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AUSTRALIAN FOSTER CARE ASSOCIATION INC

**SUBMISSION TO THE
HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON FAMILY,
COMMUNITY, HOUSING AND YOUTH**

INQUIRY INTO BETTER SUPPORT FOR CARERS

July 2008

Introduction

The Australian Foster Care Association (AFCA) is the national peak organisation representing foster, relative and kinship (including grandparent) carers and the children they care for through the child protection systems in Australia. AFCA is also an independent, not-for-profit organisation operated with voluntary labour.

AFCA:

- supports foster, relative and kinship carers directly on matters falling within the jurisdiction of the Commonwealth (e.g. family policy; Centrelink; citizenship; employment, pensions and allowances; training; interface between caring and tax or law etc.);
- provides access to resources to support foster, relative and kinship carers in their caring role and the children for whom they care;
- runs an annual national (not for profit) conference to provide professional development and training for carers and allied professionals on out of home care issues; and
- supports state foster care associations and collaborative partnerships across the states and territories to address issues of a national nature.

Particular concerns of AFCA are:

- the continuing increase in the number of children entering care at the same time as the decrease in the number of available foster carers and, in most states, experiencing a net loss;
- the high numbers of Indigenous children in care (7 times the rate of non-Indigenous children);
- the increasing numbers of kinship (including grandparent) carers with inadequate support and resources;
- the increasingly more complex and multiple needs of children entering the care system; and
- the ongoing inability of current systems to cope with the current demands, maintain the workforce and support existing placements.

Background to issues

In the 10 year period between 30 June 1996 and 30 June 2006, the number of children in formal out-of-home care across Australia almost doubled, rising from 13,979 to 25,454.¹ The most recent preliminary data suggests that the increase in children entering care is continuing. Of the 25,454 children in out-of-home care across Australia at 30 June 2006, 53% were placed in foster care, 41% in relative/kinship care, 4% in residential care and nearly 3% in other care arrangements.²

¹ AIHW *Child Protection Australia*, 2006 p. 51. Available at: <http://www.aihw.gov.au/publications/cws/cpa05-06/cpa05-06.pdf>

² AIHW *Australia's Welfare 2007*, p. 53. Available at: <http://www.aihw.gov.au/publications/aus/aw07/aw07-c02.pdf>

In the same 10 year period between 30 June 1996 and 30 June 2006 as the numbers of children requiring care increased, the numbers of foster carers decreased by almost 50%. This decrease has been partially offset by the increased use of kinship (relative, including grandparent) carers, but the two combined have been unable to meet the continually rising demand and foster care agencies constantly struggle to avoid a net loss of carers.

Halting the trends of the last 10 years has been made even more difficult due to the changing socio-demographic profile of the population, including the growing number of one-parent families; increasing numbers of women participating in the workforce; changes in workplace practices; changes in family support available through Centrelink; and the increasingly difficult and challenging children entering the care system with multiple special needs.³ Certain initiatives of the previous government, including the 'Welfare to Work' reforms have further exacerbated this situation and resulted in carers having to cease caring to look for and gain paid work.

Recommendations for this Inquiry

AFCA recommends the following mechanisms for support for carers for consideration in this Inquiry. These recommendations are based on AFCA's first hand knowledge of carers' needs, concerns and interactions with current systems; consultations; and also feedback from AFCA's National Conferences. None of the recommendations are major expenditure items, but will make a significant improvement for the most neglected, abused and disadvantaged members of the community. They will also support those who do the supporting – those volunteers who care for, and about, those vulnerable children twenty four hours a day, seven days a week. Maintaining the current volunteer base (and perhaps expanding it) by these improvements will prove very cost effective. Investment in the initiatives as recommended in many instances will also mitigate against the need for further and more expensive interventions in future years.

The remainder of AFCA's submission is divided into sections dealing with the interface of carers and employment/Centrelink; carers and other government agencies; policy issues, specific support and general support issues. These recommendations apply to general foster, kinship (including grandparents) and permanent carers across Australia.

1. Carer support

Carers have many needs for support to ensure a placement survives. The children entering the care system are not 'normal' children. The children enter the system because they have been abused and neglected and have multiple special care needs. No two placements are the same. Each child comes to a carer with its own special and unique needs and carers are constantly in situations where they need specific one-off information to assist them in their caring role to support the child. Such placements are invariably prone to crises and carers regularly need to access support services outside of normal business hours.

