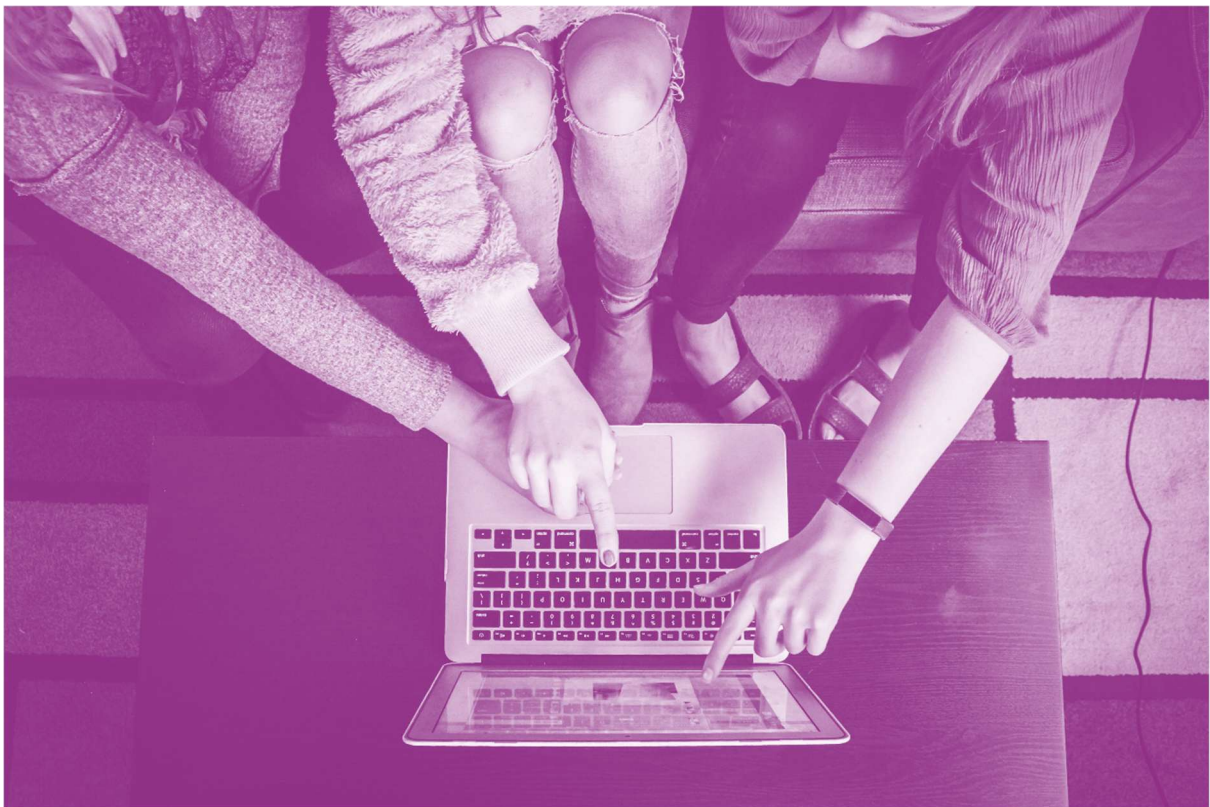


Yfoundations Submission

Feedback on the Homes NSW Discussion paper to inform the Homes for NSW Plan

January 2025



Acknowledgment of Country

Yfoundations acknowledges the traditional custodians of the land we and our members operate upon across NSW. We pay our respects to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islanders. We thank them for protecting the land and its ecosystems for time immemorial and acknowledge that sovereignty was never ceded.

Yfoundations

Yfoundations is the peak body for youth homelessness in NSW. For over 40 years, Yfoundations has served as the NSW peak body representing and advocating for children and young people at risk of and experiencing homelessness, and the services that support them. Our members and board comprise highly experienced youth specialist homelessness service (SHS) providers who have direct knowledge of and experience with the issues homeless young people face.

Yfoundations has a focus on working closely with young people with a lived experience of homelessness. Our Youth Homelessness Representative Council (YHRC) is a group of 13 young people (aged 18–25 years) with lived experiences of homelessness and a passion to improve the lives of young people. They meet regularly to discuss and act on issues affecting children and young people at risk of or experiencing homelessness, utilising the platform provided through the YHRC to voice concerns on issues that matter to them from their experiences of homelessness.

