

Ms. Carmel Donnelly PSM
Chair
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket NSW 1240

March 1, 2024

Dear Ms. Donnelly,

Thank you for the opportunity to provide a submission on the draft Terms of Reference for a Review of Out of Home Care cost and pricing. Lifestyle Solutions welcomes this review, with the aim of improving the performance and financial sustainability of the Out of Home Care System. We urge the Tribunal to ensure that the inquiry gives due consideration to the aspects of OOHHC services that provide quality and outcomes for children and young people in care. There is a nexus between quality and pricing that must be considered.

Lifestyle Solutions is a national Out of Home Care Provider – providing care to over 375 children, young people, their families and carers across the nation. As a not-for-profit provider established by the families of children living with disability in Newcastle, Lifestyle Solutions has been providing out-of-home care and other services to children, young people and families since 2006. We are committed to providing care that is tailored and therapeutic and responds to children and young people's needs within a complex social, legislative, economic, policy and regulatory environment.

Lifestyle Solutions proposes broadening the scope of the review to ensure it provides a true reflection of real-world costs of delivering Out of Home Care Services. We also request to be informed about what is out of scope as part of the consultation on the Terms of Reference. The following additional items (highlighted in bold) are suggested for consideration:

IPART is requested to:

1) Investigate and report on the efficient costs for DCJ and non-government providers, of providing out-of-home care, including the costs of:

- a) Facilitating and administering the Permanency Support Program
- b) Casework, including responding to child protection reports, assessing safety, case planning for permanency, placement monitoring and supporting children and carers
- c) Administration and corporate overheads
- d) Additional casework and legal support required by service providers to support court work when children are on interim court orders
- e) Any other activities relevant to providing out-of-home care.
- f) Cost of living impacts including housing, household items and the purchase and maintenance of vehicles (fleet) on both providers and foster and kinship carers.**
- g) Attracting, providing and retaining an appropriately skilled and trained workforce that meets regulatory and legislative requirements. This should also include the cost impact of agency staff and overtime that is necessary due to sector-wide workforce shortages.**
- h) Maintaining compliance with industrial instruments.**
- i) Maintaining compliance to the accreditation standards set by the regulator (Office of the Children's Guardian) which are often not funded**
- j) Providing quality services and responding appropriately to risks, through:**
 - **Clinical governance**

- **Physical and Sexual Abuse (PSA) Insurance**
- **Implementing Safeguarding and Restrictive Practice Frameworks**
- **Quality Assurance processes**
- **Evaluation of services**
- **Cost of insurance and property damage**
- **WHS Risks and SafeWork**
- **Tailored programs to support the complexity of children's need**

2) Develop benchmark costs for DCJ and non-government organisations **(not for profit and for-profit providers) providing a high-quality placement to** support a child or young person in out of home care

- a) In relative and kinship care
- b) In foster care
- c) Living independently
- d) In residential care through Intensive Therapeutic Care service types based on varying levels of intensity
- e) In Emergency Placement options (Short Term Emergency Placements (STEP, Individual Placement Arrangements (IPAs) and Interim Care Model (ICM).
- f) Where agencies retain aftercare obligations without ongoing funding.**
- g) Where young people are supported in unauthorized or community placements via limited case coordination funding.**

It is imperative that the review of costs of for-profit entities be conducted separately to that of not for profit entities to ensure that the pricing review fairly considers the investment that is made by the not-for-profit sector through the training of staff, research, practice development and improvement, policy development and advocacy for vulnerable children, young people, their families and communities.

3) Make recommendations on:

- a) Appropriate pricing structures and levels to incentivise outcomes and delivery of services by contracted providers
- b) A methodology for adjusting prices paid to non-government providers going forward
- c) Care allowances for providing care and support to children and young people in OOH.
- d) Further tax concessions and other economic benefits to attract and retain foster carers.**

We would hope that the outcomes referred to are quality outcomes for children and young people rather than contractual enforcement for which there is already provision in the contracts – we request clarification on this.

Relevant considerations

In undertaking these tasks, the Tribunal should consider:

- The roles and responsibilities of government as steward and funding provider, and non-government and government as service providers
- Differences in levels of need, case complexity and casework requirements driving the amount of casework required to conduct permanency planning, and to support children, young people, carers and families
- Whether there are additional costs for Aboriginal Community Controlled Organisation (ACCOs) PSP providers
- The current contracting arrangements to ensure quality care is provided
- Simplifying funding arrangements



- **The continuum of care that impacts the cost and length of time in out of home care i.e. early intervention, family preservation and leaving care programs.**
- **Cost avoidance in other crisis systems from high quality out of home care arrangements e.g. early childhood, education, health, justice, police; from high quality out of home care arrangements.**
- **Previous work undertaken by Peak Body, ACWA into cost and pricing.**
- Any other matter the Tribunal considers relevant.

Once again, Lifestyle Solutions thanks you for this opportunity to provide input into the Terms of Reference before the Review is undertaken.

If you have any queries or would like to explore these suggestions further, I can be contacted by email [REDACTED] or [REDACTED]

Yours sincerely,

[REDACTED]

[REDACTED]

Lifestyle Solutions (Aust) Ltd