

Child Protection in South Australia
from the Productivity Commission's Report
on Government Services 2023

May 2023



The Office of the Guardian for Children and Young People respectfully acknowledges and celebrates the Traditional Owners of the lands throughout South Australia and pays its respects to their Elders, children and young people of past, present and future generations.



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Suggested citation

Child Protection in South Australia, from the Productivity Commission's Report on Government Services 2023. Office of the Guardian for Children and Young People, Adelaide 2023.

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29 May 2023

The Hon. Katrine Hildyard, MP
Minister for Child Protection
GPO Box 1838
ADELAIDE SA 5001

Dear Minister

I am pleased to present to you the Office of the Guardian for Children and Young People's report based on an analysis of child protection indicators in South Australia, from the Productivity Commission's Report on Government Services (ROGS) 2023.

This report provides a summary of the expenditure on child protection services in South Australia in 2021-22, as well as other child protection services program data.

With kind regards

A handwritten signature in black ink, appearing to be "Shona Reid".

Shona Reid

Guardian | Training Centre Visitor
Office of the Guardian for Children and Young People

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Interpretative Notes

Aboriginal and Torres Strait Islander people

Reflecting community preference, references to Aboriginal people in this report includes both Aboriginal and Torres Strait Islander people.

Data accuracy and comparability

The Productivity Commission urges caution when interpreting data published in the *Report on Government Services 2023 (ROGS 2023)*, due to variance in the completeness, direct comparability and quality of reported data.

Generally, data is comparable within a particular jurisdiction over time, subject to caveats in the relevant data table. Standardised counting rules set out in the *National Child Protection Minimum Data Set Data Collection Manual* aim to provide consistency across jurisdictions, to the greatest extent possible. However, data comparability across jurisdictions may be impacted by differences in legislative, policy and practice frameworks. Cross-jurisdictional comparative data should be interpreted with due caution, and with reference to the detailed footnotes in the applicable *ROGS 2023* tables.

Data in the *ROGS 2023* is the most accurate available at the time of data collection, and historical data may have been updated since previous Productivity Commission reports. While the OGCYP has been cautious to ensure that all data in this report is accurate at the time of publication, we acknowledge that there may be unintentional errors or discrepancies. Readers should refer to the *ROGS 2023* directly as the most authoritative source of data for the relevant child protection program indicators detailed in this report.

Data rounding

Please note that some data may not add up due to decimal rounding.

Data sources

The primary data source for this Report is the *ROGS 2023*. Where additional context is informative or required, information from other data sources may also be used. This includes information published by the South Australian government in other sources, provided directly to the OGCYP by the Department for Child Protection, and Australian Institute for Health and Welfare (AIHW) data for the 2020-21 financial year (noting that, at the time this report was written, the AIHW has not yet published child protection data for 2021-22).

Where the OGCYP has made independent calculations relying on data published in the *ROGS 2023* and/or other sources, this is noted in relevant footnotes.

Impact of COVID-19 on data

The *ROGS 2023* notes that COVID-19 may affect data, both through the impact of COVID-19 on service delivery from 2020 to 2022 and also the ability of data providers to undertake data collection and process results for inclusion.

References to 'per child'

The *ROGS 2023* primarily presents per capita data for a jurisdiction (or nationally) in the following formats:

- Program expenditure data, per child aged 0-17 years old living in the jurisdiction at a specified date in the relevant financial year.
- Program delivery indicators data, per 1,000 children aged 0-17 years old who are living in the jurisdiction at a specified date for the relevant financial year.

Unless otherwise specified, references to 'per child' or 'per 1,000 children' throughout this report refers to a per capita rate based on children and young people aged 0-17 years, living in the specified jurisdiction during the relevant financial year. Readers should refer to the detailed footnotes in the relevant *ROGS 2023* table for information about the particular calculation method.

Time series data

Time series financial data in the *ROGS 2023* are adjusted to 2021-22 dollars.

Wherever possible, the OGCYP has selected to present comparative time series data over a four-year period, for 2018-19 to 2021-22. This reflects significant changes in the definition of OOHC in the *National Child Protection Minimum Data Set Data Collection Manual* from 1 July 2018, which impacts the comparability of data from previous financial years (discussed in [Part 2.3 'Children and young people in out-of-home care'](#)).

Reporting from 2018-19 also aligns with a significant change in the child protection landscape in South Australia: the commencement of the substantive provisions of the *Children and Young People (Safety) Act 2017* (SA), in October 2018.

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EXECUTIVE SUMMARY

The Guardian for Children and Young People advocates for the rights and best interests of children and young people in care in South Australia. This includes providing advice to the Minister for Child Protection about systemic reform necessary to improve the quality of care provided to them.

Through this annual monitoring report on the child protection population and government expenditure in South Australia, the Office of the Guardian for Children and Young People (OGCYP) highlights a key issue that impacts upon quality care: **adequate resourcing** for child protection services, spent **where the evidence shows it matters**.

Under-resourcing is a human rights issue

The United Nations Committee on the Rights of the Child (UNCRC) drew attention in 2019 to the widespread under-resourcing across Australian child protection systems, as a core human rights issue. It expressed serious concern about the 'persistently high' number of children and young people in care, and that **Australian child protection systems do not have the required resources** to provide adequate care and services to support children in out-of-home care.¹ The UNCRC urged Australia to:

- **Invest** in family preservation services and strategies, particularly those developed and implemented by Aboriginal children and communities
- **Limit** child removal to when it is genuinely necessary, and for the shortest time possible
- **Ensure** adequate human, technical and financial resources to child protection services.²

This guidance sets a clear challenge for all Australian jurisdictions: we need to get better at directing resources towards keeping children out of state care whenever possible, and we need to invest more in the wellbeing, recovery and day-to-day care of vulnerable children and young people who have been separated from their families.

The South Australian care population continues to rise

Simply put, more children and young people were in care at the end of 2021-22 than when the year began.

While child protection interventions prevent harm for many children and young people, we must remember that **these interventions are a serious – and often traumatic – disturbance** in their lives.

¹ UNCRC, *Concluding observations on the combined fifth and sixth periodic reports of Australia*, 1 November 2019, CRC/C/AUS/CO/5-6, [33].

² *Ibid*, [34].

A high demand for child protection services is a sign of failure to provide appropriate support before children and families reach crisis point. It is not a testament to the success of the child protection system; rather, it is an indictment on our society that we have not adequately provided services or protected the most vulnerable through family and community support levers.

Shona Reid, Guardian for Children and Young People

In relative terms, child protection services are the equivalent of ambulance services for the health sector – the purpose is to respond to urgent crises when preventative measures have been ineffective or not possible in the circumstances. **Child protection services are not – and should not be treated as – the primary care response for promoting children’s social and emotional wellbeing.**

The South Australian government has noted that the rate of growth in the care population is slowing.³ This is not a unique trend, as most Australian jurisdictions experienced a downturn in the number of Care and Protection orders and Out-of-Home Care (OOHC) orders in recent years. Early research indicates this trend may be connected to the impact of the COVID-19 pandemic, including reduced face-to-face contact for children and young people with services which may otherwise identify signs of child abuse or neglect and make mandatory reports to child protection departments (see [Part 2.3.3 ‘Admission to out-of-home care’](#))

While discussion about a rising care population often focuses on the rate at which children and young people are removed from their families, *it is equally important to consider how long they stay in care*. The United Nations has provided clear guidance to Australia: when children come into care, it should be for the shortest amount of time possible. However, concerning, South Australia had the lowest proportion of children and young people exiting care during 2021-22. As a result, **lower admissions did not prevent an overall increase in the care population.**

One of the key contributing factors is that **South Australia fares poorly in reunification**, with over three in four children and young people in care on long-term finalised guardianship orders, placing them in state care as a permanent care arrangement until they turn 18 years. South Australia has the **highest reliance on long-term finalised guardianship orders** of any jurisdiction, and the results show in the rising care population (see [Part 2.3.4 ‘Discharges from out-of-home care’](#)).

It is yet to be seen whether the trajectory of growth in the care population will continue in coming years, but early indications for 2022-23 are not positive.

South Australia’s reliance on residential care is getting worse

In 2021-22, the number of children and young people in residential care grew at eight times the rate of the overall out-of-home care population.⁴ At the end of the year, some one in six of those

³ South Australia, Legislative Council, *Budget and Finance Committee*, 27 February 2023 (Cathy Taylor), p 352.

⁴ In response to this report, the DCP observed that the ROGS 2023 excludes ‘other supported placements’ from OOHC figures, and these placements primarily consist of children and young people living in family-based care on third-party

in OOHC lived in residential care. Unlike the broader care population, **the growth in the residential care population is not meaningfully slowing**. This is a major problem.

For many years, the OGCYP has reported on **serious concerns about the safety and wellbeing** of children and young people in residential care – concerns that are echoed across jurisdictions, and in the UNCRC’s 2019 report on Australia. Vulnerable children and young people should not grow up in environments that are (most often) unsuited to their developmental and wellbeing needs, and which may be **traumatic, criminalising, and unsafe places to live** (see [Part 2.4 ‘Children and young people in residential care’](#) and [Part 4.4. ‘Care Services’](#)).

The OGCYP does not say that there is no role for residential care, and this office has observed therapeutic residential care placements that are genuinely in the best interests of an individual. But the OGCYP does firmly advocate for a system where residential care is an option for children and young people who need it, rather than a stop-gap to address systemic failures to source, approve and retain kinship and foster carers – or indeed support families to rebuild so they can resume care of their own children. Residential care is certainly **not in the best interests of one in six children and young people in care**.

Aboriginal children and young people are disproportionately represented in care and residential care population growth

Progress to meet Target 12 under the National Agreement on Closing the Gap – to reduce the rate of Aboriginal children in OOHC by 45 per cent by 2031 – is not meaningfully underway. **The gap is not closing, it is growing**.

Rising numbers in OOHC and residential care is an issue of serious concern, that has been decades in the making. Various policy, legislative and funding decisions mean that this is now shouldered disproportionately by Aboriginal children and young people.

In 2021-22, the rate of non-Aboriginal children and young people in care in South Australia remained constant, while the rate for Aboriginal children went up. Further, more than two thirds of the growth seen in the residential care population occurred through the placement of Aboriginal children and young people in this institutional style care arrangement.

Simply put, the South Australian **child protection system is not meeting the needs of Aboriginal children and young people and their families**. Key systemic failures contributing to the ongoing overrepresentation of Aboriginal children and young people in the care system are introduced at [Part 3, ‘Aboriginal children and young people in out-of-home care’](#) and will be examined in greater depth in upcoming OGCYP publications.

parental responsibility orders. When the comparison is made to OOHC and other supported placements, the rate of growth in the residential care population is four times, not eight times.

Low spending on family support and protective intervention services leads to more children and young people living in care

South Australia has the lowest expenditure on protective intervention services than any other Australian jurisdiction, as a per capita rate for all children in the population. Further, per capita expenditure on combined family support services and intensive family support services is well below the national average.⁵

Underfunding these services severely impacts the Department for Child Protection's capacity to respond to child welfare concerns, and **act early to prevent progression from a 'notification' to growing up in the care system**. This has serious consequences for the safety of children who require an immediate intensive crisis response, as well as limiting opportunities to prevent the crisis occurring in the first place. If South Australia continues to underfund services that provide assessment, referral and intensive support to children and families at risk of separation, then **those families will continue to be separated and the care population will grow**. The current analysis of placement trends leads us to predict more and more children will be placed in residential care, as the system struggles to find or maintain other family based options (see [Part 4 'Comparative analysis: Child protection services expenditure'](#)).

Spending on children and young people in care is not keeping up with population growth

In contrast to other program areas, South Australia has high expenditure on care services – the second highest in the country, as a per capita rate for all children across the population. This money is spent on the day-to-day needs of children in care, including sourcing placements and assessing carers, case management for children and young people, payments for carers and the costs of operating residential care facilities. While high expenditure in this area can appear to be a positive indicator, it needs to be contextualised in the environment and specific features of South Australia's care population. This includes the high rate of children and young people in care, and heavy reliance on residential care as a placement option.

The annual cost of every child placed in **residential care is nearly \$500,000**, more than eight times the annual cost of family-based care. While this may seem excessively high, it is in fact not nearly adequate to cater to the needs of children and young people placed in these settings. With more children and young people being moved into residential care placements, the **significant annual growth in the child protection budget over past years has not been enough to keep up with demand**. This is an unsustainable funding model for South Australia's child protection system. It is both foreseeable and likely that residential care service delivery demands will continue to drive and worsen this imbalance in expenditure over time – unless government commits to a

⁵ In response to this report, the DCP noted that expenditure per child on IFSS is higher than the national average, while FSS is lower. For the reasons discussed in [Part 4.3 'Family support & intensive family support services'](#), the OGCYP asserts that data comparability issues arise from analysing FSS and IFSS separately. Accordingly, these expenditure categories are combined for the purpose of analysis in this report.

major intervention to divert the current trajectory (see [Part 4.4 'Care services'](#) and [Part 4.5 'Comparative child protection expenditure: all programs'](#)).

The way forward

Reform strategies will be complex and require a flexible approach, to respond to evolving research and **new ways of thinking** about child protection and working with children and young people. Considerable information and guidance are available from the seven child protection reviews, inquiries and inquests that have been reported in South Australia over the past year, with areas of focus including:

- Improving early intervention and family supports
- Increasing departmental capacity to respond to reports of child abuse and/or neglect
- Improving the recruitment, assessment and retention of family-based carers
- Expanding transition from care supports
- Expanding therapeutic and other supports for children and young people in residential care, to prevent care criminalisation
- Embedding all five pillars of the Aboriginal Child Placement Principle – prevention, partnership, placement, participation and connection – throughout the child protection system.

It is anticipated that the report and recommendations of the *Inquiry into the placement and removal of Aboriginal children and young people in South Australia* will likely be published in 2023, with further areas of systemic reform identified to respect and promote the human rights of Aboriginal children and young people.

Some of the identified reforms across these areas may be addressed through efficiency measures and practice changes, utilising existing resources. **But others will require meaningful legislative reform and major spending.** Existing report recommendations must be seen as a disparate package, with reviewers and inquirers approaching the rights of children and young people from different perspectives: those living with their families who are at risk of separation; those living in both family-based and residential care; those with disability needs; those who have left care; and the rights and best interests of Aboriginal children and young people, to address systemic disadvantage and overrepresentation in the child protection system.

These elements must be worked through to provide the basis for fewer children and young people living in state care, a focus on reunification wherever possible, supporting family-based placements, and a healthy child protection system that respects and supports the rights and best interests of children and young people who are growing every day in state care. **A serious effort must be made to involve children and young people themselves, a measure that is both essential and must not be token.**

The OGCYP strongly advocates for meaningfully increased expenditure across the entirety of the child protection continuum. Expenditure aimed solely at maintenance will not solve existing problems and will create a worsening trajectory for young South Australians and their future.

I. INTRODUCTION

The Office of the Guardian for Children and Young People (OGCYP) advocates for the rights and best interests of children and young people in care and youth detention in South Australia. The OGCYP provides advocacy on individual and systemic issues, as well as monitoring the safety and wellbeing of these children and young people.

The office currently provides oversight for the following key areas:

- The **Guardian for Children and Young People** (the Guardian) promotes and protects the rights and best interests of children and young people in care
- The **Child and Young Person's Visitor** promotes and protects the rights and best interests of children and young people in residential care
- The **Training Centre Visitor** promotes and protects the rights and best interests of children and young people detained in the Kurlana Tapa Youth Justice Centre (the youth justice centre)
- The **Youth Treatment Order Visitor** monitors the health, safety and wellbeing of children and young people detained under mandatory treatment orders for drug dependency. At this time, youth treatment orders can only be made for children and young people already serving a period of remand or detention at the youth justice centre.

A key element of the Guardian's statutory functions includes the responsibility to monitor the circumstances of children under the guardianship, or in the custody, of the Chief Executive of the DCP (the Chief Executive).⁶ Since 2017, the OGCYP has published an annual monitoring report, analysing child protection services expenditure data from the Productivity Commission's Report on Government Services (*the ROGS*).⁷ While expenditure alone does not determine how well or how poorly our systems supports children and young people, the OGCYP monitors this data in recognition that **adequate funding is essential to promoting the rights and best interests of children and young people in care.**

Over the past year, the child protection system in South Australia has been under considerable scrutiny, through media reporting and multiple child protection reviews and inquiries. This scrutiny has resulted in a high number of recommendations directed at the South Australian government, to implement reform across policy, practice, legislation and funding. In this environment, the OGCYP determined to expand the previous monitoring focus in this report, to include a more in-depth analysis of key data relating to children and young people in OOH, and other child protection services delivery. This analysis is essential to understand, consider and

⁶ *Children and Young People (Oversight and Advocacy Bodies) Act 2016*, s 26(1)(c).

⁷ The ROGS 'provides information on the equity, effectiveness and efficiency of government services in Australia'. It covers a wide range of service delivery areas, including: education, justice, community services, health, emergency management and housing and homelessness. The ROGS is published on an annual basis, for the preceding financial year. The most recent ROGS was published in January 2023, for the 2021-22 financial year: Productivity Commission, *Report on Government Services 2023 (2023)* ('ROGS 2023').

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critique expenditure responses to the numerous reform recommendations that are currently under consideration, as well as those likely to come under consideration in the near future.

Recent and upcoming reviews and inquiries in South Australia, relevant to child protection services

Relevant inquiries, reports and reviews that have been published in South Australia over the past year include:

- *Findings of the Coronial Inquest into the Deaths of Amber Rose Rigney and Korey Lee Mitchell*, April 2022
- OGCYP, *Final Report on the South Australian Dual Involved Project: Children and young people in South Australia's child protection and youth justice systems* (June 2022) (the SADI Report)
- Malcolm Hyde, *Independent Report of the Review of Child Deaths at Munno Para and Craigmore*, November 2022 (the Hyde Review)
- Kate Alexander, *Trust in Culture: A review of child protection in South Australia*, November 2022 (the Alexander Review)
- Fiona Arney, *Independent Inquiry into Foster and Kinship Care*, December 2022 (the Arney Report)
- South Australian Government, Department for Child Protection, *Review of the Children and Young People (Safety) Act 2017 Report*, February 2023 (the CYP Safety Act Review)
- *Findings of the Coronial Inquest into the Death of Zhane Andrew Keith Chilcott*, April 2023
- Government of South Australia, *Royal Commission into Early Childhood Education and Care: Interim Report*, April 2023.

In addition, there are two key reports which are anticipated to be published in 2023:

- The final report of the Commissioner for Aboriginal Children and Young People's *Inquiry into the removal and placement of Aboriginal children in South Australia*
- The final report of the *Royal Commission into Early Childhood Education and Care*.

A strong focus throughout a number of these inquiries and reviews has been the DCP's response to reports about suspected child abuse or neglect, and the need to invest and improve early intervention and family supports.

The OGCYP supports improvements and investment in these areas. **Children and young people have a fundamental human right to grow up within their families wherever this is possible,⁸ and equally to be protected from violence, abuse and neglect.⁹** These human rights require complementary strategies; on the one hand, it requires adequate services to support families to care for their children safely, and it also requires an effective and responsive statutory system with the capacity to identify and protect children and young people who are living in environments

⁸ United Nations (UN) General Assembly, *Convention on the Rights of the Child*, 20 November 1989, United Nations, Treaty Series, vol 1577, p 3, Article 9 (CRC).

⁹ *Ibid*, Article 19.

1. INTRODUCTION

where they are not safe from violence, abuse or neglect. Meeting the rights of children and young people requires actions led by their best interests, guided by a commitment to family preservation, wherever possible. Where statutory removal occurs, it must be accompanied by placement, reunification and day-to-day care decisions that comply with legislative obligations and meet the rights and needs of children and young people in care.

The OGCYP is committed to ensuring that the momentum for reform arising from recent and upcoming reports **focuses on improving the lives of children and young people in care**, who experience special vulnerabilities due to separation from their families.

To support that commitment, this Report analyses trends in child protection expenditure and service delivery data in South Australia within the broader child protection landscape, with the **best interests of children and young people in care as a central focus**. This perspective is essential to inform the South Australian government's next steps of consideration and implementation of findings and recommendations from child protection reviews and inquiries.

This Report is structured in the following parts:

- **Part 2:** analyses data relating to children and young people in care in South Australia in 2021-22, including those on Care and Protection orders and those living in OOHC.
- **Part 3:** sets out key observations about data relating to Aboriginal children and young people in care, noting that the OGCYP publishes an annual companion report which discusses the particular circumstances of Aboriginal children and young people.
- **Part 4:** reports on child protection expenditure in South Australia in the 2021-22 financial year, in comparison to other jurisdictions and over time, across four program areas: protective intervention services, family support services, intensive family support services and care services.

2. CHILDREN AND YOUNG PEOPLE IN CARE

The *ROGS 2023* publishes data for each jurisdiction, regarding the number of children and young people who are subject to **Care and Protection orders** and/or living in **OOHC**.

