

Supporting children, young people and their families to thrive

Significant initiatives

- **Improving outcomes for children and young people in care**
\$77.3m in 2025-26 (\$90.2m/4 yrs) to support children and young people in care by:
 - responding to the need for residential care placements to support children and young people
 - delivering vital training support for permanent carers
 - continuing case contracting capacity for children and young people in stable kinship care
 - maintenance of Secure Care residential facilities.
- **Strong Families, Safe Children: connecting, strengthening and restoring families**
\$86.0m in 2025-26 (\$167.5m/2 yrs) to help Family Services divert clients from more intensive, acute and statutory child protection services through a range of early interventions with the aim of connecting, strengthening and restoring families, including:
 - evidence-based therapeutic interventions and wrap-around supports for families with significant and enduring needs
 - evidence-based coaching and individual supports for vulnerable families with escalating needs to restore safety and wellbeing, and prevent further trajectories into Child Protection
 - group-based early interventions for families with emerging needs to build parenting capacity, prevent child abuse and neglect, and improve developmental outcomes.
- **Investing early in young Victorians**
\$10.3m in 2025-26 (\$20m/2 yrs) is provided to continue to support young people facing disadvantage and at risk of disengagement from the community. Initiatives include:
 - Community Support Groups targeted at young people from diverse backgrounds in Melbourne's north, west and south-east
 - the Le Mana Pasifika Project, which provides targeted support and delivers community programs

- the Youth Alcohol and Other Drugs (AOD) wrap-around support for multicultural youth
- continuing the Regional Presence Project to deliver education and employment programs for young people in regional areas.

Funding is also provided to support young people getting involved in their community, including upgrades to local facilities.

- **Living Learning: innovative support to re-engage young people**
\$3.7m in 2025-26 (\$7.5m/2 yrs) to continue the innovative Living Learning program which provides wrap-around services to young people, including mental health, education, psychosocial and vocational support.
- **Mental health and wellbeing support for children and young people**
\$16.6m in 2025-26 (\$28.3m/4 yrs) is provided to:
 - Continue the delivery of the Youth Outreach Recovery Support, Youth Live4Life, and Healthy Equal Youth programs. These programs provide support to young people experiencing psychological distress and mental illness and promote mental health and wellbeing in young people, including regional communities and LGBTIQ+ young people.
 - Support the continuation of group-based parenting sessions at eight regional Infant, Child and Youth Area Mental Health and Wellbeing Services.
 - Maintain the community-based Youth Justice Mental Health Initiative and the custodial mental health programs for young people, and support the establishment of the Parkville Youth Mental Health Wellbeing Service.
- **Continuing support for First Nations organisations and events**
\$2.2m in 25-26 (\$3.8m/2 yrs) is provided to continue investment in First Nations organisations and continue delivering the First Nations cultural events and awards program, including the Victorian Aboriginal Honour Roll, Victorian Aboriginal Remembrance Service and the NAIDOC State Reception. The Koorie Youth Council and Koorie Heritage Trust will receive support to continue critical service delivery for First Nations young people and members of the Stolen Generations.
- **Continuing support for Victorians with Disability**
\$24.1m in 2025-26 to maintain critical supports for people with disability including:
 - the Victorian Disability Advocacy Program (same amount as last year, with indexation)

- supporting Victorians with disability who are ineligible to receive services from the NDIS
 - autism assessment grants
 - delivery of an integrated child and family services response for the most vulnerable children with disability. (VCOSS understands this includes funding for Specialist Disability Practitioner and Children with Complex Disability Support Needs)
 - building the capacity of mainstream services to support people with complex disability needs.
- **Supporting Aboriginal women on their journey into motherhood**
\$3.8m in 2025-26 (\$15.8m/4 years) to provide Aboriginal women with culturally-safe care and support in their journey into motherhood.
 - **Advancing Self-determination for Aboriginal children and families**
\$5.6m in 2025-26 (\$24.8m/4 yrs) to increase capacity for Aboriginal Community Controlled Organisations (ACCOs) to undertake child protection investigations and lead case planning and case management; continue the Aboriginal Children’s Forum to develop and monitor the Wungurilwil Gaggapduir action activities; and supporting the Victorian Aboriginal Children and Young People’s Alliance to work with and represent its member ACCOs.
 - **Victorian Early Parenting Centre service network**
\$5.4m in 2025-26 is provided to continue services at the new Ballarat, Bendigo, Casey, Geelong, Whittlesea, and Wyndham Early Parenting Centres. Early Parenting Centres will provide specialised and targeted support for babies and toddlers until they are four-years-old and help families navigate the early years of parenthood.

What’s good

- Victoria continues to invest in a once-in-a-generation transformation of the early childhood education and care system, with a key focus on ensuring that Aboriginal and Torres Strait Islander children, children from refugee and asylum seeker backgrounds, and children who have had contact with Child Protection get priority access to the expanded programs in 2026. Read more about the Best Start Best Life investment in the Education section.
- This Budget contains significant cost-of-living measures that will support children and young people’s participation in school and social inclusion more broadly. Key investments include free public transport for under 18s and an expansion of the Get

Active Kids vouchers and the targeted Camps Sports and Excursion Fund. See VCOSS's analysis of these initiatives in the cost-of-living section.

