

## Q&A – Carer supports and PSP funding

This document is for foster carers, relative/kinship carers, Therapeutic Home-Based Care (THBC) carers and Therapeutic Sibling Option Placement (TSOP) carers of children and young people in out-of-home care (OOHC) in NSW.

It complements the Carer Supports Letter that each primary carer will receive from their case managing agency. Primary carers with the Department of Communities and Justice (DCJ) will receive the letter from DCJ and primary carers with non-government agencies will receive the letter from their Permanency Support Program (PSP) provider.

Emergency and respite carers do not receive the Carer Supports Letter.

### Carer Supports Letter

#### 1. What is the Carer Supports Letter?

DCJ has introduced a Carer Supports Letter for you to receive standard information on the payments and supports you should be receiving to support the children and young people in your care.

The letter will be sent by your case managing agency so they can check the information is accurate and relevant to your circumstances and the needs of those in your care.

The letter includes the Care Allowance payment amount and any other OOHC payments you receive, and explains what the payments cover.

Carers with non-government agencies will also see the PSP packages and amount paid by DCJ to their agency for each child or young person in their care.

The new Carer Supports Letter came into effect in July 2025.

#### 2. Will carers receive a letter for each child or young person in their care?

Where possible, you will receive a single letter that contains the relevant information about all the children in your care.

#### 3. When will carers receive the Carer Supports Letter?

- At least annually, at the same time as the annual case plan review, for the duration of care.
- When you commence caring for a new child. For example, if you are caring for a child and a new child comes into your care, you will be sent an updated carer letter with details of the new child, plus the details of the other children already in your care.
- If/when you transfer to another agency. Your new agency will send an updated letter.

Carers of more than one child or young person who have different case plan review dates will receive an updated letter at the time of each child's case plan review date. This means a carer of multiple children may be sent the letter more than once a year, depending on the timing of the case plan reviews.

The letter should contain all the information for every child or young person with the carer.

#### 4. How will carers know if the information is current?

The information will be accurate at the point in time of the letter. Any unapproved funding (e.g. complex needs applications pending approval) will not be included because it is not applicable at that time.

If circumstances vary and impact OOHC payments and PSP package amounts, the changes will be reflected in the next letter to show up-to-date information at that time. This includes any changes to packages, for example if a Child Needs package changes from low to medium, and any changes to OOHC payments and PSP package due to increases from indexation being applied each financial year.

### Carer Allowances

#### 5. How do carers get the Care Allowance?

Authorised carers receive a Care Allowance for each child or young person in their care, the rates may vary depending on the child's needs.

**Carers with DCJ** receive the Care Allowance directly from DCJ. The two standard care allowances are Statutory Care Allowance and Supported Care Allowance. Higher allowances (Care+1, Care+2) recognise the additional intensive support required and/or complex health and developmental needs of some children in care.

Allowances are reviewed annually or if there is a change to the child's circumstances or needs. It may increase or decrease over time, depending on the child's situation. The [DCJ care allowance rates](#) are indexed each financial year and current rates are available online.

**Carers with non-government agencies** receive the allowance from their provider. OOHC services delivered by non-government agencies in NSW are funded by DCJ under the Permanency Support Program (PSP). The Care Allowance for carers with non-government agencies comes out of the PSP packages that are allocated to the children and young people in their care. Non-government agencies must provide a Care Allowance that is at a minimum, in line with the DCJ standard care rate. Non-government agencies have the discretion to pay higher Care Allowance rates than the DCJ standard care rate.

**THBC carers** can discuss amounts with their agency. The minimum Care Allowance for THBC carers is different to the above information for other carers with non-government agencies. THBC carers can speak with their caseworker if they have any questions.

#### 6. What expenses does the Care Allowance cover?

You are paid a Care Allowance to cover everyday expenses and typical child related costs. At a minimum, unless otherwise negotiated with your agency, this includes:

- food
- shelter
- utilities
- clothing and footwear
- household provisions
- daily travel
- recreation and holidays
- gifts
- haircuts
- pocket money and hobbies
- general education costs
- music lessons
- sporting activities
- school excursions
- general hygiene needs/personal care
- dental and medical
- pharmaceutical costs
- suitable car restraints.

Some non-government agencies have discretion to pay a higher Care Allowance to include costs of ad-hoc expenses.

You manage your Care Allowance budget. If you have questions about costs that are considered above and beyond the list, please speak with your caseworker, especially before spending any money that you would like reimbursed. Always speak with your caseworker first to get approval.

