

**INQUIRY INTO FOUNDATIONAL AND DISABILITY
SUPPORTS AVAILABLE FOR CHILDREN AND YOUNG
PEOPLE IN NEW SOUTH WALES**

Organisation: Local Community Services Association (LCSA)
Date Received: 27 April 2025

Submission to the Inquiry into Foundational and Disability Supports Available for Children and Young People in NSW

April 2025





Local Community Services Association (LCSA)

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We acknowledge and thank the LCSA Disability Inclusion Advisory Group, particularly Tairyn Vergara (The Parks Community Network) and Fran Stead (Cowra Information and Neighbourhood Centre), for providing input into this submission.

For any further information, please contact:

LCSA is open to attending hearings for this Inquiry.

Glossary

DCJ – NSW Department of Communities and Justice

TEI – Targeted Earlier Intervention

LCSA – Local Community Services Association

NCCs – Neighbourhood and community centres

OOHC – Out-of-home-care

UNICEF – United Nations Children’s Fund

About LCSA and its NCC members

Local Community Services Association (LCSA) is the peak body and membership organisation for neighbourhood and community centres (NCCs) in NSW. Our purpose is to represent the interests of our diverse place-based, locally-governed member organisations with a particular emphasis on community development.

Our network of 175 NCCs is the largest community-led social infrastructure network in NSW. NCCs are uniquely placed to know and respond to the needs and aspirations of their communities. They facilitate community development projects, coordinate service delivery, and they are an integral part of frontline responses to, and recovery from, natural disasters. NCCs are recognised as service providers in a diverse community services sector.

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Introduction

Neighbourhood and community centres (NCCs) are the beating heart of NSW communities. Every week, 72 thousand people walk through the doors of 175 NCCs across NSW (LCSA 2022 Member' Census). 60% of LCSA member-centres are located in rural and regional NSW.

NCCs are trusted organisations that provide universal access points to the community, often referred to as 'no wrong door', 'soft-entry', 'from cradle to grave'. These locally-based, locally-governed and secular community organisations support community members from all walks of life, including children and young people with developmental concerns, delays, differences or disabilities, and their families. Many NCCs do disability inclusion work, and some NCCs are accredited NDIS providers.

An important program for the majority of LCSA's members is the Targeted Earlier Intervention (TEI) program, funded by the Department of Communities and Justice (DCJ) within child protection. While there is little to no data available on the number of children in TEI and children with a disability or additional needs – in large part due to limitations in official data and reporting tools such as DEX – from engagement with its members LCSA knows there is a significant overlap. This includes cases where children and families first interact with a TEI program and are then supported holistically once staff become aware that the child may have a disability, developmental delay or additional needs.

In the absence of state government-provided core funding to NSW NCCs, TEI funding sometimes acts as de-facto core funding for NCC soft-entry point services. **Core funding for NCCs would improve the capacity of centres for this universal work (see [LCSA's Policy Platform](#) for more details).**

LCSA's position is that there is great potential to link up the work of the disability sector with the NCC sector and TEI service providers to support children with disabilities and additional needs in NSW. Through improved data and reporting across the fragmented community services system and appropriate resourcing, these children and their families can be better supported, including those in the TEI end of child protection.

NCCs engage with children with additional needs and their families at different points along their trajectory:

- **Before parents realise their child might have a disability**
- **Before the child has received a diagnosis**
- **After the child has received a diagnosis**
- **Before, during or after supports are in place (such as a NDIS plan, school supports, health supports such as access to paediatric specialists).**

NCCs working in the disability space often are the organisations helping families to get medical assessments and diagnoses, which are precursors to becoming eligible for a range of early intervention supports.

Recommendations Summary

Recommendation 1

LCSA recommends that government, under Foundational Supports arrangements, invests into local communities through the network of NCCs in NSW. This would build on the trust NCCs have with communities and enhance the existing social infrastructure and their service delivery capability, with state-wide coverage.

Foundational Supports investment into NCCs is not akin to core funding, however it would strengthen local accessibility, program delivery and public infrastructure aimed at long-term resilience and wellbeing of children and young people living with a disability and additional needs as well as their families.

