



Home Stretch WA

Guidelines for Staying On Subsidy and Housing Allowance

August 2023

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Background

Home Stretch WA provides young people leaving out of home care at 18 years of age until they reach 21, with financial assistance to continue living with a carer under a Staying On Agreement, or to find and maintain other affordable housing options through a Housing Allowance.

These guidelines support the governance of financial payments that are used to subsidise safe and stable living arrangements for young people who are engaged with a Home Stretch WA provider. The guidelines should be read in conjunction with the *Home Stretch WA – Financial Governance Policy: Staying On Subsidy and Housing Allowance* (the Financial Governance Policy).

1 Scope

The Department of Communities has a legislative responsibility under the *Children and Community Services Act 2004* (the Act) to provide support to young people who are eligible for assistance under s.96 of the Act¹, are leaving or have left out of home care and are under 25 years of age.

Home Stretch WA is a voluntary opt-in program. Young people leaving care who turn 18 years old from 1 July 2022 are eligible.

These guidelines are applicable to young people aged between 18 and 20 years who engage in the Home Stretch WA program.

2 Definitions

Table 1: Definition of terms used in these guidelines.

Term	Definition
Housing Allowance	<p>A fortnightly payment for a young person who is leaving residential care or who does not wish to, or is unable to, stay on with their carer, or is in another type of living arrangement.</p> <p>The payment is to support the young person find and maintain suitable and affordable housing. The payments are not paid directly to the young person.</p>

¹ *Children and Community Services Act 2004*: Part 4, Division 6 – Provisions about leaving the CEO's care.

Term	Definition
Staying On Subsidy	<p>A fortnightly payment made directly to the Staying On carer to support the young person to continue living with them up to the age of 21. It is not a payment to increase or supplement a young person's income.</p> <p>The subsidy is paid to help ensure the young person's basic needs can be met, and to support the family to continue to provide a home for the young person.</p>
Staying On carer	<p>A foster or family carer who the young person continues to reside with after they turn 18 and leaves the out of home care system. For the young person it means they do not have to leave their carer's home until they reach 21, or when they are ready to move on.</p>
Payment recipient	<p>The person or organisation (through an authorised representative) who receives the Housing Allowance or Staying On Subsidy payment.</p>
Home Stretch WA provider	<p>A community service organisation or Aboriginal Community Controlled Organisation funded by the Department of Communities to deliver the Home Stretch WA program.</p>
Home Stretch WA Coordinator	<p>The program coordinator of a Home Stretch WA provider who manages a team of staff to deliver the program to young people in a specified region.</p>
Staying On Facilitator	<p>A dedicated role within a Home Stretch WA provider who supports the Staying On carer and young person to ensure the living arrangement extended under a Staying On Agreement is successful. The Staying On Facilitator works more closely with the carer, while the Transition Coach is focused on supporting the young person.</p>
Transition Coach	<p>A consistent and reliable youth worker who works with the young person to provide flexible, one to one support focused on coaching towards independence. The Transition Coach is pivotal in helping the young person find and maintain suitable accommodation and access the Staying On Subsidy or Housing Allowance to support the living arrangement.</p> <p>Transition Coaches are employed by the Home Stretch WA provider.</p>

Term	Definition
Invest In Me	Financial brokerage available to each young person supported by a Home Stretch WA provider to help them reach their goals or overcome unexpected emergencies.
Staying On Agreement	A social contract between the young person, their Staying On carer and the Home Stretch WA provider that sets out the details of how things should work in the living arrangement that is being supported.
Living Arrangement Agreement	A social contract between a young person and the people/person they reside with that sets out the conditions for how things should work in a living arrangement supported by a Housing Allowance.
Primary place of residence	The housing or living arrangement which the young person is living in for most of their time, and where they maintain a right of abode.

3 Principles

The Financial Governance Policy and these guidelines are underpinned by the principles created through the Home Stretch WA co-design process, helping to ensure where decision making requires an element of discretion, it is always guided by principles that communicate the agreed intent of the model.

