



**NSW pre-budget submission**

# **10 new Youth Foyers to break the cycle of youth homelessness**

March 2024

## EXECUTIVE SUMMARY

### NSW is facing a youth homelessness crisis

Over 13,000 young people presented alone to specialist homelessness services in NSW in 2022/23. Housing affordability is at record lows, and around 2 in 3 young people requesting medium term specialist housing support are being turned away. There is an urgent need to support the medium- and longer-term needs of young people at risk of or experiencing homelessness.

### Youth Foyers are an evidence-based solution to reduce youth homelessness that enables lifelong independence

The 27 Youth Foyers across the country offer a safe home and community for approximately 40 young people to live in for up to two years, integrating education, employment and life skill support. This medium-term housing solution fills an important service gap and creates thriving futures. Upon leaving Foyers, over 80 per cent of young people transition to safe and stable housing, 65 per cent gain secure employment, and the majority report improvements in self-confidence and self-sufficiency.

**“Foyer gives that safety and comfort, knowing that I do not need to worry about if I will be sleeping on a couch or at a friends place, having my own responsibility is helping me grow, and I know others around me too.”** – Alex, current Foyer resident

**“Youth Foyers provide a unique experience for young people. It allowed me to learn how to be an adult. To have a home. To have a space that was my own. And I didn’t have to do it alone.”** – Ash, former Foyer resident and Youth Ambassador

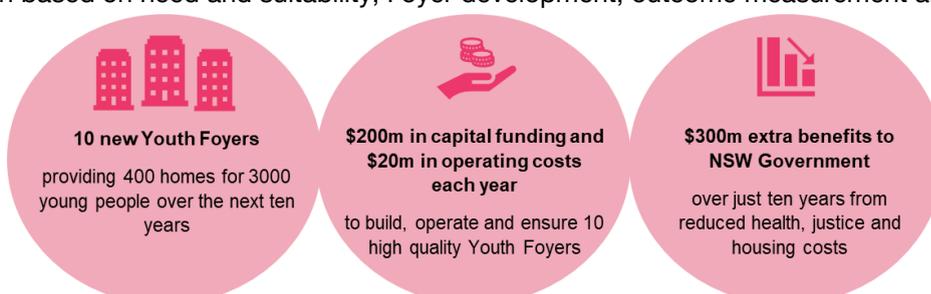
NSW has the highest number of young people experiencing homelessness in any jurisdiction, but only two of the 27 Youth Foyers in Australia.

### NSW needs 10 Youth Foyers to enable young people experiencing or at risk of homelessness to transition to independent, thriving futures

Following the QLD Government announcing eight new Foyers, the FoyerInvest consortium is calling on the NSW Government to ensure young people in NSW are not left behind. Foyer Invest is seeking a commitment of \$200m in capital funding and \$20m in operating costs each year to construct and operate 10 new Foyers, supporting over 3,000 young people over the ten years.

Five locations - Wyong, Penrith, Orange, Dubbo and Tweed Heads - are ready for investment. Many more areas have high levels of unmet need and the social infrastructure and conditions necessary for a Foyer to succeed, for example Newcastle, Wagga Wagga, the Mid-North Coast, New England, Bathurst and numerous locations across Greater Sydney, like Parramatta, Bankstown, Liverpool and Hawkesbury.

This investment will save the NSW government over \$300m; money that could be reinvested in crisis services to ensure a strong youth homelessness support system. This additional investment in medium-term youth housing services, alongside well-resourced crisis and transitional homelessness services, is essential to ensure a strong system that supports all young people facing homelessness. The Foyer Foundation will play a role in ensuring investment delivers outcomes through support for location selection based on need and suitability, Foyer development, outcome measurement and accreditation.



# Ten new Youth Foyers to break the cycle of youth homelessness

## NSW is facing a youth homelessness crisis

It has never been more difficult for young people in NSW to secure an affordable place to live

Home ownership is rapidly declining, especially among young people and those on low incomes; rental vacancy rates are at record lows; and rents have increased rapidly to unaffordable levels<sup>1</sup>. Young people in NSW are especially impacted by this. A 2023 Anglicare Survey of rental affordability found that 0 rentals (0%) were affordable for a person on Youth Allowance.

