



**RESPONSE TO THE CONSULTATIONS ON THE NATIONAL
HOUSING INFRASTRUCTURE FACILITY**

6th September, 2024

Introduction

This submission seeks to support and strengthen the expansion of the National Housing Infrastructure Facility (NHIF) to include funding for crisis and transitional accommodation, with a specific focus on vulnerable youth aged 16 to 24. With nearly 40,000 young people presenting alone to homelessness services nationally each year, and young people aged 12 to 24 comprising almost 25% of the reported homelessness population, there is an urgent need to invest in targeted, youth-specific housing solutions.

This submission argues for the inclusion of non-Community Housing Providers (CHPs) as eligible project proponents under the NHIF, particularly those with a proven track record in providing crisis and transitional accommodation to young people. Organisations like **Kids Under Cover**, the largest provider of youth housing in Australia, have been building and relocating modular one and two bedroom studios for over 35 years, housing approximately 1,000 young people every night. Despite not being a CHP, Kids Under Cover's experience, expertise, and innovative approach to youth homelessness make them a valuable partner in delivering housing solutions that meet the specific needs of young people at risk of homelessness.

This submission emphasises that expanding eligibility to non-CHP providers with a demonstrated history and construction experience will maximize the impact of NHIF funding, ensuring that a broader range of effective, community-focused organisations can contribute to alleviating the homelessness crisis among young Australians.

Kids Under Cover

For around 30 years, **Kids Under Cover** (KUC) has been working to prevent youth homelessness, and to strengthen young people's connections with family, community and education.

KUC's life changing services include:

- **Studios Program:** Provides 670 relocatable one and two-bedroom studios with bathrooms, offering stable and secure accommodation for approximately 1,000 young at risk of homelessness – every night. Of this number some 25% are First Nations young people, many have had involvement in the Out of Home Care (OoHC) or juvenile justice systems. Over 60% of our studios are placed in regional and rural areas of Victoria. This program is funded by the public, private and philanthropic sectors.
- **Education Scholarships:** Offer financial support for education or job training to empower young people to achieve their goals and stay connected to education and the community. KUC raises the funds for this program through philanthropy and the private sector.
- **Village 21:** Delivers clustered supported housing options for young people leaving Out of Home Care, providing a supportive environment for their transition into independent living. Funding for these villages has been provided through the Victorian Government and donors.

- **Mobile Pods:** Offers rapid housing response to families in crisis situations, providing temporary accommodation to young people to prevent homelessness and stabilize living situations. The Mobile Pods are funded by philanthropy.

Consultation Questions

Response to Question One:

Targeting additional funding towards crisis and transitional accommodation for young people is an important step in addressing the homelessness crisis in Australia. The merits of this approach are multi-faceted, particularly when integrated into the broader mix of the Australian governments social housing strategies.

1. **Meeting immediate needs:** Crisis accommodation offers young people a safe, secure space during periods of emergency, such as those fleeing family and domestic violence, or experiencing sudden homelessness due to economic or social instability. Transitional accommodation provides a bridge between crisis support and more permanent housing solutions, allowing young individuals to stabilise their lives, access support services, and work towards independence.
2. **Addressing the scale of youth homelessness:** According to the Australian Bureau of Statistics (ABS), children and young people aged 12-24 account for almost 25% of the reported homelessness population. This indicates a significant demand for services that cater specifically to young people, who face unique challenges when compared to older homeless individuals. Additionally, nearly 40,000 young people nationally presented alone to homelessness services, underscoring the urgent need for targeted interventions.
3. **Supporting vulnerable cohorts:** Crisis and transitional housing can play a pivotal role in preventing the cycle of chronic homelessness by offering timely support. Young people, particularly those escaping domestic and family violence, or transitioning out of Out of Home Care or Youth Justice, are among the most vulnerable. The provision of targeted housing to these young people ensures that they are not left without support during critical life stages.
4. **Wrap around support and vocational pathways:** Beyond providing shelter, transitional accommodation often incorporates support services like mental health support, education and vocational pathways, etc. This wrap around approach equips young people with the skills needed to break free from the homelessness cycle and participate fully in the economy and community.
5. **Reducing long-term costs:** Early intervention through crisis and transitional accommodation can prevent the escalation of homelessness into long-term or chronic conditions. By providing immediate support, the need for more expensive, long-term services such as healthcare and justice system interventions can be reduced.

Response to Question Two:

The funding outlined in the Treasury document is aimed at increasing the supply of crisis and transitional accommodation for youth, defined as persons aged 16 to 24 years experiencing family and domestic violence or at risk of homelessness. While this initiative is commendable, the definition set out in the Investment Mandate amendment may not fully capture the complexity of youth homelessness and the need for flexibility in transitional housing services. Key issues to consider, include:

1. **Inadequate Age Range for "Youth":** Defining youth as individuals between 16 and 24 years in the context of homelessness and family and domestic violence risks overlooking younger adolescents who may face similar vulnerabilities. Many young people become homeless well before the age of 16. ABS data shows that 11,000 unaccompanied children (under the age of 18 years) were homeless nationally on any given night.
2. **Multiple Transitions in Youth Development:** Young people often go through multiple transitions during this period of their lives. These transitions may include leaving school, moving out of home, entering or exiting relationships, seeking employment, or continuing education. Given the complexity of these life stages, it is inappropriate to place caps on access to transitional housing. Limiting the duration or eligibility for transitional housing could result in young people being prematurely pushed out of safe accommodation before they are fully equipped for independent living.
3. **The Importance of a Flexible, No-Cap Approach:** Young people at risk of homelessness often require extended support to stabilise their circumstances. By imposing arbitrary limits or caps on the duration of transitional housing, we risk forcing young people back into unsafe environments or even into chronic homelessness. A no-cap approach would allow for flexible, person-centered services that adapt to the varying needs of young people during their transitions, recognising that some individuals may need longer-term support while others may be ready for independent housing more quickly.
4. **Addressing the Root Causes of Youth Homelessness:** Young people who are at risk of homelessness or experiencing family and domestic violence often need time to heal from trauma, rebuild trust, and acquire skills for future independence. Removing caps on transitional housing allows for a more comprehensive and holistic approach to recovery, focusing on long-term outcomes rather than short-term fixes.

