



Welcome!

Please **mute** your microphone

Please **turn on your camera**
(webcam)

We will start at **01.02pm**

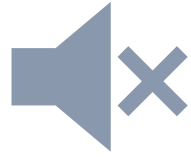


Draft report on out-of-home care costs and pricing

Workshop for all Stakeholders

01 May 2025

Housekeeping



Please mute your microphones



Cameras optional



Teams chat function



Opportunities for questions

Agenda

- 01 Welcome and Acknowledgement of Country
- 02 Overview of Draft Report
- 03 Discussion 1 - Carers
- 04 Discussion 2 - Casework and administrative costs, and care for Aboriginal children and ACCOs
- 05 Discussion 3 - Benchmark placement costs
- 06 Open questions and discussion
- 07 Next steps and closing remarks



Welcome and Acknowledgement of Country

Carmel Donnelly PSM
Chair

What we've been asked to do



Compare efficient costs for
DCJ and non-government
providers



Develop benchmark costs
for different placement
types

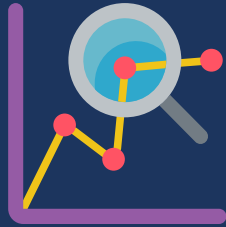


Make recommendations
on care allowances



Make recommendations
on pricing structure

Our approach to the review



Estimating efficient cost components
as building blocks

e.g. casework costs, admin costs, costs of
caring

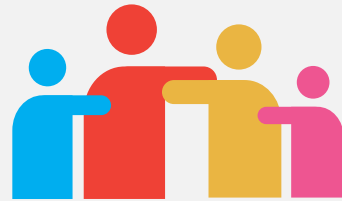


Build-up of benchmark costs
by placement type
using relevant components

Overview of our draft findings and recommendations



A simplified pricing approach based on more accurate costings



Changes to support carers to continue caring



Increased transparency and visibility



Funding to be more cost-reflective for Aboriginal children in care

Draft recommendation – fortnightly care allowance (\$2024-25)

Age bracket	Current standard care allowance	Proposed standard care allowance
0-4	581	698
5-13	656	789
14-15	880	1,109
16-17	586 (plus TEP and Youth Allowance if eligible)	1,083

Note: our recommended care allowance for 16–17-year-olds makes no adjustment to account for the Teenage Education Payment (TEP) or Youth Allowance which some 16–17-year-olds may be eligible for.

Draft recommendations to support carers



Reimbursement of actuals for out-of-pocket costs for medical, dental, well being and family connections



A set up payment available to carers when a placement commences

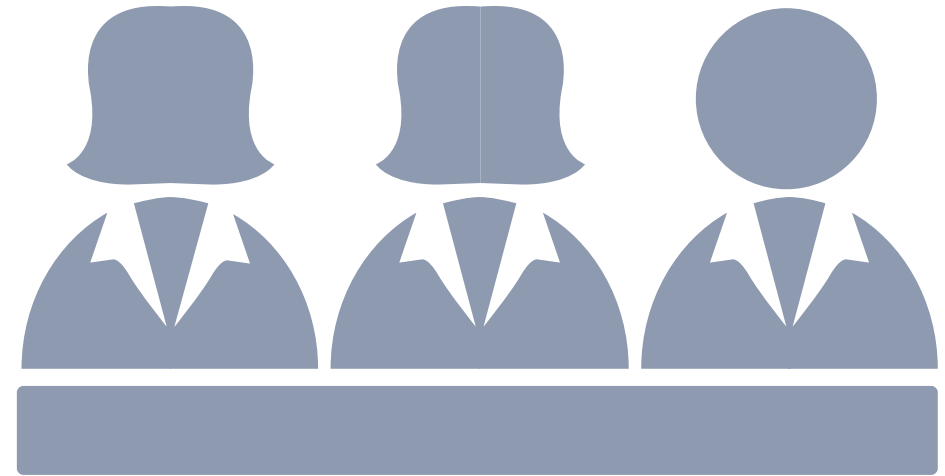


Transparent and clear guidelines on what financial support is available and how to get it



