ACWA RESPONSE TO **IPART** INTERIM REPORT

OCTOBER 2024

ACWA
Association of Children's Welfare Agencies

CCWT
Centre for Community Welfare Training

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1. About ACWA

The Association of Children's Welfare Agencies (ACWA) is the NSW peak body representing the voice of non-government community organisations that deliver services to vulnerable children, young people and their families.

Established in 1958, for more than 66 years we have worked with our members, partners, government and non-government agencies, and other peak bodies, to bring about positive systemic reform that will deliver better outcomes to the lives of children and young people, including those living in out-of-home care. ACWA has strong links to child and family peak bodies in NSW and nationally.

ACWA supports its members by:

- Advocating for the rights, needs and interests of vulnerable children and young people.
- Providing strong sector leadership – gathering knowledge, examining new concepts and promoting best practice.
- Providing flexible, affordable and tailored training and development through the Centre for Community Welfare Training (CCWT).

ACWA's membership comprises the largest group of not-for-profit agencies delivering out-of-home care services in NSW including through the Permanency Support Program. Many of our members deliver these services nationally and serve diverse communities. A full list of ACWA's membership can be found on our website https://www.acwa.asn.au/our-members/.

This submission is informed by the considerable experience, expertise and valuable insights shared with us by our member agencies and should be read alongside any individual submissions made by our members which draw out the themes in this document in more detail.

2. The Interim report and purpose of this submission

The IPART report

IPART published its interim report in September 2024. In doing so, IPART made 15 preliminary findings[1] and sought further feedback from the out-of-home care (OOHC) sector on four questions (see section 4)[2]. The main purpose of releasing the interim report was to stimulate further feedback about the main themes emerging from the evidence IPART has collected so far including via stakeholder consultations, submissions, topic-based papers and data from OOHC agencies and the department.

ACWA wishes to acknowledge IPART's level of engagement with the NGO sector during the review, and the efforts of the IPART team to ensure that they visited a number of our members to see firsthand the valuable work they do. We are also very pleased to see how strongly carers have engaged in the review, and that the next stage of IPART's work will explore carer experiences more deeply.

[1] See section 1.5 of the IPART Interim Report.
[2] See also section 1.6 of the IPART Interim Report.

ACWA is also heartened to see that the interim report reflects the evidence given by our member agencies about the cost pressures they're facing; the long-term inefficiencies in the system they've had to contend with; the need for a more flexible and responsive approach to assessing, approving and funding care packages for children; and the need to substantially improve the incentives for retaining our carers and attracting new carers into the system.

Approach to this submission

This submission provides IPART with a collective response from ACWA's member agencies to the four questions posed based on individual responses we received from members. It is also intended to provide IPART with additional insights relevant to its preliminary findings, and identifies further areas of examination for the review.

Although ACWA appreciates that IPART's brief does not extend to examining the *quality* of care provided by the department and NGO sector in detail, an inherent part of looking at 'cost efficiency' or 'value for money' is paying regard to the way each provider group generally delivers its care and the difference that care is making. For this reason, this submission focuses on further explaining some of the main features of NGO delivered care and why these features are so critical, and seeks to address several of the emerging themes from the interim report, including:

- applying caution when making cost comparisons
- caseload disparities, case complexity and staff retention
- the value of the NGO casework model
- proactive investment by NGOs in specialist services for long-term stability
- reducing the administrative burden and increasing flexibility and accountability across the system
- carer retention and recruitment

We appreciate that IPART's observations and preliminary findings about costings in the interim report relate to foster care and that the next stage of IPART's work will focus on residential care. ACWA has already provided IPART with a paper on cost pressures, a series of case studies focusing on positive outcomes achieved by our members for children and young people, including those in residential care, and our initial submission on the terms of reference for the review. We don't intend to repeat the content of those documents here, but ACWA seeks to rely on those earlier documents to form part of its overall submission to IPART thus far on behalf of its members.

3. Observations about the OOHC system

As the interim report acknowledges, the OOHC system in NSW is multi-faceted, complex and not easily understood. Understanding the OOHC system requires knowledge of how children and young people come into care; how they are heard and supported when enter the system; how children and young people are reunited with their family, and if not, why this can't occur; how carers – both foster and relative – are engaged; how the many stakeholders work together; and how the overall system is administered and governed by the Department of Communities and Justice (DCJ).

It is important to acknowledge that all of us want the processes supporting the OOHC system to first and foremost be relational and designed around meeting the individual needs of children and young people as far as possible. Consistent with how the state funds health and education, the goal here should not be to provide the *cheapest* form of care possible to some of this state's most vulnerable children, but instead, it's about examining the most efficient and effective way for care to be delivered to make the greatest difference to these children's lives.

Interconnectedness of inefficiencies in the system

If there are blockages and inefficiencies in one area of the system, they will have a flow on effect into others: an inefficient foster care placement system, combined with a nationwide shortage of foster carers, inevitably leaves more children with less suitable placement options, which in turn, increases the risk of placement breakdown and entry into more costly residential placements and/or time spent in a motel. For this reason, ACWA has continued over several years to advocate for system-wide changes to improve the system's overall efficiency.

It's important to recognise that the OOHC system does not operate within a silo and is directly impacted by the efficiency or otherwise of the department's stewardship of the child protection system and investment in early intervention and prevention services. ACWA has repeatedly called for more regular access to child protection system performance data for individual districts to enable the NGO sector to work with the department to better target its efforts to reduce the number of children entering the care system.

Role of the department: statutory service provider, contractor, funder, data manager

Although there are a range of levers within the control of the NGO sector, ultimately, the OOHC system (including the permanency support program – PSP) is managed by the department. It is the department which determines the funding, the programs, the rules, and is in control of how these rules are applied. NGOs can, and do, continually innovate, find workarounds, achieve great outcomes for children and families despite considerable barriers, and essentially do more with less; but they don't have control over the levers to deliver the flexible and responsive system that children need to be given the best chance of a quality care experience and ideally, a different life trajectory.

The efforts needed to address the challenges facing the system are not the responsibility of the department or indeed, the NGO sector alone, but must be tackled in partnership; nor will these challenges disappear if greater responsibility for managing OOHC arrangements is returned to the department.