It also publishes information about associated program indicators during the financial year, including notifications, investigations and substantiations of child abuse or neglect. Analysis of these indicators assists us to understand trends regarding children and young people who are admitted to, discharged from and remain under Care and Protection orders and/or living in OOHC.

This Part analyses data regarding the number of children under Care and Protection orders, living in OOHC and living in 'other supported placements'. Detailed definitions of the legal and administrative arrangements for these care arrangements are discussed in each relevant section below.

2.1 Key observations¹⁰

- At 30 June 2022, there were 4,917 children and young people subject to Care and Protection orders, and 4,417 children and young people living in OOHC. An additional 341 children and young people were living in other supported placements (Tables 1, 2 and 8).
- In comparison to other jurisdictions, South Australia had the **second highest rate** of children and young people on Care and Protection orders and living in OOHC at 30 June 2022, per 1,000 children in the population (Figures 1 and 3).
- The number of children and young people living in OOHC care at 30 June 2022 **increased by 1.2%**, in comparison to 30 June 2021. South Australia was one of only two jurisdictions where that number increased during this period (Table 2).
- At 30 June 2022, 710 children and young people were living in residential care, an **increase** of 56 individuals (8.6%) compared to 30 June 2021. The proportion of children and young people in OOHC living in residential care was nearly **nearly double the national rate**: 16.1% in South Australia, compared to 8.5% nationally (Figure 11, Tables 6 and 7).
- Despite an overall growth in the OOHC population, there was a **decrease in the number of children and young people living in family-based placements**: 3,707 at 30 June 2022, compared to 3,712 at 30 June 2021 (Table 7).

¹⁰ Data source: Productivity Commission, *ROGS 2023* (n 7), Tables 16A.1, 16A.2, 16A.3 and 16A.20.

2.2 Children and young people under Care and Protection orders

2.2.1 Definition of Care and Protection orders

The ROGS 2023 defines Care and Protection orders as '[l]egal orders or arrangements that give child protection departments some responsibility for a child's welfare.' This includes the following types of legal orders or arrangements:

- **Finalised guardianship or custody orders:** court orders transferring legal guardianship to the relevant state or territory child protection department, or non-governmental organisation (NGO).
- **Finalised third-party parental responsibility orders:** court orders that transfer parental responsibility and authority to a nominated individual or individuals.
- **Finalised supervisory orders:** court orders which give the child protection department some responsibility for a child's welfare.
- **Interim or temporary orders:** court orders which ordinarily involve a limited period of supervision and/or placement of a child.
- **Administrative arrangements:** an agreement with the state or territory child protection department, which has the same effect as a court order in transferring custody or guardianship.¹¹

These categories of Care and Protection orders are broadly aligned with the scope of the Guardian's statutory functions, for children and young people under the custody or guardianship of the Chief Executive and/or living in alternative care. However, depending on individual circumstances, children and young people whose legal status falls within some of the above categories may be outside the scope of the Guardian's functions or services.

2.2.2 Care and Protection orders: 2021-22

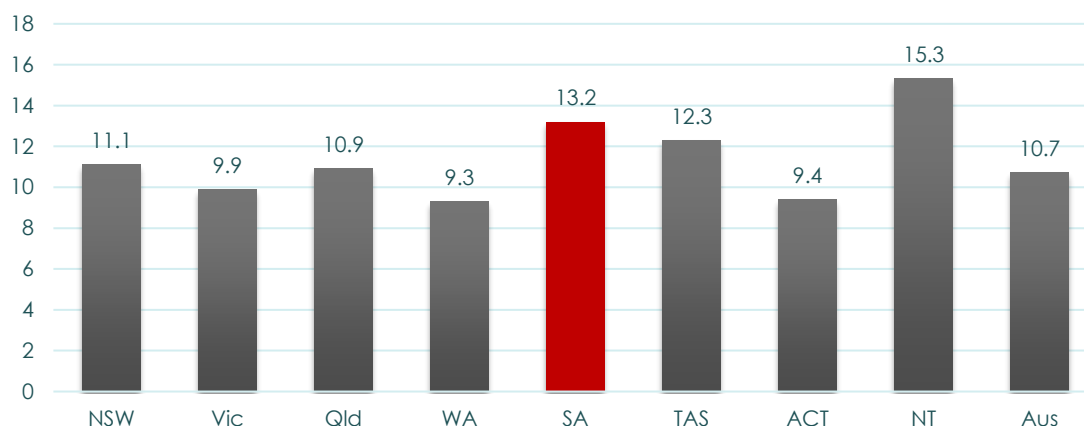
At 30 June 2022, 4,917 children and young people were on Care and Protection orders in South Australia: a rate of 13.2 children, per 1,000 children in the population.

In comparison to other jurisdictions, South Australia had the second highest per capita rate of children and young people on Care and Protection orders, as at 30 June 2022.

¹¹ Productivity Commission, *ROGS 2023* (n 7), Part F, Chapter 16, 'Explanatory Material'. This definition varies from that used in the Guardian's annual reports which, based on data sourced directly from the DCP, is limited to finalised Care and Protection orders made by the Youth Court that grant guardianship to the Chief Executive for up to a period of 12 months or until the child or young person turns 18 years. This excludes some orders that are within scope for ROGS reporting, including children and young people on supervisory orders, voluntary custody agreements, interim or temporary court orders and instruments of guardianship. See, eg, OGCYP, *Guardian for Children and Young People 2021-22 Annual Report* (2022), p 5 (*GCYP 2021-22 Annual Report*).

Figure 1: Rate of children and young people on Care and Protection orders (per 1,000 children in the population) at 30 June 2022, by jurisdiction

Data source: ROGS 2023, Table 16A.1

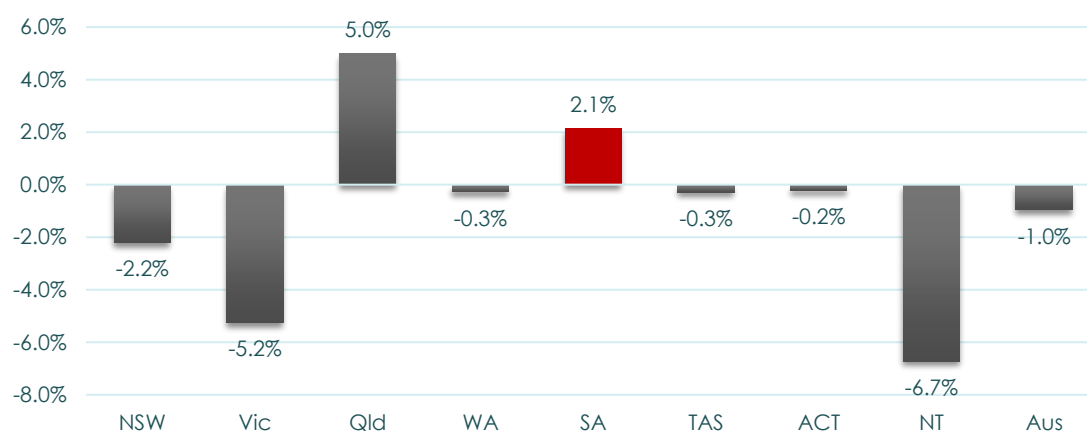


Consistent with previous financial years, the Northern Territory had the highest rate. However, in 2021-22, the gap between the Northern Territory and South Australia reduced: while the rate in South Australia increased from 13.0 at 30 June 2021 to 13.2 at 30 June 2022, the rate in the Northern Territory declined over the same period, from 16.4 to 15.3.

In fact, South Australia was one of only two jurisdictions – with the second being Queensland – where there was year-to-year growth during this period in the number of children and young people on Care and Protection orders (at the end of the financial year).

Figure 2: Growth in the number of children and young people on Care and Protection orders between 30 June 2021 and 30 June 2022, by jurisdiction

Data source: ROGS 2023, Table 16A.1



The growth in the number of children and young people on Care and Protection orders in South Australia follows the trend in 2020-21, 2019-20 and 2018-19. As depicted in **Table 1** below, the highest rate of growth occurred in 2019-20, with growth then slowing in the following years.

Table 1: Care and Protection orders in South Australia, 2018-19 to 2021-22

Data source: ROGS 2023, Table 16A.1

Indicator	2018-19	2019-20	2020-21	2021-22
Number of children and young people on Care and Protection orders at 30 June	4,178	4,537	4,814	4,917
Growth in the number of children and young people on Care and Protection orders at 30 June, from previous financial year (%)	7.9%	8.6%	6.1%	2.1%
Rate of children on Care and Protection orders at 30 June, per 1,000 children in the population	11.3	12.3	13.0	13.2

The OGCYP notes the **continued rise** in the number of children and young people placed on Care and Protection orders. While child protection interventions are undoubtedly essential to protect many children and young people from harm, this should not be seen as the ‘go-to’ for addressing child safety concerns in the community. **These interventions are a serious – and often traumatic – disturbance** in the lives of children and young people, which create their own layers of risk for their development, social and emotional wellbeing and, at times, safety.

It is important that policy and legislative frameworks are firmly grounded in the perspective that children and young people have a right to live with their families and removal should be avoided, wherever it is possible and safe to do so.¹² **A high demand for child protection services should be seen as a sign of failure**, to provide appropriate support before children and families reach crisis point.

2.3 Children and young people in out-of-home care

The Guardian’s function to promote the best interests of children under the guardianship, or in the custody, of the Chief Executive requires **a particular focus upon those living in ‘alternative care’**.¹³ This includes children and young people living in OOHC.

2.3.1 Definition of out-of-home care

Prior to the 2018-19 financial year, the ROGS defined OOHC as ‘*overnight care for children aged less than 18 years who were unable to live with their families due to child safety concerns.*’

From 1 July 2018, an altered definition of OOHC clarified that this term refers to any placement approved by the child protection department, where there is ongoing case management and financial payment, including if payment is offered and declined. This includes formal court ordered

¹² This is consistent with the UNCRC’s guidance in: UNCRC, Concluding observations on the combined fifth and sixth periodic reports of Australia (n 1), [34].

¹³ ‘Alternative care’ includes residential care services, independent living arrangements (for a child or young person under the guardianship of the Chief Executive), foster and kinship care and care in a youth detention facility: *Children and Young People (Oversight and Advocacy Bodies) Act 2016*, s 26(4).

placements, voluntary placements and placements for the purpose of providing respite for parents or carers.

A number of living arrangements have been excluded from 1 July 2018 and are now reported separately as 'other supported placements'. This includes children on third-party parental responsibility orders and children on immigration orders (where funding is provided by the Australian Government and children who do not come through the child protection system). It may also include ongoing placements for children aged 18 years or older. This definitional change has resulted in some jurisdictions reporting fewer children in OOHC from 2018-19 onwards.¹⁴

This Report includes a separate section regarding children and young people in other supported placements (see [Part 2.5 'Children and young people in other supported placements'](#), below).

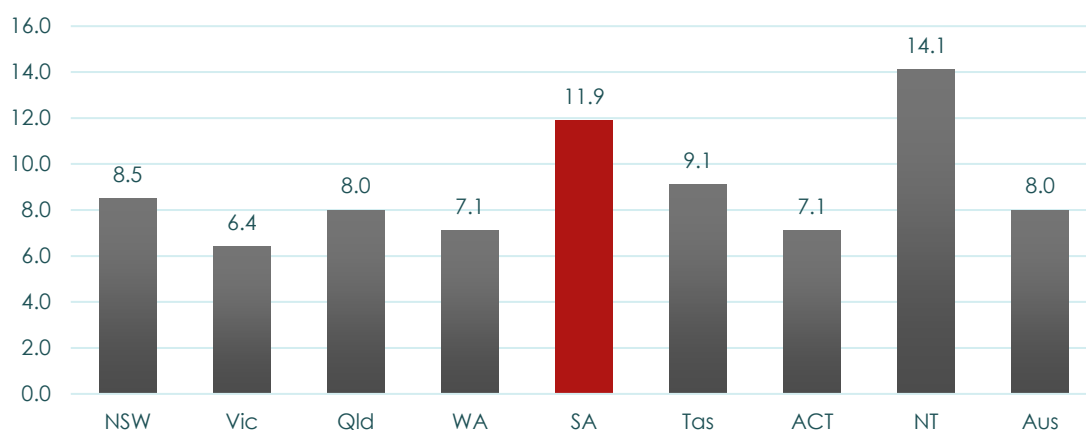
2.3.2 Out-of-home care: 2021-22

At 30 June 2022, there were 4,417 children and young people living in OOHC in South Australia: a rate of 11.9 per 1,000 children in the South Australian population.

As with Care and Protection orders, South Australia had the second highest per capita rate of children in OOHC in 2021-22, following the Northern Territory.

Figure 3: Rate of children and young people in OOHC (per 1,000 children in the population) at 30 June 2022, by jurisdiction

Data source: ROGS 2023, Table 16A.2



The number (and per capita rate) of children and young people in OOHC in South Australia has increased each year since 2018-19. The highest rate of growth occurred in the 2019-20 financial year (8.9%), with the rate of growth decreasing in 2020-21 (5.6%) and again in 2021-22 (1.2%).

¹⁴ Productivity Commission, *ROGS 2023* (n 7), Part F, Chapter 16, 'Explanatory Material'. As with Care and Protection orders, the Guardian's annual report utilises a different definition of OOHC based on information sourced directly from DCP, which is inclusive of some other supported placements: see, eg, OGCYP, *GCYP 2021-22 Annual Report* (n 11), p 6. For the purpose of cross-jurisdictional comparison, this report adopts the definition of OOHC utilised in the ROGS 2023. Unless otherwise specified, all references to OOHC in the remainder of this report excludes children and young people living in other supported placements.

Table 2: OOHC in South Australia, 2018-19 to 2021-22

Data source: ROGS 2023, Table 16A.2

Indicator	2018-19	2019-20	2020-21	2021-22
Children and young people in OOHC at 30 June (no.)	3,797	4,136	4,366	4,417
Growth in the number of children and young people in OOHC at 30 June, from previous financial year (%)	No data available	8.9%	5.6%	1.2%
Rate of children in OOHC at 30 June, per 1,000 children in the population	10.3	11.2	11.8	11.9

Changes in the number of children and young people in OOHC from year-to-year primarily occurs through an interaction between admissions to (i.e., entries), and discharges from (i.e., exits), OOHC. The below analysis highlights key data regarding admissions and discharges from OOHC in South Australia in past years, with accompanying discussion of significant factors impacting upon these rates.

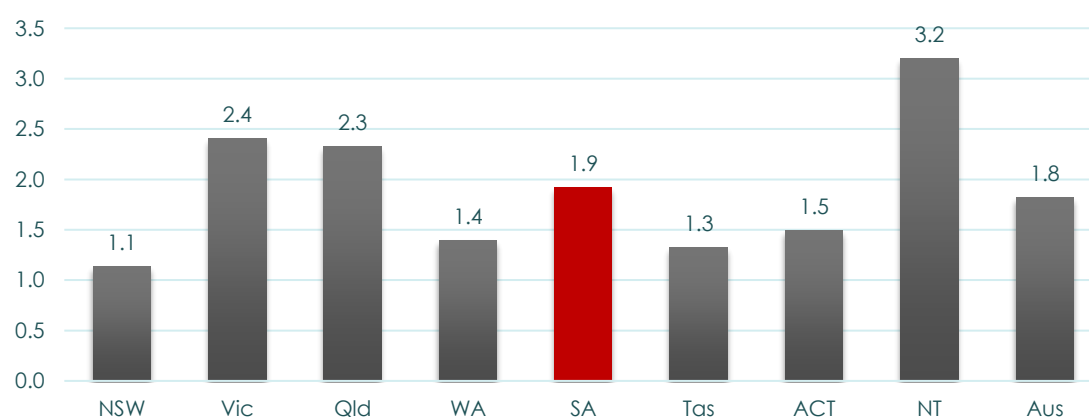
2.3.3 Admissions to out-of-home care

In accordance with national counting rules, an 'admission' includes all children who are admitted to OOHC for the first time, as well as children returning to OOHC who exited care 60 days or more previously.¹⁵

In 2021-22, 710 children and young people were admitted to OOHC in South Australia: a rate of 1.9 children, per 1,000 children in the population.¹⁶ As depicted in **Figure 4** below, the rate of admissions was slightly higher in South Australia than the national rate (1.8 per 1,000 children). Queensland, the Northern Territory and Victoria all had higher rates than South Australia.

Figure 4: Rate of children and young people admitted to OOHC (per 1,000 children in the population) in 2021-22, by jurisdiction

Data source: ROGS 2023, Table 16A.4 and 16A.41



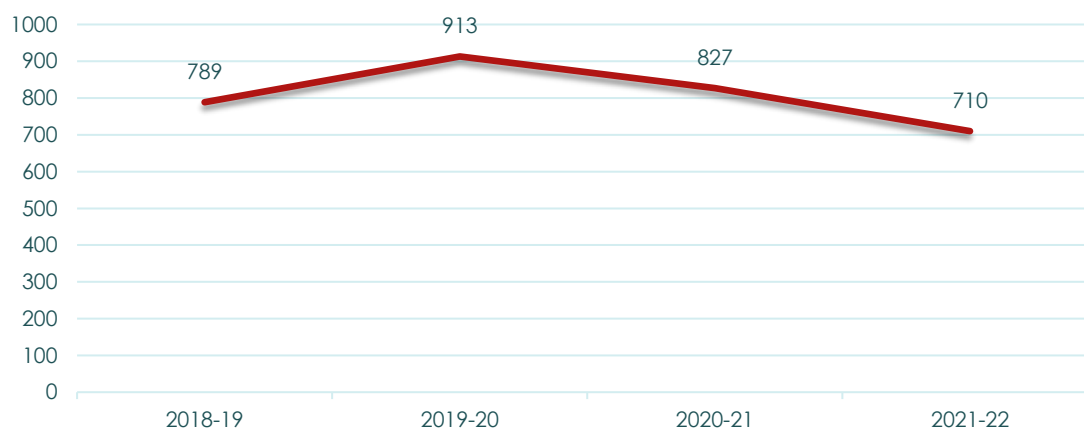
¹⁵ Ibid, Table 16A.4.

¹⁶ This rate has been calculated as the number of children and young people admitted to OOHC (ibid, Table 16A.4), divided by the estimated population of children aged 0-17 years at 31 December (ibid, Table 16A.41), multiplied by 1,000.

There was a decrease in the number of children admitted to OOHC in South Australia in 2021-22, compared to the previous two financial years. In 2019-20, the number of admissions peaked at 913, falling in 2020-21 to 827, and again in 2021-22 to 710 admissions.

Figure 5: Number of children and young people admitted to OOHC in South Australia, 2018-19 to 2021-22, by financial year

Data source: ROGS 2023, Table 16A.4



It is interesting to observe that the reduced number of admissions to OOHC did not prevent an overall increase in the OOHC population. Simply put, this occurred because fewer children left care than those who entered care.

To prevent growth in the care population, an 'entries' to 'exits' ratio of 1:1 is required; so that, for every child who comes into care, a child is discharged. In most jurisdictions, there were fewer children and young people in OOHC at 30 June 2022 than at the same time the previous year, because discharges exceeded admissions. However, in South Australia, the number of discharges from OOHC (661) was insufficient to offset the number of admissions (710). This resulted in overall growth in the OOHC population. Factors that influence the ratio of entries to exits are discussed in more detail below, and in the following sections.

The factors that influence admissions to OOHC involve a complex interplay between socioeconomic risk factors for the occurrence of child abuse or neglect, and the available social infrastructure to divert and respond to these risk factors. As highlighted in the 2022 Alexander Review:

South Australia has the highest methamphetamine use in the country. One of four children live below the poverty line. Domestic and family violence is at an alarmingly high level; mental health problems are on the rise and there is a housing crisis. Add to that nearly three years of a global pandemic and the pressure on struggling families is undeniable. The impact of all of these problems, which usually thrive in combination, are felt by children in so many more ways than the system is resourced to see, hear and know.¹⁷

¹⁷ Kate Alexander, *Trust in Culture: A review of child protection in South Australia* (2022), p 10.

While acknowledging the full complexity of these risk factors, the below discussion highlights some key matters impacting on the rate of admissions to OOHC in recent years.

Notifications, investigations and substantiations of child abuse and neglect

The rate at which children and young people come into contact with the child protection system has a significant impact upon admissions to OOHC. While an increase in notifications of suspected child abuse or neglect does not inevitably result in a higher number of children coming into care, it is a likely outcome; as more children and young people come into contact with the child protection system, that system can identify more instances of child abuse or neglect, which can then flow through to more statutory interventions that remove children from their families.

Relevantly, the *ROGS 2023* publishes data about notifications to the child protection department in 2021-22 (**'notifications'**), investigations that are finalised during the year in response to notifications made in 2021-22 (**'finalised investigations'**), and finalised investigations which resulted in a substantiation of child abuse or neglect (**'substantiations'**).

