

**Submission  
No 233**

**INQUIRY INTO SOCIAL, PUBLIC AND AFFORDABLE  
HOUSING**

**Organisation:** Yfoundations

**Date received:** 14/03/2014

---



**Yfoundations submission to the Select Committee on  
Social, Public and Affordable Housing Inquiry into  
social, public and affordable housing**

**March 2014**

## **About Yfoundations**

Yfoundations welcomes the opportunity to make a submission to the Select Committee on Social, Public and Affordable Housing Inquiry into social, public and affordable housing.

Yfoundations is the NSW peak body for the youth Specialist Homelessness Services (SHS) sector. Our mission is to create a future without youth homelessness. The organisation represents young people at risk of or experiencing homelessness as well as the services who provide direct support to them. Our board of management is primarily comprised of managers of youth SHS in NSW.

Yfoundations provides advocacy and policy responses on issues relevant to service providers and community members affected by homelessness, including the significant changes to the homelessness service sector being introduced by the Department of Family and Community Services, (FACS) under the reform to the sector known as Going Home Staying Home (GHSH). Our vision is to ensure that all young people have access to appropriate and permanent housing options that reflects their individual need.

Yfoundations has identified five foundations as integral to the process of ending youth homelessness. The foundations are, Home and Place, Safety and Stability, Health and Wellness, Connections and Education and Employment. More information about these foundations is available on the Yfoundations' website.<sup>1</sup> Our interest in this inquiry relates to the importance of stable housing for children and young people as a basis for achieving all of the other foundations, particularly Health and Wellness, Connections and Education and Employment.

---

<sup>1</sup>[https://yfoundations.org.au/index.php?option=com\\_content&view=article&id=707&Itemid=297](https://yfoundations.org.au/index.php?option=com_content&view=article&id=707&Itemid=297)

## **Executive Summary**

Access to housing is a social and economic issue, as well as a children's rights issue in Australia. Housing stability can have a significant impact on people's lives<sup>2</sup> and is critical for the positive growth and development of children, families and individuals<sup>3</sup>. Without access to affordable and secure housing, individuals face social disadvantage and exclusion, with adverse impacts both on those directly affected and the community as a whole. Housing instability makes it harder for people to engage in paid work or study, which further reinforces their disadvantage.

In this submission Yfoundations highlights the way that the availability of social housing (both public and community housing) and other forms of affordable housing impacts on homelessness, including youth homelessness. Homelessness may be considered an extreme manifestation of an ineffective housing system, and reflects inadequate government responses to housing affordability.

Children and young people are highly represented among the homeless population<sup>4</sup> and becoming homeless as a child or young person places them at risk of lifetime disadvantage, including chronic homelessness. To avoid this it is vital that the precipitators of homelessness are identified and addressed to prevent children and young people becoming homeless in the first place, and that services are in place to intervene early when homelessness does occur and to provide housing and support to assist young people to successfully transition to independence.

However the SHS system is unable to meet the demand for accommodation and support from homeless people, with 118 requests not able to be met each day in NSW<sup>5</sup>. One of the reasons for this is the lack of affordable housing to move existing clients to following a stay in crisis or transitional housing. This places additional stress on the SHS system.

One criticism of the SHS system and a rationale for FACS' GSHS reform is the extent to which repeat usage of homelessness services by clients or 'churning' occurs, which is taken to indicate a failure to resolve a particular clients' homelessness. The lack of

---

<sup>2</sup> Hulsw, K and Saugeres, L, Housing insecurity and precarious living: an Australian exploration, AHURI, November 2008, Final report No. 124

<sup>3</sup> Crowley 2003; Nunez 2000 as cited in Berzin et al 2011

<sup>4</sup> 42% of homeless people accessing SHS in 2011/12 in Australia were children and young people (ABS: 2011 Census of Population and Housing)

<sup>5</sup> Australian Institute of Health and Welfare 2013. Specialist Homelessness Services 2012-2013. Cat . no. HOU 27. Canberra: AIHW

affordable and secure long-term housing options for young people and families however has precipitated this 'churn' of people through the system.

In order to increase the capacity of the SHS sector and address youth homelessness effectively, Yfoundations recommends that the NSW Government develop mechanisms to enhance the availability of public, community and affordable housing options for young people and families by effective measures to increase the supply of such housing. However additional strategies are also needed to address demand factors arising from systemic socio-economic disadvantage. Intergenerational poverty is a reality for many families, with services supporting second and third generations of young people whose families have either been reliant on the public housing system or experienced homelessness at some point<sup>6</sup>. Effective poverty alleviation and prevention measures are also needed including raising income support payments and addressing low youth wages and high youth unemployment levels.