Recommendation 2

LCSA recommends a tripling of funding to Early Intervention, inclusive of TEI and FCS, to a total of **\$641.7 million**. This would only constitute 20% of the existing child protection budget.

Savings made in the crisis end of the child protection system (OOHC) should be reinvested into prevention and early intervention, which should reduce the number of children in OOHC over time.

Recommendation 3

LCSA recommends that data collection and reporting of children with disabilities and additional needs across the entire social services system is harmonised and de-identified for better visibility of needs and to better drive policy and investment, with strict data privacy safeguards in place.

Data should not be stored as part of a punitive system – it is both unhelpful and will skew the data. Parents are unlikely to seek help from a system that could end up removing their child from their care. There must be a system of de-identified data to paint a clearer policy picture to better understand any relationship between children with a disability and children in earlier intervention programs, and provide relevant support.

Recommendation 4

LCSA recommends that the NSW Government, in line with its own internal reviews and international evidence, radically overhaul the NSW child protection system to appropriately resource the early intervention end of the child protection system.

This includes a commitment to reinvest savings from the out-of-home-care and emergency out-of-home-care end of the system to early intervention and prevention.

Terms of reference:

That a select committee be established to inquire into and report on child development, early childhood intervention services and other foundational and disability supports available for children and young people with developmental concerns, delays, differences or disabilities in New South Wales, and in particular...

Early intervention in child protection: the role of TEI and community strengthening

(a) the role of such services and supports on a child's overall development, health and wellbeing

The Role of Early Intervention in Child Protection through Community Strengthening by NCCs

Effective early intervention in child protection hinges on building strong, supportive communities that buffer children and families from harm. In New South Wales, the Targeted Earlier Intervention (TEI) program's Community Strengthening stream supports this by investing in place-based, community-led organisations - particularly neighbourhood and community centres (NCCs) - to design and deliver localised, preventative initiatives that address the root causes of vulnerability.

LCSA, as the voice for community development in NSW, argues that community-led, place-based funding models are essential to deliver targeted and effective programs and activities in local communities to achieve sustainable, long-term outcomes. Yet, community engagement in program design and funding decisions is still too often excluded from mainstream policy frameworks.

The work of NCCs, grounded in trust, local knowledge, and community-governance, demonstrates the importance of relational social infrastructure in achieving protective outcomes for children and families. Their daily engagement with community members builds the “village” needed to raise and protect children. “It takes a village to raise a child, but who builds the village?” The answer lies in empowering communities themselves.

Complementing this policy stance, recent research from the Australian Institute of Family Studies (AIFS), entitled “*Community factors that help foster resilience in young people who have experienced maltreatment*”, provides empirical evidence on the impact of community environments on child wellbeing. AIFS found that “*school factors and neighbourhood quality had the most consistent and strongest evidence for improving an individual's resilience following maltreatment*” (Jean-Thorn et al., 2023). Feeling safe and connected at school, and living in well-resourced, high-quality neighbourhoods, were consistently associated with better mental health, improved life skills, and stronger family relationships.

This speaks directly to the broader objective of early intervention and building strong communities: increasing protective factors while reducing risk factors. As AIFS notes, “*the presence of community-level protective factors may be especially important for extending*

the reach of specialist supports and/or in helping to support young people who do not have access to specialised support services” (Jean-Thorn et al., 2023). In practice, this means investments in accessible community spaces, youth programs, and public infrastructure are not just good social policy, they are critical components of a child protection strategy aimed at long-term resilience and wellbeing.

These findings reinforce the view that early intervention must not be confined to specialist child protection services. Instead, it must include policies and investments that enhance the quality of neighbourhoods, schools, and local support systems. **Community strengthening isn’t just a supplement to child protection, it’s a front-line strategy across the entire human services system.**

The existing capacity of NCCs, both as essential social infrastructure and key service delivery agents in their local communities, puts them in a unique position to expand their existing capability through Foundational Supports funding into local, neighbourhood level initiatives and services.

NCCs have demonstrated experience in bridging the role of assisting communities with advice and assisted referrals one hand, and providing targeted supports for vulnerable families on the other. Many NCCs have the skills and systems in place to deliver both General Foundational Support (before case work) and Targeted Foundational Support (case work), which makes them the best fit for localised, place-based Foundational Supports Funding.