In 2021-22, 54.1 per 1,000 children and young people in the population in South Australia were the subject of a notification, which was above the national rate of 48.4. In contrast, the rate of finalised investigations and substantiations in South Australia was below the national rate: 12.4 and 6.0 children and young people, respectively, per 1,000 in the population.¹⁸

Table 3: Comparison between the South Australian and national rate of children subject to notifications, finalised investigation and substantiations (per 1,000 children in the population) in 2021-22

Data source: *ROGS 2023*, Table 16A.1

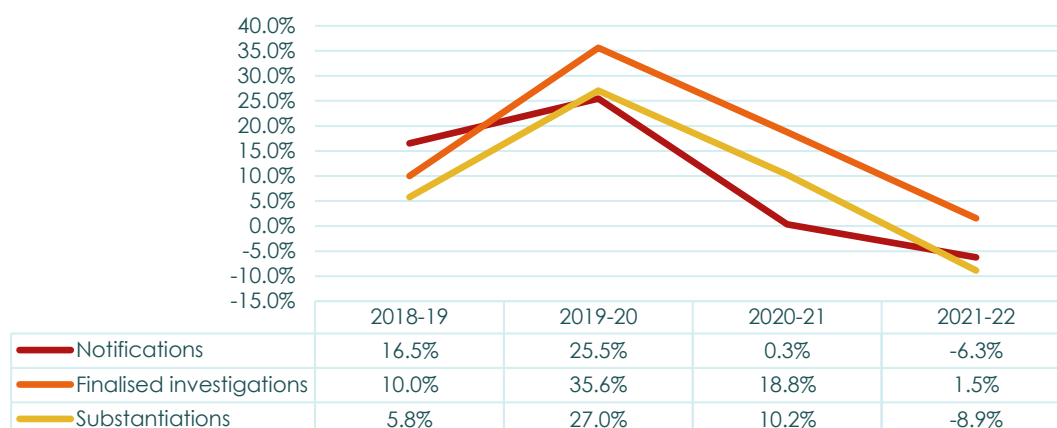
Jurisdiction	Notifications	Finalised investigations	Substantiations
South Australia	54.1	12.4	6.0
National	48.4	17.7	8.0

Figure 6 below demonstrates a spike in the rate of growth for the number of children and young people subject to notifications, finalised investigations and substantiations in 2018-19. Contrastingly, there was a decrease in children and young people subjected to notifications and substantiations in 2021-22, compared to the previous year. Despite fewer children being subject to notifications, substantiations and admissions in 2021-22, there was still an overall growth in the OOHC population.

¹⁸ See [Part 4.2 'Protective Intervention Services'](#) for discussion of some of the challenges with comparing data across jurisdictions for notifications, finalised investigation and substantiations.

Figure 6: Year-to-year growth in the number of children subject to notifications, finalised investigations and substantiations in South Australia, 2018-19 to 2021-22, by financial year

Data source: ROGS 2023, Table 16A.1



In interpreting these results, it is important to note that contact with the child protection system is not the sole determinant of statutory removal outcomes. The capacity of child protection departments to respond to identified abuse or neglect; legislative frameworks that prescribe the required response; and the availability of well-resourced alternatives to the statutory child protection system to address support needs, all have an important bearing upon these outcomes. South Australia's expenditure on child protection services is discussed in detail in [Part 4 'Program expenditure'](#).

It is also important to consider the impact of two significant events that occurred between 1 July 2018 and 30 June 2022, which shaped these trends in different ways: namely, the commencement of the *Children and Young People (Safety) Act 2017* in the 2018-19 financial year, and social consequences of the COVID-19 pandemic between 2020 through 2022.

Commencement of the *Children and Young People (Safety) Act 2017*

The 2016 *Child Protections System Royal Commission*,¹⁹ conducted by Margaret Nyland, made extensive recommendations to improve the South Australian child protection system's responsiveness to the needs and best interests of children and young people and families. These recommendations led, in part, to the enactment of the *Children and Young People (Safety) Act 2017* (the *CYP Safety Act*).

The new legislation significantly altered the framework guiding child protection practice in South Australia. It commenced in two parts, with most substantive provisions coming into operation in October 2018. Nearly five years later, the *CYP Safety Act Review* identified that the transition to a 'child-focused legislative framework with a greater emphasis on safety' has led to an 'upward trend' in child protection notifications.²⁰ It appears likely that the commencement of the legislation in 2018-19 largely accounts for the spike in notifications, substantiations and admissions that year.

¹⁹ Margaret Nyland, *The life they deserve: Child Protection Systems Royal Commission* (2016).

²⁰ Government of South Australia, Department for Child Protection (DCP), *Review of the Children and Young People (Safety) Act 2017: Discussion Paper* (2022), p 6 ('CYP Safety Act Review Discussion Paper').

The initial transition to a greater focus on safety commenced with a legislative change to the *Children's Protection Act 1993* in 2016 – which then carried over into the *CYP Safety Act* – to remove the best interests of children and young people as a primary consideration in decision-making.²¹ Instead, the *CYP Safety Act* prescribes that the paramount consideration is to protect children and young people from 'harm'.²² This concept is defined to mean physical or psychological harm, but excludes 'emotional reactions such as distress, grief, fear or anger'.²³

The OGCYP's submission to the *CYP Safety Act Review* noted that this aspect of the *CYP Safety Act* is inconsistent with Article 3 of the *United Nations Convention on the Rights of the Child*, which stipulates that children and young people have the right to have their best interests taken as a primary consideration in all actions that affect them. The submission also highlighted that South Australia's legislation is **out-of-step with contemporary best practice**; with South Australia being the **only Australian jurisdiction** to focus exclusively on 'protection from harm' as the paramount consideration.²⁴

This legislative change is not solely an academic or legalistic matter, but has real consequences for the day-to-day lives of children and young people. It impacts upon the framework and organisational culture within which child protection practitioners work and directs practitioners to focus on avoiding a very narrow conception of harm. This discourages practitioners from taking a holistic approach, which considers and balances the full gamut of children's rights to determine the best possible approach for a child or young person's individual circumstances. It places child protection workers in a bind where the starting position is that they need to justify decisions that keep children and young people with their families, rather than justifying the reasons for removal.

Consistent with child protection legislation in nearly every other Australian jurisdiction, the OGCYP recommended legislative amendment to the *CYP Safety Act*, to make the best interests, safety and wellbeing of children and young people the paramount consideration. **It is disappointing to note that, despite submissions to a similar effect from other key stakeholders** – including the Commissioner for Children and Young People, CREATE Foundation, South Australian Council of Social Service, Child and Family Focus SA and the Law Society of South Australia²⁵ – the *CYP Safety Act Review* has recommended that **safety be retained** as the paramount consideration.²⁶

²¹ This legislative change was introduced to the Children's Protection Act 1993 in April 2016, in response to a recommendation from the *Inquest into the Death of Chloe Lee Valentine: Finding of the State*, 9 April 2015. For comprehensive discussion of this legislative change, see OGCYP, *A rights-based approach to safety OGCYP submission to the Five-Year Review of the Children and Young People (Safety) Act 2017* (2022), pp 2-7 ('*A rights-based approach to safety*').

²² Children and Young People (Safety) Act 2017 (SA), s 7.

²³ *Ibid*, s 17.

²⁴ OGCYP, *A rights-based approach to safety* (n 21), pp 2-7.

²⁵ Commissioner for Children and Young People, *Submission to the Review of the Children and Young People (Safety) Act 2017* (2022), p 4; CREATE Foundation, *Submission to the South Australian Government: Review of the Children and Young People (Safety) Act 2017* (2022), pp 4-5; The Law Society of South Australia, *Review of the Children and Young People (Safety) Act 2017* (2022), p 3; South Australian Council of Social Service, *Submission to the Department of Child Protection's Review of the Children and Young People (Safety) Act 2017* (2022), pp 5-6; Child and Family Focus SA, *Child and Family Focus SA Submission to the 2022 Review of the Children and Young People (Safety) Act 2017* (2022), p 35.

²⁶ Government of South Australia, DCP, *Review of the Children and Young People (Safety) Act 2017 Report* (2023), p 33 ('*CYP Safety Act Review Report*').

The OGCYP holds the firm view that the operation of current South Australian legislation contributes significantly to the rising number of children and young people in OOHC, contrary to the trend in most other jurisdictions. **The Guardian and her office reiterate that these rising numbers are a sign of failure, not success, in safeguarding children in South Australia.** If South Australia maintains the current approach, placing a narrow conception of physical safety above all other child rights, then it is both foreseeable and likely that children and young people will continue to bear the consequences of separation from their family at alarming rates.

Impact of COVID-19

It will take some years before the full impacts of the COVID-19 pandemic upon the child protection sector are understood. However, Australian research is already observing the health and social effects of the pandemic; both through increased vulnerability of children and families, and the capability of front-line services to detect and respond to these vulnerabilities.²⁷

A significant effect of the COVID-19 pandemic has been the closure of (or altered delivery models) for key services which identify and make notifications about suspected child abuse or neglect, such as schools, childcare centres, and health services. Other effects of the pandemic are felt through the capacity of child protection departments and courts to deliver services, due to factors such as:

- Limitations on face-to-face contact with children and families
- Travel restrictions
- Health impacts on the workforce
- Reduced court sittings, leading to delayed hearings and protracted application timeframes.²⁸

In 2021, the Australian Institute of Health and Welfare (AIHW) published its *Child protection in the time of COVID-19 report*, which identified an initial decline in notifications of child abuse or neglect during the 'first wave' of COVID-19, followed by a spike in jurisdictions where restrictions eased.²⁹ It is important to note that the most severe COVID-19 restrictions occurred in South Australia during the early months of the 2021-22 financial year, followed by significant impacts upon business continuity associated with rising COVID-19 cases when interstate and international travel restrictions eased in November 2021. This may account, in part, for the reduced notifications and substantiations of child abuse or neglect in South Australia in 2021-22.

If South Australia follows the trend identified in the AIHW's preliminary research, the decline in notifications may be accompanied by a spike in 2022-23 and/or subsequent years, which could impact on future growth in the OOHC population. It is concerning to note that figures available on the DCP's website already show a greater increase in the number of children and young people in OOHC and other supported placements in the first eight months of 2022-23 (108 children),

²⁷ See, eg, Australian Institute of Health and Welfare (AIHW), *Child protection in the time of COVID-19 report* (2021); Susan Baidawi, et al, for the Royal Commission into Violence, Abuse, Neglect and Exploitation of people with Disability, *Research report – Care criminalisation of children with disability in child protection systems* (2023), pp 162-3.

²⁸ Ibid, pp 1, 3-4.

²⁹ Ibid, p 1.

compared to the full 2021-22 financial year (94 children).³⁰ It appears likely that, with the easing of COVID-19 restrictions and short-term impacts on services, the number of children and young people who were the subject of notifications, substantiations and admissions to OOHC will return to a state of growth in 2022-23.

In the coming years, the OGCYP will continue to monitor closely the impacts of the pandemic on child protection services, particularly for children and young people in OOHC.

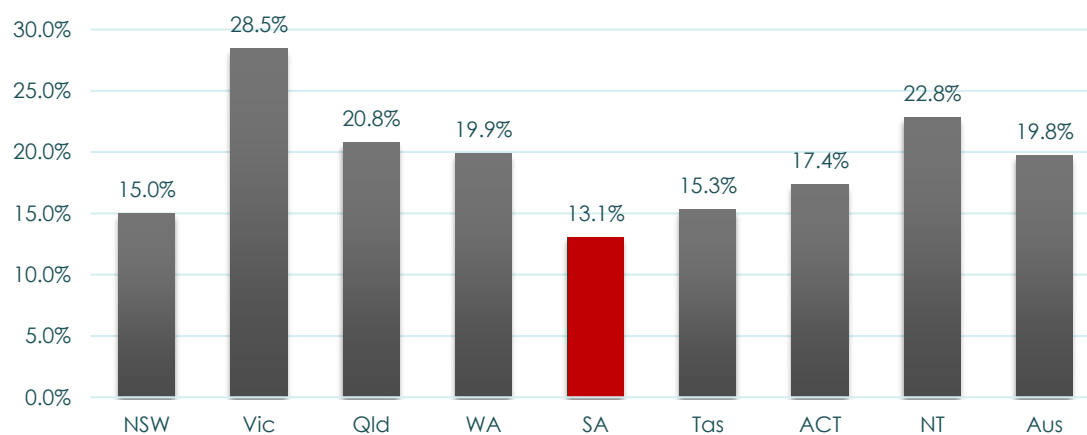
2.3.4 Discharges from out-of-home care

A child or young person who leaves a government-funded placement for more than 60 days is counted as a 'discharge' from OOHC.³¹ Ways this may occur include through reunification with family; transfer to a third-party parental responsibility or adoption order; or on their 18th birthday.

During 2021-22, 661 children and young people were discharged from OOHC in South Australia. As a proportion of children and young people who were in an OOHC placement during the year, South Australia had the lowest rate of discharges from OOHC in the country: 13.1% compared to 19.8%, nationally.

Figure 7: Children and young people discharged from OOHC in 2021-22, as a proportion of children and young people in at least one OOHC placement, by jurisdiction³²

Data source: ROGS 2023, Table 16A.2 and 16A.4



Major factors that impact upon the rate of discharge from OOHC include:

- Approaches, and service availability, to support the reunification of children and young people with their families
- Approaches to long-term guardianship orders, placing children and young people in care until the age of 18 years as a permanent care arrangement
- Legislative frameworks regarding third-party parental responsibility orders and adoptions

³⁰ Government of South Australia, DCP, *Reporting and Statistics* (online), accessed 3 April 2023, <<https://www.childprotection.sa.gov.au/departments/reporting-and-statistics>>.

³¹ Productivity Commission, *ROGS 2023* (n 7), Part F, Chapter 16, 'Explanatory Material'.

³² This proportion is calculated utilising the number of discharges from OOHC, and the number of children and young people who were in at least one OOHC placement during the year: *ibid*, Table 16A.2 and 16A.4.

- The age profile of the OOHC population.

The *ROGS 2023* does not report on indicators for the above factors; however, relevant data in other publications for the previous financial year (2020-21)³³ indicates that South Australia is faring poorly in reunification success, with a very high reliance on placing children and young people on long-term finalised guardianship orders. A young care population, and relatively few third-party parental responsibility orders, also contributes to South Australia’s low proportion of discharges.³⁴

Table 4: Children and young people discharged from OOHC in South Australia in 2020-21, by age, reunification, long-term order and third-party order status³⁵

Data source: AIHW, *Child protection 2020-21*, S4.10, S5.2, S6.1, S6.2; Productivity Commission, *ROGS 2022*, Table 16A.2.

Indicator	South Australia	National
% of children and young people in an OOHC placement during the year who were reunified	3.7%	9.4%
% of children and young people on Care and Protection orders who were on a long-term finalised guardianship/custody order	77.3%	51.1%
% of children and young people in OOHC who were placed on a third-party order	1.3%	2.3%
% of children and young people discharged from OOHC who were 15 - 17 years old ³⁶	40.1%	34.3%

Age of the care population³⁷

At 30 June 2021, 15.3% of the OOHC population in South Australia were aged 15 – 17 years old, which was slightly below the national proportion of 16.5%.

Young people in this age bracket were overrepresented in discharges, accounting for 40.1% of all discharges from OOHC in South Australia in 2020-21. In light of low reunification and third-party order rates, it appears likely that a significant proportion of the young people in this category were those who ‘aged out of care’ on their 18th birthday.

In this context, it is significant that more than four in five (84.7%) children and young people in OOHC in South Australia at 30 June 2021 were under the age of 15 years, with a high likelihood of remaining in care until they turn 18 years. These figures are a concerning indicator of continued low discharges from OOHC in South Australia in the coming years.

³³ AIHW, *Child protection Australia 2020-21* (2022), publishes relevant information at Tables S4.5, S4.10, S5.2, S6.1 and S6.2. At the date of this report, AIHW data for 2021-22 was not yet published.

³⁴ In response to this report, the DCP observed that South Australia reports 93.4% of children who exited OOHC not returning to care within 12 months, which is the third highest of any Australian jurisdiction, and 5.2 percentage points higher than the national figure. Data source: Productivity Commission, *ROGS 2023*, Table 16A.40.

³⁵ The rate of children and young people reunified and placed on third party orders in 2020-21 is calculated using data sourced from: AIHW, *Child Protection Australia 2020-21* (n 33), Tables S6.1 and S6.2; Productivity Commission, *Report on Government Services 2022* (2022) (*‘ROGS 2022’*), Table 16A.2.

³⁶ Young people who are discharged from care on their 18th birthday are included in the 15 – 17 age category: AIHW, *Child Protection Australia 2020-21* (n 33), Table S5.2.

³⁷ Data source: *ibid*, Table S5.5.

Third-party parental responsibility orders

In 2020-21, 1.3% of children and young people in OOHC in South Australia were placed on a third-party parental responsibility order. This was below the national rate of 2.3% and was the second lowest rate in the country.³⁸

These orders are not a full exit from the care system; rather, the discharge occurs due to the changed definition of OOHC in 2018-19, which reclassified these arrangements as 'other supported placements'. There is still child protection expenditure associated with these placements, and the potential for ongoing case management in some circumstances.

South Australia is experiencing growth in the number of children and young people placed on these orders each year,³⁹ and it is possible that this indicator will come closer to the national average in future years. However, the low number of children and young people placed on these orders (across all jurisdictions), means that changes in this area are unlikely to make a significant impact upon growth in the OOHC population.⁴⁰

The OGCYP notes that, while it is desirable to increase discharges from OOHC, practice and legislative settings regarding third-party parental responsibility orders requires careful consideration to ensure that these orders are only made when it is in the best interests of the child or young person. Relevant matters on this topic are discussed in more detail, in [Part 2.5 'Children and young people in other supported placements'](#).

Reunification and long-term guardianship orders

At three in four children and young people in care in South Australia on long-term finalised guardianship orders, this was the highest rate in the country.⁴¹ With such a high proportion living in this permanent care arrangement to the age of 18 years, it is unsurprising that very few children and young people are reunified with their families in South Australia – only 185 individuals in 2020-21, being 3.7% of those who were in an OOHC placement during the year. This was the second lowest reunification rate, following New South Wales.⁴²

The approach to long-term guardianship orders in South Australia has been influenced in recent years by guidance from Nyland, regarding the importance of promoting stability and permanency in care arrangements for children and young people.⁴³ Through case audits, Nyland concluded that there was a culture of 'excessive optimism' in the child protection department in 2016:

Many assessments were plagued by naïve optimism about the potential for extremely disadvantaged and poorly functioning families to change. There was repeated evidence of

³⁸ Data source: *ibid*, Table S6.2.

³⁹ At 30 June 2019, there were 184 children and young people on third-party parental responsibility orders, compared to 323 at 30 June 2022. This is a 75.5% increase, over three years: see Table 8,, below.

⁴⁰ In 2020-21, third-party parental responsibility orders amounted to 11.3% of all discharges from OOHC. Data source: AIHW, *Child protection 2020-21* (n 33), Tables S5.2 and S6.2.

⁴¹ Data source: *ibid*, Table S4.10

⁴² Data source: *ibid*, Table S6.1. New South Wales had the lowest reunification rate by this calculation, at 2.7% and Victoria had the highest rate, at 23.4%.

⁴³ Nyland (n 19), pp 217-25.

practitioners failing to understand the difficulty for people to overcome addiction and substance abuse problems, violent behaviour and serious mental health conditions. Children often suffered the consequences of misguided efforts, and were left in unsafe situations where they sustained further harm. The files demonstrated a clear preference for family maintenance and reunification: keeping families together at all costs.⁴⁴

Recommendations on this subject resulted in a changed approach to permanency in the *CYP Safety Act*, with a greater focus on timely decision making⁴⁵ and challenging the notion that it is preferable for children and young people to, where possible, live within their own family.⁴⁶ One of the key recommendations was that practitioners should apply for long-term guardianship as soon as possible after a young person enters care, if reunification is not a reasonable possibility.⁴⁷

It is indeed essential to give proper consideration to ensuring that children and young people have a sense of stability in their lives, meaningful opportunities to form attachments with carers, and feel secure that valued living arrangements can be long-term, if they so choose (provided it is in their best interests). It is important to highlight, though, that there are two separate elements to Nyland's observations and guidance: firstly, the need for timely approaches to permanency planning and, secondly, that practitioners have the skills and knowledge to work with families who have significant support needs. The highest rate of children and young people on long-term guardianship orders in the country suggests that legislative and decision-making frameworks in South Australia are placing primacy on the former, with considerable work required to build systemic and operational capacity for the latter.

Promoting permanency and stability for children and young people cannot be achieved solely through applying quickly for long-term guardianship orders when children come into care. If family preservation or reunification is in fact a reasonable possibility, permanency and stability is best achieved through directing departmental resources and efforts towards achieving this outcome. Significantly, the New South Wales approach to permanency planning – which formed the basis for relevant Nyland recommendations – came under consideration in 2019, in Professor Megan Davis' *Independent review into Aboriginal out-of-home care in NSW*. Professor Davis observed:

*Children should be safe and it is important, in order to promote this safety, that Aboriginal families are provided with clear, achievable and strengths-based goals, accompanied by culturally sensitive and holistic casework, **to make restoration the primary goal of permanency planning after***

⁴⁴ Nyland (n 19), pp 191-92.

