note 2	Funding Delivery of Our Services	86
Note 2.1a	Income from Transactions	87
Note 2.1b	Fair Value of Assets and Services Received Free of Charge or for Nominal Consideration	87
Note 2.1bc	Other Income	88
Note 3	The Cost of Delivering Our Services	89
Note 3.1	Expenses from Transactions	89
Note 3.2	Other Economic Flows	91
Note 3.3	Employee Benefits in the Balance Sheet	92
Note 3.4	Superannuation	94
Note 4	Key Assets to Support Service Delivery	95
Note 4.1	Property, Plant and Equipment	95
Note 4.2	Intangible Assets	104
Note 4.3	Depreciation and Amortisation	105
Note 5	Other Assets and Liabilities	106
Note 5.1	Receivables and Contract Assets	106
Note 5.2	Payables and Contract Liabilities	107
Note 5.3	Other Liabilities	108
Note 6	How We Finance Our Operations	109
Note 6.1	Borrowings	110
Note 6.2	Cash and Cash Equivalents	112
Note 6.3	Commitments for Expenditure	113
Note 7	Risks, Contingencies and Valuation Uncertainties	114
Note 7.1	Financial Instruments	115
Note 7.2	Contingent Assets and Contingent Liabilities	116
Note 8	Other Disclosures	117
Note 8.1	Reconciliation of Net Result for the Year to Net Cash Inflow/(Outflow) from Operating Activities	117
Note 8.2	Responsible Persons Disclosure	118
Note 8.3	Remuneration of Executive Officer Disclosures	119
Note 8.4	Related Parties	120
Note 8.5	Remuneration of Auditors	121
Note 8.6	Events Occurring after the Balance Sheet Date	121
Note 8.7	Economic Dependency	121
Note 8.8	Changes in Accounting Policy	122
Note 8.9	AASBs Issued that are not yet Effective	125

Attestations

Disclosure index

The index prepared to help identify Forensicare's compliance with statutory disclosure requirements is provided at pages 126 to 127.

Data integrity attestation

I, Margaret Grigg, certify that Forensicare has put in place appropriate internal controls and processes to ensure where possible that the reported data accurately reflects actual performance. Forensicare has critically reviewed these controls and processes during the year and will continue to improve these controls and processes to strengthen Forensicare's data integrity across the organisation.



Dr Margaret Grigg
Chief Executive Officer
Accountable Officer

Melbourne
26 August 2020

Responsible bodies declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the report of operations for Forensicare for the year ending 30 June 2019.



Ken Lay AO APM
Chair, Forensicare Board

Melbourne
26 August 2020

Conflict of interest attestation

I, Margaret Grigg, certify that Forensicare has put in place appropriate internal controls and processes to ensure that it has complied with the requirements of hospital circular 07/2017 Compliance reporting in health portfolio entities (Revised) and has implemented policies that address 'Conflict of Interest' consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within Forensicare and members of the board, and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive board meeting.



Dr Margaret Grigg
Chief Executive Officer
Accountable Officer

Melbourne
26 August 2020

Financial management compliance attestation

I, Margaret Grigg, on behalf of the Responsible Body, certify that Forensicare has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Dr Margaret Grigg
Chief Executive Officer
Accountable Officer

Melbourne
26 August 2020

Integrity, fraud and corruption

I, Margaret Grigg, certify that Forensicare has put in place appropriate internal controls and processes to ensure that integrity, fraud and corruption risks have been reviewed and addressed at Forensicare during the year.



Dr Margaret Grigg
Chief Executive Officer
Accountable Officer

Melbourne
26 August 2020

Compliance with the DataVic Access Policy

The Victorian Government's DataVic Access Policy enables the sharing of Government data at no, or minimal, cost to users. The policy intent is to support research and education, promote innovation, support improvements in productivity and stimulate growth in the Victorian economy as well as enhance sharing of, and access to, information rich resources to support evidence based decision making in the public sector.

Government data is progressively published in a machine readable format on www.data.vic.gov.au, to minimise access costs and maximise use and reuse.

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, the financial statements, performance statements and tables included in this Annual Report will be available at www.data.vic.gov.au in machine readable format.

Victorian Institute of Forensic Mental Health

Board Member's, Accountable Officer's and Chief Finance and Accounting Officer's Declaration

The attached financial statements for the Victorian Institute of Forensic Mental Health have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including 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 accompanying notes, presents fairly the financial transactions during the year ended 30 June 2020 and the financial position of the Victorian Institute of Forensic Mental Health at 30 June 2020.

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

We authorise the attached financial statements for issue on 26th August 2020.

Member of Responsible Body


Mr Ken Lay AO APM
Chair

Accountable Officer


Dr Margaret Grigg
Chief Executive Officer

Chief Finance and Accounting Officer


Ms Jessica Lightfoot
Chief Financial Officer

26th August 2020
Melbourne, Victoria

Independent Auditor's Report

To the Board of the Victorian Institute of Forensic Mental Health

Opinion	<p>I have audited the financial report of the Victorian Institute of Forensic Mental Health (the institute) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2020 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • board member's, accountable officer's and chief finance and accounting officer's declaration. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the institute as at 30 June 2020 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the institute in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board's responsibilities for the financial report	<p>The Board of the institute is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit 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 institute's internal control • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board • conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the institute's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the institute to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. <p>I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
---	--

MELBOURNE
14 September 2020


Travis Derricott
as delegate for the Auditor-General of Victoria

Victorian Institute of Forensic Mental Health
Comprehensive Operating Statement
For the Financial Year Ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
Income from Transactions			
Operating activities	2.1	116,189	110,900
Non-operating activities	2.1	250	347
Total Income from Transactions		116,439	111,247
Expenses from Transactions			
Employee expenses	3.1	(100,402)	(87,192)
Supplies and consumables	3.1	(6,034)	(5,350)
Other operating expenses	3.1	(7,995)	(8,170)
Depreciation and amortisation	3.1, 4.3	(3,902)	(2,619)
Total Expenses from Transactions		(118,333)	(103,331)
Net Result from Transactions - Net Operating Balance		(1,894)	7,916
Other Economic Flows included in Net Result			
Net gain/(loss) on sale of non-financial assets	3.2	38	39
Other gain/(loss) from other economic flows	3.2	(455)	(1,361)
Total Other Economic Flows included in Net Result		(417)	(1,322)
NET RESULT FOR THE YEAR		(2,311)	6,594
Other Comprehensive Income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment revaluation surplus	4.1b	-	28,031
Total Other Comprehensive Income		-	28,031
COMPREHENSIVE RESULT FOR THE YEAR		(2,311)	34,625

This Statement should be read in conjunction with the accompanying notes.

Victorian Institute of Forensic Mental Health
Balance Sheet
As at 30 June 2020

	Note	2020 \$'000	2019 \$'000
Current Assets			
Cash and cash equivalents	6.2	14,470	18,874
Receivables	5.1	6,125	6,157
Other assets		908	291
Total Current Assets		21,503	25,322
Non-Current Assets			
Receivables	5.1	6,117	6,283
Property, plant and equipment	4.1a	146,292	144,232
Intangible assets	4.2	141	167
Total Non-Current Assets		152,550	150,682
Total Assets		174,053	176,004
Current Liabilities			
Payables	5.2	13,972	10,931
Borrowings	6.1	377	31
Provisions	3.3	17,603	15,261
Other current liabilities	5.3	215	183
Total Current Liabilities		32,167	26,406
Non-Current Liabilities			
Borrowings	6.1	1,951	144
Provisions	3.3	6,005	5,643
Total Non-Current Liabilities		7,956	5,787
Total Liabilities		40,123	32,193
NET ASSETS		133,930	143,811
Equity			
Property, plant and equipment revaluation surplus	4.1f	91,882	91,882
Contributed capital	SCE	34,139	34,139
Accumulated surplus	SCE	7,909	17,790
TOTAL EQUITY		133,930	143,811

This Statement should be read in conjunction with the accompanying notes.

SCE refers to the Statement of Changes in Equity

Victorian Institute of Forensic Mental Health
Statement of Changes in Equity
For the Financial Year Ended 30 June 2020

	Note	Property, Plant & Equipment Revaluation Surplus	Contributed Capital	Accum Surplus/ (Deficit)	Total
		\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2018		63,851	34,139	11,196	109,186
Net result for the year		-	-	6,594	6,594
Other comprehensive income for the year		28,031	-	-	28,031
Transfer to accumulated surplus		-	-	-	-
Balance at 30 June 2019		91,882	34,139	17,790	143,811
Effect of adoption of AASB 15, 16 & 1058	8.8	-	-	(7,570)	(7,570)
Restated balance at 30 June 2019		91,882	34,139	10,220	136,241
Net result for the year		-	-	(2,311)	(2,311)
Other comprehensive income for the year		-	-	-	-
Transfer to accumulated surplus		-	-	-	-
BALANCE AT 30 JUNE 2020		91,882	34,139	7,909	133,930

This Statement should be read in conjunction with the accompanying notes.

Victorian Institute of Forensic Mental Health
Cash Flow Statement
For the Financial Year Ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
Cash Flows From Operating Activities			
Operating grants from State		68,688	63,546
Operating grants from Commonwealth		206	282
Operating grants from DJCS ⁽ⁱ⁾		17,710	15,784
Capital grants from State		809	7,106
Service fees - commercial prison		27,747	29,508
Interest received		250	383
Other receipts ⁽ⁱⁱ⁾		330	1,972
Total Receipts		115,740	118,581
Employee expenses paid		(97,398)	(81,927)
Payments for supplies and consumables		(19,667)	(22,404)
Total Payments		(117,065)	(104,331)
Net Cash Flows from/(used in) Operating Activities	8.1	(1,325)	14,250
Cash Flows From Investing Activities			
Purchase of non-financial assets		(3,134)	(4,410)
Proceeds from disposal of non-financial assets		55	110
Net Cash Flows from/(used in) Investing Activities		(3,079)	(4,300)
Net Increase/(Decrease) in Cash and Cash Equivalents Held		(4,404)	9,950
Cash and Cash Equivalents at Beginning of Year		18,874	8,924
CASH AND CASH EQUIVALENTS AT END OF YEAR	6.2	14,470	18,874

(i) Operating grants from DJCS represents revenue received by The Department of Justice and Community Safety

(ii) Other receipts includes workcover recoveries and ad-hoc training programs provided

This Statement should be read in conjunction with the accompanying notes.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Basis of Preparation

These financial statements are presented in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Introduction

The Victorian Institute of Forensic Mental Health ("the Institute") came into being on 1 January 1998. The Institute commenced operations with effect from 1 July 1998 and has registered and operates under the trading name Forensicare. The enabling legislation is the Mental Health Act 2014 ("the Act") which establishes the Institute. The Institute is a body corporate managed by a Board of up to nine members, appointed in accordance with Section 332 of the Act.

Note 1: Summary of Significant Accounting Policies

These annual financial statements represent the audited general purpose financial statements for the Institute for the year ended 30 June 2020. The report provides users with information about the Institute's stewardship of resources entrusted to it.

(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 AASBs, which include interpretations issued by the Australian Accounting Standards Board (AASB). They are presented in a manner consistent with the requirements of AASB 101 Presentation of Financial Statements.

The financial statements also comply with relevant Financial Reporting Directions (FRDs) issued by the Department of Treasury and Finance, and relevant Standing Directions (SDs) authorised by the Assistant Treasurer.

The Institute is a not-for profit entity and therefore applies the additional Australian Standards paragraphs applicable to "not-for-profit" entities under the AASB's.

(b) Reporting Entity

The financial statements are that of the Victorian Institute of Forensic Mental Health, operating under the trading name Forensicare.

