Ms Robyn Kruk AM  
Chief Executive Officer  
National Mental Health Commission  
Level 12, 6 O'Connell Street  
SYDNEY NSW 2000

16 DEC 2011

Dear Ms Kruk

I appreciate your role in the important work of establishing the National Mental Health Commission (the Commission) as a new and high profile Executive Agency within my portfolio and I recognise the significant challenge such a task presents.

I am writing to request your consideration of the Statement of Expectations (below) for the Commission from its official commencement on 1 January 2012. In due course, I would appreciate your considered response and indication, in a Statement of Intent, of how the Commission proposes to meet the responsibilities outlined in the Statement of Expectations.

1. Introduction

As a signature element of the Government’s commitment to long term reform, the Commission was announced as part of the $2.2 billion mental health reform package in the 2011-12 Budget. The Commission is to be established as an Executive Agency within my portfolio due to the cross sectoral nature and priority of mental health reform and to provide independence from the agencies that administer mental health funding and programs.

The Australian Government is establishing the Commission to help improve Australia’s mental health system. It will plan more effectively for the future mental health needs of the community, create greater accountability and transparency in the mental health system and give mental health prominence at a national level. It is my intention that the Commission be reviewed after two years, to ensure it is performing well and meeting these objectives.

In September 2011 I announced the appointment of the Hon Mark Butler MP as Minister Assisting the Prime Minister on Mental Health Reform (the Minister). In this role, Minister Butler will have day to day responsibility for overseeing the activities of the Commission. Supporting him in this role will be the Department of the Prime Minister and Cabinet. I will remain the Agency Minister for the Commission.
2. **Chief Executive Officer**

As Chief Executive Officer you will be responsible for the efficient and effective running of the agency and ensuring that the Commission delivers on its objectives. I ask when performing your role, you take into account the strategic plan and annual operational plan that is in force.

3. **Chair and Commissioners**

The Government has appointed eight Mental Health Commissioners and a Chair to operate as an Advisory Board. I ask that you also participate as an ex-officio Commissioner. The role of the Advisory Board will be to provide advice to the Government on the mental health system and to shape the strategic direction of the Commission.

In providing advice on the mental health system the Commissioners will contribute to the development, implementation and evaluation of mental health initiatives, as well as shaping the Annual National Report Card on Mental Health and Suicide Prevention (the Report Card). In doing so, Commissioners will have regard to available data, evidence and existing best practice. Other roles of the Advisory Board include developing the work-plan for the Commission and consulting with the sector and a wide range of stakeholders.

4. **Short and long-term priorities**

The functions of the Commission include:

- to manage, administer and release publicly the Report Card;
- develop, collate and analyse data and reports with a particular focus on ensuring a cross sectoral perspective is taken to mental health reform;
- to provide mental health policy advice to Government, in consultation with relevant agencies;
- engage consumers and carers in mental health policy and service improvements;
- build relationships with other stakeholders including: service providers; government agencies; researchers; academics; and state and territory governments to inform the work of the Commission; and
- to undertake other relevant tasks as the Minister may require from time to time.

In the first year of operation I ask that the Commission focus its activities on three key deliverables: the first Report Card; the strategic plan; and the annual operational plan (see below for further detail on these deliverables).

A priority for the Commission should be to build effective and cooperative relationships with stakeholders including: organisations and individuals representing consumers and carers; service providers; researchers; academics; and state and territory governments.

Engagement with stakeholders will be vital if the Commission is to strengthen accountability and transparency in the mental health system. I therefore ask that you develop a strategy in the first year to meaningfully engage with stakeholders and ensure their inclusion and participation in the Commission’s activities.
In addition to establishing relationships with the states and territories to ensure government coordination across jurisdictions is effective, I also ask that the Commission establish linkages and work constructively with other mental health commissions in Australia and seek opportunities to share information and draw on international models of best practice.

5. The National Report Card on Mental Health and Suicide Prevention

One of the core functions of the Commission will be to prepare each calendar year, and release publicly, an annual Report Card. The objective of the Report Card is to increase transparency and accountability with public reporting on the performance of the mental health system. I ask that you work closely with the Department of Health and Ageing and other Commonwealth agencies in the design and development of the Report Card.

I request that the Commission consult relevant Commonwealth agencies in preparing the Report Card, to ensure issues are identified and confirm accuracy of facts. I also ask that it be submitted to the Minister and me for information prior to its public release. However, I note that the Report Card will be a product of the Commission and part of its function in ensuring transparency and accountability.

6. Strategic and Annual Operational Plans

I request that you, as the CEO of the Commission, develop and prepare in written form a 3-year strategic plan and an annual operational plan. The CEO must consult the Advisory Board for the Commission when developing and preparing the strategic and annual operational plans.

I ask that the first strategic plan cover the period 2012-2014 and that the first annual operational plan cover the period July 2012 – June 2013. A draft of the first strategic plan is to be submitted to the Minister by 31 March 2012 and the final for approval as soon as possible thereafter in the first half of 2012. The first annual operational plan should be submitted for information by 30 June 2012. At the same time as you provide the plans to the Minister, please provide them to me for information.

