

Media Release

10 September 2024

Interim Report released on the costs of out-of-home care

The NSW Independent Pricing and Regulatory Tribunal (IPART) has released an Interim Report on the costs of the out-of-home care system.

Tribunal Chair Carmel Donnelly said IPART is conducting a review focused on the cost of delivering out-of-home care and the pricing arrangements with the non-government providers who deliver care under contract with the NSW Government.

"We have made some preliminary findings about the way the current system is operating and the costs of providing foster care for both the NSW Department of Communities and Justice and non-government providers, and we welcome feedback on these," Ms Donnelly said.

"While we have found that these costs do vary, there are likely to be a range of reasons for this which we will continue to investigate as the review progresses."

IPART is also looking at the allowance foster carers, relatives and kinship carers receive to meet the costs of providing care and support to children and young people. Changes in community standards and expectations since it was last reviewed over 20 years ago mean that it may no longer cover the costs of caring for a child.

The NSW Government requested this review to help improve financial sustainability of the out-of-home care system. IPART will advise on appropriate prices and funding of out-of-home care services to meet the needs of children and young people in care.

"Around 14,000 children and young people are currently in some form of out-of-home care across NSW and the system is facing a range of challenges that include growing costs and a shortage of carers and caseworkers," Ms Donnelly said.

"So far we have received a lot of valuable input from providers and workers in the out-of-home care sector, including Aboriginal community-controlled organisations, as well as carers of children and young people, and we look forward to this continuing."

IPART will be holding a public hearing on Tuesday 22 October and will submit a Final Report to the Premier and the Minister for Families and Communities and Disability Inclusion in May 2025. For more information, to make a submission, or to receive updates on the progress of our review, visit our website at www.ipart.nsw.gov.au.

Responses to the Interim Report can be submitted until 29 October 2024, and there will be further opportunities to provide feedback throughout the review.

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