

Submission on the Transition to Independent Living Allowance (TILA) Review

"You know what's funny? They took me out of a homeless shelter when I was younger and when I left care they put me back in one." (Young person, CREATE Foundation, 2024b)

"I'm still very scared [about transitioning from care]. If no funding is there, is it going to be ok?" (Young person, CREATE Foundation, 2024c)

"If your case manager doesn't do it [transition planning], it doesn't happen. If there is all this legislation, how do you control that? How do you make humans be good humans? You can't really... it's a choice they have to make... at the end of the day they are working in our lives... The decisions they make continue to impact our lives even after we turn 18."

(Young person, CREATE Foundation, 2024g)

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Acknowledgements

CREATE is the national peak consumer body for children and young people with an out-of-home care experience. Whenever government or the sector considers issues of policy, legislation, system reform or service design, the voices of children and young people most impacted by these decisions must be heard.

CREATE represents the voices of over 45,000 children and young people who are in care each year nationally, and would like to acknowledge the contribution of 30,000 clubCREATE members, Young Consultants and Youth Advisory Groups throughout Australia, who have provided depth and breadth of expertise in every state and territory on the issues considered in this submission.

Where this submission uses direct quotes from children and young people in care, all identifying information has been removed, this includes all references to gender, sexuality, age, culture, community, and location/s of their current or past care experiences.

About CREATE

CREATE Foundation is the national peak consumer body for children and young people with an out-of-home care experience. We represent the voices of over 45,000 children and young people currently in care, and those who have transitioned from care up to the age of 25.

Our vision is that all children and young people with a care experience reach their full potential. Our mission is to create a better life for children and young people in care.

To do this we:

- **CONNECT** children and young people to each other, CREATE and their community to...
- **EMPOWER** children and young people to build self-confidence, self-esteem, and skills that enable them to have a voice and be heard to...
- **CHANGE** the systems that impact children and young people, in consultation with them, through advocacy to improve policies, practices and services and increase community awareness.

We achieve our mission by delivering a variety of programs and supports for children and young people with a care experience, and by conducting advocacy and research to improve experiences and outcomes.

For more information, see:

- CREATE's [Strategic Plan 2024-27](#), which outlines our strategic directions and goals.
- CREATE's [Menu of Programs](#), which outlines the range of programs, events and activities that CREATE runs.
- CREATE's [Menu of Consultations](#), which outlines our engagement, consultation and research offerings.

About the submission

The Australian Government Department of Social Services (DSS) has commissioned the Australian Institute of Family Studies (AIFS) to undertake a review of selected elements of the Safe and Supported Action Plan.

This project is: Review of the Transition to Independent Living Allowance (TILA). Its aims are to: provide information for assessing possible different approaches for TILA funding, including: ways to improve accessibility and uses of TILA, and its utility in assisting young people to transition from care.

CREATE strongly affirms all actions taken to ensure equitable outcomes for young people with a care experience, believing that young people with a care experience deserve the same life opportunities

to thrive as their peers. In scope of Action 5a, is the review of the *Transition to Independent Living Allowance* (TILA) “to better understand and improve how young people with care experiences connect and experience th[is] suppor[t]”. The aims of this project are to provide information for assessing possible different approaches for TILA funding, including: ways to improve accessibility and uses of TILA, and its utility in assisting young people to transition from care.

CREATE Foundation welcomes the opportunity to provide this submission to AIFS, as a part of the TILA review. CREATE provides its submission understanding that the cohort of young people who transition from OOHC is historically more vulnerable to financial hardship and risk of homelessness than other cohorts of the same age: 15-25 years, and the cohort has been disproportionately impacted by the recent cost of living crisis in Australia.

CREATE recognises “the need for broader policy changes and adjustments to attend to the needs of all young people navigating the impact young people with an out-of-home care experience, especially those transitioning from care”, and need for “a robust transition support package and guaranteed housing placements for young people with a care experience up to the age of 25 in an effort to attend to the relative disadvantage they experience”. TILA is one part of this support package.

