Submission Cover Sheet

Inquiry into Appropriation Bill 2026-2027 and Appropriation (Office of the Legislative Assembly) Bill 2026-2027

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Families ACT Submission to Inquiry into Appropriation Bill 2026-2027 and Appropriation (Office of the Legislative Assembly) Bill 2026-2027

Select Committee on Estimates 2026-27

June 2026

Budget 2026-27

Output Class 3 Children, Youth and Families

Analysis

Table 1: Total investment—Child, Youth and Families, 2024-25 to 2026-27

	2024-25 Budget	2024-25 Est. Outcome	2025-26 Budget	2025-26 Est. Outcome	2026-27 Budget
Total cost	$207.1m	$226.8m	$225.7m	$237.1m	$240.0m
Child & Family Centres	$8.5m	$8.5m [$9.1m[1]]	$11.1m	$11.1m	$11.2m
Child Development Service	$10.7m	$10.7m [$11.1m[2]]	$10.2m	$10.1m	$10.3m
Child and Youth Protection Services	$187.9m	$207.6m	$204.4m	$215.9m	$218.5m

A total investment of $240m has been allocated to Child, Youth and Families programs in 2026-27 Budget. The Budget paper reveals the estimated outcome of 2025-26 was $11.4m over budget of $225.7m; meaning the 2026-27 Budget is a marginal increase from the 2025-26 overspend. The Child & Youth Protection Services was the driver for the increase, with an $11.5m budget blowout. This continues a trend, with the estimated outcome for 2024-25 being $19.7m more than budgeted due to Child and Youth Protection Services.

Early intervention initiatives part of the Child, Youth and Families Program have not received any additional funding, remaining largely flat from 2025-26 to 2026-27. Funding allocated to Child Development Service has declined from $10.7m in 2024-25 to an allocation of $10.3m in 2026-27. In real terms, early intervention funding has been flat or declining since 2024-25, with no meaningful new investment across either output.

[1] According to the Community Services Directorate, Annual Report 2024-25, the actual cost of the Child and Family Centers was $9.079m, a 7% increase mainly due to additional resources for early years engagement officers and resourcing under the Health Justice Partnership.
[2] According to the Community Services Directorate, Annual Report 2024-25, the actual cost of the Child Development Service was $11.1m, a 4% increase from the 2024-25 target.

In terms of service use and accountability indicators, the budget papers reveal the following:

Table 2: Child and Family Centres (Accountability Indicators Output 3.1)

Indicator	2024-25 budget	2024-25 estimated outcome	2025-26 budget	2025-26 estimated outcome	2026-27 budget
Community development/education programs	225	172 [167[3]]	175	175	175
Parenting assistance programs	1,125	1,420 [1,399[4]]	1,215	1,600[5]	1,215

Table 3: Child Development Service (Accountability Indicators Output 3.2)

Indicator	2024-25 budget	2024-25 estimated outcome	2025-26 budget	2025-26 estimated outcome	2026-27 budget
Hours of service provided	14,787	19,700 [20,876[6]]	14,787	17,892	14,787

Table 4: Child and Youth Protection Services (Accountability Indicators Output 3.3)

[3] See footnote 4. Redirection of resources from Community Development/Education Programs to Parenting Assistance Programs.

[4] According to the Community Services Directorate, Annual Report 2024-25, the number of Parenting Assistance Sessions offered in 2024-25 was 1,399, twenty-four percent above the program target. The annual report states the higher targeted result is due to families presenting with increasingly complex needs, requiring longer periods of parenting assistance and support. In response, the Directorate redirected resources to meet this growing demand and ensure appropriate support was provided to those most in need. The redirection of resources came from fewer Community Development/Education Programs being offered (225 target with 167 programs offered in 2024-25).

[5] The 2025-26 variance was attributed to ongoing success of recruiting and retaining clinical expertise, combined with the Best Start Initiative, resulting in a positive impact on total service capacity.

