

# **Yfoundations Position in Relation to the NSW Government's Reform of the Temporary Accommodation Program**

## **Background Paper**

This Background Paper has been prepared by Yfoundations in consultation with a Working Group of its member organisations to inform the development of the Yfoundations Position Paper on the NSW Government's intended reform of the Temporary Accommodation Program.

### **Purpose**

The purpose of this Background Paper and the Position Paper it informs is to:

- Identify the key issues that need to be considered to ensure that the NSW Government's intended reforms of the Temporary Accommodation Program meet the needs of young people experiencing homelessness;
- Outline the principles for, and core requirements of, potential funded models of youth specific supported temporary accommodation;
- Provide guidance to youth Specialist Homelessness Services considering seeking funding to provide supported temporary accommodation as part of the Government's reforms in this program area; and
- Explore the relative merits of different models of youth specific supported temporary accommodation in the context of the Government's reform objectives and the principles identified for investment in this area.

### **Context**

Temporary accommodation is provided to individuals and households experiencing homelessness in NSW in parallel with crisis accommodation provided through Specialist Homelessness Services. Temporary accommodation generally involves placing individuals and households in hotels and motels with limited, if any support, to enable them to resolve the crisis that rendered them homeless and move onto longer-term accommodation where that is the required outcome. The Temporary Accommodation Program was designed to provide short-term assistance for people in housing crisis in the alternative to, and alongside, the more intensive support provided in specialist homelessness crisis accommodation services.

The Specialist Homelessness Services (SHS) sector is inadequately funded to respond to the demand for crisis accommodation services. In 2022/23 on any given day 47 requests for SHS assistance in NSW were unable to be met, equating to 17,155 unassisted requests

in the year.<sup>1</sup> Many people become stuck in homelessness due to the lack of transitional and longer-term accommodation options and cycle between temporary accommodation and specialist homelessness services. The Program Evaluation of Specialist Homelessness Services in NSW conducted by Ernst and Young found that met need for short term accommodation was 30.4%, for medium term accommodation was 20.8% and for long term accommodation was 1.7%. That evaluation also found that 20% of SHS clients access temporary accommodation at some point during their support period.

The average cost of a night in temporary accommodation is \$200. Whilst the cost of providing crisis accommodation in a specialist homelessness service varies, it generally compares favourably, at a similar or lower cost for the provision of both accommodation and support.

In 2023/24, changes to temporary accommodation policy were introduced by the NSW Government which relaxed access and eligibility requirements and meant people could stay for longer periods. In the same year there was a 14% increase in the number of households that stayed in temporary accommodation as compared to 2022/23. The average length of stay more than doubled to 27 nights.

In the context of rising costs of the Temporary Accommodation Program and the limited supply of funded Specialist Homelessness Service crisis accommodation, the Government has indicated that it wants to support people experiencing homelessness with more appropriate and specialist support, so they can move more quickly to more stable housing (out of temporary accommodation).

The Government has recognised that the specialist homelessness system is best placed to do this, alongside housing first programs. Combined with its new investment in new social housing in the 2024/25 budget, it intends that a substantial component of the \$527m in the budget for homelessness will be utilised for this purpose. This includes funding for the operations of the temporary accommodation program and a \$100m Homelessness Innovation Fund to help establish new forms of temporary accommodation provision.

Yfoundations understands that the broad objectives of the 'reform' of temporary accommodation include:

- Reducing the cost, use and length of stay in temporary accommodation;
- Developing more cost-effective and client-centred responses to crisis homelessness;
- Prioritising and focussing on people with complex needs who are cycling in and out of temporary accommodation and specialist homelessness services, or staying for long periods in these settings, to ensure they have access to the supports they require; and
- Supporting more people into long term housing, and to sustain their tenancy.

---

<sup>1</sup> [https://www.aihw.gov.au/getmedia/873fa1de-1a75-45c4-a85d-3034d9ddb668/hou\\_333\\_oagd\\_nsw.pdf](https://www.aihw.gov.au/getmedia/873fa1de-1a75-45c4-a85d-3034d9ddb668/hou_333_oagd_nsw.pdf)  
- calculation is daily average multiplied by 365 days

It is also understood that the Government considers the need to reform temporary accommodation as an urgent priority and that it will, in the short-term, open the Homelessness Innovation Fund for proposals to meet its objectives in this space.

