

What is youth-specific social housing?

<u>Social housing</u> is government-subsidised accommodation for people on low incomes who are unable to rent privately. It is delivered by both government and non-government providers, who usually set the rent at around 25% of household income.

There are many young people who require the stability and affordability that this model offers, but they have specific developmental needs that mainstream social housing can't meet. Given their age, most 16 to 24-year-olds need case support, long-term tenures and flexible rent. This kind of model – referred to as 'youth-specific social housing' – allows young people on low incomes to alternate between work and study while receiving support to sustain a tenancy.

What's the situation in NSW?

The NSW Government has neglected investment in social housing for decades, <u>spending less</u> per capita than almost every other state in Australia. The waitlist currently sits at <u>approximately 50,000 people</u>, who face average wait times of <u>five to ten years</u>. <u>Only 2.8%</u> of main social housing tenants across Australia are aged 15 to 24, demonstrating that young people are not being prioritised when it comes to the limited social housing that does exist.

Myfoundations' Transitional Housing Plus

NSW has one youth-specific social housing model – the <u>Transitional Housing Plus program</u>, delivered by My Foundations Youth Housing. Transitional Housing Plus provides 16 to 25-year-olds who are at risk of or experiencing homelessness with up to five years of social housing and case support. The program has approximately 90 community housing properties in Sydney, Newcastle and the Mid-North Coast.

When a young person enters Transitional Housing Plus, their rent is set at a low percentage of market prices. It increases year-on-year until it is commensurate with private market rent by the end of their five-year tenure. The aim of the program is that by this point, participants will have had the time and support to build their skills and education, and can exit into a private market tenancy. Myfoundations'data indicates that Transitional Housing Plus is achieving positive outcomes. Of all exits in the past three years, 59% of tenants achieved secure independent housing, with another 29% having other long-term positive housing outcomes.

Who can youth-specific social housing help?

The private rental market in NSW has become increasingly out of reach for young people, particularly in regional and rural areas. With <u>lower incomes</u> and <u>higher rates of unemployment</u> than the rest of the population, young people are being squeezed out of the housing market and driven into homelessness. Last year, <u>the most common reason</u> that 18 to 24-year-olds presented at homelessness services was because they were experiencing a housing crisis. And once they are homeless, young people are at <u>greater risk of trauma</u> and other negative outcomes which further limit their ability to sustain a private tenancy without support.



Youth-specific social housing is a lifeline for vulnerable 16 to 24-year-olds on low incomes. The model provides them with the housing security they need to get on their feet, offering them the time and support required to eventually exit into private rentals. It is also crucial for young people who will have ongoing, longer-term challenges renting in the private market, whether due to disabilities, behavioural issues resulting from trauma, severe mental health conditions and/or substance dependencies.

What does the research say?

- In 2019-20, <u>almost 13,700 children</u> and young people aged 15 to 24 presented alone to Specialist Homelessness Services in NSW. Amongst over-18's, the <u>most common reason</u> for seeking assistance was 'experiencing housing crisis.'
- <u>In the past few years</u>, the cost of private rentals in NSW has skyrocketed, while housing availability has plummeted. This is particularly acute in regional areas, which in the past year have seen <u>up to 28%</u> price increases combined with vacancy rates of just under 1%
- Meanwhile, social housing in NSW has failed to keep up with demand. Research has shown that the NSW Government's commitments under the Future Direction strategy (approximately 9,380 new builds over ten years) will be insufficient to address the social housing waitlist of 50,000 people
- Even within the social housing system, young people are disadvantaged. Firstly, age is not considered when giving priority access to social housing. But it is because of their age that young people are less likely to have the work experience they need to support themselves financially
- Community housing providers can also be reluctant to accept young people, viewing them as <u>risky</u> tenants. Even when they are accepted into social housing, most accommodation does not offer the <u>level of support</u> that these adolescents need