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Transition to Independent Living Team
Department of Social Services

Via email: tila@dss.gov.au

Dear TILA team,

Transition to Independent Living Survey

Anglicare Australia appreciates the opportunity to provide input to the Department of Social Service's inquiry into the Transition to Independent Living Allowance (TILA).

Anglicare Australia makes this submission on behalf of our members, and the children and young people who use their services. The Anglicare Australia Network consists of social and health service organisations that are linked to the Anglican Church in Australia, that share a belief in the value and the potential of every person, and the principles of justice, hope and compassion. Collectively our services provide foster care, kinship care and residential care to 4,443 children and young people, employing 1,721 staff and further supporting over 10,000 young people through youth-specific services such as youth foyers, transitions to work, and leaving care support.

A decent, secure income is crucial to people's wellbeing. Income provides stability and helps people plan for their lives. It is the anchor that allows people to look after themselves and to make decisions for their future, like pursuing education or securing a place to live.

Young people who are or have been in out-of-home care are one of the most vulnerable, traumatised and disadvantaged groups in Australia. They often come into care with long histories of trauma caused by chronic abuse and/or neglect. Their disadvantage may be exacerbated by in-care experiences like placement instability, family estrangement and schooling disruption.

Children in care, for example, were two times more likely to be hospitalized, six times less likely to be attending university, and 3.5 times more likely to have a juvenile and/or adult community sentence, compared to children without contact with child protection services.[i] When these young people leave care, they do not always have the same support other young people receive from their family.

We strongly support the intent of this consultation to better meet the needs of young people exiting out-of-home care. There needs to be more help available to care leavers, both financially via TILA, as well as through other support services such as Youth Foyers and mental health support services. Importantly, care leavers need to be made aware about such supports.

This submission makes recommendations about changes to the Leaving Care Plan and TILA application process that will improve access to financial support for care leavers. It also recommends increasing social security payments to support young people leaving informal care who cannot access the TILA, or who are waiting to have their claim for a TILA assessed.

Expedite the approval of leaving care plans

Shortening the length of time the Department of Social Services takes to approve leaving care plans would help make sure that care leavers are able to pay for goods and services they require to live independently.

Anglicare Australia Network members consulted shared that leaving care plans are often not approved till after young people have left care. Without an approved leaving care plan, they can't use the TILA they are entitled to. Since TILA was designed as a one-off payment to cover immediate moving expenses, this undermines its purpose and usefulness.

Young people are also unable to be reimbursed for costs incurred prior to the application for TILA, for example moving expenses. Anglicare Australia Network members spoke of foster carers and institutional care providers utilising their own scarce funds to support a young person to move before they receive TILA. If they don't have family or carers who can help, some young people may be forced to make difficult decisions about dropping out of school, living in inadequate housing or forgoing healthcare, in order to cover expenses they cannot be reimbursed for.

Faster processing times and greater flexibility around the use of TILA payments would help ensure that young people leaving care receive adequate support at the time of transition and have the best possible chance of succeeding in life.

Streamline application processes

TILA is paid to a community organisation, who will use the funds to purchase items for the young person. Anglicare Australia Network members advised that as a result, young people without contact with a case worker face difficulties in accessing TILA.

Whilst the principle of ensuring that the payment is wisely spent is valid, not only is this process administratively cumbersome, it is also disempowering for care leavers. The Government should reform the system to allow young people access the TILA allowance directly via Centrelink.

Increase the rate of TILA and Youth Allowance

Many young people living in out of home care have limited work experience. They may work casual jobs with few hours, or in lower-skilled positions. On top of their experiences living out of home, they are more likely to experience financial hardship once they transition to independent living.[ii]

Young people leaving care do not always have financial support from their family to fall back on. Whilst the $1500 TILA allowance is useful, it is inadequate, with 61 percent of care leavers surveyed in a longitudinal study of care leavers reporting that they needed more financial help to cover the costs of new household items, rent, bond and more.[iii] Even if a young person leaving care and in receipt of Youth Allowance were able to find a room in a group house paying 50 percent of their income, about $130 a week, the bond on this room would require one third of their TILA allowance. Furnishing, appliances, and cookware will all need to be purchased on top of this.

The Government should also increase social security payments. Youth Allowance, the main source of government benefit for care leavers, is set at an unliveable level. Anglicare Australia have been researching the housing and rental market for ten years through our annual Rental Affordability Snapshot. Through the Snapshot, we've found that there was only one listing in a share house that was affordable for a person on Youth Allowance anywhere in the country.[iv] Immediately raising social security payments above the poverty line would help lift thousands of care leavers out of poverty and give many more the freedom to make choices that will help them thrive.

Lifting the rate of income support payments will also benefit young people who have been exposed to the care system but are not in state care when they reach adulthood, such as young people in out-of-home care who were reunified with their family before age 15. These young people are frequently excluded from transition support services like TILA, even though they are vulnerable to many of the same risks faced by other young people exiting the formal out-of-home care system.

Adequately fund transitional support workers

By law, all care leavers must have a leaving care plan, a document which details the needs and areas of support required by the young person. Yet only 46 percent of young people leave care with such a transition plan.[v]

The limited capacity of leaving care services is a key barrier to developing a leaving care plan.[vi] Many specialist leaving care services and post-care support services are under-resourced, have long waiting lists, or have restrictive eligibility requirements. Their capacity to help young people plan their transition is limited by lack of funding.

For example, an Anglicare Australia member shared that they had to close their affordable private rental program due to funding shortages. Increasing funding for transitional support services would help alleviate service shortages and ensure that care leavers receive all the help that they can get. In particular, the Government should invest in Youth Foyers, which focus on education and skills development, while also providing a safe living environment and personal support for young people.

Extend the leaving care age to 21

We know that 85 per cent of 18 to 21-year-olds in this country are still living with their parents.[vii] Yet, depending on state or territory, our child protection system cuts off support at age 18. There's no justice in that. Young people need to feel confident about their future. Post care programs are important, but they don't offer the refuge and security that help young people cope with all the challenges of transitioning to adulthood.

It is also not fiscally rational to cut off support at age 18. Deliotte's Access Economics cost–benefit analysis found that extending the age of care and support for young people transitioning from care to adulthood to age 21 would save the Queensland government $71 million over the next decade.[viii] For every $1 invested in extended care to 21 years, the return for Queensland is $5.90 in financial and wellbeing costs; or $3.30 in financial costs alone over 40 years.[ix]

Anglicare Australia thanks the Department of Social Services for the opportunity to provide input to this consultation. We would welcome the opportunity to further discuss these recommendations with the Transition to Independent Living Team, or to provide further information from the Anglicare Australia Network.

Yours sincerely

Kasy Chambers
Executive Director

[i] Lima, F, Maclean, M and O'Donnell, M (2018), Exploring outcomes for children who have experienced out-of-home care.
[ii] Muir, S, Purtell, J, Hand, K and Carroll, M (2019), Beyond 18: The Longitudinal Study on Leaving Care, Wave 3 Research Report.
[iii] Ibid.
[iv] Anglicare Australia (2022), Rental Affordability Snapshot.
[v] Muir, S and Hand, K (2018), Beyond 18: The Longitudinal Study on Leaving Care Wave 1 Research Report: Transition Planning and Preparation.
[vi] Ibid.
[vii] Deloitte Access Economics Report (2021), Queensland Home Stretch.
[viii] Ibid.
[ix] Ibid.