### **Recommendations**

- The development of a long-term National and NSW housing strategy by the Australian and NSW Governments, that acknowledges and prioritises the needs of children and young people.
- Increased investment by the NSW and Australian Governments in social and affordable housing stock to meet community demand and to retain social housing stock to at least 5 or 6% of all housing through continued commitment to the National Affordable Housing Agreement. Dwelling size, design, location and support must be appropriate to client need, including the specific needs of young people with high and complex needs.
- That the NSW Government ensure improved housing options, including improved access to social housing, for young people exiting the Out of Home Care (OOHC) and juvenile justice systems to avoid exits into homelessness.
- Greater priority should be afforded to young people within the social housing system (i.e. a certain % of social housing units allocated to young people).
- Changes to the social housing system to provide improved access for young people who are able to live independently but are excluded from the private housing market due to economic factors and other forms of disadvantage.

---

<sup>6</sup> Hannah Buckley, Bronwen Dalton, Joann Fildes, Lorraine Ivancic, Lara Matkovic, Brianna Perrens, Anjana Regmi and Andrew Wearing. Mission Youth Survey 2012, Mission Australia

- That the Australian Government renew its commitment to address homelessness by refunding the National Partnership Agreement on Homelessness beyond June 2014.
- That the Australian and NSW Governments investigate options for greater support for young people in the private rental market through a housing model based on principals similar to the Social Housing Subsidy Program.<sup>7</sup>
- Greater action by the Australian and NSW Governments in partnership with the non-government sector to reduce social inequality and poverty among children and young people, such as improved levels of income support for young people living independently and families with children (including Youth Allowance, Sole Parents Pension).<sup>8</sup> This includes a reversal of the decision to move sole parents from the Sole Parents Pension to Newstart when their youngest child turns eight.
- That the NSW and Australian Governments take steps to improve employment opportunities for young people, particularly in regional and rural areas of NSW. Greater job security, adequate income and wages and training opportunities for young people are essential to address the poverty and labour market disadvantage.

---

<sup>7</sup> Social Housing Subsidy Program (SHSP) is a mixed-income model of housing support for tenants with very low, low and moderate incomes. It consists of 255 properties that were acquired by NSW Department of Housing with a 20-year interest-only loan made by the Commonwealth and State governments. Unlike Bridge Housing's general housing program SHSP provides housing to households who may not be eligible for public housing or community housing.

<sup>8</sup> When eligible, young people between 15 and 24 years may be able to access payments and services, if they are looking for work, studying, training or undertaking an Australian Apprenticeship. The supports aim to support study or if transitioning to independence from parents or carer. <http://www.humanservices.gov.au/customer/subjects/young-people-becoming-independent>

## Response to Terms of Reference

### a. Projections of future social, public, and affordable housing supply and demand to 2020.

#### 1. Data on supply and demand of social, public and affordable housing

There is a significant gap between housing supply and demand in NSW. This is concerning given that the population of NSW is projected to increase by two million to 9.2 million by 2031.<sup>9</sup> The gap between the total underlying demand and total supply of housing continues to increase with an estimated shortfall of 186,000 dwellings.<sup>10</sup>

In addition to the demand for housing in general, there is also a significant shortage of social, public and affordable housing in NSW and Australia as a whole, with large numbers of low and moderate income families and young people in NSW experiencing housing related stress and in extreme cases, homelessness. In 2009-10 the Council of Australian Governments (COAG) reported that only 8.5% of NSW homes were affordable to low income households, well below the national average of 11.5%<sup>11 12</sup>. Currently there is a shortage of 493,000 low cost rental properties available to low-income tenants in Australia as a whole.<sup>13</sup>

In regard to social housing, there is significant need to increase the number of houses available within the NSW portfolio. Despite having the largest social housing portfolio (150,000 dwellings) in Australia there is insufficient stock available to meet the current demand<sup>14 15</sup>. It has been forecast that by 2016, 86,000 NSW households will be waiting for public housing<sup>16</sup>. In 20% of the 247 areas where social housing is available, prospective tenants may have to wait up to ten years before being housed as demand

---

<sup>9</sup> Department of Planning and Infrastructure. (2013). *New South Wales in the future: Preliminary 2013 population projections. Preliminary release of NSW state and local government area population projections*. Sydney: Department of Planning & Infrastructure.

<sup>10</sup> National Housing Supply Council, *State of Supply Report*, Commonwealth of Australia, 2010.

<sup>11</sup> Affordable housing means housing for very low-income households, low-income households or moderate-income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument.

<http://www.legislation.nsw.gov.au/maintop/view/inforce/epi+364+2009+cd+0+N>

<sup>12</sup> COAG Reform Council 2009, National Affordable Housing Agreement: Performance report for 2009-10, COAG Reform Council, Sydney, available at [www.coagreformcouncil.gov.au](http://www.coagreformcouncil.gov.au).