CREATE’s commentary in this submission focuses on TILA’s effectiveness to facilitate positive outcomes for young people transitioning to independence across life domains. The voices of young people who have experience of transitioning from OOHC to independence are CREATE’s primary source, aligned with CREATE’s purpose to ensure young people with lived experience participate in decision-making on issues that affect them. The voices included in this report are collated from CREATE Youth Advisory Groups held across Australia from 2023-2025. These are supported by the voices captured in CREATE’s national *Transitioning to Adulthood from Out-of-Home Care: Independence or Interdependence survey* (Transitioning to Adulthood from OOHC) (McDowall 2020). 325 young people participated in the study, 100 of whom were between the ages of 15-25 and provide the sample for data used in this submission.

There is generally limited national data to provide insights on the transition of young people from out-of-home care arrangements to independence, as acknowledged by the Australian Institute of Health and Welfare (AIHW) (2019). CREATE encourages the work underway to develop a national linked data asset that brings together Australian government (Centrelink) data with state and territory out-of-home care administrative data, so that the issues encountered by young people when transitioning from OOHC are better understood.

CREATE’s submission to AIFS’ *Transition to Independent Living Allowance (TILA) review makes recommendations*, is based on consideration of the intentions of TILA, TILA’s effectiveness in delivering on its intentions, the barriers encountered by young people to realise the benefits intended for them through TILA, and the impacts on the young people’s lives as a consequence of these barriers.

Contents

Acknowledgements	2
About CREATE.....	2
Recommendations to strengthen the intended impacts of TILA	5
The Discussion	8
Final thoughts	16
References.....	17

Recommendations to strengthen the intended impacts of TILA

CREATE Foundation recommends the following actions are taken to increase awareness of TILA

1. CREATE Foundation recommends that comprehensive action is taken to embed and increase awareness of TILA, including:

- 1.1. Governments and non-government service providers deliver education on TILA's purpose, eligibility and how to access it for all roles responsible for supporting young people transitioning from OOHC to independence (e.g. carers, caseworkers, leaving care workers), and set clear expectations of roles to ensure young people have access to the allowance.
- 1.2. Governments and non-government service providers collaborate to develop practical communication tools to reach young people aged 15-25 years with OOHC experience and inform them about the availability and benefits of TILA, e.g. utilising Instagram and Tik Tok.
- 1.3. All levels of government review relevant websites, promotional materials, and application processes related to TILA to ensure the information is appropriate and accessible. Any improvements should be co-designed with young people, to ensure the information is accessible, application processes are well understood and young people know where to go if they need further assistance. This will better ensure that young people are aware of and feel confident accessing the supports they are entitled to.
- 1.4. All levels of government review TILA application processes to ensure TILA administration processes and requirements are appropriate and accessible. Any improvements should be co-designed with young people.
- 1.5. Government departments and agencies share information about TILA with services young people and their carers use, including services young people can access after age 18.
- 1.6. Governments and services capture and share testimonials so young people, carers and workers understand TILA's real life, practical benefits.
- 1.7. Governments and services create and promote resources available to young people, carers and workers that support TILA's purpose and access.
- 1.8. All levels of government consider rolling out CREATE's Sortli (Sort Your Life Out) App (where this is not already in place). Developed specifically for young people transitioning to independence, and in consultation with 15 to 18-year-olds with care experience, Sortli helps users aged 15-21 to set future goals, and identify resources and services available to them, so they can confidently transition from care to independence.

2. CREATE Foundation recommends that government strengthen the preparations and approach to support transition to independence

- 2.1 All levels of government ensure the outcome of the refresh of *Australia's National Standards for Children and Young People Living in Out-of-Home Care* (National OOHC Standards) strengthens the quality and compliance of governments, services and workers related to Standard 13 – 'young people transitioning to independence have a transition care plan commencing at 15 years of old which details support to be provided after leaving care'.
- 2.2 Young people's transition care plans must include how individual young people can best use their TILA payment, the services that can best help them acquire the goods or services, and timeframes for TILA application and receipt of goods and/or services.
- 2.3 Planning for TILA use must be integrated into a young person's complete financial plan for transitioning to independence, which should be a part of their transition from care plan.
- 2.4 Transition from care plans are genuinely co-designed with young people, and young people are provided with financial management learning as part of this planning.