DCJ to consider centralising payment of the care allowance to all carers

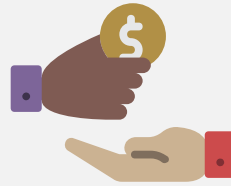
Feedback & Discussion 1



Draft casework findings



Complex relationship
between caseload and
short-term measurable
outcomes



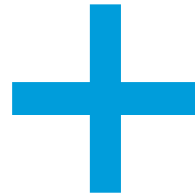
Rates of pay and conditions
differ between DCJ and non-
government providers



Observed caseloads varied
significantly between
providers

Casework analysis

Baseline cost
by placement type



Additional loadings
for some children with
additional casework needs

Proposed caseloads and cost by placement type

Placement type	Proposed caseload	Resulting cost
Home-based care	12	\$15,200
Residential care	6	\$27,150
Supported independent living	10	\$17,310
Therapeutic independent living	8	\$20,960
Emergency arrangements	Same as previous placement, or 12 if entering care	-
Not in placement	Same as previous placement	-

Additional casework loadings*



Aboriginal children

\$2,630 for non-government providers

\$3,280 for DCJ



Restoration and permanency case plan goal

\$14,000 for non-government providers

\$15,230 for DCJ



Children with a CALD background

\$1,260 for non-government providers

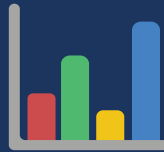
\$1,440 for DCJ

Note: Differences in cost between non-government providers and DCJ are due to different labour Awards

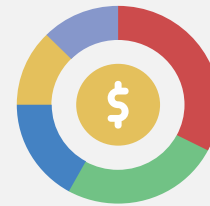
Administration and overheads



Administrative costs vary by placement type on a dollar per child basis



Reported admin costs varied materially



Admin expenditure is significantly higher than assumed under the PSP



ACCOs tend to have higher admin costs than non-ACCO providers

Care for Aboriginal children and ACCOs



Aboriginal cultural planning and cultural connections

Upfront \$6,700
Ongoing \$4,380 pa

Based on casework, cultural workers and cultural programs



ACCO-specific pricing

Additional \$6,820 per child per year
when child placed with ACCO

Based on administrative cost
differences



Transitions

\$21,300 per initiated transition

Based on casework and admin lead-up cost, as well as carer assessment and training

Feedback & Discussion 2



Home-based care – cost components



Provider costs

Casework, carer recruitment and assessment, carer training, insurance and admin

Based on needs of the child

Aboriginal cultural support, CALD support, restoration and permanency



Carers

Care allowance, respite care, reimbursement of medical and therapeutic costs, set up costs