While each of these measures has different weaknesses

<sup>13</sup> National Housing Supply Council, *State of Supply Report*, Commonwealth of Australia, 2010.

<sup>14</sup> The bulk of these dwellings (134,000) are owned by Land and Housing Cooperation (LHC).

<sup>15</sup> There are 214,000 who are currently reliant on the public housing system currently and a further 55,000 eligible households (120,000 people) waiting for housing to become available. Of those waiting, 5,000 are listed as 'priority' (Experiencing unstable housing circumstances; at risk of harm; currently living in accommodation that is inappropriate for their basic housing requirements.)

<sup>16</sup> New South Wales Auditor-General's 2013 Report Performance Audit Making the best use of public housing, Housing NSW, NSW Land and Housing Corporation

exceeds supply in all locations across the state<sup>17</sup>. The shortage of public housing dwellings means that fewer people are accessing this system than ten years ago despite an increase in need. Future forecasts suggest that the NSW public housing portfolio will continue to dwindle in numbers and decline in overall standard<sup>18</sup>, unless this problem is proactively addressed by the NSW Government.

The NSW Auditor-General's 2013 Report to Parliament *Making the Best Use of Public Housing*, acknowledged that the portfolio of public housing is not meeting current demand and identified problems with the type of stock available. Not only is there a dwelling shortage, the majority of the public housing portfolio comprises larger properties<sup>19</sup>, while the current and future demand is for smaller and more accessible dwellings.<sup>20</sup>

However the National Housing Supply Council argues that the housing shortage cannot be solved by increasing the number of dwellings alone. It is also imperative that dwellings meet the needs of the households on the waiting list and current occupants<sup>21</sup>. Underoccupancy, which occurs when a household is living in a larger dwelling than they actually need, can both prevent full utilisation of existing stock and lead to a loss of potential rental revenue.<sup>22</sup> FACS (Housing NSW) tenancy policy specifies that tenants can be relocated for any number of reasons<sup>23</sup> including under-occupancy. As at August 2012, 8,443 public housing tenants were waiting for relocation to an alternative property due to a change of circumstances<sup>24</sup>.

The financial sustainability of public housing is also affected by the low incomes of existing tenants. Allocation policies which restrict housing to high need clients have increased the number of tenants who are reliant on income support payments<sup>25</sup>. This

---

<sup>17</sup> New South Wales Auditor-General's 2013 Report Performance Audit Making the best use of public housing, Housing NSW, NSW Land and Housing Corporation

<sup>18</sup> New South Wales Auditor-General's Report Performance Audit. (2013). Making the best use of public housing, Housing NSW, NSW Land and Housing Corporation

<sup>19</sup> These dwellings often do not meet tenant need and are under utilised. It is common for larger premises to house only one or two individuals.

<sup>20</sup> Op Cit. NSW Land and Housing Corporation. 2013

<sup>21</sup> Op Cit. National Housing Supply Council. 2010.

<sup>22</sup> Op Cit. NSW Land and Housing Corporation. 2013

<sup>23</sup> See link for full explanation of policy

<http://www.housing.nsw.gov.au/Forms+Policies+and+Fact+Sheets/Policies/Tenancy+Policy+Supplement.htm>

<sup>24</sup> Op Cit. NSW Land and Housing Corporation. 2013

<sup>25</sup> As of June 2011 - 94 per cent of public housing tenants received Centrelink benefit as their main source of income.



limits the capacity of the public housing system to generate revenue that could be reinvested in improving the standard of existing stock or acquiring new dwellings<sup>26</sup>.

In 2009, one in four public rental houses and/or State Owned and Managed Indigenous Housing (SOMIH)<sup>27</sup> were home to young people and children. (This equates to 300,000 young people 24 years or under and 240,700, 17 years and under)<sup>28</sup>. In 2.8% of public rental, 5.8% of SOMIH and 6.4% of mainstream community housing households the main tenant was under 24 years<sup>29</sup>. For a large number of these young people<sup>30</sup> social housing has provided a home since birth<sup>31</sup>. This highlights the importance of the social housing system in housing children and young people, many of whom are excluded from the private rental market or home ownership, and who might otherwise be homeless.

The cost to rent or buy property in NSW, particularly in highly sought after locations such as Sydney, is extremely high. Low vacancy rates also make accessing the rental market difficult, particularly for young low-income people without a rental history. As a consequence a large number of lower income households experience housing related stress<sup>32</sup>. Housing stress occurs when low-moderate income households spend 30% or more of their income on housing. Ten per cent of Australian households are in this category. What this means is that after paying for their housing, these households lack sufficient resources to cover other basic necessities such as food, clothing, transport, education and health care.<sup>33</sup> Children and young people are directly affected by the shortage of family income and housing related financial stress, which is also termed housing-related poverty. The proportion of households in housing stress is one indicator of the demand for social and affordable housing in Australia, and may also assist in quantifying the gap in supply.