Recommendation 1

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Foundational Supports investment into NCCs is not akin to core funding, however it would strengthen local accessibility, program delivery and public infrastructure aimed at long-term resilience and wellbeing of children and young people living with a disability and additional needs as well as their families.

Massive and ongoing underfunding of TEI

(d) gaps and barriers to accessing early childhood intervention and their impact on a child's overall development, health and wellbeing, as well as on their family or carers and other government services and systems

The majority of LCSA members work in the child protection space, funded under the Targeted Earlier Intervention (TEI) program. This program has not received a funding increase in over a decade. In the absence of core funding for neighbourhood centres in NSW – for core operational and staffing to keep the doors open – TEI can operate as de-facto core funding for soft-entry point work in NCCs.

As outlined in LCSA's 2025-2026 Pre-Budget Submission to the NSW Government (LCSA 2024), The NSW child protection system is in crisis. It has persisted and worsened over two decades and is leaving vulnerable children and young people at serious risk. DCJ's own system review into out-of-home care (OOHC) in 2024 concluded that the OOHC system in NSW 'is not fit for purpose and fails to meet the needs of children and young people at an inefficient cost' (DCJ 2024, p. 2).

Aboriginal children represent 45% of all children in OOHC, an unacceptable overrepresentation of the population of Aboriginal people that make up 3.4% of the NSW population (ABS 2022). It is critical that Aboriginal families can access community-owned and -led support to reduce the overrepresentation of Aboriginal children and young people in the NSW child protection system. LCSA is supportive of the NSW Government's target to invest 30% of Early Intervention program funding in ACCOs by 2030 (LCSA statement, 2024).

Of the \$3.2 billion NSW child protection 2024-2025 budget:

- \$2 billion, or 61% of the overall budget is allocated to OOHC services (2024, p. 24).
- \$192.6 million is allocated to TEI
- \$21.6 million to Family Connect and Support services (FCS).

(Note: FCS and TEI will be combined in the newest iteration of Early Intervention programs as part of program recommissioning.)

This means that spending on Early Intervention is just 6.6% of the overall child protection budget. This is at odds with evidence about what keeps kids safe.

Even with such a paltry budget, 177,000 individual clients were supported through TEI and FCS services in 2023-2024 to avoid entry to care (DCJ 2024, p. 16). The difference NCCs could make to families and communities with adequate resourcing would be enormous and would reduce need in the crisis end over time.

Through activities delivered within the Community Strengthening Stream of TEI, NCCs and other TEI service providers also prevent child protection issues arising in the first place through building protective factors and preventing risk factors around children and families. For this reason, it is disappointing that the notion of prevention has dropped out of the policy debate altogether.

DCJ's system review recommends 'frontloading' the system towards early intervention and prevention efforts to shift from crisis-driven responses and provide better support for vulnerable families, as part of a whole-of-government funding strategy. It notes that the 2015 Independent Review of Out-of-Home Care and the 2019 Family is Culture Report both support this reform (2024, p. 25).

Recommendation 2

LCSA recommends a tripling of funding to Early Intervention, inclusive of TEI and FCS, to a total of **\$641.7 million**. This would only constitute 20% of the existing child protection budget.

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Costs breakdown

Program	2024-2025 funding	Tripling of funding
TEI	\$192.3 million	\$576.9 million
FCS	\$21.6 million	\$68.4 million
Total	\$213.9 million	\$641.7 million

Early intervention in child protection is siloed from the disability sector

(d) gaps and barriers to accessing early childhood intervention and their impact on a child's overall development, health and wellbeing, as well as on their family or carers and other government services and systems

TEI service providers use DEX as a mandatory reporting tool as proscribed by the Department of Communities and Justice (DCJ). Its use has resulted in an increasingly large administrative burden while being limited in creating a helpful data picture both within TEI and across siloed service systems.

