

Service delivery and funding structures in NSW

In 2024-25, the NSW Government allocated \$585.1 million to NSW Health for state-wide drug and alcohol service provision, including \$156.3 million to support the implementation of programs in response to the Special Commission of Inquiry into the Drug 'Ice.'

NSW Health funds services that respond to the spectrum of substance use and are delivered by public sector services and non-government organisations. This includes prevention, information and community education, harm reduction, treatment and continuing care programs.

Services are delivered by local health districts (LHDs), specialty health networks, non-government and Aboriginal community-controlled organisations, and include:

- Psychosocial support, counselling and case management
- Inpatient and community-based withdrawal management
- Assertive outreach
- Harm reduction programs
- Opioid substitution treatment
- Residential and day rehabilitation programs
- Drug and alcohol hospital consultation liaison specialist services
- Tele-health and virtual care where local access to specialist support is limited
- The involuntary treatment program for severely substance dependent individuals

Specialist services are available for young people, pregnant women and parents, families and carers, those with complex needs and people in the criminal justice system.

Other state-wide programs provided by public sector services include a range of telephone support lines for the public and health professionals, such as the Alcohol and Drug Information Service.

In financial year 2022/23, approximately 52,657 people accessed drug and alcohol assessment and treatment services in NSW. This includes services delivered through the public sector and non-government organisations, funded by both NSW Health and the Australian Government. Other activities, delivered by private treatment providers, primary care, and funded by other NSW Government organisations, such as NSW Department of Communities and Justice are not captured in this data.

Public sector services

There are 15 LHDs across NSW. Six LHDs cover the Sydney metropolitan region, and nine cover rural and regional NSW. In addition, two specialist networks focus on paediatric services, and justice health and forensic mental health.

A third network operates across the public health services provided by St Vincent's Hospital including Sacred Heart Hospice at Darlinghurst. Districts and specialty networks are funded by NSW Health.

Non-government organisations

Non-government organisations (NGOs) receive funding from various sources, including but not limited to the Australian Government, the National Indigenous Australian's Agency, other NSW Government agencies, such as the Department of Communities and Justice, and NSW Health.

NSW Health provides grants to NGOs to deliver agreed AOD services.

NGOs provide around 30% of all specialist drug and alcohol treatment episodes and are the primary provider of residential rehabilitation services. They deliver a range of other services, including health promotion, harm prevention, outreach, counselling, case management, withdrawal management, day programs and support for families.

In 2022-23, NSW NGOs received \$128 million from multiple funders. NSW Health investment accounted for approximately 50%, while the remaining 50% was received from Australian Government agencies. There are differences between state and Australian Government funding arrangements, including contract lengths, indexation, and reporting requirements, with services having to report to all funding agencies. This is a recognised challenge in the NGO sector for workforce retention and service continuity.

Aboriginal community-controlled health services

An Aboriginal community-controlled health service (ACCHS) is an incorporated Aboriginal organisation, based in a local Aboriginal community and governed by an Aboriginal body. They receive funding from both the Australian Government and NSW Health.

ACCHSs deliver holistic and culturally appropriate health services and are community controlled. Holistic responses are trauma-informed, incorporate social and emotional wellbeing, and take social and cultural determinants into account.

ACCHSs play a critical role in supporting Aboriginal people affected by alcohol and other drug use. The majority of ACCHSs in NSW provide primary health care, but some provide residential rehabilitation services. In the context of primary care, ACCHSs are uniquely able to build trust and provide culturally strong, trauma-informed, on-country support for Aboriginal people and communities.

An Aboriginal Medical Service primarily delivers health care to Aboriginal people and communities. Not all Aboriginal Medical Services are community controlled, some may be a government run health service.

Delivering holistic healthcare

Alcohol and other drug treatment is part of broader health care provision. Multiple organisations have responsibility for providing healthcare across the state. NSW Health works in partnership to deliver integrated and accessible services across primary, acute and community-based settings.

