

27 June 2024

NSW Independent Pricing and Regulatory Tribunal  
Review of Out-of-Home Care costs and pricing

Submitted via online form

## Our questions for all stakeholders



1 What are the key challenges you face in providing out of home care services?

a. How has the increased cost of living impacted the delivery of out-of-home care services? What cost increases have had the most impact?

1. There are varied challenges currently faced in providing out of home care services. These include but are not limited to-
  - As services achieve positive permanency outcomes for children such as restoration, guardianship and adoption, the child or young person exits the service and as such the funding ends. Carers often exit at this time
  - Starvation cycle of providing services, expectation to continue to deliver high quality services with less money
  - The placement capacity payment is no longer paid up to the contracted volume and as such maintaining staffing levels when funding is reduced becomes a significant challenge. This payment assisted in ongoing recruitment costs for Foster Carers
  - Scarcity of Foster Carers and available placements
  - Carers needing additional financial support to meet needs
  - Recruitment of regional skilled and qualified staff- long periods of time with vacant positions
  - Regional services- limited options for services such as specialists, medical, psychologists, psychiatrists, paediatricians, speech therapy, occupational therapists. This in turn increases travel and increases costs
  - Increase in the need for orthodontics for children and young people is a significant cost
  - Travel distances and times due to regional area. Family time visits in regional areas can be time intensive
  - Additional fuel costs, and travel costs which engaged services pass on



- While there is some flexibility for online appointments, this is not appropriate or preferred in all circumstances
- Time spent on projects that are not funded- e.g. ACCO transfer
- The cost of reportable conduct investigations
- Increased expectations of Funded Service Providers to complete court documents which has directly increased workloads and children to case manager ratios
- Lack of communication and increased expectations from DCJ for interim orders
- Child story inaccuracies can have significant repercussions for service delivery and funding
- Increase in time and expertise for case managers regarding NDIS plans and coordination
- Increase in technology that is required to keep current and the associated costs- e.g. dual authentication, updating CRM systems and processes
- Increased insurance costs

1a.

- Travel in regional areas
- Carer allowance, more money required to cover expenses incurred by carers
- Organisational Insurance costs
- Rent and mortgage costs of carers which then means carers are not able to at home and need to work
- No superannuation for Foster carers meaning they cannot be out of the workforce for extended periods of time as it will impact their standard of living in the long term
- Ability or lack of time for Carers to attend training, even if flexible options are provided
- Wage increases for staff
- Increase in superannuation for staff
- Increased childcare costs if in full time child care- long daycare. Even though some of these costs are covered, long day care centres charge 12 hours per day and carers are out of pocket for 10 hours of care
- Specialist increases- medical, psychologists, psychiatrists, paediatricians, speech therapy, occupational therapists
- Reportable conduct investigation costs as well as impact of the lengthy process effects carer retention
- Additional funding for supporting families for restoration



- Providing dual respite payments
- Additional carer complaints regarding costs and funding which impacts on relationships and carer stress



2 What is the most important change you would like to see come out of our review?

2.

There are multiple changes that are considered necessary. This includes a sector wide review on Foster Carers as Volunteers rather than employees and the payment carers receive. Foster Carers being recognized as partners in the out of home care system and this being reflected in the payment to Foster Carers could reduce the need for children to enter high-cost emergency arrangements and residential care environments.

Other examples-

- Streamlining onboarding of carers-centralising intake of carers, therefore reducing individual organisational costs for recruitment
- Kinship care come to NGO's- reduce placement breakdowns and ACA's
- Increase in carer allowance- as employees, ATO and fair work
- Additional regional funding as a reflection of the actual costs
- Placement capacity payment to support carer recruitment and staff retention
- Flexibility of funding, step up and step down
- Preservation and restoration to be in partnership and increase children either remaining in the home or being restored as the priority
- Reduce barriers to applications for additional funding packages
- Change to broadcasting and initial referrals



## Our questions for non-government providers



3 How has the Permanency Support Program (PSP) impacted the way out-of-home care services are delivered by your organisation?

3.

There have been benefits and challenges regarding the way PSP has impacted on the delivery of services. The focus on restoration has led to improved practice and focus.

- Individual financial plans have been implemented to reflect individual needs
- Case plans connected to individual needs
- Therapeutic team has a positive impact- BSP's delivered and implemented internally
- Active restoration efforts- family finding, working with families
- Focus on outcomes such as guardianship
- More Adoptions however taking too long
- Court system is not aligned with the permanency goals
- DCJ holding FSP to higher standard than themselves for the same work. Not valuing the contributions and professionalism of FSP staff.
- Duplication of CRM's
- Carer complaints due to misunderstanding of roles and responsibilities



4 Does the current package-based approach make it easier or harder to deliver services to children and young people and why? How well does the funding of the PSP packages reflect the cost of providing care to a child? Are there any particular packages or service types which do not cover the cost of providing care?