Its principal address is:

Thomas Embling Hospital
Yarra Bend Road
Fairfield
Victoria 3078

A description of the nature of the Institute's operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

(c) 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 have been applied in preparing the financial statements for the year ended 30 June 2020, and the comparative information presented in these financial statements for the year ended 30 June 2019.

The financial statements are prepared on a going concern basis (refer to Note 8.7 Economic Dependency).

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 1: Summary of Significant Accounting Policies (continued)

These financial statements are presented in Australian dollars, the functional and presentation currency of the Institute.

All amounts shown in the financial statements have been rounded to the nearest thousand dollars, unless otherwise stated. Minor discrepancies in tables between totals and sum of components are due to rounding.

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 definition 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.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AASBs that have significant effects on the financial statements and estimates relate to:

- The fair value of land, buildings and plant and equipment (refer to Note 4.1 Property, Plant and Equipment); and
- Employee benefit provisions are based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 3.3 Employee Benefits in the Balance Sheet).

A state of emergency was declared in Victoria on 16 March 2020 due to the global coronavirus pandemic, known as COVID-19. A state of disaster was subsequently declared on 2 August 2020.

To contain the spread of the virus and to prioritise the health and safety of our communities, various restrictions have been announced and implemented by the state government, which in turn has impacted the manner in which businesses operate, including the Institute.

In response, the Institute placed restrictions on non-essential visitors, implemented nil or reduced visitor hours, reduced community access leave for patients, implemented COVID-19 screening for all hospital visitors and staff and implemented work from home arrangements where appropriate.

For further details refer to Note 2.1 Funding delivery of our services and Note 4.1 Property, plant and equipment.

(d) Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case the GST payable is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are presented on a gross basis. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Balance Sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flow.

Commitments and contingent assets and liabilities are presented on a gross basis.

(e) Contributed Capital

Consistent with the requirements of AASB 1004 Contributions, contributions by owners (i.e. contributed capital and its repayment) are treated as equity transactions and therefore, do not form part of the income and expenses of the Institute.

(f) Comparatives

Where applicable, the comparative figures have been restated to align with the presentation in the current year.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 2: Funding Delivery of Our Services

The Institute's overall objective is to provide quality mental health services to meet the objectives of clinical excellence and translational research enabling the Institute's consumers to lead fulfilling and meaningful lives in a safer community. The Institute is predominantly funded by accrual based grant funding for the provision of outputs. The Institute also receives income from the supply of services.

Structure

2.1 Income from Transactions

Note 2.1a: Income from Transactions

	2020 \$'000	2019 \$'000
Government grants (State) - Operating ⁽ⁱ⁾	71,971	59,790
Government grants (Commonwealth) - Operating	206	282
Government grants (DJCS) - Operating	15,690	14,577
Government grants (State) - Capital	2,416	10,109
Service fees - commercial prisons	25,191	25,586
Resources received free of charge	-	-
Other revenue from operating activities	715	556
Total Income from Operating Activities	116,189	110,900
Interest revenue	250	347
Total Income from Non-Operating Activities	250	347
Total Income from Transactions	116,439	111,247

⁽ⁱ⁾ Government Grant (State) – Operating includes \$0.7m funding received to provide for the COVID-19 impact on health service operations

Impact of COVID-19 on revenue and income

The Department of Health and Human Services provided funding for certain direct and indirect COVID-19 costs. The Institute also received essential personal protective equipment free of charge under the state supply arrangement.

Revenue Recognition

Income is recognised in accordance with either:

- (a) contributions by owners in accordance with AASB 1004 *Contributions* ;
- (b) income for not-for-profit entities in accordance with AASB 1058 *Income of Not-for-Profit Entities* ;
- (c) revenue or a contract liability arising from a contract with a customer in accordance with AASB 15 Revenue from Contracts with Customers;
- (d) a lease liability in accordance with AASB 16 *Leases*;
- (e) a financial instrument in accordance with AASB 9 *Financial Instruments* ; or
- (f) a provision in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* .

Government Grants

Income from grants to fund capital projects including the Secure Psychiatric Intensive Care Unit beds and infill beds, is recognised when the Institute satisfies its obligations under the transfer. This aligns with the Institute's obligation to construct the asset. The progressive percentage costs incurred is used to recognise income because this most closely reflects the construction's progress as costs are incurred as the works are done.

Income from operating grants that are enforceable and with sufficiently specific performance obligations are accounted for under AASB 15 as revenue from contracts with customers, with revenue recognised as these performance obligations are met.

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 2.1: Income from Transactions (continued)

Income from grants without any sufficient specific performance obligations or that are not enforceable is recognised when the Institute has an unconditional right to receive the cash which usually coincides with receipt of cash. On initial recognition of the asset, the Institute recognises any related contributions by owners, increases in liabilities, decreases in assets and revenue ("related amounts") in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- a) contributions by owners, in accordance with AASB 1004;
- b) revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15;
- c) a lease liability in accordance with AASB 16;
- d) a financial instrument, in accordance with AASB 9; or
- e) a provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

As a result of the transitional impacts of adopting AASB 15 and AASB 1058, a portion of the grant revenue has been deferred. If the grant income is accounted for in accordance with AASB 15, the deferred grant revenue has been recognised in contract liabilities whereas grant revenue in relation to the construction of capital assets which the health service controls has been recognised in accordance with AASB 1058 and recognised as deferred grant revenue (refer note 5.2).

Performance Obligations

Government grants recognised under AASB 15 Revenue from Contracts with Customers includes mental health programs such as: Transition to Practice for Allied Health and Nursing graduates, Hello Open Minds Phase 2 and Mental Health Advice Response Service Coordination Function.

These grants are recognised as performance obligations are met. The Institute assesses performance obligations based on the period over which goods and services are transferred, when the deliverables are achieved and the acquittal process is completed. These performance obligations align with the terms and conditions of the funding provided. The Institute exercises judgement over whether performance obligations related to these grants are met.

Previous Accounting Policy for 30 June 2019

Grant income arises from transactions in which a party provides goods or assets (or extinguishes a liability) to the Institute without receiving approximately equal value in return. While grants may result in the provision of some goods or services to the transferring party, they do not provide a claim to receive benefits directly of approximately equal value (and are termed "non-reciprocal" transfers). Receipt and sacrifice of approximately equal value may occur but only by coincidence.

Some grants are reciprocal in nature, i.e. equal value is given back by the recipient of the grant to the provider. The Institute recognises income when it has satisfied its performance obligations under the terms of the grant.

For non-reciprocal grants, the Institute recognises revenue when the grant is received.

Grants can be received as general purpose grants, which refers to grants which are not subject to conditions regarding their use. Alternatively, they may be received as specific purpose grants, which are paid for a particular purpose and/or have conditions attached regarding their use.

2.1b: Fair Value of Assets and Services Received Free of Charge or for Nominal Consideration

	2020 \$'000	2019 \$'000
Resources received free of charge	25	-
Total Fair Value of Assets and Services Received Free of Charge or for Nominal Consideration	25	-

In order to meet the State of Victoria's health network supply needs during the COVID-19 pandemic, arrangements were put in place to centralise the purchasing of essential personal protective equipment and essential capital items such as ventilators. \$25,000 value for personal protective equipment provided by the State

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 2.1: Income from Transactions (continued)

The general principles of the State of Supply Arrangement were that Health Purchasing Victoria sourced, secured and agreed terms for the purchase of the products, funded by the Department of Health and Human Services, while Monash Health and the Department of Health and Human Services took delivery and distributed the products to health services as resources provided free of charge.

Contribution of resources provided free of charge or for nominal consideration are recognised at their fair value when the recipient obtain controls over the resources, irrespective of whether restrictions or conditions are imposed over the use of the contributions.

The exception to this would be when the resource is received from another government department or agency as a consequence of a restructuring of administrative arrangements, in which case such a transfer will be recognised at its carrying value in the transferring department or agency as a capital contribution transfer.

Voluntary Services

Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated. The Institute did not receive any volunteer services and does not depend on volunteers to deliver its services.

Non-cash Contributions from the Department of Health and Human Services

The Department of Health and Human Services makes some payments on behalf of the Institute as follows:

- The Victorian Managed Insurance Authority non-medical indemnity insurance payments are recognised as revenue following advice from the Department of Health and Human Services.
- Long Service Leave (LSL) revenue is recognised upon finalisation of movements in LSL liability in line with the long service leave funding arrangements set out in the relevant Department of Health and Human Services Hospital Circular.
- Resources received free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions, unless received from another health service or agency as a consequence of a restructuring of administrative arrangements. In the latter case, such transfer will be recognised at carrying amount. Contributions in the form of services are only recognised when a fair value can be reliably determined and the service would have been purchased if not received as a donation.

Performance Obligations and Revenue Recognition Policies

Revenue is measured based on the consideration specified in the contract with the customer. The Institute recognises revenue when it transfers control of a good or service to the customer, i.e. revenue is recognised when or as the performance obligations for the sale of goods and services to the customer are satisfied.

- Customers obtain control of the supplies and consumables at a point in time when the goods are delivered to and have been accepted at their premises.
- Income from the sale of goods are recognised when the goods are delivered and have been accepted by the customers at their premises.
- Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the services as it is provided.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability. Where the performance obligations is satisfied by not yet billed, a contract asset is recorded.

2.1c: Other Income

	2020 \$'000	2019 \$'000
Other interest	250	347
Total other income	250	347

Interest Income

Interest income is recognised on a time proportionate basis that takes into account the effective yield of the financial asset, which allocates interest over the relevant period.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 3: The Cost of Delivering Our Services

This section provides an account of the expenses incurred by the Institute in delivering services and outputs. In Note 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded.

Structure

- 3.1 Expenses from Transactions
- 3.2 Other Economic Flows
- 3.3 Employee Benefits in the Balance Sheet
- 3.4 Superannuation

Note 3.1: Expenses from Transactions

	2020 \$'000	2019 \$'000
Salaries and wages	77,976	68,182
On-costs	18,314	16,042
Agency expenses	2,699	1,667
Workcover premium	1,413	1,301
Total Employee Expenses	100,402	87,192
Drug supplies	1,046	894
Medical and surgical supplies	105	31
Diagnostic and radiology supplies	142	90
Other supplies and consumables	4,741	4,335
Total Supplies and Consumables	6,034	5,350
Finance costs	-	-
Total Finance Costs	-	-
Fuel, light, power and water	600	533
Repairs and maintenance	487	453
Maintenance contracts	381	378
Other administrative expenses	6,527	6,806
Expenditure for capital purpose	-	-
Total Other Operating Expenses	7,995	8,170
Total Operating Expenses	114,431	100,712
Depreciation and amortisation (refer Note 4.3)	3,902	2,619
Total Non-Operating Expenses	3,902	2,619
Total Expenses from Transactions	118,333	103,331

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

Impact of COVID-19 on expenses

As indicated at Note 1, the Institute's daily activities were impacted by the pandemic. This resulted in direct and indirect costs being incurred, such as additional staffing costs, cleaning and patient expenses.

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 3.1: Expenses from Transactions (continued)

Employee Expenses

Employee expenses include:

- Salaries and wages (including fringe benefits tax, leave entitlements, termination payments)
- On-costs
- Agency expenses
- Workcover premium

Supplies and Consumables

Supplies and consumables are recognised as an expense in the reporting period in which they are incurred.

Finance Costs

Finance costs include finance charges in respect of leases which are recognised in accordance with AASB 16 Leases.

Other Operating Expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and include such things as:

- Fuel, light and power
- Repairs and maintenance
- Other administrative expenses
- Expenditure for capital purposes (represents expenditure related to the purchase of assets that are below the capitalisation threshold of \$1,000)

The Department of Health and Human Services also makes certain payments on behalf of the Institute. These amounts have been brought to account as grants in determining the operating result for the year by recording them as revenue and also recording the related expense.

