

The Investment Case for More Youth Foyers

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Fourteen years have passed since the release of *The Road Home — A National Approach to Reducing Homelessness, the White Paper* that provided a framework for halving the level of homelessness in Australia by 2020.

As things stand in 2022, while discussion on homelessness continues to give priority to prevention and early intervention strategies, too many programs and services are still caught in a crisis-response mode.

This is particularly true in relation to the alleviation of youth homelessness. Young people's access to social and public housing remains very limited. Although young people who are homeless or at risk of being homeless make up 54 per cent of all single people who seek help from homelessness services, they represent only 3 per cent of the main tenants in social and public housing. The 'needs' of young people plainly don't meet the criteria for access to social housing.

Youth Foyers are an early intervention strategy for young people aged 16 to 24 — a window in time where they can be supported on their path towards independence.

Youth Foyers are unique because they provide stable and safe accommodation for up to two years, with integrated wrap-around services, including education and employment pathways. The Foyer approach identifies that there is a strong relationship between education attainment and employment outcomes. There is ample evidence to suggest that higher levels of educational attainment can lead to greater outcomes in health, civic engagement and even lower rates of crime.¹

The Foyer approach and its core principle of Advantaged Thinking focuses on identifying, developing and, most importantly, investing in the skills, capabilities and assets of young people through education and training as the key pathway out of disadvantage.

To achieve that pathway, stable housing is fundamental.

This integrated service approach, of moving beyond an immediate need for stable housing, and linking the systems of support that transition young people to becoming independent adults, requires an 'investment' mindset. Foyers are often criticised for being 'expensive'.

They do require significant funds in those one to two years of transition. However, that criticism of being 'expensive' usually compares solutions that are designed for immediate impact, when the long-term opportunity to redress ongoing harm is rarely embraced.

For Australia to accelerate the adoption of evidence-informed, accredited Youth Foyers, it will require all levels of government to work collaboratively — across settings and sectors — to adopt an investment mindset. That mindset requires an understanding of the lifetime total costs of inaction (or doing nothing) when a young person is at risk.

Put simply, we need to quantify — in social and economic terms — what it costs young people throughout their life, as well as Australian communities, when a young person is held back because they don't have a safe place to live with opportunities to live, learn and earn.

Not adequately preparing young people so they can contribute and thrive is simply an unwise investment decision. As *The Road Home* pointed out, we are still not embracing and investing in early intervention strategies to the level that we could be. As a result, we are not seeing the transformational results we could be seeing — not just around homelessness outcomes, but with life outcomes in many areas.

The different systems that are relevant to achieving these outcomes go beyond housing, education and employment and are as varied as services provided by drug and alcohol programs, Out of Home Care programs, juvenile justice programs, mental health programs, and programs co-designed with First Nations communities. They should also encompass pre-Foyer or even Foyer-ready programs and post-Foyer programs.

These multiple service systems and programs and the costs involved in not connecting them and integrating them around individual long-term pathways need to be considered in assessing what is expensive and what constitutes good or bad public investment.

Foyers are an ideal place to build cross-sector and cross-program collaboration. They are the beacon on the hill in any Australian community that says every young person matters.

They are the ultimate place-based initiative, that can adapt for different cohorts, empower community leaders, foster innovation, and build trusting relationships to enable all young people to navigate and integrate both the wider system and the local community.

Foyers build knowledge and pride in the local community and should be recognised as effective places for funding to be directed from the many different systems described above in order to achieve improved outcomes for those communities.

The picture I have just painted around the power of Foyers constitutes an ambition that the Foyer Foundation believes is possible. However, the current reality has been a very slow uptake of the Foyer model. Only nine accredited Foyers are in operation and yet the Youth Foyer movement has had a presence in Australia for nearly 20 years.

We have learnt and continue to learn extensively from the United Kingdom's (UK) experience with Foyers. There were nearly 100 Youth Foyers built in the UK in a decade starting in 1990. We adopted their structure of having a national accrediting and training body (their Foyer Federation as opposed to our Foyer Foundation) and up until 2018 we had individuals from the UK's Foyer Federation on the Board of the Foyer Foundation.