Carers also experience the loss of many intangible benefits – opportunities, time, forgone earnings etc; to the extent that the indirect costs of fostered children have been found to be around four times the value of the direct costs⁴. Carers chose to care for the community's children, often not realising that this can become a life time commitment. This is particularly so for those carers of children and young people with disabilities. Consequently the carers regularly forgo access to income streams, leave entitlements, workers compensation and superannuation. This in turn penalises the carers with a loss in capacity to provide for

³ AIHW *Australia's Welfare 2007*, p. 12 Available at: <http://www.aihw.gov.au/publications/aus/aw07/aw07-c02.pdf>

³ *Towards a National Child Protection Strategy for Australia*, outcomes of the June 2006 National Child Protection Forum,

⁴ McHugh, M. (2008) *Costs and Consequences: Understanding the Impact of Fostering on Carers* (Ph D Thesis) . Available at <http://www.sprc.unsw.edu.au/people/McHugh.htm>

themselves both now, if they become ill or injured, and in the future, particularly when they reach retirement age. These issues have been well documented recently by Dr Marilyn McHugh⁵

These issues could be addressed, in part, by:

- Establishing a national information and support service (via a 24-hour telephone line and supported by a website) to make information about financial assistance, family law and other legal matters more accessible to carers and enable referrals to be made to local services
- Updating and publishing the Carer Handbook⁶ and producing a guide on parenting skills for children with multiple special needs in their unique current social contexts
- Establishing Carer Liaison Officers in Centrelink, Medicare and other Government service delivery agencies as a contact point for foster and kinship (including grandparent) carers (see the following Recommendation for more information).

Many of the issues experienced by foster and kinship carers, whilst not identical, are similar to the issues of both formal and informal grandparent carers. It may therefore be appropriate to consider the possibility of providing the above services jointly for these groups.

2. Improving Relationships with Government Agencies

Carers need to deal with various state and federal government departments on behalf of the children for whom they care, or because of their status as a carer. This can sometimes be a frustrating experience and there are times when the benefits for the child or the carer are not provided because of misunderstanding, misinformation or ignorance by both parties. It is also time consuming to explain numerous times to different officers the circumstances of the child's placement with the carer (eg. the carer does not know how long the child will be staying, or information about the child's birth family). Carers of children with major disabilities have an added burden whenever these children move placement. In most of these circumstances each new carer has to apply for, obtain another full set of supporting documentation and gain a new assessment for the entitlement even though the child's needs have not altered

Recommendations for implementation:

- Establishing **Carer Liaison Officers** in Centrelink, Medicare and other Government service delivery agencies as a contact point for foster and kinship (including grandparent) carers; to support carers from Indigenous or culturally and linguistically diverse backgrounds, as well as other vulnerable kinship carers who may be unfamiliar with, or who experience difficulty in navigating, government systems. There should be at least one knowledgeable officer in each Centrelink office. In addition, at least one Policy Officer per region should have an overarching responsibility for foster carers and their issues.
- Establishing a **"flagging" system in Centrelink** computers which would alert Customer Service Officers that the client is a foster or relative carer. This would indicate their automatic eligibility for certain benefits and that the child concerned is in care (especially useful if another person submits a claim for Family Tax Benefit).

⁵ McHugh, M. range of articles available at: <http://www.sprc.unsw.edu.au/people/McHugh.htm>

⁶ Australian Foster Care Association *Supporting Carers of Other People's Children: A handbook on support for foster, relative and kinship carers and the children and young people in their care*. 2006. Available at: <http://www.fostercare.org.au/pubs.html>

3. Abolishing means-testing of carers to determine a child in care's access to benefits

There are several aspects to this issue:

1. Children coming into foster care are predominately from the families who already receive significant forms of family support (Family Tax Benefit B at least if not FTB A and B).
2. Carers of children in the care and protection system have no legal rights over the children for whom they care. The children are not "their" children.
3. Subsidies from state/territory government departments do not cover the full cost of providing care for the child, leaving volunteer carers to meet the shortfall in caring for the other people's children on behalf of the community.
4. Carers' income is not a relevant criterion for the provision of support **by** the community **for** the community's children.
5. Carers' incomes may vary at different times, which further exacerbates the problem for carers. One carer incurred a substantial debt to Centrelink when she "rolled over" her superannuation to commence an allocated pension. The action of the "roll over" elevated the family's combined income and thus triggered the Centrelink debt. The young person in care was further penalised as he was then ineligible for Abstudy.

Despite these conditions mentioned above, unrelated carers are means tested to determine a child's right to access Child Care Benefit (CCB) or in determining eligibility for Family Tax Benefit (FTB) and similar allowances. ***A similar problem relating the health benefits was overcome with the introduction of Health Care Cards for all foster children – the same principle of not means testing carers for payments relating to the community's children should apply.***

Recommendations for implementation:

- ***Using the foster child's Health Care Card (FO) as a mechanism*** for eligibility to access maximum CCB. (The Health Care Card (FO) is a specific category of Health Care Card that only applies to children in care.)
- ***Assessing*** any child or young person on a care and protection order AND in home-based care as ***an 'individual' family unit*** when determining access to FTB, Youth Allowance etc, rather than assessing the unrelated, volunteer carer family unit.
- ***Removing the waiting period*** before which carers can qualify for Centrelink payments relating to the child.