4.

There are advantages and disadvantages of the current package based funding-

Advantages-

- Focus on individual needs
- Ability to build an individual financial plan for each child

Disadvantages-

- Duplicating of programs that could be offered internally rather than outsourced individually



- Services and processes such as step up and step down can be time consuming. Additional cat level is not enough to cover additional carer allowance
- Adoption usually is longer, cost of assessments
- Restoration- need additional staff for visits and intensive work
- More funding needed for high care
- Not reflective of operating costs
- Children in long term care have needs that can not always be met by the reduced funding
- Reduction in funding when a CYP is out of placement justified based on no carer allowance, does not reflect the additional support requirements to ensure the safety of the CYP. As a result, these CYP are often receiving inadequate support through a higher risk time.
- Increased costs for carer assessments and respite to support placements



5 How effective is the structure of the PSP and funding for current PSP packages in enabling you to support the cultural, family and community connections for Aboriginal children and young people?



6 What is good or bad about the current PSP packages in supporting Aboriginal children and young people in out-of-home care? Are there costs that may not be covered?

5 & 6

- The funding is not effective outside of providing for a cultural plan by an appropriate Aboriginal service in the first year.
- FSP have extremely limited access to DCJ Cultural Connections Teams and Panels and are frequently missed/invited late/not provided with appropriate information.
- FSP cases appear to be treated as a lower priority by DCJ Cultural Teams minimising their effectiveness.
- different expectations across regions
- different processes- cultural connection teams available- inconsistent
- different processes to change family time
- One off funding for Aboriginal child coming into care not reflective of what is occurring



- Off country- need additional funding for taking back to country- cost of travel once a year \$500 for Aboriginal but plan costs \$5000 due to not having a cultural worker
- Family finding and multiple assessments that are needed
- Additional case work and following up identity
- Requirement for initial carer assessments to be assessed to care for Aboriginal children and young people however this is challenging when the FSP does not have an internal cultural worker
- ACCO transition project is not funded and as a smaller program, the administrative and time required for preparation of documents, meetings and panels is significant. Impact to program has not considered and the time taken from the support to all children and young people, carers and families
- Support the ACCO transition of children and young people however this has been rushed and does not reflect autonomy of all involved



7 How does the current PSP package funding impact your ability to deliver care to children with specific needs (including but not limited to children and families with a CALD background or disability)?

7.

- FSP are required to utilise NDIS funding in the first instance before seeking additional funding from DCJ – where a CYP is ineligible for funding, this can lead to delays.
- Funding is largely related to behaviours of distress (i.e. CAT score) instead of additional needs regarding culture and disability, meaning that CYP with additional needs who do not display these behaviours may not be adequately funded. The decision to override this tool, for example to address disability, comes down to the assessor.
- Rates of carer funding and package funding do not align with increase from MED-HIGH.
- No annual payment to review CALD plans





## 8 What are the benefits/drawbacks of the PSP compared to previous funding models?

8.

### Benefits

- Recognition of individual need
- Focus on case plan goals and especially restoration

### Drawbacks

- Complex needs and other specialist packages difficult to access
- Reconciliation process



## 9 What are the key changes you would like to see made to the out-of-home care funding model?

9.

- Increase to carer allowance- currently no incentive for carers to be specialised
- Funding for complex placements such as one-on-one support to be available to FSP and not limited by provider.
- Increased capacity to fund services for disability where NDIS does not apply.
- Funding in line with increased cost of living, noting price increases are primarily in services, including necessary medical and therapeutic services.
- Additional funding instead of less funding when a CYP is out of placement to allow provision of a higher degree of support.
- Less restrictive conditions on higher needs packages for children with additional needs such as autism, Fragile X, especially where the carer is prevented from fully participating in the workforce, to allow adequate provision of carer support.
- Flexibility for step up and step down funding
- Funds available for orthodontic work
- Placement capacity payment





10 Does your location impact the cost of delivering out-of-home care? If so, what costs are impacted by location?

10.

- Regional FSPs are disproportionately impacted by cost of living considerations such as the increased price of fuel to transport CYP over larger distances
- Regional FSPs have restricted access to therapies including Speech, Physio and Occupational Therapies and are frequently required to pay for the travel costs associated with the service, i.e. for an OT to attend a CYP school in a regional town, there is a higher service fee associated due to travel
- Regional FSPs are frequently required to support the costs of travel over a greater area to family visits, necessary appointments and to support school attendance for ACA placement
- Increased costs regarding travel and access to services for CYP case managed by regional FSPs
- Regional FSPs have limited access to transport, supervision and disability targeted respite services when required and the increased costs of these services reflect the lack of supply
- Cost associated with staff to attend face to face training
- Reduced case loads due to travel requirements impacts on staffing levels