3. CREATE Foundation strongly identifies the need to improve access and recommends that government transform TILA's administration and application processes and requirements

- 3.1 TILA should be automatically provided to young people when they leave care. Government should use existing client data and Commonwealth payment systems to directly and promptly provide TILA to young people, without undue and onerous application processes. Rather than 'opt in' arrangements, government should establish an 'opt out' option for young people leaving care who do not wish to receive this financial support payment.
- 3.2 Remove application requirements entirely and ensure that when a young person leaves care, the payment is automatically paid, recognising the need for transition support. The current approach is onerous, inefficient and disadvantages young people at this crucial stage of change.
- 3.3 The dismantling of the application process and requirements should include removing any need for caseworkers to submit TILA applications on behalf of young people.

This would respond to reports from young people about sometimes experiencing case managers as gate keepers to TILA, and address known negative impacts, including application and acquisition delays and the misallocation of allowance funds.
- 3.4 TILA to be transferred directly to a young person's bank account, as an entitlement. Further, TILA transferred directly to young people encourages financial responsibility which, with support to learn financial management, develops an imperative life skill. Finally, TILA transferred directly to young people will address the current lack of access to TILA experienced by young people who do not apply for the allowance prior to leaving care for a range of reasons, including because they are not aware of their entitlement.
- 3.5 Strengthen the rules around comprehensive transition packages and brokerage arrangements across jurisdictions so that:
 - 3.5.1 arrangements are consistent and equitable for all young people leaving care
 - 3.5.2 young people routinely receive their full TILA entitlement.

4. CREATE Foundation strongly recommends that the TILA entitlement is increased to a minimum of \$10,000 per young person.

4.1 Consistent with CREATE's response to the Federal Budget 2024-25, CREATE calls on the Federal Government to increase the rate of TILA from \$1500 to \$10,000 to better support young people transitioning from care. CREATE calls for this as:

- advocates for transition supports in all life domains that are consistent, equitable, and easily accessible nationwide.
- part of a robust transition support package for young people with a care experience up to the age of 25 in an effort to redress the relative disadvantage experienced by the cohort, as a human rights response that acknowledges the community's concern for their dignity, wellbeing and life outcomes.

5. *CREATE Foundation recommends that there is increased accountability on the timely disbursement of TILA payments*

- 5.1 Governments must closely monitor, evaluate and transparently report on:
 - 5.1.1 the implementation of changed arrangements emerging from this review
 - 5.1.2 the levels of access to TILA, and analysis of number of young people who chose to opt out over time.
 - 5.1.3 outcome impacts for young people as a result of changes to TILA and any other changes to transition supports delivered at a state/territory level, including transitions to stable and safe housing, and entry into university and higher education. All evaluation processes must be designed with young people in care and meaningfully engage young people's lived expertise.
- 5.2 Governments at all level should expedite work with the Australian Institute of Health and Welfare (AIHW) to build a national linked data asset that brings together Australian government (Centrelink) data and state and territory out-of-home care administrative data to make available consistent and accurate data to understand the lived circumstance of children and young people living in OOHC.

CREATE's responses to the AIFS discussion questions

What impacts (positive or negative) has your organisation observed for young people who have accessed TILA?

The impacts of accessing TILA – positive or negative – must be considered in the context of the quality of living conditions experienced by young people post-care. These impacts can be evaluated against the intentions of TILA:

- to contribute to the desired transition to independence outcomes across life domains, including: housing/accommodation, health – physical, emotional (including self-esteem), mental, sexual health, dental health, education and training, employment or other suitable activity, financial security, social relationships and support networks, life skills, identity and culture and legal matters.
- to be integrated within young people's transition to independence plans.
- to work as an early intervention approach to reduce reliance upon crisis intervention and other community services at a later time, and lead to positive community engagement in areas such as housing, education and employment.

The strength of the positive impacts intended by TILA can first be measured by the number of young people nationally transitioning from OOHC who report being aware of the allowance prior to leaving care, and by the number of eligible young people who apply for the allowance. On these measures the positive impact of TILA as an early intervention approach to reduce longer term reliance on income support and community services, and to promote positive social engagement is limited.

Of the participants in CREATE's *Transitioning to Adulthood from OOHC* report (McDowall 2020), only 62% of young people eligible for TILA reported being aware of the allowance prior to transition (38% being unaware).

"I hate that no one told me about [TILA]. No one mentioned it to me."

(Young Person, CREATE Foundation)

"I only just realised that TILA existed. There was zero support on that."