- VCOSS' pre-Budget submission expressed strong support for VACCHO's bid for funding to boost the capacity of Aboriginal Community Controlled Health Organisations to deliver culturally-safe antenatal and postnatal care, establish Shared Care Arrangements with hospitals and midwifery group practices, and increase continuity between perinatal care and maternal and child health services, delivering on the priorities and commitments in the Victorian Aboriginal Health and Wellbeing Agreement. This four-year investment will change lives – reducing the incidence of preterm birth, low birthweight and stillbirth, and decrease the rate of child removal.
- A number of programs supporting vulnerable children and families were facing lapsing funding – the Budget delivers a two-year reprieve. Like family violence and homelessness, which faced similar challenges leading into Budget, the two-year extension is a positive outcome in a challenging fiscal environment. However, the Victorian Government has a lot more work to do to strengthen the child and family services system.
- VCOSS' pre-Budget submission called for re-investment in the state-funded Family Services Specialist Disability Practitioners and the Children with Complex Disability Support Needs program. Together, these programs help Victorian families to navigate complex service systems, access the NDIS, and stay together. The Budget confirms continued funding to help families raising children with disabilities to access the strengths-based supports they need in an uncertain reform environment.
- The Victorian Government has committed three years of funding to continue youth accommodation services, including models that integrate education, employment and training pathways with supported housing. Models like the Education First Youth Foyers are a proven approach to disrupting trajectories into adult homelessness. However, more is needed. In our pre-Budget submission, VCOSS put a spotlight on the need for a co-designed Victorian Youth Homelessness Strategy and for funding to deliver the 500 supported housing places for young people experiencing homelessness and mental ill-health, as committed to as part of the [Royal Commission into Mental Health](#).

What's missing

- The new Children's portfolio – with a whole-of-government mandate – provides an unparalleled opportunity to drive joined-up work in Victoria. However, it requires a

strategic driver for child-centred planning and investment. VCOSS' pre-Budget submission called for the development of a contemporary cross-departmental child and youth outcomes framework, led by the Minister for Children and co-designed with children, young people and their families/carers as well as the services that support them. This would support policy cohesion and ensure that resources are well coordinated and targeted, interventions are earlier and more effective, and the system is better equipped to improve outcomes for all children and young people, particularly those facing vulnerability or disadvantage.

- Currently around 10 per cent of Aboriginal children in Victoria are in out-of-home care – nearly twice the national average. VCOSS welcomes the investment to increase capacity for Aboriginal Community Controlled Organisations (ACCOs) to undertake child protection investigations and lead case planning and case management (in line with recommendation 1 of the Yoorrook Justice Commission, which recommended to the Victorian Government to transfer decision-making power, authority, control and resources to First Peoples, giving full effect to self-determination in the Victorian child protection system). VCOSS stands in allyship with leaders of ACCOs who are calling on the Victorian Government to make stronger upstream investments that would enable ACCOs to deliver more help earlier to keep Aboriginal children with their mothers, siblings and families, and connected to Country and community – including focusing on culturally informed early intervention and family supports.
- Too many women are locked up in Victorian jails, poverty and disadvantage the root causes of their offending. A significant proportion are mothers, including Aboriginal mothers. VCOSS continues to advocate for the Victorian Government to deliver funding to fully implement all recommendations made in the *Final Report of the 2021 Parliamentary Inquiry into Children Affected by Parental Incarceration*. This would reduce the harmful impacts of parental incarceration on children and families, and generate economic as well as social dividends that ripple through future generations. The Committee's recommendations should be packaged up and funded under the Early Intervention Investment Framework.
- Foster and kinship carers play a vital role in creating safe, enriching, and therapeutic environments for children and young people. The majority of Victorian carers report that providing care is highly rewarding, but mounting cost-of-living pressures are taking a toll. While Victoria provides carers a fortnightly allowance to contribute to care costs, Victoria's base rate is the lowest in the country. This is contributing to carer dissatisfaction, carer churn and a significant long-term decline in the overall number of foster carers. The loss of experienced carers creates instability for children and young people, reduces options for home-based care, and leads to greater use of

contingency care (e.g. hotel rooms with workers) and residential care. VCOSS is disappointed that this Budget did not raise – and index – the Care Allowance to cover the true costs of providing a safe and therapeutic environment, nor did it provide equity in the rates and levels of Care Allowance provided for children and young people in care based on their needs, not placement type.

- The Budget does not provide clarity about the status of disability reform stemming from the NDIS Review. A new tier of Foundational Supports will need to be developed for Victorian children aged 0 to 9 with developmental concern, delay or disability, who are not eligible for the NDIS. We look forward to progress being made with the Commonwealth. VCOSS continues to highlight the need for strong investment in co-design with children and families, self-advocates and disability advocates, as well as peak bodies, unions, and service providers. The state must also provide resources that ensure sector readiness, systems transformation and workforce capacity and capability to meet the needs of children and families.