---

<sup>26</sup> New South Wales Auditor-General's Report Performance Audit Making the best use of public housing, Housing NSW, NSW Land and Housing Corporation

<sup>27</sup> 90,210 households or 26.5% of total population

<sup>28</sup> Australian Institute of Health and Welfare 2010. Young people and children in social housing. Bulletin series no. 85. Cat. no. AUS 134. Canberra: AIHW.

<sup>29</sup> Ibid

<sup>30</sup> 17.1% of the total 45,407

<sup>31</sup> Op Cit. AIHW, 2010.

<sup>32</sup> In 2012, 62% of lower-income renter households in NSW experienced rental stress. This figure is above the national rate of <sup>32</sup>. In addition, 41.2% of NSW households receiving Commonwealth Rent Assistance were experiencing rental stress <sup>32</sup>.

<sup>33</sup> <http://housingstressed.org.au/about-us/>

## **2. Demand for social, public and affordable housing and poverty among families and young people**

This submission argues that poverty among families and young people is a key driver of demand for social and affordable housing in NSW and that effective strategies are needed to address poverty in order to reduce demand.

In 2010, it was estimated that 2,265,000 Australians were living in poverty<sup>34 35</sup>, including 575,000 children<sup>36</sup>. Various population groups are disproportionately affected by or at risk of poverty including children and young people, single parents, those with a disability, with poor physical or mental health and those who are unemployed.

Children are one of the most affected groups. This reflects the difficulties faced by families when trying to provide for their children due to the high cost of living. It is particularly challenging for those on a low wage, who are underemployed, or who are reliant on income support payments. For example 25%<sup>37</sup> of the total number of people living in poverty are lone parents and half of the total number of children living in poverty (286,000 of the 575,000) are in lone parent families. Although there is currently no specific data, it is likely this rate has increased due to the change to income support arrangements for people on the Sole Parent Payment that occurred in early 2013.<sup>38</sup>

As living standards improve across the country, associated costs have also increased significantly. High living costs coupled with an income support system that does not effectively keep pace with increased costs of not only housing but education, healthcare, utilities and other necessities such as food and clothes, has contributed to an increase in financial stress experienced by families and young people. The poverty rate for households who are reliant on income support payments as their primary income

---

<sup>34</sup> National average of 12.8 percent.

<sup>35</sup> Davidson P., Evans, R., Dorsch, P and Gissane, H. (2012). *Poverty in Australia 2012*, Australian Council Of Social Service, Third Edition.

<sup>36</sup> This is set at 50% of the median (middle) disposable income for all Australian households. In the case of a single adult, in 2010, this poverty line was \$358 per week. In the case of a couple with two children it was \$752 (Table 1). This is the main poverty line used in this report.

<sup>37</sup> Compared with the national average of 13%.

<sup>38</sup> Changes to parenting payment now mean that the same rules now apply to these parents as to someone who is claiming for the first time. From 1 January 2013, you are no longer eligible for Parenting Payment when your youngest child turns: 6 years of age if you receive Parenting Payment Partnered, or 8 years of age if you receive Parenting Payment Single <http://www.humanservices.gov.au/customer/enablers/centrelink/parenting-payment/changes-to-parenting-payment#a4>

source is significantly higher (36.5%) than the national average of 13%<sup>39</sup>. For those who are unable to supplement Government support with additional income, living below the poverty line is a reality. This is a particularly relevant issue for lone parents, young families and independent young people. It is therefore important that low income groups, who due to their income are locked out of accessing private rental stock, are able to access social and public housing.

Young people also experience high levels of financial stress as they are poorly supported while searching for work or undertaking study. Changes to Youth Allowance in 2012 and the deteriorating labour market for young people, has led to a significant increase in the number of young people who are unemployed<sup>40</sup> or looking for work. Youth allowances range from one-third to two thirds of the adult minimum wage<sup>41</sup>, which is insufficient to keep young people out of poverty. Three quarters of young who present to SHS for assistance are receiving government allowances <sup>42</sup>, which suggests that low levels of income support are implicated in their homelessness. In addition young people predominantly work in low wage sectors such as the retail and service industries, where a significant proportion of positions are also casual. Low wage insecure employment makes it difficult for young people to compete in the private rental market and access home ownership, and creates the type of social disadvantage that necessitates access to social housing.