It is anticipated that some of the conditions of funds granted through this process and aspects of proposals that will be viewed favourably by Homes NSW will include:

- One -off/non-recurrent grants from the Homelessness Innovation Fund to establish new models of supported temporary accommodation;
- Retrospective payment for temporary accommodation in these new models on a per-night basis, funded from the temporary accommodation budget within the homelessness funding;
- A focus on cost-effective and client-centred crisis/temporary accommodation responses that move away from hotel and motel accommodation;
- A willingness to test and trial new service delivery models;
- Leveraging of assets available to/attracting co-contributions from the sector;
- A focus on 'flexible' assets and support services that can adapt and respond over time to changes in demand brought about by reforms to temporary accommodation;
- Encouragement of partnerships, including between homelessness services and community housing providers

### **Young people in temporary accommodation**

Temporary accommodation is available on a limited basis to individuals aged 16 to 18 years and to young people aged 19 - 24 years. In 2023/24 only 798 16-18 year olds who were the main applicant were provided with temporary accommodation, representing 2.7% of the total number of households assisted. 4,035 19-24 year olds were provided with temporary accommodation, comprising 13.5% of the total number of households assisted.

The average length of stay of the 16-18 year old group was over 25% shorter than for the overall population that received temporary accommodation. The average length of stay of 19-24 year olds was 16% shorter than for the total population.

Whilst these statistics indicate that young people, particularly 16-18 year olds, are currently not significant users of temporary accommodation and this might be interpreted as young people not being a major focus of the intended reforms, it is important to recognise that the statistics only tell a small part of the story of young people's experiences with temporary accommodation.

Young people are often referred to specialist homelessness services when placed in temporary accommodation, with an expectation that they seek support from the specialist homelessness provider whilst they await availability of a bed with that service. Youth Specialist Homelessness Services explain that DCJ allocation and operational processes, coupled with the inappropriate nature of the temporary accommodation on offer, go a long way to explaining the under-representation of young people in the statistics.

Temporary accommodation is rarely made available to young people, particularly 16-18 year olds. Even where young people do gain access to temporary accommodation, for many the requirements placed on them, including making regular applications for private rentals in a market that provides no options for young people, makes temporary accommodation unstable and unviable as a solution to their experience of homelessness. The majority of temporary accommodation is simply inappropriate for young people to stay in, often presenting more significant risk than couch surfing or even sleeping rough.

We know that the underfunding of youth specialist homelessness services equates to a national turn away rate of 50% of young people seeking assistance. Where youth homelessness is viewed as the result of young people slipping through the gaps in service systems, the under-representation of young people in temporary accommodation signifies that this client group is also slipping through gaps in the safety net designed to catch young people who have become homeless in NSW.

The following case study of 'YP', provided by one of Yfoundations member organisations, tells a fairly typical story of a 17 year old's experience of trying to access and stay in temporary accommodation where other suitable options are not available.

*YP is a 17-year-old male. YP was accessing emergency accommodation with his family for approximately 8 months, however, he and his family were exited into homelessness due to behavioural and family issues. As a result YP spent time couch surfing and rough sleeping.*

*YP is a significant intravenous drug user. YP's specialist homelessness service case worker contacted and referred him to a number of refuges seeking crisis accommodation. However, due to the assessed level of risk arising from YP's drug use and the need for specialist support that was not available, none of the refuges were able to offer him accommodation at that time. Neither could YP live with his family due to his drug use and limitations imposed through Apprehended Violence Order's. YP returned to couch surfing.*

*YP became concerned because his options for couch surfing came to an end. He requested assistance again from his case worker to try to resolve his homelessness. YP's case worker called and referred him to Department of Communities and Justice (DCJ) child protection services on multiple occasions regarding the risk he was at resulting from being homeless, a history of abuse within his family and the risks he posed to himself. Following significant delays in receiving any response from DCJ, on instruction from child protection services, YP and his case worker called Link 2 Home to seek assistance.*

*YP was declined access to temporary accommodation by Link 2 Home for the following reasons;*

- As YP is under 18 the risks arising from his homelessness should be addressed by child protection services;*
- YP had no income; and*
- YP should be eligible for a refuge.*

