Chapter 10:

Meeting the needs of children and young people in out-of-home care

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Key points

- Currently around 5,600 Victorian children and young people are placed in various forms of home-based and residential care.

- The major trends and structure of Victoria's out-of-home care include:

  - an annual growth over the past decade of 4 per cent in the number of children and young people in care driven by the increase in the time children and young people are spending in care;

  - Aboriginal children and young people now represent one in six Victorian child and young people being placed into care;

  - one in eight Victorian children and young people entering out-of-home care are infants;

  - a significant expansion in the proportion of kinship care placements offsetting a decline in foster care placements;

  - marked regional variations in the proportion of children and young people being placed in care; and

  - 30 per cent of children and young people placed in care in 2009-10 had been placed in care previously.

- There are major and unacceptable shortcomings in Victoria's out-of-home care system including placement instability and poor educational outcomes for children and young people in out-of-home care.

- The Government should, as a matter of priority, establish a comprehensive five year plan for Victoria's out-of-home care system. The core objectives of this plan should be to:

  - reduce over time the growth in the number of Victorian children and young people in out-of-home care to the overall growth in Victorian children and young people;

  - improve the quality and stability of out-of-home care placements; and

  - improve the education, health and wellbeing outcomes for children and young people placed in care, including by ensuring their therapeutic needs are met.

- Implementation of this plan will require a comprehensive and sustained long-term strategy and significant investment.

10.1 Introduction

Statutory child protection services in Victoria are provided to protect children and young people who are at risk of harm within their families, or whose families do not have the capacity to protect them. This chapter focuses on those children and young people for whom the risk of harm is assessed as too great to live at home with their parents and for whom the Department of Human Services (DHS) arranges a placement away from their families. These placements are commonly referred to as out-of-home care placements. Out-of-home care broadly consists of two types:

- Home-based care where placement is in the home of a carer who is reimbursed for expenses for the care of the child – foster care, relative/kinship care and permanent care are all forms of home-based care; and

- Residential care where the placement is in a residential building whose purpose is to provide placements for children and young people and where there are paid staff.

This chapter: outlines the current legislative framework relating to out-of-home care placements; identifies the broad objectives and key elements of the current out-of-home care system; provides an overview of the out-of-home care placements and recent rends; presents an assessment of overall performance and the key issues facing the out-of-home care system identified during the Inquiry process; and sets out a number of key conclusions and recommendations.

The chapter also draws on the report prepared by the CREATE Foundation on the views and opinions of children and young people about the out-of-home care system in Victoria. CREATE Foundation, which is generally recognised as the peak body for children and young people in out-of-home care in Victoria was contracted by the Inquiry to undertake an online and focus group consultation process with children and young people aged between eight and 25 years with a care experience. A summary of the CREATE Foundation report is at Appendix 3 and the full report is available from the Inquiry website.

On any single day in Victoria, approximately 5,600 children are living in out-of-home care placements, including children in permanent care. Around 90 per cent are generally in home-based care placements and the remainder generally in residential care. Over the 10 years to end June 2011, the number of children and young people living in out-of-home care placements increased from 3,882 to 5,678 – a growth of 46 per cent. At the end of June 2011, 4.6 Victorian children and young people per 1,000 aged 0-17 years were living in out-of-home care placements compared with 3.4 Victorian children and young people per 1,000 aged 0 to 17 years at the end of June 2001 (provided by DHS).

The background factors associated with out-of-home placements and other periods children and young people spend in out-of-home care vary considerably. Many children in out-of-home care are reunited with their families within a short period after the families receive support or address the issues impacting on the child's safety and wellbeing. Others may experience longer periods in care reflecting family circumstances, the issue of safety and the effects of trauma, abuse and neglect.

The majority of out-of-home care placements in Victoria are provided and managed by not-for-profit community service organisations (CSOs), many of which have long histories of providing care to vulnerable children across Victoria. DHS funds these placements and related services through funding and service agreements with the individual CSOs. As part of the overall policy responsibility, DHS has established a quality and regulatory framework for the care provided to children in the system and monitors CSO performance.

In summary, the Inquiry found there are major and unacceptable shortcomings in the quality of care and outcomes for children and young people placed, as a result of statutory intervention, in Victoria's out-of-home care system. Further, the Inquiry considers there a number of long-term factors impacting on the outcomes and sustainability of the current approach to providing accommodation and support services to children in out-of-home care. Major reform of the policy framework, service provision and funding arrangements for Victoria's out-of-home care system are therefore urgently required.

10.2   Out-of-home care policy and service framework

The overall purpose of out-of-home care is to provide children and young people, who are unable to live at home due to significant risk of harm or parental incapacity, with a stable and suitable place to live and other supports that ensures their safety and healthy development. The majority of children and young people placed in out-of-home care are subject to a legal order from the Children's Court.

10.2.1   Legislative framework

The *Children, Youth and Families Act 2005* (CYF Act) sets out the requirements under which the Secretary of DHS or delegate may place a child or young person in out-of-home care. Section 173 *Placement of children* applies to a child:

(a)   Who is in the custody or guardianship of the Secretary under the Act; or

(b)   For whom the Secretary is the guardian under the *Adoption Act 1984*; or

(c)   In respect for whom the Secretary has authority under the *Adoption Act 1984* to exercise any rights of custody.

The length of out-of-home care placements varies according to the individual circumstances and the court order that is in place for that particular child. The specific orders covered by section 173 include: interim accommodation orders; custody to Secretary orders; guardianship to Secretary orders; long-term guardianship to Secretary orders; interim protection orders; permanent care orders; and therapeutic placement orders.

The Secretary of DHS has administrative responsibility for the nature of the out-of-home arrangements guided by section 174 *Secretary's duties in placing child*, which requires that the Secretary or delegate when placing a child referred to in section 173:

(a)   Must have regard to the best interests of the child as the first and paramount consideration; and

(b)   Must make provision for the physical, intellectual, emotional and spiritual development of the child in the same way as a good parent would; and

(c)   Must have regard to the fact that the child's lack of adequate accommodation is not by itself a sufficient reason for placing the child in a secure welfare services; and

(d)   Must have regard to the treatment needs of the child.

In relation to Aboriginal children, sections 13 and 14 of the Act set out the matters the Secretary of DHS, in line with the Aboriginal Child Placement Principle, must have regard to, where it is in an Aboriginal child's best interest to be placed in out-of-home care. In particular, the Secretary of DHS:

- Is required to consult with the relevant Aboriginal agency when consideration is being given to placing an Aboriginal child in out-of-home care;

- Must ensure the involvement of relevant Aboriginal community members and Aboriginal family decision making processes when planning for an Aboriginal child to be placed in out-of-home care;

- Is to give priority, wherever possible, to placement with the Aboriginal extended family or relatives and, where this is not possible, other extended family and relatives; and

- If these placement options are not feasible or possible, have regard to further criteria including the child's Aboriginal community, Aboriginal family-based care and close proximity to the natural family, and maintenance of the child's cultural identity in making a placement in out-of-home-care.

In addition to out-of-home-care placements linked to statutory orders, parents of children who are the subject of a child protection report may place their child voluntarily in out-of-home care on a child care agreement. Part 3.5 of the CYF Act regulates these arrangements that are designed to alleviate immediate risks, where the parent acknowledges the risks and is willing to engage in a realistic and safe plan to address them.

Further to these out-of-home care placements that are covered by the Act, a small number of children are voluntarily placed in care due to parental illness or a family crisis, and where no other placement option is available. In these situations, a voluntary child care agreement is made between the parents or guardian and the CSO.

10.2.2   Objectives and key elements

DHS' *Child Protection Practice Manual* sets out a range of core goals, principles and processes for the placement of children and young people in out-of-home care.

The core goals for placement listed include:

- The care provided by out-of-home carers should be consistent with that provided by any caring parent in the community;

- Child-centred family-focused care – namely the primary focus is on the safety and development of the child, but in the context of the importance of their ongoing relationships with parents, family and their social relationships; and

- Placement stability – child protection services and out-of-home care services need to work hard to minimise the number of placement changes for children and to make placements as stable as possible.

A list of core principles is also identified to guide out-of-home care placements including in addition to the stability and family focus goals:

- Safety – children will reside in a safe environment, free from abuse or neglect;

- Potential – children will receive good quality care, that aims to meet their emotional, social, educational, physical, developmental, cognitive, cultural and spiritual needs and provides them with an opportunity to reach their full potential;

- Participation – children and their families will be provided with opportunities and assistance to participate in all decisions that affect them;

- Respect – children and their families will be treated respectfully and with dignity at all times and will not be spoken to or about in derogatory ways;

- Individuality – the individuality of each child will always be acknowledged. That is, the ethnic origin, cultural identity, religion and language of each child and family will be recognised and respected in the planning and provision of each placement;

- Cultural relevance – children in out-of-home care come from a range of cultures. Each child will reside in environments that are culturally relevant and that highlight the importance of their cultural heritage;

- Gender and sexuality – consideration will be given to the gender and sexuality of each child in planning and delivery of services;

- Disability – consideration will be given to any disability a child may have in the planning and delivery of services;

- Primary attachment – each child will be given the opportunity to maintain and form significant, consistent and enduring emotional connections with one or more primary individuals in their lives, and promote positive, caring and consistent relationships for a child with their family, peers, significant others, caregivers and schools; and

- Leaving care – equipping a young person for life after care is vital, so staff and carers will work with a young person to develop skills that are essential for transition to a new placement, independent living or successful return home (DHS 2011k, advice no. 1407).

Home-based care

Home-based care involves a child living with a full-time carer in the carer's home. DHS provides reimbursement for everyday living expenses of the child with direct fortnightly payments supplemented by discretionary payments for abnormal client expenses or special needs of the child. There are three main types of home-based care:

- Kinship care, where the caregiver is a family member or a person from the child's social network. DHS has historically directly managed kinship care placements but has recently transferred responsibility for a proportion of kinship care placements to selected CSOs;

- Foster care involving placements in a volunteer caregiver's home. CSOs are responsible for recruiting, training and supporting foster carers; and

- Permanent care arising from permanent care orders under the CYF Act whereby the Children's Court may grant permanent custody and guardianship of a child to a suitable person.

Residential care

Residential care involves the child residing in a facility where care is provided by paid staff working in shifts. A number of children usually reside in the facility and residential facilities may be classified according to the level of case complexity and the level of challenging behaviour the unit is equipped to accommodate. In addition to the general residential care models, DHS also funds:

- The Lead Tenant Program designed to provide semi-independent accommodation options for young people aged 13 to 17 years to assist with preparing them for transition to independent living; and

- A number of therapeutic residential care pilots designed to trial more intensive therapeutic responses to children's trauma and attachment disruption arising from prior abuse and neglect.

Brief history of out-of-home care

The pattern and service responsibility for out-of-home care placements has undergone significant changes since the 1970s as part of the broader reforms to the statutory child protection system outlined in Chapter 3. In the 1960s and prior, the out-of-home care system in Victoria was dominated by large institutions housing most children whose parents were unable to care for them. Only one-third were in foster care. A move towards community-based residential care, as part of the broader 'de-institutionalisation' philosophy, saw these larger institutions progressively closed throughout the 1970s and 1980s.

The *Children and Young Persons Act 1989* also provided for the separation of services for children who were detained for committing criminal offences from those children placed in out-of-home care because their families could not care from them.

Throughout the 1980s and 1990s, the overwhelmingly preferred models of care became home-based arrangements such as foster care or kinship care placements, with kinship care now the preferred placement model. Also in the 1990s, service responsibility for community-based residential units operated by the government was transferred to CSOs.

Out-of-home care today

More recently, the overwhelming evidence in Australia and elsewhere that simply removing children and young people from at-risk or untenable family circumstances and placing them in care does not of itself lead to an improvement in their wellbeing, has led to a broader focus on outcomes and the quality and nature of care provided.

In line with this evidence, DHS' objectives for the out-of-home care system, as outlined above, have broadened beyond meeting a child's basic accommodation, food, health care and schooling needs, to including the full range of a child's needs and outcomes in critical life areas such as emotional and behavioural development, family and social relationships, identity, social presentation and self-care skills.

As part of this broader focus, there has also been an important and growing emphasis on developing therapeutic approaches to out-of- home care placements that explicitly recognises that healing the traumatic impact of abuse and neglect and the disrupted attachment that ensues requires creating and sustaining sophisticated care environments. Basic tenets of the approach include 'the skilled therapeutically intentional use of daily interactions as a vehicle for delivering healing interventions' (Downey & Holmes 2010, p. 1).

The extent to which these objectives and key elements are meeting the desired goals is addressed later in Section 10.4.