## 7. How can carers access other financial assistance?

Additional carer payments are available depending on the child's needs and eligibility.

The [Teenage Education Payment \(TEP\)](#) is not included in the PSP Packages. Non-government agencies must apply separately to DCJ for this payment and then pass it on to carers.

Other payments may be available for carers of post-18-year-olds such as the [Post Care Educational Financial Support \(PCEFS\)](#) and the [Staying on Allowance](#). Carers can apply directly to DCJ to access the Staying on Allowance.

Some carer payments are mutually exclusive, which means some payments are available instead of others and will not be paid at the same time.

For example, a carer cannot receive both the Staying on Allowance and PCEFS. If eligible for both, PCEFS should be paid because in many circumstances it will be at a higher rate. If the carer subsequently becomes ineligible for PCEFS, for example when the young person completes their studies, the carer can be transferred to the Staying on Allowance if they still meet the criteria.

Carers are encouraged to discuss the options for financial assistance and other supports with their caseworker, including local supports that may be available in their region.

The [Caring for Kids guide](#) provides details of other financial supports and a range of other useful and practical information for carers.

## 8. Are carer payments means tested and considered assessable income for tax purposes?

It depends on the payment and it is best to speak with your caseworker or a financial expert to know which payments may be considered assessable income.

### Some common payments:

Payment	Means tested	Assessable income
Care Allowance	No	No
Teenage Education Payment (TEP)	Yes	No
Post Care Educational Financial Support (PCEFS)	No	No
Staying on Allowance	No	Yes

## Concerns and complaints

### 9. What can carers do if they disagree with a decision about the payments or have an issue about the support provided to them or the children in their care?

In the first instance, carers are encouraged to raise any concerns or issues directly to their caseworker and/or manager.

If you feel your concerns have not been adequately addressed, you can make a complaint directly to the case managing organisation, or you can submit a complaint to DCJ or the independent NSW Ombudsman.

The [Carer complaints support guide](#) aims to help carers work with their caseworker to resolve issues as they arise. This guide was developed in collaboration with carers, AbSec and My Forever Family (MFF).

OOHC agencies are contractually required to handle complaints in a professional and effective manner, without fear of reprisal. A complaints register is also required to be kept and provided to DCJ on request.

To make a complaint to DCJ, call the Complaints Line 1800 000 164 (9am to 4.30pm Monday to Friday) or email [complaints@dcj.nsw.gov.au](mailto:complaints@dcj.nsw.gov.au).

Complaints about an agency or DCJ can also be made to the NSW Ombudsman via [ombo.nsw.gov.au/complaints](http://ombo.nsw.gov.au/complaints) or 1800 451 524.

## **Permanency Support Program (PSP) packages - applies to carers and children and young people with non-government agencies**

### **10. How are PSP packages allocated to children and young people and what do they cover?**

The PSP is a 'packaged' care service model consisting of different funding packages that are tailored to cover costs to meet a child's individual needs and circumstances while they are in care. The type and level of PSP packages allocated are determined by the individual child or young person's assessed needs.

For Foster Care, children with non-government agencies, receive a case plan goal package, a baseline package and a child needs package.

- **Case plan goal packages** fund the services and casework required to achieve the child's case plan goal, that is, restoration, guardianship, adoption or long-term care. This includes identifying and finding family/kin to expand and build children's networks of support and covers costs for family time. Agencies may request additional funding to support extraordinary circumstances such as flights and other high costs for travel to assist family time.

The package directly relates to the OOHC goal and there are different rates in recognition of the level of support required. For example, the Restoration package is paid at a higher rate than a Long-Term package in recognition of the intensive support required for carers and families so that the child or young person can achieve permanency by returning safely home.

- In addition to the case plan goal package, the **Baseline package** is paid to non-government agencies to support the costs of delivering care to the child. It is for service provider costs such as case management, overheads, administration, property, costs related to the recruitment, assessment and training of prospective carers and costs for carers like the Care Allowance.

The Baseline package is based on the type of care (e.g. foster care, Aboriginal foster care, relative/kin care, Therapeutic Home-Based Care and Therapeutic Sibling Option Placement).

- The **Child Needs Package** supports a child to access a range of health and wellbeing services to support their individual needs. DCJ will apply the Child Assessment Tool (CAT) to determine the level (low, medium or high) of child needs package required.

The CAT tool evaluates behavioural issues, health and developmental issues and recommends the level of care. The types of services funded through the packages are the same, but the level of funding differs based on the child's needs.