Approximately 3,000 young people did not get the medium-term specialist housing support they needed last year

Over 13,000 young people (aged 15-24) presented alone to Specialist Homeless Services last year<sup>2</sup>. Around a third of young people experiencing homelessness are First Nations young people or exiting the out of home care system. Around two in three young people that need medium-term specialist housing support (around 3,000 young people in 2022-23) were turned away due to insufficient funding for and availability of these services<sup>3</sup>.

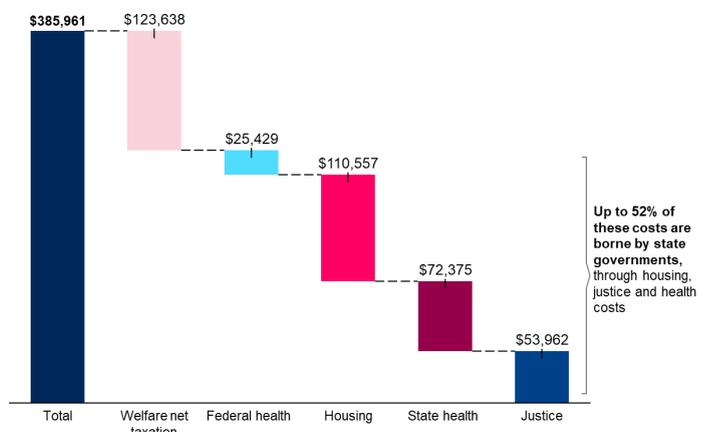
Inadequate medium-term specialist housing solutions for these young people has lifelong impacts

Neglecting to invest in the future of our young people impacts communities, families and governments. There is an increased likelihood of a lifetime of adverse outcomes, decreasing the ability to sustain education or employment, with intergenerational effects.

The current lifetime cost of a young person that misses out on appropriate medium-term housing support like Youth Foyers is \$371,783.<sup>4</sup> \$193,000 of this cost falls on the NSW Government as a result of housing, health and justice spending.

Not supporting the 3,000 young people that needed medium-term specialist housing support just last year added \$579 million in costs to the NSW Government.

Lifetime costs to the Australian and state governments of a young person experiencing homelessness<sup>5</sup>  
SAUD 2021, Net Present Value (NPV), average young person eligible for Foyer support



<sup>1</sup> NSW Productivity Commission - Building-more-homes-where-people-want-to-live

<sup>2</sup> AIHW 2022-23.