The Australian Government is responsible for the funding of primary care, the regulation of aged care and private health insurance and provides funding through the Medicare Benefits Schedule and the Pharmaceutical Benefits Scheme. They also fund Aboriginal community-controlled health services and non-government organisations, with many NGO contracts administered by primary health networks.

Primary care providers play an important role in screening, identification and management of alcohol and other drug related health issues. General practitioners (GP) see approximately 87% of the population every year, making GPs and other primary care settings an ideal place to deliver interventions, and prevent more acute presentations to specialist services and the hospital system. These functions include brief and early intervention, prevention, community-based withdrawal management, and opioid substitution treatment.

Community pharmacies play an integral role in the delivery of highly accessible, community-based alcohol and other drug services. They provide sterile injecting equipment, dispense free naloxone, and dispense and administer methadone and buprenorphine formulations, including long-acting injectable buprenorphine for people on opioid substitution treatment.

Other NSW Government agencies are funded to provide alcohol and other drug-related services. For example, the Department of Communities and Justice deliver the Magistrates Early Referral Into Treatment (MERIT) and the Drug Court programs. They work with the Justice Health and Forensic Mental Health Network to deliver services to people in and leaving custodial settings.

Service integration

People seeking treatment for substance use may have co-occurring health and social needs including for mental health; housing or homelessness; child and family wellbeing; violence, abuse and neglect; employment support or interactions with the criminal justice system. Multidisciplinary and multiagency service responses and a well-connected service system are needed to respond to concerns early and improve care and outcomes.

It is important that alcohol and other drug services and referral pathways reflect these co-occurring needs and place the person at the centre of care. Some programs outside of drug and alcohol funded services are also facilitating integration with these services. For example, NSW Health's Adult Survivors Program is a statewide program which aims to improve the health and wellbeing outcomes for adult survivors of childhood sexual abuse.

Where there are recognised complex mental health and/or alcohol and other drug comorbidity, services and supports are integrated to provide care wherever the person is engaging with the health system. This includes partnership between violence, abuse and neglect, mental health, alcohol and other drugs, Aboriginal health and community support services. NSW Health works closely with other government agencies including the NSW Department of Communities and Justice, NSW Police and NSW Department of Education, with the aim of strengthening coordination between service systems.

The Government response to the Special Commission of Inquiry into the Drug 'Ice' (Ice Inquiry) included funding to support more integrated and coordinated alcohol and other drug treatment and support for people with multiple and complex needs.

Information about each local health district's new and enhanced services funded as part of the Ice Inquiry response is provided below.

Addressing unmet need

Addressing service gaps refers to ensuring targeted, person-centred options are accessible and tailored to the needs of people seeking treatment and support. Removing barriers such as stigma; cost; lack of appropriate, accessible or culturally safe services; and distance are critical to ensuring people's unique needs can be met.

The Ice Inquiry highlighted the extent of unmet need for alcohol and other drug treatment across NSW. As part of the NSW Government's response to the Inquiry, there has been a greater investment in meeting demand across NSW, particularly in regional and rural areas and for priority population groups.

Every local health district and specialty health network has received new funding to meet local needs, with establishment or enhancement of a range of services. Thirty-five new treatment and support services have been funded, delivered by non-government organisations and Aboriginal community-controlled organisations, ensuring more culturally safe services for Aboriginal people. Of these, 86% are in regional and rural areas.

Funding has enabled a major expansion of the Magistrates Early Referral Into Treatment (MERIT) program enhancing existing services and establishing new services. The NSW Drug Court has expanded with a new court established in Dubbo in 2023, and a two-stage process to expand operations at Sydney Drug Court.

The NSW alcohol and other drug workforce

The NSW alcohol and other drugs sector is supported by a committed and dedicated workforce, across a range of different roles. A recent census of the NSW Alcohol and Other Drugs Workforce identified approximately 2,935 reported positions across 2,574 total full-time equivalent (FTE) roles. Public sector services employ 57% of workforce, with NGOs employing 43%.

