Understanding the Impact of COVID-19 on Out-of-Home Care in Australia

Mark Galvin, Partner
Dr Melissa Kaltner

9 April 2020
Table of contents

1. Introduction ............................................................................................................. 2
2. COVID-19 Impacts .................................................................................................. 3
   2.1 Limitations in services and networks ................................................................. 3
   2.2 Reduced family contact ..................................................................................... 3
   2.3 Delays in court assessments ............................................................................. 4
   2.4 Increased risk in homes ..................................................................................... 4
   2.5 Impact of infection on current carer pool ......................................................... 5
3. Response Opportunities ............................................................................................ 7
   3.1 Carer Recruitment .............................................................................................. 7
   3.2 Remote Service Delivery Transition ................................................................. 8
   3.3 Supporting At-Risk Foster Households ............................................................. 8
   3.4 Optimising Placement Decisions ..................................................................... 8
4. Conclusion ................................................................................................................ 9
5. Appendix- Analysis Assumptions ............................................................................ 10


Note: We wish to acknowledge the contribution of Zoe Koch, Christina Chen and Dylan Booth to this report, alongside the foster and kinship carers who generously shared their experiences.
1. Introduction

The impacts of COVID-19 have been felt by all Australians with illness, unemployment and the government’s response to curb the transmission of the virus disrupting many aspects of daily life. Largely hidden from our view is the impact of the pandemic on vulnerable children and families in the community, in particular those who reside in, or are likely to enter, the foster care or ‘Out-of-Home Care’ (OOHC) system.

The health and financial implications of COVID-19 alongside the government’s response measures have significant implications for the stability of many fostering households which may necessitate the movement of children in care to alternative accommodation as well as driving additional demand for foster households in an already capacity stressed system.

This report considers these implications through a review of published literature and consultation with current foster and kinship carers, to examine impacts of COVID-19 on OOHC, highlighting the likelihood of increased service strain. It further models available data to explore the opportunities that may exist to meet the needs of children in the Australian community who require care in the months ahead.
2. **COVID-19 Impacts**

A review of literature alongside consultation with a current foster and kinship carers highlighted a range of likely impacts of COVID-19 which may impact Australian OOHC settings.

### 2.1 Limitations in services and networks

Australia will face frontline staffing challenges across many services due to both the impact of illness itself, and to the transition to remote service necessitated by social distancing measures. This impact will be experienced by services that currently support children, young people, families and carers in the OOHC system.

It is likely that in the medium term, COVID-19 will lead to a spike in the demand for respite care and low-cost child care services (Kelly and Hansel, 2020). This is driven by extended strain on carers and kinship families who are caring for children more intensely as some schools experience closures and can no longer provide on-campus learning, as parents keep children at home to avoid COVID-19 exposure, and as respite care is made unavailable during COVID-19 lockdowns.

The need for respite was expressed during interview by a current foster carer, “[my foster child] can be challenging in times... previously he’s spent time at pre-school or school for most of the week which has at least given us a breather. Now the challenge of having us all cooped at home, and having to school [him] as well is going to be difficult”.

There will also be challenges in accessing wrap-around supports which are normally provided face-to-face. As partial lockdowns continue, children and birth parents may only be able to access therapeutic services virtually. Where services are unavailable or restricted, as is likely to occur during COVID-19 (Kendrick, 2020), additional strain will be placed on carers as the lack of support services exacerbate children's care needs.

Additional impacts on NGOs and funded service providers are likely in jurisdictions which rely upon funded service providers to support delivery of OOHC. As the financial impacts of COVID-19 and related partial lockdowns drive economic hardship for some agencies, examination of supports to enable agencies to continue delivering casework may be necessary.

In response to COVID-19, the Australian Government is allocating $74 million to support remote provision of mental health services that are under strain due to the pandemic (Sullivan et al, 2020). Whilst this will support children and carer families accessing services, ensuring the availability of targeted, trauma-informed services to meet the needs of children in care is necessary to ensure that all children receive the supports they require to ameliorate the risks posed by limitations in service provision during COVID-19.

### 2.2 Reduced family contact

In Australia, the safe reunification of children and young people in OOHC with their birth families is the preferred means of achieving permanency across all jurisdictions. A significant component of the road to reunification is through regular and ongoing family contact. The continuity of relationship and ‘relational permanency’ is considered key to child protection practice across

---

1. Whilst many Australian jurisdictions have moved to ensure children in care are able to access school and daycare, some carers perceive this as too risky to access. This was described in interview by a current kinship carer, who indicated that they had elected to keep their child at home rather than risk the family being exposed to COVID-19.
jurisdictions in Australia. Ensuring this continuity is regarded as essential to the wellbeing of children and young people in care.