Supporting an emerging interdependence

Home Stretch WA is focussed on preparing young people for a more gradual transition into adulthood, helping them to develop the knowledge, skills and confidence to become financially self-reliant, to belong and contribute to their communities, and have the skills and capacity to access mainstream resources.

This is directly reflected in practice as young people are expected to contribute to their own housing costs in all living arrangements (under a Staying On Agreement or Living Arrangement Agreement), growing their financial self-reliance and helping them gain experience in managing their housing costs more independently after they reach 21.

Practice procedures for Home Stretch WA providers related to financial payments stipulate that resources and sources of funding outside of the Department of Communities should always be accessed and exhausted before using the financial supports available through the Home Stretch WA program. This encourages young people to broaden and build their knowledge and support networks beyond the child protection system, helping to develop their skills and capacity to resolve financial challenges independently in the future.

Dignity of risk

The Home Stretch WA program recognises the young person as an adult who has a fundamental right to make choices about their own life and living arrangements. Failure and bad choices are seen as learning opportunities, and an important feature of developing autonomy and self-reliance in young adults.

The Department of Communities is no longer the legal guardian of the young person and decision making regarding financially supported living arrangements must balance the duty of care of the Department around the safety of the young person against ensuring the young person holds agency and dignity of risk around their choices.

In practice this means the young person must be supported to understand and manage any risks that might arise due to their living arrangement, rather than being prevented or protected from exposure to any or all risks.

A Support Circles approach

One of the primary focus areas of support provided by a Home Stretch WA provider is to help a young person to build and maintain a sense of belonging and connection with their community, family, culture and country.

This means encouraging and supporting living arrangements that help a young person to build and maintain their connections is a priority. It should be a key factor when assisting a young person to identify living arrangements that can be supported by Staying On Subsidy or Housing Allowance payments.

4 Payment rates

Home Stretch WA carefully balances the idea of extending supports and financial resources with a focus on interventions that are designed to encourage young people to grow their financial skills and capacity to live independently and become financially self reliant.

Payment rates were determined based on an understanding that all young people over 18 will be eligible for income support, and therefore have capacity to contribute to their housing costs. The Staying On and Housing Allowance payments were designed to financially support young people to find and maintain affordable housing, they are not intended to cover the full costs of living arrangements.

The Home Stretch WA model encourages young people to become increasingly self reliant around housing costs through a staging down of payment rates over the 3 years they are supported. Payments are reduced to 75 percent of the first year base rate in the second year, and then further reduced to 50 percent of the base rate for the third year a young person is supported by Home Stretch WA.

Fortnightly payment rates as of 1 July 2022 are specified in Table 2 below.

Table 2: Staying On Subsidy and Housing Allowance payment rates.

Year	Staying On Subsidy (per fortnight)	Housing Allowance (per fortnight)
1	\$450	Accommodation Costs up to \$450
2	\$337.50	Accommodation Costs up to \$337.50
3	\$225	Accommodation Costs up to \$225

Staying On Subsidy

The Staying On Subsidy is provided to cover costs associated with a young person continuing to stay on in the living arrangement under a Staying On Agreement. While the payment rate is fixed, young people are expected to contribute towards the costs of the living arrangement as part of their Staying On Agreement, which sets out the expectations of the living arrangement.

Under advice from the Australian Taxation Office (ATO), Staying On Subsidy payments are not treated as taxable income. In addition, under advice from the Australian Government Department of Social Services (DSS), Staying On Subsidy payments are not deemed to be reportable income for the recipient. See *Home Stretch WA Payments and Centrelink – Guide for Transition Coaches and Child Protection Workers*.

Payments can only commence from the date the completed Staying On Subsidy Application is approved by the Department of Communities Home Stretch Services Team.

Housing Allowance

The Housing Allowance is a fortnightly payment paid directly to a landlord, home owner, organisation or authorised person acting on behalf of the owners of the living arrangement.