10.2.3 Out-of-home care processes, funding arrangements and standards

Processes

As outlined in Chapter 9 there are two key statutory child protection processes involved in a decision by DHS to remove or seek the removal of a child from their parent's or family's care: risk assessment and case planning.

The risk assessment provides the basis for informed decisions about a child's needs, the family's ability to provide a safe and supportive environment and the decision to remove a child from the family home. The case plan, as outlined in Part 4.3 of the CYF Act, sets out the decisions, goals and strategies relating to the present and future care and wellbeing of the child, including the placement of and parental access to the child. The case plan includes any stability plan prepared for that child for long-term out-of-home care.
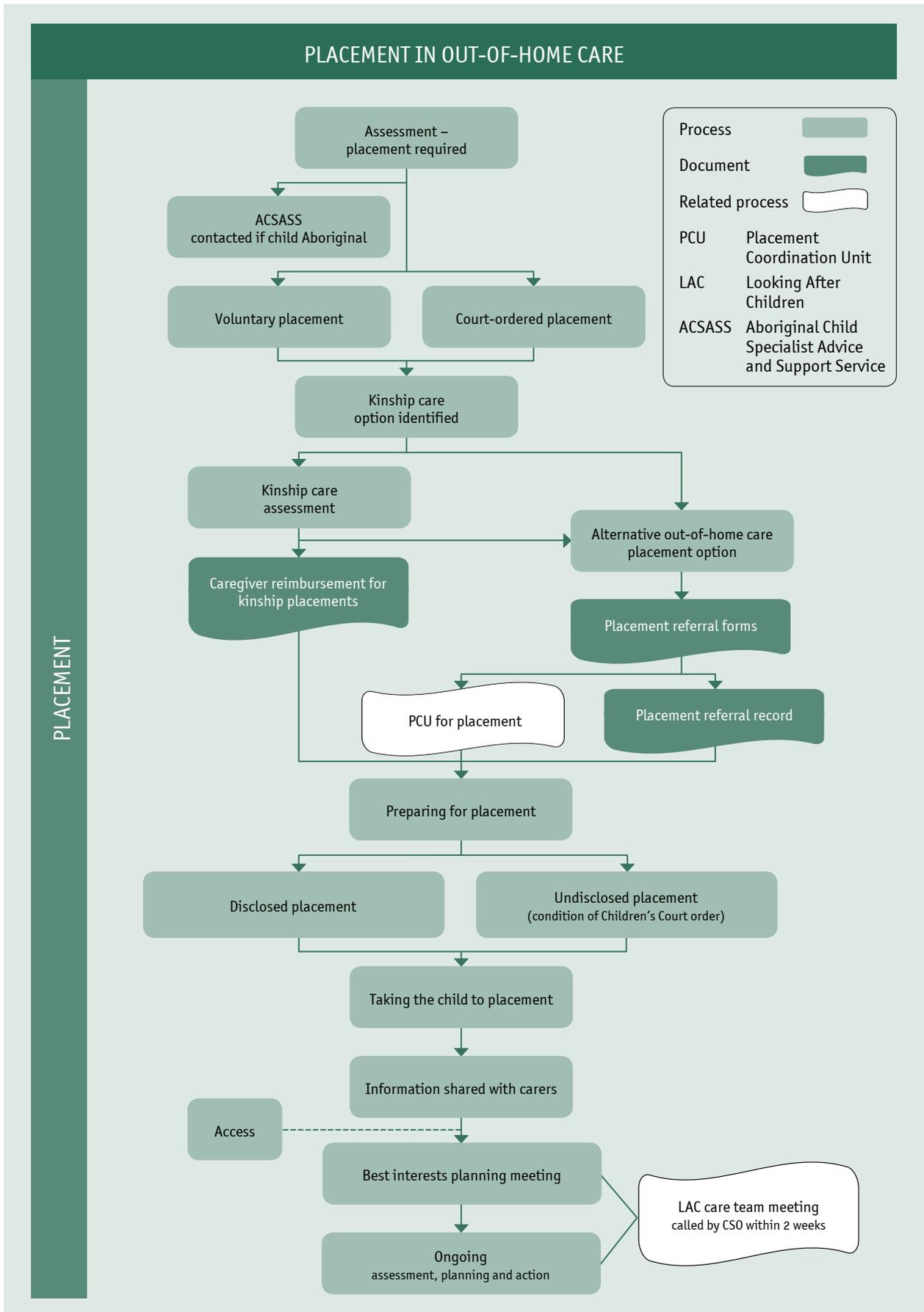
Figure 10.1 sets out the flowchart DHS has developed of the process for placements in out-of-home care including the key phases. The planning and coordination of placements is undertaken as part of the activities of the regional offices of DHS.

As outlined in the flowchart, the placement planning process emphasises the priority to be given to kinship care in the first instance and, in relation to Aboriginal children, the requirement for consultation with the Aboriginal Child Specialist Advice and Support Service.

The placement planning process and the initial placement decisions are the critical steps in achieving appropriate and stable out-of-home placements that support 'the physical, intellectual, emotional and spiritual development of the child in the same way as a good parent' (s.174 (1) (3), CYF Act). To underpin these decisions and the ensuing out-of-home care placements, DHS has developed a range of practices, funding arrangements and standards.

Paramount are the assessment and planning of the child's best interests and promoting and monitoring the child and young person's development. In addition to the child's case plans, including stability plans required as part of the statutory child protection phase, DHS policies and practices include the following:

Figure 10.1 Victoria's out-of-home care placement processes

PLACEMENT IN OUT-OF-HOME CARE

Legend:
- Process
- Document
- Related process
- PCU — Placement Coordination Unit
- LAC — Looking After Children
- ACSASS — Aboriginal Child Specialist Advice and Support Service

PLACEMENT

Assessment – placement required

↓

ACSASS contacted if child Aboriginal

↓

Voluntary placement | Court-ordered placement

↓

Kinship care option identified

↓

Kinship care assessment → Alternative out-of-home care placement option

Caregiver reimbursement for kinship placements

Placement referral forms

↓

PCU for placement | Placement referral record

↓

Preparing for placement

↓

Disclosed placement | Undisclosed placement (condition of Children's Court order)

↓

Taking the child to placement

↓

Information shared with carers

Access ----

↓

Best interests planning meeting → LAC care team meeting called by CSO within 2 weeks

↓

Ongoing assessment, planning and action

Source: DHS 2011k, advice no. 1397

- At the point of a child's placement, the establishment of a *care team* to facilitate collaboration and prompt 'all parties involved to consider things any good parent would naturally consider when caring for their own Child' (DHS 2011k, advice no. 1397). The composition varies depending on the specific issues and needs of the child and family but generally includes the child protection practitioner, the community service agency case worker, the carers (including the residential worker) and, as appropriate, the child's parents and other adult family members.

- Using the *Looking After Children framework* for supporting outcomes-focused collaborative care for children and young people placed in out-of-home care as result of child protection intervention. The *Looking After Children framework*, which was originally developed in the United Kingdom (UK) and adopted by DHS in 2002, sets the framework and practice tools for considering how each child's needs will be met while the child is in out-of-home care. The framework identifies seven life areas in considering the child's needs and outcomes – health; emotional and behavioural development; education; family and social relationships; identity; social presentation; and self-care skills – and includes a set of supporting practice tools: essential information record; care and placement plan; assessment and progress record; and review of the care and placement plan.

- For each Aboriginal child placed in out-of-home care, a cultural plan setting out how the Aboriginal child is to remain connected to his or her Aboriginal community and to his or her Aboriginal culture must be prepared.

- As part of the Partnering Agreement between DHS, the Department of Education and Early Childhood Development (DEECD), Catholic Education Commission of Victoria and Independent Schools Victoria on *The Out-of-Home Care Education Commitment*, the establishment of a school support group - including parent, guardian or caregiver, child (where appropriate) and relevant school, DHS and CSO representatives – and preparation of an individual education plan to address the particular education needs of the child or young person in care.

- Advice to care teams on the preparation and planning required for young people aged 16 to 18 years in out-of-home care to transition to independence and adulthood including the preparation of a transition plan. Chapter 11 considers in more detail the legislative framework and statutory child protection process related to young people leaving care.

Structure of out-of-home care and funding

Critical to the achievement of the goals and aspirations for children and young people placed in out-of-home care are the quality of the out-of-home placements and the provision of appropriate interventions and supports to not only the child or young person but the caregivers as well.

DHS has the lead responsibility for the policy and funding arrangements of out-of-home care placements. CSOs are funded and have the service provision responsibility for foster and residential care placements and, more recently, case management responsibility for a number of kinship care placements arranged by child protection workers following the establishment of the kinship care arrangements between the statutory child protection system and the family.

In response to the increase in the demand for out-of-home placements, the long-term decline in the availability of foster carers and the changing and challenging needs of many children and young people placed in out-of-home care, DHS has introduced a range of additional options and supports to the home-based and residential care framework. Figure 10.2, which depicts the current out-of-home care system, indicates the trend towards increasing specialisations and supports within the out-of-home care system.

Within the home-based foster care component, the graduations span general, complex, intensive and therapeutic foster care depending on the assessed needs and specialised supports. For example, home-based complex care generally covers one-to-one care for children and young people with very high, complex needs where intensive placements have been inappropriate or unsuccessful because of the child's challenging behaviour or additional needs. Home-based intensive and complex carers are given additional training, reimbursement and support.

The therapeutic approaches in home-based care include therapeutic foster care, which provides additional supports to the child and carers and the dedicated involvement of both placement and therapeutic specialist providers, and access to the statewide developmental therapeutic program, known as Take Two. Take Two supports children and young people in the statutory child protection system.

The residential therapeutic approach involves models being trialled under the Therapeutic Residential Care Pilot Projects initiative commenced in 2007-08. Elements of the pilots include:

- Additional support for residential workers to provide informed care and guidance to assist in addressing the child and young person's everyday and exceptional needs and development delays that impede healthy functioning;

Figure 10.2 Victoria's out-of-home care system
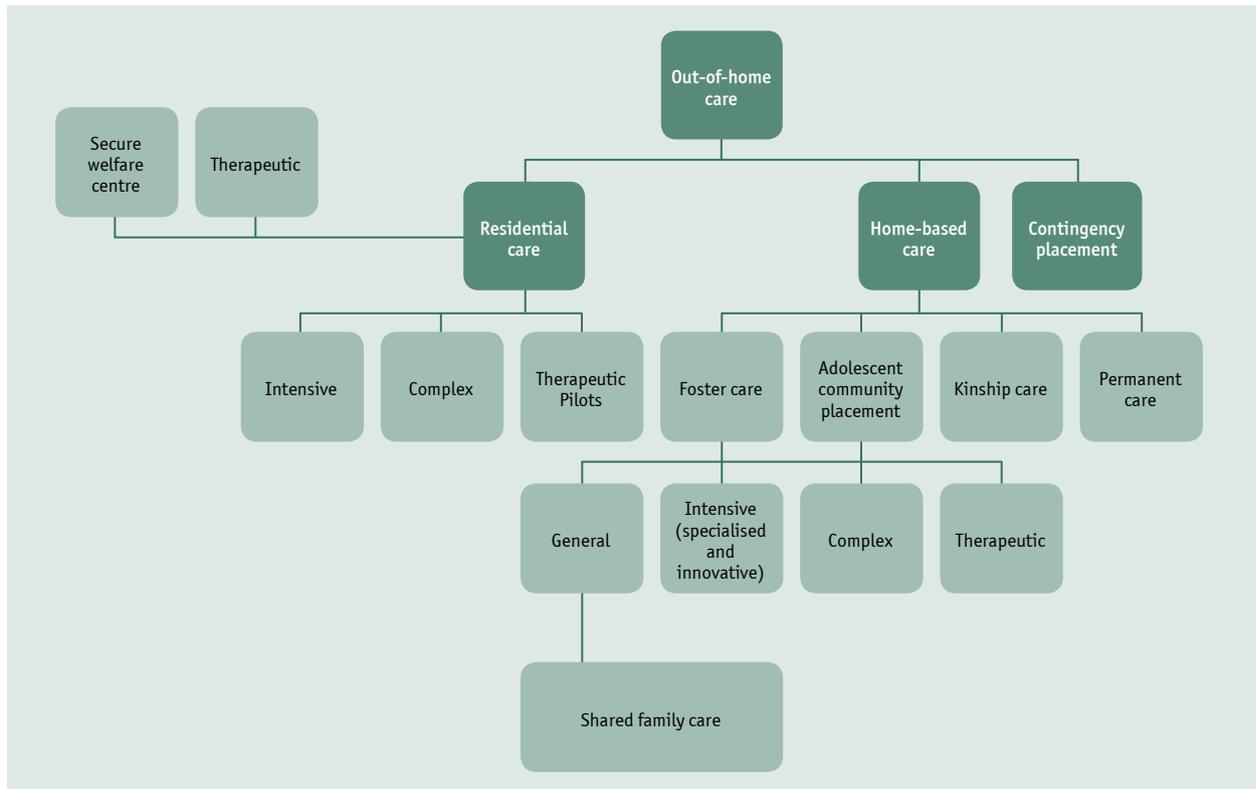
Source: Adapted from information provided by DHS

- Focuses on hearing the child and young person's voice; and
- A strengthening of the child or young person's connections with their family, community and culture.