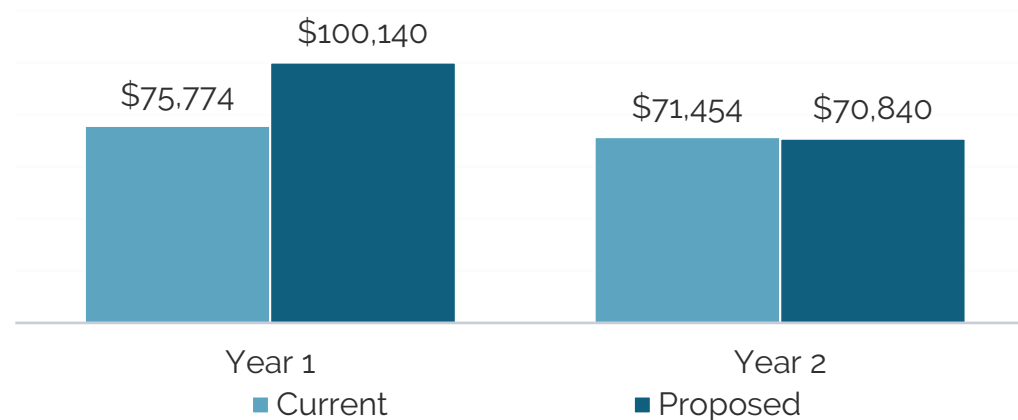
Based on needs of the child

High needs care allowance

Home-based care - Example pricing scenarios using benchmarks

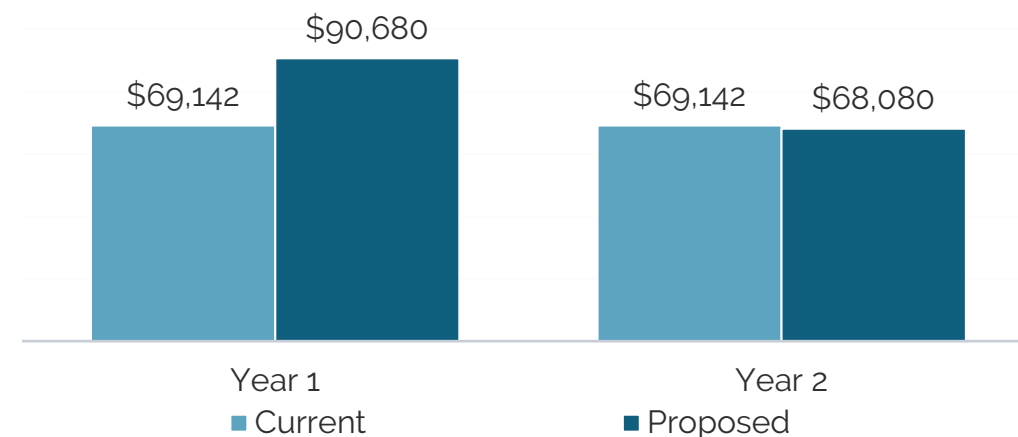
Home-based care

Aboriginal child, low needs,
aged 5-13 with ACCO



Home-based care

Non-Aboriginal child, low needs,
aged 14-15 with non-
government provider



Residential care – cost components



House related costs

Less likely to change with vacancies
(e.g. rent, maintenance, some staffing and utilities)



House establishment

Periodic house establishment costs or as agreed.



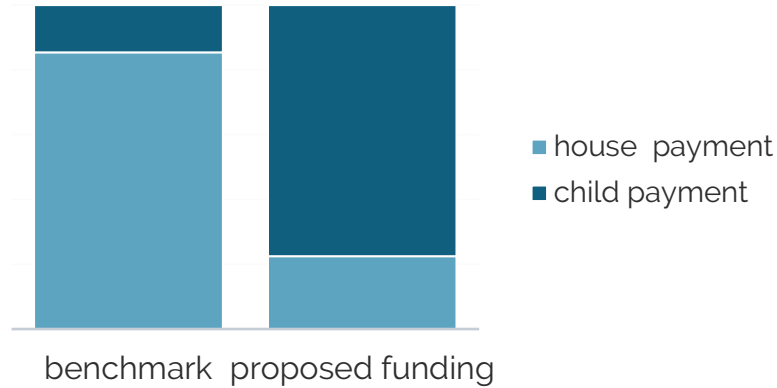
Child related costs

Day-to-day living expenses, casework, therapeutic care, medical needs, transport costs

Residential care – Proposed pricing structure

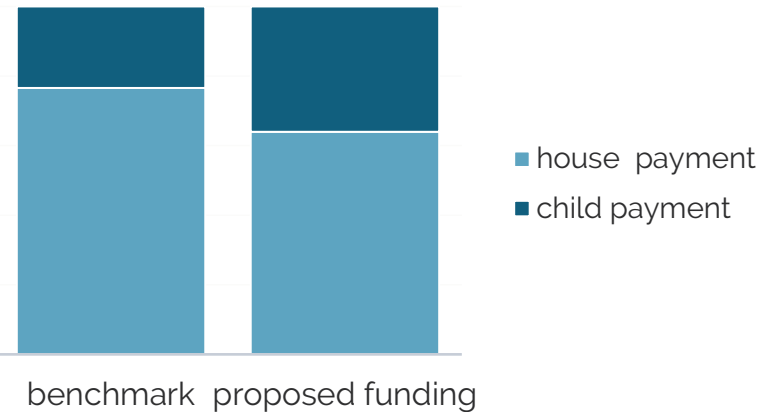


Consistent with current funding, our proposed payment structure reweights some **house** related **costs** into child payments