⁴⁵ The legislation stipulates that decisions and actions must be taken in a timely manner, and as early as possible in the case of young children, to promote permanency and stability: *Children and Young People (Safety) Act 2017*, s 10(1)(a).

⁴⁶ Prior to amendments in April 2016, the predecessor to the *CYP Safety Act* set out a fundamental principle that, in determining a child's best interest, consideration must be given to the desirability of keeping the child within the child's own family and the need to preserve and strengthen relationships between the child and the child's parents, grandparents and other members of the child's family: *Children's Protection Act 1993 (SA)*, Historical version: 11 April 2015 to 27 April 2016, s 4(4). These principles were removed in amendments made in April 2016, and were not reintroduced in the *CYP Safety Act*. Instead, the 'intervention principles' under the *CYP Safety Act* place emphasis on permanency and stability. Further, where the Chief Executive is not satisfied that a reunification is likely, decision-makers for contact arrangements with the child's family members are required to consider the need to not undermine or compromise the ability of the child or young person to establish or maintain attachment relationships with their guardian or guardians: *ibid*, s 10(1)(a) and s 93(3)(b).

⁴⁷ Nyland (n 19), recommendation 70.

children enter care. *While restoration will not be achieved in all cases, strengths-based and supportive approaches to restoration are more likely to achieve this outcome for children who enter care and will give families the best chance of staying together....Placing children in OOHC should generally be a **temporary measure** while parents are supported to make changes that will enable them to safely care for children at home.*⁴⁸ (emphasis added)

To support these goals, Professor Davis recommended improved data collection and analysis, to report on the casework support provided to parents after children enter OOHC for the purpose of achieving reunification goals, as well as developing a specific strategy to promote reunification of Aboriginal children to their parents.⁴⁹ These recommendations were accepted by the New South Wales government, and reportedly remain in progress.⁵⁰

As such, properly meeting the intent of Nyland's guidance – informed by subsequent review into the permanency planning system in New South Wales – requires appropriate resourcing and practice approaches to ensure that reunification assessments and attempts are guided by family strengths and needs, with a strong focus on ongoing work with families after removal. The reunification rate in South Australia (3.7% compared to 9.4%, nationally, and second only to New South Wales) is a strong indication that current resources and efforts directed towards reunification are inadequate.

It is also important to remain mindful that the goal of promoting stability for children and young people in care requires a strong family-based care sector, with the capacity to provide stable care arrangements when children and young people are placed on long-term guardianship orders. Significantly, in 2021-22, South Australia was the jurisdiction with the highest rate of children and young people exiting care who had experienced **more than 10 placements** during their time in care.⁵¹ Further, the rising proportion of children and young people who are growing up in residential care with rotational paid staff – rather than in stable family environments – is a strong indication that the family-based care sector does not currently have this capacity (see [Part 2.4 'Children and young people in residential care'](#)). This makes it even more important to ensure that South Australia's child protection system focuses efforts on reunification approaches.

Put simply, without a concerted effort to change approaches to safe and appropriate reunification, continued growth in the OOHC population appears to be the likely result.

The consequences of low expenditure on intensive family support services – which are focussed on family preservation and reunification – is discussed in detail at [Part 4.3 'Family support & intensive family support services'](#).

⁴⁸ Professor Megan Davis, *Family is Culture: Independent review into Aboriginal out-of-home care in NSW* (2019), p 349.

⁴⁹ Ibid, recommendations 106 and 107.

⁵⁰ NSW Government, *Family is Culture: Progress Report* (2021), p 57.

⁵¹ In South Australia, 6.1% of children and young people exiting care in 2020-21 experienced more than 10 placements during their time in care, compared to 2.5%, nationally. Data source: Productivity Commission, *ROGS 2023*, Table 16A.15.

2.3.5 Comparison: Rate of admissions to discharges

In 2021-22, the ratio of children and young people admitted to OOHC in South Australia, compared to those discharged from OOHC, was **1.1:1.0**. Only one other jurisdiction (Queensland) also had more admissions than discharges, which led to growth in the OOHC population.

Table 5: Admissions to and discharges from OOHC, and OOHC population growth, in 2021-22, by jurisdiction

Data source: ROGS 2023, Tables 16A.2 and 16A.4

Jurisdiction	Ratio of admissions to discharges ⁵²	OOHC population growth: 30-Jun-21 to 30-Jun-22 (no.)	OOHC population growth: 30-Jun-21 to 30-Jun-22 growth (%)
NSW	0.8 : 1.0	-672	-4.2%
Vic	1.0 : 1.0	-22	-0.2%
Qld	1.1 : 1.0	+218	+2.3%
WA	0.8 : 1.0	-241	-5.2%
SA	1.1 : 1.0	+51	+1.2%
Tas	0.8 : 1.0	-49	-4.5%
ACT	1.0 : 1.0	-2	-0.3%
NT	0.8 : 1.0	-102	-10.5%
Aus	0.9 : 1.0	-819	-1.8%

As depicted in **Figure 8** below, the rate of children and young people admitted to OOHC in South Australia, compared to those discharged from OOHC, has reduced since 2018-19. If the current trend continues, South Australia could fall below a 1:1 ratio, per the trend in most jurisdictions.

Figure 8: Ratio of children and young people entering OOHC, to exiting OOHC, in South Australia, 2018-19 to 2021-22, by financial year

Data source: ROGS 2023, Table 16A.4



However, with the growth that has already occurred in 2022-23, this appears unlikely in the near future. The immediate impacts of eased COVID-19 restrictions and potential longer-term impacts of the pandemic are yet to be seen. But, following trends in other jurisdictions, it appears likely to

⁵² The ratio is calculated by dividing the number of children and young people admitted to OOHC, by the number of children and young people discharged from OOHC. Data source: Productivity Commission, ROGS 2023 (n 7), Table 16A.4.

result in rising notifications for a time. Without a shift in the approach to family preservation and reunification, this will likely flow through to a growing OOHC population in coming years.

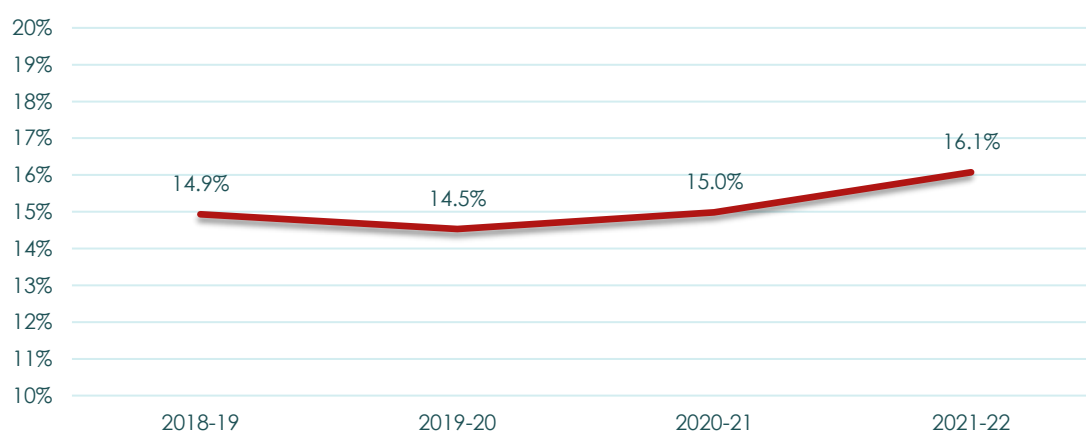
2.4 Children and young people in residential care

The *ROGS 2023* defines ‘residential care’ as placements in a residential building, established for the purpose of providing placements for children and young people, where there are paid staff. From 2018-19, new national counting rules for residential care were introduced, so the term is now inclusive of independent living placements.⁵³

At 30 June 2022, 710 children and young people lived in residential care, amounting to 16.1% of the total OOHC population. There was an increase of 56 children and young people (8.6%) in this placement option compared to 30 June 2021, when the proportion of children living in residential care was 15.0% of the total OOHC population.

Figure 9: Proportion of children and young people in OOHC in South Australia living in residential care at 30 June, 2018-2019 to 2021-2022, by financial year

Data source: *ROGS 2023, Table 16A.2 and 16A.20*



Between 30 June 2019 and 30 June 2022, the number of children and young people in residential care in South Australia has increased each year, and overall by 143 children (25.2%).

Table 6: Children and young people in residential care in South Australia, 2018-19 to 2021-22

Data source: *ROGS 2023, Table 16A.20*

Indicator	2018-19	2019-20	2020-21	2021-22
Children in residential care at 30 June (no.)	567	601	654	710
Year-to-year growth in residential care (%)	No data available	6.0%	8.8%	8.6%

Year-to-year growth in the residential care population may occur due to more children and young people being placed into residential care immediately upon being removed from their families, or

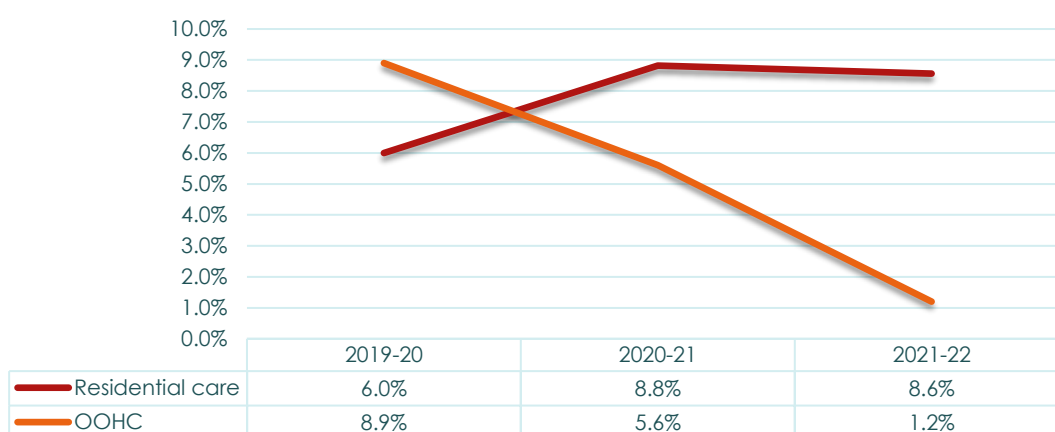
⁵³ Productivity Commission, *ROGS 2023* (n 7), Part F, Chapter 16, ‘Explanatory Material’.

those who were previously in a family-based placements moving to residential care for various reasons.

Accordingly, changes in the OOHC population are not necessarily mirrored in the residential care population, which may also be impacted by changes in placement availability, policies, and practices. **Figure 10** shows that, while there has been a decline in the rate of growth for the OOHC population over the past two financial years,⁵⁴ the rate of growth in the residential care population increased in 2020-21 (6.0% to 8.8%) and then stabilised in 2021-22 (8.6%).

Figure 10: Year-to-year growth in the number of children and young people in OOHC and residential care in South Australia at 30 June, 2019-20 to 2021-22

Data source: ROGS 2023, Tables 16A.2 and 16A.20



While the number of children and young people in residential care went up, the number in family-based care went down. As a result, the growth in the number of children and young people living in residential care between 30 June 2021 and 30 June 2022 exceeded the overall growth in the number of children living in OOHC: 56 and 51, respectively.

Table 7: Children and young people in residential care, family-based care and OOHC, 2020-21 to 2021-22

Data source: ROGS 2023, Tables 16A.2 and 16A.20

Placement type	Number of children at 30 June 2021	Number of children at 30 June 2022	Population growth (no.)
Residential care	654	710	+ 56
Family-based care	3,712	3,707	- 5
OOHC	4,366	4,417	+ 51

In the past several years, South Australia has been the jurisdiction with the highest proportion of the OOHC population living in residential care.⁵⁵ However, in 2021-22, Queensland became that

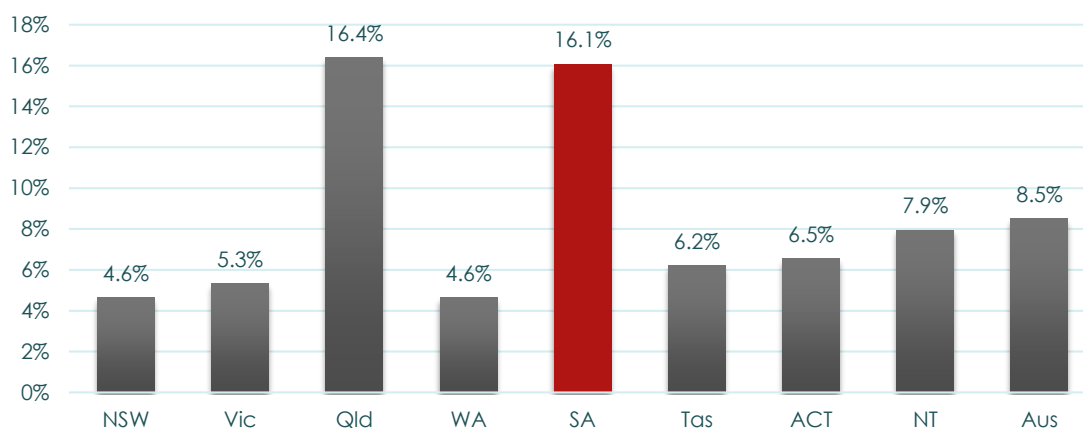
⁵⁴ Despite this slowing rate of growth, the OOHC population still increased from 30 June 2021 to 30 June 2022.

⁵⁵ See past OGCYP publications reporting on the residential care population, in the yearly 'Child protection expenditure from the Report on Government Services', available at OGCYP, Reports (online) <<https://gcyp.sa.gov.au/news/reports/>>.

jurisdiction, with South Australia now second. The proportion in South Australia was 16.1% – or one in six children and young people in OOHC – which was nearly double the national rate of 8.5%.

Figure 11: Proportion of children and young people in OOHC living in residential care at 30 June 2022, by jurisdiction

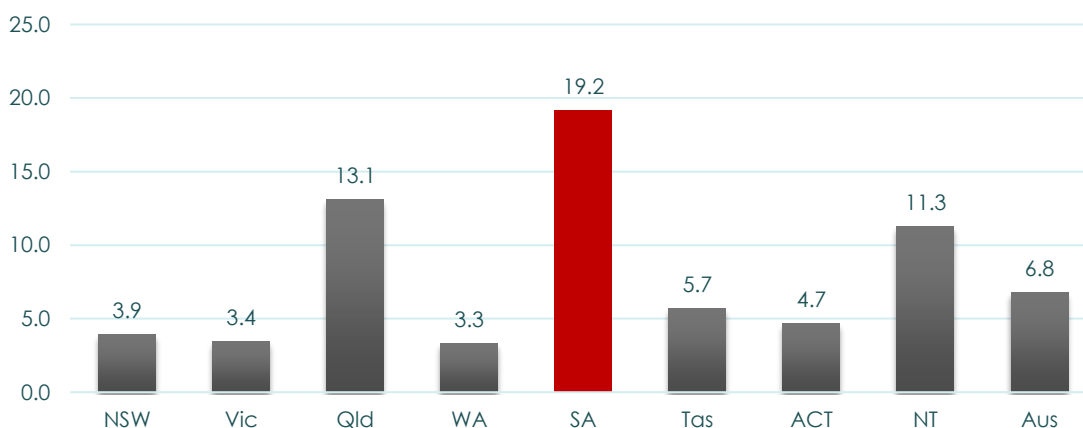
Data source: ROGS 2023, Table 16A.2 and 16A.20



The intersection of South Australia’s high per capita rate of children in OOHC, and high proportional placement in residential care, results in the highest rate of children and young people living in residential care as a proportion of the total child population: 19.2 per 10,000 children in the population, compared to 6.8 nationally.⁵⁶

Figure 12: Rate of children and young people in residential care (per 10,000 children in the population) at 30 June 2022, by jurisdiction

Data source: ROGS 2023, Table 16A.20 and 16A.41



The OGCYP has long held the position that there are **relatively few instances** where a residential care placement is in the best interests of a child or young person. In most circumstances, preference should be given to family-based placements, consistent with provisions of the *CYP Safety Act* that stipulate:

⁵⁶ This rate has been calculated as the number of children and young people in residential care at 30 June 2022 (Productivity Commission, ROGS 2023, Table 16A.20), divided by the estimated population of children aged 0-17 years at 31 December 2021 (Table 16A.41), multiplied by 10,000.

PART 2. CHILDREN AND YOUNG PEOPLE IN CARE

- All children should be placed in a **safe, nurturing, stable and secure** environment, and placements with a person who has an existing relationship with the child or young person are preferred.⁵⁷
- High priority placements in accordance with the Aboriginal Child Placement Principle (ACPP) are a member of the child's family, a member of their community, or with an Aboriginal carer.⁵⁸ Following best practice guidance, residential care should only be considered as a last resort.⁵⁹

The above data is consistent with the OGCYP's observations that children and young people are increasingly being placed in residential care, even when these placements may not be in their best interests. Through advocacy matters, it has been noted that some children and young people seem to be placed in residential care without proper nor appropriate investment in family scoping to identify alternative placements having occurred. At times, this office has also observed children and young people remaining in residential care placements, even when suitable family members or other carers have been identified who are willing to care for them in their homes and/or are awaiting a carer assessment.

There may be limited circumstances in which residential care placements are genuinely in the best interests of a child or young person. However, the OGCYP is concerned that reliance on residential care to fill gaps in the availability of approved family-based carers is worsening over time, to the serious detriment of children and young people.⁶⁰ This is a longstanding issue in South Australia, with the Nyland Report observing:

*Residential care provided by the Agency has grown without adequate planning to ensure that enough well-trained staff are available to work in those facilities. It has also grown with inadequate attention to the changing population of children who live there. Residential care traditionally housed adolescents for whom home-based care was no longer appropriate or available. Now more children and infants, who are especially vulnerable in rotational care environments, are housed there.*⁶¹

A key recommendation from the report was the need to ensure that **children under 10 years are not housed in a residential care facility**, except where necessary to keep a sibling group together.⁶² The Safe and Well Annual Report – which publishes the status of outstanding recommendations from the Nyland Report, as well as the *Royal Commission into Institutional Responses to Child Sexual Abuse* – marked this recommendation complete in 2022.⁶³ Despite this, an annual dataset the DCP provides to the OGCYP shows that **118 children and young people**

⁵⁷ *Children and Young People (Safety) Act 2017* (SA), s 11(1).

⁵⁸ *Ibid*, s 12.

⁵⁹ SNAICC – National Voice for Our Children, *Understand and applying the Aboriginal and Torres Strait islander Child Placement Principle: A resource for legislation, policy and program development* (2017), p 5.

⁶⁰ For a comprehensive discussion regarding the OGCYP's concerns about residential care as a placement option, see OGCYP, *GCYP 2021-22 Annual Report* (n 11), pp 27-28; OGCYP, *Final Report on the South Australian Dual Involved Project: Children and young people in South Australia's child protection and youth justice systems* (2022).

⁶¹ Nyland (n 19), p xxii.

⁶² *Ibid*, recommendation 149.

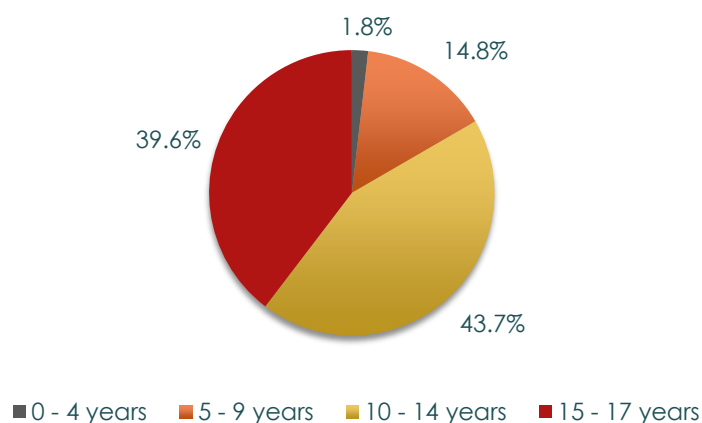
⁶³ Government of South Australia, DCP, *Safe and well: Supporting families, protecting children* (2022), Appendix 1, p 9 ('Safe and Well 2022').

PART 2. CHILDREN AND YOUNG PEOPLE IN CARE

under the age of 10 years were living in residential care at 30 June 2022, being **16.6% of the total residential care population**. The Safe and Well Annual Report does not elaborate on why this recommendation has been marked complete, despite the high number of very young children still living in residential care.