[6] According to the Community Services Directorate, Annual Report 2024-25, the Hours of service provided to the clients of the Child Development Service was 20,876 hours, a 41% increase of the 2024-25 target. According to the annual report, the higher than targeted result is mainly due to increased service capacity because of successful recruitment to vacant frontline clinical positions. Service offerings have also increased because of families experiencing increased complexity and requiring greater clinical support. The annual report also states the target was reduced to 2023-24 Budget target to 'enable CDS to monitor and create a well-informed future target due to the impact on resourcing as new service pathways were established and embedded into usual practice'. As new service pathways are formed, CSD will adjust future targets to reflect service demand.

Indicator	2024-25 budget	2024-25 estimated outcome	2025-26 budget	2025-26 estimated outcome	2026-27 budget
Youth custody days	4,500	5,600 [6,885[7]]	5,000	8,400	5,000
Aboriginal & Torres Strait Islander children receiving support	630	630 [742[8]]	630	750	630

Families ACT commentary:

As demonstrated, the statutory system receives 90% of funding made available to Children, Youth and Families. In addition, the statutory system consistently exceeds its financial budget, while key accountability indicators — including youth custody days and the number of Aboriginal and Torres Strait Islander children receiving support — also continue to exceed their targets. Funding to the early intervention system remains flat or shrinking in real terms.

On 23 June 2026, Families ACT asked the Minister for Children, Youth and Families about the Government's framework to address this funding imbalance between statutory and early intervention initiatives. The Minister recognised this was an ongoing process, complicated by Children, Youth and Families spanning multiple ministerial portfolios, meaning the issue was a whole-of-government matter. The Minister also emphasised the importance of providing the necessary support through the statutory system to meet those needs.

Families ACT also asked the Minister to clarify why budget accountability targets are consistently underestimated, specifically focusing on the number of Aboriginal and Torres

[7] According to the Community Services Directorate, Annual Report 2024-25, the number of youth custody days used annually was 6,885, which is 1,285 days more than the estimated outcome reported in the budget papers. The annual report attributes the increase on rising demand on the justice and police system and the nature and severity of young people's charges resulting in longer periods of remands and sentencing.

[8] According to the Community Services Directorate, Annual Report 2024-25, the number of Aboriginal and Torres Strait Islander children and young people receiving support during the year was 742, 112 more than the estimated outcome reported in the budget papers. The Annual report notes that the higher than target result is due to higher than anticipated need for child protection services supporting families to stay together and for the children and young people in out-of-home care. The targets are cumulative annual targets which do not start at zero. There are a core number of children receiving long term support that will remain in the count, with further children and young people requiring assistance being added to the count throughout the year.

Strait Islander children receiving support through Child and Youth Protection Services. While the Minister acknowledged that the ACT needs to improve outcomes for Aboriginal and Torres Strait Islander children — noting both the high number of children in contact with the statutory system and poor Australian Early Development Census (AEDC) outcomes — the Minister stated that the figures for children receiving support are not necessarily a negative outcome.

Families ACT recognises the complexity of meeting the existing needs of the statutory system; however, this should not come at the cost of early intervention supports. Families ACT's advocacy, along with calls from across the Children, Youth and Families service sector, supports directing more funding to early intervention initiatives and supports. The evidence base demonstrates that early intervention and prevention support improves overall health and wellbeing outcomes for children, young people and families, while also delivering, over time, broader positive economic and budgetary impacts (see: Child Vulnerability in the ACT: Report). The Minister's recognition that the coordination of efforts to support children and families is a whole-of-government response, indicates the importance of establishing a framework the supports the coordination of funding priorities across ministerial portfolios, and reinforces the Child First Forum's call for a whole-of-government approach to addressing child vulnerability in the ACT (see: Child First Forum's Outcome Report 2025).

In terms of the underestimation of accountability measures detailed in the budget papers, Families ACT holds concerns and questions as to why budgeted figures are not reflective of actual service use. Families ACT is concerned that this underestimation provides a rationale for lower and static funding to early intervention supports that does not reflect actual need or service use. As stated in the 2024-25 Annual Report, services are experiencing higher needs and increased complexity among families seeking support through the Child and Family Centres and Child Development Service.