Yfoundations is also one of only two peak bodies in Australia that specialise in child and youth homelessness. Given this, we see the development of the Homes for NSW Plan and the Homelessness Strategy as opportunities through which the NSW Government can lead the way in the development and implementation of a housing and homelessness system that includes innovative approaches designed to tackle the issues and factors that lead to child and youth homelessness as well as provide age appropriate and integrated solutions and housing models to address and end their homelessness.

Introduction

Yfoundations has welcomed the \$6.6 billion Building Homes for NSW program (announced in the 2024–25 NSW Budget and highlighted in the Discussion Paper), which includes the building of 8,400 new social homes over four years and, most importantly for our sector, the allocation of an additional \$527 million to boost homelessness support services.

At the same time, Yfoundations highlights to need to ensure the most effective prioritisation and utilisation of these additional funds. It is critical that the injection of funds will boost homelessness support services, particularly given the sector has long been and is still overstretched and struggling to meet need; the workforce needs to be supported; and exit options, particularly for young people experiencing homelessness, are still severely limited and, in many areas, not available.

These concerns are particularly raised in the context of the need to ensure that growth in the number of social homes is accompanied by growth in the level of support that is available to ensure social housing can contribute to a reduction in homelessness over time.

In addition, the 8,400 new social homes over four years will clearly provide nowhere near enough social housing stock to meet current and anticipated future need. The proposed stages and projected timing of the completion and transition to the new social homes are overshadowed by the significant increase in the number of households on the social housing waiting list during the second half of 2024 – 62,592 households as 30 November 2024 (an increase of more than 6,000 households since the end of June 2024) and will do little to cover demand, particularly the more than 10,800 priority approved households on that waiting list.¹

This highlights the need for a more flexible and innovative approach to social housing and models of social housing than is offered in the Discussion Paper. Increasing the provision of medium-term/transitional housing, for example, to provide accommodation until long-term housing options are available and/or accessible in either the private housing market or social housing system can help reduce demand for social housing. However, while the Discussion Paper notes the need for flexibility in the non-market system, there appears to be very little room for flexibility in exploring a range of social housing options as part of the provision of more and better homes, namely the provision of medium-term and transitional housing stock. There is also a noticeable silence as to whether and how supports

¹ <https://dcj.nsw.gov.au/about-us/families-and-communities-statistics/social-housing-waiting-list-data.html>

will be factored into the provision of social housing for those 'customers' who need them.

The SHS Annual Report 2023–24 data shows that NSW has the highest number of young people aged 15–24 years presenting to specialist homelessness services (SHS) (17,062) compared to other states/territories in Australia, comprising just over 32% of total number of young people presenting to SHS in the country. Young people also comprise just over 25% of those presenting to SHS in NSW with children aged 0–14 comprising another 24%.

NSW also has the highest number of young people aged 15–24 years presenting alone to SHS (13,217) compared to other states/territories in Australia, higher than the previous two years and comprising just over 35% of the total number of young people presenting alone to SHS across the country. Young people presenting alone to SHS in NSW comprise around 86% of young people presenting to SHS in NSW, and almost 20% of all those presenting to SHS in NSW.²

We are yet to ascertain the data on unmet needs for young people presenting alone to SHS in NSW; however, we know that nationally, of young people presenting alone to SHS needing long-term housing, only 4% were provided it. Of young people presenting needing medium-term/transitional housing, only 24% were provided it. Of young people needing short-term or emergency accommodation, just over 39% were turned away with another 13% receiving a referral only.³

When we consider the data on unmet accommodation needs for all those presenting to SHS in NSW, this does not augur well for young people presenting alone with accommodation needs in NSW.

We will emphasise the specific concerns relating to young people experiencing and at risk of homelessness further in our feedback.

Yfoundations welcomes the opportunity to discuss this feedback in further detail as required.

² AIHW-HOU-339-Specialist-homelessness-services-data-tables-2023–24

³ <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/young-people-presenting-alone>

Yfoundations Feedback



Draft Vision

The draft vision for the non-market system that 'Everyone has access to a decent home and support if they need it' is commendable and provides an appropriate system-wide purpose and direction for all providers to work towards over the next 10 years.

However, the discussion around the three identified priority areas to achieve this vision is very heavily focused on the provision of homes, namely social housing. The paper does not clearly articulate how it is envisaged these priorities will align with or contribute to addressing housing and homelessness in NSW, particularly for young people experiencing and at risk of homelessness.



Priority area 1: Customer-driven service

Yfoundations acknowledges the importance of a focus on a customer-driven service response. We note that this is consistent with the focus on person-centred responses in previous manifestations of housing and homelessness reform in this state where the person, 'client' or 'customer' was also recognised as needing to be at the centre of the service response and lived experience advisory committees were established to provide a lived experience perspective in shaping the . A renewed focus on customer-driven services must build on the work already done in this area and be focussed on outcomes for those at risk of and experiencing homelessness, including children and young people.