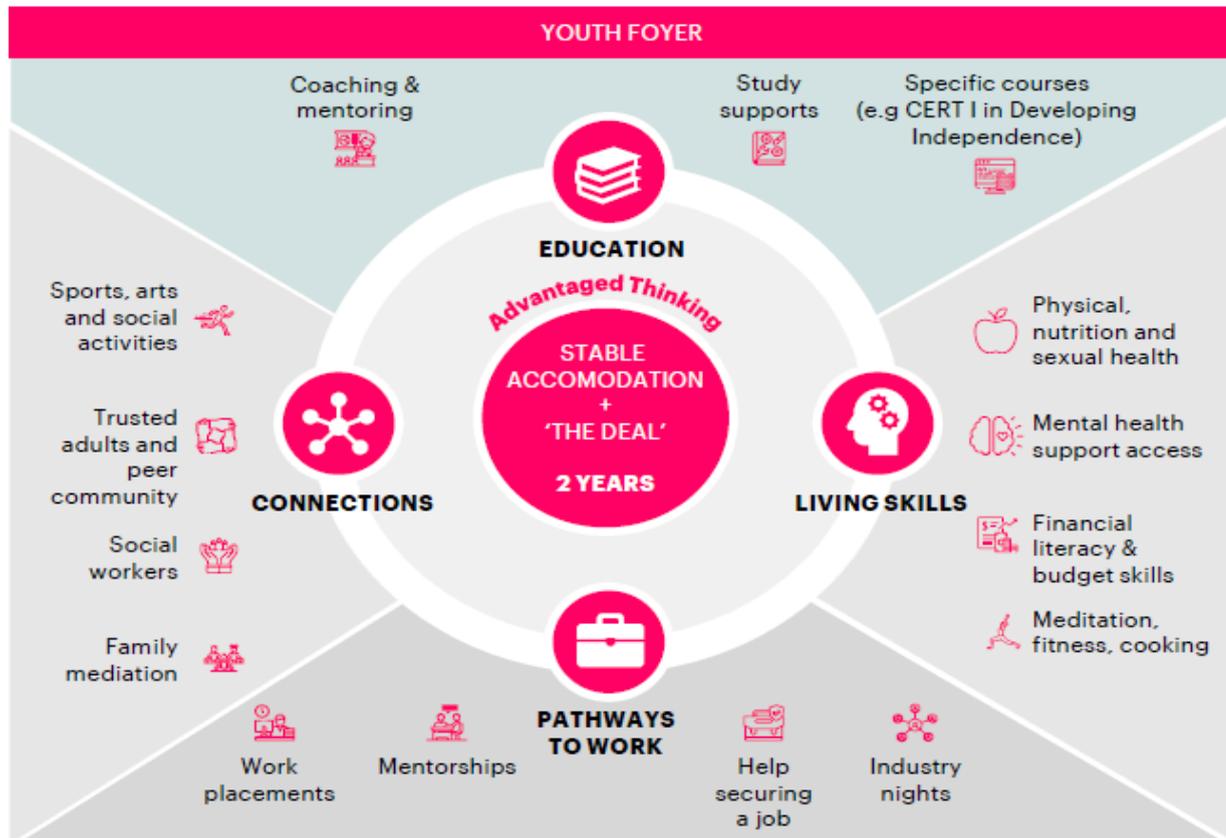
<sup>3</sup> AIHW 2022-23. Estimate based on 64% of need for medium term housing not met in NSW all clients (Table 24) and 58% nationally for young people (Table Young 2).

<sup>4</sup> Accenture, 2022.

## Youth Foyers are an evidence-based solution to reduce youth homelessness that enables lifelong independence

Youth Foyers are a place-based, integrated solution providing education, employment and accommodation for young people aged 16-24 who are at risk of or experiencing homelessness

Youth Foyers offer a safe home and community for approximately 40 young people to live in for up to two years, integrating education, employment and life skill support, all under one roof.



Youth Foyers are a place-based solution with strong partnerships with the local education and employment service providers, with many on TAFE land. Some cater to young parents, while others focus on those exiting from the out-of-home care systems. The common aim for anyone living in a Youth Foyer is independence and the opportunity to access education, employment and secure housing.

There are currently 16 accredited Youth Foyers with an additional 11 undergoing accreditation or under construction. NSW has the highest number of young people experiencing homelessness in any jurisdiction<sup>5</sup>, but only two of the 27 Youth Foyers in Australia - the Southern Youth Foyer Project (Illawarra) and Foyer Central, which caters specifically for young people with a lived experience of out-of-home care. The Queensland Government has recently announced a commitment to eight new Foyers.

Youth Foyers are delivered by a network of service providers across Australia, big and small. Many of these providers also deliver crisis accommodation, refuges, and other solutions in parallel with their Youth Foyers.

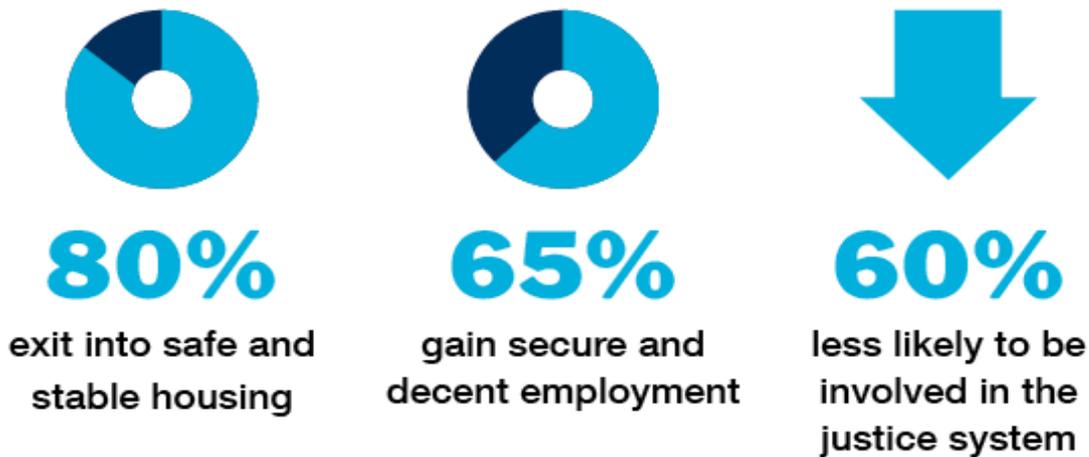
Youth Foyers are an important youth housing solution, suitable for some young people needing medium term housing support and ready for education or employment, within a comprehensive and strong system of specialist homelessness services, that provides a stepping stone to independence.