Furthermore, Families ACT notes the absence of further updates from the ACT Government regarding the establishment of a fourth Child and Family Centre in the Molonglo Valley, which has been identified as a high-needs and growing region of the ACT. Reference to the establishment of this fourth centre was found in the 2024-25 Annual Report.

Finally, with the implementation of Thriving Kids taking place by 1 October 2026, it remains unclear how this funding and increased service demand will be integrated into existing service structures, that appear to be already operating at above-budgeted services levels.

Output Class 3 Children, Youth and Families

Questions to Government

Early intervention investments:

Q1: The 2026-27 Budget allocates $11.2m to Child and Family Centres and $10.3m to Child Development Service. When adjusted for inflation, does this represent a real-terms increase, decrease, or no change in investment compared to 2024-25 levels? What is the Government's plan to grow early intervention capacity in line with demonstrated demand?

Context: *Child and Family Centres funding was $8.5m in 2024-25 budget (rising to $11.1m in 2025-26). Child Development Service has declined from $10.7m in 2024-25 to $10.3m in 2026-27. Together these outputs represent less than 10% of the $240m total Children, Youth and Families allocation.*

Q2: The 2024-25 Annual Report provides an update on the implementation of the Government Response to the Standing Committee on Education and Community Inclusion Report 2: Appropriation Bill 2021-2022 and Appropriation (Office for the Legislative Assembly) Bill 2021-2022, November 2021. In this update, it is stated that an ACT Government priority is to establish a fourth Child and Family Centre in the Molonglo area. What progress has been taken to establish this fourth Child and Family Centre, and what budget measures have been taken in 2026-27 to progress this service to Molonglo Valley residents?

Context: *In progress response to Recommendation 23 of the report, recommending that the ACT Government invests in Child and Family centres at a level that keeps pace with ACT population increase and needs, and ensure equitable program offerings simultaneously on the north and south sides of Canberra.*

Q3: Parenting Assistance Sessions exceeded their target by 26% in 2024-25 (1,420 vs target 1,125) and by 32% in 2025-26 (1,600 vs target 1,215). The 2024-25 Annual Report attributes this to families presenting with increasingly complex needs requiring longer periods of support. Why has the 2026-27 budget target been held at 1,215 (unchanged from 2025-26) rather than being revised upward to reflect actual demand? What additional funding is being allocated to meet this demonstrated need?

Context: *The sustained over-delivery on this indicator, combined with a flat funding allocation, suggests either unmet demand is being absorbed through resource* *redirection (at the cost of other programs such as community development/education programs which fell from a target of 225 to 167 actual in 2024-25), or the target is not functioning as a meaningful planning tool.*

Q4: Child Development Service hours have exceeded their target by 33% in 2024-25 (19,700 actual vs 14,787 target; or 20,876 according to the Annual Report) and by 21% in 2025-26 (17,892 vs 14,787 target). The Annual Report states that CSD intended to 'create a well-informed future target' as new service pathways were established. The 2026-27 budget retains the same 14,787 target, unchanged since 2024-25. When will revised targets reflecting actual service demand be set, and will this be accompanied by appropriate funding growth?

Context: *The gap between targets and outcomes in this output has been sustained across multiple periods, indicating the target no longer serves as a meaningful accountability measure. The ACT had the second-highest rate of child developmental vulnerability in Australia in the 2024 AEDC, with 23% of children requiring further assessment — a figure that has continually increased since 2009.*

Q5: Approximately 90% of the $240m Children, Youth and Families allocation is directed to the statutory Child and Youth Protection Services, with the remaining ~10% split between Child and Family Centres and Child Development Service. Given the ACT's deteriorating child developmental vulnerability outcomes and the evidence that late intervention costs significantly exceed early intervention costs, what is the Government's long-term strategy to rebalance investment toward early intervention and prevention?