Some services are experiencing challenges in attracting, recruiting and retaining a qualified workforce. In collaboration with the sector, NSW Health developed an alcohol and other drugs Workforce Strategy, which seeks to plan for and address current and future gaps to enable a sustainable and engaged workforce. As part of this work, NSW Health is developing an attraction campaign which highlights the benefits of working in the alcohol and other drugs sector.

Following the Ice Inquiry, NSW Health committed to growing and developing the lived and living experience and Aboriginal workforces. Lived and living experience workers (also known as the peer workforce) and Aboriginal workers are an integral part of service delivery. NSW values the wisdom and experience of people with lived and living experience and Aboriginal employees in delivering sensitive, culturally competent and safe services.

Table 1: Ice Inquiry funding update - new and enhanced NGO and LHD services and programs by local health district

District	Services and/or programs	Provider and/or location
Hunter New England	Residential rehabilitation and withdrawal management for young people 12-17 years	The Ted Noffs Foundation (Hunter region- location to be confirmed)
	Post-Custodial Support Program	Odyssey House in partnership with Drug and Alcohol Health Service (Hunter Valley)
	AOD Treatment and Support Hub for priority populations	Social Futures (Singleton) St Vincent de Paul (Armidale)
	Improved access to Hospital Consultation Liaison services	John Hunter plus 2 hospitals in development)
	Improved access to youth AOD services	New England and lower mid north coast
	Improved access to the Substance Use in Pregnancy and Parenting Service (SUPPS)	District-wide
	Child and Adolescent Drug and Alcohol Service (including inpatient, ambulatory and outreach services)	John Hunter Children's Hospital (Newcastle)
	Magistrates Early Referral Into Treatment (MERIT) program expansion (including new Residential rehabilitation or withdrawal management beds)	Newcastle, Taree, Muswellbrook, Scone, Raymond Terrace, Singleton, Toronto, Tamworth, Maitland, Cessnock, Armidale, Inverell, Glen Innes
Illawarra Shoalhaven	Residential rehabilitation and withdrawal for Aboriginal women (including pregnant women and/or with young children)	Waminda - South Coast Women's Health and Wellbeing Aboriginal Corporation (South Nowra)
	Day rehabilitation and/or counselling for young people aged 12-17 years and young adults aged 18-24 years	Lives Lived Well (Nowra)
	Counselling for young people 12-17 years and young adults 18-24 years and community-based withdrawal for adults	Directions Health (Ulladulla region)
	AOD treatment and support Hub for priority populations	Australian Community Support Organisation (Shellharbour)
	Safe Assessment Unit	Shellharbour Hospital
	Social worker in violence, abuse and neglect for public AOD services	Illawarra Shoalhaven LHD District-wide
	Assertive Case Management service	Wollongong

District	Services and/or programs	Provider and/or location
	Methamphetamine case management support for OTP consumers (social worker and registered nurse led)	Nowra and Wollongong
	Expansion of the mobile van treatment team to include AOD	District-wide
	Expansion of SUPPS	In development
	Increased access to youth AOD counselling	Shoalhaven
	Increased access to general AOD counselling	District-wide
Mid North Coast	Community based withdrawal management, case management and counselling	The Buttery (community withdrawal management outreach to where a client may see their GPs and other locations and telehealth)
	Youth day rehabilitation	The Buttery (Port Macquarie)
	Post-Custodial Support Program	The Buttery (Port Macquarie, Kempsey, Coffs Harbour)
	AOD treatment and support hub for priority populations	Aboriginal Community Housing (Kempsey)
	Improved access to inpatient withdrawal management	Port Macquarie Base Hospital
	Multi-disciplinary team providing in reach and outreach support	Port Macquarie, Kempsey and Coffs Harbour
	Methamphetamine case management support for OTP consumers (registered nurse led)	District-wide
	Expansion of SUPPS	District-wide
	Magistrates Early Referral Into Treatment (MERIT) program expansion (including new residential rehabilitation or withdrawal management beds)	Coffs Harbour, Port Macquarie, Macksville, Kempsey
Northern NSW	Day rehabilitation and case management for people with dependent children	The Buttery (Lismore, Tweed, Casino and Byron Bay)
	Community based withdrawal management, case management and counselling	The Buttery (Binna Burra and outreach to client GPs and other locations and telehealth)
	Post-Custodial Support Program	The Buttery (Grafton, Ballina, Byron Bay, Lismore, Tweed Heads)
	AOD treatment and support hub	The Buttery (Nimbin)