4. Blanket exemption for carers from the "looking for work" aspect of Welfare to Work

Under the previous Federal Government, accredited and active foster carers were given an **exemption** from the "looking for work" provisions of Welfare to Work.

This exemption, however, is only for "principal parent carers" and is also linked to the receipt of Family Tax Benefit. Consequently, there is a small pocket of carers who are deemed ineligible for the exemption, even though they are accredited and active foster carers and who ***may be providing care.***

The issue is further compounded as often foster carers are asked **not** to apply for Family Tax Benefit for the first three weeks of a new placement in case the child returns home to the birth family.

Thus the carer is doubly penalised – s/he cannot apply for Family Tax Benefit for three weeks. In turn, Centrelink does not technically recognise that the child is in the carer's home because Family Tax Benefit is being claimed by another person even though the child is not at that person's place. Furthermore, an application for Newstart Allowance is dependent upon Family Tax Benefit being paid to the carer. Finally, if the continuity of caring is broken when one placement ends and another does not commence immediately, the carer is required to look for work, loses the higher level Newstart benefits the previous government provided to support carers and is unable to reclaim the benefits when the new placement arrives.

Affected carers are those who are:

- providing emergency/reception care,
- caring a child who is transitioning from foster care to home or another foster family,
- awaiting a placement,
- care for a young person over 13 and/or
- on a legitimate recovery break after a placement has ended.

Those foster carers who provide emergency/reception care when a child is removed from the birth family are one of the child protection system's greatest assets. They provide a warm and loving home in an emergency and have the skills to reassure a traumatised child/ren when they are at their most vulnerable.

Those carers who provide care for challenging young people (i.e. over 12 years old) are in very short supply and there are never sufficient numbers to meet demand. They care for the young people who are unable to attend school, have major behavioural, mental or other health issues, and require 24 hour care and supervision. The current policies that require these people to seek work in order to retain their Centrelink benefit are forcing these carers to cease caring for these troubled young people. In turn, this compromises the community's capacity to care for them.

Foster care, by its nature, is unpredictable, with children coming into and out of care without a lot of prior notice. By being available to take on this special role, the carer makes herself/himself less attractive to take on paid employment.

Recommendations for implementation:

- **Removing** the requirement to meet the '*Principal carer parent*' test (i.e. being the principal carer of a dependent child under the age of 13).
- **Determining carers not in receipt of Family Tax Benefit** to still be eligible for both the 'looking for work exemption', and the higher Newstart Allowance.
- **Exempting carers of young people over 13 years with additional care needs and in care from the looking for work requirement.**

PLEASE NOTE: This change does not need to wait for the review of taxation, as it is merely following the intent in the general exemption for carers as laid out in Guideline 3.5.1.235 Participation requirements in special family circumstances.

5. Facilitating carers access to legal information and assistance

Foster and kinship carers involved in the care and protection system are often impacted upon, or involved in, legal matters relating to the child for whom they care. Sometimes this may only be to provide information to inform the Court, other times it may be to respond to claims or allegations relating to the provision of care. Most carers have very limited financial resources and routinely use any available funds to subsidise the foster placement to pay for

costs not covered by state and commonwealth government subsidies. State departments have their own resources, the child and birth family have access to legal aid, but the carer – the person with the actual day to day care and first hand knowledge of the child's current situation and responses – has no access to legal support without committing their personal funds to a matter that is a community concern, not a personal matter.

Recommendation for implementation:

- Extend access to Legal Aid for carers of a child who is not their birth child in respect of matters relating to the care and protection or arising from the care of a child who has been placed with them by a recognised entity such as a Court or welfare department.

6. Strengthening carer and sector capacity

The current care system is in crisis to varying degrees in all states and territories in Australia. There is a critical shortage of both paid and voluntary workers in the sector. There is a desperate need for quality training, research and application of relevant best practice management models. Successful programs frequently receive 'seed' or 'pilot' funding but then fold when recurrent funding is unavailable. Research has demonstrated that the long term cost of system failure for an individual is at least seven times the cost of a successful early intervention. Other unpublished government research in Australia suggests the long term costs to the Australian government are far greater than this.

Whilst the short term failures in this sector tend to be mostly state based, the long term costs ALL become a liability on the Commonwealth in the form of dysfunctional families with poverty, domestic violence, mental health, substance abuse, poor educational outcomes and long term unemployment issues common. It also results in an over dependence on income support from the Commonwealth Government.