Non-operating Expenses

Other non-operating expenses generally represent expenditure outside the normal operations such as depreciation and amortisation, and an assets and services provided free of charge or for nominal consideration.

Operating Lease Payments

Operating lease payments up till 30 June 2019 (including contingent rentals) were recognised 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.

From 1 July 2019, the following lease payments are recognised on a straight-line basis:

- Short-term leases - leases with a term less than 12 months; and
- Low value leases - leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than \$10,000.

Variable lease payments are not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index or a rate, initially measured using the index or rate as at the commencement date). These payments are recognised in the period in which the event or condition that triggers those payments occur.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 3.2: Other Economic Flows

	2020	2019
	\$'000	\$'000
Net Gain/(Loss) on Sale of Non-financial Assets		
Net gain on disposal of property, plant and equipment	38	39
Total Net Gain/(Loss) on Non-financial Assets	38	39
Other Gain/(Loss) from Other Economic Flows		
Net gain/(loss) arising from revaluation of long service liability	(455)	(1,361)
Total Other Gain/(Loss) from Other Economic Flows	(455)	(1,361)
Total Gains/(Losses) from Other Economic Flows	(417)	(1,322)

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

Net Gain/(Loss) on Non-financial Assets

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

- Revaluation gain/(loss) of non-financial physical assets (Refer to Note 4.1 Property plant and equipment);
- Net gain/(loss) on disposal of non-financial assets; and
- Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal.

Other Gain/(Loss) from Other Economic Flows

Other gain/(loss) include:

- The revaluation of the present value of the long service leave liability due to changes in the bond rate movements, inflation rate movements and the impact of changes in probability factors.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 3.3: Employee Benefits in the Balance Sheet

	2020 \$'000	2019 \$'000
Current Provisions		
Employee Benefits ⁽ⁱ⁾		
Annual Leave		
- Unconditional and expected to be settled wholly within 12 months ⁽ⁱⁱ⁾	5,337	4,500
- Unconditional and expected to be settled wholly after 12 months ⁽ⁱⁱⁱ⁾	2,031	1,603
Long Service Leave		
- Unconditional and expected to be settled wholly within 12 months ⁽ⁱⁱ⁾	989	829
- Unconditional and expected to be settled wholly after 12 months ⁽ⁱⁱⁱ⁾	7,536	6,842
	15,893	13,774
Provisions Related to Employee Benefit On-costs		
Unconditional and expected to be settled within 12 months ⁽ⁱⁱ⁾	635	534
Unconditional and expected to be settled after 12 months ⁽ⁱⁱⁱ⁾	1,076	953
	1,711	1,487
Total Current Provisions	17,604	15,261
Non-Current Provisions		
Conditional Long Service Leave	5,379	5,055
Provisions related to Employee Benefit On-costs	625	588
Total Non-Current Provisions	6,004	5,643
Total Provisions	23,608	20,904

(a) Employee Benefits and Related On-costs

	2020 \$'000	2019 \$'000
Current Employee Benefits and Related On-costs		
Unconditional Long Service Leave Entitlements ⁽ⁱⁱ⁾	9,511	8,558
Annual Leave Entitlements ⁽ⁱⁱ⁾	8,092	6,703
Total Current Employee Benefits and Related On-costs	17,603	15,261
Non-Current Employee Benefits and Related On-costs		
Conditional Long Service Leave Entitlements ⁽ⁱⁱⁱ⁾	6,005	5,643
Total Non-Current Employee Benefits and Related On-costs	6,005	5,643
Total Employee Benefits and Related On-Costs	23,608	20,904

Notes:

(i) Employee benefits consist of amounts for annual leave and long service leave accrued by employees, not including on-costs.

(ii) The amounts disclosed are nominal amounts.

(iii) The amounts disclosed are discounted to present values.

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 3.3: Employee Benefits in the Balance Sheet (continued)

(b) Movement in On-costs Provision

	2020	2019
	\$'000	\$'000
Balance at start of year	2,075	1,996
Additional provisions recognised	1,220	1,098
Unwinding of discount and effect of changes in the discount rate	3	(106)
Reduction due to transfer out	(962)	(913)
Balance at end of year	2,336	2,075

Employee Benefit Recognition

Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered to the reporting date as an expense during the period the services are delivered.

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.

Annual Leave

Liabilities for annual leave are 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 annual leave are measured at:

- Nominal 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

The liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL 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. An unconditional right arises after a qualifying period.

The components of this current LSL liability are measured at:

- Nominal 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.

Conditional LSL is disclosed as a non-current liability. Any gain or loss following 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 estimations, e.g. bond rate movements, inflation rate movements and changes in probability factors which are then recognised as other economic flows.

On-Costs Related to Employee Expense

Provision for on-costs such as workers compensation and superannuation are recognised separately from provisions for employee benefits.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 3.4: Superannuation

	Paid Contribution for the Year		Contribution Outstanding at Year End	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Defined Benefit Plans ⁽ⁱ⁾				
State Superannuation Fund	151	135	-	-
Other	-	-	-	-
Defined Contribution Plans				
Health Employee Superannuation Trust Australia Fund	3,916	3,627	-	-
First State Super	2,303	2,068	-	-
Other Funds	1,004	614	-	-
TOTAL	7,374	6,444	-	-

(i) The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

Employees of the Institute are entitled to receive superannuation benefits and the Institute contributes to both defined benefit and defined contribution plans. The defined benefit plan provides benefits based on years of service and final average salary.

Defined Benefit Superannuation Plans

The amount charged to the Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by the Institute to the superannuation plans in respect of the services of the Institute's current staff during the reporting period. Superannuation contributions are made to the plans based on the relevant rules of each plan, and are based upon actuarial advice.

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. The Department of Treasury and Finance discloses the State's defined benefits liabilities in its disclosure for administered items.

However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Comprehensive Operating Statement of the Institute.

The name, details and amounts that have been expensed in relation to the major employee superannuation funds and contributions made by the Institute are disclosed above.

Defined Contribution Superannuation 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.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 4: Key Assets to Support Service Delivery

The Institute controls property, plant and equipment that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to the Institute to be utilised for delivery of those outputs.

Structure

- 4.1 Property, Plant and Equipment
- 4.2 Intangible Assets
- 4.3 Depreciation and Amortisation

Note 4.1: Property, Plant and Equipment

Initial Recognition

Items of property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment loss. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a merger/machinery of government change are transferred at their carrying amounts.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads. 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.

The initial cost for non-financial physical assets under a lease (refer to Note 6.1 Borrowings) is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

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. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best use.

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

Right-of-use Acquired by Lessees (under AASB 16 - Leases from 1 July 2019) - Initial Measurement

The Institute recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

Subsequent Measurement: Property, plant and equipment (PPE), as well as right-of-use assets under leases are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal and physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised by asset category.

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 4.1: Property, Plant and Equipment (continued)

Right-of-use Asset - Subsequent Measurement

The Institute depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of the right-of-use assets are determined on the same basis as property, plant and equipment, other than the lease term is lower than the otherwise assigned useful life. The right-of-use assets are also subject to revaluation as required by FRD 103I (pending). However, as at 30 June 2020 right-of-use assets have not been revalued.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain re-measurements of the lease liability.

Revaluations of Non-Current Physical Assets

Non-current physical assets are measured at fair value and are revalued in accordance with FRD 103H Non-financial Physical Assets. This revaluation process normally occurs 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 revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that same class of asset previously recognised as an expense in net result, the increment is recognised as income in the net result.

Revaluation decrements are recognised in Other Comprehensive Income to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of property, plant and equipment.

Revaluation increases and revaluation decreases relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation surplus is not transferred to accumulated funds on de-recognition of the relevant asset, except where an asset is transferred via contributed capital.

In accordance with FRD 103H Non-financial Physical Assets, the Institute's non-current physical assets were assessed to determine whether revaluation of the non-current physical assets was required.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For the purpose of fair value disclosures, the Institute has determined classes of assets on the basis of the nature, characteristics and risks of the asset and the level of the fair value hierarchy as explained above.

In addition, the Institute determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Note 4.1: Property, Plant and Equipment (continued)

The Valuer-General Victoria (VGV) is the Institute's independent valuation agency.

The estimates and underlying assumptions are reviewed on an ongoing basis.

Valuation Hierarchy

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Identifying Unobservable Inputs (Level 3) Fair Value Measurements

Level 3 fair value inputs are unobservable valuation inputs for an asset or liability. These inputs require significant judgement and assumptions in deriving fair value for both financial and non-financial assets.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

Consideration of Highest and Best Use (HBU) for Non-financial Physical Assets

Judgements about highest and best use must take into account the characteristics of the assets concerned, including restrictions on the use and disposal of assets arising from the asset's physical nature and any applicable legislative/contractual arrangements.

In accordance with paragraph AASB 13 Fair Value Measurement paragraph 29, the Institute has assumed the current use of a non-financial physical asset is its HBU unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

Specialised Land and Specialised Buildings

Specialised land includes Crown Land, which is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical 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 assets are not taken into account until it is virtually certain that any restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best use.

During the reporting period, the Institute held Crown Land. The nature of this asset means that there are certain limitations and restrictions imposed on its use and/or disposal that may impact their fair value.

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 4.1: Property, Plant and Equipment (continued)

The market approach is also used for specialised land and specialised building, although it 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 building was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation was 30 June 2019.

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, which 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 amount (depreciated cost).

Plant and Equipment

Plant and equipment (including medical equipment, computers and communication equipment and furniture and fittings) are held at carrying amount (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 amount.

There were no changes in valuation techniques throughout the period to 30 June 2020.

For all assets measured at fair value, the current use is considered the highest and best use.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 4.1: Property, Plant and Equipment (continued)**Note 4.1a: Property, Plant and Equipment - Gross Carrying Amount and Accumulated Depreciation**

	2020	2019
	\$'000	\$'000
Land at fair value	84,000	84,000
Total Land	84,000	84,000
Buildings - right-of-use	2,335	-
Less accumulated depreciation	(286)	-
Total buildings right-of-use	2,049	-
Buildings at fair value	57,166	56,556
Less accumulated depreciation	(2,835)	-
Total buildings at fair value	54,331	56,556
Leasehold improvements at cost	2,165	2,135
Less accumulated depreciation	(2,117)	(2,110)
Total leasehold improvements at cost	48	25
Total Buildings	56,428	56,581
Plant and equipment at fair value	5,356	4,826
Less accumulated depreciation	(4,215)	(3,937)
Total Plant and Equipment	1,141	889
Right-of-use plant and equipment	43	-
Less accumulated depreciation	(15)	-
Total Right-of-use Plant and Equipment	28	-
Medical equipment at fair value	213	202
Less accumulated depreciation	(132)	(117)
Total Medical Equipment	81	85
Computer and communications at fair value	2,660	1,983
Less accumulated depreciation	(1,780)	(1,429)
Total Computer and Communication	880	554
Motor vehicles at fair value	440	530
Less accumulated depreciation	(370)	(391)
Total Motor Vehicles	70	139
Right-of-use motor vehicles	282	197
Less accumulated depreciation	(57)	(22)
Total Right-of-use Motor Vehicles	225	175
Building work in progress at cost	1,658	132
Plant and equipment under construction at cost	1,781	1,677
Total Assets under Construction	3,439	1,809
TOTAL PROPERTY, PLANT AND EQUIPMENT	146,292	144,232

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 4.1: Property, Plant and Equipment (continued)

Note 4.1b: Property, Plant and Equipment - Reconciliations of the Carrying Amount By Class of Asset