(Young Person, CREATE Foundation)

Of the same sample cohort, only 43% reported applying for the allowance. This reporting is consistent with other recent research. NSW Family and Community Services reported that in 2017 only 28% of eligible young people in that state applied for the allowance.

The lack of awareness of TILA and the low levels of uptake of the allowance by young people transitioning to independence means many eligible young people leave care without all the support they need and are entitled to, to help avoid longer term financial and social inequity and isolation.

In sharper focus, the uptake of TILA by eligible young people limits its intended positive impacts.

The Views of Young People aged 8–17 in Out-of-Home Care Second National Survey 2018 (AIHW 2019) provides some insight into the adequacy of support experienced by survey participants, aged 15–17, while preparing for their transition to independence. Relevant to the life domains that TILA is intended to support, survey participants reported varying levels of receiving 'as much help as they needed', as shown:

- employment, work and training reported at 67%
- keeping healthy reported at 82%
- staying in touch with friends and family reported at 71%

- staying in touch with culture and religion reported at 56%
- housing and accommodation at reported 71%
- accessing legal services at reported 67%.

Even for the health domain, with the highest level of reporting of being provided ‘as much help as they needed’, 82%, (almost 20%) of young people needed more support. In all other domains, over 25% of young people needed more ‘help’. 29% of young people wanted more help with housing and accommodation and 44% wanted more help to connect to culture and religion, integral to their sense of identity and belonging. The survey findings reveal that greater awareness and uptake of TILA are needed to enable more young people to access support when transitioning from OOHC.

Disconnect between TILA’s purpose and allocation to young people

The young people’s voices heard by CREATE across jurisdictions give insight into the disconnect between the intentions of TILA and their experience of receiving and spending the allowance.

A young person shared, *“For my TILA, my Centrelink hadn’t kicked in, [I] used it [TILA] for a month’s worth of rent and food vouchers for Coles. It has to be set for a purpose. I am worried about what this means though in the future... I have my rent increasing at the end of the year and I have to pay for text books when I move across from the Advanced Diploma to my undergraduate in social work at [University]”.* (Young person, CREATE Foundation, 2023).

A second young person explained that TILA funds were used to purchase a bed for her while she was still in care. At the time of revealing this, she had thought the state child protection department was responsible for providing her with a bed, and her TILA should have been kept for something she needed when leaving care. She described that at the time (17 years old) she was confused but accepted that her caseworker was doing the right thing (Young person, CREATE Foundation, 2023).

Another young person shared, *“I asked the Department... to help me see my brother for his 10th birthday. But I needed flights to see him in Brisbane. He was turning 10 years old and I paid for it myself with my job, as my department [caseworker] would not help me and they were difficult. He is my family and it was his birthday.”* (Young person, CREATE Foundation, 2023)

And another young person said, *“I didn’t even hear about TILA until the end of last year, when I was just about to turn 18. I haven’t heard anything about actually helping me move into being independent at all...”* (Young person, CREATE Foundation, 2023)

What is driving these impacts (or lack of impacts)?

Barriers to accessing and benefiting from TILA

Young people encounter barriers to being aware of and accessing TILA, undermining the potential benefits and desired impacts of the allowance. Young people describe the causes of these barriers.

a) Barriers to TILA awareness

“There needs to be more transparency of the support you can receive.” (Young person, CREATE Foundation, 2024a)

CREATE has collected young people’s insights into the factors that create a barrier to being aware of TILA, which align with other evidence. These factors primarily involve the capacity of caseworkers and the quality of caseworkers’ relationships with young people. Young people report:

- case managers’ lack of knowledge of TILA and/or of TILA’s application and administration processes and requirements
- the high turnover rate of case managers can interrupt a young person’s transition planning, planning can become fragmented and TILA can be missed
- the high turnover rate of case managers can cause young people relationship fatigue and they disconnect from the transition planning process.

b) Inadequate transition to independence preparation as cause of barrier to TILA

There are high levels of reporting by young people across jurisdictions, that during the period of transition from care to independence, from aged 15 to turning 18, there is little preparation.