Figure 13: Proportion of children and young people in residential care in South Australia at 30 June 2022, by age profile

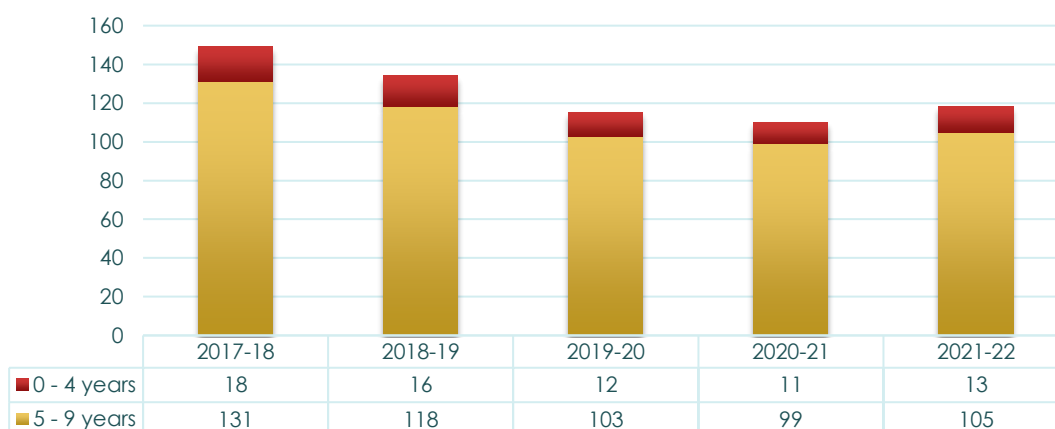
Data source: Government of South Australia, Department for Child Protection (unpublished)



Despite the Nyland recommendation, there has only been a small reduction in the yearly point-in-time number of children under 10 years old living in residential care over past years. It is of particular concern that there was in fact an increase between 30 June 2021 and 30 June 2022 (from 110 to 118).

Figure 14: Number of children and young people under the age of 10 years in residential care in South Australia at 30 June, 2018-19 to 2021-22, by age profile

Data source: Government of South Australia, Department for Child Protection (unpublished)



While it is possible that some of these placements keep sibling groups together (per Nyland's recommendation), the OGCYP has not observed this to be the case in a large number of placements.

The misalignment between the Nyland aspiration and the ongoing placement of children under 10 years old needs urgent attention, including with respect to the apparent dissonance with the

2022 Safe and Well Annual Report. As highlighted above, the early intention of residential care services did not envisage young children being placed in this care type. It is not a living environment that promotes the wellbeing of young children, during crucial development phases. The continued placement of children under 10 years is an indicator of the level of stress upon family-based care options in South Australia.

This issue is discussed in more detail in the expenditure section of this report, at [Part 4.4 'Care Services'](#).

2.5 Children and young people in other supported placements

From 2018-19, a subset of children and young people who were previously reported by some jurisdictions as living in OOHC are now reported as 'other supported placements'. These are placements where governments are providing financial support for children and young people, and governments have ordinarily arranged the placement, but the category has been excluded from the ambit of OOHC for national counting purposes. This includes:

- Third-party parental responsibility orders
- Children on immigrations orders (where funding is provided by the Australian Government and children who do not come through the child protection system)
- Ongoing placements for children aged 18 years or older.⁶⁴

The most significant impact of the changed definition is the exclusion of third-party parental responsibility orders, when long-term guardianship of a child is transferred from the child protection department to a nominated individual. This change is partially intended to reflect a move towards considering stable permanency arrangements as outside the OOHC system.⁶⁵

However, the OGCYP notes that children and young people on third-party parental responsibility orders may experience similar vulnerabilities and challenges as those in OOHC. They often remain separated from the person who was the primary caregiver in their life prior to child protection intervention and live under court orders governing their care arrangements. They also may experience unique vulnerabilities, arising from advocacy and service gaps for children and young people in their care arrangements. For example, in South Australia, this care arrangement is currently outside the scope of the Guardian's monitoring and advocacy function.

As other supported placements may be outside a line of sight for regulatory and/or advocacy bodies, it is important to monitor the number of children and young people living and transitioning into these arrangements, in addition to population demographics. This aids an understanding of the child protection system's reliance on third-party parental responsibility orders, groups of

⁶⁴ Productivity Commission, *ROGS 2023* (n 7), Part F, Chapter 16, 'Explanatory Material'.

⁶⁵ *Ibid*, 'Part F Overview', p 105.

children and young people who may be overrepresented, and ongoing consideration of the needs and rights of those living in these care arrangements.

At 30 June 2022, there were 341 children and young people living in other supported placements in South Australia, the majority of whom were on third-party orders (n 323: 94.7%).⁶⁶ There was an increase of 58 children and young people (20.5%) living in other supported placements since 30 June 2021, when the number was 283.

Between 30 June 2019 and 30 June 2022, the number of children and young people in other supported placements in South Australia has increased by 137 individuals (67.2%). The rate of growth over the past three years has followed a similar trend to residential care, with the highest proportional growth in 2020-21, followed by a very slight decline in 2021-22.

Table 8: Children and young people living in other supported placements in South Australia, 2021-22

Data source: ROGS 2023, Table 16A.3 and Government of South Australia, Department for Child Protection (unpublished)

Indicator	2018-19	2019-20	2020-21	2021-22
Number of children in other supported placements at 30 June	204	234	283	341
Number of children on third-party parental responsibility orders at 30 June	184	229	276	323
Year-to-year growth in children in other supported placements (%)	No data available	14.7%	20.9%	20.5%
Year-to-year growth in third-party orders (%)	No data available	24.5%	20.5%	17.0%

The year-to-year growth in other supported placements in South Australia in 2021-22 was more than seven times higher than the national rate: 20.5% compared to 2.8%. As most other supported placements in South Australia are third-party parental responsibility orders, this rate of growth indicates a changed approach to making and granting applications for this order type – in line with South Australia’s increasing focus on permanency and stability (as discussed in [Part 2.3.4 ‘Discharges from out-of-home care’](#)).

Depending on individual circumstances, third-party parental responsibility orders may be in a child or young person’s best interests and support families to create a stable and secure care arrangement, in a loving home environment. At times, though, the OGCYP has observed that the desire for these arrangements can be led by the needs and interests of adults and systems, and may not always align with children and young people’s rights. For example, the right to connect with family, including siblings, is a highly important right for children and young people in care, which promotes their social and emotional wellbeing. However, OGCYP advocates are aware of

⁶⁶ The ROGS does not report on the number of children on third-party parental responsibility orders. This figure is based on an (unpublished) annual dataset sourced directly from the DCP.

circumstances where family contact arrangements were agreed to by carers as a condition of the third-party parental responsibility order but, once the order was granted and they were outside the oversight of DCP case management services, the agreed contact arrangements were not upheld.

This is a concern for the OGCYP, as children and young people in these circumstances are also outside the scope of this office's advocacy service. The OGCYP's 2022 submission to the *CYP Safety Act Review* recommended legislative amendment to ensure that children and young people on third-party parental responsibility orders have access to a funded child advocacy service.⁶⁷ In light of the growing population of children and young people on such orders, the OGCYP reasserts the importance of independent oversight and advocacy for vulnerable children and young people living in all forms of alternative care, including children and young people on third-party parental responsibility orders. Failing to do so leaves children and young people without important safeguards for their rights.

⁶⁷ OGCYP, *A rights-based approach to safety* (n 21), p 31.

3. ABORIGINAL CHILDREN AND YOUNG PEOPLE IN OUT-OF-HOME CARE

3.1 Overview and key observations

The OGCYP publishes a yearly report analysing the circumstances of Aboriginal children and young people in care and/or youth detention, in recognition that the severe overrepresentation of Aboriginal children and young people in these systems requires a dedicated focus, resources and a tailored monitoring approach from the OGCYP. This companion publication will be released later in 2023.

The current Report highlights key figures from the *ROGS 2023* regarding Aboriginal children and young people in care, while the upcoming report will pay particular attention to the drivers of overrepresentation and the rights of Aboriginal children and young people.

By way of preliminary observations, at 30 June 2022:⁶⁸

- There were 1,705 Aboriginal children and young people in OOHC in South Australia, amounting to 38.6% of the overall OOHC population (Table 9).
- **One in 11** Aboriginal children and young people in South Australia were living in OOHC, compared to **one in 130** non-Aboriginal children and young people (Figure 15).
- The per capita rate of non-Aboriginal children in OOHC at 30 June 2022 remained the same compared to 30 June 2021, while the rate for Aboriginal children grew by 3.0% (Figure 15).
- There were 264 Aboriginal children and young people living in residential care, amounting to 37.2% of the residential care population (Table 10).
- The number of Aboriginal children and young people living in residential care increased by 40 individuals (17.9%), compared to 30 June 2021. This number increased by 16 (3.7%) for non-Aboriginal children and young people for the same period (Table 10).

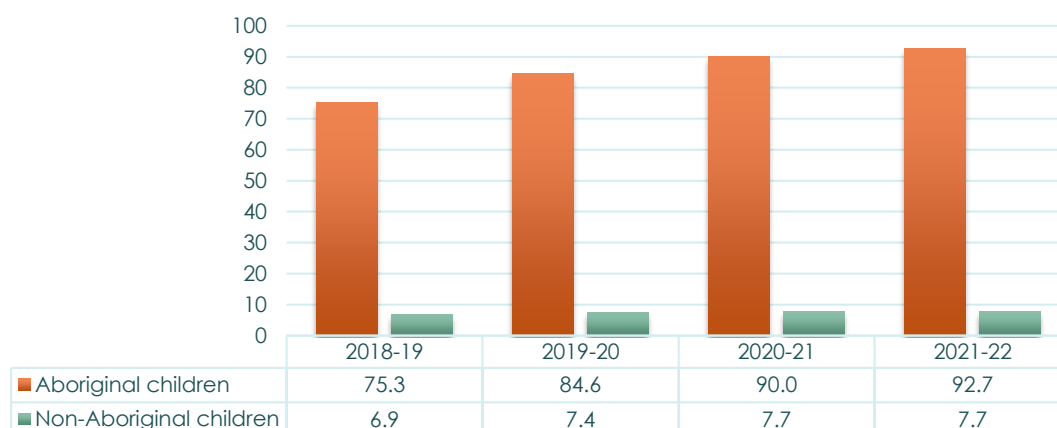
3.2 Overrepresentation of Aboriginal children and young people in OOHC and residential care

The below figure demonstrates a trend of significant yearly growth in the rate of Aboriginal children and young people in OOHC (per 1,000 Aboriginal children in the population), between 30 June 2018 and 30 June 2022. This contrasts with the comparatively steady rate for non-Aboriginal children and young people.

⁶⁸ Data source: Productivity Commission, *ROGS 2023* (n 7), Tables 16A.2, 16A.20, 16A.41.

Figure 15: Rate of Aboriginal and non-Aboriginal children and young people in OOHC in South Australia at 30 June, per 1,000 children in the population, by financial year

Data source: ROGS 2023, Table 16A.2



The rate for Aboriginal children and young people increased by 3.0% from 90.0 at 30 June 2021 to 92.7 at 30 June 2022. In contrast, the rate remained at 7.7 for non-Aboriginal children and young people.

As depicted in **Table 9** below, the number of non-Aboriginal children in OOHC actually decreased by 17 children (-0.6%) between 30 June 2021 and 30 June 2022.⁶⁹ Contrastingly, the number of Aboriginal children in OOHC increased by 68 children (4.2%).

Table 9: Comparison – Aboriginal and non-Aboriginal children in OOHC in South Australia, 2020-21 to 2021-22

Data source: ROGS 2023, Table 16A.2

Indicator	30 June 2021	30 June 2022	Population difference (no.)	Population difference (%)
Number of non-Aboriginal children in OOHC	2,729	2,712	-17	-0.6%
Number of Aboriginal children in OOHC	1,637	1,705	+68	+4.2%
Number of children in OOHC	4,366	4,417	+51	+1.2%

The impact of the significant growth in the number of children and young people living in residential care in 2021-22 had a disproportionate impact on Aboriginal children: more than **two thirds (71.4%) of the growth in the residential care population** between 30 June 2021 and 30 June 2022 was **attributable to an increase in the number of Aboriginal children and young people** living in residential care.

⁶⁹ This is inclusive of children and young people whose Aboriginality was unknown at 30 June 2022, consistent with the calculation method to determinate the rate of non-Aboriginal children and young people in OOHC, per 1,000 in the population: see Productivity Commission, *ROGS 2023*, Table 16A.2.

Table 10: Comparison – Aboriginal and non-Aboriginal children in residential care in South Australia, 2020-21 to 2021-22

Data source: ROGS 2023, Table 16A.20

Indicator	30 June 2021	30 June 2022	Population difference (no.)	Population difference (%)
Number of non-Aboriginal children in residential care	430	446	+16	+3.7%
Number of Aboriginal children in residential care	224	264	+40	+17.9%
Number of children in residential care	654	710	+56	+8.6%

Preliminary observations based on this data suggest that efforts in South Australia to support family preservation and reunification for Aboriginal children and families are not working.

In this context, the OGCYP welcomes the Commissioner for Aboriginal Children and Young People's *Inquiry into the removal and placement of Aboriginal children and young people in South Australia*. In this office's submission to the inquiry, it was observed that Aboriginal children and young people in South Australia are facing a double jeopardy, associated with the socioeconomic drivers of their disproportionate representation in the child protection system, and factors that adversely impact upon all children and young people in this jurisdiction. This includes a high reliance on statutory removal, long-term guardianship orders and residential care, as discussed in [Part 2, 'Children and young people in care'](#).

The submission also explored systemic failures to promote and comply with the Aboriginal Child Placement Principle, which influence the rate at which Aboriginal children and young people come into care and their placement and cultural connection experiences whilst in care. This includes:

- Under-resourced family mapping services, leading to a triage approach that may disadvantage children and young people who are already in care and require an alternative placement (including those in residential care).
- An interpretation of the ACPP – which is inconsistent with authoritative best practice guidance – that treats residential care delivered by ACCOs as a preferred placement option for Aboriginal children and young people.⁷⁰

Low funding for early intervention and family supports, which has helped entrench these practice issues in South Australia, is discussed further in the following [Part 4, 'Program expenditure'](#). Factors that are specific for Aboriginal children and young people will be explored in more detail in the upcoming companion ROGS monitoring report.

⁷⁰ For a comprehensive discussion of these issues, see OGCYP, *OGCYP Submission to the Inquiry into the application of the Aboriginal Child Placement Principle in South Australia* (2023).

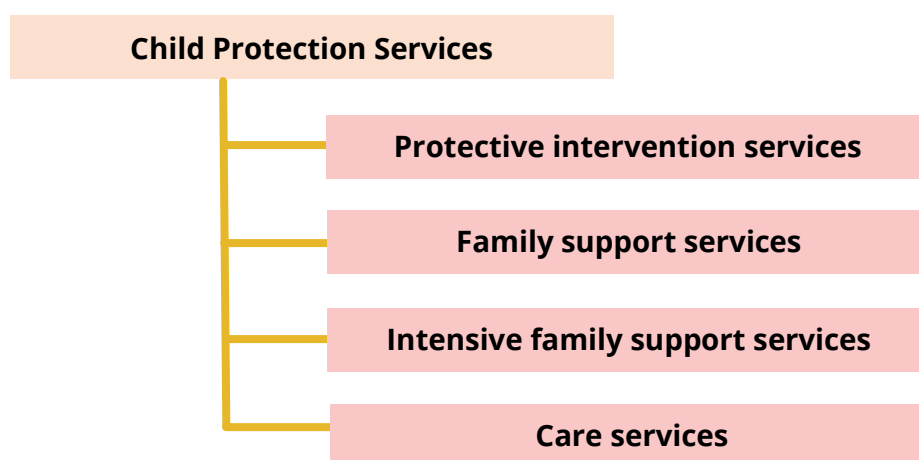
4. COMPARATIVE ANALYSIS: CHILD PROTECTION SERVICES EXPENDITURE

4.1 Overview and key observations⁷¹

This Part analyses real expenditure on child protection services in South Australia in 2021-22, broken down into the four program areas identified by the *ROGS 2023*:

1. **Protective intervention services (PIS):** the assessment, investigation and response to reports of suspected child abuse or neglect – including referrals and intervention responses.
2. **Family support services (FSS):** the identification and assessment of family support needs, with initial non-intensive service delivery or referral.
3. **Intensive family support services (IFSS):** intensive support services, focused on family preservation and reunification.
4. **Care services:** the provision of OOHC and other supported placement services.

Figure 16: Child protection service programs, as examined in the Report on Government Services



Where relevant, South Australian expenditure data is compared to previous financial years and/or other Australian jurisdictions.

The OGCYP's key observations regarding program expenditure in 2021-22 include:

- Real expenditure on child protection services in South Australia in 2021-22 was \$704.5 million, amounting to \$1,902.80 per child in the population. Expenditure per child

⁷¹ Data source: Productivity Commission, *ROGS 2023* (n 7), Tables 16A.1, 16A.5, 16A.8, 16A.20 and 16A.36. It is important to note that South Australian expenditure data from 2021-22 excludes payroll tax. Expenditure data prior to 2021-22 includes payroll tax: *Ibid*, Table 16A.8.

in the population in South Australia was 31.2% higher than national average expenditure (Figures 28 and 31).

- Expenditure on child protection services in South Australia increased by \$50.5 million (7.7%) in 2021-22, compared to the previous year (Figure 29).
- The growth in child protection services expenditure in South Australia was primarily attributable to an increase on **care services** (\$53.6 million: 10.5%), with a smaller increase in combined **family support services** and **intensive family support services** (\$4.8 million: 7.4%). Overall growth was offset by a decrease in **protective intervention services** expenditure (-\$7.9 million: 9.9%) (Figure 30).
- In 2021-22, South Australia had the **lowest expenditure** on protective intervention services, per child in the population: 40.2% lower than the national average (Figure 18).
- Expenditure on combined family support services and intensive family support services in South Australia, per child in the population, was **19.6% lower than the national average** in 2021-22 (Figure 21).
- Care services expenditure in South Australia accounted for 80.1% of all child protection services expenditure in 2021-22, compared to 78.1% in 2020-21 (Figure 31).
- South Australia is one of only two jurisdictions where the cost per placement night was lower in 2021-22 than three years earlier, in 2018-19. As a national average, the expenditure per placement night has in fact increased by \$60.98, or 26.9% (Figure 24).

Specific to **residential care**:

- The majority (61.3%) of care services expenditure in South Australia in 2021-22 was spent on residential care services (Figure 25).
- The \$345.9 million expenditure for the 710 children living in residential care services at 30 June 2022 was more than double the combined expenditure for PIS, FSS and IFSS (\$140.1 million), to respond to more than 80,000 child protection reports (Figure 25).
- The annual cost of residential care in South Australia in 2021-22, per child in care at 30 June 2022, was **8.3 times the cost of non-residential care**: \$487,185, compared to \$58,942 (Figure 26).
- The annual cost of non-residential care services in South Australia, per child in non-residential care at 30 June, **increased** by \$1,916 (3.4%) over the three financial years from 2018-20 to 2021-22. Contrastingly, the annual cost of residential care services in South Australia per child **decreased** by \$5,448 (1.1%) over the same period (Figure 26).
- The residential care population at 30 June grew by 25.2% from 2018-19 to 2021-22, but expenditure on residential care services only grew by 23.8% during these years. Accordingly, the child protection system is **spending less money on caring for a child that lives in residential care** than it did three years ago, despite more children and young people being placed in this care setting (Table 13).

The below discussion highlights that, while expenditure on child protection services continues to increase in South Australia:

- Expenditure on protective intervention services remains the lowest in Australia, and even decreased in 2021-22.
- Expenditure on combined FSS and IFSS is increasing, but investment in this area remains below the national average.
- The growth in expenditure on care services in South Australia is not keeping pace with the rate of growth in the residential care population. Accordingly, children and young people in OOHC are receiving, on average, lower expenditure on their day-to-day care than three years earlier, when the *CYP Safety Act* commenced. This disadvantage is concentrated towards children and young people living in residential care.

4.2 Protective intervention services

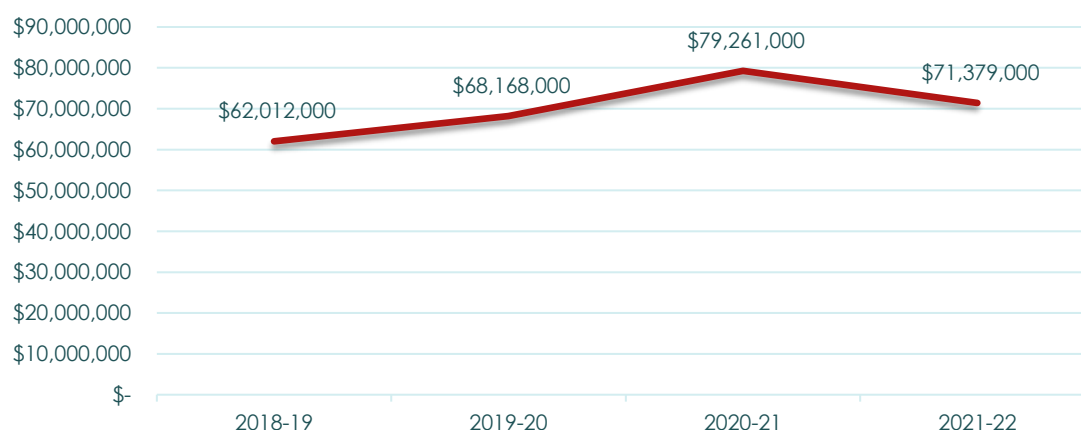
4.2.1 Expenditure overview

Protective intervention services (PIS) refers to governmental functions that receive and assess allegations of child abuse and neglect, provide and refer clients to family support and other relevant services, and intervene to protect children.⁷²

In 2021-22, real expenditure on PIS in South Australia was \$71.4 million, a reduction of \$7.9 million (9.9%), compared to 2020-21. The reduced expenditure was inconsistent with the trend in the past several years. In 2018-19, 2019-20 and 2020-21, PIS expenditure increased each year, and overall by 27.8%.