Residential care

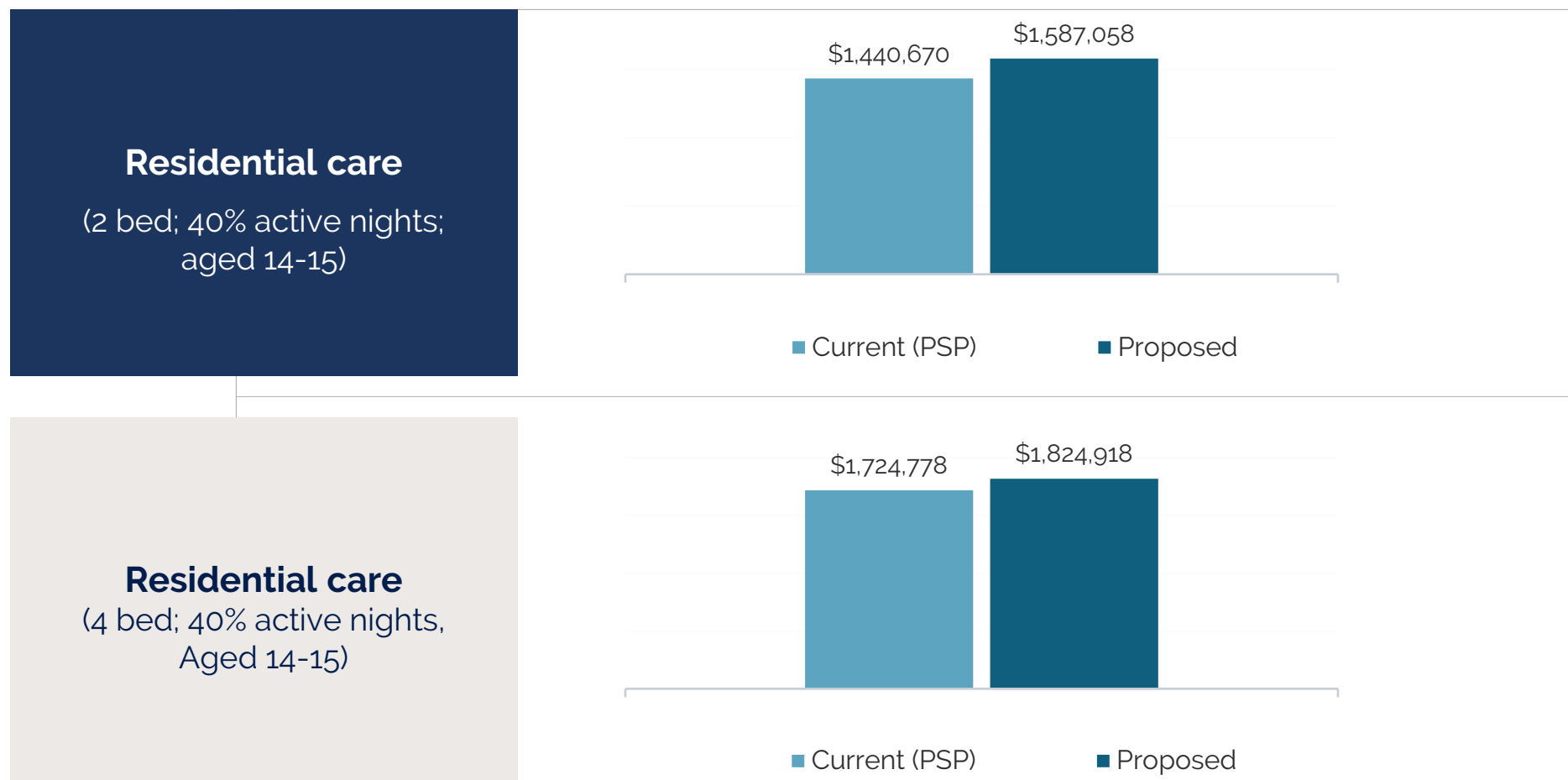
(2 bed; 40% active nights;
aged 14-15)



Residential care

(4 bed; 100% active nights,
Aged 14-15)

Residential care - Maximum pricing scenarios using proposed funding structure



Independent living – cost components



Provider costs

Casework, care staff, administrative costs, rent, housing running costs, day-to-day living expenses, one-off establishment costs, medical and therapeutic costs