Although beyond the scope of this submission, additional and unavoidable costs of running a household should also be taken into consideration when assessing housing affordability. These include utilities such as water, gas and electricity<sup>43</sup>, which continue to increase disproportionately to the recent incremental wage and income support payment adjustments<sup>44</sup>.

### **(b) Data on the link between private social, public and affordable housing in NSW and indicators of social disadvantage.**

Housing is an essential component of social inclusion. Housing is inextricably linked to increased individual and community capacity, to social and economic participation, to environmental sustainability and to helping people reach their full potential.

---

<sup>39</sup> Davidson P, Evans, R., Dorsch, P., Gissane, H. (2012). *Poverty in Australia 2012*, Australian Council Of Social Service, Third Edition

<sup>40</sup> 35.8 per cent

<sup>41</sup> Fair Work Australia 2013, *National Minimum Wage*

<sup>42</sup> AIHW 2012. Specialist Homelessness Services 2011-12. Cat. no. HOU 267. Canberra: AIHW.

<sup>43</sup> National Housing Supply council State of Supply Report 2011

<sup>44</sup> *ibid*

Housing access and affordability shape social disadvantage and also reflect the effects of disadvantage. Recent research has suggested that the risk of becoming homeless is significantly higher in societies that are socially unequal and where there is an acute shortage of accommodation available.<sup>45</sup> A lack of affordable, accessible housing, particularly social housing, significantly contributes to homelessness, with homeless people among the most disadvantaged in Australian society.

Stable housing is a protective factor for a young person. Children and young people who experience long-term housing instability are twice as likely to follow a trajectory into chronic homelessness<sup>46</sup>. Research suggests that young people who are consistently sheltered are more likely to remain sheltered throughout life<sup>47</sup>. A study undertaken by AHURI found that many adults currently in the public housing system moved around as children, changing schools and localities a number of times. Access to permanent, stable public housing is therefore important in minimizing intergenerational housing instability<sup>48</sup> and associated disadvantage. In addition, the age when homelessness is first experienced is crucial to later outcomes: the younger the age it is first experienced the more likely it is that a person will experience long-term homelessness as an adult<sup>49</sup>. Homelessness is linked to significant mental health problems in young people such as depression and anxiety, which once developed, and if not properly supported, can remain with a young person throughout life.

Young people who have had contact with the juvenile justice system and the child protection system, including those who have entered Out of Home Care (OOHC), are at significant risk of experiencing long-term disadvantage. This is related to a failure on the part of the state to properly transition them out of these systems and support them to achieve independence, including stable and affordable housing. These young people typically lack the safety net of extended support provided by family and social networks available to other young people, and not infrequently end up being supported by Specialist Homelessness Services, that can provide only temporary accommodation at

---

<sup>45</sup> Stephens, M. and Fitzpatrick, S. (2007). Welfare regimes, housing systems and homelessness: How are they linked?, *European Journal of Homelessness*, 1, pp. 201–12.

<sup>46</sup> Tevendale H, D., Comulada W. S, and Lightfoot, M.A. (2011), Finding Shelter: Two-Year Housing Trajectories Among Homeless Youth, *Journal of Adolescent Health* 49, 615–620

<sup>47</sup> *ibid*

<sup>48</sup> Hulsw, K and Saugeres, L. (2008). Housing insecurity and precarious living: an Australian exploration, *AHURI*, Final report No. 124

<sup>49</sup> Chamberlain, C., and Johnson, G. (2011). Pathways into adult homelessness. *Journal of Sociology*.

best<sup>50</sup>. Yfoundations regards it is unacceptable that young people should transition from OOHC and the juvenile justice system into homelessness and believes there is an urgent need for appropriate housing options for them.

Many of these young people have experienced severe trauma, and subsequently suffer significant social and emotional challenges. They have typically become disengaged from education and training systems and thus lack employment skills. In addition they frequently lack the basic living skills needed for living independently. Although some young people are still in contact with their caseworker, many are without positive, personal connections such as a mentor or role model, to whom they can turn for support.

As many as 40% of young people who are discharged from OOHC experience homelessness within twelve months of exiting this system. Many young people leave care without a comprehensive care plan and seldom have the financial or social support to live independently. Some exit into accommodation arrangements that are tenuous, and unsurprisingly without the necessary psychosocial supports, commonly break down shortly after.<sup>51</sup> Similarly young people exiting the juvenile justice system face significant barriers to accessing housing. These young people are some of the most vulnerable in NSW and therefore require greater support to transition into stable and long-term housing.