*Both YP and his case worker explained to Link 2 Home that they had exhausted all options in regards to youth refuges and were working on sourcing an income. Link 2 Home then indicated that they could not provide temporary accommodation for YP as he would need an adult with him. As, due to his family situation, YP did not have a relationship with any willing and safe adults other than his case worker, Link 2 Home requested that the case worker reside with YP in temporary accommodation. YP's case worker had to explain to Link 2 Home that such an arrangement could not be put into place due to it being in conflict with their organisation's code of conduct and the primacy of ensuring the safety of both YP and his case worker.*

*YP was eventually offered 5 nights in temporary accommodation and was transported there by his case worker. The environment at the temporary accommodation provided was unsuitable for YP due to the mix of residents there, including adult males that presented a risk to YP and low staffing levels that prevented adequate monitoring or management of those risks.*

*On day three, YP and his case worker presented to the local DCJ housing office requesting an extension of temporary accommodation. This request was declined due to YP's age and his lack of income. YP's case worker enquired why YP had been able to be placed in temporary accommodation only a few days prior, but now could not. The DCJ Housing representative then indicated that the temporary accommodation provider where YP had been staying was no longer being used by Link 2 Home.*

*YP was denied any further service from DCJ Housing or child protection services and returned to the cycle of homelessness.*

YP's story highlights that the gaps in the service systems that cause and fail to respond to child and youth homelessness often exist between different government agencies or even different divisions within the same agency. This is clearly a failure that impinges on the fundamental human rights of children and young people. Notwithstanding that the *Children and Young People (Care and Protection) Act 1988* (NSW) identifies 16 to 17 year

olds as 'young people', that age group is generally legally defined in Australia as children.<sup>2</sup> Not making adequate accommodation available for 16 to 17 year olds who are homeless represents a failure by Government to fulfil Australia's international commitment to the Declaration of the Rights of the Child, specifically Principle 4 which requires that the State ensure that a child's right to adequate housing is met. Adequate funding of the safety net needs to be accompanied by a commitment from Government to working together, and with the specialist homelessness services, to ensure that children and young people that become homeless, do not remain homeless.

YP's story also demonstrates how youth specialist homelessness services are often called upon to try and fill the gaps in the safety net for children and young people that are in crisis, despite not being adequately funded or resourced to do so. At times specialist homelessness services find themselves in a position of having to fund temporary accommodation themselves in the absence of any other options.

One of Yfoundations members has recently described a situation in which a 15-year-old with a one-year-old baby sought crisis accommodation their youth refuge because of domestic and family violence. However, they couldn't put her in the refuge because of the baby and they were unable to refer her to a women's refuge because of her age. The only option was to place her in a hotel and provide 24-hour support to ensure she and the baby were safe. Youth specialist homelessness services are not funded anywhere near the required amount to provide these intensive responses but they do it because they know there is nowhere for a 15-year-old and her baby to go except for a violent home.

Whilst this 15-year-old would not have been eligible for temporary accommodation due to her age, youth specialist homelessness services report numerous such situations where they have had to fund such services for young people that are eligible, in the absence of temporary accommodation being made available to them. These arrangements are not sustainable. There is an opportunity for the reform of the Temporary Accommodation Program to ensure that the safety net for young people that become homeless is adequately resourced.

For those young people that do access temporary accommodation, lengthy waits for specialist homelessness service crisis accommodation can be a risky and destabilising experience.

'June's Story', recently published in the Macarthur Homelessness Steering Committee report, A call to care for young people experiencing homelessness in the Macarthur region, provides a typical case study:

---

<sup>2</sup> Judicial Commission of NSW, *Equality before the Law Bench Book*, 6.1.1 Children and Young People: Definitions

## JUNE'S STORY

June was 17 years old when she resided with her mother in the Campbelltown LGA. A highly creative and hardworking Year 12 student, June attended her local high school and was completing her HSC while working a part-time job within walking distance of both her home and school.



June's mother, who lived with severe and inadequately managed mental illness, had become increasingly aggressive and threatening towards June over the past year.

June knew she could not tolerate living in an abusive environment much longer but had hoped she could stay at home until she finished school.

One night June came home from work and discovered her mother had packed a bag of her clothes and told her she could no longer live in the home, effective immediately.

June hastily grabbed a few personal items and her HSC study materials and left the house.

June then contacted a close friend from school to ask if she could sleep at her place for the night.

Her friend's mother said June could stay with their family for a few nights but that an extended stay would not be feasible as the household was already overcrowded.

