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Victorian foster carers still waiting for major allowance increase



The state government was urged to make major changes to the foster system last year, now 12 months on carers are quitting in droves.

A confidential report that called for [Victorian foster carers](#) to receive a major increase in their allowances has now been sitting with the government for a year, despite calls to act urgently on its findings and support the struggling child protection system.

Advocates have warned financial pressure is forcing carers out of the system in droves and putting more pressure on other overworked parts of the system.

Sections of an independent report by KPMG provided to the Andrews government, seen by the Herald Sun, recommend a 67 per cent increase in the total amount the state pays to foster carers.

The state has had the report since January last year but so far has refused to release it, citing it as cabinet-in-confidence.

The document shows Victoria lags behind Queensland and NSW in what is paid to foster carers in lower care brackets.

Under the current system, more money provided to carers looking after children with complex needs and payments are ranked across five levels.

KPMG'S report argues for flattening these levels to address financial difficulties and boost the total amount paid to carers.

It estimates this would have cost about \$114m in the 2021 financial year, taking the annual spend to \$285m.

The state government was sent a confidential report and urged to act on changes last year.

As cost of living bites, the government is again facing pressure to act on its findings.

Foster Care Association of Victoria chief executive Samantha Hauge called for a significant boost to the allowance and a simplified process.

She said the vast majority of carers were given the lowest payment tier but the needs of these children were often “grossly underestimated”.



‘Level 1 and 2 allowance rates are set well below the costs of living expected for an average child in Victoria,’ Ms Hauge said.

“Unfortunately for many of our state’s foster carers that use of their own household budget to cover the real costs of care is not sustainable and we see an exodus of carers as rates rise and costs of living soar.”

Ms Hauge said shortages in carers, particularly in the regions, meant decisions were being made about who was available and not always what was in the child’s best interest.

In worst case scenarios, children were going into crisis accommodation or residential care.

“We hear about young people who end up having to commute two hours a day to school to remain connected with some of the only stable relationships they have in life,” Ms Hauge said.

Opposition child protection spokesman Matt Bach said the allowance needed to be lifted.

“I am biased but I think foster carers are saints,” he said.

“I started my life in foster care so I know the amazing work that they do. At the moment, the foster care allowance doesn’t even cover basic essentials or the dentist’s bill and that has to change.”

The foster allowance increases each financial year and in July 2022 rose by 2 per cent.

For the same period, inflation in Melbourne rose by 6.1 per cent.

A state government spokeswoman said the state acknowledged the critical role of carers.

“Victorian children and families have access to more support services through a \$2.8bn investment in the Child Protection and Family Services system over the last three budgets.”

Speaking to the media on Monday, Housing Minister Colin Brooks said investing in the state's child protection sector was a key priority for the government.

"The Premier has indicated that child protection will be a key priority for him...so we'll be looking forward to seeing what we're able to do in the next few months," he said.

Mr Brooks, who served as Child Protection and Family Services Minister between June and December last year, would not say if allowances for foster carers should be increased.

"I think we always need to be working with foster carers and kinship carers," Mr Brooks said.

"We should definitely continue to listen to them and work with them about how we can best support them.

"I know that the Andrews government invested more than \$2.8bn, in our last term, in child protection and the at home care sector — trying to reform that sector to prevent children coming into contact with the child protection system, to provide the supports early to families — so they don't end up in crisis and we don't see them in child protection or see them in out of home care."
