

Reimagining a Housing System for Young People

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We know the drill — rents are rising, vacancy rates are at an all-time low. We know the statistics, but we will spell it out again. According to CoreLogic 2022 Quarterly Review, median national weekly rent in December 2022 was \$555, a 10 per cent increase from the previous December. Capital cities like Sydney and Canberra saw median rents of \$679 and \$681 respectively.¹ The national vacancy rate for all dwellings in December 2022 was 1.2 per cent, almost half the vacancy rate from December 2021.²

Anglicare's 2022 rental affordability snapshot, which surveyed over 45,000 rental listings across Australia, found that, for someone on the Youth Allowance payment, there was only one rental across the whole of the country that would be classified as affordable, and it was in a share house.³ As fewer and fewer people can afford to rent in the private market, many more require social housing. While social housing demand has risen, there has been no appropriate increase in social housing stock to address the demand. Waitlists for public housing alone are currently over 163,000 households.⁴

Given this data, it's no surprise that the idea of owning a home is one that is spoken about less and less among young people. They read the news and then read political solutions, often rooted in home-ownership rhetoric, that don't ease their anxieties: *Help to Buy, eliminating stamp duty, 'boosts' to welfare payments of \$2.30 a day, a new housing fund that will build 30,000 new houses in five years.* Young people can feel distanced and detached from these policies, particularly those who can't afford to rent in a share house and are not prioritised for social housing, those who need to escape

dangerous and violent relationships at home or in their own intimate relationships, or those who are moving couch to couch each week.

Our young people are feeling the brunt of the housing affordability and cost-of-living crises. In 2021–22, 39,300 young people aged 15 to 24 years presented alone to specialist homelessness services, with housing affordability being the most common reason.⁵ Young people are particularly disadvantaged in this landscape and consequently more and more young people are slipping into homelessness. Australia's current housing policies are inadequate in addressing young people's adversities in both the private market and social housing system. They have higher rates of unemployment, lower incomes, less rental history, and those on income support receive payments below the poverty line — all of which are barriers to entering the private rental market. There is also an evident power imbalance between young people and real estate agents, which can mean that young people aren't considered for properties, are given substandard or inappropriate dwellings, or are too afraid to contact their agents for repairs or maintenance of their rental due to fear of eviction. On the other hand, social housing is hard to obtain for anyone in Australia, let alone a young person. Only 2.8 per cent of public housing principal tenants in 2021 were young people aged 15 to 24,⁶ despite making up a significant proportion of the homeless population.

As the current Labor Federal Government's suite of homelessness and housing legislation is being developed,⁷ the National Housing and Homelessness Agreement (NHHA) is currently the only piece of live national homelessness

policy. But, as the Productivity Commission identifies in its review of the NHHA, it is by no means a 'blueprint for reform', does not foster collaboration and accountability for governments, and does not outline any explicit guidelines for state and territory governments on how to prioritise children and young people, one of six priority cohorts in the NHHA.⁸ This vagueness contributes to an environment where housing providers are not explicitly quarantining properties for young people. Without diminishing the importance of housing for the other priority groups, it is important to acknowledge that young people consistently miss out.

Given the complexity of drivers and experiences of homelessness for young people, the NHHA is too generic to meet the housing needs of children and young people. We need a systemic and targeted approach that creates a much more viable and accessible private rental market and reimagines a social housing system that actually works for young people.

Income Support as Youth Homelessness Prevention

A significant increase in income support payments, including Youth Allowance, JobSeeker and Commonwealth Rent Assistance (CRA) can help more young people secure affordable rentals. Currently, the Youth Allowance payment at just \$40 a day is \$207.60 per week below the poverty line.⁹ Even with yearly indexation, the Youth Allowance payment has barely lifted to keep pace with the current rental landscape. In 2021, over 131,000 young people aged 24 and under received CRA, and 60.2 per cent of them were still under rental stress.¹⁰ Before this, the proportion of young CRA recipients experiencing rental stress remained

around 57 per cent since 2013, a result of CRA never being raised substantially despite climbing rents. In 2020, this number dropped to 23.5 per cent due to the Coronavirus Supplement that lifted many young people out of rental stress and poverty. This demonstrates how effective housing assistance and income support can be if it is sufficient and reflects the cost-of-living. A substantial increase to Youth Allowance payments and CRA, with indexation that accurately reflects the economic environment, is crucial to reducing youth homelessness numbers. However, it is important to note that increasing income support alone, in an environment where people are paying above-market rates to secure a property and where new home building is slow, is not enough to address this dire situation. It is here where price control policies should also be considered in the short-term.

Reimagining Social Housing for Young People

For some young people at risk of or experiencing homelessness, renting in the private sector is not an option. While this cohort requires the stability and affordability that the social housing model offers, many of these vulnerable young people have specific developmental needs that mainstream social housing cannot meet. Added to this is the multitude of youth homelessness drivers, including poverty, domestic and family violence, family breakdown, interactions with the criminal justice system or out-of-home care, poor educational outcomes, and mental ill-health. Young people's pathways into and experiences of homelessness, as well as their developmental capacity needs, must be considered and addressed

when developing appropriate housing solutions for them.