The next day the friend's mother contacted Campbelltown City Police to get assistance for June. Shortly after, the Campbelltown PAC Youth Action Meeting (YAM) coordinator met face-to-face with June. Together they contacted Link2Home to find a place for June to stay.

June was placed by DCJ Housing in temporary accommodation (TA) in a local hotel, where she was told she would stay until a place at a youth refuge became available. June was dismayed to learn there was no crisis refuge in the Macarthur region for a 17-year-old, so wherever she eventually went would involve relocating.

Names, images and identifying details have been changed to protect the privacy of the individuals.

June had been advised she would be living in the hotel for up to a week, but she ended up staying there for 30 days as there was no availability in a crisis refuge.

June felt lonely and unsafe in the hotel, which was also used by DCJ Housing to accommodate single men including some who had just been released from prison. The blinds on the window of her room were broken and she had to use a towel to cover the window for privacy. When she left her room, she was routinely subjected to insults, harassment and sometimes propositioned for sex by men who were living in, or hanging around, the hotel. She was regularly asked if she had drugs or wanted to buy drugs.

June also had to give up her job as she didn't feel safe walking back to the hotel after dark. She felt like a prisoner in her room and left only to travel to and from school during daylight hours. This further intensified June's feeling of isolation, anxiety and depression.

On a few occasions June thought she had secured a place at a youth refuge, but those plans would fall through.

Every three days, DCJ Housing would decide whether to extend June's stay in the hotel. She lived with the stress and uncertainty of whether she would be staying in the hotel, transferred to a different hotel or sent to a youth refuge.

With the help of a youth-focused homelessness service, June eventually secured a place for three months in a crisis refuge. However, this accommodation was located a fair distance from the Campbelltown region.

This meant June had to spend nearly 90 minutes each way on public transportation to get to and from school. She was happy to be out of the hotel, however, the relocation to a distant suburb resulted in a great sense of personal loss and social disconnection for her.



Names, images and identifying details have been changed to protect the privacy of the individuals.



June's story, and many other similar case studies, highlight the fact that these children are at times being placed at risk of harm in temporary accommodation facilities. When this occurs it is in direct breach of the National Principles for Child Safe Organisations. Principle 8 requires that physical environments promote safety and wellbeing while minimising the opportunity for children and young people to be harmed. One of the key actions for this principle is that "Organisations that contract facilities and services from third parties have procurement policies that ensure the safety of children and young people".<sup>3</sup> Putting children and young people at risk of harm in inappropriate temporary accommodation facilities places both the provider and the Government, as the funder of temporary accommodation, in breach of these important principles based on the fundamental human rights of children and endorsed by the Australian Government and all State and Territory Governments.

Whilst individual circumstances vary, an unsupported placement in a hotel will, in the vast majority of cases, be an inappropriate arrangement for a 16-18 year old in need of crisis assistance. The vast majority of this group will not have developed the skills and knowledge required to resolve their homelessness, and access other specialist services they may require, without intensive support. It follows that most, if not all, of the 16-18 year olds in temporary accommodation would be more appropriately assisted in a specialist homelessness service if the sector was adequately funded and places were available. It also follows that, where unmet need for this cohort is otherwise to be responded to via temporary accommodation, the same level of intensive support provided in specialist homelessness services needs to be funded in temporary accommodation facilities that are age appropriate and do not place 16-18 year olds at risk. Whilst young people placed in temporary accommodation are often referred to youth specialist homelessness services, the level of support actually required, is rarely if ever specifically or adequately funded.

Many 19 - 24 year olds are also likely to require substantial support, including assistance to move to more stable housing arrangements. Again, circumstances will vary, however, assumptions should not be made that attaining the age of 19 years equates with the development of the skills and knowledge required to navigate complex service systems and overcome the disadvantages disproportionately experienced by young people in accessing stable accommodation.

'Sarah and Jason's' story provides a good example of the level of complexity that young people above the age of 18 can present.