In summary, while the Treasury's funding plan to expand crisis and transitional accommodation is essential, the current definition of "youth" in the Investment Mandate amendment is overly restrictive and could hinder the program's effectiveness. It is crucial that no caps are placed on transitional housing services to ensure that young people have the necessary time and resources to navigate the complex transitions of this life stage, enabling them to achieve stability and independence.

Response to Question Three:

The current list of eligible project proponents for the National Housing Infrastructure Facility (NHIF) under the Critical Infrastructure and Social and Affordable Housing categories, while important, does not fully address the specific needs of crisis and transitional accommodation for youth. Given the unique developmental challenges faced by young people at risk of homelessness, there is a strong argument for expanding the eligibility criteria to include non-Community Housing Providers (CHPs) that have demonstrated expertise and a long-standing track record in this space.

While CHPs are essential to the social and affordable housing landscape, other organisations with a proven track record in providing crisis and transitional accommodation for young people, such as **Kids Under Cover**, should also be eligible for NHIF funding. Kids Under Cover has been building and relocating one and two bedroom studios for young people at risk of homelessness for over 35 years. This experience gives them unparalleled expertise in the construction and deployment of housing solutions tailored to vulnerable young people.

Key arguments for including non-CHP Providers:

1. **Proven Expertise in Housing for Youth at Risk:** Kids Under Cover is currently the largest provider of housing to young people in Australia, housing approximately 1,000 young people every night in 670 one- and two-bedroom units. Despite not being a CHP, the organisation has demonstrated exceptional capacity to provide housing solutions specifically for at-risk youth. This makes Kids Under Cover well-positioned to effectively use NHIF funding for crisis and transitional accommodation projects targeted at young people.
2. **Precedent set by the Victorian government:** An example of non-Community Housing Providers (CHPs) being able to access youth housing grants is seen in the Victorian Government's Big Housing Build project. Under this initiative, a \$50 million allocation was set aside specifically for Youth Housing grants. This funding was designed to increase the supply of housing options for young people at risk of homelessness, with a focus on creating safe, stable, and supportive housing environments.

In this case, non-CHP providers, such as Kids Under Cover, were able to successfully access these funds. Kids Under Cover, a leading organisation that has been providing housing solutions for vulnerable young people for over 35 years, was a prime recipient of these grants. Despite not holding CHP status, the organisation's proven history of delivering one and two bedroom studios for at-risk young people, coupled with their expertise in construction and relocation, made them an ideal candidate for funding.

3. **Tailored solutions for vulnerable populations:** Kids Under Cover has developed a specialised model of housing that is responsive to the needs of young people at risk of homelessness, particularly those transitioning out of Out of Home Care or family and domestic violence situations. These modular, relocatable studios provide young people with the stability and privacy they need to develop independent living skills while remaining connected to their communities and support networks. The added

benefit of relocatable studios is that they can be moved when the young person no longer needs it so that another young person can benefit from them.

4. **Track Record of Innovation and Success:** For over three decades, Kids Under Cover has consistently demonstrated innovation in their approach to youth homelessness, including working collaboratively with governments, philanthropy, and not for profit organisations. Their success in building sustainable, cost-effective housing solutions that meet the specific needs of vulnerable young people is a testament to their capability. Allowing such non-CHP providers to access NHIF funding could further expand and enhance housing solutions for those most in need.
5. **Alignment with Broader Housing Objectives:** Expanding the list of eligible project proponents beyond CHPs aligns with the government's broader objective of increasing housing availability and diversity, particularly for vulnerable populations such as young people. Limiting eligibility only to CHPs could unintentionally exclude specialised providers like Kids Under Cover that are well-equipped to deliver crisis and transitional accommodation solutions in a timely and cost-effective manner.
6. **Leveraging Experience in Construction and Relocation:** Kids Under Cover's experience in construction and relocation of housing units is extensive, as evidenced by its success in building scalable, high-quality studios for vulnerable young people. This level of expertise in housing delivery should be a key criterion for NHIF funding eligibility, regardless of CHP status. Non-CHP organisations that can demonstrate comparable experience and a history of successful project delivery should be given strong consideration for funding.

The expansion of the NHIF for crisis and transitional accommodation provides an opportunity to include non-CHP providers like Kids Under Cover that have a proven record of successfully housing young people at risk of homelessness. Their ability to deliver targeted, innovative housing solutions should make them eligible for NHIF grants. By broadening the eligibility criteria to include non-CHPs with demonstrated expertise, the government can enhance the impact of its funding and address the urgent needs of young people facing homelessness. This inclusive approach ensures that valuable, experienced organisations are not excluded from playing a critical role in tackling youth homelessness.

For further information:

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