The maximum rate of payment is equivalent to the Staying On Subsidy, as some living arrangements supported by a Housing Allowance may provide an equivalent level of support to a Staying On living arrangement. For example, where a young person is living with a relative or extended family member.

Home Stretch WA providers work with each young person to complete a Housing Allowance Application, which provides details of their current financial situation, the proposed living arrangement, and the requested Housing Allowance payment amount needed to make the living arrangement affordable.

Calculating the Housing Allowance payment rate

The Housing Allowance rate of payment should be individually calculated based on the circumstances and costs associated with the living arrangement, and the young person's current financial capacity to cover housing costs.

See *Home Stretch WA Practice Guide – Housing Allowance* for more information about how to calculate payment rates.

When supporting a young person to complete a budget for the Housing Allowance Application, Home Stretch WA providers should support a young person to understand all the potential costs related to their proposed living arrangement as part of developing a budget. This information should then be factored into the calculation of the Housing Allowance payment rate.

Where a young person has significant ongoing debts or costs related to the living arrangement, these might also be factored into calculating their available income for housing costs before determining the allowance rate.

For private rentals or living arrangements where only housing is offered, the Housing Allowance payment rate should be calculated based on the costs associated with making the accommodation affordable based on the young person's income.

Where meals, transport or other kinds of supports are offered as part of the living arrangement, the Housing Allowance payment rate should also consider a contribution towards these costs in addition to the basic cost of housing.

See *Home Stretch WA Practice Guide – Housing Allowance* and associated resources for more information about determining the Housing Allowance Rate of payment.

No impact on a young person's income support payments or tax

Under advice from DSS, Housing Allowance payments are exempt from being treated as reportable income for a young person (as they do not receive the payment) and they do not impact eligibility for Rent Assistance or any other benefits they may receive.

Payments are reportable income for payment recipients

Housing Allowance payments are deemed taxable income for payment recipients, and DSS may also consider Housing Allowance as reportable income for payment recipients who are receiving income support payments. While the Home Stretch WA provider will inform the payment recipient of the potential impact of receiving a Housing Allowance payment, it is the responsibility of the payment recipient to report the income to relevant parties.

Payment recipients who are living in public housing should also declare to the Housing Authority if they have a young person move in. Both the Housing Allowance payments and the income of the young person are likely to be seen as reportable income for the purposes of setting the rent payment rate for the public housing.

See *Home Stretch WA Payments and Centrelink – Guide for Transition Coaches and Child Protection Workers* and *Home Stretch WA Housing Allowance – Landlord Factsheet*.

Changing a Housing Allowance payment rate

Changes to the payment rate can only be initiated by a Home Stretch WA provider submitting an updated Staying On Application Form or Housing Allowance Application Form, including a rationale for why the rate needs to be changed.

While the rate may be adjusted during a 12 month term, the length of the agreement cannot be extended and the payment will still need to be staged down 12 months after the first payment was made.

The Department of Communities will provide written notification to both the young person and the payment recipient of any change in payment rate being made.

5 Monitoring and Recording Payments

Monitoring of Staying On Subsidy and Housing Allowance payment rates is the responsibility of the Home Stretch WA provider. The correct payment rate is calculated for each application and recorded in the form.

The date of the first payment is recorded in Assist (Department of Communities client data base) and tracked through the client record database.

Monitoring and tracking of all current and historic Housing Allowance and Staying On payments is also managed by the Home Stretch Services Team.

While the capped amounts for the Staying On Subsidy and Housing Allowance for each year are equal, the Housing Allowance amount is determined based on the young person's rent, support costs and income and may be lower than the allocated capped amount.

6 Conditions to maintain payments

Housing Allowance and Staying On Subsidy payments are set at fixed rates and approved for fixed periods of time. While the fixed period provides a commitment to the ongoing investment in the living arrangement, payments are conditional upon the young person, payment recipient and Home Stretch WA provider meeting their respective responsibilities as described below.