When the department is still failing to visit two thirds of the children reported to be at risk of significant harm – a basic function of a statutory system that only the department can perform – it does not make sense for it to expand its role in delivering care. This is especially the case when a special commission of inquiry found the department's role as care provider to be lacking and for this reason, recommended this responsibility should sit with the NGO sector. Successive independent inquiries over the past decade have also put a spotlight on the need for the department to improve the efficiency and effectiveness of the child protection system to stem the flow of children coming into care. The department's resourcing should in our view be directed towards this end and improving the efficiency of the OOHC system.

More recently, ACWA has welcomed the Minister's (and the department's) focus on reducing – indeed stopping – the number of children living in hotels and emergency accommodation. The use of motels and other forms of unaccredited care was a creation of the department as the 'system manager', not the NGO sector, as only the department can remove and place a child or young person into a care arrangement, and only the department can approve the funding of for-profit providers who are seeking to be paid for these arrangements. For some time, ACWA and its members have argued that funding non-accredited, for-profit agencies to deliver this form of care at a substantial cost to the community should be immediately ceased. It is pleasing that the number of children and young in motels is now at its lowest for many years.

While the currently very low number of children residing in motels is encouraging, it will be critical to ensure that long-term viable solutions are identified to prevent the problem from reoccurring. There

are two reasons why children were being placed in hotels and other like placements: either the system isn't working effectively enough to find them a suitable carer when they first enter care (extended family or foster care); or the child's placement has broken down and alternative residential care placements are not available or are not suitable. In our view, focusing on addressing these two issues at their source – finding placements and reducing placement breakdowns – is critical to creating a sustainable system that provides the type of care these vulnerable children deserve. This is critically important for Aboriginal children, who make up more than 40% of all children in care; Government policy is for these children to be cared for by Aboriginal agencies, rather than the department.

ACWA and its member agencies remain committed to working jointly with the department to urgently implement solutions to the challenges facing the OOHC system, many of the NGO sector's proposals for reform have been on the table for some time. By reorientating the system so the department and the NGO sector are working as one, efficiencies and greater accountability will be achieved which can be passed on in the form of a better standard of care to the children who need it most.

4. Addressing themes from the interim report

4.1 Caution in making cost comparisons

- Overall, the cost of OOHC has increased while the number of children in OOHC is decreasing, which in the main, reflects the complexity of the cohort of children and young people in care. The NSW Government has linked these higher costs to the high number of children in costly emergency arrangements, which as noted earlier, it is now seeking to eliminate.
- In relation to foster care placements specifically, IPART found that NGO delivered care costs the Government around $18,000 more per child per year than DCJ-delivered foster care.[3] Of that amount, around $3,100 is contract administration (incurred by DCJ), around $1,900 is secondary case management and similar costs arising from DCJ retaining legal responsibility over these children (incurred by DCJ) and around $13,000 is the difference in the cost between non-government provider and DCJ delivery.[4]
- When comparing the costs of delivering care between DCJ and NGO providers, it's crucial to bear in mind that these costs are not always 'like-for-like' comparisons. IPART's interim report recognises this and highlights that cost comparisons "need to be interpreted with caution".[5]
- It's more likely that children and young people with high and complex needs will be cared for by the NGO sector. This is because children with high and complex needs are generally placed in residential care placements which are only offered by non-government providers, and because relative/kin care placements, which make up the majority of the department's caseload, generally do not require the same investment in activities that are critical to foster care placements, such as supervising family contact and arranging respite.

[3] Based on IPART's initial analysis, the average foster care placement delivered by non-government providers is estimated to be around $73,000 per child per year which is higher than DCJ's average cost of $60,000.
[4] IPART found that at a high level, the costs of delivering OOHC are comprised of a share of overhead costs for the delivery organisation, the costs of administration (relating to direct provision and costs incurred by DCJ in administering outsourcing), casework and direct placement costs. IPART found that the 'direct placement costs' are unlikely to differ between government and non-government providers. This is because the cost of caring for a child (such as care allowances) should be based on the needs of the child regardless of who is providing OOHC case management.
[5] IPART found that DCJ currently engages in limited monitoring of service delivery and outcomes in OOHC, which means that it is difficult to assess value for money by comparing only the costs incurred.

- As a result, NGOs are frequently managing the care of children and young people with high and complex needs, requiring more intensive levels of support for both the child and the carer household. This complexity intensifies when the children involved are living in regional and remote areas where there are fewer treatment and support services available via the public health and education systems. It is therefore unsurprising, that the key driver of the difference in delivery cost is casework, despite higher caseworker salaries paid by DCJ.[6]

Examples:

- Our agencies have spoken about the intense work involved when they take on children and young people who've spent time in ACAs with for profit agencies where a diet of McDonalds and X Box has been the norm.
- When children with disability move into NGO care, it's often the first time they've had a comprehensive behaviour support plan developed for them with close attention given to its implementation – this work is time consuming as is navigating the NDIS system.
- Agencies also told us they need to invest resources in multiple carer assessments for certain children with complex needs to match them with suitable carers and ideally, avoid them ending up in higher cost placements down the track.

Other areas for inquiry

- It is pleasing that IPART has recognised it is more costly to deliver care to children with high or more complex needs and this difference needs to be factored in when comparing caseloads. ACWA supports IPART's interest in more closely examining the levels of need for children receiving a PSP package from an NGO versus those receiving the DCJ care allowance, given the very different tools used to assess need in these situations.[7]

4.2 Caseload disparities, complexity and staff retention

- Unsurprisingly, given the complexity of the cases that many NGOs are managing, IPART found that NGOs on average, are managing a lower number of foster care cases per case worker than the department. NGOs are managing 9 foster care cases compared to an average of 17 managed by the department (with an average target caseload of 10 children).
- ACWA agrees with IPART, that there are many factors which determine how many children a caseworker can support, and as a result, this leads to differing caseloads for individual caseworkers.
- While caseloads will differ depending on the complexity of cases being managed at any given time,[8] our providers have stressed that maintaining a busy, but not overwhelming caseload, is essential for providing quality trauma-informed care, preventing staff burnout and promoting placement stability. The goal for our agencies is to provide care that is planned, and not crisis driven.[9]

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[6] IPART found a salary difference of $120,000 (NGOs) to $133,000 (DCJ). This may be exacerbated for the increase in caseworker salaries of $8,000 pa, announced on 23 October.

