

A PLACE TO CALL HOME

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The Wyatt Benevolent Institution (Wyatt) is a philanthropic organisation that has been directly assisting South Australians who are financially disadvantaged for over 120 years.

Over this time we have developed and maintained a range of innovative programs to address the complex issues of financial disadvantage and poverty. A significant portion of our effort has focussed on housing and education.

Secure, affordable housing is an essential component of human wellbeing and Wyatt recognises the need to support government initiatives, and work with welfare agencies and other housing providers to achieve housing affordability for the most disadvantaged South Australians.

The need for affordable housing has never been greater, as house prices soar out of the reach of many and demand for rental properties forces rents upward.

The affordability barrier

Wyatt's focus is on assisting people who are on the lowest income levels because they experience the greatest hardship in the private rental market and are often unable to achieve home ownership. Approximately 30% of SA households have incomes of less than \$400 per week (\$20,800 pa.) However, the income of a single adult on Newstart Allowance is markedly below this level – only \$449.30 per fortnight (\$11,681.80 pa) and a single aged or disabled pensioner receives \$562.10 per fortnight (\$14,614.60 pa). It is therefore clear that people on these incomes would struggle to afford the benchmark market rent, which in Adelaide was set at \$287 per fortnight for a one bedroom unit (ATO, Jan 2007). Even with Commonwealth Rent Assistance (CRA) of \$110.20 per fortnight, the percentage of income spent on rent for a Newstart recipient would be 39% and 31% for a pensioner. The problem is that there are very few places for rent at this level or less, apart from public and community housing, both

of which have eligibility criteria and waiting lists. The median rent for a two bedroom metropolitan unit is currently \$450 per fortnight, which is slightly more than the fortnightly amount for a single adult on Newstart. Even with CRA there is insufficient money left for food, utilities, etc.

Wyatt's contribution

There are several ways that Wyatt currently helps with housing. Wyatt:

- owns and manages 54 retirement units
- provides packages of household items, through partnerships with welfare agencies that work with families at risk of homelessness
- offers subsidies to not-for-profit housing providers that are building new houses or units, so that they can accept tenants on low and very low incomes
- boosts the mortgages of selected Homestart customers, by providing a component of no interest loan, to help them to achieve home ownership
- provides one-off financial assistance to individuals and families on referral from a welfare or health worker. These grants generally focus on utility costs, whitegoods, rent and other essential items
- assists with rent arrears through partnerships with several agencies that provide tenancy support.

There is no simple solution to the housing affordability crisis. Among the options available are a range of measures put in place by the Federal and State governments to encourage home ownership and improve the affordability for tenants on low or moderate income incomes. These include, among other initiatives, substantial first home owner grants, boosting savings for home purchase, subsidising infrastructure costs, the National Rental Affordability Scheme and Commonwealth Rent Assistance.

There is always pressure for more government funding at the public and community housing end of the spectrum. But organizations such as institutional investors and philanthropic trusts and foundations can also play a role in helping achieve housing for people on the lowest income levels.

Wyatt partners with a range of organisations to reduce the stress, dislocation and personal and economic cost associated with insecure or loss of housing that is often a fact of life for people who are the most disadvantaged in the housing market.

For more information go to www.wyatt.org.au or telephone Wyatt (08 8224 0074) and speak to a Grants Consultant.

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