There is a requirement that young people are actively engaged and supported by their Home Stretch WA provider in order to continue to receive a payment towards their living arrangement.

Conditions for the young person

The responsibilities of the young person are described in the resource *Staying On/Housing Allowance Fact Sheet for Young People*. The young person must commit to these responsibilities as part of completing their application for a Staying On Subsidy or Housing Allowance.

To maintain the ongoing payment of a Housing Allowance or Staying On Subsidy, a young person must:

- maintain the living arrangement as their primary place of residence,
- maintain regular engagement with their Transition Coach, meeting face to face or by phone at least every six weeks,
- participate in informal and formal reviews of the living arrangement on a quarterly basis or as required; and
- provide evidence of meeting their obligations of the living arrangement and/or provide consent for their Home Stretch WA provider to check in with their carer or the payment recipient.

Conditions for the Staying On carer/s

Every Staying On Agreement sets out the expectations of the living arrangement and requires that the Staying On carer/s maintain their obligations in relation to the living arrangement. As a minimum this requires:

- ongoing provision of a safe and stable living arrangement for a young person as their primary place of residence as agreed in the Staying On Agreement; and
- participating in informal and formal reviews of the living arrangement on a quarterly basis, or as required.

Conditions for a Housing Allowance payment recipient

A Housing Allowance payment recipient will have their responsibilities described and defined by either the Lease Agreement, Boarding or Lodging Agreement, or as agreed in a Home Stretch WA Living Arrangement Agreement.

In addition to the responsibilities set out in the agreement, Housing Allowance payment recipients must also respond to requests for informal and formal reviews of the living arrangement on a quarterly basis, or as required.

Responsibilities of a Home Stretch WA provider

Home Stretch WA providers are responsible for monitoring and reviewing living arrangements on a regular basis, ensuring young people and payment recipients are meeting their obligations, and providing this information to the Department of Communities as required.

The responsibilities of the Home Stretch WA provider are covered in greater detail in the *Practice Guidelines for Housing Allowance and Staying On* developed by the Home Stretch WA Community of Practice. These responsibilities are agreed through the grant or service agreement signed by each Home Stretch WA provider.

The structure and process of reviewing Housing Allowance and Staying On living arrangements are similar in practice. Each Home Stretch WA provider must undertake

both informal and formal reviews of living arrangements, with the outcome and information from reviews documented in case records for each young person.

Home Stretch WA providers must also advise the Department of Communities Home Stretch Service Team immediately if they suspect a young person is no longer in the living arrangement (i.e. it is no longer their primary place of residence).

Informal reviews

The Transition Coach must undertake an informal review with the young person after the first four weeks of the living arrangement, and then at least every three months thereafter.

Informal reviews typically comprise:

- visiting the young person at the property,
- checking in on the safety, stability and affordability of the living arrangement in line with the application form; and
- liaising with the payment recipient (includes a Staying On carer) to check in around their perspective of how things are going in the living arrangement.

Young people who are living independently in private rentals can request that they manage contact with their landlord or real estate agent, and provide evidence of meeting their tenancy obligations to their Home Stretch WA provider as required.

After the first four months, and where there is ongoing stability in a living arrangement, informal reviews may be completed over the phone.

Formal reviews

Every living arrangement must be formally reviewed at least every 12 months or earlier. A formal review can also be requested at any time by the young person, the payment recipient or the Department of Communities.

A formal review must include the Home Stretch WA provider undertaking a visit to the living arrangement, and a face-to-face meeting between the Transition Coach and young person to review the Staying On Agreement or Living Arrangement Agreement to ensure the living arrangement is still a safe and stable option.

Formal reviews are also planned to begin at least three months before the end of the agreement date for the Housing Allowance or Staying On Subsidy, to allow sufficient time for planning around the staging down of the payment or any other changes to the living arrangement agreement.

Reporting requirements for monitoring of living arrangements

On a quarterly basis, Home Stretch WA providers will be sent by the Department of Communities a list of the current Housing Allowance and Staying On Subsidy living arrangements they are supporting.