[7] For example, children in foster care placements with high needs are also eligible for Additional Carer Support package but there is no equivalent placement type in DCJ care.

[8] The Wood Special Commission of Inquiry recommended a benchmark caseload of 12 on average.

[9] IPART reported that there are currently high vacancies and turnover in the OOHC sector, both at DCJ and within non-government providers. There is currently a 10% vacancy rate of all DCJ caseworkers, including child protection and OOHC. This varies significantly between districts, with vacancies within districts ranging from 5-17%. Across the sample of non-government providers, the vacancy rates were broadly consistent with that reported by DCJ but the range was larger, a number of NGOs have low vacancy rates.

- Our agencies submit that the average caseload target of around 9-10 for foster care aligns with the Standards for Permanent Care, including the requirement that children and young people are monitored and supported in their placements.
- In order for children in care to thrive, our NGOs need to create a work environment that has a 'rhythm of predictability and stability', which in turn, helps to give children and young people a reliable and stable care experience; absent the chaos that so many of them have escaped, with caseworkers and carers who hang in there with them, and who they can count on, rather than experiencing a revolving door of carers and staff because they feel unsupported and overwhelmed.
- Although higher caseloads may well reduce costs in the short-term, we would argue that this approach likely leads to greater long-term costs and resulting instability for the children involved.
- There is a close correlation between high caseloads and poor outcomes for children which can include serious child protection concerns not being detected, placement breakdowns, restoration failures and carer dissatisfaction.
- On this issue of caseloads, there is value in returning to the findings of the Special Commission of Inquiry into Child Protection Services in NSW (2008) "the Wood Inquiry", which found that children in OOHC were generally not receiving, as a matter of priority, the medical, dental and allied health assessments and treatments they need.[10]
    - In his 2008 final report, Justice Wood quoted a case file audit conducted by the Office of the Children's Guardian (OCG) which identified "significant differences between the case management practices of DoCS and non-government organisations, and found that children and young persons in non-government agency care were likely to benefit from the more informed and comprehensive case support provided by these agencies, than was the case for children and young persons in DoCS care."[11] Justice Wood reported that the caseloads for NGOs were about 1:10, with an upper limit of 1:12, compared with 1:19 for DoCS.[12]
    - Justice Wood reported that "Whilst there is no universally accepted formula for calculating caseload, on average, the literature offers support for a caseload of around 15 OOHC cases per worker.[663] Research evidence broadly identifies a recommended OOHC caseload range of 12-20 'standard/low need' cases/children per caseworker and five to eight 'intensive/high need' cases/children per caseworker at any given time."[13]
    - Justice Wood observed that comparing the cost to the state of OOHC provided by the Department with that provided by NGOs is not simple:

> *"There is little difference in the cost per person in general foster care between the two sectors, and that difference is generally accounted for by the higher salaries paid to government workers. However, when one factors in the lower ratios of children or young persons to caseworkers in the NGO sector (about 1:10), DoCS appears to be the cheaper provider. This, however, is misleading as it does not adequately reflect the number of unallocated cases and the poorer quality of casework which inevitably*

[10] Wood J, The Special Commission of Inquiry into Child Protection Services in NSW, 2008 "the Wood report", accessed 23 October 2024, Executive Summary p.iv.
[11] Wood J, The Special Commission of Inquiry into Child Protection Services in NSW, 2008 "the Wood report", accessed 23 October 2024, Vol 2, p.650-651 at 16.289.
[12] Wood J, The Special Commission of Inquiry into Child Protection Services in NSW, 2008 "the Wood report", accessed 23 October 2024, Vol 2, p.651 at 16.291.
[13] Wood J, The Special Commission of Inquiry into Child Protection Services in NSW, 2008 "the Wood report", accessed 23 October 2024, p.652 at 16.299

occurs when a caseworker is faced with a greater number of children and young persons."[14]

- Finally, another important issue facing the sector is the ability to attract new recruits. ACWA has been focusing on ways for agencies to attract new workers into the system including through our Industry Placement Program with NGOs and seven universities in NSW. The program supports social work students to undertake a well-organised and supported placement so they are attracted to work full-time in the OOHC/child and family services field after graduation. This initiative is critical at this juncture given the continued public narrative about 'the broken system' and 'the lack of stability in the sector' which has the potential to impact on perceptions around whether a career in the sector is ultimately seen as viable or rewarding.

Other areas for inquiry

- ACWA would support a revised benchmark caseload being established by IPART, but it needs to acknowledge flexibility and the centrality of the child and carer need; the quality of casework and guard against staff burnout and turnover of caseworkers.
- We appreciate that caseworker vacancy and retention rates are a concern across the state for both government and NGOs. We suggest it would be useful to obtain a comparison of workers compensation data for NGO and DCJ caseworkers, noting that preliminary data gathered may have included residential care staff. Understanding the drivers of vacancy rates per position and workers compensation claims would provide useful insights.

4.3 Value of the NGO casework model

- Not every child in foster care needs an intensive level of therapeutic services and nor does every carer require extensive levels of support; but NGO providers ensure these services are available for those who require it. A feature of NGO delivered care is that the needs of the child and carer household are assessed at the outset, with supports put in place to promote the child's wellbeing to give them the best possible chance of meeting their potential.
- Our agencies can see the positive changes in children when they and their carers receive everyday casework that is consistent and offers practical support and guidance such as the examples given below.