Reflecting demand pressures and specific placement requirements for children or young people with very complex needs, DHS in recent years has funded a range of one-off or contingency placements in various accommodation arrangements to meet short-term emergencies. These arrangements have included motels, serviced apartments, caravans/cabins and youth hostels. In the year to March 2011, DHS services advised that 124 contingency placements had been made compared with 153 placements in 2009-10. Sixty-eight of the placements had been in youth hostels and 34 in caravans/cabins.

An important element influencing the extent of entry into out-of-home care and the duration of care is the emphasis given to placement diversion and family reunification activities. DHS provided the Inquiry with data on the total number of reunifications with parents for children and young people in 2009-10 and 2010-11. In 2009-10 there were 1,179 reunifications relating to 1,087 individual children and, in 2010–11, 1,130 reunifications relating to 1,046 individual children.

DHS does not collect information on unsuccessful reunification attempts but advised that snapshot reviews indicated:

- Of the 1,087 children reunited with parents during 2009-10, 173 or nearly 16 per cent were recorded as having returned to out-of-home care on 30 June 2010; and
- Of the 1,046 children reunited with parents in 2010-11, 141 or 13.5 per cent were recorded as having returned to out-of-home care on 30 June 2011.

On placement diversion, as part of a range of out-of-home care initiatives announced in the 2009-10 State Budget, DHS has implemented four intensive in-home assistance pilots, known as Family Coaching pilots, aimed at children and young people and their families who are at risk of coming into care or have come into care for the first time. These pilots focus on infants aged under two years, older children aged 10-15 years and Aboriginal children. DHS has advised the preliminary data indicates these pilots are having a significant impact on assisting families provide a safe and supportive home for their children and thereby pre-empting placement in out-of-home care and achieving successful family reunifications.

In the 2011-12 State Budget, the government announced that $12.8 million over four years had been allocated to establish an effective model of health and educational assessment, and treatment and support for children entering residential care. The aims of the funding are to enable early identification of children's physical health and development and mental health needs, and provide support to enable sustainable school engagement and educational achievement.

An important but less well documented and understood component of the out-of-home care system in Victoria is the availability and usage of respite care. Respite care usually takes the form of foster care provided for a short period when the regular carer is unable to care for the child for a range of reasons. The respite care can be regular or on an emergency basis, and is designed to support parents as well as foster carers, kinship carers and permanent carers. In Victoria, respite care for foster carers forms part of the overall arrangements for foster carers involving CSOs. Anecdotal evidence suggests these respite arrangements form an important part of the foster care system.

However, as outlined in Section 10.2.1, placements of children in out-of-home care can also be made outside of a statutory order. In specific instances, the placement in out-of-home care can form an important part of the support to a family that is the subject of a statutory child protection intervention. DHS reported that 893 child care agreements were entered into 2010 of which 57 per cent were linked to statutory child protection intervention and the remaining 43 per cent direct arrangements between CSOs and families to accommodate emergency and other circumstances.

Funding

The overall funding for the out-of-home care system forms part of the annual budget allocations to DHS. In 2009-10, direct expenditure on residential care totalled around $90 million, with some $100 million spent on home-based care including caregiver reimbursements.

There are three principal elements to the current funding of out-of-home care arrangements:

- Funding to CSOs for the provision of home-based foster care and residential places. CSOs are funded for recruiting, assessing, training and supporting foster carers. They are also funded to provide case management and for the provision of the residential care services in community-based houses including the recruitment and training of the carers and staff. Funding provided to CSOs is based on annual unit placement prices which, in relation to home-based care, ranged for 2011-12 from $13,758 per child for general home-based care placements to $27,515 per

year for complex home-based care placements. For residential care, the annual placement unit prices ranged from $152,642 to $218,484 per child or young person;

- Direct fortnightly reimbursements to approved foster, kinship and permanent carers to contribute to household expenses. The reimbursements to foster carers are based on the three levels of foster care provision (general, intensive and complex), according to the age of the client and on the complexity of the child's needs. Where a child is placed in kinship or permanent care through child protection involvement, carers are eligible for reimbursement per child at the foster care general rate. In addition, carers receive a range of additional subsidy payments such as the new placement loading, education assistance initiative, education and medical assistance. The 2011-12 annual foster caregiver rates, which exclude the new placement loading range and vary by age, range for children aged 8 to 10 years from $7,134 per child for general home-based care to $35,360 per child for complex and high risk home-based care; and

- Flexible client support funds allocated to DHS regions for one-off expenses and case specific supports and client expenses for children and young people generally placed in out-of-home care. Placement and client expenditure is decided on a case-by-case basis and total annual expenditure is around $40 million.

Standards and monitoring

Alongside the service framework and funding arrangements, DHS has developed, oversees and conducts a range of registration, accreditation and monitoring processes to underpin the quality of the out-of-home care placement system.

These arrangements include the CYF Act requirements that all CSOs providing out-of-home care, community-based child and family services and other prescribed services are to be registered. The standards that CSOs have to meet in order to maintain their registration status were developed and gazetted in April 2007 aim to:

- Ensure consistency in quality of out-of-home care;

- Set an organisational framework to help organisations to provide quality services for children, youth and families by enabling services to monitor and review performance on an ongoing basis;

- Help ensure organisations provide culturally competent services;

- Define the standards of care and support that children, youth and families can expect; and

- Where possible, use other accreditation processes as evidence of meeting the organisational component of the registration standards.

In order to show they meet the standards, agencies are required to complete two internal self-assessments and undertake one external review in every three year cycle.

On 22 June 2011 the Minister for Community Services released new DHS standards that will apply from July 2012 and will replace, among other standards, the *Registration Standards for Community Service Organisations*. These integrated standards are designed to ensure consistent quality of service across disability, homelessness and child, youth and family services and cover the areas of empowerment, access and engagement, wellbeing and participation.

Part 3.4 of the CYF Act sets out the broad legislative framework for approving foster carers and approving or engaging carers. In Victoria, CSOs providing foster care are responsible for the screening checks, assessment, approval and training process of people interested in becoming foster carers. The process from the perspective of potential foster carers involves:

- Participating in an information session;

- Lodging an official application form, including life history and screening check forms (police, Working with Children, medical and referee checks);

- Participating in the CSO's assessment and pre-service training (the assessment includes a home and environment check and interviews); and

- Gaining approval, which is granted for 12 months and reviewed every year.

The assessment of kinship carers is undertaken by DHS and varies from the foster care assessment in that the assessment of the carer is specific to their appropriateness as a carer for a particular child. The initial process involves:

- A preliminary screening prior to placement involving criminal record checks; checks on the suitability and fitness of the proposed carer; checks on whether any member of the household has been a client of statutory child protection;

- Discussions with the carer on safety and cooperation with DHS; and

- For a child under two years discussion on SIDS factors and safe sleeping arrangements.

Subsequently, further assessments are required within the first week of placement and within six weeks of the commencement of placement where the planned placement is likely to exceed three weeks.

As a check on the quality of care in out-of-home care placements, DHS commenced annual data collections in 2006-07 on allegations of abuse in care or quality of care for children and young people in out-of-home care. These data collections paralleled the development by the DHS in 2007 of draft *Guidelines for responding to quality of care concerns in out-of-home care*.

The guidelines, which were finalised in March 2011, specify that all allegations of possible physical or sexual abuse, neglect or other quality of care concerns must initially be screened by DHS in consultation with the responsible CSO to determine the exact nature of the concern and the most appropriate response. At the conclusion of a quality of concern investigation involving an allegation of abuse and neglect, DHS must determine whether the concern is substantiated or not substantiated. If the investigation identifies serious issues in relation to the carer's capacity to provide an appropriate standard of care, a formal care review may be initiated, even when the specific allegations have not been substantiated. To date, DHS has prepared four annual analyses of this quality of care data under four headings: allegations of abuse; completed investigations of possible abuse in care; quality of care reviews commenced; and completed quality of care reviews and outcomes.

Also relevant to the monitoring and improving of the quality of care are the activities of the Office of Child Safety Commissioner established in December 2004. The powers of the Child Safety Commissioner are outlined the *Child Wellbeing and Safety Act 2005* and in relation to children in out-of-home care are:

- Promoting the active participation of those children in the making of decisions that affect them;

- Advising the Minister for Community Services and Secretary on the performance of out-of-home care services; and

- At the request of the Minister for Community Services, investigating and reporting on the out-of-home care service.

As part of these activities, the Child Safety Commissioner has developed the *Charter for Children in Out-of-Home Care* with the CREATE Foundation and undertaken activities in conjunction with relevant out-of-home care organisations, including DHS, directed at improving the outcomes for children and young people who have contact with out-of-home care services. However, as outlined the Child Safety Commissioner's annual reports, these activities in relation to the out-of-home care sector are relatively 'light touch' supportive activities.

In his submission to the Inquiry, the Child Safety Commissioner put forward proposals to enhance his capacity to robustly and proactively monitor the out-of-home care system (Office of the Child Safety Commissioner submission, p. 15). The activities of the Office of the Child Safety Commission are discussed more generally in Chapter 21.

The issue of standards for out-of-home care has also formed part of the work arising from the Council of Australian Governments' (COAG) initiative and agreement in 2009 – *Protecting Children is Everyone's Business: National Framework for Protecting Australia's Children 2009-2020*. This framework identified 12 priority projects including to develop and introduce ambitious national standards for out-of-home care. In 2011, the Department of Families, Housing, Community Services and Indigenous Affairs together with the National Framework Implementation Working Groups released *An Outline of National Standards for Out-of-Home Care*. The standards cover: health; education; care planning; connection to family; culture and community; transition from care; training and support for carers; belonging and identity; and safety, stability and security, and set out some 22 performance measures along with a schedule of national measurement and reporting arrangements.

10.3   An overview of Victoria's out-of-home care population

This section sets out a range of summary data on Victoria's out-of-home care population including an analysis of out-of-home care data provided to the Inquiry by DHS for the period 1994-95 to 2009-10.

10.3.1 Key features and recent trends

The key characteristics of the current out-of-home care population and system are:

- The overwhelming importance of kinship care, permanent care and foster care in out-of-home care placement arrangements. Of the 5,678 children and young people aged 0 to 17 years in out-of-home care at the end of June 2011:
  - 2,383 or 42 per cent were in kinship care;
  - 1,361 or 24 per cent were in permanent care;
  - 735 or 12.9 per cent were in foster care;
  - 671 or 11.8 per cent in other home-based care arrangements;
  - 496 or 8.7 per cent were in residential care; and
  - 32 or 0.6 per cent in independent living and non-standard care options.

- The children and young people in out-of-home care are spread across the main age groups. At the end of June 2011:
  - 21.8 per cent were less than 4 years of age (including 3.1 per cent under 1 year);
  - 26.8 per cent were 5 to 9 years;
  - 30.4 per cent were 10 to 14 years; and
  - 21 per cent were 15 to 17 years.

- During the year significant numbers enter and exit from care across all age-groups. In the 12 months to the end of June 2011, 37.1 per cent of those entering care were less than 4 years of age compared with 28.9 per cent of those exiting care:
  - 21.7 per cent of those entering care were 5 to 9 years of age compared with 21.9 per cent exiting care;
  - 27.2 per cent entering care were 10 to 14 years of age and exiting care 21.9 per cent; and
  - for 15 to 17 year olds, 14.0 per cent and 27.3 per cent.

  - Significant proportions of children and young people who exited care during the year had care periods of less than 12 months. Of the 1,729 children who exited care in the 12 months to 30 June 2010 and who were in care for one month or longer:
  - 35.6 per cent had been in care from one month to six months; 16.4 per cent from six months to less than a year;
  - 18 per cent from 1 year to less than 2 years;
  - 16 per cent from 2 years to less than 5 years; and
  - 14 per cent 5 years or greater.