Figure 17: Real expenditure on protective intervention services in South Australia, 2018-19 to 2021-22, by financial year

Data source: ROGS 2023, Table 16A.8

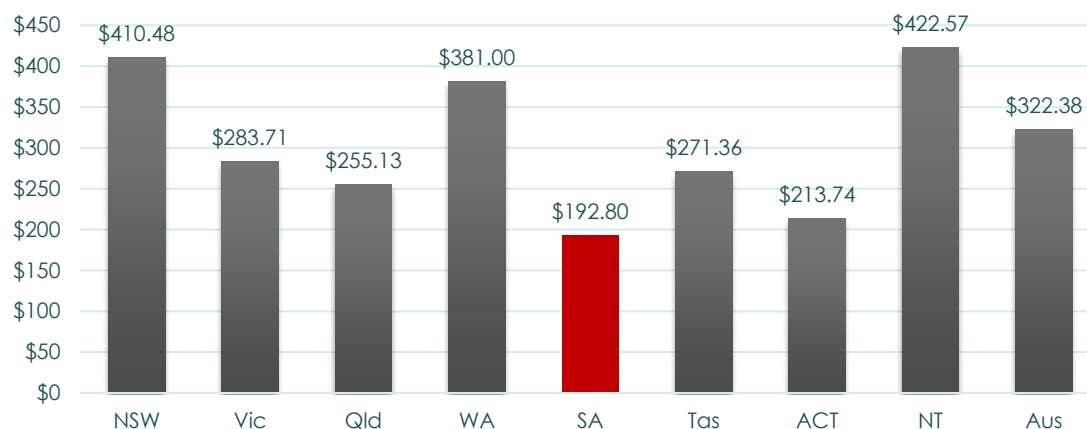


⁷² Productivity Commission, *ROGS 2023* (n 7), Part F, Chapter 16, 'Explanatory material'.

Despite this investment over time, South Australia had the lowest per capita expenditure on PIS in 2021-22, at \$192.80 per child in the population – 40.2% lower than the national expenditure of \$322.38 per child. This disparity is consistent with previous financial years.

Figure 18: Real expenditure on protective intervention services expenditure in 2021-22, per child in the population, by jurisdiction

Data source: ROGS 2023, Table 16A.8



With the lowest PIS expenditure nationally, this may indicate that children and young people and their families in South Australia are not receiving comparable responses to child protection reports.

4.2.2 Impact of funding on service delivery

The consequences of funding decisions for PIS are far-reaching, impacting upon the safety and wellbeing of children and young people in complex and nuanced ways. If the system is not properly resourced to respond to child protection reports, then pressure builds to triage out lower-level concerns and focus only on the most serious and imminent harm. This means that children who fall below that threshold, but still reasonably require an immediate statutory response, may be left in unsafe situations.

Further, missed opportunities to refer families to appropriate services may severely limit the choices available to social workers by the time those families reach the level of risk required to meet triage criteria. This has the potential to drive higher rates of children and young people entering care, when that outcome may have been avoidable if resources had been directed towards identifying and responding to concerns when they were first reported.⁷³

Accordingly, it is important to analyse key program indicators associated with PIS expenditure in South Australia, to monitor the consequences of funding decisions.

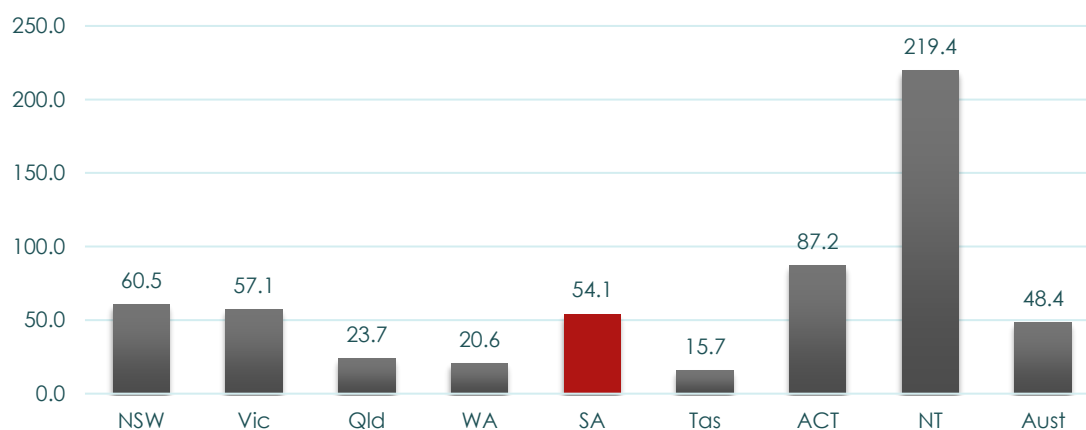
⁷³ In 2016, the Nyland report observed that the considerable pressure on the Child Abuse Report Line at that time led to a declining proportion of screened-in notifications, with the result being a 'hollowing out of lower-level concerns from the child protection system, with fewer families and children receiving a response unless the concerns escalate': Nyland (n 19), p 121. Six years later, a similar issue was identified in the Alexander Review, which described the front-end of the child protection system (relating to investigations and initial responses to child protection reports) as a 'bottleneck', with '[m]any children ... not receiving a service and the longer they wait the higher the risk': Alexander (n 17), p 112-13.

Notifications of suspected child abuse or neglect

The low expenditure in South Australia is seemingly at odds with the high rate of children and young people subject to notifications of suspected child abuse or neglect: 54.1 per 1,000 children in the population, compared to 48.4, nationally.

Figure 19: Rate of children and young people subject to notifications (per 1,000 children in the population) in 2021-22, by jurisdiction

Data source: ROGS 2023, Table 16A.1



When interpreting this data, it is important to highlight some of the key issues impacting data comparability across jurisdictions. While standardised national counting rules aim to provide consistency to the greatest extent possible, varied legislative and policy frameworks may lead to unavoidable differences in the way that information is reported against, or is applicable to, program indicators. In the context of notifications, most jurisdictions differentiate a 'notification' from a child protection report. However, the way that jurisdictions apply this differentiation varies, with some reporting notifications from the point of initial contact, and others applying a screening process. As a result, notification data is not strictly comparable across jurisdictions.⁷⁴

In South Australia, a **child protection report** refers to reports made by community members to the Child Abuse Report Line (CARL) regarding their concerns about child welfare, or suspected neglect or abuse. However, a child protection report only amounts to a **notification** where the report meets the criteria for a reasonable suspicion of child abuse or neglect.⁷⁵ In doing so, nearly three in five child protection reports made by community members to the CARL are excluded from ROGS reporting.⁷⁶

It is unclear from the *ROGS 2023* whether other jurisdictions exclude a similar number of child protection reports under their particular jurisdictional approach. However, as South Australia's

⁷⁴ Productivity Commission, *ROGS 2023* (n 7), Table 16A.1.

⁷⁵ Ibid.

⁷⁶ In 2021-22, data published by the DCP indicates that 80,374 notifications were recorded following a report to CARL: DCP, *Reporting and Statistics* (n 30). In contrast, according to ROGS 2023, there were 34,736 notifications in South Australia in 2022-23: Ibid, Table 16A.5. This aligns with the number of 'screened in notifications', as published by the DCP.

reporting involves a screening process, the OGCYP makes the assertion that the approach is on the more conservative end of the spectrum.

As such, it is significant that all jurisdictions other than the territories⁷⁷ report a comparable or lower per capita rate of children and young people subject to notifications, than the rate in South Australia. This suggests that South Australia's low expenditure on PIS is not a response to a low rate of notifications, but instead means fewer resources are available for the child protection department to assess, investigate and respond to a notification.

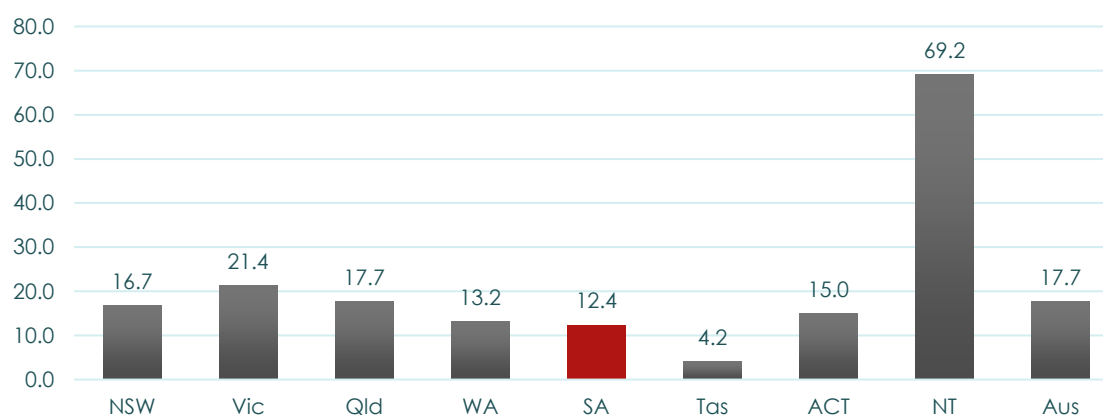
Finalised investigations in response to notifications

In 2021-22, South Australia responded to 20.5% of notifications through an investigation response, with the remaining 79.5% of notifications dealt with 'by other means', such as provision of advice or referral to family support services.⁷⁸

As a result, while 54.1 per 1,000 children were subject to a notification, 12.4 were the subject of a finalised investigation in South Australia, where the suspected child abuse or neglect was either substantiated or not. In comparison to other jurisdictions, this was the second lowest per capita rate of children and young people subject to finalised investigations.⁷⁹

Figure 20: Rate of children and young people subject to finalised investigations (per 1,000 children in the population) in 2021-22, by jurisdiction

Data source: ROGS 2023, Table 16A.1



There may be valid reasons for dealing with a notification through methods other than an investigation, such as where a referral is the most appropriate response. Accordingly, a low rate of finalised investigations is not necessarily indicative of failure in child protection system

⁷⁷ The Northern Territory is consistently a jurisdictional outlier with regards to this indicator. The Australian Capital Territory also reports a relatively high rate of notifications; however, this jurisdiction does not apply a screening process and includes in all intakes that meet the definition of a child concern report under relevant legislation *ibid*, Table 16A.1.

⁷⁸ In 2021-22, the DCP conducted 7,126 investigations, in response to 34,736 screened-in notifications: *ibid*, Table 16A.5.

⁷⁹ An investigation is 'finalised' where it is complete and an outcome of 'substantiated' or 'not substantiated' is recorded, by 31 August. The remainder of notifications may still have open investigations, or were 'dealt with by other means': *ibid*.

responses and pathways. However, where it is attributable to a lack of appropriate funding for service delivery, this is a matter of serious concern.

The large discrepancy between the rate of notifications and finalised investigations requires close attention, in light of South Australia's reported⁸⁰ history of closing screened-in notifications without children receiving a service response. A past iteration of this practice was the 'Closed No Action' (CNA) code, which could be used to close a matter without any action or investigation if there were insufficient resources to respond to the notification.

This practice came under scrutiny in the Nyland report, which found that CNA closures rose to a peak at 61% of screened-in notifications in 2014-15.⁸¹ The report recommended that the child protection department respond to all screened-in notifications, either directly or by referral, and phase out the closure of intakes and files due to a lack of resources over no more than five years.⁸²

Six years later, the 2022 Safe and Well Annual Report noted that these recommendations are still being implemented.⁸³ While the OGCYP understands that the CNA code is no longer in use specifically, the Safe and Well update indicates that there are still circumstances where screened-in notifications are closed due to insufficient resources.

The recent *CYP Safety Act Review* attributed responsibility for this issue to an unforeseen increase in notifications since the Nyland report – namely, 63% since the commencement of the *CYP Safety Act*.⁸⁴ The OGCYP is concerned to note the discrepancy between this rise in notifications and the non-commensurate growth in PIS expenditure, with funding for PIS only increasing by 15.1% over the same period.

These figures indicate that further investigation is urgently required to explore the interaction between low PIS expenditure, and the large discrepancy between the number of children and young people subject to screened-in notifications, and those who have an investigation into their circumstances finalised by the DCP.

4.3 Family support & intensive family support services

4.3.1 Definition of family support & intensive family support services⁸⁵

Family support services (FSS) are non-intensive services provided to families, including:

- Identification and assessment of needs
- Support and diversionary services
- Some counselling and active linking and referrals to support networks.

⁸⁰ See, eg, Nyland (n 19), pp 196-7.

⁸¹ Ibid, pp 196-7.

⁸² Ibid, recommendations 61-2.

⁸³ Government of South Australia, DCP, *Safe and Well 2022* (n 64), Appendix 1, pp 4-5.

⁸⁴ Government of South Australia, DCP, *CYP Safety Act Review Discussion Paper* (n 20), p 15.

⁸⁵ Definitions adapted from Productivity Commission, *ROGS 2023* (n 7), 'Explanatory material'.

While principally funded by government, they may be delivered by government or non-government agencies. Typically, these services are provided through voluntary arrangements between the relevant agency and a family, rather than a court order.

Ordinarily, family support services are limited to the initial referral or service, and do not involve ongoing service delivery or engagement with the child protection department.

Intensive family support services (IFSS) are specialist services, funded with the specific aim of preventing separation of families, or to reunify them. IFSS involve intensive services over a short-term time frame – ordinarily, at least four hours of services per week for a period of less than six months⁸⁶ – where there is a risk of imminent statutory removal due to child protection concerns, or where a statutory removal response has already occurred. Multiple services are delivered, as an ‘integrated strategy focusing on improving family function and skills’, including:

- Assessment and case planning
- Parent education and skill development
- Individual and family counselling, including drug and alcohol counselling and anger management
- Domestic and family violence support
- Respite and emergency care
- Practical and financial support
- Mediation, brokerage and referral services.

Due to data comparability issues with previous financial years, the below discussion combines FSS and IFSS expenditure, and only compares data to the 2020-21 financial year.⁸⁷

4.3.2 Family support & intensive family support services: 2021-22

In 2021-22, real expenditure on combined FSS and IFSS in South Australia was \$68.7 million, an increase in expenditure of \$4.8 million from 2020-21. Expenditure on these services remained lower than PIS expenditure.

As a per capita rate, expenditure on FSS and IFSS in South Australia in 2021-22 amounted to \$185.52 per child in the population: 19.6% lower than the national average.

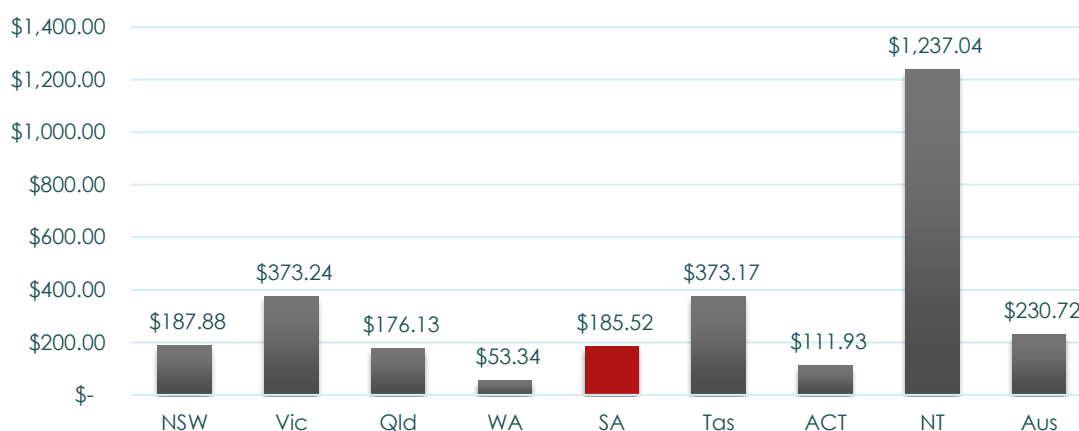
⁸⁶ For 2021-22, South Australian IFSS data includes programs beyond the ordinary six-month timeframe: *ibid*, Table 16A.8. As a result, IFSS expenditure data may not be strictly comparable to other jurisdictions.

⁸⁷ South Australian FSS and IFSS services were redesigned in 2020-21, resulting in additional programs (which were previously universal services) being included within expenditure reporting for these programs. During 2021-22, there was a further change, which resulted in programs previously categorised as FSS and PIS being counted as IFSS. South Australian reporting on IFSS expenditure now also includes programs which run for longer than the usual six-month time frame: *ibid*.

While data for the 2020-21 and 2021-22 financial years show a growth in combined FSS and IFSS expenditure in South Australia, this data is not directly comparable to previous financial years. Some portion of the growth in expenditure across these services is inflated by the inclusion of previously universal services. Further, separated data for FSS and IFSS expenditure are not comparable to previous financial years, due to the recategorisation of programs from FSS to IFSS.

Figure 21: Real expenditure on combined family support & intensive family support services in 2021-22, per child in the population, by jurisdiction

Data source: ROGS 2023, Table 16A.8



While there was a small increase in funding for FSS and IFSS in 2021-22, this growth was less than the decrease in funding for PIS. Consequently, overall, expenditure on PIS, FSS and IFSS (ie, all child protection programs, excluding care services) decreased in 2021-22.

Table 11: SA Comparison – PIS, FSS and IFSS expenditure, 2020-21 to 2021-22

Data source: ROGS 2023, Table 16A.20

Category	Growth in expenditure: 2021-22 compared to 2020-21
Protective intervention services	- \$7.9 million
Family support & intensive family support services	+ \$4.8 million
Child protection expenditure, excluding care services	- \$3.1 million

In successive reports, the OGCYP has raised concerns about South Australia’s low proportion of expenditure on FSS and IFSS. Solid investment in services that help preserve and reunite families is **essential** to upholding the human right of all children and young people to live with their families – in safety, wherever this is possible. The measure of possibility involves providing families and children with real opportunities to recover – from issues such as trauma, the impacts of poverty, ill-health and mistakes – and stay together. Ensuring this effort is a matter of social responsibility for government and community, so that children experience safety, stability and love during vital developmental stages, and have the opportunity to grow into young people and adults with strong familial and community connections to support them throughout their lives.

Promoting family preservation and reunification cannot be done through funding alone; but the task becomes immeasurably harder without real dollars committed in the places where evidence shows it needs to be.⁸⁸ Everyone carries the economic and social costs of refusing to follow this

⁸⁸ See, eg, Alexander (n 17), p 12.

evidence. But, as so often occurs, it is children and young people who bear the brunt of the consequences created by adults, systems and economic measures.

Jurisdictional comparison: South Australia and Victoria

An informative jurisdictional comparison between South Australia and Victoria provides compelling evidence about how these consequences impact upon children and young people. The comparative 'starting position' is the rate of children and young people who are subject to notifications of child abuse or neglect: 54.1 per 1,000 children in the population in South Australia in 2021-22, compared to 57.1 in Victoria.⁸⁹

Yet, despite starting at a similar rate of notifications, the data depicts a very different outcome for the number of children and young people living in OOHC, with the rate in South Australia per 1,000 children in the population nearly double the rate in Victoria: 11.9 and 6.4, respectively. The gap between South Australia and Victoria, in this respect, has grown significantly over past years: in 2018-19, this rate was 10.3 for South Australia and 6.0 for Victoria.

In identifying factors that contribute to the growing distance between these 'end point', the large discrepancy in PIS, FSS and IFSS expenditure between the two jurisdictions is notable (see **Table 12**).

Table 12: Jurisdictional comparison between Victoria and South Australia – key program delivery indicators and program expenditure in 2021-22

Data source: ROGS 2023, Tables 16A.1, 16A.5, 16A.8 and 16A.41

Indicator	Vic	SA
Rate of notifications (per 1,000 children)	57.1	54.1
PIS expenditure (per child)	\$283.71	\$192.80
Proportion of notifications investigated (%)	30.2%	20.5%
Rate of substantiations (per 1,000 children)	10.7	6.0
FSS/IFSS expenditure (per child)	\$373.24	\$185.52
Rate of admissions to OOHC (per 1,000 children)	2.4	1.9
Proportion of children and young people discharged from OOHC (%)	28.5%	13.1%
Rate of children and young people in OOHC at 30 June 2022 (per 1,000 children)	6.4	11.9

Correlating with higher expenditure on PIS (per child in the population), Victoria investigated a higher proportion of notifications than South Australia: 30.2%, compared to 20.5%, respectively.

⁸⁹ Unlike South Australia, Victoria includes all reports to child protection services as a 'notification'. However, there is an in-built screening process, as mandatory notifiers are only required to report a significant risk of harm to child protection services, with lower-level concerns directed to a different pathway focused on referrals for family support services (ie, Child FIRST or The Orange Door). For more information, see: Victorian Government, *Department of Families Fairness and Housing Annual Report 2021-22* (2022).