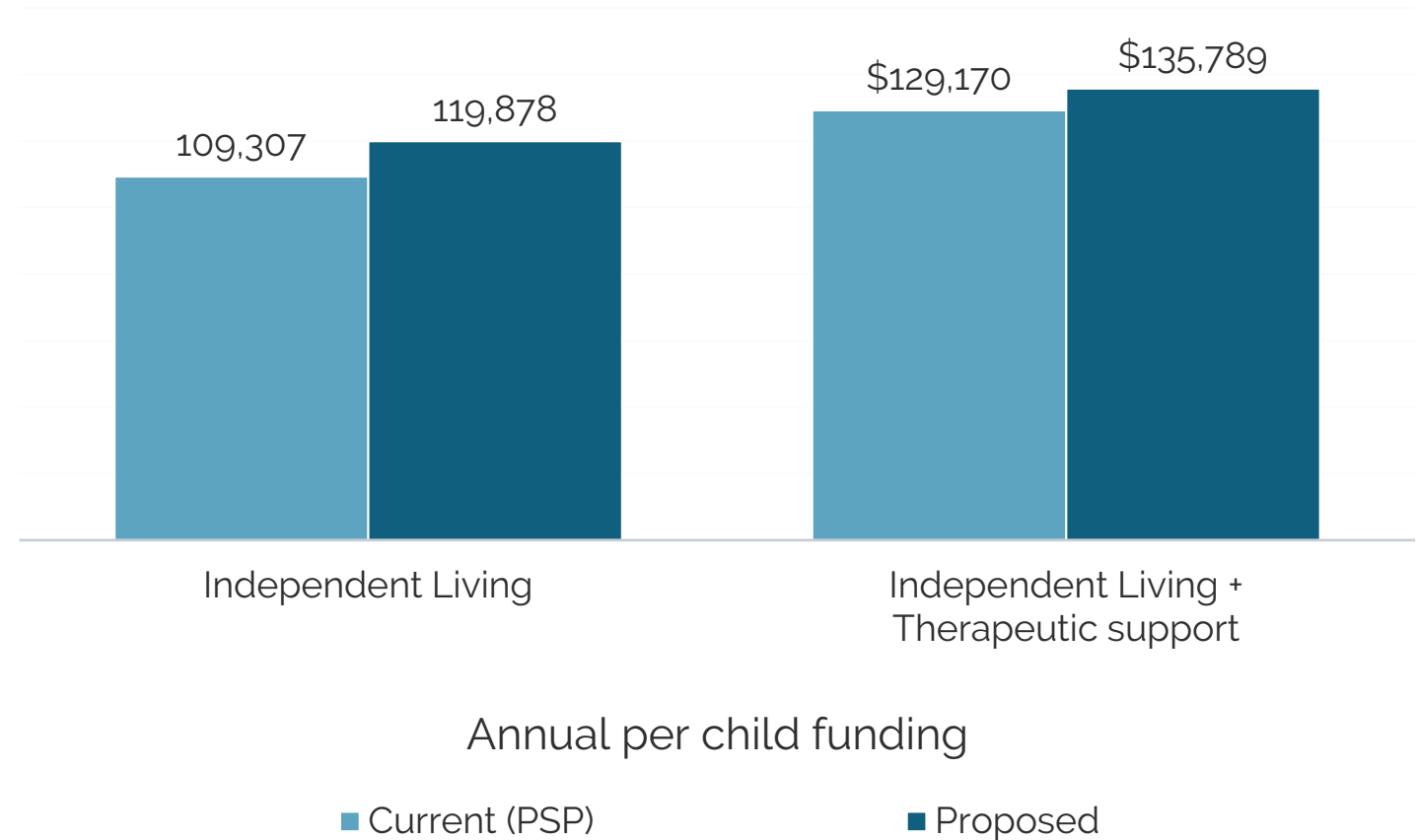
Based on needs of the child

Therapeutic specialist, Aboriginal cultural support, CALD support

Independent Living – benchmarks and proposed pricing



Consistent with the individualised nature of the independent living programs, we recommend a **per child** benchmark and funding structure.