Note	Land	ROU Bldgs	Bldgs	L'hold Improve-ments	Plant and Equip	ROU Plant & Equip	Medical Equip	Computer & Comm	Motor Vehicles	ROU Motor Vehicles	Assets under Construc-tion	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2018	55,461	-	35,509	234	1,443	-	41	473	311	-	17,981	111,453
Additions	-	-	-	4	124	-	15	364	-	197	6,719	7,423
Disposals	-	-	-	(12)	(10)	-	-	-	(59)	-	-	(81)
Revaluation Increments/(Decrements)	28,539	-	(508)	-	-	-	-	-	-	-	-	28,031
Net Transfers between Classes	-	-	23,167	(55)	(298)	-	38	39	-	-	(22,891)	-
Depreciation	-	-	(1,612)	(146)	(370)	-	(9)	(322)	(113)	(22)	-	(2,594)
Balance at 30 June 2019	84,000	-	56,556	25	889	-	85	554	139	175	1,809	144,232
Recognition of right-of-use assets on initial application of AASB 16	-	1,974	-	-	-	43	-	-	-	-	-	2,017
Adjusted balance at 1 July 2019	84,000	1,974	56,556	25	889	43	85	554	139	175	1,809	146,249
Additions	-	361	4	30	209	-	10	132	-	85	3,105	3,936
Transfers from WIP	-	-	606	-	321	-	-	548	-	-	(1,475)	-
Disposals	-	-	-	-	-	-	-	-	(17)	-	-	(17)
Revaluation Increments/(Decrements)	-	-	-	-	-	-	-	-	-	-	-	-
Net Transfers between Classes	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	(286)	(2,835)	(7)	(278)	(15)	(14)	(354)	(52)	(35)	-	(3,876)
Balance at 30 June 2020	84,000	2,049	54,331	48	1,141	28	81	880	70	225	3,439	146,292

Significant judgements for land and buildings'

The Valuer-General Victoria undertook to re-value all of the Institute's owned and leased land and buildings to determine their fair value. 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. The effective date of the valuation was 30 June 2019.

In compliance with FRD 103H, in the year ended 30 June 2020, the Institute's management conducted an annual assessment of the fair value of land and buildings including leased buildings. To facilitate this, management obtained from the Department of Treasury and Finance the Valuer-General Victoria indices for the financial year ended 30 June 2020.

The VGV indices, which are based on data to March 2020, are applicable at 30 June 2020. The fair value of land and buildings will continue to be subject to the impacts of COVID-19 in future accounting periods. The indices to 30 June 2020 indicate a cumulative 10% increase in land and a 2% increase for buildings since June 2019.

While the cumulative movement in land value was 10%, it is management's judgement, in the current COVID 19 environment, that no management valuation be recorded, and the carrying value of assets not be adjusted, due to the significant estimation uncertainty surrounding valuation indices at 30 June 2020.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 4.1: Property, Plant and Equipment (continued)**Note 4.1c: Property, Plant and Equipment - Fair Value Measurement Hierarchy for Assets**

	Note	Carrying Amount	Fair value measurement at end of reporting period using:		
		\$'000	Level 1 ⁽ⁱ⁾ \$'000	Level 2 ⁽ⁱ⁾ \$'000	Level 3 ⁽ⁱ⁾ \$'000
Balance At 30 June 2020		\$'000			
Specialised land	4.1a	84,000	-	-	84,000
Total Land at Fair Value		84,000	-	-	84,000
Right of use buildings	4.1a	2,049	-	-	2,049
Total Right of use buildings at Fair Value		2,049	-	-	2,049
Specialised buildings	4.1a	54,331	-	-	54,331
Total Building at Fair Value		54,331	-	-	54,331
Leasehold improvements	4.1a	48	-	-	48
Total Leasehold Improvements at Fair Value		48	-	-	48
Plant and equipment at fair value	4.1a	1,141	-	-	1,141
Medical equipment at fair value	4.1a	81	-	-	81
Computer and communications at fair value	4.1a	880	-	-	880
Motor vehicles at fair value ⁽ⁱⁱ⁾	4.1a	70	-	-	70
Right of use plant and equipment and vehicles	4.1a	253	-	-	253
Total Other Plant and Equipment at Fair Value		2,425	-	-	2,425
Total Property, Plant and Equipment at Fair Value		142,853	-	-	142,853

(i) Classified in accordance with the fair value hierarchy.

(ii) Vehicles are categorised to level 3 as current replacement cost is used in estimating the fair value.

There have been no transfers between levels during the period.

	Note	Carrying Amount	Fair value measurement at end of reporting period using:		
		\$'000	Level 1 ⁽ⁱ⁾ \$'000	Level 2 ⁽ⁱ⁾ \$'000	Level 3 ⁽ⁱ⁾ \$'000
Balance At 30 June 2019		\$'000			
Specialised land	4.1a	84,000	-	-	84,000
Total Land at Fair Value		84,000	-	-	84,000
Specialised buildings	4.1a	56,556	-	-	56,556
Total Buildings at Fair Value		56,556	-	-	56,556
Leasehold improvements	4.1a	25	-	-	25
Total Leasehold Improvements at Fair Value		25	-	-	25
Plant and equipment at fair value	4.1a	889	-	-	889
Medical equipment at fair value	4.1a	85	-	-	85
Computer and communications at fair value	4.1a	554	-	-	554
Motor vehicles at fair value ⁽ⁱⁱ⁾	4.1a	139	-	-	139
Total Other Plant and Equipment at Fair Value		1,667	-	-	1,667
Total Property, Plant and Equipment at Fair Value		142,248	-	-	142,248

(i) Classified in accordance with the fair value hierarchy.

(ii) Vehicles are categorised to level 3 as current replacement cost is used in estimating the fair value.

There have been no transfers between levels during the period.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 4.1: Property, Plant and Equipment (continued)**Note 4.1d: Property, Plant and Equipment - Reconciliation of Level 3 Fair Value Measurement**

	Note	Land	Bldgs	L'hold Improve- ments	Plant & Equip	Medical Equip	C'puter & Comm.	Motor Vehicles
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2018	4.1b	55,461	35,509	234	1,443	41	473	311
Additions/(disposals)	4.1b	-	-	(8)	114	15	364	(59)
Net transfers between classes	4.1b	-	23,167	(55)	(298)	38	39	-
Gains/(losses) recognised in net result:								
- Depreciation and amortisation	4.3	-	(1,612)	(146)	(370)	(9)	(322)	(113)
Items recognised in other comprehensive income:								
- Revaluation		28,539	(508)	-	-	-	-	-
Balance at 30 June 2019	4.1c	84,000	56,556	25	889	85	554	139
Additions/(disposals)	4.1b	-	4	30	209	10	132	(17)
Net transfers between classes	4.1b	-	606	-	321	-	548	-
Gains/(losses) recognised in net result:								
- Depreciation and amortisation	4.3	-	(2,835)	(7)	(278)	(14)	(354)	(52)
Items recognised in other comprehensive income:								
- Revaluation		-	-	-	-	-	-	-
Balance at 30 June 2020	4.1c	84,000	54,331	48	1,141	81	880	70

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 4.1: Property, Plant and Equipment (continued)**Note 4.1e: Property, Plant and Equipment - Fair Value Determination**

Asset class	Valuation Approach	Significant Inputs (Level 3 only)
Specialised land (Crown)	Market approach	Community Service Obligations Adjustments ⁽ⁱ⁾
Specialised buildings	Depreciated replacement cost approach	- Cost per square metre - Useful life
Plant and equipment	Depreciated replacement cost approach	- Cost per unit - Useful life
Medical equipment	Depreciated replacement cost approach	- Cost per unit - Useful life
Computer and communications	Depreciated replacement cost approach	- Cost per unit - Useful life
Vehicles	Depreciated replacement cost approach	- Cost per unit - Useful life

(i) A Community Service Obligation (CSO) of 20% was applied to the Institute specialised land classified in accordance with the fair value hierarchy.

Note 4.1f: Property, Plant and Equipment Revaluation Surplus

	Note	2020 \$'000	2019 \$'000
Property, Plant and Equipment Revaluation Surplus			
Balance at the beginning of the reporting period		91,882	63,851
Revaluation increment			
- Land	4.1b	-	28,539
- Buildings	4.1b	-	(508)
Balance at the End of the Reporting Period*		91,882	91,882
* Represented by:			
- Land		80,818	80,818
- Buildings		11,064	11,064
		91,882	91,882

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 4.2: Intangible Assets**Note 4.2a: Intangible assets - Gross Carrying Amount and Accumulated Amortisation**

	2020	2019
	\$'000	\$'000
Intangible produced assets - software	381	381
Less accumulated amortisation	(240)	(214)
Total Intangible Assets	141	167

Note 4.2b: Intangible Assets - Reconciliation of the Carrying Amount by Class of Asset

	Note	Software	Total
		\$'000	\$'000
Balance at 1 July 2018		113	113
Additions		79	79
Disposals		-	-
Amortisation	4.3	(25)	(25)
Balance at 1 July 2019		167	167
Additions		-	-
Disposals		-	-
Amortisation	4.3	(26)	(26)
Balance at 30 June 2020		141	141

Intangible assets represent identifiable non-monetary assets without physical substance such as computer software.

Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Institute.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 4.3: Depreciation and Amortisation

	2020	2019
	\$'000	\$'000
Depreciation		
Buildings	2,835	1,612
Leasehold improvements	7	146
Plant and equipment	278	370
Motor vehicles	52	113
Computer and communications	354	322
Medical equipment	14	9
Right of use assets		
-Right of use buildings	286	-
-Right of use plant and equipment	15	-
-Right of use vehicles	35	22
Total Depreciation	3,876	2,594
Amortisation		
Intangible assets - software	26	25
Total Amortisation	26	25
Total Depreciation and Amortisation	3,902	2,619

Depreciation

All buildings, plant and equipment and other non-financial physical assets (excluding items under operating leases and land) that have finite useful lives are depreciated. Depreciation is generally calculated on a straight-line basis at rates that allocate the asset's value, less any estimated residual value over its estimated useful life.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term. Where the Institute obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

Amortisation

Amortisation is the systematic allocation of the depreciable amount of an asset over its useful life.

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

	2020	2019
Buildings	3-50 years	50 years
Leasehold improvements	10 years	10 years
Plant and equipment	3-15 years	3-15 years
Furniture and fittings	10 years	10 years
Motor vehicles	3-10 years	5-10 years
Computer and communications	3 years	3 years
Medical equipment	10 years	10 years
Intangible assets	10 years	10 years

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 5: Other Assets and Liabilities

This section sets out those assets and liabilities that arose from the Institute's operations.

Structure

5.1 Receivables and Contract Assets

5.2 Payables and Contract Liabilities

5.3 Other Liabilities

Note 5.1: Receivables and Contract Assets

	2020 \$'000	2019 \$'000
Current		
Contractual		
Trade debtors	5,921	5,657
Accrued revenue	204	500
Total Contractual Receivables	6,125	6,157
Total Current Receivables	6,125	6,157
Non-Current		
Statutory		
Department of Health and Human Services - long service leave	6,117	6,283
Total Statutory Receivables	6,117	6,283
Total Non-Current Receivables	6,117	6,283
Total Receivables	12,242	12,440

Receivables recognition

Receivables consist of:

- Contractual receivables consists of debtors in relation to goods and services and accrued investment income. These receivables are classified as financial instruments and categorised as "financial assets at amortised costs". They are initially recognised at fair value plus any directly attributable transaction costs. The Institute holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measures at amortised cost using the effective interest method, less any impairment.
- Statutory receivables predominantly includes amounts owing from the Victorian Government and Goods and Services Tax (GST) input tax credits recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. The Institute applies AASB 9 *Financial Instruments* for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Trade debtors are carried at nominal amounts and are due for settlement within 30 days from the date of recognition.