With more notifications investigated, it is unsurprising that Victoria also had a higher rate of children and young people who were the subject of substantiations of child abuse or neglect: 10.7 per 1,000 children and young people, compared to 6.0 in South Australia.

The lower rate of substantiations in South Australia in 2021-22 flowed through, in part, to a lower rate of admissions to OOHC: with 2.4 children and young people (per 1,000 children) admitted to OOHC in Victoria, compared to 1.9 in South Australia. However, the difference is not as large as may be expected. This equates, approximately, to 1 in 4.5 substantiations in Victoria resulting in a child or young person being admitted to OOHC, compared to 1 in 3.2 in South Australia.⁹⁰

A significant difference emerges in discharges from OOHC. In Victoria, 28.5% of children and young people in an OOHC placement in 2021-22 were discharged during the year. In comparison, only 13.1% of children and young people in OOHC in South Australia were discharged in 2021-22. Consequently, while the rate of admissions to OOHC is relatively similar between the jurisdictions, the rate of discharge is a key factor influencing the large discrepancy between the number of children and young people living in OOHC (per 1,000 children) in Victoria and South Australia at the end of the year.

As outlined in [Part 2.3.4 'Discharges from out-of-home care'](#), discharges are strongly influenced by reunification approaches. In this context, Victoria's high expenditure on FSS and IFSS, being services focused on family preservation and reunification, is notable: expenditure per child in Victoria was nearly twice the amount in South Australia. Victoria is also one of two jurisdictions with legislation in force to permit child protection functions to be delegated to Aboriginal Community Controlled Organisations (ACCOs), the other being Queensland. Information published in the Family Matters 2022 report indicates that, in 2020-21, Victoria directed the highest amount of funding of any Australian jurisdiction towards FSS and IFSS delivered directly by ACCOs. South Australia's investment in ACCOs was described as 'disappointingly low'.⁹¹

It is relevant to highlight that a key recommendation from the recent *CYP Safety Act Review* is to introduce similar legislation in South Australia, to permit the Chief Executive to authorise designated ACCOs to exercise powers and functions under the *CYP Safety Act*.⁹² The OGCYP strongly supports this proposed legislative reform; preliminary evidence supports the conclusion that devolution of power and funding to ACCOs has the potential to drive considerable success in family preservation and reunification rates.⁹³

⁹⁰ This ratio is an approximation for illustrative purposes only and does not account for three key matters: (1) a proportion of substantiations are for children and young people in care, and therefore the substantiation did not result in their admission to OOHC; (2) some admissions to OOHC may be related to substantiations that occurred in 2020-21; and (3) there may be some admissions to OOHC in 2022-23 that resulted from a substantiation in 2021-22.

⁹¹ SNAICC – National Voice for our Children and Family Matters – Strong communities. Strong culture. Stronger children, *The Family Matters Report 2022: Measuring trends to turn the tide on the over-representation of Aboriginal and Torres Strait Islander Children in Out-of-Home Care in Australia* (2022), pp 42-3. Information for the 2021-22 financial year is anticipated to be published later in 2023.

⁹² Government of South Australia, DCP, *CYP Safety Act Review Report* (n 26), p 32.

⁹³ See, eg. Government of Western Australia, Department of Children, Youth Justice and Multicultural Affairs and Deloitte Access Economics, *Our Way Changing Tracks – Final report* (2022), p 48.

But South Australia has a long way to travel towards spending real money on FSS and IFSS, let alone directing that funding towards ACCOs. The OGCYP's submission to the *CYP Safety Act Review* observed that, in order for this legislative reform to succeed, it must be accompanied by corresponding financial and human resources.⁹⁴ Noting this issue, this office look forward to reviewing the findings and recommendations of the Commissioner for Aboriginal Children and Young People's *Inquiry into the Removal and Placement of Aboriginal Children in South Australia*, which is anticipated to be published later in 2023.

4.4 Care services

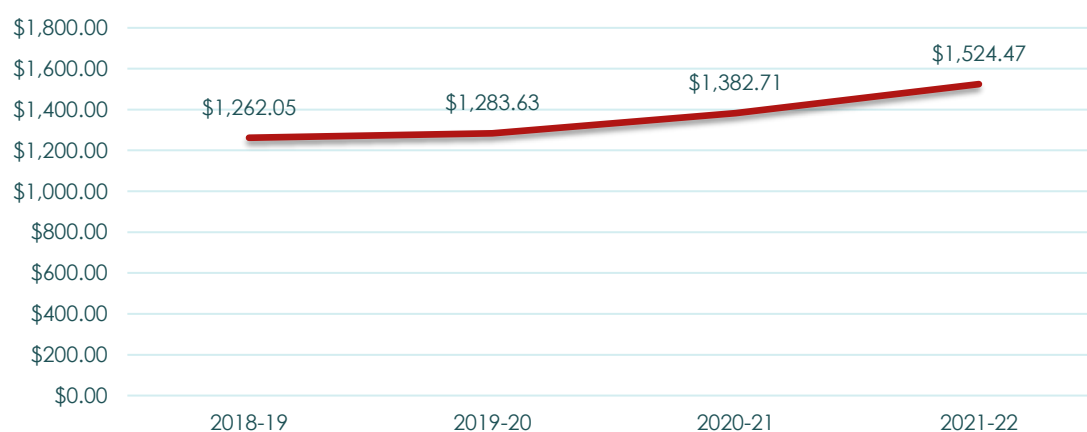
4.4.1 Overview of care services expenditure

Care services refers to the provision of OOHc services and other supported placements. Expenditure within this program area includes costs for placement services; carer assessments; case management; reunification efforts; carer payments; operating residential care facilities; and supports to prepare young people to transition from care.⁹⁵

In 2021-22, real expenditure on care services in South Australia was \$564.4 million, an increase of \$53.6 million from 2020-21. As a per capita rate, this expenditure amounted to \$1,524.47 per child in the population. In line with previous financial years, per capita expenditure increased in comparison to 2020-21.

Figure 22: Real expenditure on care services in South Australia, per child in the population, 2018-19 to 2021-22, by financial year

Data source: ROGS 2023, Table 16A.8



The growth in this per capita rate reflects the fact that expenditure on care services is rising at a faster rate than South Australia's child population. From 2018-19 to 2021-22, expenditure on care services increased by 21.8% (\$100.9 million), while South Australia's child population increased by 0.2%. It is important to highlight, however, that the rise in the number of children and young

⁹⁴ See, OGCYP, *A rights-based approach to safety* (n 21), p 12.

⁹⁵ Productivity Commission, *ROGS 2023* (n 7), Part F, Chapter 16, 'Explanatory material'.

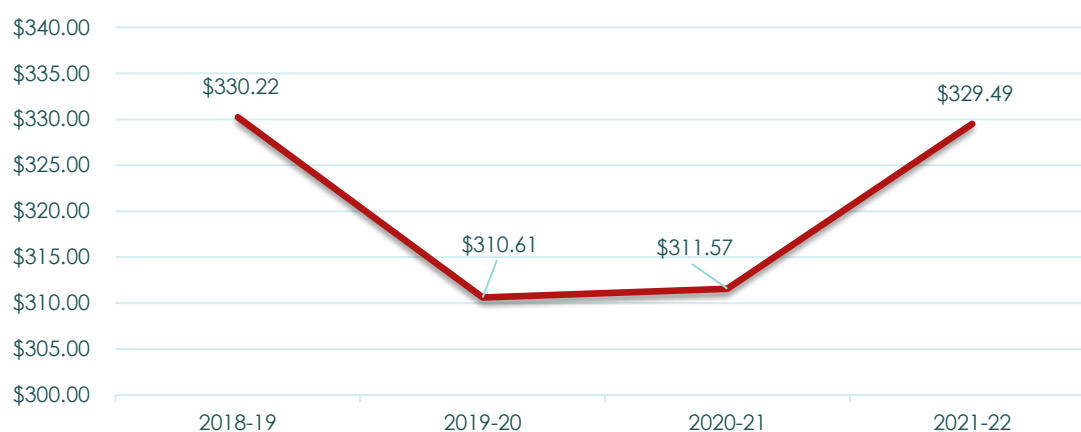
PART 4. COMPARATIVE ANALYSIS: CHILD PROTECTION SERVICES EXPENDITURE

people living in care – and, particularly, in residential care – means that these funds have not translated into higher expenditure **per child in care**.

Proportional expenditure per child in care is calculated with reference to ‘placement nights’. This figure sums the total number of nights that each child who was in an OOHC (or other supported placement) during the year spent in those placements.⁹⁶ The below figure demonstrates that, despite the significant increase in annual expenditure for care services, the cost per placement night actually decreased, from \$330.22 in 2018-19 to \$329.49 in 2021-22.

Figure 23: Cost per placement night in OOHC and other supported placement services in South Australia, 2018-19 to 2021-22, by financial year

Data source: ROGS 2023, Table 16A.35



While a decrease of \$0.73 per placement night is a relatively small amount, it is significant that South Australia was one of only two jurisdictions where this decline occurred. Nationally, expenditure per placement night increased by \$60.98 (26.9%).

Figure 24: Total dollar growth in the cost per placement night in OOHC and other supported placement services, from 2018-19 to 2021-22, by jurisdiction

Data source: ROGS 2023, Table 16A.35



In 2021-22, the total number of placement nights in South Australia was 1,712,930. This is an average of 4,693 children and young people in OOHC and other supported placements each night during the year.

This means that a child or young person in OOHC for the full year in Australia saw **an increase of \$22,257.70** in annual expenditure for their care services,⁹⁷ as a national average. However, a child or young person in South Australia saw a **decrease of \$266.45**.⁹⁸

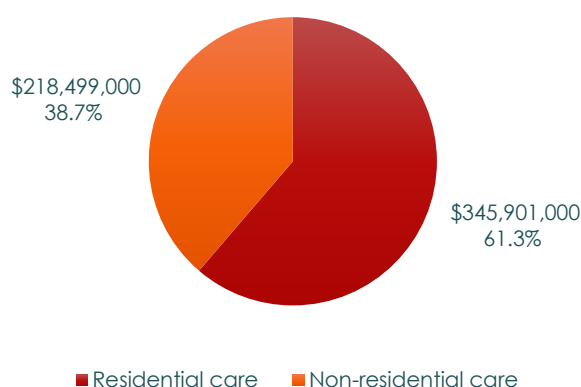
4.4.2 Comparison – residential and family-based care services expenditure

The lower cost per placement night in South Australia is not only against the national trend, but is also at odds with the rising proportion of children and young people living in residential care.

The annual cost of a residential care placement in 2021-22 (per child in care at 30 June) was \$487,185, more than **eight times** the annual cost of \$58,942 for a family-based care placement.⁹⁹ As such, although children and young people in residential care account for 16.1% of the OOHC population, the majority of care services expenditure (61.3%) was directed towards residential care services.

Figure 25: Real expenditure on care services in South Australia in 2021-22, by placement type

Data source: ROGS 2023, Table 16A.36



With residential care being more expensive than family-based care, it could be expected that a rising residential care population would increase the overall cost per placement night. As such, the

⁹⁷ This is calculated as the national increase in cost per placement night of \$60.98, multiplied by 365.

⁹⁸ Calculated as the decrease in cost per placement night in South Australia of \$0.73, multiplied by 365.

⁹⁹ These figures are calculated based on the total expenditure on residential care services in 2021-22, divided by the number of children and young people in this placement arrangement at 30 June 2022. It demonstrates, broadly, the discrepancy between the cost for residential and family-based care, but should be interpreted with caution, as 'they do not represent and cannot be interpreted as unit cost measures. Expenditure per child in care at 30 June overstate the cost per child because significantly more children are in care during a year than at a point in time. In addition, these data do not reflect the length of time that a child spends in care': Productivity Commission, *ROGS 2023* (n 7), Table 16A.36. While placement night is a more accurate measure for annual expenditure, the *ROGS 2023* does not differentiate placement night by placement type. Accordingly, notwithstanding due caution required in interpreting the data, this is the most accurate approximation of an annual cost for residential and family-based placements in 2021-22 based on *ROGS 2023* data.

decrease in expenditure per placement night is a concerning indicator that spending on residential care services has not kept up with population growth.¹⁰⁰

Comparison between expenditure for family-based and residential care services from 2018-19 and 2021-22, against the growth in the care population over that time, supports this conclusion. **Table 13** below depicts that expenditure on family-based care services has grown at a faster rate than the number of children and young people in those placements (18.6% and 14.8%, respectively). However, this trend is reversed for residential care, with the population growing faster than expenditure (25.2% and 23.8%, respectively).¹⁰¹

Table 13: Comparison – OOHC population and expenditure on care services in South Australia, 2018-19 to 2021-22

Data source: ROGS 2023, Tables 16A.2, 16A.20 and 16A.36

Indicator	Residential care	Family-based care	Total
Population at 30 June 2019	567	3,230	3,797
Population at 30 June 2022	710	3,707	4,417
Growth in population: 30 June 2019 to 30 June 2022	+25.2%	+14.8%	+16.3%
Expenditure: 2018-19	\$279.3m	\$184.2m	\$463.5m
Expenditure: 2021-22	\$345.9m	\$218.5m	\$564.4m
Growth in expenditure: 2018-19 to 2021-22	+23.8%	+18.6%	+21.8%

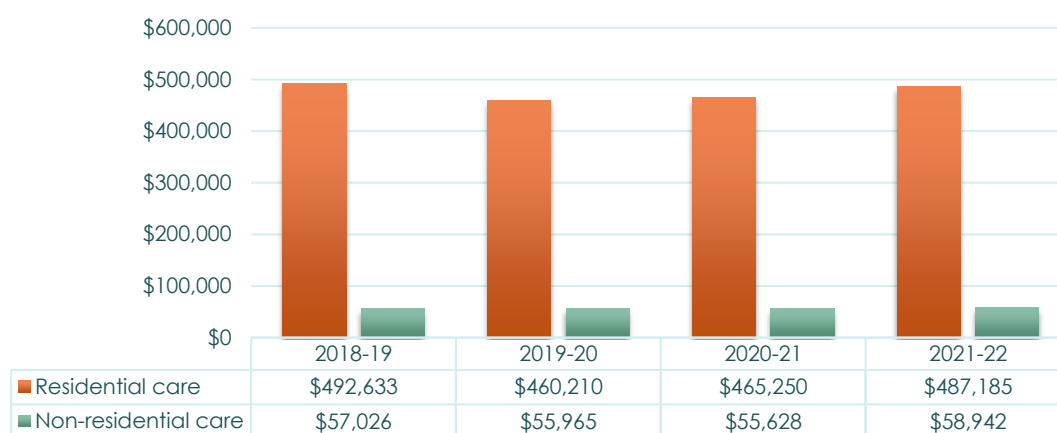
As a result, annual expenditure for a child in **family-based care has increased by \$1,916** (from \$57,026 in 2018-19 to \$58,942 in 2021-22), while annual expenditure for a child in **residential care has decreased by \$5,448** (from \$492,633 to \$487,185).

¹⁰⁰ In response to this report, the DCP noted that the decrease per child may be related to greater efficiencies. In the absence of further information, the OGCYP is unable to comment on whether relevant 'efficiencies' are in the best interests of children or young people.

¹⁰¹ The DCP further advised that this trend should be considered in the context of the discontinuation of commercial care services in October 2020, which the DCP asserts were the most expensive form of non-family-based care. The OGCYP acknowledges the potential impact of this phase out in reducing the cost of caring for young people who were previously in commercial care arrangements. However, it is also important to note that there have been a number of other reforms in the non-family-based care sector over past years with varying expenditure impacts, including the rollout of the Sanctuary Model, the closure of congregate care facilities and the introduction of the Placement and Support Package model. Expenditure on residential care services is also impacted by broader socioeconomic factors, such as the rising cost of rent and other living expenses and impacts on workforce availability arising from the COVID-19 pandemic (which may result in higher employee costs, through increasing reliance on NGO agency staff). This report notes that, despite the various impacts of each of these matters, the overall cost per child in residential care at 30 June was lower in 2021-22 than in 2018-19. The OGCYP encourages government to undertake further investigation about the interaction between these factors, in addressing the issues highlighted in this Report.

Figure 26: Real expenditure on care services in South Australia, per child in OOHC at 30 June, 2018-19 to 2021-22, by placement type and financial year

Data source: ROGS 2023, Table 16A.36



Family-based care services expenditure

The OGCYP is concerned that the rising proportion of children and young people in residential care is an indicator that current approaches to sourcing, approving and maintaining family-based care options are not working.

While acknowledging the modest increase in expenditure per child in family-based care over past years, the OGCYP strongly advocates for a more meaningful investment in the sector. This is important to support children and young people to live well in family homes, and also to improve the availability and sustainability of this care arrangement – which, in most circumstances, is more closely aligned with the rights and best interests of children and young people than residential care services.

One aspect that has come under consideration in recent months is appropriately remunerating and reimbursing foster and kinship carers. Tragically, this issue was a central feature of the findings from the coronial inquest into the death of Zhane Chilcott, a young person who died while living in residential care. In considering Zhane's circumstances, including the events that led to his move from family-based care to a large residential care home, the inquest highlighted the important role that carer payments play in the retention of valued living arrangements for children and young people in care – particularly where foster carers are providing therapeutic care.¹⁰² The Coroner recommended a review of the payments made to family-based foster carers, and noted the importance of the pilot Treatment Foster Care Oregon program¹⁰³ for improving availability of family-based placements. Significantly, an evaluation of this program – including options to expand the program – is scheduled for 2023.

¹⁰² *Findings of the Coronial Inquest into the Death of Zhane Andrew Keith Chilcott*, 6 April 2023, [24.10].

¹⁰³ For more information, see: Government of South Australia, DCP, *New foster care program being trialled* (online), 5 July 2021, available at: <<https://www.childprotection.sa.gov.au/news/dcp-news2/new-foster-care-program-being-trialled>>.

The Coroner's observations and recommendations are aligned with a focus of the 2022 *Independent Review into Foster and Kinship Care*, regarding reimbursement for the costs of caring for children and young people in care and remuneration of carers. The final recommendations of the report included that the DCP should 'implement a new system of carer payments and reimbursements that reflects the true costs of caring, provides consistency and equity'.¹⁰⁴

The OGCYP strongly supports the intent of recommendations aimed at increasing financial support for foster and kinship carers, to improve placement availability and flow through to the lives of children and young people in family-based care.

While considerable attention has been given to the importance of reimbursement for carers, this office notes that these payments are not the sole – or potentially even the primary – challenge with recruitment, approval and retention of carers. In the experience of the OGCYP, expenditure and practice improvements also need to be directed towards matters such as reduced wait times for kinship carer assessments, improved communication and relationships with carers (including through improving culturally safe practices) and approving costs for therapeutic supports for children and young people with disability or trauma-related needs.

All these matters do require an element of expenditure; but, ultimately, the costs do not come close to the expenditure required to secure and maintain a property to house children in residential care, and 24/7 rotational staff to care for children in these arrangements. As such, greater investment in the family-based care sector is not only essential for improving the lives of children and young people living in these arrangements, but also to help relieve current expenditure pressures on South Australia's child protection system.

Residential care services expenditure

While highlighting these investment needs and opportunities, it is important to ensure that a focus on expanding the availability of family-based care options does not detract from expenditure on the lives of children and young people growing up in residential care.

The high costs associated with residential care can make these services a target for cost-cutting in child protection budgets. Discourse about the high proportion of expenditure on care services – particularly residential care services – in South Australia **must not** be misunderstood as an indication that too much money is being spent on individual children and young people in these living arrangements. To the contrary, the OGCYP's experience is that many growing up in these care arrangements miss out on very basic care, items and experiences that make a big difference to their lives, and which we would all expect and want for our children.

At a basic level, high expenditure on residential care services is not really being directed towards the lives of children and young people. It goes to purchasing or leasing properties, and paying carers a wage. When expenditure for these services is spread across higher numbers of children and young people, the result may be that small niceties or anything above the bare essential gets cut; there's pressure to fill an extra bed in the house even if it is not in the best interests of the

¹⁰⁴ Fiona Arney, *Independent Inquiry into Foster and Kinship Care* (2022), recommendation 29.

young people living there; or compromises may be made about the number of staff who can be present at a house to provide care. In reality, the savings are small – a decrease in \$5,448 per each of the 710 young people in residential care at 30 June 2022 is a saving of \$3.9 million annually, in the context of an overall child protection budget of over \$700 million. But the difference it makes in the lives of children and young people is immeasurable.