- In line with the major regional variations in the reports of alleged child abuse and neglect and substantiation rates of child abuse and neglect, there are significant regional differences in the key dimensions of the out-of-home care:
  - in 2009-10 in the Gippsland and Hume regions, about 10 children and young people aged 0 to 17 years per 1,000 children and young people in the region were admitted to out-of-home care, more than three times the proportions rate for the Eastern Metropolitan and Southern Metropolitan regions.
  - at the end of June 2010, the proportion of child and young people in out-of-home care per 1,000 ranged from 2.7 in the Eastern Metropolitan Region to 10.0 in Gippsland

– while the broad patterns of home-based and residential care were generally similar, at the end of June 2010 residential care placements ranged from 6 per cent of placements in the Grampians region to 12 per cent in the Hume region, and kinship care placements represented 28 per cent of placements in the Grampians region and 42 per cent of placements in the Gippsland region.

Figure 10.3 indicates: the number of children and young people (aged 0 to 17 years) in out-of-home care in Victoria at the end of June over the period 2001-2011; the number of children in out-of-home care who had at least one out-of-home care placement during the year including those in out-of-home care at the beginning of the year; and the number of children who exited care during the year.

Over the 10 year period to June 2011, the number of children and young people in out-of-home care has increased by 46 per cent or an annual rate over 4 per cent. The rate per 1,000 children and young people aged 0 to 17 years in the population, which adjusts for population growth, increased from 3.4 to 4.6, an increase of nearly 35 per cent or over 3 per cent per annum. Over this period, the number of children in out-of-home care who had at least one placement during the year period increased by 23 per cent and, while the numbers who exited during the year fluctuated, there was little change in the annual number who exited over the period.

Consistent with these trends, the main driver of the increase in the number of children and young people in care in Victoria over the past decade has been the increase in the length of time spent in care. Figure 10.4 provides the percentage distribution of lengths of time in continuous care for children in out-of-home care at the end of June 2001 and 2011. Over this period the median duration of continuous time in care has increased from an estimated 16 months to over three years. As outlined in Section 10.3.2 the number of new entrants to out-of-home care in a given year has been declining over this period.

As outlined in Chapter 12, Aboriginal children and young people have markedly higher interactions with the statutory child protection system. In relation to out-of-home care, the headline observations are:

• Over the period of June 2001 to June 2011 the number of Aboriginal children and young people in out-of-home care increased by over 90 per cent with the rate per 1,000 Aboriginal children and young people increasing from 36.5 to 57.3, an increase of 57 per cent;

• Over the period the median duration of time in continuous out-of-home care increased from an estimated 15 months at the end of June 2001 to less than three years at the end of June 2011;

Figure 10.3 Children in out-of-home care, experiencing care and exiting care, Victoria, 2001-2011
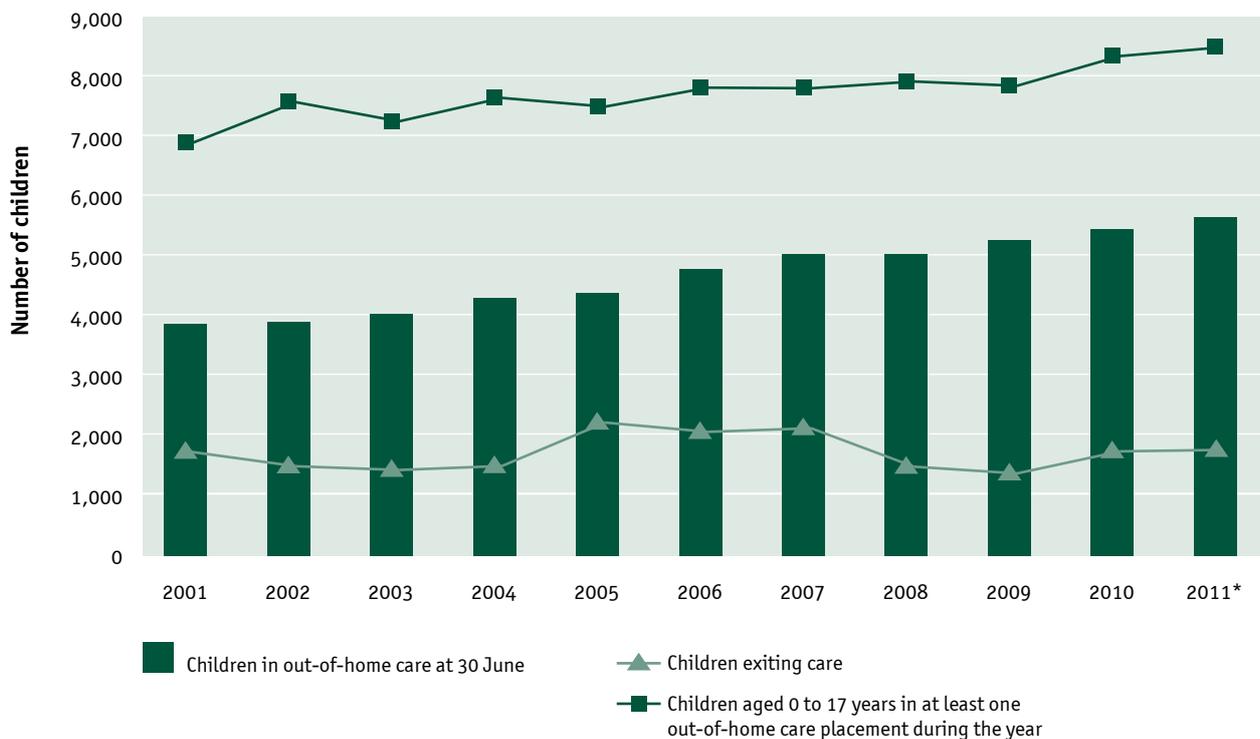
Source: Steering Committee for the Review of Government Service Provision (SCRGSP) 2011c, Table 15A.57 and Table 15A.61,* provided to the Inquiry by DHS

- 93.2 per cent of Aboriginal children were in home-based care arrangements at the end of June 2011 with 51 per cent of Aboriginal children in kinship care;

- 64.4 per cent of Aboriginal children who entered care in the 12 months to the end of June 2011 were less than 10 years, a significantly higher proportion than for non-Aboriginal population; and

- Aboriginal children and young people who exited care in the 12 months to June 2011 had spent similar periods in care as non-Aboriginal children: 52.7 per cent had been in care for less than 12 months; 22.8 per cent one year to less than two years; and 24.5 per cent more than two years.

Figure 10.4 Children in out-of-home care at the end of June 2001 and 2011, by length of time in continuous care, Victoria: percentage distribution
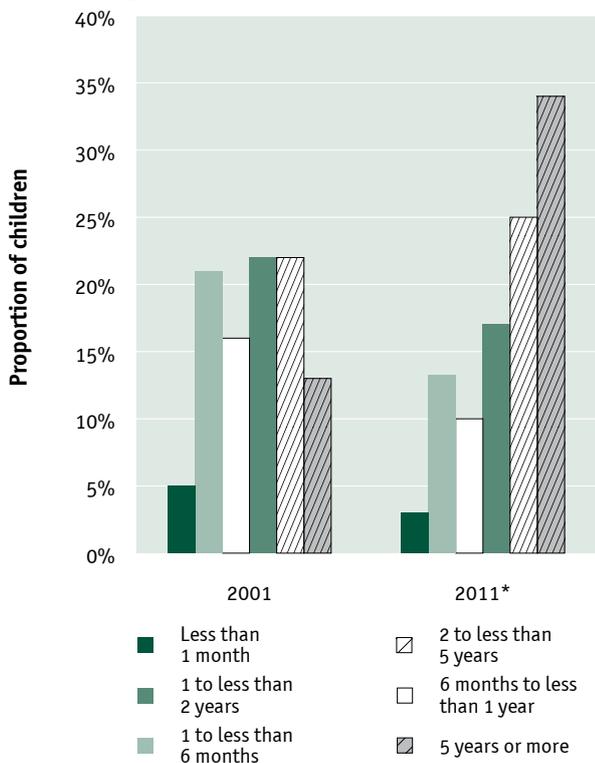
Source: SCRGSP 2011c, Table 15A.60
* provided to the Inquiry by DHS

10.3.2 Victoria's out-of-home care system: a longer term perspective

DHS provided the Inquiry with a non-identifiable database of all out-of-home care placements since 1994-95. An analysis of this database provided further evidence of the significant changes over time in Victoria's out-of-home care population and the composition of out-of-home care placements.

Figure 10.5 sets out the age distribution of those entering out-of-home care in the four years 1994-95, 1999-00, 2004-05 and 2009-10. The major variation has been the sharp increase in the proportion of infants aged less than one year being placed in out-of-home care. In 1994-95, infants constituted around one in 14 of the children and young people placed in care; in 2009-10 this proportion had increased to more than one in eight being infants.

Figure 10.6 sets out the number of Aboriginal and non-Aboriginal children entering out-of-home care in the four years 1994-95, 1999-00, 2004-05 and 2009-10 and the proportion entering care who were Aboriginal. Over this period the proportion recorded as Aboriginal has increased from less than 6 per cent to over 16 per cent – or one in six Victorian children placed in out-of-home care.

An analysis of children and young people entering non-respite care in 2009-10 indicated a significant proportion, over 30 per cent, had previously been admitted to care. The majority, around two-thirds, had one prior admission to care. For the remaining one-third, they were clustered around two and three prior admissions to care. The extent of re-admission to out-of-home care reflects the extent of resubstantiations for a number of Victoria's children and young people outlined in Chapter 9.

Over the past 15 years there has been significant change in the types of out-of-home care placements as illustrated in Figure 10.7. Most notably, the number of children and young people admitted to foster care placements, which have a shorter duration than kinship care and permanent care placements, has decreased from 3,731 in 1999-00 to 1,751 in 2009-10 – a decline of 53 per cent – while the number of children placed in kinship care has increased from less than 20 in 1994-95 to 1,211 in 2009-10. There was a decline in residential care placements from 668 in 1994-95 to 546 in 2009-10.

The increase in the duration of care outlined earlier has been evident across all age groups. Figure 10.8 indicates the proportion of children and young people exiting care in the selected four years whose length of time in care exceeded one year, by single year of age.

Figure 10.9 sets out the duration of out-of-home care for those who exited care in 2009-10 by their age at the time they entered care. The data relates to the last episode of placement in care (that is, previous placements in care are not included) and excludes respite placements. The average duration in care was nearly 18 months. Those who entered care at over 10 years of age tended to have lower durations of placement and those who entered care prior to age 10 years had longer durations.