“Nobody at the Department told me anything. I got all of my information from other kids at the resi.” (Young person, CREATE Foundation)

“I haven’t heard anything really. I’ve only been given like emails of like about TILA and stuff, but that’s about it. I haven’t had anything about the independence plan or anything”. (Young person, CREATE Foundation)

“I found it [receiving TILA] really challenging. I think if I had been taught, it wouldn’t have been as challenging” (Young person, CREATE Foundation, 2024)

“I found out what it meant to transition from care when it happened. Didn’t know before it.” (Young person, CREATE Foundation, 2023b)

“[The Department] just assumed that my bio [biological] family would take me in when I aged out – it was a toxic environment... I had to find my own private rental – they [the Department] didn’t follow up with a Department of Housing application. I didn’t have a leaving care plan.” (Young person, CREATE Foundation, 2024e)

Research undertaken by CREATE Foundation (McDowall 2020) identified that, of participants within the transition period age range (15-18 years), 36% reported they knew they had a leaving-care plan, 43% did not have a plan, and 21% were unsure. Of those with a plan (n=83), 20.1% of plans did not include financial planning. Consistent with the young people’s voices heard by CREATE, an inquiry conducted by the Victorian Commission for Children and Young People (2020) identified that only 19% of reviewed case plans included a TILA application for the young person.

This reporting reveals a lack of adherence to Standard 13 – ‘young people transitioning to independence have a transition care plan commencing at 15 years of old which details support to be provided after leaving care’. This demonstrates a lack of accountability for the young people’s outcomes across life domains as they transition to independence, including a lack of uptake of TILA.

c) administration and application processes and requirements as a barrier to TILA

The complexity of the application process is experienced by young people as a barrier to accessing TILA in some cases. Some young people speak of being so confused and unsure about the process, that they give up on applying. Other young people report that the application process is straightforward, and presents little difficulty. What is consistent across young people's accounts about engaging in the application process is that it is made much easier with the support of a knowledgeable person.

"[Applying for TILA] was too difficult myself and wasn't easy to find information online or elsewhere. But when I got my after-care worker it was easy because she helped a lot." (Young person, CREATE Foundation)

"They have helped with TILA but would have liked the support earlier than this. I'm 18 next month." (Young person, CREATE Foundation, 2023)

Specific reported barriers to accessing TILA related to administration and application processes and include:

- case managers' lack of experience to support TILA applications can mean that applications are not submitted or are incorrectly submitted.
- young people relying on case managers to submit TILA applications on their behalf experienced delays and young people felt they had little agency in selecting what their TILA allowance would be spent on.

"I don't like that you can only apply [for TILA] through your case worker". (Young Person, CREATE Foundation)

- inconsistency in brokerage arrangements across jurisdictions and brokerage services leads to inequitable benefits being received by young people.

"It took a year of fighting to get my TILA payment, whereas other people got it automatically because they were with [another service provider]". (Young Person, CREATE Foundation, 2025)

- brokerage arrangements for completing transactions on behalf of young people can mean that young people do not have access to the full TILA amount.

"...it was difficult to use the funds for what I needed to, because the agency only used a corporate credit card, which came with processing fees ..." (Young person, CREATE Foundation)

- if a young person has not applied for TILA prior to formally leaving care, accessing the allowance can be challenging because they no longer have a case manager to assist them in submitting the application and facilitating the brokerage of items or services the young person needs. This creates inequity.

"As soon as I turned 18 I was just on my own. It took me 3 years to get my TILA after I was on my own." (Young person, CREATE Foundation)

d) Young people's capacity as a barrier to TILA awareness and access

Young people do identify some young people's lack of awareness and/or access of TILA can be because they lack the capacity to engage in designing their leaving care plan during transition planning. This highlights the need for transition processes to be developmentally appropriate and to ensure TILA is easily accessible for young people over 18.

Barrier to positive impacts of TILA: TILA amount is not adequate

CREATE believes that the positive impacts intended by TILA are limited because the allowance amount is inadequate. The \$1,500 TILA amount, set in 2009, has not been uplifted in 16 years. Even by cost of living standards in 2009, the TILA amount of \$1,500 was modest for its desired impact.