There is capacity for the Commonwealth to show leadership, strengthen the capacity of the sector and reduce longer term costs.

If the quality of the workforce (both voluntary and paid) is improved, carers will be both supported and will have the skills to seek appropriate support and advice in dealing with these damaged children. It is a win/win situation for carers/children/workers and both state and federal governments.

Recommendations for strengthening the sector and thus improving the outcomes for children in care by:

- Providing access to ***subsidised TAFE training and HECS concessions***, (similar, for example, to those offered for nursing), for courses directly related to care and protection and family support. (These courses could then be accessed by both carers and workers.)
- Developing ***TAFE training, degree and post graduate courses specialising in care and protection and out of home care that can be offered on line or by distance education*** at any time of the year, similar to the many courses currently available through open learning. (These courses could then be accessed by carers, workers and those seeking to change careers.)
- Supporting the development and delivery of quality, ***culturally sensitive and appropriate training*** programs for carers and workers interacting with ***Indigenous children*** and young people.

- Increasing **Australian Research Council funding** to conduct research which can inform improved care and protection and family support models, policies and practices.
- **Renewing funding for successful and innovative programs** that have received 'seed' or 'pilot' funding and then cease due to lack of ongoing funding. Funding could be renewed following a rolling review of programs to ensure they have been successful.

7. Child safety

Like many other sector organisations, AFCA has participated in multiple forums, seminars and meetings to progress an appropriate national child safety framework for Australia's children and to protect the long term interests of children and young people. The work completed to date has support from throughout the non-government and research sectors⁷, and the Commonwealth, but lacks adequate government engagement in some States to progress it properly in the interests of all Australian children.

There is a legitimate role for the Commonwealth to demonstrate leadership, and facilitate and co-ordinate the sharing of resources and knowledge at a national level. At present Australia has eight operational systems with little scope for the collection of national data, sharing of information, or support of consistent informed practice. A national research agenda and dissemination of that research into practice is also desperately needed to ensure the best possible support and outcomes for carers and the children for whom they care.

Recommendations for strengthening child safety for all children:

- Funding consultation processes for the further development and implementation of the National Child Protection Framework, including:
 1. the establishment of a **Commissioner for Children and Young People**
 2. the establishment of an **Office** within the Department of Prime Minister and Cabinet for Australian **Children and Young People**.
 3. Ongoing support and funding from the Commonwealth to demonstrate leadership, facilitation and co-ordination in child protection and the out of home care sectors.

8. Funding and support for national peaks which provide direct support to voluntary carers

There is a small group of national peak organisations providing direct support services to the carers, including grandparents, of the community's most disadvantaged, abused, neglected and needy children. Sometimes these children also have significant disabilities. The groups include the Australian Foster Care Association and Grandparents Australia.

These self help organisations are run by the people who are providing a vital community service for the benefit of their peers. As a consequence of the way their needs transect both state and national issues, the organisations fall into the divide between the Commonwealth and State and they currently have no access to funding from either Commonwealth or the

⁷ *Towards a National Child Protection Strategy for Australia*, outcomes of the June 2006 National Child Protection Forum, Melbourne, accessible at <http://www.familiesaustralia.org.au/publications/pubs/cpsdraft.pdf>

States (state associations get state money, but national organisations who cover national/commonwealth issues get no funding). They are also unable to raise significant or ongoing funds from within their own resources by subscriptions etc (members do not have capacity to pay in large sums; have no capacity to provide sufficient or national services to their member cohort, and the services are not provided by any other organisation either). Even sourcing the funding for annual public liability insurance cover is a challenge for these organisations.

These organisations also have no access to tax concessions or charity and DGR status as they are supporting the individuals providing the direct relief of the disadvantage, abuse, poverty etc, and not normally delivering the service direct to the children. This in turn severely limits the capacity of the organisations to attract funding from other sources.

Recommendations for strengthening support to carers:

- Providing modest subsistence funding to incorporated national peak organisations delivering direct support to voluntary carer / grandparent organisations. This funding could be further increased to provide seed funding for events such as annual national conferences, training events; respite programs; specialist programs to address special needs of children and carers etc as appropriate
- Extending the specifications for tax concessions, charity and DGR status to provide for the inclusion of national and state incorporated peak organisations providing direct services to carers of children who are, or have been, the subject of abuse and neglect.

Australian Foster Care Association Inc
July 2008



AUSTRALIAN FOSTER CARE ASSOCIATION

Representing foster, relative and kinship carers and the children they care for throughout Australia

The Secretary
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Dear Sir/Madam

Please find attached a submission by the Australian Foster Care Association Inc to the Committee's Inquiry into Better Support for Carers.

Yours sincerely

Helen Falconer
Policy Officer

11 July 2008