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 Impairment of Assets.

The Institute is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates, management consider the credit quality of trade receivables that are not past due or impaired to be good.

Impairment losses of contractual receivables

No impairment for credit losses has been booked in a separate account during either financial year report.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 5.2: Payables and Contract Liabilities

	Note	2020 \$'000	2019 \$'000
Current			
Contractual			
Trade creditors		1,489	1,097
Accrued salaries and wages		2,436	1,777
Accrued expenses		1,912	2,761
Other payables		1,040	5,140
Deferred grant revenue	5.2a	6,439	-
Contract liabilities - income received in advance	5.2b	568	-
Total Contractual Payables		13,884	10,775
Statutory			
Department of Health and Human Services		-	-
GST payable		88	156
Total Statutory Payables		88	156
Total Payables		13,972	10,931

Payables consist of:

- contractual payables, classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to the Institute prior to the end of the financial year that are unpaid.
- statutory payables, that 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 contracts.

The normal credit terms for accounts payable are usually Net 30 days.

Note 5.2a: Deferred Capital Grant Revenue

	2020 \$'000
Grant consideration for capital works recognised that was included in the deferred grant liability balance (adjusted for AASB 1058) at the beginning of the year	7,570
Grant consideration for capital works received during the year	1,285
Grant revenue for capital works recognised consistent with the capital works undertaken during the year	(2,416)
Closing balance of deferred grant consideration received for capital works	6,439

Grant consideration was received from the State Government to fund capital projects including the Secure Psychiatric Intensive Care Unit beds and infill beds. Grant revenue is recognised progressively as the asset is constructed, since this is the time when the Institute satisfies its obligations under the transfer by controlling the asset as and when it is constructed. The progressive percentage costs incurred is used to recognise income because this most closely reflects the progress to completion as costs are incurred as the works are done (see Note 2.1 Income from Transactions). As a result, the Institute has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 5.2: Payables and Contract Liabilities (continued)

Note 5.2b: Contract Liabilities

	2020
	\$'000
Opening balance brought forward from 30 June 2019 adjusted for AASB 15	-
Add: Grant consideration for sufficiently specific performance obligations received during the year	568
Total Contract Liabilities	568
Represented by:	
Current contract liabilities	568
	568

Contract liabilities relate to grant consideration received in advance for mental health programs, such as Allied Health and Nursing Graduates Transition to Practice of \$98k, Hello Open Minds Phase 2 Workforce of \$85k and Advice Response Service Coordination Function of \$385k. Grant income is recognised as service obligations are met.

In the determination of fair value, consideration is given to factors including the overall capital management and prudential supervision framework in operation, the protection provided by the Department of Health and Human Services by way of funding should the probability of default increase, probability of default by the guaranteed party and the likely loss to the Department of Health and Human Services in the event of default.

Maturity analysis of payables

Please refer to Note 7.1b for the ageing analysis of payables.

Note 5.3: Other Liabilities

	2020	2019
	\$'000	\$'000
Current		
Monies held in trust ⁽ⁱ⁾ - patient funds	215	173
Other liabilities	-	10
Total Current	215	183
Total Other Liabilities	215	183
(i) Total Monies Held in Trust Represented by the Following Assets:		
Cash assets	215	173
Total Monies Held in Trust	215	173

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 6: How We Finance Our Operations

This section provides information on the sources of finance utilised by the Institute during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of the Institute.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Note 7.1 provides additional, specific financial instrument disclosures.

Structure

6.1 Borrowings

6.2 Cash and Cash Equivalents

6.3 Commitments for Expenditure

6.4 Non-Cash Financing and Investing Activities

Note 6.1: Borrowings

	2020 \$'000	2019 \$'000
Current		
Lease liability ⁽ⁱ⁾	377	31
Total Current	377	31
Non-Current		
Lease liability ⁽ⁱ⁾	1,951	144
Total Non-Current	1,951	144
Total Borrowings	2,328	175

(i) Secured by the assets leased. Leases are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Maturity analysis of borrowings

Please refer to Note 7.1b for the ageing analysis of borrowings.

Defaults and breaches

During the current and prior year, there were no defaults and breaches of any of the borrowings.

Lease Liabilities

Repayments in relation to leases are payable as follows:

	Minimum future lease payments		Present value of minimum future lease payments	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Not later than one year	439	36	377	31
Later than 1 year and not later than 5 years	1,384	150	1,173	144
Later than 5 years	882	-	778	-
Minimum lease payments	2,705	186	2,328	175
Less future finance charges	(377)	(11)	-	-
Total	2,328	175	2,328	175
Included in the Financial Statements as:				
Current borrowings - lease liability			377	31
Non-current borrowings - lease liability			1,951	144
Total	-	-	2,328	175

The weighted average interest rate implicit in the finance lease is 2.6% for property, 2.1% for minor office equipment and 3.2% (2019: 3.2%) for vehicles.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 6.1: Borrowings (continued)

Leases

A lease is a right to use an asset for an agreed period of time in exchange for payment. All leases are recognised on the Balance Sheet, with the exception of low value leases (less than AUD\$10,000) and short term leases of less than 12 months.

The Institute's Leasing Activities

The Institute has entered into leases related to properties at Clifton Hill and Derrimut, some minor office equipment and motor vehicles (with Vic Fleet).

For any new contracts entered into on or after 1 July 2019, the Institute considers whether a contract is, or contains a lease. A lease is defined as "a contract or part of a contract that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration". To apply this definition the Institute assesses whether the contract meets three key evaluations, which are whether:-

- (a) the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Institute and for which the supplier does not have substantive substitution rights;
- (b) the Institute has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and the Institute has the right to direct the use of the identified asset throughout the period of use; and
- (c) the Institute has the right to take decisions in respect of "how and for what purpose" the asset is used throughout the period of use.

This policy is applied to contracts entered into or changed on or after 1 July 2019.

Separation of Lease and Non-lease Components

At the inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use amount.

Recognition and Measurement of Leases as a Lessee (under AASB 16 from 1 July 2019)

Lease Liability - Initial Measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the Institute incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:-

- fixed payments (including in-substance fixed payments) less any lease incentive receivable;
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

Lease Liability - Subsequent Measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification or if there are changed in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss if the right-of-use asset is already reduced to zero.

Note 6.1: Borrowings (continued)

Short-term Leases and Leases of Low Value Assets

The Institute has elected to account for short-term leases and leases of low value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit and loss on a straight-line basis over the lease term.

Presentation of Right-of-Use Assets and Lease Liabilities

The Institute presents right-of-use assets as "property, plant and equipment" unless they meet the definition of investment property, in which case they are disclosed as "investment property" in the Balance Sheet. Lease liabilities are presented as "borrowings" in the Balance Sheet.

Recognition and Measurement of Leases (under AASB 117 until 30 June 2019)

In the comparative period, leases of property, plant and equipment were classified as either finance lease or operating lease.

The Institute determined whether an arrangement was or contained a lease based on the substance of the arrangement and required an assessment of whether fulfillment of the arrangement is dependent on the use of the specific asset(s); and the arrangement conveyed a right to use the asset(s).

Leases of property, plant and equipment where the Institute as a lessee had substantially all of the risks and rewards of ownership were classified as finance leases. Finance leases were initially recognised as assets and liabilities at amounts equal to the fair value of the leased property, or if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The leased asset is accounted for as a non-financial asset and depreciated over the shorter of the estimated useful life of the asset or there term of the lease. Minimum finance lease payments were apportioned between the reduction of the outstanding lease liability and the periodic finance expense, which is calculated using the interest rate implicit in the lease and charged directly to the Comprehensive Operating Statement.

Contingent rentals associated with finance leases were recognised as an expense in the period in which they are incurred.

Assets held under other leases were classified as operating leases and were not recognised in the Institute's Balance Sheet. Operating lease payments were recognised as an operating expense in the Comprehensive Operating Statement on a straight-line basis over the lease term.

Operating Lease Payments up until 30 June 2019 (including contingent rentals) are recognised 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.

From 1 July 2019, the following lease payments are recognised on a straight-line basis:-

- Short-term leases - leases with a term less than 12 months; and
- Low value leases - leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than \$10,000.

Variable lease payments not included in the measurement of the lease liability, i.e. variable lease payments that do not depend on an index or a rate, initially measured using the index or rate as at the commencement date. These payments are recognised in the period in which the event or condition that triggers those payments occur.

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 6.1: Borrowings (continued)

Entity as Lessee

Leases are recognised as assets and liabilities at amounts equal to the fair value of the lease property, or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Minimum lease payments are apportioned between reduction of the outstanding lease liability, and the periodic finance expense which is calculated using the interest rate implicit in the lease, and charged directly to the Comprehensive Operating Statement. Contingent rentals associated with leases are recognised as an expense in the period in which they are incurred.

Borrowings

All borrowings are initially recognised at fair value of the consideration received, less directly attributable transaction costs. The measurement basis subsequent to initial recognition depends on whether the Institute has categorised its liability as either "financial liabilities designated at fair value through profit or loss" or "financial liabilities at amortised cost".

Subsequent to initial recognition, interest bearing borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the net result over the period of the borrowing using the effective interest method. Non-interest bearing borrowings are measured at "fair value through profit or loss".

Note 6.2: Cash and Cash Equivalents

	2020 \$'000	2019 \$'000
Cash on hand (excluding monies held in trust)	8	8
Cash on hand (monies held in trust)	12	12
Cash at bank (excluding monies held in trust)	-	-
Cash at bank (monies held in trust)	-	-
Cash at bank - CBS (excluding monies held in trust)	14,247	18,693
Cash at bank - CBS (monies held in trust)	203	161
Total Cash and Cash Equivalents	14,470	18,874

Cash and cash equivalents recognised on the balance sheet comprise cash on hand and in banks, deposits at call and highly liquid investments (with an original maturity date of three months or less), which are held for the purpose of meeting short term cash commitments rather than for investment purposes, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents includes monies held in trust.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 6.3: Commitments for Expenditure

	2020	2019
	\$'000	\$'000
Capital Expenditure Commitments		
Less than 1 year	-	353
Total Capital Expenditure Commitments	-	353
Operating Expenditure Commitments		
Less than 1 year	5,027	6,461
Longer than 1 year but not longer than 5 years	5,347	5,894
Total Operating Expenditure Commitments	10,374	12,355
Non-cancellable Lease Commitments		
Commitments for Photocopiers		
Less than 1 year	-	25
Longer than 1 year but not longer than 5 years	-	43
Commitments for Lease at Clifton Hill		
Less than 1 year	-	264
Longer than 1 year but not longer than 5 years	-	1,056
5 years or more	-	1,088
Commitments for Lease at Heidelberg		
Less than 1 year	-	19
Longer than 1 year but not longer than 5 years	-	-
Commitments for Vehicles		
Less than 1 year	-	54
Longer than 1 year but not longer than 5 years	-	63
Total Non-cancellable Lease Commitments	-	2,612
Total Commitments for Expenditure (inclusive of GST)	10,374	15,320
Less GST Recoverable from the Australian Tax Office	(943)	(1,393)
Total Commitments for Expenditure (exclusive of GST)	9,431	13,927

Future lease payments are recognised on the balance sheet, refer to Note 6.1 Borrowings.

Commitments

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed at their nominal value and are inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the Balance Sheet.

The Institute has entered into commercial leases on certain office equipment, computer equipment and property where it is not in the interest of the Institute to purchase these assets. These leases have an average life of between 1 and 20 years with renewal terms included in the contracts. Renewals are at the option of the Institute. There are no restrictions placed upon the lessee by entering into these leases.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 7: Risks, Contingencies and Valuation Uncertainties

The Institute is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the Institute is related mainly to fair value determination.