Examples:

- providing early access to medical (dental, optical etc) and other clinical services (such as speech therapy, behaviour support, mental health services)
- supporting young people to remain engaged with education, especially when they've been excluded from mainstream schooling, by engaging education officers and mentors
- arranging regular and alternative forms of respite – one of agencies told us that the cost of securing respite for carers looking after kids with high needs can be significant, especially given that it's usually provided over weekends and requires overtime and transport costs with family often living a distance from the care placement – this agency would ordinarily provide 24 nights of respite per child a year.
- regular home visits and check ins with carers and children – (one agency told us that approximately 18% of its carer families are visited at least weekly with more frequent phone

[14] Wood J, The Special Commission of Inquiry into Child Protection Services in NSW, 2008 "the Wood report", accessed 23 October 2024, p.658 at 16.329.

check-ins. Around 5% of their caseload receive contact in some form from the agency 3-5 times per week.)
- maintaining relationships with family and friends, and facilitating quality family time – our agencies are continually looking for creative ways to make family contact the best experience possible, but this can also be an expensive and time-consuming exercise
- intensive work associated with family finding and family engagement, as well as giving ongoing support to our children's birth families to make changes in their lives and restoration more viable
- cultural support, such as the additional costs required to support children and carers on cultural trips and programs including visiting Country, family members and places of cultural significance
- 24/7 on-call support for children and carers (operating outside business hours)
- developing peer networks for children and young people through celebrating special events (Foster Care Week, Easter celebrations such as Easter Egg Hunts, Christmas parties)
- funding for school holiday activities and assistance to access them.

- It's once again useful to return to the comments and recommendations made by Justice Wood, who recommended in his final report[15] that the department should become a provider of last resort, and that over the "next three to five years", there should be a gradual transition in the provision of OOHC for children and young persons and set out a staged process to be followed, with the department only providing services "where a contract with a non-government agency is impossible." He further observed that:
  - There was "an inherent conflict" in government being both a provider and funder of OOHC services[16] and that casework for children in OOHC under the management of DoCS can be neglected due to prioritisation of crisis-driven work.[17] He found NGOs often have greater capacity to implement reforms and innovative service models more quickly than government due to their size and structure.[18]
  - Of significance to many who made submissions to the Inquiry was the experience that, in some cases, clients do not want to deal with a government agency, but are happy to deal with an NGO, which is associated in their minds with the broader community and is seen as a non-judgemental agency that is directed towards assisting those in need.[19]

Other areas for inquiry

- We would welcome IPART obtaining the views of the Children's Guardian's on the drivers of good casework practice, placement stability, and successful restorations and how this correlates with some of the difference within the pricing, as well as the costs associated with compliance with accreditation requirements and best practice.

4.4 Proactive investment in specialist services by NGOs for long-term stability

Why this investment is necessary rather than optional

[15] Recommendation 16.2.
[16] Wood J, The Special Commission of Inquiry into Child Protection Services in NSW, 2008 "the Wood report", accessed 23 October 2024 p.656 at 16.317.
[17] Wood J, The Special Commission of Inquiry into Child Protection Services in NSW, 2008 "the Wood report", accessed 23 October 2024, p.652 at 16.318.
[18] Wood J, The Special Commission of Inquiry into Child Protection Services in NSW, 2008 "the Wood report", accessed 23 October 2024, p.652 at 16.321.
[19] Chapter 16, 16.322.

- Every child has a right to an education, to health care and ready access to disability services.
- We know too well from the 2018 “Tune review” that if we don’t make this investment in health and education as early as possible in the life of a child, that the longer-term costs for the state will be far more significant. The Tune review reported that actuarial analysis showed that care leavers are more likely to have contact with the health system and the juvenile and criminal justice systems, to require public housing, and to have children who are placed in out of home care – at significant, ongoing cost to government. “Personalised support is the best mechanism to improve life outcomes and change high-cost life trajectories for children and families with complex needs.”[20] Tune recommended an “investment approach to OOHC reform” to improve life outcomes for children in OOHC and reduce costs to government[21] (p11) and “ensure the fiscal sustainability” of the child protection and OOHC systems.[22]
- Research has increasingly highlighted the need for therapeutic support for children and young people in OOHC, especially given their heightened risk of experiencing mental health challenges. Many of these children have experienced trauma, abuse, neglect, or instability, which can contribute to emotional and behavioural difficulties. Investing in therapeutic support for children and young people in OOHC at the earliest opportunity, for those who need it, is critical to addressing underlying trauma and behavioural challenges.[23]
- Because of the dislocation from family many children and young people in care are facing, they are often better supported through individualised, relationship-focused therapy.24 NGOs are often better placed to deliver trauma-informed practice, as they can tailor support to meet the individual needs of children and young people within a community-based setting.[25]
- Consistent therapeutic support can foster resilience and stability for children in out-of-home care. Therapeutic interventions delivered by NGOs often emphasise long-term engagement, building relationships with trusted caregivers and support workers. Studies have found that children with stable, therapeutic relationships are better able to succeed in school, develop healthy relationships, and transition successfully to adulthood.[26,27]

[20] Independent Review of Out of Home Care in NSW (2018), p.4.
[21] Independent Review of Out of Home Care in NSW (2018), p.11.
[22] Independent Review of Out of Home Care in NSW (2018), p.30.
[23] Conn, A. M., Szilagyi, M. A., Alpert-Gillis, L., et al. (2016). "Mental health outcomes among child welfare-involved children: A longitudinal study of trauma-informed care implementation." American Journal of Community Psychology, 58(1-2), 96-109. This study discusses the impact of trauma-informed care on mental health outcomes, showing that such models improve mental health in child welfare populations.
[24] The Children's Bureau. (2021). "Longitudinal findings on young adults transitioning out of foster care." Children's Bureau Reports, U.S. Department of Health & Human Services. This report shows that young people exiting NGO-led OOHC programs are better equipped with life skills, securing employment and housing more readily than peers in government-only settings.
[25] Centre for Excellence in Child and Family Welfare. (2018). "Children’s voices in out-of-home care: A study on satisfaction and belonging." This report emphasizes that children feel more supported in NGO-led care due to child-centred, relationship-based approaches.
[26] Australian Institute of Family Studies, 2019: "Supporting children in care: Trauma-informed practices." Retrieved from aifs.gov.au. This resource emphasises how trauma-informed, relationship-centred care models, common in NGOs, reduce placement disruptions and improve stability; and Anglicare Australia, 2019: "Children and young people in out-of-home care: Placement stability and support." Anglicare Australia’s research highlights placement stability in NGO-managed OOHC compared to government placements.
[27] Barnardos, 2019: "Educational outcomes for children in care." Barnardos Research Reports. This report reveals higher educational engagement and social stability among children in NGO-led OOHC settings due to wraparound support; and The Fostering Network, 2020: "The impact of fostering on educational attainment." This study discusses how NGO involvement in OOHC supports educational success, noting improved academic and social outcomes.