With the need for social distancing to contain the risk of spreading the virus, face-to-face contact is becoming a challenge and other, less ideal, mediums of communication, such telephone and video calling, will be required. Some Australian states have already enacted blanket restrictions in face-to-face contact in response to COVID-19 (Boseley and Knaus, 2020). However, there is evidence that in this context connecting virtually presents difficulties for some families. Video-calling may not always be an option for low-income families, who may have little capacity to access or use this technology (Hager, 2020). It can also be difficult to engage young children who have little understanding of it and would lose the benefits of being able to bond physically with their parents (Fadel, 2020).

Similar concerns were expressed by the foster carer interviewed, who suggested that family contact by technology “changes the nature of contact” and limits opportunities for her foster child to spend quality time with his parents, aunts and uncles and grandparents. She also noted that as her foster child is very young and “not great at linear verbal communication”, she is uncertain whether he will be able to “connect well with them [birth parents] in an online setting”.

2.3 Delays in court assessments

There is a risk that relevant courts will face closures or only allow for virtual hearings, with a slow down in the courts in Australian settings already observable as a result of COVID-19. Currently the Children’s Courts in NSW are encouraging parties and practitioners to engage through use of audio-visual technology, which is likely to prolong the time children spend awaiting court outcomes. Given the wealth of evidence of the importance of timeliness in the achievement of permanency, delays in permanency achieved caused by delayed court processes are likely to contribute to children’s sense of instability and heighten anxiety during an already traumatic time.

Legal Aid is now only providing services over the phone and many walk-in family services are reducing their assistance (Kendrick, 2020). Taken together, these conditions suggest that more children will require OOH placements in the medium-term, given the impact of COVID-19 on court systems creating a build-up of cases which are likely to be processed when more normal court functions return.

2.4 Increased risk in homes

The spread of COVID-19 will lead many families spending significantly greater amounts of time at home without observation from the community, potentially while under financial stress due to losing their jobs and hence increasing tension in the household (Hager, 2020). Some families may also be experiencing challenges relating to mental health or substance abuse (The Associated Press, 2020). This can increase the risk of domestic violence and child abuse (The Alliance for Child Protection in Humanitarian Action, 2020).

As COVID-19 has spread across the world, increases in rates of domestic violence have also been recorded, and in some jurisdictions this has been suggested to be as high as three times pre-COVID-19 rates (Rawsthorne, 2020). A survey by Women’s Safety NSW of 80 frontline workers and service providers across the state has found that 41.7% of respondents are already seeing an increase in client numbers since the outbreak of COVID-19 (Foster and Fletcher, 2020). Respondents who saw a decrease in the number of client referrals noted suspicions that women who are experiencing domestic violence may also be experiencing barriers to accessing services,
due to isolation placing them with perpetrators who are preventing access to services, alongside the impact of social distancing requirements further limiting their ability to seek support.

Similar issues are likely to impact child abuse reporting. Social isolation is leading to a loss of contact with people in the community who would normally be supporting the family or reporting potential child abuse or neglect, such as teachers and doctors (Lagoe et al, 2020). International evidence suggests that lockdown is associated with a decrease in notifications of abuse and neglect.

For example, the Oregon Department of Human Services has recorded a drop in 70% of child abuse and neglect reports compared to February (Powell, 2020). In 2018-19, 20% of child abuse notifications in Australia that were subject to investigations were made by school personnel (AIHW, 2020). However, with school closures and governments encouraging virtual learning, there are limited opportunities for teachers to pick up on signs that a child or young person is at risk in their home. Likewise, lockdown conditions create less monitoring of child wellbeing from health workers, extended family members, neighbours and other community members from whom child protection notifications would normally be received. The lack of observation of at-risk children increases the likelihood that children will be subject to longer periods of abuse and neglect before entering care.

Where child abuse reports are made, it is likely that child protection caseworkers will need to make investigations through virtual or socially distanced means. This will occur particularly where there is a shortage of safety clothing and equipment such as masks and gloves, and where the virus is spreading rapidly, as demonstrated in New York City (The Associated Press, 2020).

Whilst Australian child protection services are currently transitioning their services in response to COVID-19, it is clear that opportunities exist to support the sector as it transitions modes of service delivery to identify children at risk and adjust assessment processes to reduce COVID-19 spread.

### 2.5 Impact of infection on current carer pool

Placement demand is an ongoing challenge in the Australian OOHC system. As COVID-19 continues to spread and financial impacts of lockdown continue, it is likely that without targeted intervention, the existing pool of carers will be impacted in the short to medium term.

Foster and kinship carers represent an ageing group which places them at particular risk of COVID-19 symptoms. The largest available Australian survey of foster and kinship carers indicates 64.5% of carers are over the age of 50 with only 12% under age 40 (Qu et al., 2018). In comparison to the general Australian parenting population, carers are at greater risk of experiencing more serious complications from COVID-19 given their age, and more likely to be required to self-isolate under current Government guidance.