Emergency arrangements – cost components



House related costs incurred by emergency arrangement provider

Rent, house running costs,
care staff and other house
staffing costs, one-off
house establishment costs



Child related costs incurred by emergency arrangement provider

Day-to-day living
expenses, medical and
therapeutic costs,
administrative costs



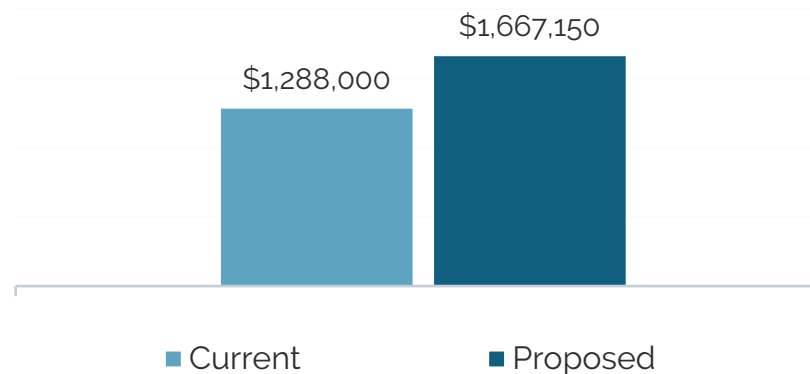
Casework related costs incurred by primary provider

Casework plus Aboriginal
cultural support,
restoration and
permanency and CALD
support if applicable

Emergency arrangements – Example pricing scenarios using proposed benchmarks

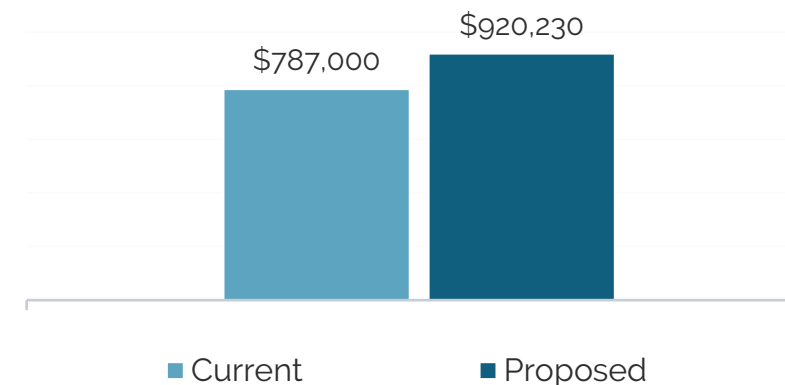
Interim Care Model

(per 4-bed house; 40% active nights; aged 14-15)

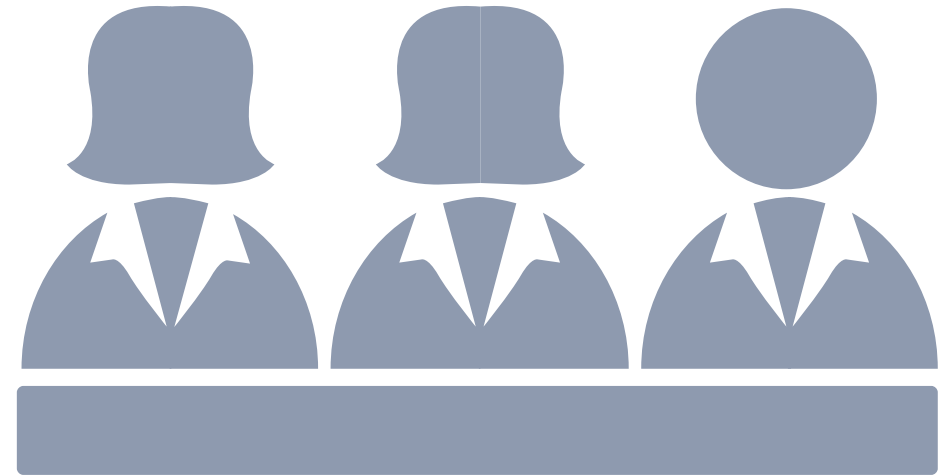


Short-Term Emergency Placement

(per child; aged 16-17)



Feedback & Discussion 3



Next steps



Draft Report submissions due by 09 May 2025

Contact us

Heather Dear

P: (02) 9019 1927

e: heather.dear@ipart.nsw.gov.au

