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Your submission for this review:

My experience as a kinship carer has highlighted the financial, emotional, and practical challenges that are not adequately addressed by the current support system.

- 1. Financial Strain Due to Rising Costs of Living** Over recent years, household expenses such as rent, utilities, food, and transport have skyrocketed, far outpacing increases in foster care allowances. For example, rental prices in Sydney have increased by over 22% between 2020 and 2023. I personally had to move from a 3-bedroom rental to a 4-bedroom rental to accommodate the child in my care. My rent increased from \$850 to \$1,200 per week, a 41% increase. Food prices have risen by 9.2% over the past year, electricity by 30%, and petrol by 19% in the past two years. However, the foster care allowance in NSW has only increased by 5% in the last five years, leaving a substantial gap between the support provided and the real costs of raising a child. **Recommendation:** Adjust the foster care allowance to reflect rising living costs, with adjustments indexed to inflation and regional differences. Provide additional support for kinship carers in high-cost areas like Sydney, particularly for housing and essential utilities.
- 2. Impact on Employment and Income** Caring for children, particularly those with special needs, has had a significant impact on my ability to work. Coordinating support workers, attending medical and therapy appointments, and managing daily care demands leave little time for stable employment. The lack of flexible support options and respite care forces many kinship carers to reduce work hours or leave employment altogether. **Recommendation:** Introduce a supplementary payment for kinship carers who must reduce work hours due to caregiving responsibilities. Provide access to flexible in-home support and respite services to enable kinship carers to maintain employment.
- 3. Insufficient Foster Care Allowance vs. Actual Costs** The current foster care allowance does not cover the full costs of raising a child. With basic necessities like food, clothing, utilities, and transport rising significantly, the allowance is far behind. In NSW, the foster care allowance has increased by only 5% in the past five years, while food prices rose by 9.2% last year, utilities by 30%, and rent by 22% in metropolitan areas. This creates a substantial gap, particularly for children with additional needs requiring extra care and resources. **Recommendation:** Adjust the foster care allowance, taking into account rising costs, regional differences, and the needs of children with disabilities or trauma-related conditions.
- 4. Cost of In-Home Foster Care vs. Residential Care** It's crucial to recognize that in-home care, when adequately supported, is far more cost-effective than residential care. The average cost of residential care per child can be up to 10 times higher than in-home foster care costs. By providing sufficient financial support, more families would be able to step up as foster carers, reducing reliance on expensive residential care options. This would not only save the system significant costs but also improve outcomes for children, who fare better in loving, family-based care environments. **Recommendation:** Increase financial support for kinship and foster carers to encourage more families to become carers, reducing the burden on residential care facilities and improving children's long-term outcomes. Recognize that investing in in-home care is a more sustainable and cost-effective solution compared to residential care, ensuring better care environments for children in the OOHC system.
- 5. Personal Experience** As a kinship carer, I have taken on caring for a child I did not plan to have. The cost to me, financially and emotionally, is immense. My life has been turned upside down: my ability to generate income and build superannuation has been severely affected, my social life has been obliterated, and I have lost the time to pursue activities that keep me physically and emotionally well. Caring for a high-needs child with the current funding and respite model is impossible. The current allowances and support structures do not adequately reflect the true costs of living and the burdens carried by carers. Addressing these gaps through better financial support and services will not only alleviate the burden on kinship carers but also improve outcomes for children in the OOHC system. It will reduce long-term costs by preventing reliance on expensive residential care.