During those 20 years, the effectiveness of the Youth Foyer model in changing the life paths of young people, with just two years or less in a Foyer, has been demonstrated, notably by the work of the Brotherhood of St Laurence in developing the Education First Youth Foyer model and by demonstrations of the model's economic effectiveness.²

But like a lot of successful models of social change, the challenges of growing the Foyer approach with fidelity across a broad range of Australian communities has been significant. I would attribute the slow rate of take up of Foyers in Australia, relative to the UK experience, to the challenges of our federal political structure. State and territory governments, mostly through their housing and homelessness budgets, have provided the lion's share of the capital and recurrent funding for the existing crop of accredited Youth Foyers in Australia.

The Federal Government could be seeing significant financial savings from a range of positive outcomes

of the work of Youth Foyers. As it stands, it pays very little of the costs of operating accredited Foyers.

The Foyer Foundation's primary purpose has been to accredit Youth Foyers in Australia — a voluntary process which enables the Foyer network to provide feedback around the standards that are applied. The network then actively participates, through a national community of practice (coordinated by the Foyer Foundation), in collectively improving those standards, creating a true network of learning and a process of continuous improvement. This part of what we do is working well.

Most recently the focus of Foyer Foundation has turned to how we significantly grow the number of accredited Youth Foyers in Australia.

In 2021, we launched the FoyerInvest Consortium, a group of major human services organisations who are seeking to build Youth Foyers in up to 50 communities over the next 10 years in locations around Australia where there is an urgent need.

As part of that work, FoyerInvest is developing an innovative impact investment model which has the potential to rely on contributions from governments and social impact investors. The model would propose the building and operation of a significant number of new Youth Foyers via investment from the private sector. The payments would be based on achieving (medium and long-term) savings to government that occur because of the outcomes of the work of the Youth Foyers.

Our main objective is to engage and collaborate with the Federal Government around the opportunity for a meaningful contribution to the operating costs of a significantly expanded number of accredited Foyers — because it will make sound economic sense and be of great benefit to young people and the wider community of Australians.

In Australia, as around the world, our recovery from the impacts of the global pandemic will take some time. Pressure on our economy and our lifestyle are likely to have profound impacts on young people and an

increase in youth homelessness may be one unfortunate outcome. The Organisation for Economic Cooperation and Development has noted globally that COVID-19 exposed vulnerable young people to higher risks of disengagement from education and training and that *'the epidemic is affecting people's social connectedness, their trust in people and institutions, their jobs and incomes, as well as imposing a huge toll in terms of anxiety and worry.'*³

COVID-19 has had a very real impact on mental health and the experiences of young people of social isolation. We know there is a direct relationship between mental illness and homelessness or insecure housing — they exacerbate one another.

Foyers can change a young person's life trajectory. They are a statement to young people that you matter to us, and that we want to invest in high quality solutions that open the door to a life of learning — and where many different exposures with work and a career will be encountered.

In the words of one of the young Foyer alumni:

'Moving into the Foyer was the best choice I made, my life has turned around big time. Today, I am happy. Today, I am feeling alive. Today, I am doing better. Today, I will continue on building my future.'

For more information about the Foyer model and the investment approach being considered in this essay, readers may consider attending the National Foyer Conference on the Gold Coast from August 30 — September 1 this year. See the Foyer Foundation website for more details — www.foyer.org.au

Endnotes

1. Perkins C and Turner K 2014, *What Tasmania Needs from Education: a Regional Economic Perspective*, Regional Development Australia Tasmania, Launceston.
2. KPMG Economic Evaluation Report. http://library.bsl.org.au/jspui/bitstream/1/11370/1/KPMG_Education_First_Youth_Foyers_economic_evaluation_Jun2019.pdf
3. OECD 2020, *COVID-19: Protecting People and Societies*, Secretary-General of the OECD, Paris.