A range of youth social housing models offer varying tenure lengths and flexible rents, which allow young people on low incomes to access casework support and alternate between work and study, with the goal to eventually transition to independent living. The following are just a few examples of successful social housing models for young people.

Transitional Housing/ Transitional Housing Plus

Transitional accommodation is a form of semi-independent living that provides young people with a stepping-stone between crisis accommodation and a long-term housing solution. In this model, young people receive tenancy support for around one year.



Transitional housing doesn't have the same level of support that other youth housing models do and is thus best suited to young people who are older, and in a position to live more independently.

For those who require more support than the transitional housing model offers, Transitional Housing Plus provides housing with integrated support for a longer timeframe, up to five years. Transitional Housing Plus supports young people with rent assistance, casework, and education and employment opportunities throughout their tenancy, intended to support their transition to independent living arrangements.

Foyer Models

Foyers are a form of youth housing model that originated in post-war Europe. Foyers provide a safe and supported environment where young people at risk of homelessness can live in a shared living environment for up to two years. The Foyer Model provides the stability young people need to break cycles of disadvantage and get back on their feet. This model requires young people to pay affordable rent and engage in training and/or educational pathways, preparing them to exit welfare and specialist homelessness service dependence in a more sustainable way.

Housing First for Youth

Housing First 4 Youth (HF4Y) is a youth-focused version of the successful Housing First approach, which is centred on the belief that immediate access to housing with no preconditions is the most effective approach for those with complex needs experiencing homelessness. The HF4Y framework developed in Canada adapts the Housing First Principles with a youth-focused lens, recognising that young people's experiences of homelessness are different to those of adults. HF4Y is a holistic model that provides permanent accommodation alongside support with wellness, employment and education, while also enhancing social inclusion and improving access to clinical supports. HF4Y is a rights-based, client-centred approach to housing that acknowledges the importance of self-determination, individual wellness and community integration. There are only two

conditions of the program: one weekly visit with a caseworker and 30 per cent contribution to rent if the young person has an income. HF4Y has been successfully trialled in Canada, North America and Europe. The HF4Y pilot in Scotland saw 92 per cent of the young people involved in the program successfully sustain their tenancies.¹¹

Therapeutic housing and support models

Many children's and young people's experiences of homelessness arise from conflict, violence and trauma, rooted in intergenerational contexts. These young people present to SHS with high and complex needs and require 24/7 therapeutic housing and support models. All too often, the service system is not resourced or equipped to provide this support. When home-based therapy response is not possible (depending on the age of the young person), research¹² suggests that the first choice for these young people should be a child protection response, particularly therapeutic or treatment foster care, therapeutic residential care, or secure care. Despite having a statutory responsibility to care for those under the age of 18 years, the child protection system is often reluctant to provide a response for these young people due to a lack of placements for this cohort, and younger children are often prioritised.

One housing and support model that can support young people with complex needs within the youth Specialist Homelessness Services service system is medium-term accommodation. It provides wrap-around support for up to two years and gives young people experiencing homelessness an opportunity to live in stable accommodation in a home-like environment. Medium-term housing provides in-house programs, 24/7 onsite support, and access to mainstream services, such as mental health or education. Participants are supported to reconnect with family, finish their education or training, and transition to independence.

Conclusion

We've heard it before: we can't solve homelessness without housing. This is also true for young people, but we need a range

of youth-specific housing and support models to solve youth homelessness. The list of housing models above is by no means exhaustive, and these models must exist alongside 'upstream' early intervention initiatives and 'downstream' crisis responses. However, to best support its young people, the Australian Government must also increase income support payments to ensure young people have a place in the rental market. There is also a strong case for the Government to undertake a review of the current social housing system, which isn't working for young people, and to reimagine it by investing in a range of youth-specific housing models like the ones above. This should be spelt out in the development of a standalone National Child and Youth Homelessness and Housing Strategy.

Endnotes

1. CoreLogic 2023, *Quarterly Rental Review Report*, <https://www.corelogic.com.au/news-research/reports/quarterly-rental-review>
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4. Australian Institute of Health and Welfare (AIHW) 2022, *Housing Assistance in Australia*, <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia/contents/households-and-waiting-lists#Waiting>
5. AIHW 2022, *Specialist Homelessness Services Annual Report 2021-22*, <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/young-people-presenting-alone>
6. AIHW 2022, *Data Tables 2022, Social Housing Households*, <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia/contents/households-and-waiting-lists#Waiting>
7. Treasury 2023, *Improving Housing and Affordability*, <https://treasury.gov.au/housing-policy>
8. Productivity Commission 2022, *In Need of Repair: The National Housing and Homelessness Agreement*, Study Report, Canberra, pp.1-612.
9. ACOSS and UNSW 2022, *Poverty in Australia*, pp. 1-18.
10. AIHW 2022, *Housing Assistance in Australia*, <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia/contents/financial-assistance>
11. Blood et al. 2020, *Housing First for Youth Pilot: Evaluation Report*, Rock Trust, pp. 1-17.
12. Gutterstwijk et al. 2020, 'The Outcome of Non-residential Youth Care Compared to Residential Youth Care: A Multilevel Meta-analysis', *Children and Youth Services Review*, vol. 133, no. 1.