*Sarah was 25 years old and Jason was 21 years of age, when they presented to a youth specialist homelessness service seeking assistance. Jason had recently been released from custody into homelessness. Sarah had been residing in overcrowded accommodation with family members.*

*Once Jason was released from custody he added to the overcrowded household. Jason and Sarah then found themselves homeless after a breakdown of relationships with other residents of the property.*

*Sarah and Jason first engaged with the Assertive Outreach Team of the service provider after spending three weeks in temporary accommodation. Whilst the assertive outreach team were assisting the couple with their search for appropriate housing, it came to light that Sarah was pregnant.*

*After an argument between Sarah and Jason that became physical whilst they were residing in temporary accommodation, police attended and placed an AVO on Jason.*

*Sarah delivered her baby whilst residing in temporary accommodation. She currently remains in temporary accommodation awaiting priority at risk housing. Because of being homeless and the domestic and family violence issues, DCJ child protection are working with Sarah and Jason. The specialist homelessness service provider continues to support Sarah.*

*Due to her reduced capacity to maintain and sustain a tenancy and not having a previous rental history, there are minimal exit options for Sarah. The service provider has referred her to a supported accommodation provider but there are not any vacancies available. As a result the specialist homelessness service continues to support Sarah to ensure she is able to sustain her temporary accommodation.*

Sarah and Jason's story is a good example of how specialist homelessness services can and do support young people in temporary accommodation, often without adequate resourcing to do so. The intensive level of support required by young people, often continues right up to the age of 24 years and beyond as demonstrated in 'David's' story.

*David, who was almost 25 years old, presented to a specialist homelessness service in Sydney after being released from custody in northern NSW. He jumped on a train without a ticket because, upon release, he was not provided with an opal card, phone or money or with anywhere to live.*

*Despite David's age, meaning that he would soon be ineligible for youth specialist homelessness services, the provider worked with him to ensure that he had access to temporary accommodation. The service provider was able to facilitate temporary accommodation being provided for 5 nights, and assisted David with some basic food items and access to a phone.*

*Referrals were made to local adult services for ongoing support for David, however, as those services were not provided in a timely manner, the youth specialist homelessness service has continued to support David until he is picked up by an adult service. David has limited rental history due to his incarceration history that has stretched from his younger years to date, therefore, there are limited independent housing options or supported housing options to assist him. David continues to await support from an adult homelessness service.*

In a small number of locations, youth specialist homelessness services are funded to provide supported temporary accommodation in youth appropriate facilities provided by them. One of these providers reports that many of the young people referred for this service have higher support needs than can be resolved in the short time envisaged would be required in temporary accommodation. The life experiences that lead to homelessness for many young people in this age group also deny them the skills and knowledge needed to transition quickly to a more stable life free from the cycle of homelessness, without intensive support. Even for those in the 19-24 year age who are able to resolve their homelessness in a shorter period of time, it is clear that appropriately targeted and age appropriate supports will be more effective in achieving this objective.

In an environment where only 4.3% of the young people assisted by Specialist Homelessness Services nationally were able to access long-term housing in 2022/23<sup>4</sup> it is also clear that a specialist level of support will be required to achieve the reform objective of reducing the use of, and length of stay in, temporary accommodation by assisting this cohort to access longer-term housing. Where 53% of young people accessing SHS in NSW in 2022/23 had a current mental health issue, 31% had experienced domestic and family violence and 14% reported experiencing problematic drug or alcohol use, the need for intensive support and access to a wide range of specialist services in order to sustain longer-term housing is also highlighted.<sup>5</sup>

Given youth homelessness results from failures in a broad range of service systems and a falling through the gaps between those systems, it is well recognised that responses child and youth homelessness require a comprehensive and coordinated approach that addresses these systemic factors. The support requirements for most young people placed in temporary accommodation will be far greater than simply trying to link them to housing solutions. For many young people there will be a need to link them to, and coordinate with, mental health services, drug and alcohol services, youth justice, social security and whatever other services they require as a fundamental part of the process of addressing their homelessness in the short and longer terms.

As is the case with the NSW Government's investment into the Core and Cluster Model for women escaping domestic and family violence, there is a need to recognise that specialisation of support is a key tenet to achieving positive outcomes in supported temporary accommodation for young people. Youth specialist homelessness services have an expertise in the type of support provision required. This expertise needs to be funded and utilised to ensure that any time spent in temporary accommodation effectively contributes to the objective of ending youth homelessness.

It is also critically important to recognise that whilst the Government's forward investment into more social housing is likely to reduce the demand for temporary accommodation over time for the general population, this effect will only be achieved for young people where

---

<sup>4</sup> <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/young-people-presenting-alone>

<sup>5</sup> Ibid

there is investment into appropriate accommodation models for this cohort, including crisis, transitional and medium-term accommodation.