Structure

7.1 Financial Instruments

7.2 Contingent Assets and Contingent Liabilities

Note 7.1: Financial Instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Institute's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

Note 7.1a: Financial Instruments - Categorisation

	Note	Financial Assets at Amortised Cost	Financial Liabilities at Amortised Cost	Total
2020		\$'000	\$'000	\$'000
Contractual Financial Assets				
Cash and cash equivalents	6.2	14,470	-	14,470
Receivables - trade debtors	5.1	5,921	-	5,921
Other receivables	5.1	204	-	204
Total Financial Assets⁽ⁱ⁾		20,595	-	20,595
Financial Liabilities				
Payables	5.2	-	6,877	6,877
Borrowings	6.1	-	2,328	2,328
Other financial liabilities - patient monies held in trust	5.3	-	215	215
Other financial liabilities - salary packaging		-	-	-
Total Financial Liabilities⁽ⁱ⁾		-	9,420	9,420
	Note	Financial Assets at Amortised Cost	Financial Liabilities at Amortised Cost	Total
2019		\$'000	\$'000	\$'000
Contractual Financial Assets				
Cash and cash equivalents	6.2	18,874	-	18,874
Receivables - trade debtors	5.1	5,657	-	5,657
Other receivables	5.1	500	-	500
Total Financial Assets⁽ⁱ⁾		25,031	-	25,031
Financial Liabilities				
Payables	5.2	-	10,775	10,775
Borrowings	6.1	-	175	175
Other financial liabilities	5.3	-	183	183
Total Financial Liabilities⁽ⁱ⁾		-	11,133	11,133

(i) The carrying amount excludes statutory receivables (i.e. GST receivable and DHHS receivable) and statutory payables (i.e. Revenue in advance and DHHS payable).

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 7.1: Financial Instruments (continued)

Financial Assets at Amortised Cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the Institute to collect the contractual cash flows, and
- the assets contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

The Institute recognises the following assets in this category:

- cash and deposits;
- term deposits; and
- receivables (excluding statutory receivables).

Categories of Financial Liabilities

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

The Institute recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings (including lease liabilities).

Derecognition of Financial Assets

A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- (a) the rights to receive cash flows from the asset have expired; or
- (b) the Institute retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass through" arrangement; or
- (c) the Institute has transferred its rights to receive cash flows from the asset and either:
 - has transferred substantially all the risks and rewards of the asset; or
 - has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where the Institute has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Institute's continuing involvement in the asset.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an "other economic flow" in the Comprehensive Operating Statement.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 7.1: Financial Instruments (continued)**(b) Maturity Analysis of Financial Liabilities as at 30 June**

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.

	Note	Carrying Amount	Nominal Amount	Maturity Dates			
				Less than 1 month	1 - 3 months	3 months - 1 year	1 - 5 years
2020		\$'000	\$'000	\$'000		\$'000	\$'000
Financial Liabilities at Amortised Cost							
Payables	5.2	6,877	6,877	5,837	-	1,040	-
Borrowings	6.1	2,328	2,328	31	63	283	1,951
Other financial liabilities ⁽ⁱ⁾	5.3	215	215	-	-	215	-
Total Financial Liabilities⁽ⁱ⁾		9,420	9,420	5,868	63	1,538	1,951

	Note	Carrying Amount	Nominal Amount	Maturity Dates			
				Less than 1 Month	1 - 3 months	3 months - 1 Year	1 - 5 Years
2019		\$'000	\$'000	\$'000		\$'000	\$'000
Financial Liabilities at Amortised Cost							
Payables	5.2	10,775	10,775	10,775	-	-	-
Borrowings	6.1	175	175	3	5	23	144
Other financial liabilities ⁽ⁱ⁾	5.3	183	183	-	-	183	-
Total Financial Liabilities⁽ⁱ⁾		11,133	11,133	10,778	5	206	144

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

(c) Contractual Receivables at Amortised Cost

The Institute applies AASB 9 *Financial Instruments* simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. The Institute has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on the Institute's past history, existing market conditions, as well as forward-looking estimates at the end of the financial year.

On this basis, the Institute has determined that there was no opening loss allowance and closing loss allowance at the end of the financial year.

Statutory Receivables at Amortised Cost

The Institute's non-contractual receivables arising from statutory requirements are not financial instruments. Nevertheless, they are recognised and measured in accordance with AASB 9 Financial Instruments requirements as if those receivables are financial instruments.

The statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As a result, the loss allowance recognised for these financial assets during the period was limited to 12 months expected losses.

Note 7.2: Contingent Assets and Contingent Liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed by way of note and if quantifiable, are measured at nominal value. Contingent assets and contingent liabilities are presented inclusive of GST receivable or payable respectively.

There are no contingent assets or contingent liabilities to report for the financial year.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 8: Other Disclosures

This section includes additional material disclosures required by accounting standards or otherwise for the understanding of this financial report.

Structure

- 8.1 Reconciliation of Net Result for the Year to Net Cash Inflow/(Outflow) from Operating Activities
- 8.2 Responsible Persons Disclosures
- 8.3 Remuneration of Executive Officers
- 8.4 Related Parties
- 8.5 Remuneration of Auditors
- 8.6 Events Occurring after the Balance Sheet Date
- 8.7 Economic Dependency
- 8.8 Changes in Accounting Policy
- 8.9 AASBs Issued that are not yet Effective

Note 8.1: Reconciliation of Net Result for the Year to Net Cash Inflow/(Outflow) from Operating Activities

	Note	2020 \$'000	2019 \$'000
Net Result for the Year		(2,311)	6,594
Non-cash Movements:			
Depreciation and amortisation	4.3	3,902	2,619
Net movement in finance lease		(309)	175
Revaluation of long service leave		455	-
Non-cash grant - long service leave		166	-
Grant revenue paid by DHHS directly to third parties for building works		(358)	(3,081)
Movements Included in Investing and Financing Activities			
Net (gain)/loss from disposal of non-financial physical assets		(38)	(39)
Movements in Assets and Liabilities:			
Change in Operating Assets and Liabilities			
Decrease/(Increase) in receivables		32	573
Decrease/(Increase) in other assets		(617)	(123)
Increase/(Decrease) in payables		(4,539)	4,543
Increase/(Decrease) in provisions		2,249	2,987
Increase/(Decrease) in other liabilities		43	2
Net Cash Inflow from Operating Activities		(1,325)	14,250

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 8.2: Responsible Persons Disclosures

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the Financial Management Act 1994, the following disclosures are made regarding responsible persons for the reporting period.

	Period
Responsible Minister: The Honourable Martin Foley, Minister for Mental Health	01/07/2019 - 30/06/2020
Governing Board: Ken Lay AO APM (Chair of the Board) Associate Professor Ruth Vine Sally Campbell Sue Williams Greg Pullen Dr Joanna Flynn AM (appointed 2 July 2019) Ian Forsyth (appointed 17 September 2019) Hon. Wade Noonan (appointed 10 December 2019) Frances Sanders (appointed 18 February 2020) Julie Anderson (resigned 30 November 2019) Jenny Roberts (resigned 30 November 2019)	01/07/2019 - 30/06/2020 01/07/2019 - 30/06/2020 01/07/2019 - 30/06/2020 01/07/2019 - 30/06/2020 01/07/2019 - 30/06/2020 02/07/2019 - 30/06/2020 17/09/2019 - 30/06/2020 10/12/2019 - 30/06/2020 18/02/2020 - 30/06/2020 01/07/2019 - 30/11/2019 01/07/2019 - 30/11/2019
Accountable Officer Dr Margaret Grigg (Chief Executive Officer)	01/07/2019 - 30/06/2020

Remuneration of Responsible Persons

The number of Responsible Persons are shown in their relevant income bands:

Income Band	2020 No.	2019 No.
\$0 - \$9,999	2	8
\$10,000 - \$19,999	2	4
\$20,000 - \$29,999	5	-
\$30,000 - \$39,999	1	-
\$40,000 - \$49,999	1	-
\$240,000 - \$249,999	1	-
\$320,000 - \$329,999	-	1
Total numbers	12	13
	\$'000	\$'000
Total remuneration received, or due and receivable by Responsible Persons from the Institute amounted to:	\$495	\$413

Amounts relating to the Governing Board Members and Accountable Officer are disclosed in the Institute's financial statements.

Amounts relating to Responsible Minister are reported within the Department of Parliamentary Services' Financial Report.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 8.3: Remuneration of Executive Officers

The number of executive officers, other than Ministers and Accountable Officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalent provides a measure of full time equivalent executive officers over the reporting period.

Remuneration of Executive Officers (Including Key Management Personnel disclosed in Note 8.4)

	Total Remuneration	
	2020 \$'000	2019 \$'000
Short-term Employee Benefits	1,609	1,485
Post-employment Benefits	146	130
Other Long-term Benefits	71	146
Termination Benefits	-	133
Total Remuneration	1,826	1,894
Total Number of Executives ⁽ⁱ⁾	9	11
Total Annualised Employee Equivalent (AEE) ⁽ⁱⁱ⁾	7.3	6.6

(i) The total number of executive officers include persons who meet the definition of Key Management Personnel (KMP) of the Institute under AASB 124 Related Party Disclosures and are also reported within Note 8.4 Related Parties.

(ii) Annualised employee equivalent is based on the time fraction worked over the reporting period.

Total remuneration payable to executives during the year included a number of executives who received bonus payments during the year. These bonus payments depend on the terms of individual employment contracts.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided in exchange for services rendered, and is disclosed in the following categories:

Short-term Employee Benefits

Salaries and wages, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment Benefits

Pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other Long-term Benefits

Long service leave, other long-service benefit or deferred compensation.

Termination benefits

Termination of employment payments, such as severance packages.

Other factors

Several factors affected total remuneration payable to executives over the year. A number of employment contracts were completed and renegotiated and a number of executive officers resigned or did not have their contracts renewed. This has had an impact on remuneration figures for the termination benefits category.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 8.4: Related Parties

The Victorian Institute of Forensic Mental Health (VIFMH) is a wholly owned and controlled entity of the State of Victoria. Related parties of the Institute include:

- All Key Management Personnel (KMP) and their close family members;
- Cabinet ministers (where applicable) and their close family members; and
- All hospitals and public sector entities that are controlled and consolidated into the State of Victoria financial statements.

KMPs are those people with the authority and responsibility for planning, directing and controlling the activities of the Institute, directly or indirectly.

The Board of Directors and the Executive Directors of the Institute are deemed to be KMPs.

KMPs	Position Title
Ken Lay AO AMP	Chair of the Board
Assoc Professor Ruth Vine	Board Member
Sally Campbell	Board Member
Sue Williams	Board Member
Greg Pullen	Board Member
Dr Joanna Flynn AM	Board Member
Ian Forsyth	Board Member
Hon. Wade Noonan	Board Member
Frances Sanders	Board Member
Julie Anderson	Board Member
Jenny Roberts	Board Member
Dr Margaret Grigg	Chief Executive Officer
Jessica Lightfoot	Chief Financial Officer
Ian Holland	Executive Director, Finance and Business
Dr Danny Sullivan	Executive Director, Clinical Services
Professor James Ogloff, AM	Executive Director, Psychological Services and Research
Dr Shaymaa Elkadi	Executive Director, Strategy,
Les Potter	Executive Director, Inpatient Operations
Lucia Giagnorio	Executive Director, People and Culture
Jo Ryan	Acting Executive Director, Prison Operations
Anthea Lemphers	Acting Executive Director, Community Operations

The compensation detailed below is reported in thousand dollars and excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968*, and is reported within the Department of Parliamentary Services' Financial Report.