Despite a high proportion of expenditure spent on residential care services, the OGCYP has observed that the residential care system is currently under severe pressure to meet staffing ratios and provide placements that support the needs and best interests of highly vulnerable children and young people. Safety and stability of residential care placements is consistently the most common presenting issue for enquiries to this office. Nearly four out of five children and young people (78%) who contacted the OGCYP directly for assistance in 2021-22 were from a residential care placement, despite children and young people in residential care constituting just 16.1% of the OOHc population.¹⁰⁵ Further, and as reported recently, the OGCYP continues to be concerned that residential care increases the risk of exposure to potential ‘care criminalisation’.¹⁰⁶

The Guardian’s 2021-22 Annual Report outlined key systemic issues impacting safety and wellbeing in residential care, which are primarily associated with staffing and placement shortages. This includes:

- Reduced capacity to fulfil requisite carer-to-child ratios, leaving carers to manage volatile and unsafe dynamics between residents with inadequate support
- Inconsistent care teams, which impact stability and may lead to behavioural escalations
- Minimal support for frontline carers due to senior staff being stretched across multiple areas
- Pressure on carers to work unsustainable overtime, with associated impacts on the safety and quality of care
- Reliance on NGO (agency) carers, some of whom have limited experience in providing trauma-informed care for the state’s most vulnerable and complex children and young people
- Case management staff, without the requisite skills, covering shifts in houses that cannot be filled by residential care workers
- Administrative backlogs, impacting the timeliness of critical incident reporting and review.¹⁰⁷

These issues are not unique to South Australia, with the United Nations Committee on the Rights of the Child raising serious concerns in 2019 about the quality of residential care services throughout Australia, citing insufficient resources, and staff qualifications and training as key issues.¹⁰⁸ In the context of widespread issues across the country, it is informative to consider South Australia’s expenditure in this area in comparison to other jurisdictions.

¹⁰⁵ OGCYP, *GCYP 2021-22 Annual Report* (n 11), p 11.

¹⁰⁶ See, generally, OGCYP, *Final Report on the South Australian Dual Involved Project* (n 61); Baidawi (n 27).

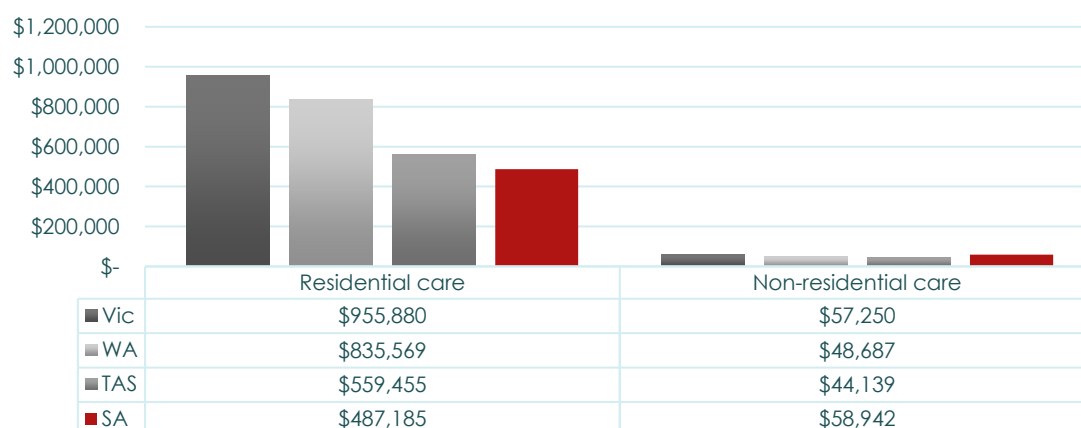
¹⁰⁷ OGCYP, *GCYP 2021-22 Annual Report* (n 11), pp 27-28.

¹⁰⁸ UNCRC, *Concluding observations on the combined fifth and sixth periodic reports of Australia* (n 1), [33]-[34].

Only three other states reported the breakdown of care services expenditure in 2021-22 by residential and non-residential care services: Victoria, Western Australia and Tasmania. In comparison to these jurisdictions, South Australia had the highest average expenditure per child in family-based care. However, South Australia had a significantly lower expenditure per child in residential care.

Figure 27: Real expenditure on care services in 2021-22, per child in care at 30 June 2022, by jurisdiction and placement type

Data source: ROGS 2023, Table 16A.36



While the other three jurisdictions averaged \$783,635 per child in residential care, South Australia's expenditure was \$487,185 – nearly \$300,000 lower per child. In part, this higher expenditure per child in residential care services may be a result of the operation of secure residential care services in Victoria and Western Australia, which ordinarily carry significantly higher operating expenses than therapeutic residential care. Significantly, South Australia and Tasmania do not run any secure residential care services in the OOHC sector.

As the ROGS 2023 does not report separately on the number of children and young people in secure residential care, it is unclear to what extent this accounts for the discrepancy in funding per child between the relevant jurisdictions, and what part is referable to an overall policy and budgetary approach to funding residential care services. However, it is a concerning result that, despite the highest proportion of expenditure on care services and a high reliance on residential care as a placement option, South Australia has the lowest reported expenditure on an individual child or young person living in residential care.

The OGCYP asserts that an urgent investment response is necessary, to increase expenditure to meet the needs of children and young people in residential care in South Australia. This increase must relate specifically to funds **spent on the child or young person** and their experience in care; not just the infrastructure and workforce, but also their everyday needs, so they are afforded the same rights and privileges as children and young people who are living well with their families.

To grow up in care is not a reason for children and young people to miss out.

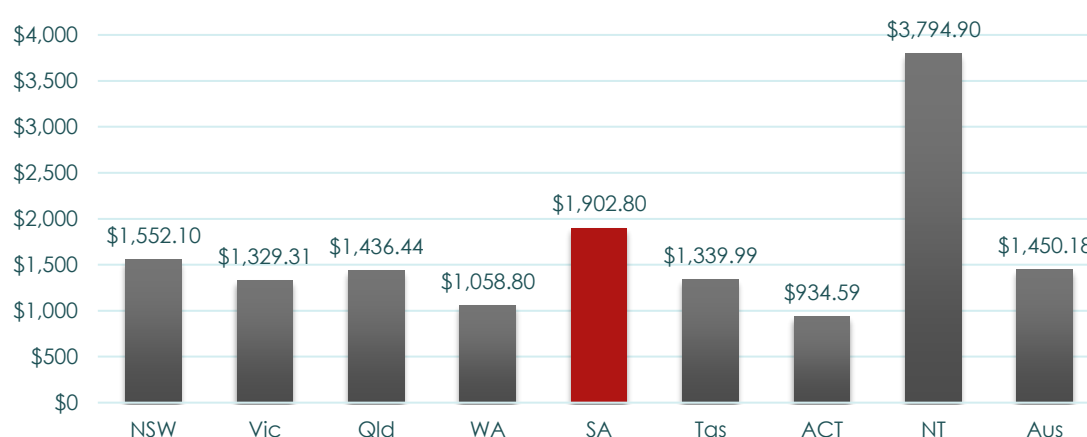
4.5 Comparative child protection expenditure: all programs

Real expenditure on all child protection services in South Australia in 2021-22 was \$704.5 million, an increase of \$50.5 million from 2020-21.

Total child protection expenditure amounted to \$1,902.80 per child in the South Australian population, an increase from \$1,770.35 per child in 2020-21. As demonstrated in **Figure 28** below, per capita child protection expenditure in South Australia was the second highest in the country, 31.2% higher than the national average of \$1,450.18 per child.

Figure 28: Real expenditure on child protection services in 2021-22, per child in the population, by jurisdiction

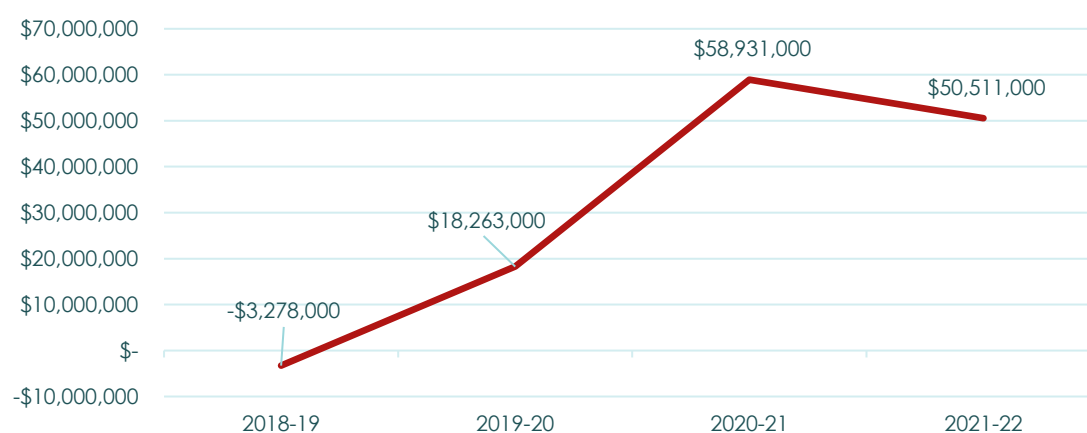
Data source: ROGS 2023, Table 16A.8



Overall child protection expenditure increased in South Australia in 2019-20, 2020-21 and 2021-22. However, the rate of growth declined in the 2021-22 financial year; \$50.5 million, compared to \$58.9 million in 2020-21.

Figure 29: Year-to-year growth in real expenditure on child protection services in South Australia, 2018-19 to 2021-22, by financial year

Data source: ROGS 2023, Table 16A.8

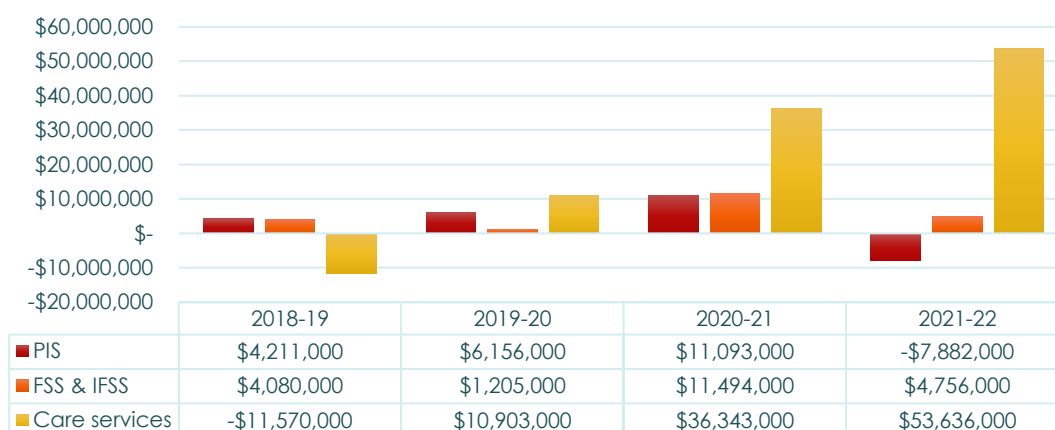


PART 4. COMPARATIVE ANALYSIS: CHILD PROTECTION SERVICES EXPENDITURE

The highest proportion of the overall growth in 2019-20, 2020-21 and 2021-22 is attributable to increased spending on care services: \$10.9 million, \$36.3 million and \$53.6 million, respectively. It is notable that the growth in care services expenditure in 2019-20 was approximately equal to the decline in care services expenditure in 2018-19, compared to the 2017-18 financial year.

Figure 30: Year-to-year growth in real expenditure on child protection services in South Australia, 2018-19 to 2021-22, by financial year and child protection program

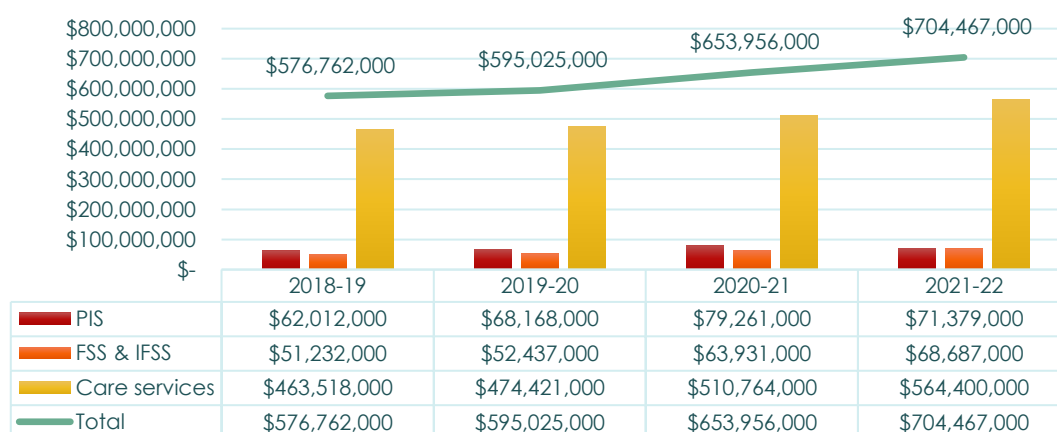
Data source: ROGS 2023, Table 16A.8



As a result of this large growth in spending on care services, child protection expenditure increased over this time from \$576.8 million in 2018-19, to \$704.5 million in 2021-22. This is an overall increase of \$127.7 million in the budget allocated to child protection services, over a period of three years.

Figure 31: Real expenditure on child protection services in South Australia, 2018-19 to 2021-22, by financial year and child protection program

Data source: ROGS 2023, Table 16A.8

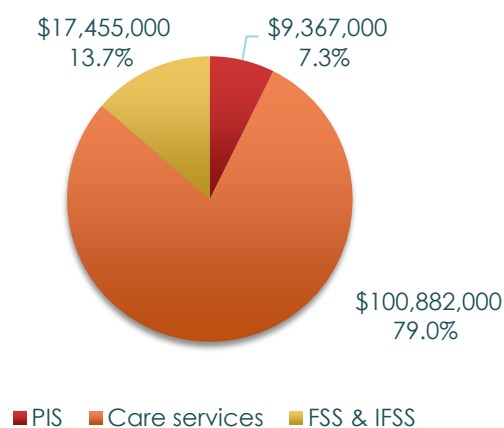


While expenditure on care services has increased by \$100.9 million since 2018-19, there has been comparatively little investment in PIS, FSS and IFSS – especially when considering it appears that a portion of the FSS and IFSS growth is attributable to the redesign in 2020-21 and 2021-22 years resulting from the inclusion of programs which were already provided previously as universal

services. Further, as discussed in detail earlier in this report, the low investment in PIS is highly concerning in light of the large increase in notifications over this period.

Figure 32: Total dollar growth in real expenditure on child protection services in South Australia, from 2018-19 to 2021-22, by child protection program

Data source: ROGS 2023, Table 16A.8



Despite most funding increases being directed towards care services, the discussion in [Part 4.4 'Care Services'](#) highlights that this did not translate into more money spent on individual children in OOHC. In fact, South Australia is one of only two jurisdictions where the cost of OOHC (and other supported placements) per placement night decreased between 2018-19 and 2021-22; as a national average, the cost per placement night has increased by 26.9%. The impact of decreased spending has been concentrated towards children and young people in residential care, with expenditure per child in residential care falling over this period in comparison to an increase in expenditure per child in family-based care (which, as noted in [Part 3](#) above, increasingly impacts upon Aboriginal children and young people).

It is anticipated that expenditure on care services will continue to grow in the next four financial years. In the 2022-23 State Budget, the government announced \$128.9 million in additional child protection funding over five years to 'meet the cost of caring for more children and young people in non-family based care and expected higher growth in the number of children and young people requiring a child protection statutory response'.¹⁰⁹ Subsequently, an additional \$42.7 million was announced,¹¹⁰ bringing the total to \$171.6 million, progressively over five years (commencing in 2021-22). The Minister for Child Protection has pointed to the importance of this increased expenditure in the 2022-23 State Budget, in what appears to be the government's primary investment response to community concerns following high profile child deaths, injuries and

¹⁰⁹ Government of South Australia, *State Budget 2022-23, 'Budget Paper 1: Budget Overview'* (2022), p 20.

¹¹⁰ Government of South Australia, *State Budget 2022-23, 'Mid- Year Budget Overview'* (2023), p 15; Government of South Australia, *New funding for work with at-risk children and their families*, 14 March 2023 (online), available at: <<https://www.premier.sa.gov.au/media-releases/news-items/new-funding-for-work-with-at-risk-children-and-their-families>>.

sexual abuse, and the findings and recommendations of coronial inquests and independent reviews released in 2022.¹¹¹

It is concerning to note, however, that increased expenditure of **\$127.7 million over three years** has been insufficient to keep up with the growth in children and young people living in OOHC and residential care. If these populations continue to rise (as appears likely), the announced investment may be insufficient to even maintain the same current expenditure per child in care – let alone increase expenditure where it is sorely needed. In this context, it is unclear where funding from this pool will be available to progress other important reform measures, including:

- Improving early intervention and family supports
- Increasing capacity to respond to reports of child abuse and/or neglect
- Improving the recruitment, assessment and retention of family-based carers
- Expanding transition from care supports
- Responding to the upcoming findings of the *Inquiry into the removal and placement of Aboriginal children in South Australia*.

The OGCYP will continue to monitor the comparison of program expenditure over the course of coming years. This office hopes to see a substantial increase in child protection expenditure beyond the amount announced in the 2022-23 State Budget, with real progress towards investment in PIS, FSS and IFSS expenditure, without compromising care for vulnerable children and young people in OOHC and residential care.

¹¹¹ See, eg, Government of South Australia, DCP, *Child protection expert to lead key advisory group*, 10 February 2023, (online), available at <<https://www.childprotection.sa.gov.au/news/dcp-news2/child-protection-expert-to-lead-key-advisory-group>>.

CONCLUSION

The past year in South Australia has seen considerable attention directed towards the child protection system in South Australia; from the 'front end' of the system, focused on responding to child protection reports and diverting children from the statutory system where possible, to the lives of children and young people in residential care.

A significant challenge now faces the child protection system, which must respond to this scrutiny under the leadership of a new CEO of the DCP. There is extensive reform work ahead, to find the most effective ways to leverage available funding to promote the best interests of children and young people. The OGCYP looks forward to working with the new CEO and the recently established South Australian Child Protection Expert Group, to keep an active focus on the special vulnerabilities and circumstances of children and young people living in OOHC.

It is important to acknowledge that there has been a large amount of welcome reform in the child protection system in South Australia over past years, and the OGCYP is optimistic about the direction and success of many programs and initiatives under development, or in pilot and rollout stages. But even the most talented leadership and efficient systems cannot pour from an empty cup. It is the experience of this office that the child protection system continues to be under immense pressure to make decisions that are driven by the survival of this system, and the workforce does not have the resources and space they need to explore the best interests of children and young people to their fullest extent. Too often, views are formed, and decisions are made through the lens of what a system can actually provide, instead of the needs of those it is in place to serve.

As such, it is the OGCYP's opinion that the success of the reform measures proposed across recent inquiries and reviews will depend largely upon whether the government is willing to take a different approach to child protection expenditure, and substantially increase investment in the places where it is needed to meet and advance the human rights of children and young people.

The high proportional expenditure on care services in South Australia has long been a concern raised by the OGCYP, and it is an issue that is deeply connected to the heavy reliance on residential care as an OOHC placement. This jurisdiction has the second highest per capita rate of children and young people living in OOHC, and the highest per capita rate of children and young people living in residential care. It has been this way for many years, and the situation continues to worsen. While the rate of growth in the number of children and young people being admitted to OOHC has slowed over past years, the rate of growth for the residential care population is remaining steady: in 2021-22, it was eight times higher than the rate of growth into OOHC.

The expenditure and OOHC data set out in this report makes it clear that the additional funding announced in the 2022-23 budget is unlikely to achieve a meaningful intervention in this spending cycle. An overall increase of \$127.7 million in the State budget allocated to child protection services in the three years between 2018-19 and 2021-22 resulted in a growing number of children and

CONCLUSION

young people living in OOHC and residential care, a lower proportion of funding spent on protective intervention, family support and intensive family support services, and lower expenditure on the day-to-day care of vulnerable children and young people living in OOHC. Based on the current trajectory, the OGCYP is concerned that the \$171.6 million increase in funding announced in the 2022-23 State budget, spread over a period of five years, may not even be enough to keep up with demand for care services, let alone create opportunities for meaningful investment in early intervention and family supports.

Without intervention in the current cycle of government spending, it is a predictable and inevitable path that more children will come into OOHC when they otherwise may have been able to remain with their families. More children and young people will likely be funnelled by an overburdened system into residential care. And as the residential care system continues to grow, there are two potential results. The first is that the cost of care services will grow at an exponential rate, in order to maintain the current standard of living for a child in residential care, drawing potential funds away from the early intervention and family support services. The second is that funds will be spread across more children and young people in residential care, and lower their standard of living. The most likely result is a combination of the two, which keeps both the care system and the protective intervention and family supports space under increasing stress, without allocating the funds that either area needs to properly do its job.

It is essential to keep at the forefront of discourse that diverting this cyclical problem does not mean cutting funds to OOHC services. To do so would be unconscionable, and it will not work; the evidence is clear that dollars spent caring for children and young people are dollars saved in social services throughout the remainder of their lives. But this imbalance is an unsustainable model of funding for South Australia's child protection system, and it is children who will bear the consequences. If governments do not find the funds to invest in front end services in the immediate future, the dilemma will only become harder to solve.

Simply put, the child protection system and its expenditure modelling needs a rebuild, not wound packing.

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