

# Rent Choice Youth

## Y foundations factsheet

### What is Rent Choice Youth?

Rent Choice Youth is a rental support program in NSW for 16 to 24-year-olds who are on a low income and at risk of homelessness. Participants receive subsidised rent in a private rental property, capped at a certain amount depending on the area, combined with caseworker support and brokerage (of \$2,000) for three years. In exchange, they must agree to actively engage in education or employment.

Rent Choice Youth is a 'step-down subsidy' model. This means that for the first 12 months of the program, participants pay 25% of their weekly income plus 100% of their Commonwealth Rent Assistance subsidy towards their rent. The rest is covered by Rent Choice Youth.

After the first 12 months, the young person's contribution may increase depending on their performance and earnings. The aim is that, over time, participants will be able to rent privately without any support. The program is flexible so rental contributions may fluctuate throughout the three-year period, and may even go back down to 25% if the young person encounters financial difficulties. If participants begin to earn over \$650 a week, they are no longer eligible for support.

Rent Choice Youth is part of a suite of rental assistance programs including:

- **Rentstart Bond Loan:** an interest-free loan that covers part or all the rental bond
- **[Advance Rent:](#)** when no bond is required by Rentstart Bond loan clients, Advance Rent offers a grant to cover key money, a security deposit or rent in advance
- **[Tenancy Assistance:](#)** can only be offered once in a 12-month period and provides up to 4 weeks rent to cover unpaid rent and/or unpaid water charges
- **[Private Rental Brokerage service:](#)** provides one-to-one help for eligible clients with complex needs, to assist them in finding and keeping a private rental

## What does the research say?

The Rent Choice Youth program has now been operational for five years. The NSW Government has not evaluated the program, or published any data on the number of young people who have completed it, dropped out or been excluded.

[Service providers from Albury](#) suggest that Rent Choice Youth has been well received by the sector. By providing casework support alongside financial support, the program has enabled some vulnerable young people to gain financial and emotional independence.



[Read our barriers to young people renting position paper](#)

But providers also suggest the Rent Choice Youth's reliance on affordable housing means the impact of the program is limited. Rising rental costs and low vacancy rates across NSW means affordable rentals are often hard to come by, and subsidies are often insufficient. When the program ends, vulnerable young people often struggle to continue to afford rental costs – particularly in more expensive areas such as Greater Sydney.

## Who can Rent Choice Youth support?

When [Yfoundations consulted with members](#) on the Rent Choice Youth program, they stressed that the program doesn't meet the needs of all young people - particularly those who are not ready or able to live independently, work or engage in education. For some of these higher-needs young people, youth-specific social housing would be a better option. But our consultations suggest that, due to the shortage of such housing, young people are often pushed to enter the Rent Choice Youth program when they are not ready. As a result, many drop out before its completion.



[Read our factsheet on youth-specific social housing](#)



[Read our position paper on homeless 16 and 17 year-olds](#)

Yfoundations members also suggest that Rent Choice Youth is rarely appropriate for homeless 16 and 17-year-olds. This group typically require more intensive, 24/7 support than the program can offer, such as medium-term accommodation.