	2020 \$'000	2019 \$'000
Compensation - KMPs		
Short-term Employee Benefits ⁽ⁱ⁾	2,066	1,795
Post-employment Benefits	177	157
Other Long-term Benefits	78	221
Termination Benefits	-	133
Total ⁽ⁱⁱ⁾	2,321	2,306

(i) Total remuneration paid to KMPs employed as a contractor during the reporting period through accounts payable has been reported under short-term employee benefits.

(ii) KMPs are also reported in Note 8.2 Responsible Persons or Note 8.3 Remuneration of Executive Officers.

Significant Transactions with Government Related Entities

The Institute received funding from the Department of Health and Human Services of \$74 million (2019: \$66 million) and indirect contributions of \$0.4 million (2019: \$3 million). Balances outstanding as at year end are \$8 million (2019: \$5 million).

The Institute received funding from the Department of Justice and Regulation of \$16 million (2019: \$15 million) and service fee from the Commercial Prisons of \$25 million (2019: \$26 million).

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 8.4: Related Parties (continued)

Expenses incurred by the Institute in delivering services and outputs are in accordance with Health Purchasing Victoria requirements. Goods and services including procurement, diagnostics, patient meals and multi-site operational support are provided by other Victorian Health Service Providers on commercial terms.

Professional medical indemnity insurance and other insurance products are obtained from a Victorian Public Financial Corporation.

The Standing Directions of the Assistant Treasurer require the Institute to hold cash (in excess of working capital) in accordance with the State's centralised banking arrangements. All borrowings are required to be sourced from Treasury Corporation Victorian unless an exemption has been approved by the Minister for Health and Human Services and the Treasurer.

Transactions with KMPs and Other Related Parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public, e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the Public Administration Act 2004 and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with the Institute, there were no related party transactions that involved key management personnel, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with Cabinet Ministers required to be disclosed in 2020.

There were no related party transactions required to be disclosed for the Institute Board of Directors, Chief Executive Officer and Executive Directors in 2020.

Note 8.5: Remuneration of Auditors

	2020 \$'000	2019 \$'000
Victorian Auditor-General's Office		
Audit of Financial Statements	38	37
Total Remuneration of Auditors	38	37

Note 8.6: Events Occurring after the Balance Sheet Date

The COVID-19 pandemic has created unprecedented economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the Institute at the reporting date. As responses by government continue to evolve, management recognises that it is difficult to reliably estimate with any degree of certainty the potential impact of the pandemic after the reporting date on the Institute, its operations, its future results and financial position. The state of emergency in Victoria was extended on 16 August 2020 until 13 September 2020 and the state of disaster still in place.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the operations of the Institute, the results of the operations or the state of affairs of the Institute in the future financial years.

Note 8.7: Economic Dependency

The Institute is dependent on the Department of Health and Human Services for the majority of its revenue used to operate the entity. At the date of this report, the Board of Directors has no reason to believe the Department of Health and Human Services will not continue to support the Institute.

Victorian Institute of Forensic Mental Health

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 8.8: Changes in Accounting Policy

Changes in Accounting Policy

Leases

This note explains the impact of the adoption of AASB 16 *Leases* on the Institute's financial statements.

The Institute has applied AASB 16 with a date of initial application of 1 July 2019. The Institute has elected to apply AASB 16 using the modified retrospective approach, as per the transitional provisions of AASB 16 for all leases for which it is a lessee. The cumulative effect of initial application is recognised in retained earnings as at 1 July 2019. Accordingly, the comparative information presented is not restated and is reported under AASB 117 and related interpretations.

Previously, the Institute determined at contract inception whether an arrangement is or contains a lease under AASB 117 and interpretations 4 - "Determining whether an arrangement contains a lease". Under AASB 16, the Institute assesses whether a contract is or contains a lease based on the definition of a lease as explained in Note 6.1 Borrowings.

On transition to AASB 16, the Institute has elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied AASB 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under AASB 117 and Interpretations 4 were not reassessed for whether there is a lease. Therefore, the definition of a lease under AASB 16 was applied to contracts entered into or changed on or after 1 July 2019.

Leases Classified as Operating Leases under AASB 117

As a lessee, the Institute previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Institute. Under AASB 16, the Institute recognises right-of-use assets and lease liabilities for all leases except where exemption is availed in respect of short-term and low value leases.

On adoption of AASB 16, the Institute recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of AASB 117 *Leases*. These liabilities were measured at the present value of the remaining lease payments, discounted using the Institute's incremental borrowing rate as of 1 July 2019. On transition, right-of-use assets are measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance Sheet as at 20 June 2019.

The Institute has elected to apply the following practical expedients when applying AASB 16 to leases previously classified as operating leases under AASB 117:

- Applied a single discount rate to a portfolio of leases with similar characteristics;
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term;
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application; and
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

For leases that were classified as finance leases under AASB 117, the carrying amount of the right-of-use asset and lease liability at 1 July 2019 are determined as the carrying amount of the lease asset and lease liability under AASB 117 immediately before that date.

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 8.8: Changes in Accounting Policy (continued)

Impact on Financial Statements

On transition to AASB 16, the Institute recognised \$2,016,439 of right-of-use assets and \$2,016,439 of lease liabilities.

When measuring lease liabilities, the Institute discounted lease payments using its incremental borrowing rate at 1 July 2019. The weighted average rate applied was 2.6% for property and 2.1% for some minor office equipment.

	1 July 2019
	\$'000
Total operating lease commitments disclosed at 30 June 2019	2,495
Discounted using the incremental borrowing rate at 1 July 2019	2,061
Recognition exemption for:	
- Short-term leases	(19)
- Low value leases	(25)
Operating leases recognised under AASB 16 as at 1 July 2019	2,017
Finance lease liabilities as at 30 June 2019 (Recognised in Borrowings at 30 June 2019)	175
Lease liabilities recognised at 1 July 2019	2,192

Revenue from Contracts with Customers

In accordance with FRD 121 requirements, the Institute has applied the transitional provision of AASB 15, under modified retrospective method with the cumulative effect of initially applying this standard against the opening retained earnings at 1 July 2019. Under this transition method, the Institute applied this standard retrospectively only to contracts that are not "completed contracts" at the date of initial application. The Institute has not applied the fair value measurement requirements for right-of-use assets arising from leases with significantly below market terms and conditions principally to enable the Institute to further its objectives as allowed under temporary option under AASB 16 and as mandated by FRD 122.

Comparative information has not been restated.

Note 2.1 - Sale of goods and services includes details about the transitional application of AASB 15 and how the standard has been applied to revenue transactions.

Income of Not-for-Profit Entities

In accordance with FRD 122 requirements, the Institute has applied the transitional provision of AASB 1058 under modified retrospective method with the cumulative effect of initially applying this standard against the opening retained earnings at 1 July 2019. Under this transition method, the Institute applied this standard retrospectively only to contracts and transactions that are not completed contracts at the date of initial application.

Comparative information has not been restated.

Note 2.1 - Grants includes details about the transitional application of AASB 1058 and how the standard has been applied to revenue transactions.

The adoption of AASB 1058 did not have an impact on Comprehensive Income Statement and the Statement of Cash Flows for the financial year.

Transition Impact on Financial Statements

This note explains the impact of the adoption of the following new accounting standards for the first time, from 1 July 2019:

- AASB 15 *Revenue from Contracts with Customers* ;
- AASB 1058 *Income of Not-for-profit Entities* ; and
- AASB 16 *Leases*.

Victorian Institute of Forensic Mental Health
Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 8.8: Changes in Accounting Policy (continued)

Impact on Balance Sheet due to the adoption of AASB 15, AASB 1058 and AASB 16 is illustrated with the following reconciliation between the restated carrying amounts at 30 June 2019 and the balances reported under the new accounting standards at 1 July 2019:

	Before new accounting standards Opening 1 July 2019	Impact of new accounting standards - AASB 16, 15 & 1058	After new accounting standards Opening 1 July 2019
Balance Sheet	\$'000	\$'000	\$'000
Total financial assets	31,314	-	31,314
Total non-financial assets	144,690	2,017	146,707
Total Assets	176,004	2,017	178,021
Payables and contract liabilities	31,835	7,570	39,405
Borrowing	175	2,017	2,192
Other liabilities	183	-	183
Total Liabilities	32,193	9,587	41,780
Accumulated surplus/(deficit)	17,790	(7,570)	10,220
Physical revaluation surplus	91,882	-	91,882
Other items in equity	34,139	-	34,139
Total Equity	143,811	(7,570)	136,241

**Statement of Changes in Equity - changes for AASB 1058 and AASB 15 adoption
For the Financial Year Ended 30 June 2020**

	Note	Physical Asset Revaluation	Contributed Capital	Accumulated Surplus	Total
		\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2018	4.1f	63,851	34,139	11,196	109,186
Net result for the year		-	-	6,594	6,594
Other comprehensive income for the year		28,031	-	-	28,031
Transfer to accumulated surplus		-	-	-	-
Balance at 30 June 2019		91,882	34,139	17,790	143,811
Change in accounting policy (due to AASB 15 and 1058)		-	-	(7,570)	(7,570)
Restated balance at 1 July 2019		91,882	34,139	10,220	136,241
Net result for the year		-	-	(2,311)	(2,311)
Other comprehensive income for the year		-	-	-	-
Transfer to accumulated surplus		-	-	-	-
Balance at 30 June 2020		91,882	34,139	7,909	133,930

Changes to Classification and Measurement

On initial application of AASB 9 *Financial Instruments* on 1 July 2018, the Institute's management has assessed for all financial assets based on the Institute's business models for managing the assets.

*Note 8: AASBs Issued that are yet not Effective (continued)***Victorian Institute of Forensic Mental Health**

Notes to the Financial Statements for the Financial Year Ended 30 June 2020

Note 8.9: AASBs Issued that are not yet Effective

Certain new and revised accounting standards and interpretations have been issued but are not effective for the 2019-20 reporting period. These accounting standards, as listed below, have not been applied to these Financial Statements:

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on the Institute's Financial Statements
AASB 17 <i>Insurance Contracts</i>	The new Australian standard seeks to eliminate inconsistencies and weaknesses in existing practices by providing a single principle based framework to account for all types of insurance contracts, including reissuance contract that an insurer holds. It also provides requirements for presentation and disclosure to enhance comparability between entities. This standard currently does not apply to the not-for-profit public sector entities.	1 January 2020	The assessment has indicated that there will be no significant impact on the Institute.
AASB 2018-7 <i>Amendments to Australian Accounting Standards – Definition of Material</i>	This Standard principally amends AASB 101 <i>Presentation of Financial Statements</i> and AASB 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> . The amendments refine and clarify the definition of material in AASB 101 and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendments also include some supporting requirements in AASB 101 in the definition to give it more prominence and clarify the explanation accompanying the definition of material.	1 January 2020	The standard is not expected to have a significant impact on the Institute.
AASB 2020-1 <i>Amendments to Australian Accounting Standards – classification of Liabilities as Current or Non-Current</i>	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. A liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.	1 January 2022 However, ED 301 has been issued with the intention to defer application to 1 January 2023.	The standard is not expected to have a significant impact on the Institute.

In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2019-20 reporting period (as listed below). In general, these amending standards include editorial and reference changes that are expected to have insignificant impacts on the Institute's reporting.

- AASB 2018-6 *Amendments to Australian Accounting Standards – Definition of a Business*.
- AASB 2019-1 *Amendments to Australian Accounting Standards – References to the Conceptual Framework*.
- AASB 2019-3 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform*.
- AASB 2019-5 *Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia*.
- AASB 2019-4 *Amendments to Australian Accounting Standards – Disclosure in Special Purpose Financial Statements of Not-for-Profit Private Sector Entities on Compliance with Recognition and Measurement Requirements*.
- AASB 2020-2 *Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities*.
- AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (Appendix C).
- Conceptual Framework for Financial Reporting.