<sup>5</sup> AIHW 2022/23

## Foyers create thriving futures for young people

Analysis by Accenture Economic Insights demonstrated that Youth Foyers prevents homelessness and provides pathways out of homelessness for 16 to 24-year-olds.

Within two years, young people have what they need to change their future trajectory: over 80 per cent transition to safe and stable housing, 65 per cent gain secure employment, and the majority report improvements in self-confidence and self-sufficiency. Young people living in Youth Foyers are 60 per cent less likely to engage with the justice system than young people without this medium term support<sup>6</sup>.

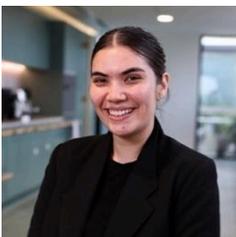


This data is reinforced by the stories and voices of young people who live or have lived in Youth Foyers.



**“It has been five years since I moved out of Foyer. My life right now sees me as a husband, homeowner, parent to fur-babies, youth ambassador, youth advisory council member and a recent social work graduate. After working hard for many years I’m now focused on building my career, with the hopes of one day becoming a leader within the Foyer world.”**

– Ash, former Foyer resident and Youth Ambassador

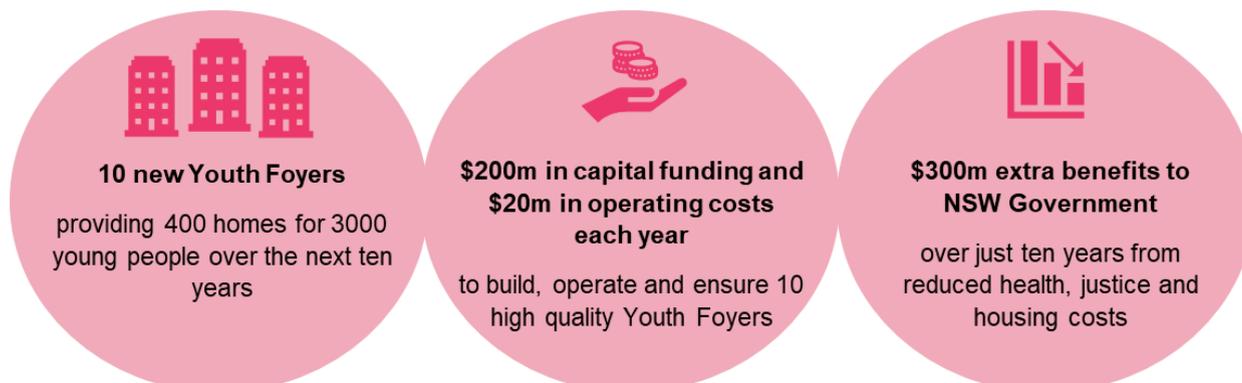


**“Foyer has been so life-changing for me as it’s not only supported me with finding employment, but it’s also supported me in achieving my goals, particularly around education. Since leaving Foyer last year, I have been able to hold close the connections I made with the YDC’s, Young people and staff. I will forever have a community around me”**

– Tyrah, former Foyer Resident and Youth Ambassador

<sup>6</sup> Accenture, Under One Roof, 2022

## NSW needs investment in 10 Youth Foyers to enable young people experiencing or at risk of homelessness to transition to independent, thriving futures



FoyerInvest is seeking \$200m in capital funding and \$20m in operating costs each year for 10 new Foyers

These estimated costs are based on the average cost to build an average size (forty-unit) Foyer at \$20 million. Costs will vary for each site based on location, size and ability to utilise existing buildings. Operating costs of Foyers are on average \$2 million each year. These indicative costs include staffing, client brokerage, organisational costs, building operations, maintenance, tenancy management and electricity and youth rental subsidies. A 2 per cent project management fee is included for the Foyer Foundation (\$4 million over three years).