We note the focus in this part of the discussion paper is on housing, in particular, social housing, social housing tenants as customers, and those who are impacted by the application process for social housing. In the section on streamlining access and matching people to assistance, we note the reference to crisis and transitional housing and support services provided by the SHS system for people at risk of and experiencing homelessness. However, the paper does not address or acknowledge the level of unmet need in this system that relates to these accommodation types, let alone the level of unmet need for long-term housing overall, which was provided to only 2% of all those presenting to SHS in NSW seeking long-term housing.⁴

⁴ AIHW-HOU-339-Specialist-homelessness-services-data-tables-2023–24

We also note the comment in the discussion paper that even with the levels of funding from the NSW Government and investment from the Commonwealth Government, 'the new homes we build will not meet existing levels of demand, let alone anticipated future demand.' We applaud the recognition in the paper of the barriers to accessing the social housing system; the complexity and inappropriateness of the ways properties are matched to people on the waitlist; and the need for changing policies around applying for and allocating housing.

A review of current policy settings for social housing should also include how policy changes could better support and meet the needs of young people who have experienced homelessness to sustainably transition to living independently. This could contribute to reducing the number of young people who experience homelessness and who then go on to experience homelessness as an adult, often multiple times.

Traditionally, social housing has not been a housing option for young people exiting supported accommodation due to a range of factors, including the priority focus on other cohorts, concerns that a young person may not have the income (even if it is only for a short period) to sustain the tenancy, and the very low income-based social housing rents that could be generated from a young person on Youth Allowance, which may not be considered adequate to cover the operational costs of providing the housing. In 2023, only 2.4% of social housing head tenants (across public and community housing) were aged 15–24⁵years.⁶

Specialist homelessness service providers know they will only rarely, and with much advocacy, be able to support a young person to access a social housing home. However, the most significant barrier, the lack of social housing stock, remains and, as the paper acknowledges, will likely be a significant barrier for many years to come.

We need to address the housing crisis and adequately fund or quarantine social and affordable housing to provide longer-term solutions for young people, particularly those leaving youth justice settings and out-of-home care. At the same time, while Yfoundations believes the increase of social housing stock is crucial to providing solutions to address homelessness, we do not advocate an increase of permanent social homes as the one-size-fits-all panacea to addressing youth homelessness in NSW. As detailed further below, there is a need to diversify what constitutes social housing for young people to achieve better outcomes for young people

⁵ AIHW (2024) Housing Assistance in Australia.

experiencing homelessness and drive down the demand for permanent social housing over time.

In the meantime, the Discussion Paper has missed opportunities to open up discussion on what potentially could provide alternative solutions to addressing the lack of social housing, for example, increasing the provision of medium-term/transitional housing with supports that could be used to transition people, particularly young people, experiencing homelessness into the private rental market and away from needing a social housing solution, where appropriate.



Priority area 2: More and better homes

The needs of many young people at risk of and experiencing homelessness are far more complex than can be met by the provision of 'well-maintained, quality homes that are environmentally sustainable and built to be accessible'. The solution to child and youth homelessness requires a focus on a broader range of systemic issues and solutions, including a better range of appropriately targeted housing solutions.

Young people become homeless for a range of reasons, not all of which are housing/tenancy related. Likewise, not all young people experiencing homelessness will require permanent social housing to break their cycle of homelessness. The Discussion Paper does not appear to acknowledge this. Without this recognition, only some forms of homelessness will be addressed.

At the same time, Yfoundations recognises that long-term social housing can be an appropriate option for some young people, and advocates for targets to quarantine social housing for young people to be included in the new social housing builds.

Young people who would significantly benefit from access to long-term social housing includes young people managing complex needs, a long-term mental health diagnosis or living with disability. These groups of young people should be given a priority housing allocation category for social housing with a partnership arrangement put in place to support smooth transitions from SHS support to living in social housing.

While the need for flexibility is noted in the paper, it appears to take a less than flexible approach to the way social housing is construed. For example, viewing transitional housing solely as a homelessness response rather than as part of the social housing system limits the potential to take a more innovative approach to the role of social housing in responding to homelessness. Connecting the homelessness

and housing systems requires more flexibility in the types of social housing responses that are needed and a recognition that housing and support must be provided and funded in unison.