District	Services and/or programs	Provider and/or location
	Medical workforce expansion and Clinical Leadership and Traineeship Program	In development
	Establishment of SUPPS services across three locations	Tweed Byron Ballina Richmond Grafton
	Hospital Consultation Liaison expansion (afterhours and weekend service provision)	Lismore, Tweed, Clarence, Byron/Ballina
	Expansion and integration of youth AOD services with child and adolescent mental health services	Tweed, Byron, Ballina, Richmond, Grafton
Southern NSW	Community based withdrawal management, case management and counselling for priority populations	Directions Health (Bega and Eurobodalla regions)
	Day rehabilitation and case management for people with dependent children	Karralika Programs (Queanbeyan-Palerang and Cooma LGAs)
	Counselling for young people 12-17 years and young adults 18-24 years	Directions Health (Queanbeyan and Goulburn regions Bega region)
	Post-Custodial Support Program	Directions Health (Goulburn, Moruya, Yass, Batemans Bay, Bega, Eden, Cooma)
	AOD treatment and support hub for priority populations	Directions (Bega and Eden) Grand Pacific Health (Queanbeyan)
	AOD hospital consultation liaison team expansion	District-wide
	Assertive Case Management expansion	Eurobodalla and Bega Valley
	SUPPS establishment	Bega Valley, Eurobodalla, Monaro and Tablelands
	Magistrates Early Referral Into Treatment (MERIT) program expansion (including new Residential rehabilitation or withdrawal management beds)	Goulburn, Yass, Batemans Bay, Bega, Moruya, Narooma
Murrumbidgee	Community based withdrawal management, case management and counselling for priority populations	Directions Health (Outreach from Wagga and Griffith regions)
	Post-Custodial Support Program	Directions Health (Wagga Wagga, Griffith)







District	Services and/or programs	Provider and/or location
	Post-Custodial Support Program for Aboriginal people	Riverina Medical and Dental Aboriginal Corporation (RivMed) (Wagga Wagga, Junee, Tumbarumba and surrounds)
	Counselling for young people aged 12-17 years and young adults aged 18-24 years	Karralika Programs (Griffith, Temora and Narrandera Wagga Wagga/Hilltops and surrounding areas)
	AOD treatment and support Hub for priority populations	The Salvation Army (Wagga Wagga)
	SUPPS workforce expansion	In development
	Magistrates Early Referral Into Treatment (MERIT) program expansion (including new residential rehabilitation or withdrawal management beds)	Griffith, Leeton, Narrandera, Albury, Corowa
Nepean Blue Mountains	Day rehabilitation for young people 12-17 years and young adults 18-24 years	Lives Lived Well (Lithgow)
	Safe Assessment Unit	Nepean Hospital (Kingswood)
	AOD hospital consultation liaison team expansion	Nepean Hospital (Kingswood)
	Establishment of Lifespan Clinic for better diagnosis and treatment of health outcomes known to be associated with methamphetamine across the lifespan (including SUPPS methamphetamine clinic, paediatric and adolescent clinic, neurodiversity clinic and cognitive clinic)	Hospital TBC
	Magistrates Early Referral Into Treatment (MERIT) program expansion	Katoomba, Penrith, Windsor, Lithgow
Central Coast	Day rehabilitation and case management for people with dependent children	Yerin Eleanor Duncan Aboriginal Health (Wyong)
	SUPPS enhancement	District wide
	AOD hospital consultation liaison team expansion	Gosford Hospital and Wyong Hospital
	Assertive Community Management service establishment	Outreach
Far West NSW	Day rehabilitation for young people 12-17 years and young adults 18-24 years	Mission Australia (Broken Hill)
	Integrated model of care (ambulatory detox, 'Sober Up', and focus on homeless people)	Broken Hill and Buronga