This investment will create 400 new homes for young people, dedicated to social and affordable housing in perpetuity. Unlike typical social housing investments, the infrastructure costs create benefits for more individuals over time as young people move through the Youth Foyer to independence at a self-determined length of stay. The 10 Foyers will support over 3,000 young people over the next 10 years.

With youth homelessness rates at such high levels, there is rising demand for Foyers across the state.

### Five projects are shovel ready

Service providers have been working with local communities to understand the need in these areas and identify a suitable offering that meets this need.

Location	Estimated need <sup>7</sup>	Opportunity
Wyong	Approximately 150 young people across the Central Coast had unmet need for medium-term housing support last year and 0.6% of young people were experiencing homelessness in 2021.	<ul style="list-style-type: none"> <li>• CatholicCare Broken Bay are leading plans for the proposed Foyer in Wyong with 51 units and additional social housing on site.</li> <li>• The Wyong Foyer will serve the broader Central Coast, however it is expected that most Foyer residents will be from the immediately surrounding suburbs of Wyong.</li> <li>• The Catholic Diocese of Broken Bay have land available with proximity to transport, TAFE, shopping and service centre.</li> <li>• Plans are well progressed, engagement with the council is underway and a Youth Advisory Group is established.</li> </ul>

<sup>7</sup>AIHW 2022-23. Estimate based on state figures for percentage of young people presenting requiring medium-term housing support (42%) and need for medium term housing not met (60%, based on NSW all clients 64 % - Table 24 and 58% nationally for young people - Table Young 2).

<p><b>Penrith</b></p>	<p>Almost 400 young people across the Blacktown, Outer West and Blue Mountains regions had unmet need for medium-term housing support last year and 1.1-1.8% of young people were experiencing homelessness in 2021.</p>	<ul style="list-style-type: none"> <li>● Platform Youth Services are leading plans for the proposed Foyer in Penrith to serve young people from the Outer West and Blue Mountains.</li> <li>● Platform Youth Services plan to build additional units on their available land to join up and expand two current sites to create the Penrith Foyer Precinct. This site will be the service hub for additional units located in Granville, Springwood, and Richmond.</li> <li>● The Penrith Foyer will be located in the heart of Penrith with access to transport, education and services.</li> <li>● Platform Youth Services have long been supporting young people in the area to transition out of their crisis services.</li> <li>● A high proportion of funding is already secured.</li> </ul>
<p><b>Orange</b></p>	<p>Almost 200 young people across the Central West had unmet need for medium-term housing support last year and 0.8% of young people were experiencing homelessness in 2021.</p>	<ul style="list-style-type: none"> <li>● Uniting NSW/ACT is leading plans for the proposed Foyer in Orange to serve young people in the Orange region and leverage existing services in the area.</li> <li>● Like Foyer Central in Sydney, the Orange Foyer aims to specialise in supporting young people with a history in the out-of-home care system.</li> <li>● Potential locations are identified, with one site owned by Uniting NSW/ACT able to become a Youth Foyer within months.</li> <li>● As the provider of Foyer Central, Uniting has a track record of supporting young people to thrive through the Foyer model.</li> </ul>
<p><b>Dubbo</b></p>	<p>Around 200 young people across the Far West/Orana region had unmet need for medium-term housing support last year and 0.9% of young people were experiencing homelessness in 2021.</p>	<ul style="list-style-type: none"> <li>● Orana Youth Services are leading plans for the proposed Youth Foyer in Dubbo to serve the Orana and Far West regions – including Dubbo, Parkes, Forbes, Broken Hill and beyond.</li> <li>● Orana Support Service currently provides crisis and other support services to young people and the community in Dubbo.</li> <li>● Plans are being progressed, with discussions underway with local council, and locations being explored.</li> <li>● Fundraising efforts are underway.</li> </ul>
<p><b>Tweed Heads</b></p>	<p>Almost 200 young people across the Tweed region had unmet need for medium-term housing support last year and 1.3% of young people were experiencing homelessness in 2021.</p>	<ul style="list-style-type: none"> <li>● Tweed Shire Council have been leading plans for the proposed Foyer in Tweed Heads to serve young people from the wider Tweed Shire, especially those in Tweed Heads, Tweed Heads South, and Banora Point.</li> <li>● The proposed Foyer will be in close proximity to other services and infrastructure, and will be connected with existing homelessness and youth services to ensure existing services are easily integrated and young people have a smooth transition to the support they need.</li> <li>● Plans are underway, with community engagement undertaken and multiple potential sites identified.</li> </ul>

