



**AbSec – NSW Child, Family and
Community Peak Aboriginal Corporation**
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27 March 2024

Independent Pricing and Regulatory Tribunal
PO Box K35 Haymarket NSW 1240
By Email: ipart@ipart.nsw.gov.au

Dear Madam Chair,

Re: Draft Terms of Reference for the IPART Review of Out-of-Home Care cost and pricing

I write to you on behalf of AbSec, The Peak Body for Aboriginal children and Families regarding the draft Terms of Reference (TOR) for the Tribunal’s Review of Out-of-Home Care cost and pricing (Review). Thank you for the opportunity to provide feedback. AbSec is a proud Aboriginal Community-Controlled Organisation providing support and advocacy to Aboriginal children, young people and families across NSW. AbSec provide this through several services, including practical support for carers of Aboriginal children, advocacy and policy support for the reform of the child protection system and wider systems that disproportionately impact Aboriginal children, young people and families.

AbSec generally supports the scope of the TOR for the Review and has provided feedback to ensure the experiences of Aboriginal children, young people and families that have been impacted by OOHC and stolen generations are addressed and reflected in the Review. AbSec have advocated for the investigation of the cost efficiency of the OOHC system in line with our member agencies and calls for change from Aboriginal communities and the Aboriginal community-controlled Sector. The Review must consider its position in the context of reform to the current system during the review process. Ensuring consideration of quality services that are holistic, innovative, strive to provide cultural safety and ultimately support restoration as a priority were possible.

Context to Review

In addition to “improving the performance and financial sustainability of the out-of-home care system”, AbSec supports the following changes to the context;



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- The Aboriginal Legal Services (ALS) recommendation that the Review should include a guiding principle that mirrors section 9(2)(d) of the Children and Young Person (Care and Protection) Act 1998 (NSW) (Care Act) – namely, that if a child or young person is temporarily or permanently deprived of his or her family environment, or cannot be allowed to remain in that environment in his or her own best interests, the child or young person is entitled to “special protection” and assistance from the State. We recommend that all the objects and principles of the Care Act should be considered in the process of this review. In taking action to safeguard or promote the safety, welfare and wellbeing of a child, the Care Act requires that “active efforts” are made to prevent that child or young person from entering out-of-home care (OOHC), to restore the child or young person to their parents or, where that is not practicable, to place the child or young person with family, kin, or community. As per this recommendation the TOR should specifically refer to the “active efforts” principle found in section 9A of the Care Act.
- Stipulation of who is included in the term “providers”.
- The OOHC system has been subject to recent evaluations and independent reviews including the Evaluation of the Permanency Support Program (April 2023). These findings as they relate to cost efficiency and the recommendations provide important context to inform the tasks in the TOR and should be referenced as such.

The Tasks

Task 1(a) AbSec recommend this reflects costs associated with recruitment and screening of carer and, costs of family finding where active efforts to establish a child or young person’s Aboriginality is not evident. Noting that ACCO service providers likely exclusively deliver to Aboriginal children the investment into community and cost of ensuring children are connected to family, culture and community is likely to be higher.

Task 2(c) AbSec recommend the TOR make specific reference to the costs associated with supporting young people through the leaving care process. This includes casework support up to 21 years, and financial support through leaving care plans up to 25 years of age.

Task 1(c) Salary parity should be considered and addressed here as there are differences across the sector that impact capacity to recruit quality staff, distribution of placements



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and case management for children in OOHC. Further support to grow a strong and thriving Aboriginal workforce to provide Aboriginal lead and culturally responsive services comes at a higher cost to ACCOs.

Task 1(e) This task is significantly impacted by regional and geographic considerations and should be stated clearly as recognised within this review.

Relevant Considerations

AbSec would like to note here that there is need for specific and considered approach to ensuring that costs of establishing and accrediting ACCOs (particularly in parts of NSW where they do not, or few exist) as part of this review. This requires targeted and genuine investment that supports infrastructure, community, and business development. This supports the application of the ACMP and commitments under Closing the Gap. It is important that contract duration and flexibility is considered here also to reflect a more culturally responsive approach to case management.

AbSec support consideration overall of additional costs for Aboriginal Community Controlled Organisations (ACCOs) as PSP providers, noting that ACCOs are performing important functions such as restoration and family preservation work. Restoration specifically, in relation to reducing the overall number of children in OOHC is an important function that should be considered by this review and the varying costs associated with restoration services.

Though Aboriginal children make up 44% of all children in out of home care only 20% of these children are serviced by ACCO's. The large number of children who are case managed by non-Aboriginal, non-government organisations reflects not only the failings of the system's approach to commissioning but additionally the greater resources that often sit within these services comparative to the ACCO sector. AbSec recommend this be scrutinised in the Review as well as other income streams of non-government organisations that contribute to the growth on Aboriginal programs that do not have genuine accountability to community. Further the broader context of the limitations and failure of transition of Aboriginal children from NGO's to ACCOs should be considered here.

AbSec recommend that children and young people who are a member of an Aboriginal community and have been placed according to the Aboriginal and Torres Strait Islander



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Child and Young Person Placement Principles have special considerations in their assistance within this review.

We agree that the Review should consider differences in levels of need, case complexity and casework requirements to support children, young people and families. A guideline that ensures costs of OOHC services support the safety, welfare, wellbeing and cultural safety of Aboriginal Children and young people.

Finally, AbSec recommends that the Review also include specific reference to undertaking costs benefit analysis of the inclusion of for-profit providers in the OOHC system – particularly in High-Cost Emergency Accommodation. The Family is Culture Review Final Report recommends there be no for-profit providers in OOHC. This was reiterated by Minister for Families and Communities, Kate Washington, indicating in the Budget Estimates on 9 November 2023 that her Department was “trying to take back control of a system that is largely run, especially when we’re talking about alternative care arrangements by private providers – and many of them are for profit – who, in my view, do not belong in the system and ought not be in the system”. AbSec welcomes the opportunity to discuss this feedback further. If you have any questions, please contact Alira Tufui, Director, Operations via email on [REDACTED]