In the 16 years since TILA was set at \$1,500, there has been significant economic and social change in the Australian context. CPI over the period has risen on average 2.7% per annum. If TILA had been tied to CPI, the allowance amount in 2024 would have been \$2,227.71. This is a total change in cost of 48.5 per cent, over 15 years. However, it is important to note that in the years 2022 and 2023 Australia's annual CPI rose to 6.59% and 5.6% respectively. The cost of living impacts of inflation on Australians is well-documented, and young people transitioning from OOHC into independence are among those who are most socio-economically vulnerable, and have felt the cost of living crisis most acutely. The fixed TILA amount has compounded young people's financial vulnerability, and meant that many young people leaving OOHC transition into poverty.

Additionally, the period since 2009 has seen significant social change for the Australian young people generally. In 2017–18, 75% of young people aged 15–24 lived with their parent or parents, as either a dependent student or a non-dependent child. This is a 6% increase from 2007–2008. Most notably, the increase of young people aged between 20 and 24 years-of-age living with their parent/s increased from 48% to 58% i.e. the majority.

Wilkins et al. (2020) conducted a longitudinal analysis of data from the *Household, Income and Labour Dynamics in Australia Survey* attributing this trend to social, economic, educational and cultural reasons, including broad trends such as:

- the decline in permanent employment opportunities for young people
- increased participation in higher education
- lack of housing accessibility and affordability.

These trends, and the broader resulting trend of the majority of young people living at home into their early 20s, brings into sharp focus the vulnerability across life domains of young people who transition from OOHC into independence at age 18.

While data showing the cost of supporting a young person between the ages of 18–24 years and living at home is not readily available, indicators from household expense data and population survey results tell a story of the cost to households related to supporting young adults of these ages. The Australian Bureau of Statistics' *Household Expenditure Survey, Australia: Summary of Results, 2015–2016* identified the weekly expenditure on items by different household compositions, with items organised by 15 categories. In 11 of the 15 categories, households composed of at least one young person over the age of 18 years spent more each week on items than other household compositions. These categories were: domestic fuel and power, food and non-alcoholic beverages, alcoholic beverages, tobacco products, clothing and footwear, medical care and health expenses, transport, communication, personal care, recreation and miscellaneous goods and services.

In 2015–2016 the average total weekly expenditure of households with at least one adult child in these 11 categories was \$2,293.01. Adjusted for, in 2024 the total weekly expenditure of households of the same composition on the same items would have been \$2,915.94, a 27.2% increase at an average annual inflation rate of 3%. Household budgets know young people cost money.

Correlated with this, a widely cited 2018 population survey of 1000 households with adult children living at home reported that 33% of Australian parents with adult children living at home spent between \$51 and \$100 weekly on their adult child's living costs, and 36% spent between \$101 and \$200. This equates to between \$2,652 per annum and \$10,400 per annum. It is interesting to note that the lowest weekly expenditure of \$51, with a \$2,662 per annum total cost, is close but still exceeds \$2,227.71 had TILA been indexed to Australia's CPI in the years 2009 – 2024. CREATE notes,

the \$200 per week, for a \$10,400 per annum cost strongly correlates and affirms CREATE's call for an increase of TILA to \$10,000 per young person.

Barriers to accessing TILA and the low TILA amount: the resulting impacts

The resulting impacts of barriers to TILA access encountered by young people transitioning to independence from OOHC, and the inadequacy of the allowance dollar amount, are best understood in the context of the intentions of TILA:

- to contribute to positive outcomes across the 8 life domains noted in the operational guidelines for TILA
- to work as an early intervention approach to reduce reliance upon crisis intervention and other community services at a later time, and lead to positive community engagement in areas such as housing, education and employment.

Data and the experiences voiced by young people provide a sobering reflection on TILA's realised impacts.

Health impacts

At a time when 2 in 5 young people report experiencing mental health fragility, evidenced by a 50% increase in young people receiving Medicare subsidised mental health support over the last ten years; and a time when the out-of-pocket costs for young people to access mental health support is up 50% in the last 2 years, more than the increase for any other demographic, the financial resources of young people to maintain their health is critical. CREATE highlights this is critical particularly for young people who transition from OOHC, who present with mental health issues, related to experiences of trauma and adversity, at higher rates than the general population of the same age.

CREATE's 2020 study reported 61% of young people transitioning from care perceived their health as less than 'quite good' and found managing their health quite difficult (McDowall's 2020). 7% reported their health was poor and 10% reported managing their health presented difficulties. The top 3 identified health support needs were access to treatment, mental health support and financial support to access health services, with mental health assigned a top priority.