### **The potential benefits of investing in supported temporary accommodation for young people**

Whilst young people aged 16 - 24 years comprise around 16% of the total number of people accessing temporary accommodation, absent or concurrent with adequate funding in youth specialist crisis accommodation services, the specific vulnerabilities and challenges faced by this cohort justify and necessitate investment in new models of supported temporary accommodation to prevent them cycling in and out of homelessness.

The findings of the 2013 AHURI research, 'Lifetime and intergenerational experiences of homelessness in Australia', that half of the adults experiencing homelessness surveyed had run away from home before they were 18 years of age, highlight the need for more investments in effective services for young people to prevent them spiraling into long-term homelessness. We also know that 61% of the children and young people presenting alone to SHS's nationally in 2022/23 were returning clients. The cumulative effects of disruption to education, transition to employment, and social networks and the traumatic effects of harsh living conditions and poverty all point towards the broad long and shorter-term impacts, efficiencies and savings that can be achieved from appropriate investments now.

As detailed above, there is significant potential for supported temporary accommodation to act as an entry point for young people into a more effective, coordinated and systemic response to their homelessness.

The fact that youth specialist homelessness services can provide accommodation and support for less cost than accommodation alone in hotels and motels, points to obvious efficiencies to be achieved from redirecting expenditure towards the specialist homelessness sector for the provision of supported temporary accommodation. However, assumptions should not be made that effective models for supported temporary accommodation for young people will always be less expensive in the short-term. The focus should be on achieving the outcome of resolving a young person's homelessness as quickly as possible to prevent them becoming entrenched in a longer-term cycle of homelessness. Ensuring there are not gaps in the safety net designed to catch young people when they become homeless, is a critical step to achieving this goal.

Where appropriately designed and funded as part of a suite of youth focused initiatives including appropriate housing models, there is potential for supported temporary accommodation for young people to achieve better outcomes, drive down the cost of temporary accommodation and stop young people cycling in and out of the SHS system.

## **The risks of not including a focus on young people in the reform of temporary accommodation**

Where the NSW Government does not take the opportunity to invest in the needs of young people as part of its reform of temporary accommodation, and fund service providers accordingly:

- Young people will continue to be under-serviced by this important part of the crisis response to homelessness in NSW. They will continue to couch surf, sleep rough and take risks that they should not have to, simply to survive. There will be an ongoing failure to meet their right to adequate housing;
- Young people will continue to be put into inappropriate temporary accommodation arrangements that often place them at risk of harm, without any investment in better alternatives. There will be an ongoing failure to comply with the principles of Child Safe Organisations;
- Young people will not be provided with the support they require to break the cycle of homelessness and will continue to cycle between inappropriate temporary accommodation and specialist homelessness crisis accommodation;
- Young people who are ready to move to longer-term accommodation will not be provided the support they require to do so, or to sustain that accommodation;
- The stated objectives of the reforms, including reduced expenditure on temporary accommodation, will not be realised for this cohort. At least 16% of the current temporary accommodation budget will continue to be used inefficiently and ineffectively;
- Young people who are homeless will continue to be homeless. Some will become the rough sleepers of the future. They will not fulfil their potential and the objective of ending homelessness will not be realised. There will have been a lost opportunity and inadequate use of new resources.

## **Guiding principles for the reform and delivery of supported temporary accommodation for young people.**

To realise the potential benefits and avoid the risks identified above it is clear that a different approach to providing supported temporary accommodation for young people is required. It is critical that this new approach contributes to ensuring that young people who become homeless receive the assistance they require, and that this assistance is provided as soon as possible. The risks associated with failing to make temporary accommodation available for homeless youth and, where it is provided, placing young people at further risk in inappropriate facilities, must be eliminated.

Depending on the cost of proposals received, it may be possible for the government to make savings in the short-term by simply transferring the provision of temporary accommodation as it currently operates from hotels and motels to non-government service

providers. Where not done properly and there is inadequate investment, however, this would likely simply represent a transfer of risk and responsibility to those providers without necessarily achieving improvements in the outcomes for young people.

The following principles have been developed to inform the Government about what is needed to achieve its objectives for the reform of temporary accommodation accessed by young people and to help guide youth specialist homelessness services who are considering seeking funding to provide supported temporary accommodation.

