

Mental Health inquiry  
Productivity Commission  
GPO Box 1428  
Canberra City ACT 2601

Dear Sir/Madam

I am writing to provide you with a submission from the Foster Care Association of Victoria's (FCAV) for the Productivity Commission's inquiry on mental health and the associated discussion paper *The Social and Economic Benefits of Improving Mental Health* (the discussion paper). In particular, the FCAV submission focuses on the following questions about child safety which were posed in the discussion paper:

- What aspects of the child protection programs administered by the Australian, State and Territory Governments are the most effective in improving the mental health of people in contact with the child protection system?
- What, if any, alternative approaches to child protection would achieve better mental health outcomes?

The FCAV estimates that there are approximately 10,000—13,000 children in Victoria who cannot live with their parents. These vulnerable children may experience a range of home based care services including:

- respite care
- emergency care
- short term care
- long term care
- permanent care

Children who have been removed from their parents and placed in home based care (by child protection services) have experienced trauma because of early life circumstances. Indigenous children have higher rates of removal than the general population and are likely to have higher levels of trauma because of a complex mix of economic, social and historical factors experienced by indigenous people.<sup>1</sup>

The causes of abuse or neglect that are the sources of child removal and trauma are varied and include drug abuse, domestic violence, homelessness, unemployment, sexual abuse and poor parental mental health.<sup>2</sup> Because of early childhood trauma, it is well established in research literature that child in

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<sup>1</sup> Child protection and Aboriginal and Torres Strait Islander children. Australian Institute of Family Studies. August 2017. <https://aifs.gov.au/cfca/publications/child-protection-and-aboriginal-and-torres-strait-islander-children>

<sup>2</sup> Outcomes for children in care. Alexandra Osbourne and Leah Bromfield. October 2007. Australian Institute of Family Studies. <https://aifs.gov.au/cfca/publications/outcomes-children-and-young-people-care>

care have on average poorer mental health than other children.<sup>3</sup> Further, a significant minority of children in care experience complex psychological and behavioural issues.

Typical mental health care issues include the following:

- attachment disorders;
- attention deficit/hyperactivity disorder;
- difficulties in regulating emotions;
- oppositional defiance;
- trauma-related disorders including anxiety; and
- inappropriate sexual behaviour.

The FCAV believes that there are a number of systemic issues within child protection system which prevent children in care from accessing mental health care services which can have profound implications for their long term mental wellbeing. Key systemic issues that act as barriers to service access include the following:

- lack of funding for therapeutic services such as psychological counselling, occupational therapy, speech therapy and paediatric services under the Client Support Funding Framework<sup>4</sup> (CSFF)
- long waiting lists for access to publicly funded mental health care and paediatric services.
- inadequate Medicare funding under mental health care plans (up to 12 sessions per year being subsidised is often insufficient for the long-term ongoing mental health therapy needs of a child or young person in care)
- lack of outreach services that can provide therapeutic support in convenient locations like the home and school
- difficulties in accessing services in rural and remote locations
- lack of funding in the education system to provide support aids, occupational therapists, psychologists and remedial education tuition
- complicated consent procedures which can delay access

The CSFF is the key funding mechanism to provide access to the therapeutic services listed above for children in care. Lack of funding under the CSFF has been consistently raised by carers in Victoria as a major systemic issue that requires urgent reform. And because of funding shortfalls foster carers report that in many instances they are forced to fund access to services out of their own pocket.

Based on the limited publicly available information available to the FCAV it appears that there is approximately \$18 million allocated to the CSFF which works out to roughly \$2100-\$2400 per child (depending on how many children are assumed to be in care).<sup>5</sup> It is important to note that under CSFF funding model the funds are pooled and there is no base amount allocated per child. As a result, while some children may be funded for certain services under CSFF program other children may not be able to access services if there is a shortfall in the CSFF funding pool.

This model contrasts with the arrangements recently introduced in NSW under the Permanency Support Program.<sup>6</sup> Under the NSW arrangements, which were introduced in 2018, an assessment of

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<sup>3</sup> Mental and Physical Health of Children in Foster Care. Kristin Turney, Christopher Wildeman. Paediatrics. November 2016. Volume 128. Issue 5. <http://pediatrics.aappublications.org/content/138/5/e20161118>

<sup>4</sup> The Client Support Funding Framework is intended to provide funding for a range of services including psychiatrists, psychologists, occupational therapist, paediatricians etc <https://services.dhhs.vic.gov.au/statewide-client-support-funding-framework-fact-sheet-carers-word>

<sup>5</sup> these figures are based on 2015/16 and can be found in the Victorian Ombudsman's report *Investigation into the financial support provided to kinship carers* (December 2017)

<sup>6</sup>: <https://www.facs.nsw.gov.au/families/permanency-support-program>

the child's needs is undertaken at the beginning of the placement and a modular funding model is used to determine the appropriate funding level to support the placement.

In particular, you should note that access to therapeutic services is delivered by either a low (\$4591) medium (\$7208) or high (\$11,227) needs assessment.<sup>7</sup> You should also note that the annual amount for a child with a low needs assessment in NSW is approximately double the (average) amount allocated for Victorian children in care under the CSFF.

The funding model is intended to drive the overall objective of permanency which is regarded as in the best interests of the child and the funds are then managed flexibly by the agencies to support access to any mental health care services required.

The FCAV believes that the current funding model in Victoria is a barrier to accessing mental health services for children in care with long term economic and social costs for the community.

Yours sincerely

Katie Hooper

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<sup>7</sup> Description of service payments – see page 8 and pricing list (from service start date) see page 17 [https://www.facs.nsw.gov.au/\\_data/assets/pdf\\_file/0005/437738/Blank-Schedule-3-Payment-Provisions.pdf](https://www.facs.nsw.gov.au/_data/assets/pdf_file/0005/437738/Blank-Schedule-3-Payment-Provisions.pdf)