Many young people who are supported through the homelessness service system do not require social housing as a long-term housing option as they have been supported to enter the workforce and have capacity to cover private rental market costs in shared housing and, in some circumstances, affordable rental housing (although they are often under housing stress). These young people would benefit from access to social housing for a medium-term period while they study or finish an apprenticeship as they may be unable to rely on their families to support them during this period.

Access to appropriate housing is fundamental to an effective service system response to unaccompanied young people experiencing homelessness. There is not enough youth-specific supported housing to enable rapid rehousing responses when homelessness does occur. Investment in youth-specific medium-term and transitional housing as part of the social housing system would enable most young people to develop the life skills required for a life outside of the long-term social housing system, thereby helping to solve the issues raised in the paper about the gap between social housing supply and demand.

In addition, the inaccessible nature of the private rental market and limited supply of affordable housing impacts the longer-term success of young people who have experienced homelessness to transition sustainably to independence and not experience homelessness again later in life.

Along with a review of policy settings for more flexible and innovative models of social housing provision to better support young people, a review of policy settings for affordable rental housing would also be beneficial to determine if there is capacity to adopt an adjusted rent setting approach to a rate affordable to young people on low incomes, such as those who are studying, on apprenticeships or in early career roles. This would open an increased supply of rental options to young people struggling to access private rental accommodation that they can afford and potentially provide more immediate long-term solutions than would be provided by being on a waiting list for social housing.

Echoing the collective wisdom and expertise of our Youth Homelessness Representative Council on what constitutes a 'home' for young people who have experienced homelessness, permanent tenure is not a requirement to establish a home for most young people.

Yfoundations believes a significant component of the investment in new social housing by the NSW Government should be quarantined for specialist youth housing models. At the very least, we would argue that the amount quarantined should be proportionate to the percentage of the total homelessness population in this state that is aged 16–24 years.

We also believe majority of funding for youth housing should be utilised for medium-term/transitional housing models, with some also to be made available for long-term social housing.



Priority area 3: A system that works

This priority appears to be based on the premise of a non-market system that is integrated so the outcomes being sought by one part of that system are not hindered by rules in another part, and a system that is flexible enough to respond to emerging areas of need or new approaches. However, the disconnect between housing and homelessness ignores the possibility that the outcomes being sought by one part of the system (i.e. homelessness services) may best be met by a more flexible approach to another part of the non-market system (i.e. social housing).

While the Discussion Paper refers to the homelessness and social housing systems as ‘sub-markets’ of the non-market system, it does not provide a clear picture of how the two systems will work effectively together to address homelessness and unmet accommodation needs for those presenting to SHS.

Of concern is the statement that the forthcoming Homelessness Strategy will support prevention and diversion measures to move away from crisis-driven responses that ‘do not effectively help people avoid or exit homelessness’. This appears to be based on an assumption that supporting prevention and early intervention measures will remove the need for crisis-driven responses.

Yfoundations does not agree with this. The current cost of living and housing crises, the prominence of domestic and family violence as a main reason for women and young people seeking support from the SHS system, and the inadequate supply of social and affordable housing are evidence that crisis responses will continue to be required – and for some time to come.

To say crisis responses do not effectively help people avoid or exit homelessness ignores the reality that there are inadequate exit points. It also incorrectly suggests that the sector’s delivery of crisis responses may be responsible for the ineffectiveness caused by the lack of appropriate exit options in the system. The most recent national data on young people presenting alone to SHS, for example,

clearly shows that of young people needing short-term or emergency accommodation across Australia, over half did not receive it, due to the reality that, as in previous years, there continues to be insufficient crisis accommodation, affordable private rental and longer-term housing solutions to meet need.

Given all of the above, it is clear that an increased investment into prevention and early intervention is required to achieve the objective of reducing the need for crisis-driven responses services over time. This is not, and should not be seen as, a budget neutral proposition. Crisis responses will continue to be required, and the statistics show that they too need to be enhanced to meet increasing demand. An increased investment into prevention and early intervention should be an enhancement to the overall service system, particularly given outcomes will not be delivered in the short-term and crisis-driven responses have always been predicated on demand, which has continued to increase over the years.

The previous experience with Going Home Staying Home is an example of how the diversion of funds into prevention and early intervention alongside a divestment of funds from services providing crisis-driven responses did not achieve the expected or desired outcomes. It is critical that the lessons learnt from that process inform future approaches under the Homelessness Strategy.

Yfoundations welcomes the recognition in this part of the Discussion Paper of young people as over-represented and at greater risk of homelessness, and looks forward to working with Homes NSW, in consultation with the youth homelessness services sector, to design an approach that will address youth homelessness through the Youth Homelessness Action Plan committed to by the NSW Government.