**(c) Housing design approaches and social service integration necessary to support tenant livelihoods and wellbeing.**

There are various housing design and service provision models that have been suggested as suitable solutions for homelessness people in general. There is little conclusive evidence however confirming the best model for young people.<sup>52</sup> This may be due to the differing and often complex needs of young people and the fact that young people in need of housing are not a homogenous group. There are various levels of need that must be considered when designing housing and care solutions for young people experiencing housing instability and/or homelessness. Needs may include but are not limited to access to education and employment programs, assistance with living skills,

---

<sup>50</sup> Mendes, P (2009) Young People Transitioning from Out-of-Home Care: A Critical Analysis of Australian and International Policy and Practice, *Australian Social Work*, 62:3, 388-402.

<sup>51</sup> McDowall, J. (2009). CREATE Report Card 2009 - Transitioning from care: Tracking progress. Sydney: CREATE Foundation.

<sup>52</sup> Johnson, S & Teixeira, L. (2010). Staircases, Elevators and Cycles of Change: 'Housing First' and Other Housing Models for Homeless People with Complex Support Needs. *Crisis*, London.

presence of physical or mental health issues, level and quality of family /peer support networks and cultural factors.

The foyer approach to housing and service integration is one model that is notable for its efficacy in providing support to young people.<sup>53</sup> The model provides a package of accommodation and support to young people aged 16 to 24, who are homeless or at risk of becoming homeless. Residents typically remain within a foyer program for between 6 and 18 months, where they undertake education or training activities while they find employment. The objective of the program is to ensure residents are ready to transition into independent living or return to their family. The model applies a holistic needs based approach to young people who require some support to re-establish themselves while developing important skills. At the same time it seeks to prevent them transitioning into chronic homelessness and unemployment. Although there is a fundamental foyer model framework, each independent program takes into account local circumstances, client needs and community resources.

The foyer model demonstrates a flexible and adaptable approach to housing design and service delivery specifically targeting young people's needs. The model could be adapted to suit both high and low need clients, and assist both cohorts to build the skills and capacities to move into permanent and long-term housing.

Issues of social service integration are also considered under Term of Reference (e)

#### **(d) Maintenance and capital improvement costs and delivery requirements**

No comment

#### **(e) Criteria for selecting and prioritising areas for affordable and social housing development**

It is vital that young people reside in safe neighbourhoods close to schools, training institutions, parks and recreational areas, main transport networks and other community facilities. It is also important that diverse employment opportunities are within close proximity to where young people reside. For most young people, apart from instances where there are child protection or other safety concerns, connections to

---

<sup>53</sup> Although the model is a relatively new concept to the Australian housing landscape, according to the international experience of the Foyer model, 75% of young people will leave the program with full time work, or will be on their way to university. Resettlement support is then continued for an additional 18 months or until the young person feels confident with living independently. <http://www.foyer.org.au/about.html>

peers, friends, social and sporting groups and family is also very important.<sup>54</sup> These are important criteria for selecting areas suitable for social and affordable housing.

In addition the benefits of mixed income housing have been widely researched<sup>55</sup>. The homogeneity of social housing estates can lead to concentrations of disadvantage with a larger number of residents reliant on income support payments. Large public housing estates such as those in Sydney's South-West (Claymore, Macquarie Fields) are isolated from employment opportunities, community services and public transport, and offer very limited opportunities for young people. FACS (Housing NSW) has attempted to address these issues by renewal programs for public housing estates that have often had the introduction of mixed tenure arrangements as a feature. While acknowledging the benefit of this, any loss of public housing stock is regrettable, and steps should be taken to replace any units of public housing stock lost through this process in more suitable areas.

Community housing providers who offer social housing have the flexibility of being able to acquire properties in normal residential neighbourhoods in close proximity to social and physical infrastructure. Yfoundations supports the expansion of the community housing sector and recognises the suitability of this model to young people for this reason, and also because community housing providers are better able to provide a responsive service targeted to this group in terms of their organisational and management structures.

In regards to young people exiting Juvenile Justice centers, the Australasian Juvenile Justice Administrators Quality of Care Standards<sup>56</sup> emphasises the importance of community re-integration after release.<sup>57</sup> Similarly, young people leaving OOHC may face particular difficulties in accessing educational, employment, housing, and other developmental and transitional opportunities<sup>58</sup>. It is therefore important that young people with high and complex needs have access to social housing that it appropriately

---

<sup>54</sup>[https://yfoundations.org.au/index.php?option=com\\_content&view=article&id=708&Itemid=298](https://yfoundations.org.au/index.php?option=com_content&view=article&id=708&Itemid=298)

<sup>55</sup> Darcy, M. (2007). Place and disadvantage: The need for reflexive epistemology in spatial social science, *Urban Policy and Research*, 25(3): 347-361.