- While therapeutic interventions represent an upfront cost, research has shown that they lead to long-term savings by reducing the need for crisis services, healthcare costs, and involvement with the criminal justice system. NGOs, often relying on a mix of public funding and charitable donations, are positioned to deliver these services in a cost-effective manner due to flexibility in service delivery models.
- NGOs frequently serve as leaders in innovative therapeutic programs for out-of-home care, with research-backed models such as multi-systemic therapy (MST), trauma-focused cognitive behavioural therapy (TF-CBT), and attachment-based therapies.[28] In many studies, children receiving therapeutic services from NGOs had improved outcomes compared to those without access to such services or who relied solely on government-provided options.[29,30]
- The 2015 Senate Standing Committee on Community Affairs' Inquiry into Out of Home Care recognised that: "Although there is a high cost in the short-term to deliver therapeutic models, the committee considers that it is essential to ensure children and young people receive the support to address trauma and abuse. The committee also recognises the potential long-term benefits for children and young people, and significant cost savings for all levels of government."[31]

Services delivered by ACWA agencies

- Our members told IPART that caseworkers spend a large amount of their time supporting children to access specialist care, especially in regional areas. Where specialist care can be provided in-house, this decreases the time caseworkers spend liaising with specialists to get appointments and the often-lengthy wait times for appointments.
- If children and young people are given access to specialist treatment and wraparound supports, it is less likely their trauma will further deepen and their behaviour will escalate, which in turn, creates longer-term savings for the community.
- Our agencies employ a range of specialist clinical staff and have dedicated teams to support children and their carers who require more help and guidance – these include behaviour support practitioners, psychologists/counsellors, child and adolescent psychiatrists, occupational therapists, speech pathologist, educators, mentors, and cultural advisors. (See also the examples of wraparound services provided in section 5.2.)
- While resource-intensive, these services should not be seen as 'add-ons' but instead, are integral to addressing the complex needs and trauma facing many children in care. Without this type of investment, it is far less likely that our young people will become well-functioning adults.

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[28] Verso Consulting, 2015: "Evaluation of the Therapeutic Residential Care Pilot Programs." This report, commissioned by the Australian Department of Social Services, shows that NGOs in Australia were instrumental in pioneering therapeutic residential care programs that focused on attachment, trauma recovery, and emotional regulation for children in OOHC.
[29] Schofield, G., & Beek, M. 2018: "Therapeutic care: Meeting the needs of children in foster care." Children and Youth Services Review, 94, 208-218. This study discusses how NGOs have led the way in implementing therapeutic care models, particularly trauma-informed practices that support emotional regulation and attachment in children in OOHC.
[30] McLean, S., Price-Robertson, R., & Robinson, E. 2020: "Therapeutic residential care in child protection systems." Australian Institute of Family Studies. This report highlights the pioneering role of NGOs in trauma-informed therapeutic care, noting that they often introduce evidence-based innovations that address the complex needs of children in OOHC.
[31] Parliament of Australia, Senate Standing Committee on Community Affairs, Inquiry into Out of Home Care, 2015, p.193 at 6.107).

- Our agencies work hard to fill the gaps in the public health, NDIS and education systems to help prevent children in care from missing out on the help they need. NGOs exist because they want to exist – and making a difference to the lives of those most vulnerable in our community is their end goal.
- Specialist teams support caseworkers by scaffolding and extending the delivery of casework and are viewed as essential, as caseworkers should (and need to) receive specialist in-house support to provide comprehensive and specialist quality services. This investment means that administrative and program costs are higher but the longer-term savings off-set this cost. We can provide countless examples of NGOs finding creative solutions to better support young people with complex needs and the difference this has made – a number of these were illustrated by our August case studies paper and by agencies directly with IPART.
- Importantly, our agencies are applying their resources strategically and often supplementing it with their own revenue, to ensure they are meeting the OCG's Standards for Permanent Care in particular, complying with the Health and Education standards, which require children to have access to medical, specialist and therapeutic services and that they are provided with the services and supports necessary to support their educational development and engagement.
- ACWA member agencies have a long track record of hitting the mark when it comes to accreditation and engage actively in the accreditation process so they not only meet the minimum standards but continue to evaluate and improve the quality of their practice. In fact, NGOs fought for the introduction of the Standards and an independent regulator. In the absence of a systemic process where the department measures outcomes achieved for children in care the Standards have acted as a proxy for 'quality'.
- We look forward to working with the department and the Children's Guardian on developing a system that measures the quality of care delivered and resulting outcomes for children.

Other areas for inquiry

- ACWA encourages IPART to further examine importance of the NGO sector's investment in specialist teams that support casework with children, carers, and families in order to achieve the permanency goals, and positive health and education outcomes.

4.5 Reducing the administrative burden and increasing flexibility and accountability

For several years, ACWA and its member agencies have drawn attention to the blockages and inefficiencies in the OOHC system which urgently need to be addressed and put forward a range of solutions for doing so.

It is encouraging that IPART has taken on board feedback from the sector on the related issues of the unreasonable administrative burden placed on them by PSP reporting and approval processes, combined with the lack of flexibility in the funding package approval and assessment processes, which in our view, has created an inefficient and rigid system, which is not sufficiently child centred. Most concerningly, this increase in administration, data entry and compliance tasks tying up NGOs, has been at the expense of frontline case practice and has not led to DCJ delivering a data system which gives the whole sector greater line of sight over the outcomes it's collectively achieving for children.

Streamlining PSP processes

- Providers have identified the need to strike the balance between needs-based funding and very fixed channels to obtain funding. They have called for their interactions with DCJ to be

more relational and flexible, with less rules and hurdles for agencies to jump through. Other suggestions for streamlining processes include:

- Urgently addressing the qualification requirements issue – the focus should be on having a 'skillset', rather than a qualification – which allows for on-the-job learning and mentoring.
- Removing program labels where possible and focusing on need and available options.
- Streamlining processes and discussions about placements.
- Reducing the pressure on agencies to report on placements.