"I have quite a few medical conditions. I find it really hard to be able to afford specialists' costs, then medication [is] not covered by PBS." (Young person, CREATE Foundation).

"Counselling [after using the 10 Medicare subsidised sessions]. I don't know the process and it's really expensive." (Young person, CREATE Foundation)

"I need a counsellor. I haven't eaten for the last four days. I only had a coffee. I just can't eat. I am meant to go to the dentist every month for my braces, but I haven't been in over a year." (Young person, CREATE Foundation)

CREATE argues that young people leaving OOHC should be assured of the same financial support to maintain their health as is available to young people 18-25 years who continue to live in the family home. At the current rate TILA is of no use as a mechanism to provide this support.

Education impacts

Education attainment level is long established as a predictor of positive life outcomes. The disparity of education attainment levels between Australia's general population and those with OOHC experience is also well known. To address this, stronger education engagement and Year 12 attainment is one of the desired outcomes of the National OOHC Standards: Standard 7, which indicates an understanding Year 12 completion is a strong predictor of continuing post-school education, particularly tertiary study. Despite the introduction of national standards, inequitable education attainment persists. For example, only 57% of young care leavers participating in CREATE's study investigation had completed Year 12 (McDowall 2020). In comparison, in 2020 the Australian Curriculum, Assessment and Reporting Authority reported 78.7% of Australian students left school attaining Year 12 completion, and 76.3% in 2022.

The association between TILA's intention to support equitable education attainment by young people with care experience and its actual impact is inferred by AIWH's report (2022) which identifies a significant decrease in student support payments for young people with OOHC experience by age of 21. The association is also illustrated in reporting by participants aged 18-25 in CREATE's study (McDowall 2020). When asked what support was the most needed to continue their education, 36% of young people (the highest response) identified financial support to help pay for books, transport and extra tutoring as needed most.

"My troubles outweighed my happiness and I became overwhelmed. I had to give up on my education because I could no longer do everything myself. I was really quite sad because all I wanted was to complete Year 12, for I would've been the first family member to do so. I just wanted to prove to them, myself and the world that I was different". (Young person, CREATE Foundation)

Housing and Accommodation: safety and stability impacts

"I wasn't safe and couldn't afford it [rent] on the allowance I was on. They [the department] helped pay until I was 18 then just stopped and I couldn't afford it anymore". (Young person, CREATE Foundation)

"I was able to continue living [with carers], which enabled me to do a trade. If I had to go out and live on my own there is no way I could have done an apprenticeship". (Young person, CREATE Foundation)

"I went out to live on my own... I felt it was really hard... I don't want to live independently because of this housing crisis... with the rental increases at the moment... I don't want to end up on the streets." (Young person, CREATE Foundation, 2023a)

Safe, secure and affordable housing is critical to young people transitioning from OOHC. Safe and stable housing is the foundation of better outcomes across life domains.

With homelessness being understood as 'being without safe and adequate housing for more than five consecutive nights', almost 100 of the 325 sampled care leavers aged 18-25 of CREATE's investigation experienced homelessness in the first year after their transition. CREATE's research (McDowall, 2020) reported:

- 49% of young people moved from their carer's household when their care order ceased at aged 18
- 16.7% reported they exited from care to homelessness or a shelter
- 30% of respondents reported experiencing homelessness within the first year of leaving care
- 37% of these young people were homeless for 6 months or more.

These findings align with data from the AIHW *Specialist homelessness services annual report 2023–24*.

The trajectory into homelessness for young people leaving OOHC has been well documented. A report by the Australian Housing and Urban Research Institute's (2021) found over 50% of young people experience homelessness post statutory care within 3 years, and 1 in 3 have multiple periods of homelessness.

These studies show the overlap of OOHC experience and homelessness after transition to independence, illustrating that TILA is having little impact on housing security for young people transitioning from OOHC. The impact of this is heard in the voices of the young people.