DEX is used to create profiles of children within the early intervention system to feed into organisational level reporting, local reporting and statewide reporting. However, some important information on children at the intersections of marginalisation cannot be recorded in DEX, leading to gaps in appropriate service delivery and programming that is not fit-for-purpose. One broad limitation of DEX is that 'country of birth' is tied to 'language spoken at home' – if the country of birth is listed as 'Australia', it is automatically tied to language spoken at home as 'English'. This presents several issues. One, a child born in Australia to refugee parents cannot be recorded as such, which misrepresents not only that child but local culturally and linguistically diverse communities and their needs (such as the need for interpreters). Two, that same child may be non-verbal, which means that not only is the recorded language spoken at home incorrect, but the notion that the child is non-verbal, and the subsequent support needed, is absent entirely.

There is a huge blind spot of children with disability, additional needs and developmental delays within the TEI system, unless providers are doing secondary reporting. The recording of disability in DEX is particularly rigid and outdated. The wording of the question on disability is 'disability – yes/no'. A disability can only be recorded with an official diagnosis, and there is no discretion for workers in TEI service delivery to record any of their own observations to provide holistic support to the child and family in lieu of a diagnosis. This is of serious concern given the notoriously long waitlist for paediatric specialist services, and children should not go without support in the interim. Ideally, the question should include wording such as 'additional needs' and 'developmental delays' to assist in identifying and meeting the needs of the child with more precise language, with or without an official diagnosis.

Tairyn Vergara, CEO of Parks Community Network notes that many TEI clients attending her organisation first present because they are having issues working with their child with a disability – this could include issues at school, for instance. Vergara's organisation works against considerable stigma around developmental delays and disability in supporting families and children in a highly fragmented services system. They engage with children with additional needs and their families at different points along their trajectory:

- Before parents realise their child might have a disability
- Before the child has received a diagnosis
- After the child has received a diagnosis
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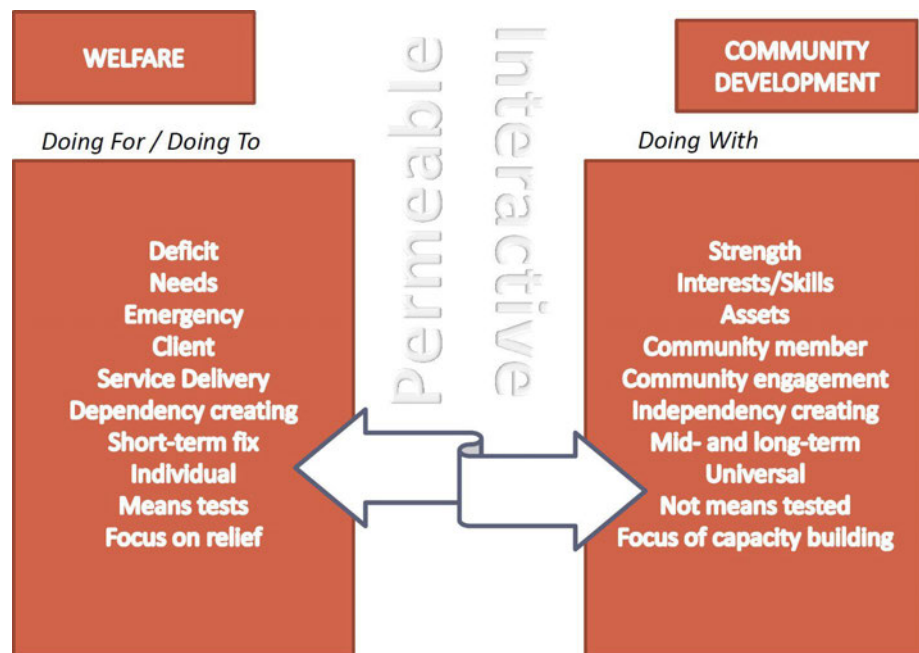
A best practice international model – Child Friendly Leeds

(f) other government or best practice child development and early childhood intervention service models and programs operating outside of New South Wales

Child Friendly Leeds in the UK is a powerful international example of how to turn around a child protection system through a primary emphasis on community development in early intervention and prevention. This approach requires a strong will of both politicians and bureaucrats.