Subsequent strategic plans must be submitted to the Minister for approval 2 months before the date they are due to commence and operational plans provided for information before their commencement date. For instance the strategic plan for the period 2015 - 2017 must be submitted by 31 October 2014.

A 3-year strategic plan is to outline how the Commission will undertake its functions, meet its priorities and pursue the Government’s objectives for the Commission.

An annual operational plan must:

- set out particulars of the action that the CEO intends to take during the period to which the plan relates in order to give effect to, or further, the goals set out in the strategic plan applicable to the period; and
include such performance indicators as the CEO considers appropriate against which the Commission’s performance can be assessed during the period to which the plan relates.

Strategic plans will come into effect on the day they are approved by the Minister.

The CEO may, at any time, review a strategic plan or an annual operational plan and consider whether a variation to the plan is necessary. The CEO must consult the Advisory Board on any proposed changes and may vary an annual operational plan and, with the approval of the Minister, vary a strategic plan.

The Minister may, at any time, request that the CEO vary a strategic plan. If the Minister makes such a request the CEO must vary the plan.

7. The 10 Year Roadmap for Mental Health Reform

Part of the Commission’s role in monitoring and reporting on the performance of the mental health system, will be the ongoing evaluation of the Ten Year Roadmap for Mental Health Reform (the Roadmap) which is being developed by the Council of Australian Governments.

The Roadmap will be a cross-sectoral statement of vision, intention and directions for mental health reform that will sit alongside the more specific national mental health plans and strategies and those of each jurisdiction. The Roadmap will provide high-level guidance for decisions over the next ten years on policy, investment and program and service design that will help Australians achieve and maintain mental health and wellbeing. The Roadmap will include a set of strategic indicators to allow the Commission to monitor progress.

In its ongoing evaluation of the Roadmap, the Commission will be accountable to the Commonwealth Government. As indicated above, I encourage the Commission to develop effective relationships with states and territories which will assist the Commission to complete this task effectively.

8. Compliance activities

I ask that you exercise prudence in your financial management of the agency in the context of my expectations as set out in this document and the requirements of the Financial Management and Accountability Act 1997 (the FMA Act).

Under the FMA Act, you must manage the affairs of the agency in a way that promotes the efficient, effective and ethical use of resources. Under the FMA Regulations, officials are required to do this in a manner that is consistent with the policies of the Commonwealth (for example, Commonwealth Procurement Guidelines).

Any breaches of the FMA Act, FMA Regulations, FMA Delegations, FMA Orders or financial management and other policies must be reported in you agency’s annual certificate of compliance.
9. Annual report

In line with the Public Service Act 1999, you must, after the end of each financial year, submit to me, for presentation to the Parliament of Australia, a report (an annual report) on the Commission's operations during that year.

I ask that you comply with the requirements for annual reports and financial statements as specified in the document Requirements for Annual Reports for Departments, Executive Agencies and FMA Act Bodies, available at www.dpmc.gov.au/guidelines/index.cfm.

A copy of the annual report is to be presented to each House of the Parliament on or before 31 October in the year in which the report is given. If Senate Estimates is scheduled to occur prior to 31 October, it is best practice for annual reports to be tabled prior to those hearings. I ask that you provide me with the report so that it can be tabled in line with these timeframes.

For the purposes of the first annual report, the financial year will be taken to be the period from 1 January 2012 to 30 June 2013.

Under the FMA Act you are required to give to the Auditor-General the annual financial statements for the Commission. The financial statements must be prepared in accordance with the Finance Minister's Orders and must give a true and fair view of the matters that those Orders require to be included in the statements. For the purposes of the first financial statement, the financial year will be taken to be the period from 1 January 2012 to 30 June 2012.

10. The Commission as an employer

The Commission's staff will be employed under the Public Service Act 1999.

The Commission must comply with the Australian Public Service Commission's guidelines to deliver the agency's priorities, through good practice in managing people and equipping people to develop the skills and knowledge they need. This will also support you in embedding ethical behaviour across the whole agency.

I ask that you provide a safe working environment and lead your agency in such a way that it is seen as a good place to work, family friendly and an employer that is inclusive of our diverse community. You should comply with the principles set out in the Discrimination Act 1992 and the Equal Employment Opportunity (Commonwealth Authorities) Act 1987 and with the requirements of the Commonwealth Disability Strategy.

The Commission should set human resource standards and ensure that it is well placed to effectively implement workplace policy of an equivalent standard to other public sector workplaces. I ask that you meet best practice in selection, recruitment and promotion of staff in line with the merit principle.

11. Conclusion

Please note that the Statement of Expectations is not a Ministerial direction, a conferral of functions, a term or condition of office, or a delegation of power under an Act.
However, I ask that the Commission consolidate its position by focusing on the core business of increasing transparency and accountability within Australia's mental health system and making practical recommendations to the Commonwealth Government about improving Australia's mental health system to deliver better outcomes for the Australian people.

I trust this document clarifies my expectations and I look forward to receiving the Commission's Statement of Intent outlining how it is proposed these expectations will be met.

Yours sincerely,

[Signature]

Julia Gillard