<sup>56</sup> QOC Standards 2.14-2.15, 5.19-5.21; Draft QOC Standards 2.12-2.14. The endorsed standards include provisions for referrals to community-based agencies in relation to alcohol and drug and general health services. The draft standards provide that young people should be informed at the outset when and under what conditions the juvenile justice authority will cease intervention, that case management should continue up to the point of release or transfer, that links to community services should be maintained and developed and that post-release supervision, where possible be maintained in the community.

<sup>57</sup> Australian Law Reform Commission. (1997). Seen and heard: priority for children in the legal process (ALRC Report84)

<sup>58</sup> Mendes, P. (2009) Young People Transitioning from Out-of-Home Care: A Critical Analysis of Australian and International Policy and Practice, *Australian Social Work*, 62:3, 388-402.

located and is accompanied by the necessary supports to enable them to sustain their

**(f) The role of residential parks**

Residential parks are home to many Australians including young people who are unable to live at home, parents with young families and women leaving domestic and family violence. While not intended as a form of long-term accommodation, residential parks represent a form of marginal tenure similar to boarding houses, which could be described as one step up from homelessness. While they provide a low level of housing security and amenity, residential parks can be an alternative to moving between shelters or sleeping in a car<sup>59</sup>.

People may need to access marginal housing such as residential parks for a number of reasons. For example they may have an urgent need for housing due to a violent home situation or recent release from prison and limited access to financial resources. Fees to enter residential parks may be significantly less than the private rental market where a bond is required. People may also seek this form of accommodation if they are excluded from the private rental market due to a lack of rental history or as a result of being listed on a tenancy database<sup>60</sup>.

It is important that low-income people have continued access to this form of marginal tenure, and that they are not excluded due to rising prices or rules restricting long term access. Outreach to residential parks by community workers able to offer support, advocacy and assistance to obtain more secure housing for those who require it is also important.

**(g) Recommendations on State reform options that may increase social, public and affordable housing supply, improve social service integration and encourage more effective management of existing stock including, but not limited to:**

**(i) Policy initiatives and legislative change;**

A combination of increased government investment in the social housing sector, (public and community housing) leading to increased supply, improvements in the standard

---

<sup>59</sup> Eastgate, Hunter and Wallace. (2011). Marginal Tenures, Policy Paper on Boarding Houses, Caravan park and other Marginal Housing Tenures, *National Shelter*.

<sup>60</sup> Goodman R, Dalton T, Gabriel M, Jacobs K and Nelson A. (2012), Marginal Rental housing in Australia, Australian Housing and Urban Research Institute, RMIT Research Centre, Positioning Paper, No 148



and appropriateness of stock, and improved access to associated housing products and services is required to address existing need.

It is unacceptable that the social housing as a proportion of all forms of housing tenure (historically 5-6%) should continue to decline. One strategy to address this would be to reverse the policy that only those on the lowest incomes and experiencing other forms of disadvantage should have access to public housing. Allowing a proportion of tenants with higher incomes to access public housing would increase financial viability, as would allowing public tenants to access Commonwealth Rent Assistance (CRA).

It is crucial that the NSW and Australian Governments maintain their investment in the social housing sector through the National Affordable Housing Agreement. It is understood that investment in the NAHA has significantly declined in real terms. Yfoundations also considers it essential that Australian Government maintain funding for the National Partnership Agreement on Homelessness, due to expire in June 2014. The NSW Government should use ministerial council and COAG processes to lobby the Australian Government to maintain and indeed increase investment in these programs.

A further policy and funding lever to assist low-income people in the private rental market and some forms of social housing is Commonwealth Rent Assistance (CRA). By making private rental more affordable, CRA reduces demand on public housing and gives people the flexibility to choose their own housing. However CRA has not kept pace with rising costs in the private rental market, particularly in capital cities where costs are high. There is a case for reviewing the effectiveness of CRA and lifting the level in areas where rental costs are high.

A further important policy initiative that should be maintained and expanded is the National Rental Affordability Scheme (NRAS). This Commonwealth Government initiative, which commenced in 2008, is delivered in partnership with the NSW Government to increase new affordable rental housing supply. NRAS incentives are allocated to private sector and not-for-profit organisations, including community housing providers to build new properties specifically targeted to low to moderate income earners with rents set at least 20% below local market rates for up to 10 years. NRAS incentives have been allocated under four funding rounds to date, with approximately 40,000 incentives allocated nationally with around 6,500 of these in NSW. Current funding will expire in 2015/16 and there is no indication as to whether

the Australian Government will continue to offer the Scheme. The Scheme provides a form of affordable housing that has the potential to be well located close to employment, services and amenities. Yfoundations considers it important that young people who are able to live independently have adequate access to properties offered under the Scheme.