Context: *The Front Project's 2024 Cost of Late Intervention report found late intervention costs in Australia have risen from $15.2 billion to $22.3 billion, exceeding inflation and population growth. Nobel laureate Professor James Heckman's research demonstrates the highest return on investment comes from early childhood intervention from birth to five. The ACT has recorded a protracted long-term decline in child developmental outcomes since records began in 2009.*

Child and Youth Protection Services:

Q6: Child and Youth Protection Services has exceeded its budget in every budget period included in this paper: by $19.7m in 2024-25 (actual $207.6m vs budget $187.9m) and by $11.5m in 2025-26 (actual $215.9m vs budget $204.4m). The 2026-27 budget of $218.5m is only $2.6m above the 2025-26 estimated outcome. What specific measures are in place to ensure the 2026-27 budget is realistic, and what cost-drivers are being addressed to stabilise expenditure in this output? Where has the funds come from within HCSD to address these consistent budget blowouts, and what impact has any transfer of funding to Child and Youth Protection Services had on other programs?

Context: *The consistent pattern of budget overruns in the statutory system, driven primarily by extraordinary residential care costs and more intensive clinical responses, suggests the budgeted figures are underestimating demand.*

Q7: Youth custody days exceeded target by 24% in 2024-25 (5,600 vs target 4,500) and by 68% in 2025-26 (8,400 vs target 5,000). The 2026-27 target has been reset to 5,000 — the same figure that was missed by 68% in the prior year. What specific policy or operational changes will bring custody days down to 5,000 in 2026-27? What is the cost implication of the 2025-26 blowout?

Context: *The budget attributes the 2025-26 blowout to 'active police operations and the nature and severity of young people's charges resulting in longer periods of remand.'*

Q8: The number of Aboriginal and Torres Strait Islander children receiving support from Child and Youth Protection Services rose to an estimated 750 in 2025-26, exceeding the target of 630 by 19%. The 2026-27 target reverts to 630. The 2024-25 Community Services Directorate Annual Report noted 742 Aboriginal and Torres Strait Islander children receiving support that year, 18% above the 630 target. Separately, AEDC 2024 data shows that improvements in developmental outcomes seen nationally for Aboriginal and Torres Strait Islander children have not been observed in the ACT. What specific actions are funded in the 2026-27 budget to address this gap, and how does the Government reconcile a reversion to lower targets with the evidence of higher support need?

Context: *The ACT's Families ACT analysis of the 2024 AEDC notes that outcomes for Aboriginal and Torres Strait Islander children in the ACT have not improved in line with national trends, and that responses must be led by and undertaken in genuine partnership with Aboriginal and Torres Strait Islander communities.*

Child Developmental Vulnerability and Thriving Kids

Q9: The 2024 Australian Early Development Census found that the ACT has the second-highest rate of child developmental vulnerability in Australia, with 14.9% of children in the ACT developmentally vulnerable in two or more AEDC domains —the highest level of developmental vulnerability since records began in 2009 and above the national average of 12.5%. Beyond the introduction of Thriving Kids from October 2026, what additional funding and systemic responses does the 2026-27 budget contain that specifically address the AEDC findings? How will the Government measure and publicly report on whether 2026-27 investments are improving developmental outcomes?

Context: *The 2026-27 budget references the 2024 AEDC findings but describes them as being 'considered' rather than responded to with dedicated new investment. The Families ACT Child Developmental Vulnerability Report recommends sustained and targeted investment in early intervention and wraparound supports, strengthening service integration, and improving multidisciplinary coordination.*

Q10: Thriving Kids commences 1 October 2026 to support children aged 0-8 with developmental delay and/or autism with low to moderate support needs. What is the estimated number of children who will be eligible for and reached by this program in its first year? What is the expected waitlist, and how will the program interact with existing Child Development Service capacity? What happens to children with low to moderate needs who are currently being served by Child Development Service — will they transition to Thriving Kids?

Context: *Child Development Service has been delivering services significantly beyond its target capacity for two consecutive years (33% and 21% above target respectively), partly attributed to increased complexity of need. Thriving Kids is intended to serve the lower-acuity end of the developmental support spectrum, which may provide some relief, but the interaction between the two programs and the transition arrangements have not been described in the budget papers.*