Disclosure Index

Forensicare's annual report is prepared in accordance with all relevant Victorian legislation. This index has been prepared to help identify Forensicare's compliance with statutory disclosure requirements.

Legislation	Requirement	Page reference
<i>Charter and purpose</i>		
FRD 22H	Manner of establishment and the relevant ministers	14
FRD 22H	Purpose, functions, powers and duties	14
FRD 22H	Initiatives and key achievements	10
FRD 22H	Nature and range of services provided	8
<i>Management and structure</i>		
FRD 22H	Organisational structure	20
<i>Financial and other information</i>		
FRD 10A	Disclosure index	64
FRD 11A	Disclosure of ex-gratia expenses	n/a
FRD 21C	Responsible person and executive officer disclosures	74
FRD 22H	Application and operation of <i>Protected Disclosure 2012</i>	65
FRD 22H	Application and operation of <i>Carers Recognition Act 2012</i>	65
FRD 22H	Application and operation of <i>Freedom of Information Act 1982</i>	64
FRD 22H	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	64
FRD 22H	Details of consultancies over \$10,000	68
FRD 22H	Details of consultancies under \$10,000	68
FRD 22H	Employment and conduct principles	5
FRD 22H	Information and communication technology expenditure	69

FRD 22H	Major changes or factors affecting performance	10
FRD 22H	Occupational violence	50
FRD 22H	Operational and budgetary objectives and performance against objectives	58
FRD 22H	Summary of the entity's environmental performance	56
FRD 22H	Significant changes in financial position during the year	70
FRD 22H	Statement on the National Competition Policy	67
FRD 22H	Subsequent events	n/a
FRD 22H	Summary of the financial results for the year	70
FRD 22H	Additional information	67
FRD 22H	Workforce data disclosures including a statement on the application of employment and conduct principles	52
FRD 25C	Victorian Industry Participation Policy disclosures	67
FRD 29C	Workforce data disclosures	52
FRD 103F	Non-financial physical assets	95
FRD 110A	Cash flow statements	83
FRD 112D	Defined benefit superannuation obligations	94
SD 5.2.3	Declaration in report of operations	76
SD 5.1.2.2	Financial management compliance attestation	76
<i>Other requirements under Standing Directions 5.2</i>		
SD 5.2.2	Declaration in financial statements	77
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	84
SD 5.2.1(a)	Compliance with Ministerial Directions	84
<i>Legislation</i>		
<i>Freedom of Information Act 1982</i>		64
<i>Protected Disclosure Act 2012</i>		65
<i>Carers Recognition Act 2012</i>		65
<i>Local Jobs First Act 2003</i>		67
<i>Building Act 1993</i>		64
<i>Financial Management Act 1994</i>		77

Glossary

Acute assessment unit	A 16-bed unit at the Melbourne Assessment Prison. Currently closed for refurbishment – estimated to re-open in August 2018.
Apsley Unit	An 8 bed secure intensive care unit for male prisoners at Thomas Embling Hospital
Aire Unit	A 25-bed acute unit at Ballert Yeram-boo-ee (Ravenhall Correctional Centre).
Area Mental Health Services	Clinical services provided by general health facilities within geographically defined catchment areas, with a focus on assessing and treating people with a mental illness.
Argyle Unit	A 15-bed male acute unit at Thomas Embling Hospital.
Atherton Unit	A 15-bed male acute unit at Thomas Embling Hospital.
Ballert Yeram-boo-ee	The forensic mental health service at Ravenhall Correctional Centre (incorporating bed-based services and outpatients).
Barossa Unit	A 10-bed female acute/subacute unit at Thomas Embling Hospital.
Bass Unit	A 20-bed male subacute unit at Thomas Embling Hospital.
Board	The governing body of the Victorian Institute of Forensic Mental Health, established by the <i>Mental Health Act 2014</i> , replacing the previously designated council.
Canning Unit	A 20-bed male rehabilitation unit at Thomas Embling Hospital.
Centre for Forensic Behavioural Science	An independent research Centre of Swinburne University of Technology that works in partnership with Forensicare to undertake research.
Chief Psychiatrist	Statutory position under the Mental Health Act 2014 responsible for professional standards and clinical practice in mental health services in Victoria. The current incumbent is Dr Neil Coventry.
Client	A person receiving care or treatment from Forensicare's Community Forensic Mental Health Service.
Community Correction Order	A flexible sentencing order that the offender serves in the community under the supervision of Corrections Victoria.
CCO Screening Service	Service currently delivered at Melbourne and Sunshine magistrates' courts where a mental health clinician screens someone referred by a magistrate for suitability for a community correction order with a condition requiring mental health treatment (to be reconfigured to be part of the Mental Health Advice and Referral Service).
Community Forensic Mental Health Service	The service arm of Forensicare that is responsible for delivering community-based programs.
Compulsory patient	A person who is subject to an assessment order, a temporary treatment order or a treatment order under the <i>Mental Health Act 2014</i> .
Compulsory treatment	The treatment of a person for their mental illness without their consent under the <i>Mental Health Act 2014</i> .
Consumer	A person who uses the services of Forensicare.

Consumer consultant	Employees of Forensicare with a lived experience of mental illness employed to advocate in a systemic way for consumers and ensure their views are reflected in our work.
Corrections Victoria	A business unit of the Department of Justice and Regulation – the Victorian Government agency responsible for state-managed prisons and community-based corrections.
<i>Crimes (Mental Impairment and Unfitness to be Tried) Act 1997</i>	Legislation that creates the system where people are found ‘unfit to plead’ or ‘not guilty by reason of mental impairment’, how they are treated under the <i>Mental Health Act 2014</i> and released and supervised in the community.
Custodial supervision order	An order made under the <i>Crimes (Mental Impairment and Unfitness to be Tried) Act 1997</i> 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.
Daintree Unit	A 20-bed mixed gender rehabilitation unit at Thomas Embling Hospital.
Dame Phyllis Frost Centre	The main prison for women in Victoria that is managed by Corrections Victoria. Forensicare provides the Marmak service with 20 beds and some outpatient services at the prison.
Department of Health and Human Services	The Victorian Government department responsible for providing mental health and through which Forensicare reports to the Minister for Mental Health.
Department of Justice and Regulation	The Victorian Government department responsible for the criminal justice system (including prisons, courts and community corrections).
Disability Forensic Assessment and Treatment Service (DFATS)	A statewide disability forensic service (located next to Thomas Embling Hospital) that delivers time-limited treatment, support and residential services for people with a disability who display high-risk antisocial behaviour and who are involved, or at risk of being involved, in the criminal justice system.
Early Intervention Support Team	A team at Thomas Embling Hospital designed to support staff in the acute units by providing additional RPN2s on the floor to assist with clinical and therapeutic engagements with patients and provide early intervention and de-escalation to reduce the risk of violence and aggression.
EFT	Equivalent full-time staffing position.
Erskine Unit	A 30-bed subacute unit at Ballert Yeram-boo-ee at Ravenhall Correctional Centre.
Extended leave	Court order where a person detained on a custodial supervision order can live in the community for 12 months.
Forensic patient	A person detained under the <i>Crimes (Mental Impairment and Unfitness to be Tried) Act 1997</i> or placed on a custodial supervision order under this legislation.
Forensicare Serious Offender Consultation Service	This program aims to support Community Correctional Services and mental health services in managing individuals who have a serious mental illness/disorder and complex needs, including a history of serious violent or sexual offending.
GEO Group	Private company that operates the Ravenhall Correctional Centre as well as Fulham Prison in Victoria under contracts with Corrections Victoria.
G4S	Private company that operates Port Phillip Prison under contract with Corrections Victoria.

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.
Jardine Unit	A 16-bed mixed-gender rehabilitation unit at Thomas Embling Hospital, outside the secure wall.
Justice Health	The business unit of the Department of Justice and Regulation that is responsible for contract management and oversight of health and mental health services in prisons and Youth Justice Centres.
Marmmak Unit, Dame Phyllis Frost Centre	The specialised mental health program developed at Dame Phyllis Frost Centre comprising a 20-bed residential program (operated by Forensicare with 24-hour psychiatric nursing staffing), an intensive outreach program and a therapeutic day program for women with personality disorders.
Melbourne Assessment Prison	The state reception prison for men that is managed by Corrections Victoria. Forensicare provides forensic mental health services at the Melbourne Assessment Prison under a contractual arrangement with the Department of Justice and Regulation.
Mental Health Branch	The business unit in the Department of Health and Human Services (Health and Wellbeing Division) that is Forensicare's main point of contact in the department.
Multi Agency Panel	As part of serious offender reform in Victoria, the Multi Agency Panel provides coordination of services for individuals on post-sentence supervision orders. Standing members of the Multi Agency Panel include Victoria Police, the Department of Health and Human Services and the Department of Justice and Regulation.
Metropolitan Remand Centre	A maximum security remand prison managed by Corrections Victoria. Forensicare provides the Mobile Forensic Mental Health Service at the Metropolitan Remand Centre.
Mental health community support services	Non-clinical not-for-profit services that focus on activities and programs that help people manage their own recovery and maximise their participation in community life.
Mobile Forensic Mental Health Service	The multidisciplinary mobile service based at the Metropolitan Remand Centre. It is part of Forensicare's prison services.
Moroka Unit	A 10-bed unit that provides a specialist service for people with complex and challenging behaviours at Ballerit Yeram-boo-ee, Ravenhall Correctional Centre.
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 allows the person to live in the community subject to conditions set by the court, including participating in treatment by an Area Mental Health Service. Forensicare supervises all adult 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.
Primary consultation	Direct individual assessment and service to a client or patient.
Post Sentence Authority	The agency set up to oversee the services provided to people under supervision on post-sentence orders under the <i>Serious Sex Offenders Detention and Supervision Act 2009</i> .
Ravenhall Correctional Centre	A medium security men's prison opened in 2017 to accommodate 1,000 prisoners. Forensicare provides a bed-based service and outpatient clinics.
Recovery	A contemporary approach to mental health care based on individualised care that focuses on strengths, hope, consumer 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.
Secondary consultation	Clinical advice to another service on an identified client or patient.
Secure extended care unit	Unit that provides medium- to long-term inpatient treatment and rehabilitation for people who have unremitting and severe symptoms of a mental illness or disorder. These units are located in Area Mental Health Service settings.
Secure psychiatric intensive care unit	The new eight-bed unit at Thomas Embling Hospital that is scheduled to open in 2018, and now to be known as Apsley Unit.
Security patient	A person who is placed on either a secure treatment order under the <i>Mental Health Act 2014</i> or on a court secure treatment order under the <i>Sentencing Act 1991</i> and detained in Thomas Embling Hospital (prisoners transferred to Thomas Embling Hospital typically return to prison once treated).
Separation/discharge	The completion of an episode of care when the patient/client leaves a service or program.
Statement of Priorities	The annual planning document detailing Forensicare's deliverables and key performance indicators that is agreed between the board and the Minister for Mental Health.
St Paul's Unit	A 30-bed psycho-social rehabilitation unit at Port Phillip Prison.
Tambo Unit	A 10-bed program with purpose-built cottage-style accommodation for prisoners transitioning from prison to the community. It is located at Ballert Yeram-boo-ee, Ravenhall Correctional Centre.
Thomas Embling Hospital	Forensicare's 116-bed secure inpatient facility.
Victorian Fixated Threat Assessment Centre (VFTAC)	A statewide service jointly staffed by a team of senior forensic mental health clinicians and senior police officers. VFTAC deals specifically with fixated individuals and grievance-fuelled lone actors, many of whom have a major mental illness or current mental health needs.



Forensicare

info@forensicare.vic.gov.au
www.forensicare.vic.gov.au