Home Stretch WA providers are responsible for reviewing this list and cross checking to ensure that for each living arrangement the following information has been confirmed:

- The living arrangement is the young person's current primary place of residence.
- The living arrangement remains a safe, stable and affordable living arrangement as described and defined in the application process.

7 Recovery of overpayments

An overpayment of Staying On Subsidy or Housing Allowance payments is a legal liability under the *Financial Management Act 2006*, which the Department of Communities is obliged to pursue.

Where there is evidence of overpayment due to the failure of the payment recipient (which includes a Staying On carer) to meet their responsibilities or failure to notify the Home Stretch WA provider or Department of Communities that the young person is no longer in the living arrangement as their primary place of residence, the Home Stretch WA Services Team must be notified and relevant information provided.

The Home Stretch Services Team will notify the Department of Communities Subsidies Processing Team who will calculate the overpayment amount based on information provided by the Home Stretch WA provider, or the Home Stretch WA Services Team where the payment recipient has contacted the Department of Communities directly.

Once the level of overpayment has been established, the Department of Communities Subsidy Unit will follow the same policy that is applied to the recovery of overpayment of foster carer subsidies.

8 Innovation in use of Housing Allowance

While the Housing Allowance approach is relatively new in Western Australia (WA), it has drawn heavily from the learnings and evidence base of similar programs including Youth Rent Choice (NSW), Host Homes (USA), Foyer Foundation (UK and Australia), Housing First for Youth (Canada), Supported Rental Pathways Pilot (WA), Danjoo Darbalung (WA) and the LIFT Program (WA).

The co-design of the Housing Allowance practice approach identified that housing supply and equitable access would be challenges to successful implementation at scale, particularly in regions and communities where housing options are severely limited.

The Housing Allowance is intended to be flexible. It can be used to help establish new and innovative living options for young people outside of the existing service system. While the Housing Allowance can be used to help subsidise the costs of private rentals, the increased purchasing power through a fortnightly payment only tackles one barrier to safe, stable and affordable housing options for young people.

To promote the use of Housing Allowance, Home Stretch WA providers are encouraged to explore innovative opportunities to use the funding to increase the range of housing options available to young people. This can be undertaken in collaboration with other community service organisations or other agencies or services providing housing to young people.

Home Stretch WA providers can submit written proposals to use the Housing Allowance to establish new or innovative options for young people they are supporting in the program.

Proposals should be consistent with the principles and intent of the Housing Allowance as outlined in the guidelines and, where possible, in line with the Financial Governance Policy. Housing Allowance payments can be used to help cover the costs of additional supports provided to young people in living arrangements but the maximum individual contribution towards all costs must remain below the maximum rate of payment for young people based on their eligibility.

The following initiatives are considered aligned with the Financial Governance Policy and would be considered on a case-by-case basis.

Covering other housing related costs

For some young people the proposed living arrangement may not provide a direct way to pay a Housing Allowance, or their other costs are so significant they would require a direct and ongoing payment to ensure they can sustain themselves in the living arrangement.

While Invest In Me funding should be used to cover these costs, in some situations it may be appropriate to make an application to use the Housing Allowance to cover some of these costs. The practice principles and guidelines for Invest In Me should always be applied to ensure any financial support offered is done so in a way that is consistent with building capacity, interdependence on mainstream resources, and encouraging a young person's financial self-reliance.

In these situations, the Home Stretch WA provider should still support the young person to complete the Housing Allowance Application Form and provide a written summary of the young person's current situation and the proposed expenses or costs they would seek to have covered by an exceptional use of the Housing Allowance. For example, electricity or water expenses.

The proposal should also contain a plan for how those expenses would be paid and, in most circumstances, this will require the Home Stretch WA provider to directly cover the costs using their payment mechanisms and seek to have their expenses recovered through the Housing Allowance payment.