Figure 10.5 Children admitted to out-of-home care, by age, Victoria, 1994-95 to 2009-10: Percentage distribution
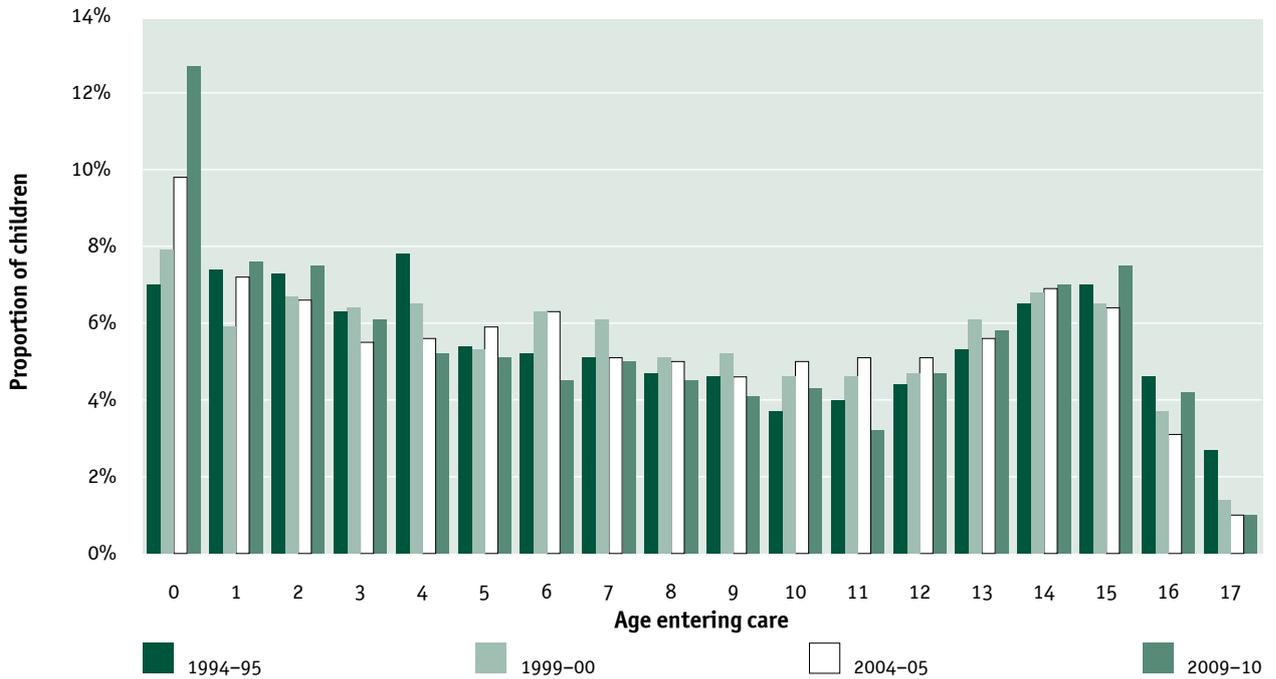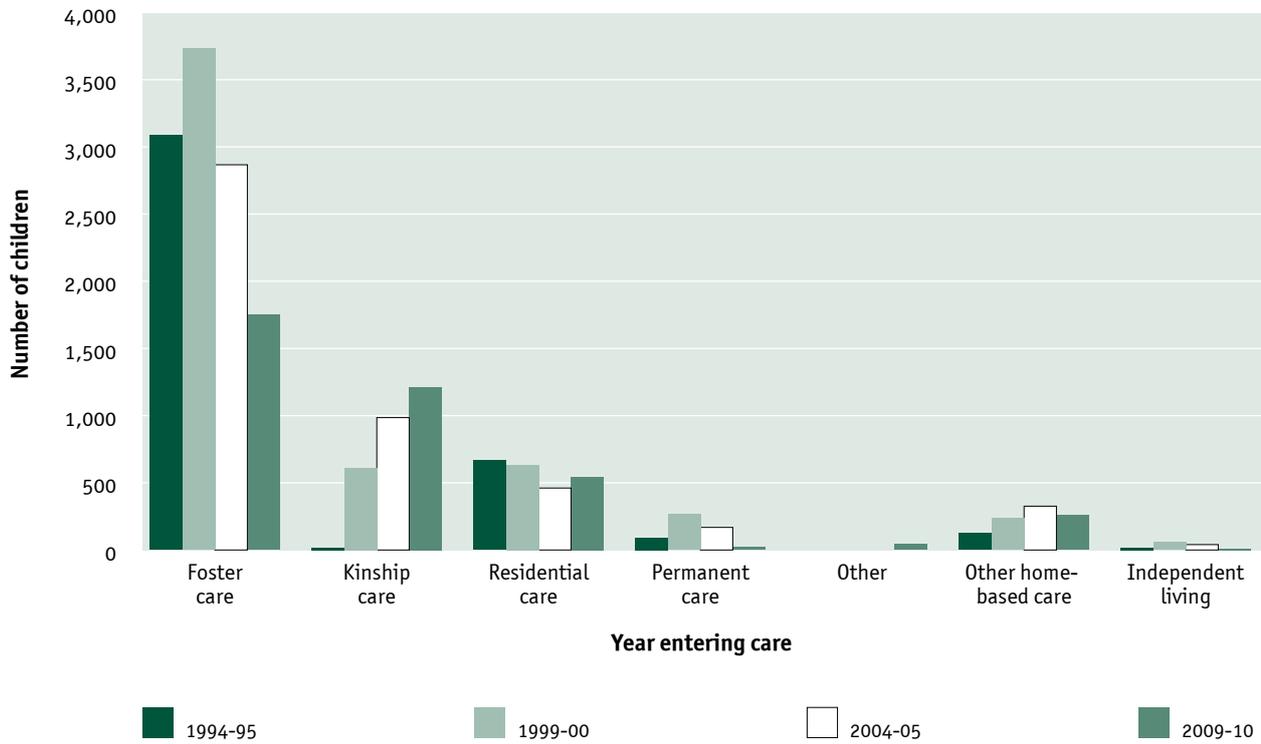

Source: Inquiry analysis of information provided to the Inquiry by DHS

Figure 10.6 Children entering out-of-home care, by Aboriginal status and proportion of Aboriginal children, Victoria, 1994-95 to 2009-10
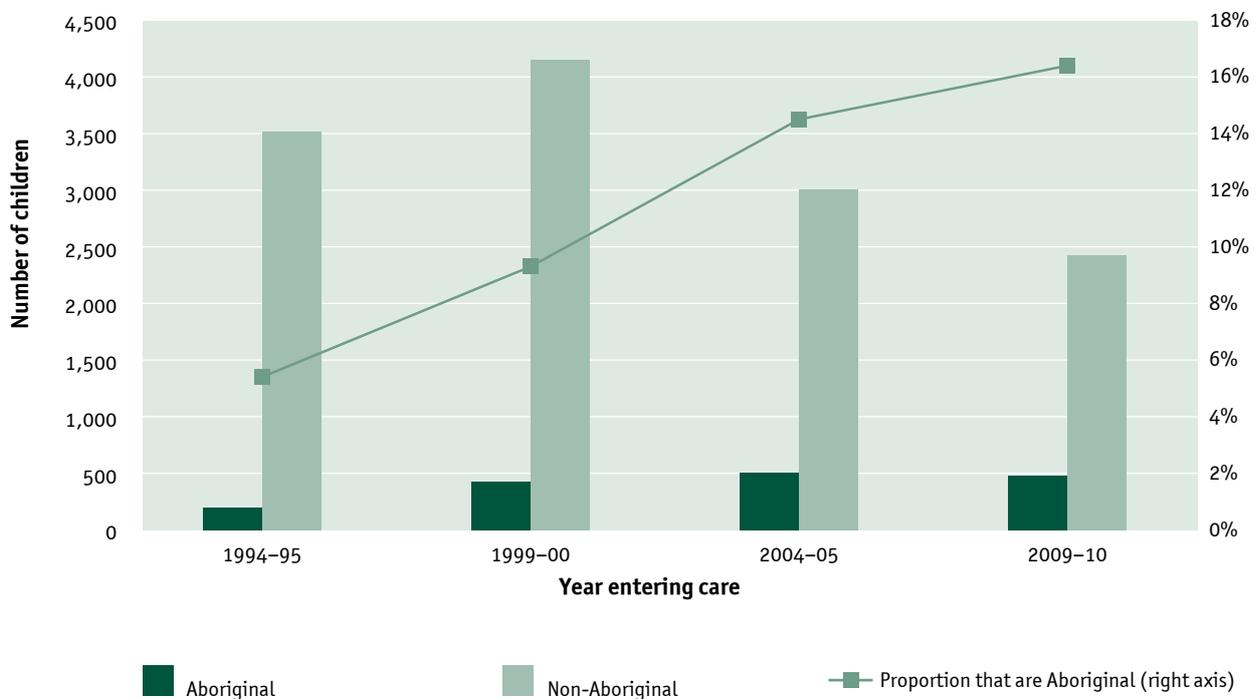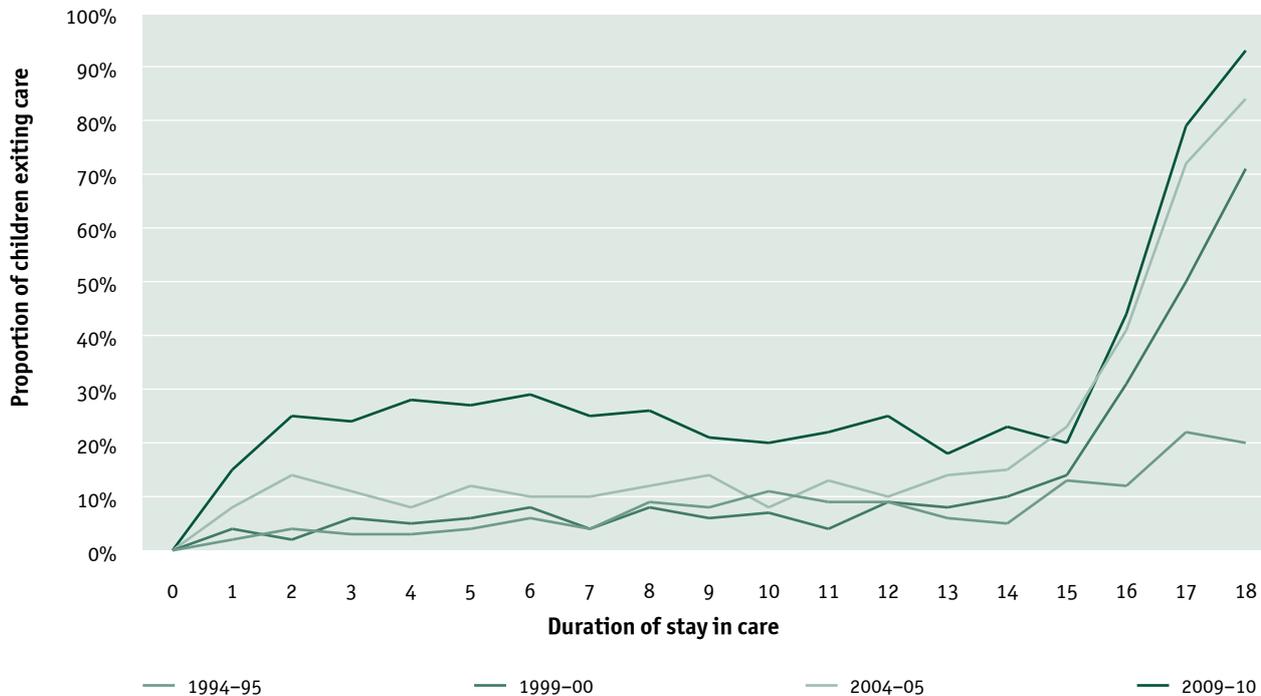

Source: Inquiry analysis of information provided to the Inquiry by DHS

Figure 10.7 Children admitted to out-of-home care, by type of care, Victoria, 1994-95 to 2009-10

Year entering care

|			
■ 1994-95	■ 1999-00	□ 2004-05	■ 2009-10

Source: Inquiry analysis of information provided to the Inquiry by DHS

Figure 10.8 Proportion of children exiting out-of-home care, with length of stay over one year, by age, Victoria, 1994-95 to 2009-10

Duration of stay in care

—— 1994–95	—— 1999–00	—— 2004–05	—— 2009–10

Source: Inquiry analysis of information provided to the Inquiry by DHS

Figure 10.9 Children and young people exiting out-of-home care, by duration of care and age of entry into care, Victoria, 2009-10
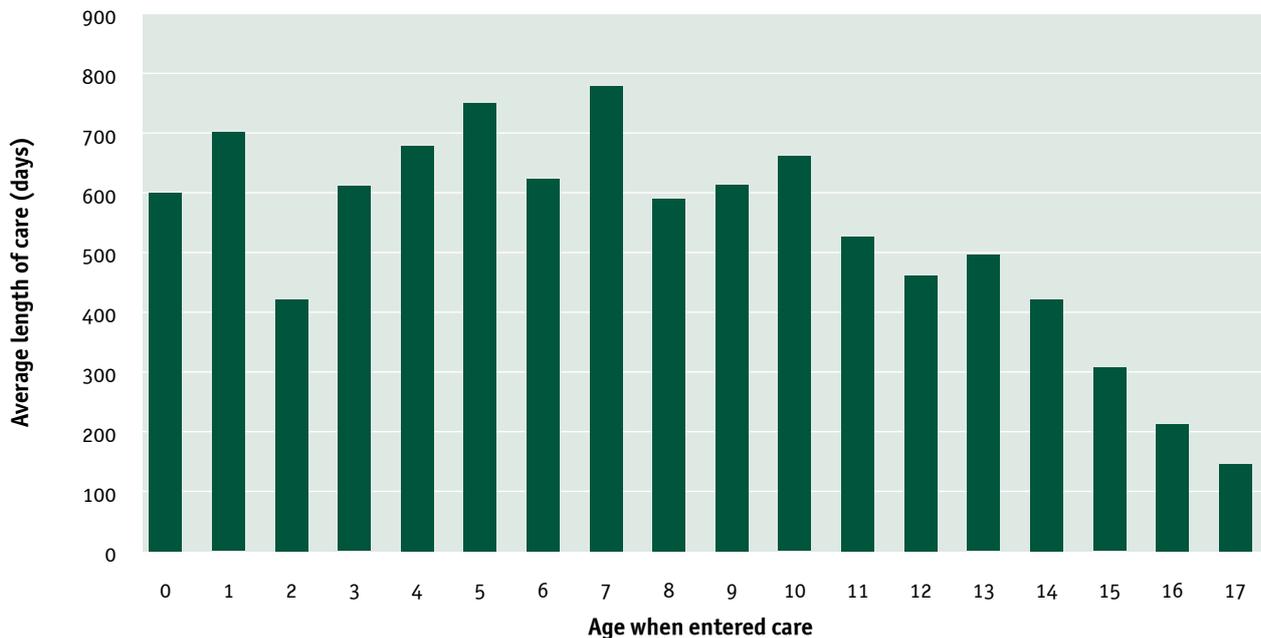
Source: Inquiry analysis of information provided to the Inquiry by DHS

10.4   The performance of Victoria's out-of-home care system and key issues

As for many areas considered by the Inquiry, the absence of comprehensive data on the lifetime outcomes for children and young people placed in care prevents a definitive overall conclusion on the impact of out-of-home care placements for Victorian children and young people who are placed in out-of-home care. This is particularly so for young children who experience short periods of care.