Inefficient data systems – ChildStory

- The problematic history of the implementation of ChildStory is at the heart of a range of data limitations and inefficiencies across the sector and the limited transparency of the operation of the system. ACWA and its members called for the establishment of a joint steering committee several years ago to work through the multitude of administrative burdens placed on providers. The NGO participants on the steering committee made clear their desire for DCJ to meet its commitment to deliver 'B2B' – business to business – communication between ChildStory and agency data systems, as an integrated information portal of this type would be one of the main ways to reduce duplicated administrative effort by agencies.
- While a range of improvements were made to administrative processes or are well progressed, much remains to be done to deliver a truly streamlined interface between DCJ and NGOs to support their joint delivery of the PSP. Not least of which, is keeping the ChildStory B2B solution firmly on the radar as a priority deliverable, and beyond the entry of minimum dataset information.
- Despite the efforts of the ChildStory team and working groups to identify, test and rollout a number of system changes to reduce 'double-ups' and enhance automation of processes, the system remains ineffective in terms of reducing double-entry and sophisticated real time reporting across various business areas, due in large part, to its inherently flawed design. We essentially have a situation where our agencies must continue to run their own data systems because they still can't rely on the department's system ChildStory to manage cases as well as track, measure and report on expenditure and outcomes.
- The NGO sector has strongly advocated for business to business 'B2B' operability since ChildStory's inception 7 years ago, and while some progress has been made on this front, we are still a very long way off agencies being able to cease the double-entry of critical data and duplicate reporting. For example, one of our agencies told us that the additional cost of 'unreasonable' administration creates an impost of around $1,500 per child and based on a cohort of 100 children under their case management, this equates to 1.5 casework staff.

Strengthened accountability and performance measurement

- For some time, ACWA has been highlighting the need for DCJ to work with the sector to establish an operating environment which enables agencies to use PSP data to effectively track the progress of downstream outcomes for children and young people, as well as to improve the efficiency of business processes. An important resource for this ongoing work has been the completion of the Permanency Support Plan Data Roadmap, a report prepared by the Australian Centre for Child Protection. The report was jointly commissioned by ACWA with AbSec and DCJ.
- In support of enhanced accountability across the sector, ACWA has invested in developing a Practice Governance Framework Guide in collaboration with the Parenting Research Centre and Fams, to support its members to maintain a strong and consistent focus on practice

quality, emphasising that everyone, from the board through to frontline practitioners, is accountable for ensuring that safe and quality practice is a top priority. The Guide is due for release at the end of October.

Other areas for inquiry: Consider closing PSP as a program and redesigning a simpler standard out of home care service

- We would welcome IPART closely examining not only the PSP pricing packages but the associated approval and eligibility processes so that we can move toward a streamlined and accountable system which frees up resources for direct care and support, is flexible and responsive to child need, fosters innovation and promotes effective practice.
- In this regard, we note that in addressing the Tribunal at the IPART hearing on 22 October, DCJ described the PSP as "a failed program". The sector would agree that the implementation, administration, and monitoring of the PSP was sub optimal at the best, and that consideration should certainly be given to redesigning the program with an emphasis on simplicity and flexibility, having regard to the expertise of those involved in delivering services. Importantly, any redesign should be underpinned by efficient data collection systems, and related PSP activity and outcome data analysis which is shared by the department with the whole sector. Examining the administration of OOHC delivery in other jurisdictions which deliver care at lower costs comparatively than NSW may be a worthwhile issue for IPART to explore.

4.6 Carer recruitment and retention

Ensuring placements are available to meet the needs of children in OOHC

- The currently limited availability and restricted use of carer data hinders the ability of agencies to strategically identify relevant placements and direct placement requests accordingly. Understanding carer availability and the carer vacancy rate is important, but on its own, is unlikely to solve the supply vs demand problem.
- In July this year, ACWA launched a project in partnership with DCJ that analysed the data of, and interviewed, 30 NGOs who provide foster care (excluding ACCOs). The project provided a point in time snapshot of available carers in NSW, how they are being utilised, systems and process about using carers and making placements. It found a less than 5% carer vacancy rate, and that the Carers' Register currently has the lowest number of carers registered since its establishment. It also included commentary on systems and improvement opportunities that include the need to consider attracting carers through levers different to those currently on offer. A copy of our September report has been provided to IPART.

Increasing the supply of foster carers

- Declining carer pools and new carer authorisations signal an urgent need for a new approach to recruiting carers. Relying on a mostly voluntary, altruistic approach to home-based foster care is no longer realistic; nor does it reflect societal norms or the level of need in the OOHC population. A more contemporary approach to home-based care is required that provides incentives to attract people out of the existing workforce and into a caring role.
    - Increasing availability of professionalised carer options.
    - A more intensive focus on building relationships with and finding relative, kin, and significant others is needed to complement recruiting adequate numbers of 'willing strangers' as carers.

- Providing carers with increased levels of professional support will help keep placements intact and avoid negative placement changes will go a long way towards more successful and sustained placements with improved outcomes.
- Moving towards a therapeutic approach to all children in care will go a long way towards more successful and sustained placements with improved longer-term outcomes. This approach recognises the significant proportion of disability among the care population (approx. 30%).

- NGOs have strong ties to and a presence in their local communities and are well placed to attract more carers, but this requires greater incentivisation of the carer role and on our part, we must continue to explore ways to better support our carers.
- The department has more recently started to ramp up its recruitment of carers and will likely face similar challenges to NGOs if structural issues are not addressed. In addition, ACWA is concerned that adding *another* agency to the 'carer recruitment advertising mix' could detract from existing recruitment campaigns by NGOs. The investment in departmental-led advertising also tends to send a message that the drop in carer numbers is more about ineffective marketing than the need to address insufficient carer incentives such as allowances, and access to greater resources and supports.