Home Stretch WA providers should be mindful that setting up a regular ongoing payment towards a young person's expenses (not directly for the living arrangement/housing) may be deemed reportable income for the young person for the purposes of Centrelink and the ATO and would not meet the exemption criteria provided for the Housing Allowance granted by DSS.

Host homes

Host homes is a housing intervention developed and tested in North America for young people experiencing housing instability and homelessness. Similar in many ways to the concept of a Staying On Agreement, host homes provide young people experiencing housing instability with an opportunity to be linked with a family or individual through a brokered boarding or lodging arrangement (under a Living Arrangement Agreement).

There are a range of practice resources around the recruitment and support of host homes available, and the Home Stretch WA Community of Practice would provide additional support to Home Stretch WA providers wishing to explore this option for young people in their community.

Establishing shared housing properties

In other jurisdictions that have established Home Stretch style programs, service providers have sought to establish transitional housing properties that are located near residential group homes or their previous place of residence. Village 21 in Victoria and Staying Near in the UK are examples of attempts to create new opportunities for young people leaving care. These kinds of living arrangements provide a pathway for young people leaving residential care to continue to stay connected to some of their informal supports and networks they have established while living in the facility.

Home Stretch WA providers may wish to seek opportunities to partner with other community service organisations already delivering transitional housing services or providing tenancy supports to transitional housing programs, and to use funding available through the Housing Allowance to help expand the opportunities available to young people.

Applications may be considered for the use of the maximum rate of Housing Allowance for young people living in one property to help establish and maintain lease hold over a housing property.

In developing proposals to establish shared houses using the Housing Allowance, Home Stretch WA providers should consider the following constraints:

- Housing Allowance payments can only be paid while young people are living in the proposed property as their primary place of residence.
- Home Stretch WA providers and their partner agencies must cover the costs related to vacancies that arise in the property.
- The Housing Allowance can only be used towards payment of the direct costs of the living arrangement. Funding provided by the Department of Communities through the Housing Allowance cannot be used to cover the costs of additional staff or program related costs.

- Support to each young person should remain with their Transition Coach, and the young person should not be transferred to the care of other service providers for the duration of the living arrangement.
- Young people must have tenure in the living arrangement, and it must be aligned with the Financial Governance Policy.
- Young people must complete a Housing Allowance Application Form, however the payment of the allowance may be negotiated through a separate agreement or mechanism as part of the proposal.
- Young people should be contributing towards the costs of the living arrangement, and this contribution may be used for purposes as agreed in the living arrangement.

9 Resources

These guidelines should be read in conjunction with the Home Stretch WA Financial Governance Policy: Staying On Subsidy and Housing Allowance.

Further information about Home Stretch WA is available on the WA Government Home Stretch WA webpage - www.communities.wa.gov.au/homestretchwa including a Staying On guide for young people and carers and Frequently Asked Questions.

Practice guidelines and other resources used by Home Stretch WA providers are maintained on the Community of Practice website at www.homestretchwa.org.au, and duplicated on the Department of Communities internal Home Stretch WA website.

10 Related policies and case practice guidance

- Home Stretch WA Financial Governance Policy.
- Casework Practice Manual Chapter 3.4.13 Leaving the CEO's care & transitioning to adulthood
- Casework Practice Manual Chapter 3.5.7 Procedure for initiating a subsidy payment
- Care Team Approach Practice Framework
- Care Planning Policy
- Leaving Care Policy

11 Document control

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12 Amendments

Version	Date	Author	Description
1	January 2023	Senior Policy Officer	New guidelines - first draft
2	May 2023	Principal Project Officer	Update and alignment of guidelines to Housing and Staying On Financial Governance Policy
3	June 2023	Senior Policy Officer	Final review and amendments made after feedback from Guiding Panel
4	July 2023	Home Stretch WA Steering Committee	Final review, feedback and endorsement.
5	August 2023	Principal Project Officer	Final policy.
6.	15.9.2023	Executive Director Ben Whitehouse	Approved final version