However without strategies to address poverty such as increased income support payments, and access to secure employment paying a living wage, the demand for affordable housing from young people will continue unabated and is unlikely to be matched by supply initiatives. Income support payments such as Newstart<sup>61</sup> and Youth Allowance<sup>62</sup> have a significant impact on housing accessibility for families and young people, due to the low level at which they are set. Three separate Senate inquiries over the past two years have acknowledged that these income support payments are inadequate as they are insufficient to meet the most basic costs such as housing, food, clothing and, importantly, basic job search costs. The Australian Government should urgently address the adequacy of income support payments that represent a primary income source for young people, sole parents and other families with children.

The level of youth unemployment is concerning. The average youth unemployment rate in Australia is double the general unemployment rate of 6 percent with 12.2 per cent of 15-24 year olds looking for work<sup>63</sup>. In certain parts of NSW, the joblessness rate is at 16.8 per cent<sup>64</sup>. There is an urgent need for effective employment schemes and job creation programs for young people, particularly in areas with high levels of youth unemployment.

In this context, the decision of the NSW Government to increase fees for TAFE courses from June 2014 and to reduce funding for TAFE is concerning<sup>65</sup>. While subsidised places are available, strict means testing will restrict eligibility to the most disadvantaged. TAFE has typically provided young people on low-incomes the opportunity to obtain

---

<sup>61</sup> Newstart of \$35 per day (\$250 per week)

<sup>62</sup> Youth Allowance rates differ depending on the situation of the young person  
<http://www.humanservices.gov.au/customer/services/centrelink/youth-allowance>

<sup>63</sup>[http://www.acoss.org.au/media/release/ACOSS\\_calls\\_on\\_Commonwealth\\_to\\_end\\_funding\\_uncertainty\\_over\\_services](http://www.acoss.org.au/media/release/ACOSS_calls_on_Commonwealth_to_end_funding_uncertainty_over_services)

<sup>64</sup> <http://www.abc.net.au/news/2014-02-24/youth-unemployment-at-crisis-point/5278436>

<sup>65</sup> Annual TAFE fees will rise by as much as \$750 for students or more than \$1500 for a qualification. For example course prices for average students would increase by as much as \$4332, taking the cost of a Diploma of Engineering - Advanced Trade for example, from \$2,864 to \$7196 for a first qualification or \$8096 for a second.

Read more: <http://www.smh.com.au/nsw/tafe-fees-to-rise-by-up-to-750-for-students-20130730-2qw7k.html#ixzz2vnWTfqDN>

Read more: <http://www.smh.com.au/nsw/tafe-fees-to-rise-by-up-to-750-for-students-20130730-2qw7k.html#ixzz2vnW6vOST>

skills and qualifications to enable them to participate in employment. Yfoundations believes that the impact of this change will be to further disadvantage young job seekers in areas with high youth unemployment.

**(ii) Planning law changes and reform**

Yfoundations agrees with the overarching aim of the State Environmental Planning Policy (Affordable Rental Housing) 2009 to increase the supply and diversity of affordable rental and social housing in NSW. Yfoundations commends the approach taken by the NSW Government in developing a policy that reflects the needs and development characteristics of a particular locality.

**(iii) Social benefit bonds;**

No comment

**(iv) Market mechanisms and incentives;**

Greater investment in financial mechanisms including access to finance for developers and more targeted lending schemes for middle to low-income individuals and families may increase housing accessibility to low-income families and independent young people. The importance of expanding the National Rental Affordability Scheme is discussed above.

**(v) Ongoing funding partnerships with the Federal Government such as the National Affordable Housing Agreement (NAHA);**

The importance of an ongoing commitment to the NAHA by both the NSW and Australian Governments as the primary vehicle for delivering social housing in NSW is discussed above.

Yfoundations would also like to highlight the significance of the National Partnership Agreement on Homelessness, (NPAH), which has provided funding for a range of homelessness and family violence programs since commencing in 2009. The current NPAH agreement expires in June 2014. Currently no agreement has been reached about continuing funding. This is of significant concern given that an estimated 180 services, 80000 clients and 3000 staff may be affected across the county. <sup>66</sup> A number of these are youth specific, including schemes that operate on the foyer model discussed above. Yfoundations are aware that a number of these services are currently winding down and

---

<sup>66</sup>[http://www.acoss.org.au/media/release/ACOSS\\_calls\\_on\\_Commonwealth\\_to\\_end\\_funding\\_uncertainty\\_over\\_services](http://www.acoss.org.au/media/release/ACOSS_calls_on_Commonwealth_to_end_funding_uncertainty_over_services)

attempting to transition existing clients to other accommodation and support services. Yfoundations considers it crucial that funding for both the NPAH and the NAHA be maintained by the Australian Government.

**(vi) Ageing in place;**

No comment

**(h) Any other related matter**

No further comment