



## **NSW Pre Budget Submission**

Secure Futures, Safer  
Families: Preventing Harm  
and Cutting Costs Through  
Early Support

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# Acknowledgment of Country

The Gadigal are the Traditional Custodians of the land on which our office stands, and we pay our respects to Elders past, present and emerging.

We also acknowledge the Traditional Custodians of the land on which our member organisations operate and the lands on which we travel across for our work.



## About Fams

Fams is the peak body in New South Wales that supports the early intervention and prevention sector. This sector provides critical services for children, young people, families, and communities.

Fams works collaboratively with Government, Policy and decision-makers, non-government organisations, academic organisations, peak bodies, family and community services sector, Aboriginal Community Controlled Organisations and organisations working with diverse communities. We advocate for improved policies and resources for children, young people, families, communities and services.

Children and family's safety, health and wellbeing are at the heart of all our work. Fams is committed to children and families receiving the support they need, evidence-informed and outcomes-based service delivery, government and sector accountability and influencing policy outcomes.

# Secure Futures, Safer Families: Preventing Harm and Cutting Costs Through Early Support

## Introduction

Fams calls upon the NSW government to use the upcoming budget to prioritise for NSW children to have safe, secure and connected childhoods by addressing the chronic underfunding of the early intervention and prevention sector in child protection.

The NSW child protection system is in crisis, leaving our communities' most vulnerable children and young people at serious risk. In 2022-2023, NSW spent sixty-one per cent of its child protection budget on out-of-home care (OOHC), while only thirteen per cent was spent on family support services ( New South Wales Audit Office, 2024).

**Early, proactive, family-inclusive support presents a powerful opportunity to mobilise resources and prevent escalation into crisis. Early intervention also creates opportunity to break intergenerational cycles of systemic disadvantage, poverty and violence and prevent ongoing engagement and monitoring by child protection agencies.**

Early intervention and prevention services (Family Connect and Support, Targeted Earlier Intervention (TEI) and Family Preservation) are facing rising community needs and complexity. This means they cannot reach everyone, leaving families closer to crisis when they seek help and requiring even more intensive support.

After over a decade without an increase in funding, the government has relied upon the goodwill, commitment and compassion of the NGO sector to bridge the vast funding gap. This cannot be sustained any longer.

This is a sector burning out, experiencing high staff turnover, which results in a significant loss of essential skills and knowledge, along with the challenges of replacing those who leave. Without adequate investment, this sector is on the brink of collapse.

# Rationale & Economic Case for Investment

## Rationale and Economic Case for Investment

Without substantial investment into the early intervention and prevention sector, children, young people, and families will face unnecessary risks.

The recent System Review into Out-of-Home Care (Talbot, 2024) highlights the essential need for concurrent investment in OOHC and early intervention and prevention. Budget allocated in both pathways can yield long-lasting positive impacts for children and families and ultimately, save costs through a reduction of children entering OOHC.

First Nations children remain overrepresented in the child protection system, yet Aboriginal Community Controlled Organisations (ACCOs) lack adequate funding. The Closing the Gap Agreement commits all Governments to implement measures to increase the proportion of services delivered by Aboriginal and Torres Strait Islander organisations (National Indigenous Australians Agency, 2020). To meet its ACCO investment target, NSW must direct new funding to ACCOs.

**From an economic perspective, prioritising early support can potentially save the NSW Government up to \$3 billion annually in child maltreatment-related costs** (Impact Economics, 2024)

The recent Family Connect and Support Evaluation Report indicates a favorable return on investment, demonstrating that for every dollar spent, there is a social return ranging from \$1.10 and \$4.90 (Wright, 2024). In addition, the TEI Evaluation Report highlights significant economic advantages, particularly in safety benefits, avoided costs and increasing efficiency, with annual benefits estimated at a minimum of \$92 million with \$79 million in avoided costs to the government and \$13 million in broader economic benefits to individual clients (Taylor Fry, Social Ventures Australia, and Gamarada Universal Indigenous Resources, 2024).

Other benefits to the economy include but are not limited to:

- Preventative and early intervention programs costs are recovered by supporting children to remain safely with family and reducing the number of children entering OOHC.
- Reducing child and family trauma reduces immediate and lifelong costs to government and can disrupt intergenerational patterns of poverty (Impact Economics, 2024).