1. To ensure adequacy of the safety net to respond to youth homelessness in NSW and that children and young people's right to adequate housing is supported, young people must be viewed as a priority cohort for the reform of temporary accommodation.
2. The primary purpose of investment in supported temporary accommodation for young people should be to achieve better outcomes for the young people in the short, medium and longer-terms.
3. A more sophisticated approach to measuring the economic benefit of investments in supported temporary accommodation is required to take account of all of the benefits achieved, not just the cost of bed nights compared to that in hotels and motels.
4. Where unable to initially gain access to specialist homelessness crisis accommodation, placement of a young people in a temporary accommodation facility should be viewed as the starting point for interventions to resolve their homelessness.
5. Placement in supported temporary accommodation should initiate a comprehensive assessment of need and case planning processes aimed at channeling young people to accommodation options best suited to their situation at that time, as quickly as possible.
6. Conduct of this assessment and case planning should be factored into the cost of providing supported temporary accommodation.
7. To minimise the length of stay, an investment in supported temporary accommodation needs to be accompanied with increased investments in crisis, transitional and medium-term housing for young people.
8. The physical environment of new supported temporary accommodation established under the reform agenda must meet minimum standards, be safe and appropriate for young people to reside in and comply with National Principles for Child Safe Organisations. To achieve this, consideration needs to be given to the mix of residents in a supported temporary accommodation facility, including their age and gender, as well as security infrastructure and availability of supports after hours.
9. The cost of providing the accommodation component of new supported temporary accommodation must factor in these minimum standards and safety considerations.

10. To ensure that young people receive the type and level of support they require, any provider of temporary accommodation that is not a youth specialist homelessness service must partner with a youth specialist homelessness service provider for that support provision.
11. Whilst a key objective of supported temporary accommodation should be on moving the young person into a more appropriate accommodation arrangement as quickly as possible, the length of stay should be determined by the young person's needs and the availability of an appropriate exit point, not programmatic or budgetary requirements.
12. The level and amount of support provided should be informed by the assessment of need and case planning conducted and be focused on all aspects of a young person's wellbeing to ensure they do not become further dislocated from services, supports and social and cultural connections.
13. Support provision should be funded on a person centred, rather than a 'one size fits all' basis.

### **Potential models of supported temporary accommodation provision by youth specialist homelessness services**

Whilst there are different mechanisms for service delivery, broadly there are two models under which youth specialist homelessness providers could contribute to the provision of supported temporary accommodation for young people. The first is as a support provider only. The second is as the accommodation and support provider.

This section of this Background Paper considers the relative merits of the different models and mechanisms available, in the context of the principles identified above and the Government's objectives for reform in the temporary accommodation space.

#### Support provision only

There is an opportunity to provide support to young people that are placed in temporary accommodation that, in the majority of cases, they are presently not receiving. Per the principles identified for supported temporary accommodation, Yfoundations position is that temporary accommodation providers that are not youth specialist homelessness providers must partner with youth specialist homelessness services for the support component of these services.

This support could be provided in existing temporary accommodation. Alternatively, partnership arrangements could be established with other organisations, such as community housing providers, to provide support to young people in new or existing stock made available for temporary accommodation. It is understood that there is also scope for public housing properties, that are hard to let due to their configuration (usually bed-sits) that could be made available for this purpose.

### *Support in existing temporary accommodation*

The provision of support and assessment in existing temporary accommodation would enable young people in crisis to be more readily stabilised and transitioned into appropriate accommodation options, thereby enabling a more direct pathway to resolving their homelessness. Whilst the provision of support would need to be funded in addition to the accommodation, in the limited circumstances that specialist homelessness services have been funded to provide such support, they report improved outcomes for the young people involved. The additional cost of funding support would likely be offset by the achievement of these longer-term outcomes, including a reduction in the demand for temporary accommodation over time.

Whilst not redressing the inappropriate nature of some temporary accommodation facilities for young people, the provision of support in those facilities could help to identify and resolve safety concerns.

Under this model, specialist homelessness providers that are not in a position to offer or invest in accommodation options, would make a significant contribution to achieving better outcomes for homeless youth by utilising their support provision skills and knowledge of, and connections to, local service systems.

### *Partnership arrangements*

The same benefits of support provision could be achieved in newly established temporary accommodation facilities operated by community housing providers.