In the early 2010s, the Leeds child protection system, like most child protection systems, was dysfunctional and seeing stubbornly high numbers of children in out-of-home-care, with several high-profile cases of extreme abuses, including murder, of children in care. Like most other child protection systems in the Western world, funding and care was concentrated at the ‘pointy end’ of the system, an ‘ambulance at the bottom of the cliff’ approach.

Public servant Nigel Richardson took over the Leeds Children’s Services Department in 2009 and began a radical overhaul of the system, by moving the dialogue from child welfare to community development with an outcomes-based approach.



Welfare vs. Community Development

The key differences between the welfare mindset and the community development mindset in addressing child protection challenges can be summarised as follows:

Welfare Mindset

- Focuses on what is "wrong" with the person and how to "fix" the problem
- Provides short-term relief, often dealing with symptoms rather than underlying causes
- Sees the person as a "client" with needs that must be met
- Funding and service delivery are based on identifying the target client cohort and the services they require

Community Development Mindset

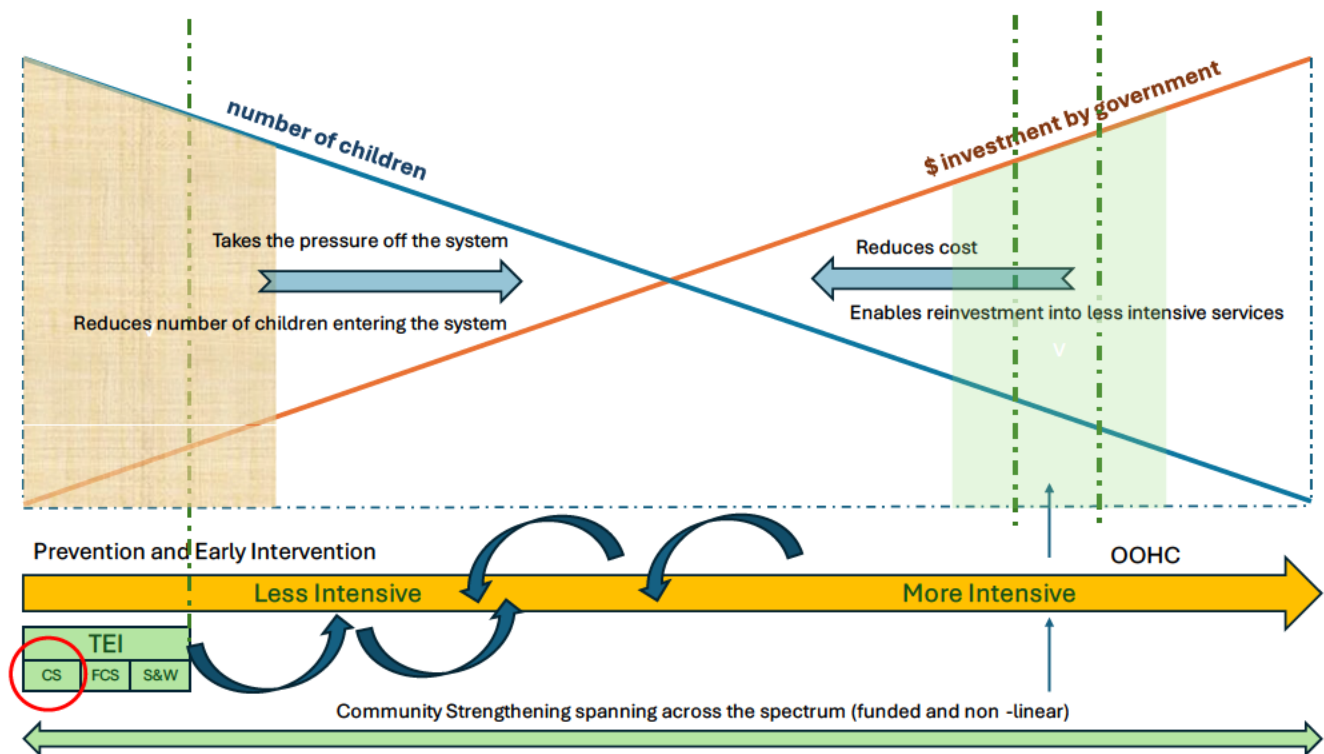
- Sees the person as a "whole person" with skills, talents, abilities, connections, and community
- Focuses on building capacity and giving people agency to navigate the system and create independence
- Works “with” the community to address issues, rather than just doing things "for" or "to" people
- Emphasises a strengths-based approach, looking at people's interests, skills and abilities rather than just their needs
- Aims to build community capacity, empowering vulnerable people to address their challenges themselves

