

# Summary of workshop with non-government providers on out-of-home care costs and pricing

29 April 2025

On 29 April 2025, IPART held a workshop with non-government providers of out-of-home care to receive feedback on its [Draft Report on out-of-home care costs and pricing](#).

This document provides a summary of the topics discussed.

The stakeholders attending the workshop represented 10 different organisations. The main points of discussion were around:

- Lack of support around the draft recommendation that DCJ consider centralising payment of care allowances, and alternative options to improve transparency over care allowances paid.
- The potential unintended consequences and concerns around the implementation of reimbursement of child-related expenses. Participants identified a need for clear business rules for the reimbursement of child-related expenses.
- Organisations' various strategies for recruiting and retaining carers and how these could be costed.
- The need to adequately fund casework for children with additional needs, including children with a culturally and linguistically diverse background and children with a restoration case plan goal.
- Opportunities for improvement in IPART's benchmark costs for residential care.

## Carers

| Topic                                   | Feedback from stakeholders  |
|---|---|
| <b>Centralisation of care allowance</b> | <ul style="list-style-type: none"> <li>• Several stakeholders shared concerns over the care allowance being paid by DCJ to all carers, for reasons including: <ul style="list-style-type: none"> <li>- Providers enjoy the flexibility to make out of guideline payments to support carers, which may be especially helpful for relative/kin carers. One stakeholder considered that relative/kin carers may not be able to access such additional support through DCJ.</li> <li>- Centralising payments could complicate the relationship between carers and providers. There were concerns with the logistics of paying allowances when the circumstances change, for example in the case of respite carers.</li> <li>- A stakeholder questioned DCJ's ability to make timely payments to carers, based on what has been seen in other jurisdictions that pay carers directly.</li> <li>- Centralisation of the care allowance may not address a perceived lack of transparency over why certain children get additional funding due to higher needs categorisation.</li> </ul> </li> </ul> |

| Topic  | Feedback from stakeholders   |
|--|--|
|  | <ul style="list-style-type: none"> <li>One stakeholder suggested that a robust carer complaint system may help to improve transparency in carer pay and conditions while maintaining the current process whereby providers pay carers.</li> </ul>  |
| <b>Reimbursement of medical, therapeutic and family time costs</b> | <ul style="list-style-type: none"> <li>There was some support for the reimbursement of actuals for certain costs, although stakeholders had feedback on how this could work in practice.</li> <li>Reimbursing to carers works on the assumption that carers are in a financial position to pay upfront. In practice, medical practitioners sometimes send invoices directly to the provider for payment.</li> <li>Several stakeholders referenced inconsistent implementation of DCJ business rules across DCJ districts. Negotiations over repayments can create administrative burden for providers.</li> <li>Several stakeholders suggested there could be benefits to having clear business rules and timely repayments.</li> <li>A potential alternative could be to reimburse providers for medical, therapeutic and family time costs, if implemented transparently with strong governance</li> </ul> |
| <b>Carer recruitment</b>   | <ul style="list-style-type: none"> <li>Providers undertake ongoing recruitment of carers, especially emergency and respite carers. Paying for recruitment and assessment of carers upfront when a child enters care may not reflect these costs.</li> <li>Carers may also need to be recruited when a child is already in care, to prevent placement breakdown and/or entry into Intensive Therapeutic Care</li> </ul>   |
| <b>Carer support</b>   | <ul style="list-style-type: none"> <li>The Draft Report does not consider the amount of support for carers needed to keep stable placements. This is especially important given anecdotes of carers leaving the sector.</li> <li>To further investigate respite care costs, IPART should do a comparison to NDIS respite rates which are significantly higher and therefore potentially more attractive to carers.</li> </ul>  |

## Casework and administrative costs

| Topic   | Feedback from stakeholders   |
|---|--|
| <b>Casework in regional areas</b>   | <ul style="list-style-type: none"> <li>In rural, regional and remote locations, travel costs can vary quite significantly and do incur quite a heavy cost.</li> </ul>  |
| <b>Caseloads</b>  | <ul style="list-style-type: none"> <li>In practice, a provider cannot engage a proportion of a caseworker. Costing based on caseload therefore needs to account for the gap where a caseworker may not have a full caseload.</li> </ul>  |
| <b>Casework for children with a culturally and linguistically diverse (CALD) background</b> | <ul style="list-style-type: none"> <li>Culture is highly important to permanency and there are many cultural groups of children represented in out-of-home care. This is an especially big consideration for providers operating in highly multicultural communities.</li> <li>The Draft Report focuses on language as a representation of cultural diversity, but one provider advised that culture has four layers: faith, ethnicity, language and settlement.</li> <li>The casework loading for children with a CALD background needs to capture not only the development of a cultural plan but also the implementation costs. Also, when a placement changes, a new cultural plan needs to be developed.</li> </ul> |
| <b>Transitions of Aboriginal children to ACCOs</b>  | <ul style="list-style-type: none"> <li>Non-ACCOs incur costs to facilitate transitions. These include casework support, administration, gathering of documentation, supporting the carer, meeting ACCOs.</li> <li>One stakeholder suggested more consideration could be given to funding ACCOs to recruit carers, so that Aboriginal children can be placed directly with an ACCO rather than having to be transitioned eventually from a non-ACCO.</li> </ul>   |

| Topic                       | Feedback from stakeholders  |
|-----------------------------|---|
| <b>Restoration casework</b> | <ul style="list-style-type: none"> <li>The proposed restoration casework loading does not have enough consideration of the number of hours for family time.</li> <li>The proposed restoration casework loading does not account for the costs of legal adoption.</li> </ul> |

## Benchmark placement costs

| Topic                    | Feedback from stakeholders  |
|--------------------------|---|
| <b>Aftercare support</b> | <ul style="list-style-type: none"> <li>PSP providers provide casework to young people that have recently left care, up to the age of 25. This currently goes unfunded. This was highlighted as a potential gap in the Draft Report.</li> </ul>  |
| <b>Residential care</b>  | <ul style="list-style-type: none"> <li>The SCHADS award grade for residential care workers used to estimate costs in the Draft Report is too low.</li> <li>There are varying views about the variation of rent. Rents may be higher in metro areas but in rural areas it may be harder to find a rental in the first place. Any assumption of providers being able to pay market rent for residential houses is not realistic. Applying an average could cause issues.</li> <li>The balance between house related and child related costs in the Draft Report needs to be reweighted, as costs do not change much with the number of children.</li> <li>The costs of upkeep and damages of residential facilities is underestimated in the Draft Report.</li> </ul> |
| <b>Technology and IT</b> | <ul style="list-style-type: none"> <li>The costs of technology and IT have increased, including cyber security insurance, laptop and mobile prices, and software development costs to maintain reporting requirements.</li> </ul>   |
| <b>Emergency care</b>    | <ul style="list-style-type: none"> <li>There was support for IPART's draft decision on benchmark costs for the Interim Care Model, as they were considered more cost-reflective.</li> </ul>   |