To the extent this occurs, the capacity of these carers to look after the child or young person in their care who may now have more intensive care needs as a result of the pandemic is compromised.
We undertook analysis to explore the likely impact of COVID-19 on the current carer pool. Data forecasting based on the average age of carers, annual trends in children requiring care over the last 5 years and contraction as a proportion of the Australian population reported by NSW Health (as of 12 March 2020) was undertaken to predict the likely impact of COVID-19 on carer infection rates. On the basis of these factors, our analysis suggests that carer infections are likely to impact on up to 8,500 of placements, potentially creating instability in care for these children and requiring additional placement supports. This is equivalent to a 20% increase in children who may require support to retain their placements, on top of new admissions who will require a placement.

The strain on carers will be exacerbated by the reduced level of support from case workers due to illness and lockdown measures preventing face-to-face support service contact. A recent interview with a foster carer highlighted this challenge. The carer expressed concerns that without face-to-face catch-ups with her foster child’s case worker, it will “remove another regular visitor to the house who is always interested in [the child] and his welfare”. The carer suggested that “more regular contact on the phone would be good” as she has received advice that regular home visits will not be continuing.

A similar concern is present in residential care environments where there may be a shortage of staff to maintain placements to the required safety standards (Tickle, 2020), leading to closure of these institutions and a likely need for placement of children in sub-optimal accommodation settings in some jurisdictions. It is also likely that for some young people in care, the strain of partial lockdown and associated anxiety may trigger trauma responses and escalate behavioural issues.

COVID-19 also poses challenges in providing care for children who currently are in need of a placement. In the United States (US), there have been reported instances where carers have refused to foster new children due to concerns that these children may carry the virus and infect the remainder of the household (Hager, 2020). Taken together, this evidence suggests that an initial reduction in the available carer pool for children entering out of home care is likely.
3. Response Opportunities

3.1 Carer Recruitment

Data analysis of national datasets highlights that the sector has a unique opportunity to address the arising needs of the OOHC sector.

Historic unemployment data demonstrates that foster carer household numbers correlate significantly with unemployment, such that the carer pool increases as unemployment increases (Figure 2). This relationship is statistically significant ($p = .007$), with regression analysis indicating that unemployment rates predict 66% of the unique variance in foster carer household numbers.

Analysis suggests this is not due to increasing child placement demand during financial strain, with notification rates and entries to OOHC not significantly predictive of carer household numbers, nor significantly related to indicators of financial strain such as unemployment.

Rather, this analysis suggests that the Australian community is motivated to provide care for children in need and potential carers enter the foster care system to do so when they have less pressures on their time- as is the case during unemployment.

Figure 2: Net change in foster care households and unemployment rate (data sources: ABS and AIHW, 2020)

![Graph showing net change in foster care households and unemployment rate](image)

Modelling on the basis of this relationship highlights the unique opportunity which currently exists in the OOHC sector to recruit and train foster and kinship carers during the current financial downturn to support the increasing placement demands which are likely to arise as a result of COVID-19.

Whilst estimates of likely unemployment arising from COVID-19 vary significantly, if we estimate a relatively modest increase in unemployment to 8%, in the Australian community as a result of
COVID-19, it is likely that approximately 800 additional carer households could be recruited in the months ahead.

To maximise on this, foster carer recruitment bodies will need to be able to undertake recruitment efforts and identify, train and assess these households using remote techniques which adhere with social distancing requirements under relevant lockdowns. They will also need to be prepared to provide monitoring and support to these carers remotely as they transition to care to ensure longevity of placements. It is unlikely that these households will be in available in the immediate term, however raising awareness and having early conversations with potential carers may ensure more foster carer households can start to come on line as the COVID-19 infection curve flattens out and we transition to a post COVID-19 period.

### 3.2 Remote Service Delivery Transition

The OOHC sector is currently transitioning to remote and socially distanced modes of service delivery as previously described. Alongside this, many of the relevant oversight bodies (eg. Commissions for children and young people) are currently exploring how they will deliver monitoring services in the community throughout the current partial lockdowns.

There are opportunities to support the sector through the rapid development of procedures and technologies to support the implementation and uptake of remote service delivery modes. This includes the use of apps to connect young people and carers to caseworkers, technology to enable ease of communication between children and their parents to support maintaining contact, and the development and implementation of socially distanced home visiting and contact protocols where possible.

### 3.3 Supporting At-Risk Foster Households

Our analysis indicates that a large number of carers will be impacted by COVID-19, and that carers represent a high-risk group for severe infection. Alongside this increased risk, Aboriginal and Torres Strait Islander people are more at risk of severe COVID-19 symptoms (Commonwealth of Australia, 2020). As Aboriginal children are 11 times more likely to be in the care of the state (AIFS, 2020), their placements are likely to be disproportionately impacted by COVID-19.

