

Supporting children, young people and their families to thrive

SIGNIFICANT INITIATIVES

- **The Nest- Improving social and emotional wellbeing for Aboriginal children and families**
\$2.2 million in 2026-27 (\$13.2m/4 yrs) funding is provided to establish The Nest Aboriginal Family Wellbeing Service Model, which will deliver culturally safe, Aboriginal-led early intervention supports to improve social and emotional wellbeing outcomes. Through intensive, specialist support, *The Nest* will assist Aboriginal children experiencing developmental, emotional, relational and behavioural challenges.
- **Advancing Aboriginal self-determination and Closing the Gap**
\$2.5 million in 2026-27 (\$5.1m/2 yrs) to support continued expansion of the *Community Protecting Boorais Program*, which allows Aboriginal-led investigation of Child Protection reports. Funding will also support capability and service development support for Aboriginal-led service delivery.
- **Improving child safety by supporting an effective worker screening service**
\$16.8 million in 2026-27 to continue worker screening checks, including working with children and NDIS screening checks.
- **Responding to increasing cost-of-living pressures for Victorian carers**
\$3.6 million in 2026-27 (\$15m/4 yrs) to deliver cost of living relief to foster carers, kinship carers and permanent carers looking after vulnerable children and young people, by indexing care allowances to align with the Consumer Price Index.
- **Strong Families, Safe Children: Restoring Families**
\$84.7 million in 2026-27 (\$164.7m/2 yrs) to continue Restoring Families intensive family support services, to allow at-risk children to remain safely at home and prevent entry into more acute and statutory child protection services, through a range of early interventions.
- **Early Childhood Sector Regulation**
\$7.5 million in 2026-27 (\$26.2m/4 yrs) to support the establishment of the new Victorian Early Childhood Regulatory Authority as an independent regulator and to implement the Rapid Child Safety Review Recommendations.

- **Boosting return to work support and creating safer workplaces for Victorians**
\$6.5 million in 2026-27 (\$22.4m/4 yrs) This includes funding to trial new models of support for families following a workplace fatality.
- **Mental health and wellbeing care in the community**
\$9.8 million in 2026-27 (\$10m/ 4 yrs) is provided to continue the *Youth Outreach and Recovery Service (YORS)*, Victoria’s only statewide outreach service for young people aged 16-25 with complex mental health challenges, and group-based parenting support for parents whose children are being treated in regional infant, Child and Youth Area Mental Health and Wellbeing Services.

WHAT’S GOOD

- VCOSS welcomes investment in The Nest, an Aboriginal-led, statewide social and emotional wellbeing service for Aboriginal children aged 0–11 and their families. The Nest will help address significant mental health inequities while reducing reliance on crisis services. However, current funding will only support two pilot sites, well short of the 10 sites required for statewide coverage, as recommended by the [Royal Commission into Victoria's Mental Health System](#) and VACCHO. VCOSS calls for strengthened funding in future budgets to enable full implementation.
- VCOSS continues to support First Nations self-determination in child and family services and advocates for ACCOs to be to be adequately resourced to care for Aboriginal children in the child and family services system. Continued funding to expand the *Community Protecting Boorais Program* is welcomed, enabling Aboriginal-led investigation of Child Protection reports. However, additional investment is needed to better understand the high volume of unsubstantiated reports to Child Protection and to inform the design of early intervention supports that enable families to stay safely together.
- VCOSS welcomes \$164.7 million over two years to continue Restoring Families intensive family support services, supporting at-risk children to remain safely at home and prevent entry into more acute and statutory child protection services, through a range of early interventions. Part of this investment includes funding for the Family Preservation and Reunification Program, the Community Connectors program and supporting children at risk of engagement in the justice system. As well as to continue the Outcomes, Practice and Evidence Network and to provide support for Victorians who were in institutional care as children prior to 1990.
- Rising cost-of-living pressures are taking a toll on Foster and Kinship carers, contributing to carer dissatisfaction, carer churn and a significant attrition in overall numbers of foster carers. VCOSS welcomes targeted cost-of-living relief in this budget, including CPI indexation of care allowances, which helps narrow the gap between the allowance and the real cost of care. However, Victoria continues to have the lowest care allowance rates nationally and is losing

carers at a faster rate than any other jurisdiction. VCOSS calls for increased investment in future budgets to bring care allowances into line with NSW and other neighbouring states.

- VCOSS welcomes funding to implement the [Rapid Child Safety Review Recommendations](#) as an important pathway to ensuring all children can access safe, high-quality, inclusive early childhood education and care. However, this budget was a missed opportunity to allocate additional funding to lift quality standards by providing targeted intensive support to services and resourcing the sector to conduct-in-person facilitated mandatory child safety training.
- Victorian children and young people thrive when they are healthy. VCOSS is pleased to see targeted investment to expand access to paediatric planned surgery and specialist care including 4,000 more planned surgeries for children and 45,000 additional paediatric specialist clinic appointments for kids and young people. This investment will help reduce waiting times, improve early diagnosis and treatment, and ensure children and young people receive timely care, particularly those with complex or chronic health needs.

WHAT'S MISSING

- VCOSS welcomes investment into mental health and wellbeing care in the community. Funding is provided to continue the Youth Outreach and Recovery Service (YORS), for young-people aged 16-25 with complex mental health challenges, and group-based parenting support for parents who children are being treated in regional infant, Child and Youth Area Mental Health and Wellbeing Services. However, this Budget missed opportunities to fund targeted initiatives to strengthen child and family mental health through dedicated supports for young people in out-of-home care and a Victorian contribution to the national Kids Helpline. Victoria is currently the only jurisdiction to not contribute to funding.
- The Budget confirms \$2.5 billion over five years for Foundational Supports, including the rollout of Thriving Kids expected to be fully rolled out from 1 January 2028. This investment is welcome and will strengthen access to early supports critical to children's learning and development. However, as Thriving Kids is rolled out, demand for advocacy services is expected to increase significantly as families exit the NDIS. Without additional funding for advocacy, there is a real risk of children and families falling through service gaps, particularly as disability advocacy organisations are already struggling to meet demand.
- VCOSS notes the absence of additional funding to support co-design and implementation of Thriving Kids across the public and community sectors. Further investment is needed to enable meaningful co-design with children and families, self-advocates, disability advocates, peaks and service providers, and to ensure sector readiness and workforce capability. The community sector is a critical partner in this reform and resourcing must reflect this role.

Please see the Education, Inclusive Communities, Justice, Housing and Cost-of-living sections for further information.