**Fams calls upon the NSW Government to urgently prioritise investing in our children and young people to prevent them experiencing unnecessary harm, strengthen families and communities and ultimately save the NSW government significant funds.**

## **Recommendations**

*Fams strongly urges the NSW to consider the following recommendations:*

### **Recommendation 1: Double the investment in early intervention and prevention services to address over a decade of underfunding**

We recommend the NSW Government double its investment in early intervention prevention services, starting 1 January 2026, with a focus on prioritising funding for Aboriginal Community Controlled Organisations. The estimated additional funding equals \$384 million annually. Even with a doubling of investment, this figure represents only a fraction of the total \$1.75 billion child protection budget.

- There is an urgent need to increase investment for all early intervention and prevention services, including Family Connect and Support, Targeted Earlier Intervention and Family Preservation.
- The first 50 % of the investment will allow for NGO service system stabilisation by addressing urgent gaps and ensuring business sustainability. The remaining 50% will allow for sector growth and further stability measures. Services will be able to meet the increasing demand driven by increasing client numbers and the complexity of challenges being faced by families.

***In summation, Targeted Earlier Intervention, Family Connect and Support, Family Preservation require investment of estimated additional investment of \$384 million annually.***

### **Recommendation 2: Prioritise investment of new money to build and strengthen the ACCO early intervention and prevention sector**

There is an immediate necessity to boost investment into ACCO early intervention and prevention services. This is essential to ensure Aboriginal children, young people and families receive early support that is culturally and spiritually meaningful. Such services are community controlled, provided on Country, and emphasise the vital of connection to Country, kin and community.

First Nations families are significantly overrepresented in the NSW child protection system due to deeply rooted systemic disadvantage and the ongoing effects of colonisation on individuals, families, and communities. This disadvantage is often compounded by current and intergenerational systemic violence and oppression experienced by First Nations families. The marginalisation and disenfranchisement occasioned by colonial practices continue to impact First Nations communities and their interactions with Australia's legal, child protection, and justice systems.

Access to community owned and led support for Aboriginal families is critical to reducing the overrepresentation of Aboriginal children and young people in the NSW child protection system. ACCOs require investment to both build the ACCO service system alongside strengthening already established ACCO services.

The NSW government's current plan to address further ACCO investment is to reallocate existing funding from non-ACCO early intervention and prevention programs to Aboriginal Community Controlled Organisations. While investing in ACCOs is crucial, this strategy does require consideration for non-ACCOs since early intervention and prevention programs have not seen a funding increase in over a decade. A balanced approach is necessary: it is important to sustain funding for non-ACCO family support services while also channeling new resources into the ACCO service system.

*Fams urges the government to ensure that a proportionate share of all new funding is allocated to ACCOs in line with the Closing the Gap targets (46% of new funds).*

### **Recommendation 3: Establish a NSW government taskforce on child protection**

For many families, domestic and family violence (DFV), mental health challenges, insecure housing, poverty and alcohol and other drugs (AOD) use are deeply interconnected, increasing the risk of harm and removal for children exposed to these co-occurring risk factors (Luu, 2024).

Despite existing efforts, there is still a lack of a coordinated and comprehensive understanding of the complexities and intersections within child protection, which limits the effectiveness of current responses.

Only with a comprehensive understanding of these intersecting relationships will we be able to truly respond to the needs of children, young people and families. Service and policy responses should foster collaboration between all relevant sectors to address the needs of the whole person within their family system, centering the voices of children, young people and their family.

A dedicated taskforce will:

- Work by bringing together experts from government, non-government, academia, and those with lived experience.
- Develop a holistic understanding of child maltreatment and comprehensive approaches to respond to need.
- Discuss and address the findings of the study and develop an action-oriented plan with clear lines of accountability.

A collaborative approach is the first step towards a whole of government strategy to respond to child maltreatment, ensuring evidence-based, practical recommendations for future policy and funding decisions.

*Fams calls for the NSW Government to establish a taskforce to understand and improve responses to child protection, to achieve the aim of reducing child maltreatment across NSW. The estimated cost of this taskforce is \$1.8 million over 5 years.*

## Conclusion

Now is the time for decisive action. Every investment we make today is a step towards safer children, stronger families and supportive communities. This is our chance to make a smart investment that will build a legacy of hope and equity for generations to come.

## Endorsements



## Contact Information

To discuss this submission, please contact:

**Susan Watson**

Chief Executive Officer

susan@fams.asn.au



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