



# AbSec

NSW Child, Family & Community  
Peak Aboriginal Corporation

## MEDIA RELEASE

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### **NSW Government takes control of Out of Home Care reform: AbSec demands answers for Aboriginal children**

AbSec NSW Child, Family and Community Peak Aboriginal Corporation today responds to a sector briefing by Minister for Families and Communities, Kate Washington, in which the NSW Government outlined its vision for wholesale reform of the Out of Home Care (OOHC) system – a reform process the Minister said will be led by government, not the child protection sector.

AbSec welcomes some of the reforms, particularly addressing the insufficient access Aboriginal and Torres Strait Islander children have had to Aboriginal Community–Controlled Organisations (ACCOs) delivered care and connection and that must change. However, AbSec is clear: the Government’s commitment to accountability and transparency must apply to all parts of the system – including the Department of Communities and Justice (DCJ) itself.

#### **What the Minister announced**

Minister Washington set out her ambition to build a "world class OOHC system" and one in which the Government steps into its stewardship role. The Minister observes that the current system is characterised by a "profound lack of accountability", with funding increasingly absorbed by NGO administration and staffing costs, that carers are not always well treated, the department has no visibility over many children and their outcomes, that too few children that are removed are restored to their families and that Aboriginal children have had insufficient care provided by ACCOs.

#### **Key structural changes announced:**

- An ACCOs–first model, in which Aboriginal children will be placed with ACCOs as the primary option, with DCJ stepping in for casework only where an ACCO cannot deliver.
- Increased insourcing. For example, DCJ delivering residential care, DCJ providing therapeutic assistance and casework to children with higher support needs, DCJ having full responsibility and accountability for matters before the court and DCJ led recruitment and authorisation of foster carers.
- A new OOHC accountability framework, an integrated Quality Assurance Framework and a Child Safety and Wellbeing Forum to drive cross–government transformation. For instance, in recognition of failures of health and education departments to prioritise children in OOHC.
- Permanency Support Program (PSP) which supports children in OOHC in NSW will be wound down.
- A new system redesign framework for future commissioning.
- Contract extensions of 12 months for home–based care providers, 24 months for residential care providers and 36 months for after care providers – but only for providers who meet all existing contract obligations and performance requirements.
- Program redesign for home–based care and restoration targeted for mid–2027, with new contracts in place from mid 2028; program design for residential care targeted for mid–2028, with new contracts in

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place from mid 2029 and a new approach to assisting young people exiting care (aftercare) will be in place from July 2030.

### **AbSec response**

AbSec welcomes elements of the announcement but is clear that words must be matched by action in collaboration with ACCOs. The Government owns the system defined by poor accountability and decades of poor outcomes for Aboriginal and Torres Strait Islander children and families:

AbSec is encouraged by the Minister's acknowledgement that ACCOs are best placed to provide culturally safe care to Aboriginal children. AbSec welcomes the indication of an "ACCOs-first model", in which Aboriginal children are placed with ACCOs, with DCJ stepping in for casework only where an ACCO cannot deliver. There were no details provided of how this will happen and what this looks like for the nearly four in five Aboriginal and Torres Strait Islander children in OOHC in NSW that have their casework currently provided by the DCJ or non-ACCO NGOs.

AbSec CEO, John Leha, says "the Minister acknowledged what Aboriginal communities have always known; that ACCOs provide the safest, most culturally grounded care for our children and the connection to families that enables restoration, but let us be honest. The Aboriginal Case Management Policy has existed since 2018. The rules and practice guidance have been in place since 2019, yet today, just over one in five Aboriginal children in out-of-home care have an ACCO providing their casework. DCJ has had seven years to implement its own policy and has not."

AbSec is concerned that DCJ's role in OOHC is expanding, at the very moment two Ombudsman reports in three months have confirmed that DCJ is closing 65 per cent of referrals for Risk Of Significant Harm (ROSH) without assessment with the result that families do not get early support to keep children safe and together with their families and so the child is removed, and that DCJ has failed children in intensive therapeutic care including failing to ensure Aboriginal children have cultural support plans and children are engaged in education.

AbSec has concerns about the lack of prioritisation of aftercare. The Government recognises the current system is not working but confirmed a new approach will not be in place until July 2030. Thousands of young people — Aboriginal and non-Aboriginal — will leave care over the next five years with an insufficient safety net. Many young people exiting care are homeless and not prepared for independence, putting them at significant risk of exploitation and interacting with the criminal justice system. For Aboriginal young people especially, the stakes could not be higher. Acknowledging a system is broken but saying it will take at least 4.5 years to fix suggests this cohort of young people are not a priority.

AbSec welcome the Minister and departmental officials reiterating a commitment to growing the ACCO sector. The Minister emphasises that this comes with requirements to meet government standards on accountability and transparency. No one disputes prioritising accountability and transparency, but ACCOs are not agents of the state. They are sovereign community organisations that are led by and accountable to local Aboriginal communities. Work on developing accountability measures must be co-designed with, not forced upon ACCOs. For example, DCJ PSP cost assumptions in residential and therapeutic care assume full occupancy and steady throughput. This is unrealistic and affects organisations' viability.

## **Why an independent Child Safety and Wellbeing Commission is essential**

More government involvement in OOHC in NSW and where the ambition is for a world-class OOHC system strengthens the need for comprehensive accountability reform. Today's announcement reinforces the urgency of establishing an independent *Child Safety and Wellbeing Commission* in NSW that can set and enforce standards, receive and act on complaints, conduct systemic reviews and monitor and publicly report on the child protection system in NSW.

Mr Leha said, "today the NSW Government stood up and told the sector that the DCJ will have greater control and a more direct role in out-of-home care. If the Government is serious about a world class system, it will understand that the very first step is independent oversight — a Child Safety and Wellbeing Commission that sits outside government and has the power to hold every part of this system to account. That includes government itself as it assumes an expanded role and has so much urgent work, not talked about today, to do to address the system front-end failures so that risk is properly assessed, families are supported with relevant early support and children are not removed."

## **About AbSec**

AbSec is the peak Aboriginal organisation in NSW dedicated to empowering Aboriginal and Torres Strait Islander communities by advocating for the rights, safety, and wellbeing of our children, young people and families. We build strength and resilience by supporting community-led solutions, shaping policy, and driving reforms that ensure every Aboriginal and Torres Strait Islander child and young person grows up strong in culture and identity.

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