## Five more Foyer sites could be identified and ready to build in the next few years

Many more areas across the state have high levels of youth homelessness, high levels of unmet need for medium-term housing solutions and the social infrastructure and conditions necessary for a Foyer to succeed.

These areas, identified by leading service providers, each have significant numbers of young people being turned away from medium-term housing support each year and up to 3% of young people experiencing homelessness. Some areas have scope to build on existing sites or have identified suitable sites. These areas include:

- Bathurst
- Coffs Harbour
- Glen Innes
- Armidale
- Tamworth
- Newcastle
- Wagga Wagga
- Hawkesbury
- Ashfield
- Hornsby
- Parramatta
- Campbelltown
- Liverpool
- Bankstown

See appendix A for details on each location.

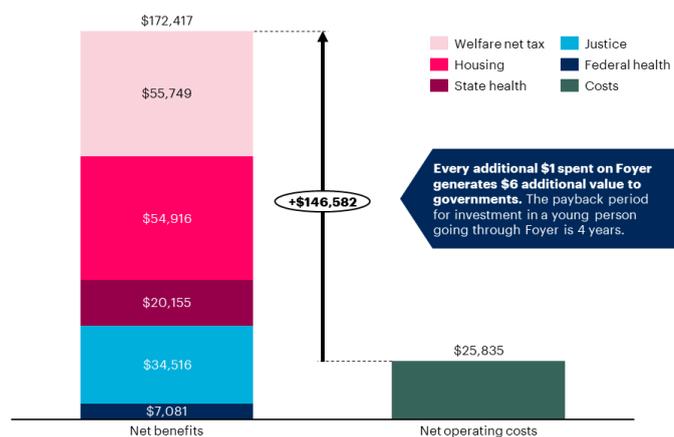
## This investment will save the NSW government over \$300m

For every additional \$1 of investment, Foyers deliver \$6 in benefits to governments.

Youth Foyers create net benefits by reducing government costs from services across housing, health, welfare and justice over 40 years. Foyers also create individual and societal value.

On average, 52% of the benefits of Foyer go to the State and 48% to the Federal government.<sup>8</sup> On a per person basis, Foyers create \$89,000 in benefits for State Governments through the avoided social housing, health and justice costs and \$80,000 in benefits for the Federal Government across taxation uplifts, welfare and federal health savings.<sup>9</sup>

Avoided government costs and incurred operational expenditure per person in Foyer<sup>10</sup>  
Per individual, \$AUD, 2021, NPV, 40 years



This additional investment in medium-term youth homelessness services, alongside well-resourced crisis and transitional homelessness services, is essential to ensure a strong system that supports all young people facing homelessness.

<sup>8</sup> Accenture, 2022.

<sup>9</sup> Accenture, 2022.

<sup>10</sup> Accenture, 2022.

## The Foyer Foundation will support Government to achieve outcomes at pace

The Foyer Foundation is a central connector that enables young people, organisations and investors across Australia to work together to grow the reach and impact of Foyers: aligning activities, gathering evidence and insights, ensuring quality services, and driving advocacy efforts.

