

## The social and economic impact of Youth Foyers

**Report summary** 





Youth Foyers beyond homelessness





The Foyer helped me by creating a safe and stable environment to raise my child. I was given support with opportunities to study and future pathways into employment that I would not have thought possible.

We acknowledge the Traditional Owners of the land on which we work and recognise their continued custodianship and connection to the land, waters and community. We pay our respects to them and their Elders past and present.



This is a summary of the Under One Roof, the Social and Economic Impact of Youth Foyers report commissioned by The Foyer Foundation and prepared by Accenture on behalf of FoyerInvest, December 2022.

The full Under One Roof report can be accessed by visiting www.foyer.org.au

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## **Under One Roof Snapshot**

THE ISSUE



Young people present to Specialist Homelessness Services per year. They are not receiving the longer-term support they need to thrive and this number has not changed in over a decade.

#### WHO IS IMPACTED

#### Of the young people aged 15-24 who present to Specialist Homelessness Services:







- ▶ One in three out-of-home-care leavers will experience homelessness within a year of leaving care.
- Many of these young people also experience family violence, housing crises or relationship and family breakdown.

#### **YOUTH FOYERS - A PROVEN SOLUTION**

#### Youth Foyers are a way out of homelessness.

They provide a safe and stable home with integrated education, employment and living skills support for young people aged 15–24.

80% exit into stable housing

65% gain secure, decent employment

#### Youth Foyers unlock thriving futures in 2 years

60% less likely to be involved in justice system

#### THE SOCIAL AND ECONOMIC BENEFITS OF YOUTH FOYERS





With 50 Youth Foyers over a 10 year period



savings to governments per person

For every young person experiencing a cycle of homelessness



**\$2.9bn** 

in lifetime benefits

The amount 50 Youth Foyers will unlock by 2040



#### return on investment (ROI)

With 50 Foyers we will see a ROI of \$6 for every additional dollar spent

### Youth Foyers at a glance

## Pathways to thriving futures for young people at risk of homelessness

#### THE STATE OF PLAY

Of the 44,000 young people who present to Specialist Homelessness Services each year, three in five return. Many more couch-surf or live in unsafe homes and these experiences contribute to disengagement from school. Young people experiencing homelessness are less likely to complete year 12 and are more likely to be unemployed.

Of the 7,800 out-of-home-care leavers aged 15–17 in 2020–21, one in three will experience homelessness within a year.

Specialist Homelessness Services provide crucial support for people with complex needs but they are beyond capacity.

Young people are getting trapped in intergenerational cycles of disadvantage that span intersecting policy domains (housing, education, employment, health, domestic violence, mental health and more) and yet it doesn't have to be this way.

#### YOUTH FOYERS CHANGE LIVES

The Youth Foyer approach is proven to support young people to achieve thriving futures, breaking cycles of homelessness and disadvantage.

Youth Foyers are a positive bridging experience from school to work, creating economic and housing security which enables young people to achieve their goals in education and independence.

Under one roof and in under two years Youth Foyers provide young people with the support they need to build confidence and life skills, setting them up for life. When only 4% of young people get the long-term housing support they request and need, Youth Foyers are a solution that addresses this need, with up to two years of integrated support that opens the door to a future where young people can thrive.



**80%** of Youth Foyer participants exit to stable housing (72% to private housing)

×1.6

With Youth Foyers, young people are are **1.6 times** more likely to achieve a higher level of education.

#### YOUTH FOYERS UNPACKED

Youth Foyers are a place-based solution creating local connections across community services, employers and education providers under one roof. They provide a safe and stable home for up to two years for young people aged 15–24 who have experienced or been at risk of homelessness.

Youth Foyers work in partnership with young people to define life, learning and work goals and provide the support needed to transition to independent thriving futures. The approach is grounded in Advantaged Thinking – valuing a young person's strengths and aspirations.

## **The FoyerInvest solution**

#### The impact of growing Youth Foyers from 11 to 50



1 'Extra' is compared to if 11 Foyers were still operating over 2022–2030 and 2030–2040.

#### **GOVERNMENT BENEFITS**

Youth Foyers provide an effective, evidence-based solution that can be delivered in partnership with Federal and state governments and the private sector, leading to long-term successes for young people, the community and the economy through multiple compounding benefits.

On a per person basis, Youth Foyers create an average of \$80,000 in benefits for the Federal Government across taxation uplifts, welfare and Federal health savings.

Foyers also create \$89,000 in benefits for state governments through the avoided social housing, health and justice costs.