However, for many children and young people currently in care, particularly those in residential care, the available information and evidence indicates the impacts of substantiated abuse and neglect and their prior family and socioeconomic circumstances are not being satisfactorily addressed by the out-of-home care system. The available and limited research on the 400 young people who leave care on the expiry of the guardianship or custody order, outlined in Chapter 11, also indicates a significant proportion experience homelessness, unemployment, financial difficulty, physical and mental health problems, drug and alcohol abuse, early parenthood and involvement in the criminal justice system.

In May 2010, the Victorian Ombudsman presented a report into out-of-home care to Parliament (Victoria Ombudsman 2010). A summary listing of the shortcomings in Victoria's out-of-home care system identified by the Ombudsman is presented in Chapter 4. The report also contained a number of recommendations designed to improve processes, increase scrutiny and introduce better planning into the out-of-home care system. This report has provided a backdrop to the analysis, conclusion and recommendations presented in this chapter.

This section presents a summary of the range of performance information available, the main areas highlighted in the submissions to the Inquiry and Public Sittings and identifies a range of key issues to be addressed.

10.4.1   Performance information

Published statistical information on the annual performance of Victoria's out-of-home care system is presented as part of the Government's annual Budget papers, the annual reports of DHS and, at a national level, in the COAG auspiced annual *Review of Government Services* and the regular families and children publications of the Australian Institute of Health and Welfare.

This data, along with specific data provided by DHS for the Inquiry, indicate that:

• In terms of the usage of out-of-home care, the proportion of Victorian children and young people in out-of-home care at the end of June 2010 – 4.4 children per 1,000 children aged 0 to 17 years – was significantly below the Australian average of 7.0 per 1,000 children aged 0 to 17 years and the lowest of any state or territory. The proportion of Indigenous children in care – 53.7 children per 1,000 children – was above the national average of 48.4 children per 1,000 children and above the rates of Queensland, Western Australia and South Australia.

• On relative expenditure, Victoria was recorded as expending, in 2009-10 dollars, an average of $53,434 per child in out-of-home care in 2009-10, the third highest of all states and territories after the Northern Territory and Western Australia. However, as with rates of children and young people on out-of-home care, a range of factors including the policy and service framework and the broader demographic and social context impact on the comparability of this information;

• On the issue of safety of out-of-home care placement, 0.9 per cent of children in out-of-home care in Victoria in 2010-11 were the subject of a substantiation of harm or risk and the person responsible was living in the household at the time;

• On stability of placements in Victoria's out-of-home care system:

  – 21.9 per cent of children on a care and protection order and who exited care after less than 12 months in 2009-10 had had three or more placements;

  – 50.6 per cent of children on a care and protection order and who exited care after more than 12 months in 2009-10 had three or more placements in line with the overall proportion for Australia; and

  – 12 per cent of children and young people in care at the end of June 2010 had three placements or more in the previous 12 months (excluding placements at home).

• On the issue of age appropriate, sibling sensitive and Aboriginal placements:

  – 97.7 per cent of children under 12 years were in home-based care at the end of June 2011 and of the 2,654 siblings in care as at the end of July 2011, 1,924 or 72.5 per cent were placed with at least one sibling; and

  – at the end June 2010, 42.5 per cent of Aboriginal children in Victoria had been placed with a non-Indigenous family or in non-Aboriginal residential setting.

• On the retention and utilisation of foster carers, 226 households commenced foster care in 2010-11 and 291 exited foster care, and at the end of June 2011, 39 per cent of foster care households were caring for two or more children. At the end of June 2010 the number of individual foster carers was 1,798.

An important measure of the performance of the out-of-home care system are the stability of placements for children and young people, particularly for those children who require long-term placements. Stable placements assist in creating an environment that is conducive to addressing the impacts of child abuse and neglect and the emotional, social, educational and other needs of children and young people placed in out-of-home care.

Stability of placements has been a major and long-term issue for Victoria's out-of-home care system. In 2003 DHS as part of a review of home-based care, reported on the results of five-year cohort of children and young people placed in home-based care for the first time in 1997-98. Over the five years, 75 per cent of the cohort had more than one placement and nearly a third had four or more placement changes. The average number of weeks spent in each home-based care placements was 61 weeks (DHS 2003b, p. ix).

Finding 5

The available data indicates the stability of placements has declined significantly over the past decade.

• In 2001-02, 78.2 per cent of children who exited care during the year and were on care and protection orders had experienced two or fewer placements. For those exiting care after two years the proportion who experienced two or less placements was 73.9 per cent;

• In 2005-06, 72.0 per cent of children who exited care during the year and were on care and protection orders had experienced two or fewer placements. For those exiting care after two years the proportion had fallen to 48.7 per cent; and

• In 2010-11, the proportions had fallen to 60 per cent and 44.1 per cent.

As noted, there has been a significant decline in the proportion of foster care placements. This reflects, in part, the priority placed on and rapid increase in kinship placements. However, it also reflects the long-term and continued decline in households interested and available for foster care. The DHS 2003 review of home-based care found that the number of foster carers was falling with a decline of over 40 per cent in the number of new foster carers in the previous five years (DHS 2003b, pp. x-xi).

Finding 6

There has been a sustained net decline in the number of foster carers in Victoria and over the past two years, the number of households exiting foster care totalled 806 compared with 517 households commencing foster care.

This performance information covers a range of service provision dimensions that form and should form part of an effective out-of-home care system. Less readily available, are data on whether the placements and supports are addressing the impacts of abuse and neglect on individual children and young people and their development needs in key areas such as education, health and social and emotional development.

Young people's thoughts on home-based and residential care

In this regard, the consultation conducted by the CREATE Foundation for the Inquiry, while very limited in terms of the number of children and young people involved and the representativeness of the sample, provided a source of information and views from the perspective of the children and young people who had or were experiencing out-of-home care. The experiences, as reported by the participants in the consultations, differed significantly between home-based care and residential care.

> For those young people who were or who had lived in a residential unit, their negative comments tended to revolve around this being more negative than any other out-of-home care placement (CREATE Foundation 2011, p. 10).

More importantly, the report found:

> Overall the children who participated in the online survey believed they had not had a better life since coming into care. Half of them believed they were actually worse off and one-fifth believed things were much the same as they were before coming into care (CREATE Foundation, p. 32).

The needs, behaviour and experiences of children and young people in care

In 2008 the Australian Institute of Family Studies assembled and analysed data from the assessment and action records for children and young people in out-of-home care in Victoria prepared as part of the *Looking After Children framework*. This study, which covered approximately one-third of children in out-of-home-care with placement support, found:

• 53 per cent of children and young people met only half their educational objectives;

• In terms of social presentation areas, little more than half (55 per cent) of children aged five years and over were able to appropriately adjust their behaviour in different social settings;

• On self-care skills, only 35.6 per cent of children and young people were assessed as being able to function independently at a level appropriate to their age and ability;

• On risky behaviour, 21 per cent of children aged 10 years and over had been cautioned or warned by the police, or charged with a criminal offence, within the previous six months;

• Only 52 per cent of children were receiving effective treatment for all persistent problems;

• Children in residential and related arrangements were nine times more likely than children in home-based care to have been cautioned or warned by the police or charged with criminal behaviour within the previous six months; and

• Children in home-based care were also approximately 12 times more likely to meet more than half of the family and social relationship objectives than children in residential care (Wise & Egger 2008, pp. 15-18).

Educational outcomes

For all young people, educational attainment levels at school are critical to successful transition to adulthood and positive lifestyles. DHS and DEECD have recently collaborated in assembling relevant data on the educational attendance and attainment of children and young people in out-of-home care compared with the all Victorian children and young people attending government schools.

The data for 2009 provided to the Inquiry indicated:

• In the early years of schooling (Prep to Year 6) the rate of absenteeism for children in out-of-home care is similar to the rate for all children attending government schools. Although the rate of absenteeism for all children increases in the later years of schooling, it increases much more for children in out-of-home care and overall children in out-of-home care have almost twice as many absences as the average;

• In relation to performance on the Victorian Essential Learning Standards, in reading, writing, listening and areas of mathematics, the incidence of students in out-of-home care performing below, or well below standards increases as the year level increases. For reading, writing and listening, the proportion of children in out-of-home care performing below, or well below standards increases from around five per cent in Prep, to between 40 per cent and 50 per cent in Year 10.

For mathematics, by Year 10 more than half of children in out-of-home care performed below, or well below standards in all of the areas tested;

- There is a considerable gap between the performance of out-of-home care students and the general (government school) student population in all of the areas tested. Figure 10.10 shows the proportion of children performing below or well below reading standards for out-of-home care students and the general student population. Although the proportion of the general student population performing below standards increases with education level, the proportion of out-of-home care students performing below standards increases at a greater rate. By Year 10, 23.7 per cent of the general student population performs below expectations in reading, while 41.1 per cent of students in out-of-home care performed below standards. Generally, regardless of year level, children in out-of-home care are about twice as likely to perform below standards at reading. This gap in the educational performance of children in out-of-home care is also evident in the data on the writing, listening and mathematical standards.

Allegations of abuse in care

As outlined in Section 10.2.3, DHS has established a registration, accreditation and monitoring framework covering the out-of-home care system. Included in these arrangements are the annual analyses of allegations of abuse in care or quality of care for children and young people in out-of-home care and the conduct of quality of care reviews. The summary report prepared by DHS for 2009-10 outlined:

- There were allegations of possible abuse in care relating to 363 clients in out-of-home care and covering 279 reported incidents;

- Of the 363 allegations of possible abuse in care, 62 per cent related to physical assault and 15 per cent to sexual assault;

- Of the 363 allegations of possible abuse, 185 investigations were completed and the remainder were ongoing at the end of June 2010;

- Of the 185 completed investigations, 56 or 30.3 per cent were substantiated;

- 159 quality of care reviews were commenced in 2009-10, with the most significant issues of concern being inappropriate discipline (30.8 per cent), carer compliance with minimum standards (17.6 per cent) and inadequate supervision of the child (14.5 per cent); and

- Of the 159 quality of care reviews 86 were completed of which 63 or 75.3 per cent found there was evidence of quality of care concerns. Of those with quality of care concerns, 12 or 19 per cent resulted in the caregiver's approval being withdrawn (DHS 2011e).

Figure 10.10 Proportion of children and children in out-of-home care performing below or well below reading standards, Victoria, 2009
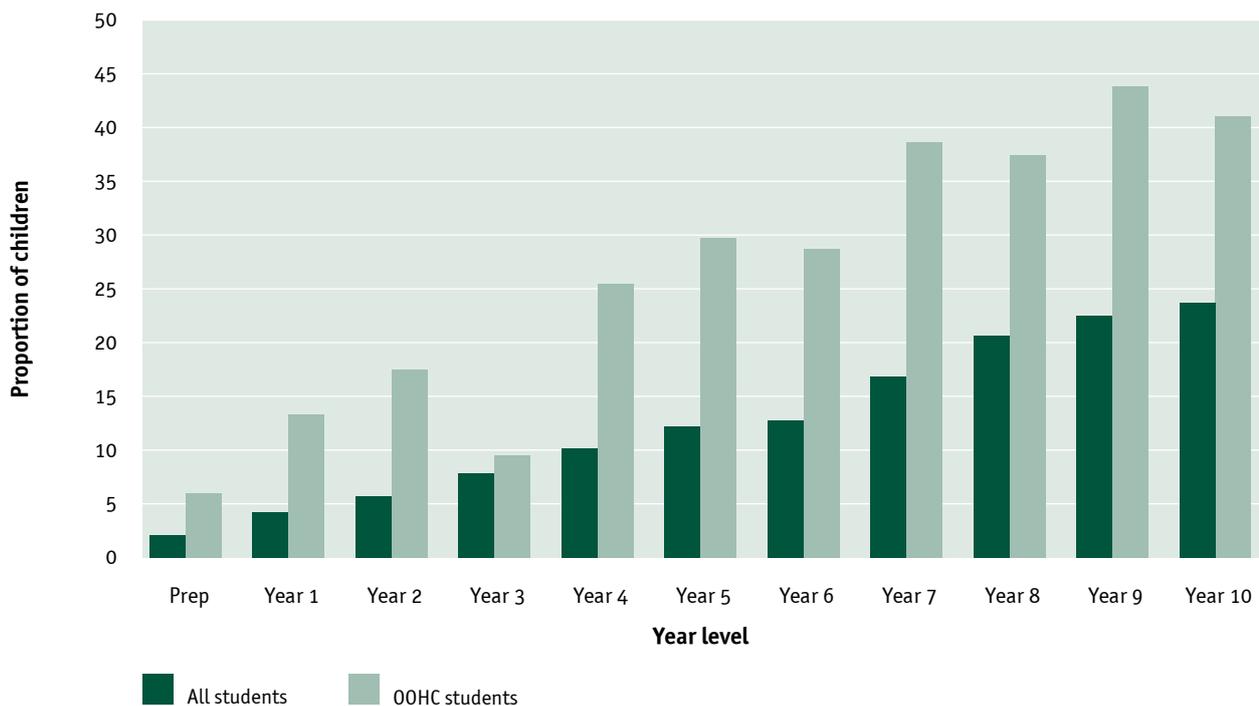
Source: Analysis of data provided to the Inquiry by DHS

Quality of out-of-home care providers

Information on the quality of out-of-home care was also gathered as part of the first external reviews by independent external reviewers of CSOs against the registration standards under the CYF Act. The registration standards apply to CSOs providing family services and out-of-home care services. The summary of these reviews reported:

- CSOs registered to provide family services only, tended to perform slightly better on governance type standards than those CSOs registered to provide out-of-home care services only; and

- The CSOs that provide out-of-home care services only and those that provide both out-of-home care and family services tended to perform slightly better on standards focusing on case management practice (DHS 2011n).

