



AbSec

NSW Child, Family & Community
Peak Aboriginal Corporation

New South Wales Ombudsman

Inquiry into children and young
people who spend time away from
their Intensive Therapeutic Care (ITC)
placement without permission

September 2026



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NSW Child, Family & Community
Peak Aboriginal Corporation

AbSec is the peak organisation advocating for the rights, safety, and wellbeing of Aboriginal and Torres Strait Islander children, young people, families, and communities in New South Wales.

As an Aboriginal-led organisation, we champion self-determination and work towards a child and family system that is culturally safe, community-driven, and responsive to the needs of Aboriginal and Torres Strait Islander peoples.

AbSec leads policy reform, strengthens the capacity of Aboriginal Community-Controlled Organisations (ACCOs), and ensures that Aboriginal and Torres Strait Islander children and young people remain connected to family, community, and culture. We are a key member of the NSW Coalition of Aboriginal Peak Organisations (NSW CAPO) and the primary organisation responsible for Target 12 under Closing the Gap.

Through advocacy, research, and sector leadership, AbSec works to address the disproportionate representation of Aboriginal and Torres Strait Islander children in out-of-home care and promote holistic, community-led approaches to child and family wellbeing. Our commitment is to ensuring that Aboriginal and Torres Strait Islander children and young people grow up strong in culture, identity, and connection.

Our vision is that all Aboriginal and Torres Strait Islander children and young people are looked after in safe, thriving Aboriginal and Torres Strait Islander families and communities, raised strong in spirit and identity, with every opportunity for lifelong wellbeing and connection to culture, and surrounded by holistic supports.

In working towards this vision, we are guided by these principles:

- Acknowledging and respecting the diversity and knowledge of Aboriginal and Torres Strait Islander communities.
- Acting with professionalism and integrity in striving for quality, culturally responsive services and supports for Aboriginal and Torres Strait Islander families and communities.
- Underpinning the rights of Aboriginal and Torres Strait Islander people to develop our own processes and systems for our communities, particularly in meeting the needs of our children, young people, families and carers.
- Being holistic, integrated and solutions-focused through Aboriginal and Torres Strait Islander control in delivering outcomes for Aboriginal and Torres Strait Islander children, young people, families and communities.
- Committing to a future that empowers Aboriginal and Torres Strait Islander families and communities, representing our communities, and the agencies there to serve them, with transparency and drive.

Acknowledgement of Country

AbSec acknowledge the Gadigal and Wangal People of the Eora Nation, the land on which our office stands, and pay respect to Elders past, present and emerging. We acknowledge the Elders, leaders and advocates within our sector and pay our respects to them as knowledge holders within this space and every space.

AbSec acknowledges the Stolen Generations who never came home and the ongoing impact of government policy and practice on Aboriginal and Torres Strait Islander children, young people and families.

We extend that respect to all Aboriginal and Torres Strait Islander peoples across the lands we serve.

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Overview

AbSec, the peak organisation for Aboriginal and Torres Strait Islander children and families in New South Wales (NSW) welcomes the opportunity to contribute to the NSW Ombudsman's Inquiry into children and young people who spend time away from their Intensive Therapeutic Care (ITC) placement without permission. This submission focuses particularly on the experiences of Aboriginal children and young people, who are significantly overrepresented in residential care and often face additional harms through disconnection from family, kin, community, culture and Country.

Given the rapid rise in the number of Aboriginal children and young people in residential care while there are declining Aboriginal relative and kin and foster care placements, we are concerned the rise in ITC placements may indicate a response to system pressures on home-based care rather than the specific circumstances they are appropriate for.

AbSec considers that time spent away from placement must be understood in the context of each young person's experiences, needs, relationships and views and agency about where they live. Time spent away from placements must not be viewed simply as non-compliance or behavioural risk. As a result, responses must be individualised, culturally safe and relationship-based, with funding and policy settings that support sustained engagement rather than punitive or inflexible responses that risk criminalising vulnerable young people.

Recommendations

1. The NSW Government must reform policy and practice to respect and give effect to the voices and agency of young people in OOHC regarding placement decisions.
2. The NSW Government must remove the 28-day time limit on ITC placements when young people spend time away from the placement to allow ACCOs/NGOs to continue intensive outreach required to maintain trust and connection with young people.
3. The NSW Government should expand the geographic coverage of ACCO-delivered ITC to more areas of the state – particularly the Illawarra-Shoalhaven, Sydney and Western NSW regions.

Introduction

Residential care including Intensive Therapeutic Care (ITC) is designed to be a placement option of last resort when children and young people are no longer safe to remain with their birth parents. Residential care placements were designed to meet the needs of children and young people in out-of-home care (OOHC) who, owing to their more significant disadvantage, vulnerability, trauma and/or disability require additional tailored supports to ensure their wellbeing [1].

The current ITC model was rolled out to replace previous types of residential care and saw NGO-operated small residential units emerge, delivering more specialised and high needs supports [1]. This marked a shift away from larger, government-operated dormitory style homes to smaller houses in the community, operated by an NGO provider with paid rostered staff.

Initially, NGO providers of residential care were limited to non-ACCO NGOs with the first Intensive Therapeutic Care home delivered by an ACCO commencing in February 2025 [2]. This means that for the first eight years of ITC's history, Aboriginal and Torres Strait Islander children and young people in these placements were case managed by DCJ or non-ACCO NGOs without the extent of connection to Country and level of cultural responsiveness that only ACCOs provide. This is particularly concerning given almost half of all children and young people in an ITC placement are Aboriginal or Torres Strait Islander [3].

While it is true that on balance, children entering residential care generally have higher pre-existing trauma, placement instability and more complex needs, there is compelling evidence that residential care is associated with poorer experiences and outcomes than home-based OOHC [4].