The community development mindset aligns more with a preventative, holistic approach to child protection, whereas the welfare mindset is more reactive and focused on immediate relief. The goal is to find the right balance and interaction between these two mindsets to achieve the best outcomes. This applies across the entire human services system.

The Child Protection Bowtie

Nigel Richardson was the first to talk about the child protection bowtie in NSW when he was a guest of the LCSA in 2017. As outlined below, the child protection bowtie refers to the number of children in the system – from early intervention all the way through to out-of-home-care – and the respective level of cost and investment. It shows that the highest dollar amount per child is spent on children in out-of-home-care, which has the lowest number of children in it. Conversely, tens of thousands more children are at the earlier end of the system, with the smallest amount of spending per child. Children and families aren't receiving a high level of attention and support until their circumstances deteriorated heavily to the point of child removal, likely leading to children and families progressing

further through the system than they would have, had they received adequate support early on.



Richardson’s radical overhaul was founded on the global movement of Child Friendly Cities initiated by UNICEF, and on the premise that ‘child protection is everyone’s business’ (Child Friendly Leeds 2025). This included a strong emphasis on community strengthening, where communities are strengthened to support the wellbeing of families and children proactively. Over time, this led to less children progressing to out-of-home-care.

Leeds had a financial strategy and commitment to ‘solve’ cases further down the spectrum, that did not necessarily require state intervention and/or care, where community-based solutions could result in better outcomes and cost-savings. One example in NSW was the children and families living in hotels and other temporary accommodation for long periods of time. The NSW Auditor General’s report published in 2024, sights 471 such cases and estimated the cost to be \$891,000 per child per year. ‘Solving’ these issues alone would result in cost saving beyond \$400million.

Leeds committed to a reinvestment strategy, that any money saved on the intensive side of the spectrum, must be reallocated to the preventative end of the spectrum. We know this

approach works in the NSW Juvenile Justice system where a program known as 'Justice Reinvest' delivers good outcomes in a cost-efficient way.

The cost of keeping a young person in detention (an estimated \$900 per day when the program was established over 15 years ago) can be saved, if reoffending due to minor crimes is addressed through a community based approach such as victim/perpetrator mentoring programs, or community-sentencing. The pressure is taken off the detention system, and cost-saving are redirected into such community development programs. Obviously, this only works when applied in circumstance and crimes that are not seen as an ongoing threat to the community.

Transitioning to a Community Development Mindset

LCSA proposes a shift from a welfare mindset to a community development mindset in the child protection system which can be paralleled in Foundational Supports. The importance of seeing individuals as whole people with skills, talents, and connections must be emphasised in funding and policy, rather than just clients with needs.

The child protection system is designed as a linear system, when in fact communities and service do not work in this way. This can be demonstrated in the way 'information & referral' is defined in TEI. The upward referrals are understood easily, the downward referrals are not recognised (refer to the blue arrows). In communities we are dealing often with the same families or extended families across the entire spectrum and across the entire human services system. NCCs deal with clients who present with much more complex needs that cannot be describes as 'just an entry point'.

A Community Strengthening approach is applied across the entire spectrum (green arrow at the bottom pointing two ways), to demonstrate that systems are non-linear; they are rather circular and complex.

The key to the success of the overhaul in Leeds from a dysfunctional to a high-performing child protection system was the commitment to reinvest money saved at the 'pointy end' of the system into early intervention and prevention.

Recommendation 4

LCSA recommends that the NSW Government, in line with its own internal reviews and international evidence, radically overhaul the NSW child protection system to appropriately resource the early intervention end of the child protection system.

This includes a commitment to reinvest savings from the out-of-home-care and emergency out-of-home-care end of the system to early intervention and prevention.

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