The cost benefits of Foyers are **shared** between State and Federal governments evenly



#### THE OPPORTUNITY TO SCALE A PROVEN SOLUTION

50 Youth Foyers across Australia by 2030 will provide safe and stable homes with integrated support to nearly 20K young people so they can transition to thriving futures.

To achieve this, FoyerInvest Consortium, a collaboration of young people, service providers, impact investors and philanthropists have developed an impact investing solution to enable this level of growth. However, it requires Federal and State government support to make this happen.

There are currently 11 accredited Youth Foyers in Australia, with another 9 due to be accredited by the end of 2023. Community demand for Youth Foyers is rising, with over 37 communities seeking investment to build new Youth Foyers in response to the urgent needs of young people in their community.

AMIRA

Whilst living in Foyer, I have gained independence, personal growth and have been supported to be creative in a safe space.

# The FoyerInvest solution pays for itself

Investing in a growth strategy towards 50 Youth Foyers would transform the lives of 20,000 young people experiencing cycles of homelessness, leading to a benefit of \$950M in avoided costs by 2030 and \$2.9B by 2040.

Government and impact investors have an opportunity to invest in an evidence-based solution for youth homelessness through the proposed impact investment model developed by FoyerInvest.

This proposal aligns with the Federal Government's Housing Accord, driving collaboration on new financing mechanisms between the private sector, Federal and State governments. The Foyer Foundation will secure private investors to contribute a combined total of \$90m for up front infrastructure costs.

## The FoyerInvest ask

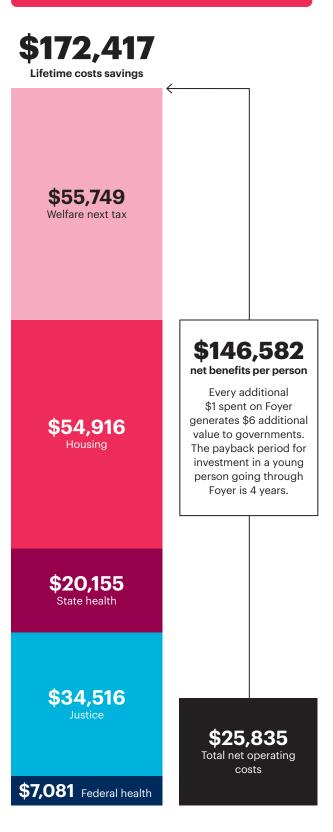
We are seeking Federal Government commitment to invest in the first tranche of 6 Youth Foyers in communities where young people experiencing or at risk of homelessness can be enabled to transition to thriving futures.

This includes:

- Federal Government contribution of \$9.6m per annum for a period of ten years towards operating costs and incentive payments for 6 Youth Foyers.
- Commitment to collaborate with two or more State and Territory Governments to align matched contributions that total \$9.6m per annum for a period of ten years.

Over the ten-year period, \$96m in Federal funding would attract a total investment pool of \$282m. These 6 new Youth Foyers will reach an extra 2,000 young people at risk during the ten-year period and deliver \$345m in additional lifetime benefits when compared to Specialist Homelessness Services support, driven by improved outcomes in housing, employment, health and justice.

#### AVOIDED GOVERNMENT COSTS AND INCURRED OPERATIONAL EXPENDITURE PER PERSON IN FOYER





MISSION Australia













FOR PURPOSE



**ANGLICARE**SA





#### STEPHEN

Living in Foyer has really supported me with my education and I'm currently finishing a certificate in community services. I've learnt how to live independently and gain employment.

#### **ABOUT FOYER FOUNDATION**

The Foyer Foundation unlocks thriving futures for young people experiencing or at risk of homelessness by growing the reach and impact of Youth Foyers across Australia.

As a for-purpose organisation, the Foundation plays the role of an intermediary – joining up the ecosystem of Foyer communities, service providers, young people, investors, policymakers and philanthropists to catalyse change.

Working towards a bold ambition of 50 Youth Foyers by 2030, The Foyer Foundation builds the national evidence base and enables Youth Foyer communities to share knowledge and practice with each other.

We uphold the highest standards with Youth Foyers across Australia through a robust accreditation process designed to drive continuous learning and improvement. We enable our growing network to create innovative solutions to the shared challenges facing young people, communities and service providers.

Core to our approach is our commitment to elevate the power of young people through everything we do, harnessing their ideas, insights and experiences to shape a better future.

> ASH Youth Ambassador

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