This package contributes to costs for clinical services (such as counselling, psychology, behaviour therapy, psychiatric care), educational supports and special education support for children and young people, where required, general allied health provision and mentoring.

Service providers should support children and young people to access mainstream services available from Health and Education and ensure a young person eligible for the National Disability Insurance Scheme (NDIS) has an appropriate plan, and that the supports in that plan are utilised fully.

## 11. Can the Case plan goal, Baseline and Child Needs Packages be changed?

The Baseline package will only change if the child or young person moves into a different care type.

Case plan goal and Child needs packages can change if the child or young person's needs or circumstances change.

For example, if it is determined that the child cannot be restored to their biological family after two years of support, the child's Restoration package may change to a Guardianship or Adoption package, or more likely, a Long-term care package which will support the agency to undertake casework to promote stability and healing for a child who needs to remain in long term statutory care.

Child's Needs packages can sometimes change. Non-government agencies can apply for a review of the Child Assessment Tool outcome if there is new information regarding the child or young person's behaviours or health/development issues that demonstrates a significant difference in carer care and support is required. DCJ is responsible for approving changes to packages.

Caseworkers can help review and adjust the child or young person's Case Plan to ensure it accurately reflects the child's circumstances and support needs and use the available package funding or apply for additional funds when there are extraordinary circumstances. Additional funding requires a submission and evidence for DCJ to consider.

## 12. What are the PSP Specialist packages and how are they applied?

For Foster Care, Specialist packages are available in addition to the baseline, case plan goal and child needs packages. More than one Specialist package can be applied.

Some Specialist packages are **automatically applied** by the system for children who the meet the package requirements. For example:

- **Cultural Plan (Aboriginal)** – annual payment, applied automatically for children and young people who are Aboriginal and/or Torres Strait Islander for the development of a comprehensive and holistic cultural care plan and genealogy work to support connection to family, community and culture.
- **Culturally and Linguistically Diverse (CALD)** – one-off payment, applied automatically for children and young people from a CALD background to enable support to undertake targeted recruitment, training and support to carers who wish to work closely with a child, and their family, from diverse cultural backgrounds.

- **15+ Years Old Reconnect** – annual payment, applied automatically for young people 15 years or older to support reconnection with family and/or significant others (where it is safe to do so) and where they have had limited or no family connection while in OOHC.
- **Leaving Care** – annual payment, applied automatically for young people 15 years or older to support the young person to begin developing the knowledge and skills they will need to be more independent once they turn 18.

Other Specialist packages **require application** from the agency to DCJ for approval:

- **4+ Sibling Placement Option** – annual payment for a collective sibling group of 4 or more siblings. DCJ will apply the payment in these known circumstances to support flexible options to maintain 4 or more siblings (biological or psychological) in a placement together.
- **Complex needs** – one-off or time-limited payment to support extraordinary circumstances for children and young people in statutory care, such as high medical costs. Applications must be submitted by non-government agencies for DCJ approval prior to engaging the extraordinary service or support.
- **Legal adoption** – fixed payment for legal adoption work undertaken by the Accredited Adoption Service Provider for a child with a Case Plan Goal of adoption where legal work has been undertaken.
- **Additional Carer Support** – additional funding for non-government agencies where enhanced carer capacity and casework responsiveness is needed to meet the needs of a child or young person. An application is required by non-government agencies for DCJ approval. Note there is specific eligibility criteria for carers and children that must be demonstrated upon application. For children in THBC, Additional Carer Support is automatically applied.

For additional information about PSP packages, see the [PSP Packages: Eligibility Rules and Inclusions](#) and [PSP rates](#), both publicly available on the DCJ website.

### **13. Who decides if a carer or child's circumstances meets the eligibility for specialist packages?**

DCJ decides eligibility for Specialist packages for those that are not automatically applied. Non-government agencies must submit applications with supporting evidence to DCJ for Specialist packages that are not automatically applied (Q12). DCJ will approve or decline the request based on the application and supporting evidence.

The approval timeframe can vary depending on the complexity of the request and if further evidence is required to determine an outcome.

If further assessments or reports are required, this may extend the decision and processing timeframe. Where possible, DCJ will endeavour to make timely decisions to process and respond to the request.

### **14. Can the case managing agency provide updates on package spend throughout the year?**

It is unlikely for agencies to be able to provide updates on package spend. Although PSP funding is child-specific and the funding packages are child specific as they are allocated based on the child's assessed needs, the agency has some discretion to group up some resources or apply funds flexibly across the program. Where this happens, the agency must still ensure that the individual needs and entitlements of each child are met.