



## Policy costing request—during the caretaker period for a general election

<b>Name of policy:</b>	Stopping another stolen generation: Reducing the number of Aboriginal and Torres Strait Islander children in out of home care
Person requesting costing:	Senator Richard Di Natale
Parliamentary party:	Australian Greens
Date of request to cost the policy:	28 June 2016
<i>Note: This policy costing request and the response to this request will be made publicly available.</i>	
Has a costing of this policy been requested under Section 29 of the Charter of Budget Honesty (ie from the Treasury or the Department of Finance)?	No
Details of the public release of this policy (Date, by whom and a reference to that release):	Announced by Senator Rachel Siewert 26 May 2016: <a href="http://greens.org.au/stolen-generation">http://greens.org.au/stolen-generation</a> ; <a href="http://rachel-siewert.greensmps.org.au/content/media-releases/greens-launch-package-stop-another-stolen-generation">http://rachel-siewert.greensmps.org.au/content/media-releases/greens-launch-package-stop-another-stolen-generation</a> .

Description of policy	
<p>Summary of policy (as applicable, please attach copies of relevant policy documents):</p>	<p>Capped funding of \$20m over four years (not including departmental costs) for projects to reduce the number of children entering out of home care.</p> <p>Improved support for children in out of home care by implementing the following recommendations of the <a href="#">Senate Community Affairs inquiry into out of home care</a>:</p> <ol style="list-style-type: none"> <li>1. Working through the Council of Australian Governments to achieve agreement to fund and implement recommendations 1, 4-7, 9-13, 15, 17, 20, 23-28, 31-32, 34-39 – these are expected to involve some additional work for COAG support units in the Commonwealth public services. The Department of Social Services will also receive capped funding of \$10m over four years (2016-17 to 2019-20) to support projects in these recommendations.</li> <li>2. \$1.5m in additional funding for four years (2016-17 to 2019-20) for the Australian Institute of Health and Welfare to improve data collection (Recommendations 2-3, 19).</li> <li>3. The Department of Social Services, Department of Human Services and Department of Immigration and Border Protection to review parental consent requirements for identity documents – this is expected to involve some additional workload for relevant areas, but not significant additional resourcing.</li> <li>4. Increase to the Transition to Independent Living Allowance from \$1,500 to \$3,000 per individual.</li> <li>5. The NDIA to review supports available as per Recommendation 33</li> </ol>
<p>What is the purpose or intention of the policy?</p>	<p>To reduce the number of children entering out of home care, including the disproportionate number of Aboriginal and Torres Strait Islander children, and to improve support available to children in and transitioning from out of home care.</p>
What are the key assumptions that have been made in the policy, including:	
<p>Is the policy part of a package? If yes, list the components and interactions with proposed or existing policies.</p>	<p>-</p>

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<p>Where relevant, is funding for the policy to be demand driven or a capped amount? If a capped amount, are the costs of administering the policy to be included within the capped amount or additional to the capped amount?</p>	<p>\$20m in capped funding, not including departmental costs, for projects to reduce the number of children entering out of home care.</p> <p>Other funding amounts are:</p> <ol style="list-style-type: none"> <li>1. Additional APS funding as needed, and capped funding for DSS.</li> <li>2. Capped AIHW funding.</li> <li>3. Funding as needed.</li> <li>4. Demand driven.</li> <li>5. Funding as needed.</li> </ol>
<p>Will third parties (for instance the States/Territories) have a role in funding or delivering the policy? If yes, is the Australian Government contribution capped, with additional costs to be met by third parties, or is another funding formula envisaged?</p>	<p>Commonwealth to work with States and Territories to address recommendations through COAG where appropriate (#1 above), but other responsibilities with Commonwealth, particularly DSS.</p>
<p>Are there associated savings, offsets or expenses? If yes, please provide details.</p>	<p>-</p>
<p>Does the policy relate to a previous budget measure? If yes, which measure?</p>	<p>-</p>
<p>If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the program?</p>	<p>-</p>
<p>Will the funding/program cost require indexation? If yes, list factors to be used.</p>	<p>-</p>

<b>Expected impacts of the proposal</b>				
If applicable, what are the estimated costs each year? If available, please provide details in the table below. Are these provided on an underlying cash balance or fiscal balance basis?				
<b>Estimated financial implications (outturn prices)<sup>(a)</sup></b>				
	2016–17	2017–18	2018–19	2019–20
Underlying cash balance (\$m)	-10	-9.3	-9.3	-9.3
Fiscal balance (\$m)	-10	-9.3	-9.3	-9.3
(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A positive number in the underlying cash balance indicates an increase in revenue or a decrease in expenses or net capital investment in cash terms.				
What assumptions have been made in deriving the expected financial impact in the party costing (please provide information on the data sources used to develop the policy)?	-			
Has the policy been costed by a third party? If yes, can you provide a copy of this costing and its assumptions?				
What is the expected community impact of the policy? How many people will be affected by the policy? What is the likely take up? What is the basis for these impact assessments/assumptions?	Improved support for communities, reduced number of children forced to enter out of home care, and improved support for people in or transitioning from out of home care.			
<b>Administration of policy:</b>				
Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc)?	DSS			
Please specify whether any special administrative arrangements are proposed for the policy and whether these are expected to involve additional transactions/processing (by service delivery agencies).	Transition to Independent Living Allowance eligibility impacts #4 above.			
Intended date of implementation:	1 September 2016.			
Intended duration of policy:	Capped amounts over the forwards, increased TILA to be ongoing.			

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Are there transitional arrangements associated with policy implementation?	-
List major data sources utilised to develop policy (for example, ABS catalogue number 3201.0).	<a href="#">Senate Community Affairs report</a>
Are there any other assumptions that need to be considered?	-
<b>NOTE:</b> <i>Please note that:</i> <i>The costing will be on the basis of information provided in this costing request.</i> <i>The PBO is not bound to accept the assumptions provided by the requestor. If there is a material difference in the assumptions used by the PBO, the PBO will consult with the requestor in advance of the costing being completed.</i>	