Under this model there would be scope for the funding body to ensure that minimum standards in the accommodation component, including ensuring the safety of young people were met. The Government's objective of moving away from providing temporary accommodation in hotels and motels would be supported.

The skills and expertise of specialist homelessness services that are not in a position to offer or manage accommodation facilities would be effectively utilised.

Both the support and accommodation components of this model would need to be funded and appropriate arrangements for payment established between the partner organisations.

Based on the current comparison of costs between specialist homelessness crisis accommodation and temporary accommodation in hotels and motels, there is scope for this model, to compete favorably in terms of cost, deliver more and better services and achieve better outcomes. The actual cost of proposals will, however, need to be determined on a case by case basis. In keeping with the principles identified herein, any assessment of cost needs to take account of the longer-term benefits of investment in this model.

Where there is resulting reduction in the demand for temporary accommodation over time, there is also scope to ensure that any new accommodation stock developed under this model has the flexibility to be transitioned into other accommodation and housing for young people.



### Accommodation and support provision

There is also scope for specialist homelessness services that are also housing providers to be both the accommodation and support provider to young people in temporary accommodation. The key elements of the support component, and the benefits to be derived from it, would remain the same as for the 'support only' model.

There are a range of options for the accommodation component explored below. Given the sector's expertise in providing safe and appropriate crisis accommodation services, the Government would be assured that minimum standards, currently absent in the majority of temporary accommodation facilities, would be met. This would be particularly the case where youth specific supported temporary accommodation facilities are established. Funding proposals will need to take account of these requirements.

The establishment of youth specific supported temporary accommodation would contribute significantly to ensuring that the safety net designed to catch young people that become homeless, operates more effectively. It would also more readily enable the establishment of temporary accommodation as the entry point to a comprehensive service system response aimed at moving young people into more appropriate arrangements as quickly as possible.

Again, whilst the comparison between temporary accommodation in hotels and motels and youth crisis accommodation services suggests that this model would be competitive in terms of operational cost and deliver more services and better outcomes, the actual cost of supported temporary accommodation provided under this model will need to be determined on a case-by-case basis.

There is also scope for accommodation utilised for supported temporary accommodation to be modified and developed in a way that it can be adapted for other accommodation models where the demand for temporary accommodation reduces over time.

### *Utilisation of existing accommodation*

Some specialist homelessness services are in possession of buildings and other accommodation that is either not currently being utilised or the use of which could be varied.

In some circumstances grant funding would be required to adapt the accommodation for temporary accommodation purposes.

The adaptation of existing buildings will, in many circumstances, be achieved in relatively short time frames compared to other options for establishing new facilities.

The use of such assets for temporary accommodation that could otherwise be used for other purposes, would represent a significant co-contribution by an organisation.

### *Invest in new accommodation*

Specialist Homelessness Services could invest in new accommodation stock in various forms for the provision of temporary accommodation. For some providers, grant funding

would likely be required to assist with the purchase and/or modification of the accommodation.

Amongst other considerations, any decision to invest in new accommodation will need to take into account the timeframes required for it to be fit for purpose and the extent to which it could be adapted for other accommodation models where the demand for temporary accommodation reduces over time.

The investment of existing or borrowed resources and funds to establish new supported temporary accommodation for young people, as well as the commitment to ongoing operation of these facilities, would represent a significant co-contribution by an organisation.

#### *Other government buildings*

In some locations, NSW Government agencies have made unused buildings available for use by the specialist homelessness sector. Depending on the nature of the building, there may be scope for such infrastructure to be utilised for the provision of supported temporary accommodation.

Again, key considerations would include the levels of resourcing and time required to adapt such a building for the purposes of providing temporary accommodation. Grant funding may be required. The nature of any ongoing relationship with the government agency that owns the building, where it retains this ownership, would also need to be considered.

#### *Meanwhile use*

Buildings such as hotels and aged care facilities that are subject to development proposals also represent a potential pool of built infrastructure that could be used to provide supported temporary accommodation in. A number of specialist homelessness services and community housing providers have successfully used their relationships with developers to deliver various forms of accommodation and shorter-term housing to homeless people, including youth.

Depending on the type and state of repair of such accommodation, the timeframe for establishing supported temporary accommodation in such facilities could be relatively short.

Under this option, specialist homelessness service providers could help to broker significant co-contributions from the private sector.

(This Background Paper was finalised on 6 September 2024)