This suggests an opportunity to provide tailored supports to at-risk carers, including those of older age and Aboriginal and Torres Strait Islander carers. In particular, there is a present opportunity to work with at-risk carers to identify alternative appropriate placement options currently existing in the child’s life, should emergency care be required during acute carer illness.

### 3.4 Optimising Placement Decisions

With additional strain on the OOHC sector likely in the period prior to new carer recruitment, it is imperative that the existing foster carer pool usage is maximised. This includes making data-informed decisions on the re-accommodation of children where necessary due to the acute impact of COVID-19 infections, maximising the ability to keep sibling groups together, alongside considered placement decisions for new children entering the system to maximise placement capacity.

There are a number of models with potential demonstrated in international settings to maximise capacity which could be applied within Australia to refine placement processes to this end.
4. Conclusion

COVID-19 and its associated response is an unprecedented event in the lifetime of all Australians. It has wide-reaching implications across the community, particularly for vulnerable groups. The impacts on children in foster and kinship care are significant, and include increased risk of placement instability due to reduced ability to monitor child protection risk, carer illness, reduced support service accessibility, reduced family contact and delays in court assessment.

These issues are likely to create increasing pressure on the OOHC system in the months ahead, as children are exposed to maltreatment for longer periods of time prior to child protection intervention and existing placements are subject to instability driven by COVID-19’s impacts.

There exists an opportunity to ameliorate this risk; evidence highlights that when unemployment is higher, more members of the community elect to provide foster and kinship care. Data indicates that this is not reflective of increasing demand during this period, thus suggesting that the Australian community is eager to care and more likely to offer to provide care when not in active employment.

In light of this, there exists a unique opportunity for carer recruitment to meet arising need for child protection placements in the coming months to support wellbeing outcomes for children in need of care.
5. Appendix- Analysis Assumptions

The analysis used to predict the impact of COVID-19 and unemployment on the out-of-home-care system has limitations and assumptions that should be considered in conjunction with the anticipated impacts discussed in the sections above. These are listed below.

- The proportion of Australians expected to be impacted by COVID-19 is 20% based on estimates from NSW Health as of 12 March 2020. The implementation of interventions and policies to respond to the crisis may have an impact on these predictions. This analysis focuses on an estimate made on the 12 March under a transmission rate of 2.68 per person.

- The data collected for total households and children in OOHC has been adjusted for fostercare and kinship only. This is to account for the different drivers of supply and demand on the types of households. For example, children in residential or group homes are less likely to be impacted by the unemployment of carers.

- The expected total households and children in OOHC 2020 have been estimated based on an average 5 year calculation. 5 years was chosen due to the consistency of reporting and collection of these data points in AHIW datasets.

- The data collected to estimate the change in households due to changes in unemployment is foster and kin care households only and excludes NSW. This is due to restrictions in data availability throughout relevant time periods.
References

ABS Household Income and Wealth, Australia, 2017-18


Australian Institute of Family Studies (2020). Child protection statistics for Aboriginal and Torres Strait Islander children. AIFS


Kendrick, S. (19 March 2020) COVID-19 what does it mean for those in foster care, Caring with Carers


Hazzard, B., (12 March 2020) Health and Medical Research, Minister for Health and Medical Research

McHugh, M. (2002), The Costs of Caring: A Study of Appropriate Foster Care Payments for Stable and Adequate Out of Home Care in Australia, prepared for the Child and Family Welfare Association of Australia, the Australian Foster Care Association and the Association of Childrens Welfare Agencies


NAB Group Economics., (30 March, 2020) Unemployment to rise sharply - a possible economic scenario, NAB

Powell, M. (28 March 2020) Child Abuse Reports Drop 70% in 1 Month, Leaving Oregon Officials Concerned, Oregon Public Broadcasting


Taylor, D., (28 March, 2020) Will the economic crisis caused by Coronavirus reshape our idea of a depression? *ABC News*


Westpac (27 March, 2020) Australia & New Zealand weekly, *Westpac Institutional Bank*
About EY
EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation is available via ey.com/privacy. For more information about our organization, please visit ey.com.

© 2020 Ernst & Young, Australia.
All Rights Reserved.

Liability limited by a scheme approved under Professional Standards Legislation.

ED 0420

In line with EY’s commitment to minimise its impact on the environment, this document has been printed on paper with a high recycled content.

This communication provides general information which is current at the time of production. The information contained in this communication does not constitute advice and should not be relied on as such. Professional advice should be sought prior to any action being taken in reliance on any of the information. Ernst & Young disclaims all responsibility and liability (including, without limitation, for any direct or indirect or consequential costs, loss or damage or loss of profits) arising from anything done or omitted to be done by any party in reliance, whether wholly or partially, on any of the information. Any party that relies on the information does so at its own risk.

ey.com