District	Services and/or programs	Provider and/or location
	Expansion of virtual health/telemedicine services	District-wide
	Magistrates Early Referral Into Treatment (MERIT) program expansion	Wentworth
Western NSW	Post-Custodial Support Program for Aboriginal people	WACHS: Wellington Aboriginal Corporation Health Service (Dubbo region)
	AOD treatment and support hub for priority populations	Orange Aboriginal Medical Service (Orange, Bathurst, Cowra)
	Establishment of an integrated mental health and drug and alcohol acute care virtual service	District-wide (plus ad hoc in person clinics with hospitals and multi-purpose services)
	Expansion of the virtual Community Mental Health Team to include specialist AOD staff	District-wide (i.e. virtual and outreach)
	Magistrates Early Referral Into Treatment (MERIT) program expansion (including new Residential rehabilitation or withdrawal management beds)	Mudgee, Bourke, Brewarrina, Walgett
Sydney	AOD treatment and support hub for priority populations	Bill Crews Foundation (Ashfield) Mission Australia
	Counselling for young people 12-17 years and young adults 18-24 years exiting custody	Community Restorative Centre (CRC) (Based in Canterbury with assertive outreach to Greater Sydney Metropolitan region)
	Addiction psychiatry support	LHD outreach to three women's residential rehabilitation centres (locations withheld)
	Hospital Consultation Liaison expansion	Canterbury Hospital, Concord Repatriation General Hospital and Royal Prince Alfred Hospital (Camperdown)
	Establishment of a centralised intake and virtual care hub	District-wide (i.e. telehealth, virtual)
	Expansion of integrated services for women/parents with children	District-wide
	Youth AOD treatment and support expansion	Outreach
	Drug Court program	District-wide
	AOD treatment and support Hub for priority populations	Gandangara Aboriginal Health Services

District	Services and/or programs	Provider and/or location
South Western Sydney	Counselling for young people 12-17 years and young adults 18-24 years exiting custody	Community Restorative Centre (CRC) (Liverpool, Fairfield, Bankstown)
	Expansion of Aboriginal AOD services	SWSLHD Drug Health Services SWSLHD Aboriginal Chronic Care, Tharawal AMS, Gandangara Health Services AHS (Liverpool)
	Establishment of an AOD and Mental Health Care Navigation team	In reach/partnership arrangements with LHD Hospitals, Drug Health Services, Mental Health Services and local non-government organisations
	Expansion of youth services	District-wide (i.e. digital and virtual care and support)
South Eastern Sydney	AOD hospital consultation liaison team expansion	Prince of Wales Hospital (Randwick), St George Hospital, Sutherland Hospital and Sydney Eye Hospital
	SUPPS enhancement	Langton Centre, Sutherland, and St George
	Safe Assessment Unit	Prince of Wales Hospital
	Drug Court program	Downing Centre, Sydney Court
Western Sydney	Establishment of an inpatient withdrawal ward	Blacktown Hospital
	AOD hospital consultation liaison team expansion	Westmead Hospital and Blacktown Hospital with outreach to Mt Druitt Hospital, Auburn Hospital and Cumberland Hospital
	Counselling for young people 12-17 years and young adults 18-24 years	Community Restorative Centre (Parramatta, Blacktown, Mount Druitt)
Northern Sydney	Assertive Case Management establishment	Royal North Shore Community Health Centre, St Leonards
	Expansion of the integrated Hospital Consultation Liaison and SUPPS service	District-wide
	Expansion of specialist co-morbidity services for AOD consumers	Hornsby Hospital and Northern Beaches Community Health Centre (Brookvale)
	Intake capacity expansion	District-wide
	Expansion of community counselling services for AOD consumers	District-wide
	Drug Court program	District-wide
St Vincents Hospital Network	Triage, Rapid Assessment and Collaborative Care model (TRACC)	Darlinghurst
	An overarching model of care that aims to meet the needs of complex vulnerable populations accessing SVHN and the wider community	
Sydney Children's Hospital Network	CICADA Adolescent Drug and Alcohol Service expansion	The Children's Hospital at Westmead and Sydney Children's Hospital (Randwick)
	Multi-disciplinary, early intervention AOD service at the Children's Hospitals for 11-17	