Investing in carer support to improve retention

- NGOs invest heavily in carer recruitment and ongoing support given the critical importance of retaining our carers in an already stretched carer market (see section 5.1 and 5.3 below for examples). Our agencies know all too well that without providing practical everyday, and where necessary, intensive support to carers, we run the risk of carer burnout and placement breakdown.
- Many of our agencies embed in their care model, carer support and retention teams, and deploy a suite of creative strategies to attract and support carers in their caring role and minimise placement breakdown. These will be detailed in our written submission.
- All agencies have reported that the increasing cost of living and the need for two incomes have led to fewer applications for new carers, contributed to carers no longer being available or having restrictions on level of availability, and challenges engaging time-poor carers.
- ACWA supports IPART's preliminary view that there needs to be an adequate care allowance that is regularly reviewed. However, there is also a need for more specialised or professional foster care options and greater flexibility in funding models to support children with complex needs effectively to attract new carers into the market and away from the mainstream workforce.

Other areas for exploration

- ACWA would also encourage IPART to obtain additional data to understand the necessary supplementary costs of carer supports and their direct correlation with improved outcomes in placement stability and permanency outcomes.
- We believe there would be value in IPART obtaining comparison data on carer satisfaction and placement stability between government and NGOs.

5. Response to IPART's 4 questions

5.1 What additional support is provided to carers to ensure they are prepared to care for a child in OOHC?

ACWA member agencies recognise and prioritise support for carers before, during and after providing OOHC. These additional supports enable carers to provide high quality and consistent support. This promotes, optimal long-term permanency outcomes for CYP in OOHC, early clinical assessments and intervention in complex cases and savings to the government over the long term.

The additional support provided to carers include:

- **Emergency support services**. Carers and caseworkers have 24/7 support to de-escalate emergencies. Staff are available to help locate missing young people, attend to police stations to pick up young people who may have been arrested. Staff can respond to breakdowns and stay in emergency accommodation with children and young people.
- **Higher carer allowances**. This allows carers to temporarily step aside from employment and be available to the children and young people more frequently to meet intensive needs of complex cases.
- **Clinical support**. Support for children and young people in OOHC can be provided by allied health professionals, therapists & psychologists as planned and when needed. This assists carers in delivering OOHC by ensuring the appropriate clinical treatments are provided.
- **Expense Support.** Support for expenses (outside of the PSP packages) are provided by the agency for items like clothing, expenses during family visit time, travel to maintain connection to communities and school fees (when mainstream schooling is not viable). Other expenses may include financial support to provide larger cars and home modifications to support larger sibling groups to reside together or childcare/babysitting to allow carers to attend training and events.
- **Carer coaching**. Goal-driven coaching and development plans are offered to support carers in delivering OOHC. These coaching sessions offer carers development and an opportunity to share their experiences with mentors and peers. Individual carer development plans may be developed to address areas identified and needing development in the carers' annual reviews.
- **Carer training**. Training sessions offer learning and reflection on carers' experiences, encourage interaction with other carers and provide input from skilled professionals and consultants. The sessions are designed to equip carers to respond to the realities of providing OOHC. There are also training resources (including books and online material) available to carers on specific topics which can be accessed anytime.
- **Meaningful events**. These include carer seminars which can be online, or face to face, where carers can relate and discuss experiences and issues. There are also carer connections which are intended primarily as social gatherings for carers to promote wellbeing and support network.
- **Gifts supporting carers**. Gifts are provided to carers on their birthday, during carer appreciation week and a Christmas household gift is given to each carer.
- **Employee Assistance Programs**. Carers have free access to anonymous services including counselling for mental health, workplace issues, and personal challenges, as well as legal, financial, and wellness advice. These programs also include critical incident support and manager assistance, ensuring anonymity and privacy for all users.
- **Additional respite care.** Examples of respite care are:
    - weekend and brief stay respite for long-term carers are provided which is especially valuable in complex cases
    - supported accommodation and 24/7 staffing through family time workers in cases where respite is required. This often falls outside the PSP.

5.2 What examples of wrap around services does your organisation/District provide to children in your care that have contributed to their improved wellbeing?

ACWA member agencies provide additional wraparound services with the objective of achieving better outcomes for children and young people in OOHC and support for carers. These additional services and supports are monitored and refined continuously to provide optimal outcomes for children and young people while supporting the carer and considering the costs involved.

Wraparound services are designed to address various aspects of a child's life, from mental and physical health to education, cultural needs, and preparation for independent living. The holistic support provided aims to contribute to the improved wellbeing of the children in our care. Wraparound services provided include:

- **Wholistic case management.** Agencies provide a service to assess, coordinate and manage OOHC holistically so that the optimal outcome can be achieved for children and young people. Agencies will organise meetings including with existing and new carers, school representatives, speech therapists, occupational therapists, and the casework team at various points during placement. This ensures continuous support for children and young people throughout the process.
- **Clinical support services**. Children and young people have access to clinical services as identified in the initial and ongoing, case management. These services include:
    - psychology
    - child and adolescent psychiatry
    - counselling
    - occupational therapy
    - speech therapy
    - play / art therapy
    - disability support
    - behaviour support
    - other specialised services as needed
- **Education support.** Supporting children and young people in their schooling journey is a key goal. Children and young people in OOHC may have experienced extended periods of absence from schooling or other challenges related to education. Support provided by agencies include:
    - mentoring children and young people to encourage good education outcomes
    - tutoring in areas of academic development
    - managing and participating in interactions at school including incidents like suspensions
    - advocating for and encouraging children and young people to pursue education goals
    - travel support to ensure continuity in schooling
    - vocational training support
    - school holiday programs
- **Family engagement specialists**. These specialists support carers and case workers with the following aspects of the family dynamic when the child or young person is in OOHC:
    - family finding.
    - family mediation and conflict resolution
    - support for carer-family relationships
    - long-term care planning
    - organising meet-and-greet sessions for different sides of the family

- utilising play therapy strategies to break down barriers between family members
- providing cultural consultation and education in the family
- facilitating the transition to joint or carer-supervised family visits