"You know what's funny? They took me out of a homeless shelter when I was younger and when I left care they put me back in one." (Young person, CREATE Foundation, 2024b)

*"I had to go to a homeless shelter and then find my own housing. I had to live in a room that was smaller than you mob's office. They signed me up for [a housing program] and housing list, nothing nothing, nothing. They called me later from [the service provider] and I was like "what the ****, who is this".* (Young person, CREATE Foundation, 2024b)

"[The Department] just assumed that my bio [biological] family would take me in when I aged out – it was a toxic environment... I had to find my own private rental – they didn't follow up with a Department of Housing application. I didn't have a leaving care plan." (Young person, CREATE Foundation, 2024e)

"We need sustainable low-income housing. Without having somewhere to go that is safe and sustainable, every other aspect won't be sustained. It is THE FOUNDATION, and I can say that through experience." (Young person, CREATE Foundation, 2024g)

Employment and Finance impacts

The employment and financial security profile of many young people who have transitioned from OOHC is equally disquieting, and illustrates that TILA has little impact on the financial stability of young people. The AIWH (2022) *Income support receipt for young people transitioning from out-of-home care 2022 report*, reports that:

- 46% were totally dependent on Centrelink payments upon transition.
- young people aged 16-30 years with OOHC experience are 3 times more likely to receive income support than the Australian population of the same age without such experience, and the disparity increases with age.
- 27% aged 30 with OOHC experience receive Commonwealth Rent Assistance compared to 8% of people aged 30 in Australia's general population.
- 49% of young people from ages 18-30 years with OOHC experience receive income support for 6+ years. This is 5 times more likely than the same age cohort within Australia's general population (11%).
- young people aged 16-30 years with OOHC experience are up to 13 times more likely than the Australian general population of the same age to receive a Crisis Payment.

These figures are unacceptably high and illustrate the failure of TILA, and support provided at a state level, to ensure positive outcomes of young people transitioning from OOHC. Further, it illustrates that TILA is not fulfilling its purpose to work as an 'early intervention approach' to 'reduce reliance upon crisis intervention and other community services at a later time'.

Final thoughts

CREATE Foundation's submission has detailed the reasons why the Transitioning to Independence Living Allowance (TILA) is having limited positive impacts for young people who transition from out-of-home care. Those in the field already have substantial knowledge of the data, circumstances and issues for young people transitioning to independence. It is well understood that the level of financial support provided in most jurisdictions remains far too low to meet the basic needs of young people transitioning from care into independent living. And this support at a state level is not adequately offset by support through TILA at a national level.

The voices of young people who live in care, and must transition from care without choice or control, are a powerful source of evidence in the review of TILA. Although the design and delivery of transition supports are largely driven by system issues, they are felt as individual issues in a relational context. One young person with experience of transitioning from care shared that meaningful transition supports require humans to be "good humans", and asks, *"How do you make humans be good humans? You can't really... it's a choice they have to make"*. What does it mean to respond to the young person's call to choose to be "good humans"? It means feeling compassion, seeing and acting to elevate the dignity of others; it means redressing disadvantage experienced by young people leaving care to enable their equitable flourishing.

The Australian community holds the standard that children in care are cared for safely, securely and with love. When a child is removed from their biological parents into statutory care in an effort to keep them safe from harm, the state acts on behalf of the whole community. It enters into a compact with the community that the child will be cared for to the community's standard, until they are ready to transition to independence and arguable beyond, noting that young people in the general community are often afforded a planned, gradual and well supported transition to independent living over many years and well into adulthood, which is now needed to achieve successful transition to independence in the current economic climate.

The love, support and investment made by parents, and the expectation that government acts as a model parent, sets the standard of care to be shown for young people who have lived in OOHC arrangements and are transitioning to independence. CREATE continues to call for the Commonwealth Government to use its Community Services Ministers meeting functions to coordinate and develop a nationally consistent comprehensive transition from care support package for young people, to ensure all state and territory governments offer transition supports for young people leaving care that at a minimum:

- begin planning at 15 years at the latest, actively involving young people in the decision-making for their plan across all life domains;
- an allocation of a specific Independent Living Allowance of at least \$16,000 per year to all young people leaving care;
- options to access flexible funding with case management support to enable young people transitioning from care to achieve goals;
- guaranteed access to transition support services until age 25, regardless of the jurisdiction within which a young person resides or moves to.

CREATE believes a nationally consistent package is needed to achieve the outcomes TILA is currently intended to contribute to: the reduction of reliance upon long term income support and crisis intervention, securing housing and employment, and continuing engagement in education, so young people achieve long lasting positive life outcomes.

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