District	Services and/or programs	Provider and/or location
	year olds with moderate to severe substance use.	
Justice Health NSW	Expansion of AOD interventions to people in custody, including those on remand in NSW prisons Enhancement of adolescent mental health and AOD services	Multiple locations across NSW
State-wide	Counselling for young people 12-17 years and young adults 18-24 years exiting custody	Community Restorative Centre (state-wide virtual care)

Snapshot of NSW Health's Ice Inquiry implementation progress

<p>NGO Services</p> 	<p>5 new post custodial support services funded, 2 services are run by Aboriginal Community Controlled Organisations (ACCOs) specifically for Aboriginal people, all services are in rural and regional areas</p>	<p>3 residential rehabilitation services have been funded in NSW. One for young people, one for Aboriginal women (including pregnant women and/or with young children) and one family recovery centre. 2 of these services are in rural and regional health districts.</p>	<p>15 new Treatment and support services funded including day rehabilitation, withdrawal management, case management, and counselling for priority populations including for Aboriginal people, people with dependent children, pregnant women and young people.</p>	<p>12 AOD Hubs funded to provide integrated care, 3 services are run by ACCO's specifically for Aboriginal people and 9 are in rural and regional health districts.</p>
<p>Workforce</p> 	<p>1 NSW AOD workforce census report, this inaugural data set provided vital information on the composition and gaps in the workforce</p>	<p>1 NSW AOD workforce strategy completed and published</p>	<p>Hundreds of scholarships funded, as targeted SCI workforce activities. Training delivered in Walgett, Wagga Wagga and Coffs Harbour for up to 48 staff of ACCOs</p> <p>1 NGO funded to deliver lived experience workforce development and support activities</p>	<p>1 Employee Value Proposition (EVP) in development by Brand Council in conjunction with a cross-sector working group</p>
<p>Diversion</p> 	<p>Funding allocated to deliver health services for the expansion of MERIT to 13 existing courts and 30 new courts</p>	<p>Phase 1 and 2 of Sydney (Downing Centre) Drug Court expansion have commenced with additional court sitting days and an expanded participant catchment area</p>	<p>4 Agencies (The Department of Communities and Justice, NSW Police, NSW Health, and Revenue NSW) commenced the Early Drug Diversion Initiative in February (EDDI is a program providing opportunities for people with low level drug offences to engage in health services)</p>	<p>Increased funding to 30 NGOs providing residential rehabilitation for MERIT and Drug Court participants</p>
<p>LHD services</p> 	<p>19 new services and 23 expanded services across NSW</p>	<p>At least 300 FTE funded across the services with 33 Aboriginal and 26 Lived and Living Experience identified roles.</p>	<p>1 new Child and Adolescent AOD service established in HNE for young people affected by AOD and other complex health and social needs</p>	<p>3 new Safe Assessment Units (SAU) funded. Units in South Eastern Sydney and Nepean Blue Mountains are expected to start seeing patients in 2024/25</p>
<p>Research and Evidence</p> 	<p>6 NGO Research and Evaluation Capacity Building Grants awarded, 5 in regional areas</p>	<p>4 organisations have been funded to enhance drug surveillance capability and early warning systems in NSW</p>	<p>1 interactive mapping tool for service planning to be launched in 2024</p>	<p>7 evidence reviews commissioned</p>
<p>Other</p> 	<p>2 Key prevention and education initiatives commenced</p> <p>4 new prevention grants for ACCOs</p>	<p>1 Aboriginal Strategic Collaboration Group established to support the creation of culturally safe policies and services</p>	<p>1 Information, Access and Support program consultation and overarching approach completed and implementation design phase underway.</p>	<p>1 Family, Carers and Friends project entering implementation stage</p>