10.4.2 Inquiry submissions and Public Sittings

Victoria's out-of-home care system was a major focus of submissions and presentations to the Inquiry, particularly by CSOs. The issues raised covered the full spectrum from the overall service design and funding framework to the practical issues faced by foster and kinship carers in caring for and supporting some of the most vulnerable Victorian children and young people.

Need for major reform

Further to the observation by the Jesuit Social Services that '… out-of-home care for children and young people is not working adequately and, is indeed, at crisis point' set out in Chapter 5, the Joint submission of Anglicare Victoria, Berry Street, MacKillop, The Salvation Army, the Victorian Aboriginal Child Care Agency and the Centre for Excellence in Child and Family Welfare (Joint CSO submission) contained the following more detailed assessment:

> The current arrangements for out-of-home care in Victoria have an historical basis that has led to the services struggling to cope with contemporary issues and growing demand. The models of care have largely been in place for decades, and they are models that are ill-equipped to manage the issues that children and young people bring with them. We need to re-think the types of out-of-home care that are provided, how they are provided and how they are funded. In particular we know that out-of-home care cannot deal with all the issues alone, and that we have to find ways of providing therapeutic responses for vulnerable children and young people in out-of-home care (Joint CSO submission, p. 59).

In their submission The Victorian Council of Social Services (VCOSS) put forward the view:

> Systemic changes are required to improve out-of-home care, including better assessments, a better range of placement options (e.g. vocational as well as residential, professional foster care), more therapeutic resources, an improved funding model. More multidimensional and intensive supports, systemic linkages across service systems, and a system that continues to 'be a good parent' to young people after they leave care (VCOSS submission, p. 42).

Comprehensive assessments

The areas identified in the VCOSS submission were also the subject of focus and recommendations in many other submissions and presentations to the Inquiry. For example, on the issue of the need for comprehensive assessments of children and young people being placed in out-of-home care, the submission by the Take Two Partnership observed:

> Issue: The policy emphasis at a national and statewide level regarding physical, social and emotional health assessments for children has not been translated into action.

> Suggestion: There have been various pilots focussing on young children, first time into care and the current pilot being considered regarding children in residential care. The reality is that these children are of all ages and whether it is their first, second or forty-fifth placement – they need a brief health and wellbeing screening and response (Take Two Partnership submission, p. 7).

The Joint CSO submission recommended that comprehensive assessment approaches be established across Victoria to ensure appropriate holistic assessments are undertaken to fully inform decisions on the placements and specialised supports for children and young people (p. 61).

Flexible placement and support options

On the issue of the availability of suitable and flexible placement and support options, the two main matters raised in submissions were the pressures on maintaining the home-based care system and the constraints of the current care models and placement arrangements in addressing the individual needs of many children and young people placed in out-of-home care. The submission by St Luke's Anglicare outlined:

> From St Luke's experience the home-based care system is under increasing pressure and its ability to meet current demand and provide the level of care required is severely compromised. We are experiencing real challenges in recruiting carers and maintaining a sufficient carer pool that can meet demand for new placements and offer the level of respites required for carers providing long term care

... Carer feedback highlights these challenges and many carers are concerned about the difficulties they face in caring for children and young people with very challenging behaviours due to past experiences of trauma ... St Luke's would seriously question whether the current structure and resourcing of home care allows for a viable program in the long term (St Luke's Anglicare submission, p. 19).

Professional foster care

Given the pressures on the home-based care system, a number of submissions supported the consideration and introduction of a professional carer model to be run in conjunction with current home-based care. The Joint CSO submission went further with an all-embracing recommendation:

That foster care is professionalised by paying foster carers an annual salary with all the usual conditions that apply for Australian workers, such as superannuation, annual leave and long service leave. Foster care arrangements would be additional to the salary paid, and would be paid for the number and length of foster care placements provided (Joint CSO submission, p. 64).

Care options

The constraints of placement availability and the range of care options were highlighted in a number of submissions. For example, MacKillop Family Services observed:

Too often in placement decision making the best interests of children and young people are subordinate to the pragmatics of placement availability. There is a clear need to expand the suite of available care options for children not able to live with their parents (MacKillop Family Services submission, p. 8).

The limited range of care options was identified as a major issue in meeting the needs of children and young people with a disability and children and young people with sexually abusive behaviour. The current design of residential care was also identified by many submissions as facing major challenges. The St Luke's Anglicare submission observed:

Serious challenges continue with the delivery of Residential Care programs. The needs and behaviours of the young people placed in residential care considerably stretch the capacity of the program to provide the required response to meet the needs of the young people. Whilst a residential care model is absolutely necessary within the suite of out-of-home care services, it is St Luke's view that the current design of the residential care model is severely limited and it struggles to meet the desired outcomes (St Luke's Anglicare submission, p. 19).

Therapeutic care

A major theme of many submissions was to embed therapeutic responses across all forms of out-of-home care building on the selective trialling of therapeutic care and supports across the home-based and residential care options. A therapeutic response is generally defined as one that responds to the complex issues of abuse and neglect, and seeks to address concerning issues and behaviours exhibited by the child or young person. MacKillop Family Services commented;

The Victorian system is in danger of re-traumatising children and young people due to lack of responsiveness to their needs ...

All children and young people removed from their family and placed in out-of-home care will have experienced trauma and will require a therapeutic care response (MacKillop Family Services submission, p. 8).

New funding arrangements

These criticisms of the current range of placement options and services were generally linked to observations about the current adequacy and structure of funding including allowance for the inevitable variations in the overall level and composition of out-of-home placement requirements. In particular, the resort to contingency placements was viewed as not only an indication of the need for additional placement and funding capacity but the growing need to develop more flexible and specialised arrangements. A system of client-based funding predicated on the assessed needs of children and young people was proposed by the Joint CSO submission which argues:

Such client-based or person-centred approaches are already in place in Victoria in the ageing, disability and home care sectors, and the experiences of these sectors provides insight into the effectiveness of alternative and tailored responses. A person-centred approach allocates resources more strategically by allowing individually tailored responses to be developed, it also allows resources to be distributed transparently and more equitably, it encourages consideration of options and flexibility, and it can involve the service recipient in the decision making about how the service system supports them (Joint CSO submission, p. 60).

Improved coordination and information exchange

The range and respective interests of parties involved in the out-of-home care system – DHS, the Children's Court, CSOs, foster, kinship and permanent carers and the families of children and young people – was reflected in the focus in many submissions on the

need for better coordination and information and, more significantly, greater clarity in the roles and responsibilities of the various parties. The range of views expressed covered:

> ... the decisions about where to place a child or young person ... should be a joint responsibility between the community services sector and the statutory child protection system ... this change would strengthen local decision making and integrate it more closely with those responsible for service delivery (Joint CSO submission, p. 61).

> In Berry Street's experience, the interests of children and young people are best served where the case management function is contracted to Community Service Organisations (CSOs). CSOs are best placed to engage with and maintain strong relationships with children and young people and working through care teams and other mechanisms advocate for their best interests (Berry Street submission, p. 30).

> Alongside the need to reform case management by contracting this function to CSOs there is a need to review, simplify and integrate the overlapping case planning and client information management systems monitoring systems. At present the system is literally awash with well-intended but overlapping requirements for the development and completion of plans for individual children and young people ... Current planning and client information tools that require review and integration include, but are not limited to the following:
> - Best Interest Plans;
> - Stability Plans;
> - Education Support Plans;
> - Case Management Plans;
> - Care Management Plans;
> - Cultural Support Plans;
> - Leaving Care Plans;
> - CRIS/CRISP; and
> - Looking After Children (LAC) (Berry Street submission, p. 30).

> Strengthening the Care Team Model and LAC framework to ensure carers have necessary information on the children they care for, carers views are heard and respected in planning and important outcomes for children in care are achieved (Foster Care Association of Victoria submission, p. 1).

In addition to these broad systemic comments on the provision of out-of-home care in Victoria, three specific areas were highlighted in submissions as presenting barriers and inhibiting good outcomes from the out-of-home care system: the level of care reimbursements and access to additional financial support for significant expenses and addressing specific issues; supports for kinship carers and access

to continued supports for permanent carers; and the disengagement from school of children and young people in out-of-home care.

Carer reimbursements

On carer reimbursements, The Salvation Army argued:

> The level of reimbursement to foster carers urgently needs to be reviewed. We are placing increasing demands on foster carers in terms of complexity of children and young people that they are required to care for and the associated requirements of their role; however this is not reflected in the level of reimbursement that foster carers receive (The Salvation Army submission, p. 18).

At the Melbourne Public Hearing, Ms C, a foster and permanent carer for a sibling group of four, commented on the level of foster care reimbursements in the following terms:

> It's very expensive to be a carer in Victoria. Our carer reimbursements are among the lowest in Australia, yet we are expected to do more and more with these...

> ... Foster care is the only volunteering which is 24 hours a day, seven days a week and where you are also required to spend your own money in the role of volunteering. It's a bit like working for free and then paying the community some money each day to be able to keep doing it.

As outlined in Section 10.2.3 DHS provides additional financial support to carers for significant one-off expenses. The funding coverage and guidelines and the consistency of access across the out-of-home care system was the subject of comment by caregivers and their representatives. The supplementary submission by the Foster Care Association of Victoria commented on the need for 'consistency across all placements/ regions in terms of what extra reimbursements and entitlements are available for carers (Foster Care Association of Victoria supplementary submission, p. 7). The supplementary submission by Upper Murray Family Care provided practical examples of how the procedures and absence of transparency about the coverage of these additional funds can inhibit the timely provision of specialist health services (Upper Murray Family Care supplementary submission). These examples included approval for urgent speech therapy for a five year old boy and dental treatment for a 12 year old boy who had been in need of dental work for around three years.

Support for kinship carers

The rapid growth in kinship care in advance of detailed consideration of the specific support requirements of kinship carers was area highlighted in the submissions from Grandparents Victoria, and Kinship Carers Victoria and Humphreys and Kiraly.

The rapid growth in kinship care has led to ad hoc development of support strategies. There are three strategies GPV/KCV commends as being both urgent and important:

• Training for and about kinship care;

• Helping kinship carers to help themselves; and

• Education of children in out-of-home care (Grandparents Victoria and Kinship Carers Victoria submission, p. 11).

Kinship care is a discrete and unique form of care that is qualitatively different from foster care. Kinship care support requires its own model, skill set and training … Support for kinship care placements, both 'temporary' and 'permanent' needs to be as great or greater than foster care, to ensure children and carers' safety and wellbeing (Humphreys & Kiraly submission (b), p. 2).

Ongoing support for permanent carers

Linked to the issue of support for kinship carers, was the observation in many submissions of the need for ongoing support to families once a child has been placed in permanent care.

