

1 March 2018

The Hon Tim Pallas, Treasurer
Level 4, 1 Treasury Place
East Melbourne VIC 3002



Dear Treasurer,

I'm writing to you directly, ahead of this year's state budget, to draw your attention to dire under-funding of Victorian foster carers.

The Foster Care Association has more than 4,100 members, representing the majority of registered foster carers in this state.

Genevieve Mercieca is one of them; a foster carer in Little River. She cares for 2 older adolescents. She is currently navigating the NDIS to find support for her 17 year old with an intellectual disability. She's been told his disability is not severe enough to qualify for extra support from DHHS and he is due to age out of care in a few months' time. Due to his disability, he will not finish high school for another 18 months and she knows he will need assisted living for years to come. Genevieve's commitment to this young man will not end on his 18th birthday, but the Department's support post-high school, will. She is keen to meet with you to discuss his situation. Genevieve requires:

- a. Immediate funding (increase level of care allowance) to manage with an autistic foster child and to help get him the medical care he needs.
- b. Payments to continue until her foster child turns 21.
- c. Reimbursement for the growing number of out-of-pocket expenses she is having to find out of her own budget.

We acknowledge that Minister Jenny Mikakos has made steps towards system reform, but we are still seeing a flood of good carers leaving the system because funding is slow to catch up to their real needs. Financial strain is stopping carers entering the system and is a major contributor for many leaving it.

The foster care system not only fails to support carers, it is sometimes downright punitive. Foster carers do everything they can to improve the lives of the children in their home but are hit with processes that question their need for automatic reimbursement or expect them to buy a school uniform, glasses or speech therapy from their own savings. Carers do enough already - they identify the child's needs, make appointments, leave work early to attend – so why do we expect them to be worse off financially?

If funding shortfalls continue, along with the rate of carer withdrawal, foster children will end up in residential units. Nobody wants this for them quite apart from the fact that the average annual cost for a child in residential care ranges from \$162,880 to \$308,028. Victoria's average annual cost for a child in foster care is \$11,000. The numbers speak for themselves.

Foster carers need the Government to urgently fund:

- The immediate removal of the two lowest levels of carer allowance (levels 1 and 2), which will increase the basic carer allowance by an average of just \$70 per week.
- An increased client expense reimbursement fund to cover set and indisputable payments for things such as all therapy, respite, uniforms and additional travel needs in the best interest of the young person in care.
- Funding for young people in home-based care to be extended to the age of 21.

We welcome an opportunity to meet and discuss these issues with you in either your electoral office or Melbourne offices. I can be contacted on either (03) 9416 4292, or k.hooper@fcav.org.au.

Yours sincerely,

Katie Hooper
Chief Executive Officer

Cc: Minister Mikakos
Premier Daniel Andrews
Genevieve Mercieca