Confidential Item

CAMPBELLTOWN CITY COUNCIL

Confidential Item

For Council meeting to be held on

Tuesday 1 December 2020 at 7.00 pm

Refer Item 11.9

Confidential Item

11.9 Youth Housing Partnership

Manager Community Services & Social Development, Tracy Johnstone's Report

Purpose of Report

To consider utilising Council owned houses to partner with SYC (Service to Youth Council) to provide affordable housing in the Campbelltown area.

Strategic Plan Link

Strategy 1.1.5 Information and support for people across the lifespan through advocacy, programs, services and projects

Background

SYC currently delivers State funded specialist homelessness services for young people in the Eastern Adelaide region. In addition to this, SYC also deliver an alternative education program on the University of SA Magill campus for young people who have disengaged from local high schools. Each year up to 5 students, aged 15 - 17 years, who engage in this program suffer significant family related trauma and become homeless.

At the 2016 Census, the City of Campbelltown had 107 people that identified as homeless, with an average of 25 percent aged between 12 - 24 years. This data has remained consistent with 22 young people accessing homelessness support with SYC from the City of Campbelltown area during 2019/20 reporting year, with an additional 9 clients from bordering suburbs.

Throughout 2019/20, young people accessing SYC's homelessness services had an urgent need for medium and long-term accommodation 365 times. Of these presentations, 65 per cent of requests were unmet, signifying there is significant demand for more longer-term housing options for young people in SA. This is compounded by very low chances of having the funds or capacity to be accepted into private rental housing. As a result, young people often find themselves 'couch surfing' and sleeping precariously in others homes outside of their familiar suburbs.

Council Chief Executive Officer, Paul Di Iulio, is a board member of SYC. He raised the concept of exploring Council-owned current private rental houses with Staff to further explore with SYC, however has not been involved in any of the discussions due to his conflict of interest.

Council owns five residential houses in the area which are privately rented. The houses were strategic land purchases as part of master planning considerations for expansion of the Library, Depot and Council Offices at any point. The table below outlines the details of each of the five properties including the annual rental income and expenses which includes real estate agent property management fees, SA Water and property expenses.

Address	Annual rental 2019/2020	Annual expenses	Lease expires
135 Montacute Road, Campbelltown	$12,780	$8,801	5/1/2021
28 Anderson Court, Newton	$17,047	$5,147	6/3/2021
5 Julia Drive, Rostrevor	$16,689	$7,950	24/3/2021
26 Anderson Court, Newton	$15,125	$6,755	2/5/2021
166 Montacute Road, Rostrevor	$15,304	$5,202	30/9/2021

Discussion

There is an opportunity for Council to consider utilising one or two of its rental properties to enter a partnership with SYC where the houses can be used as long-term shared rentals for SYC clients.

In discussions with SYC it is most likely that two young people will be housed together. There could be more tenants depending on the house, to share the property and each person would pay 30% of their income on rent; any more than 30% of earnings spent on rent is deemed to cause rental stress. Young people may be on the lowest income support, youth allowance, so 30% of their income would mean they pay $138.75 per fortnight; it would be slightly higher if the young person was on Newstart or if they were employed.

The minimum rent paid would be $7,215 per annum assuming ongoing rental by 2 residents on youth allowance.

There are 2 cohorts of young people who would suit this model of housing:

- Transitioning HYPA Housing tenants – young people 17-25 years old who exited homelessness into SYC's HYPA Housing program and are nearing 18 months of this tenancy arrangement. These young people could be matched into appropriate share housing groups, and would all have at least 12 months of rental history behind them (through renting independently from SYC). Providing share housing tenancies to this group would enable greater flow through the HYPA Housing program.

- Young people 16-19 ending child protection involvement. This group includes young people engaged in the local schools within City of Campbelltown who have unstable or unsafe family environments, and could also include young people growing out of residential care. SYC would assess independent living capability prior to housing, however this group would require greater outreach and engagement in an on-going capacity than the cohort described above. Staff are aware of a number of young people in the education programs in Magill that would greatly benefit from the opportunity to safely live away from their family home, and these properties could enable them to do so whilst avoiding the homelessness sector.

If Council proceeds with this partnership Staff recommend that SYC would choose the tenants based on their knowledge of their client group.

Staff believe the properties in Anderson Court provide an ideal location as they are located in a quiet cul de sac, next to the Library and public transport. Most of the other properties in Anderson Court are managed by Housing Choices, a community housing provider for social housing and provide supported tenancy.

Council could trial this partnership with 28 Anderson Court initially as the current lease expires on 6 March 2021. The partnership would be reviewed following a 12 month trial and if successful, Council could add another property to the partnership as a lease expires.

Social Implications

Housing rental affordability is an issue experienced by many people. This is further compounded for young people who may experience age discrimination and lack of rental history. Young people may not be able to live at home with family for a variety of reasons including family violence, abuse and neglect, unsafe or unstable living environment. Council has infrastructure that can be easily used to support social outcomes and provide a model that other Councils may be able to support. There is demand for young people to have safe, stable and affordable rental which Council can provide.

Environmental / Climate Change Implications

There are no environmental / climate change implications in relation to this report.

Asset Management Implications

There are no asset management implications in relation to this report.

Governance / Risk Management

Council's Chief Executive Officer, Mr Paul Di Iulio, is a board member of SYC. He raised the concept of utilising Council's privately rented housing as an opportunity to explore. Staff and SYC Staff have since met to develop the concept and Mr Di Iulio has not been involved in any of those discussions.

Staff don't believe there are any risks associated with SYC clients as tenants. The properties are currently rented through an agency to unknown tenants without Council's involvement, this situation does not need to change.

Council's current tenants have no knowledge of this report or the potential impact on their tenancy if the property they currently reside in is considered for SYC.

Community Engagement

There are no Community engagement implications in relation to this report.

Regional Implications

This is the first time that SYC have explored this type of partnership with a Council and if this proves successful, it could be potentially rolled out with other Councils as a new way of addressing this growing issue in local Communities.

Economic Development Implications

There are no economic development implications in relation to this report.

Financial Implications

Council currently receives market rate rental income for its 5 residential properties. There would be a reduction in rental income for any properties allocated to SYC for their tenants.

In 2019/2020 the rent received for 28 Anderson Court, Newton was $17,047 and if rented to 2 young people through SYC on youth allowance the annual rent would be $7,215. This is a loss of income of $9,832. However, it is believed the reduction in income is significantly outweighed by the social benefit this provides the local Community.

Recommendation

That Council provide 28 Anderson Court, Newton to Service to Youth Council from April 2021 for an initial 12 month tenancy, with the partnership arrangement being reviewed within three months prior to the expiration of the lease.