… the withdrawal of care management and financial support to families once a child has been placed in Permanent Care (whether originally foster carers or kinship carers), a legislative option that is intended to secure the long term care and connection with a family for children, has led to many breakdowns in the care arrangements. We strongly believe that families who commit to providing Permanent Care opportunities continue to deserve the support of the Care System and that the young people placed in Permanent Care have a right to continue to be supported by a wider support network (The Salvation Army submission, p. 21).

Improved educational engagement

A number of submissions put forward proposals to address the lack of engagement in the educational system and poor levels of educational attainment of many children in out-of-home care. St Luke's Anglicare and Berry Street respectively recommended:

That DHS and DEECD in partnership with out-of-home care agencies develop a well-funded model of alternative learning settings for young people who cannot be maintained in mainstream education (St Luke's Anglicare submission, p. 23).

That the State Government recognise, support and develop a range of alternative settings for the delivery of primary and secondary education for children and young people in OOHC for whom mainstream settings are not viable (Berry Street submission, p. 18).

Other submissions placed emphasis on providing additional supports and educational programs and strategies to maintain the links to the mainstream education system. Anglicare Victoria recommended:

Increase provision of teacher training and resources in both initial and continuing teacher education to assist teachers to respond to trauma-related behaviour.

Improve the scale and reach of targeted education supports and alternative education programs for children/young people across the age range whose learning is disrupted by the effects of trauma

Implement a system to ensure that children/young people who drop out of school and cease to be enrolled can be identified and located, and strategies put in place to secure their re-engagement in education (Anglicare Victoria submission, p. 35).

Records

A small number of submissions raised the general issue of support for archiving and record-keeping in Victoria's out-of-home care system. Two main perspectives were identified. MacKillop Family Services drew attention to their Heritage and Information Service established to assist people who spent time in institutional care or were placed in foster care by any of these institutions access their records. The submission emphasised:

Information collected and the records that are maintained for children and young people growing up in care must be securely stored and able to be accessed at a later date. This material is often an enduring source of identity for children and young people who grew up in care and agencies should be resourced to ensure that this material is collected, stored and released appropriately (MacKillop Family Services submission, p. 17).

The Humphreys, et al submission (b) reported on the project examining the role played by records and archives in the health, wellbeing and identity construction of young people in care and of adults who were in care as children. The project is funded by the Australian Research Council and a wide range of CSOs, together with organisations representing the interests of the care population. DHS is also a project partner.

The submission contains a number of recommendations focused on: the current state of record-keeping; the complexity and current fragmentation of a child's record; collaborative recording; identity documents; the records continuum; and access to records. The underlying tenet of the submission and recommendations is to balance the focus of practitioners on the current needs of children and young people in care with an increased awareness of their longer term identity needs.

> **Recommendation 24**
> The Department of Human Services and community service organisations should continue to support the Who Am I Project on out-of-home care record-keeping to enable children and young people to access all records of relevance and, as appropriate, be provided with a personal record when leaving care.

10.5   Conclusion

The structure and performance of Victoria's out-of-home care system has been the focus of three major DHS sponsored or led policy reviews and reports over the past decade: *Public Parenting: A Review of Home-Based Care in Victoria* (DHS 2003b); *Family and Placement Services Sector Development Plan* (DHS 2006b); and *Directions for Out-of-Home Care* (DHS 2009a). In addition, in May 2010 the Victorian Ombudsman produced the report of his *Own motion investigation into Child Protection – out-of-home care*.

The policy reviews and recommendations covered a range of varying issues but with significant commonality in the areas emphasised and the strategies recommended. *Public Parenting* identified the following directions for reform:

• Focus on prevention;

• More responsive service models;

• Comprehensive assessment;

• Quality assurance;

• A professional foster care service;

• More appropriate service delivery of kinship care;

• Development of a new flexible funding model; and

• Communication.

The *Family and Placement Services Sector Development Plan* prepared by representatives from CSOs, peak bodies, community health, local government and DHS outlined a detailed action plan focused on strengthening:

• Advisory structures and planning;

• The focus on outcomes;

• The voice of children, young people and families;

• Aboriginal service responsiveness;

• Foster care;

• Service model effectiveness and quality;

• Service sustainability;

• Workforce; and

• Profile.

The *Directions for Out-Of-Home Care* released in 2009 outlined seven reform directions:

• Support children to remain at home with their families;

• A better choice of care placement;

• Promote wellbeing;

• Prepare young people who are leaving care to make the transition to adult life;

• Improve the education of children in care; and

• Develop effective and culturally appropriate responses for the high numbers of Aboriginal children in care; and

• A child-focused system and processes.

These directions formed the basis for initiatives in the 2009-10 State Budget to expand the number and quality of out-of-home care placements, extend the therapeutic residential care pilot program and assist Aboriginal kinship carers to better meet the specific needs of Indigenous children.

The 2011-12 State Budget included a package of initiatives covering health and education assessments for young people entering residential care; enhanced placement capacity and care arrangements including responding to out-of-home care shortages; increased support for foster carers; and initiating a long-term study assessing the impact of out-of-home care on children.

Many of these themes identified in these three major reviews and reflected in the initiatives in recent budgets, were also the subject of comment and recommendations in the submissions. In addition, these reviews as with the submissions considered a wide range of out-of-home care issues in significant detail.

In the Inquiry's view, these reviews, submissions and the supporting material, provide important detail on which to develop a comprehensive future strategy for Victoria's out-of-home care system.

However, the Inquiry considers an important missing link in the reviews and responses to date, has been the absence of an explicit goal for the scale and key dimensions of Victoria's out-of-home care population. More specifically, the growth of four per cent annually in the out-of-home care population appears to have resulted in the annual budget initiatives addressing past capacity and quality concerns and not being premised on a goal and accompanying strategies for the future dimensions of the out-of-home care population. If Victoria's out-of-home population increases at the same rate over the next three decades as it has past decade then more than one per cent of Victorian children and young people will be in out-of-home care at any point in time and a considerably higher proportion will have experienced an out-of-home care placement.

Adopting this forward looking view is particularly important because when benchmarked against the:

- Objectives and responsibilities in the CYF Act that the Secretary of DHS 'must make provision for the physical, intellectual, emotional and spiritual development of the child in the same way a good parent would' (section 174); and

- The overall objective of the Inquiry's Terms of Reference to reduce 'the negative impact of child neglect and abuse in Victoria'. It is clear that there are major and unacceptable shortcomings for many children and young people placed in out-of-home care in Victoria, and addressing these deficiencies requires sustained long term strategies and funding.

The Inquiry considers these quality of care concerns and outcomes reflect and are being exacerbated by:

- The continued growth in the proportion of Victorian children in out-of-home care particularly Aboriginal children and significant regional variations in the placement of children and young people in out-of-home care;

- Resource and other constraints on planning and providing comprehensive and flexible models of care and support driven by the individual and significant needs of children and young people placed in out-of-home care and their families;

- The absence of a contemporary, integrated and viable framework for home-based care given the demographic changes impacting on foster care and the increasing reliance on kinship care;

- Major shortcomings in the safety, quality and outcomes from residential-based care; and

- Limitations in the current governance, responsibility and accountability frameworks and the structure and performance of CSOs.

Recommendation 25

The Government should, as a matter of priority, establish a comprehensive five year plan for Victoria's out-of-home care system based on the goal, over time, of the growth in the number of Victorian children and young people in care being in line with the overall growth in Victorian children and young people and the objective of improving the stability, quality and outcomes of out-of-home care placements.

The key elements of the plan should include:

- Significant expansion in placement prevention initiatives to divert children from out-of-home care. In particular, increased investment in placement diversion and re-unification initiatives, when the safety of the child has been professionally assessed, involving intensive and in-home family support and other services for key groups such as families of first-time infants and young children;

- More timely permanent care where reunification is not viable;

- All children and young people entering out-of-home care undergo comprehensive health, wellbeing and education assessments;

- All children in out-of-home care receive appropriate therapeutic care, education and other services;

- Progressive adoption of client-based funding to facilitate the development of individual and innovative responses to the needs of child and young people who have been the subject of abuse and neglect;

- The introduction over time of a professional carer model to provide an improved and sustained support for children and young people with a focus on lowering the use of residential care;

- Significant investment in the funding and support arrangements for:

  - home-based care including a common service and funding approach across foster care, kinship and permanent care and improved carer training, support and advocacy arrangements;

  - residential care including mandating training and skill requirements for residential and other salaried care workers (i.e. the proposed professional care model); and

- The adoption of an area-based approach to the planning, delivery and monitoring of out-of-home care services and outcomes involving the Department of Human Services, community service organisations and other relevant agencies.

Given the underlying trends and quality issues, implementation of this plan will require significant investment.

The available data indicates that a significant proportion of children and young people placed in out-of-home care for relatively short periods and the majority exited care within one to two years. A focus on placement prevention and keeping infants, children and young people with their families through intensive family support arrangements would reduce many of these placements, avoid the inevitable disruption to family relationships and enable a clearer focus on quality longer term placements. The initial evidence on the Family Coaching pilots referred to in Section 10.2 illustrates the potential of collaborative approaches, clear targeting and whole-of-family approach to placement prevention.

If the out-of-home care system is to effectively and flexibly respond to the individual needs of children and young people, then the adoption of comprehensive assessments and client-based funding arrangements are clearly required. In relation to assessments, steps have already been taken to introduce assessments for young people entering residential care. Client assessments are the first step in aligning services to needs, and moving towards client funding will facilitate services being aligned to needs.

The experiences in other sectors, for example, disability, indicates the introduction of client-based funding is a detailed but achievable task covering service specification and costing, service provider consultation and funding and monitoring arrangements.

The out-of-home care system has a complex array of service types, funding levels and funding arrangements. Funding levels differ significantly across the various types of home-based care. An essential prerequisite to the introduction of client-based funding is the specification of the desired service requirements for out-of-home care placements including provision of specialist health, counselling, education and developmental services. This consideration will enable areas such as therapeutic care and specialist counselling and specialist educational support to be transparently included as key elements of the generic placement and support arrangements. The scope and coverage of caregiver reimbursements would also need to be clarified as part of this consideration.

Accompanying the specification of service scope is the requirement for determination of the appropriate service price and funding levels. This determination will provide the opportunity to:

• Develop and adopt a common service and funding framework across all forms of home-based care;

• Move towards a component of professional care to enable flexible and specialist home-based arrangements for high-needs children and young people to be developed as an alternative to residential care placements; and

• Significantly up-grade the expectations and skill requirements of residential carers.

Recommendation 26

To provide for the clear and transparent development of a client-based funding, the Government should request the Essential Services Commission to advise on:

• The design of a client-based funding approach for out-of-home care in Victoria; and

• The unit funding of services for children and young people placed in care.

On the specific issue of the introduction of a professional care model, the Inquiry is aware that a number of impediments to the potential utilisation of professional carers by CSOs and to the recent agreement of federal, state and territory community and disability services ministers to consider professionalisation of foster care, as part of the second three-year action plan under the *National Framework for Protecting Victoria's Children*. However, it is important that Victoria begins the process of adapting to an out-of-home care system where foster carers become increasingly scarce and where the models of residential care for young people are increasingly complemented by intensive home-based arrangements.

The development of the professional care model, to be effective, will require the development of a new category of worker along with the detailed consideration and design of a whole suite of underpinning and related arrangements covering such issues as occupational health and safety and the possible consequences for the other models of home-based care. Over the past decade, the establishment of professional care has been periodically attempted and the Inquiry considers the introduction of professional foster care is long overdue.

Recommendation 27

The Victorian Government should, as a matter of priority, give further detailed consideration to the professional carer model and associated arrangements and request that the Commonwealth Government address and resolve, as a matter of priority, significant national barriers associated with establishing this new category of worker including industrial relations and taxation arrangements.

Victoria's out-of-home care system represents a significant activity for some 40 CSOs, more than 5,000 carers and large numbers of child protection workers who interact on a wide range of issues. Effective interaction and collaboration between all parties is essential to outcomes and experiences of children and young people in care. Chapter 9 has outlined the development of an area-based and integrated approach to vulnerable families and child protection service.

Given the major changes proposed for the future provision of out-of-home care, including the greater emphasis on placement prevention and intensive family support, it is recommended that adoption of this area framework be expanded to include out-of-home care services and supports. In particular, it is proposed that an area-based approach be adopted to the planning, delivery and monitoring of out-of-home care services and outcomes involving DHS, CSOs and other relevant agencies. Importantly, it facilitates a structure of out-of-home care more closely aligned to the area characteristics and needs rather than historical provision.

This area-based approach, when coupled with the overall out-of-home care objectives and targets and the proposed transition to client-based funding, will also facilitate consideration of the desired range of placement services and specialist supports and, in turn, the expectations and requirements of CSOs. Chapter 17 considers these implications in further detail.