The growth of residential care in NSW

DCJ have stated that limited access to effective residential care volume and lack of professional foster care options was a primary driver for the significant rise in the use of High-Cost Emergency Arrangements (HCEAs) in recent years. DCJ have taken actions to address the declining number of foster carers including recruitment drives and increasing the foster carer allowance [5]. Despite these efforts, DCJ reporting from May 2026 shows that the total number of authorised carers has fallen again compared to the same quarter of 2025, of which 16% of authorised carers identify as Aboriginal or Torres Strait Islander [6].

DCJ have also sought to alleviate some of these system pressures by expanding the residential care system. In addition to enabling ACCOs to enter the residential care space as providers, DCJ themselves have expanded their role as service providers with the launch of their Waratah Care Cottages program.

When announced, the Minister for Families and Communities described the Waratah Care Cottages Program as a temporary solution to ‘provide safe homes for vulnerable children while longer-term foster and relative care is being found’ [7]. DCJ have since shifted this language to “the NSW Government is directly delivering residential care and outlined their intent to ‘expand government-run residential care with new Waratah cottages’” [8]. These decisions have seen the number of children in residential care in NSW double since 2020 alongside an increase in the proportion of children in residential care who are Aboriginal [9]. Aboriginal children are more likely to be placed into residential care despite this representing the least preferred placement option in the Aboriginal and Torres Strait Islander Child Placement Principles (ATSICPP) hierarchy of placements.

We outline these trends to emphasise worries that residential care is used as a solution for systems pressures on home-based care.

The impact of residential care

Non-ACCO residential care placements have been repeatedly linked to negative experiences while in care and poorer long-term outcomes. Contributing factors to this include a lack of autonomy for young people, frequent relocations and placement changes and negative experiences with placement staff and other young people. Aboriginal and Torres Strait Islander children and young people also often experience disconnection from kin, culture and Country, in addition to systemic racism [10] [11].

ITC is explicitly intended to be a temporary measure focused on securing permanency and promoting step-downs through its service continuum [3]. However, the number of

children and young people who are stepping down from placements has been low and declining for several years, with few children being restored to their families [3].

Why do children and young people spend time away from ITC

In our consultation work to prepare this submission, residential care is too often a space where vulnerable children and young people do not feel safe, loved, valued and cared for, and where they do not feel that their needs are being met. Sometimes they do not feel like their views on their placement will be listened to and too often, they are unlikely to be stepped down from residential care [10] [11] [12].

Given these factors, it is important to frame children and young people spending time away from residential placements as an exercise of self-determination and autonomy when the system has placed them in a space that is harmful to them and appears intent on keeping them there.

While spending time away from ITC placement is a relatively common occurrence, each individual young person's motivation for spending time away from placement is unique. Understanding the reasons for a particular young person to spend time away from placement requires quality casework and a relationship between the young person and caseworker built on trust and support. Young people's experiences away from placement as well as their relative safety while away are also unique. For example, some young people spend time away from placement to connect with family and kin, which - where safe in their unique circumstances - can be a positive experience that may contribute to eventual restoration or self-placement. In some cases, young people are spending time away from placement and are experiencing safety concerns. In all instances, the caseworker should have a good understanding of the motivation for the young person spending time away from placement and whether the young person is safe in those circumstances. Placement providers- whether DCJ, an ACCO or a NGO- should maintain communication with the young person and provide the wraparound supports required to keep that young person safe, where relevant.

To maintain these relationships of trust and provide the wraparound supports needed, stable funding for NGO providers of ITC placements is required. Often, when a young person spends time away from placement for more than 28 days, their placement in residential care is deemed to be vacant and their bed is forfeited [3]. As a result, funding can shift to a lower-level case coordination package despite the young person's level of risk remaining unchanged or increasing. This leaves providers without sufficient funding to continue the intensive outreach and support required despite the young person still having substantial needs.

Experiences away from placement

While some young people spend time away from placement due to feeling unsafe, the literature indicates that there are increased risks of exploitation [11]. Additionally, school attendance and health supports are disrupted and placement discontinuations occur. However, many young people also report positive experiences when away from placement. This includes connecting with friends, family and community, attaining a sense of belonging and feeling they had autonomy or control over where they lived that was missing in their placement [11].

Adult responses to young people spending time away from placement often follow punitive systems and processes, which can have the effect of criminalising them. Staff in residential settings report that policy mandates to call police often caused unnecessary ruptures in relationships between the worker and young person. By involving police, children and young people are often introduced to, or re-enter, the criminal justice system, which could have otherwise been avoided [11].

Opportunities to strengthen supports, safeguards and system responses

Responses to young people spending time away from placement should be individualised and centred on the young person and not a one-size-fits-all approach such as 28-day placement closures. Funding should follow the young person's actual level of risk and support needs rather than simply their nights in placement. Providers need flexibility to undertake sustained outreach and relational-based work, when the young person does spend time away from placement.

More agency for young people in ITC placements is a key driving factor for spending time away from placement and so empowering young people will also reduce episodes of time spent away from placement.

The expansion of ACCO-delivered residential care to cover more areas of the state will help reduce the harms of removing young people from Country and kin and improve the cultural safety of these placements. Improving the geographic coverage of ACCO-delivered ITC to more areas of the state – particularly the Illawarra-Shoalhaven, Sydney and Western NSW regions - should also result in fewer episodes of Aboriginal young people spending time away from placement by keeping them on Country and in community.

Conclusion

It is essential that residential care is understood as the least preferred OOHC placement option and only appropriate when a young person's support needs preclude them from placement in relative/kin care, foster care or independent living.

Reform must ensure funding and accountability arrangements enable ACCOs to support culturally safe, individualised responses for Aboriginal and Torres Strait Islander children and young people.

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