- **NDIS assessments.** Agency staff help facilitate and manage assessments and application for NDIS funding where it is applicable over the period that the child or young person is in OOHC.
- **Mental health support.** The various supports provided during OOHC to children and young people form part of the overall contribution to their mental health and wellbeing. Specific services include:
  - ongoing follow-up and intervention for children and young people discharged from mental health facilities, with a particular focus on those with suicidal ideation
  - 24/7 on call support
  - clinical supports as mentioned above
- **Youth mentorship**. This service supports children and young people and their carers to learn a range of relationship-based skills that empower them to build connections with other children and young people. This can often also support the longevity of the placement when children and young people start displaying challenging behaviours. Based on the needs identified, this mentoring also prepares specific children and young people to plan and prepare for leaving care.
- **Legal support.** In providing OOHC to children and young people there are often legal matters at require attention and that incur costs. For example:
  - often support is required to prepare for court appearances or for mediation
  - agency staff can attend and support YP at bail hearings
  - agency staff visit young people in detention and continue their support and sustain connection with family and young people
- **Cultural and community support:**
  - partnerships with Aboriginal Community Controlled Organisations (see also section 5.4 below)
  - cultural consultations and education
  - support for culturally diverse families
  - family time on Country
- **24/7 on call support.** Service to carers in the case of an emergency providing care when they need assistance outside of business hours.
- **Additional support.** There are various other supports provided to help children and young people in OOHC. These include:
  - support in obtaining driver's licenses to promote independence and employment
  - guidance in gaining marketable/useful skills to prepare for future career opportunities
  - overseas and interstate travel support when necessary

5.3 For providers of foster care, what strategies have you implemented to improve foster carer recruitment

ACWA member agencies recognise the difficulties in both recruiting and retaining carers for our most vulnerable children and young people. The number of authorised carers in NSW is declining at a faster rate than the number of children and young people in OOHC. Agencies are actively trying to grow and nurture the carers working with children and young people in NGOs.

Agencies have dedicated teams for carer recruitment, assessment, review and ongoing support. Dedicated resources are in place for carer intake calls. Dedicated staff tasked with listening to carer feedback and translating that into a tailored offering as well as learning from other states.

Carer Recruitment Activities

- Agencies have established internal carer recruitment teams with dedicated staff managing the relationship with the carer.
- Digital campaigns have been implemented identifying and targeting key personas online that are representative of good prospective carers
- Communication strategies that educate potential carers about OOHC through social media, broadcast, and print media.
- Revisiting eligibility criteria to focus on including rather than excluding applicants.
- Providing specialised staff training for the recruitment team so that the process is optimal
- Community engagement at a grass roots level for example stalls, festivals or information sessions.
- 'Bring a friend' carer events where carers can promote OOHC and increase visibility to people they have a relationship with.
- Culturally tailored approaches for indigenous communities.
- Fast-tracking authorisations on onboarding where possible and appropriate.
- Re-engaging with former/on-hold carers who were not able to provide care in the past
- Implementing a nurturing program for potential carers that have enquired but are not yet ready to proceed.
- Adopting a customer service approach with extended hours.
- Using data-driven strategies to monitor the recruitment process so that it can be improved.
- Providing extra resources to applicants during the recruitment phase e.g. A-Z of Therapeutic Parenting and Trauma Informed Care psycho-education.

Carer Retention Activities

- Conducting carer journey research to measure the support provided and identify themes where improvement can be made in the experience of carers.
- Offering occasional respite carers to provide time for new carers to develop their skills.
- Implementing small group support in religious and other settings for day-to-day support of carers.
- Recognising carer contributions through carer support and appreciation events.
- Encouraging continuous feedback from carers to improve the support provided and address problem areas, including establishing formal carer feedback loops.
- Holding a “Carers Corner” (monthly in person and online Carer Support sessions)
- Peer to peer mentoring support systems.
- EAP is offered to carers when/if required following significant events.
- Engage carers with My Forever Family
- Regular carer reviews outside of the annual review
- Providing wraparound services to support carers deliver care.

5.4 What activities and costs are involved in ensuring a smooth transition of Aboriginal children to ACCOs

A major focus within the sector over the past 18 months has been the renewed impetus in the transition of Aboriginal children in OOHC to ACCOs. Working in collaboration with DCJ, AbSec and its members, ACWA has committed significant resources to supporting NGOs in this ongoing effort.

ACWA is working closely with 11 agencies with over 50 Aboriginal children to transition, to better understand both the opportunities and the challenges that are impacting the progress of transition.

This year, these agencies released a Statement of Commitment and will provide narrative around their active transition efforts via a bi-monthly Transition Report Card. This is designed to help us identify where transitions are actively underway as well as highlight barriers that might need to be addressed, both systemically and individually.

Our commitment to the transition of Aboriginal and Torres Strait Islander children, young people, and their carers to ACCOs remains a key priority. Working closely with AbSec, our next steps will include focusing our efforts on key levers, including local transition governance, and specific strategies to support carers and agency staff in implementing this important process.

ACWA agencies have implemented a suite of activities to support a smooth transition of Aboriginal children to ACCOs. These include:

- Relationship-building between NGOs, carers and ACCOs over time.
- Frequent communication between NGOs, carers and ACCOs to build positive relationships.
- Staff at every level are involved in the transition process.
- Education is essential. This is supported by the development of information and additional staff time for support carers, CYP and families to understand the importance for Aboriginal CYP, families and communities. Some agencies have developed and document 'Guiding Principals' to support transition to ACCOs.
- Some agencies have partnered with Aboriginal children to Aboriginal Community Controlled Organizations in their geographic areas to strengthen their relationships.
- Carer recruitment is promoted that encourages a smooth transition for Aboriginal children
- Sourcing and assessing of prospective foster carers for immediate authorisation with ACCOs
- Administrative work is required by the agencies including:
    - Gathering and checking all paperwork,
    - Preparing Case Management Transfer (CMT) documentation,
    - Negotiating joint assessments with ACCOs for dual authorisation if needed
    - Sourcing/assessing prospective foster carers for immediate authorisation with ACCOs
    - Facilitating dual authorisation on behalf of ACCOs

6. Concluding remarks

ACWA wishes to thank IPART for providing this further opportunity to make further submissions. We trust that the information contained in this submission will be of assistance to IPART. ACWA looks forward to assisting IPART with its ongoing review.

Maree Walk
ACWA CEO

30 October 2024