The Foyer Foundation will play a key role in ensuring this investment delivers outcomes at pace through:

- *Support for location selection based on need and suitability:* Foyers are not a solution for every homeless young person, nor are they suitable for every location. A level of need along with a strong surrounding social infrastructure is essential for success; a thriving labour market, good transport links, availability of education and other support services and a provider with an integrated service offering, strong partnerships and an Advantaged Thinking mindset. The Foundation can support the Government to identify suitable locations and providers.
- *Support for Foyer development:* Successful Foyer development requires strong community consultation, expert design, staff development and much more. The Foundation has developed guidelines and supports to ensure successful Foyers able to meet accreditation standards can open.
- *Robust outcome measurement:* An outcome measurement framework supports ongoing assessment of outcomes around education, employment and life skills. This is an important input to the Foundation's payment-by-outcomes innovation lab, piloting models to build the capability for commissioning at scale. The Government is invited to be a participant and learning partner in this project.
- *Foyer accreditation:* The Foyer Foundation has developed accreditation standards that each Foyer must meet, and undertakes an assessment and inspection process to ensure the high standards that are key to achieving outcomes continue to be met.

The Foyer Foundation ambition of scaling to 50 Foyers by 2030 will unlock life-changing outcomes for 20,000 young people over the next decade across Australia, generating \$2.9 billion in government savings in this period. We invite the NSW Government to play its part in meeting the medium-term housing needs of young people facing or at risk of homelessness in NSW.

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*The Foyer Foundation is making this submission on behalf of the FoyerInvest consortium in NSW including Uniting NSW/ACT, Mission Australia, Homelessness NSW, Orana Support Services, CatholicCare Broken Bay, NSW Shelter, and Platform Youth Services.*

*Together we aim to reach 50 Foyers by 2030 and provide more young Australians with the transformative opportunity of safe, supported accommodation with integrated education, training, employment and life skills support.*

**FoyerInvest**

**Uniting**

**MISSION AUSTRALIA** | together we stand

**CatholicCare**  
Diocese of Broken Bay

**Homelessness NSW**

**Platform**  
Youth Services

**Shelter**  
NEW SOUTH WALES

**foyerfoundation**

**Orana**  
Support Service

## Appendix A – Potential additional Foyer locations

Location	Need and Opportunity
<b>Bathurst</b>	Almost 200 young people across the Central West had unmet need for medium term housing support last year and 0.8% of young people were experiencing homelessness in 2021.
<b>Coffs Harbour</b>	Over 100 young people across the Coffs Harbour-Grafton region had unmet need for medium term housing support last year and 1% of young people were experiencing homelessness in 2021. Mission Australia operates a youth accommodation program that provides medium-term housing with support. A Foyer would expand the availability of housing for young people linked to education and employment.
<b>Glen Innes</b>	Over 200 young people across the New England and North-West region had unmet need for medium term housing support last year and 0.9% of young people were experiencing homelessness in 2021.
<b>Tamworth</b>	
<b>Armidale</b>	
<b>Newcastle</b>	Over 200 young people across the Newcastle and Lake Macquarie region had unmet need for medium term housing support last year and 1% of young people were experiencing homelessness in 2021. There is potential for multiple sites in Newcastle. The need for a youth foyer identified a decade ago by various organisations including Home In Place and Mission Australia. CatholicCare is scoping present need and site availability and progressing conversations with TAFE NSW on a possible site close to train station, major shopping and service centres. Uniting NSW/ACT has also identified Newcastle as a potential location based on observed need.
<b>Wagga Wagga</b>	Over 100 young people across the Riverina region had unmet need for medium term housing support last year and 1.2% of young people were experiencing homelessness in 2021. Mission Australia currently partners with St Vincents to deliver crisis accommodation for young people. The challenge is having housing options to transition young people out of crisis accommodation. They have been exploring the potential to expand the model to provide medium term accommodation for young people either on the current site or an alternative site.
<b>Hawkesbury</b>	Platform has been working in partnership with a farm-based day program for homeless and at risk young people with high success RuffTRACK/ Backtrack and receiving referrals state wide for homeless young people to access the program. The Hawkesbury has an agriculture high school (Richmond), agriculture TAFE (Richmond) and agriculture University (Hawkesbury), presenting an opportunity to develop an agricultural Foyer that links homeless and disadvantaged young people to supported education and employment whilst living and working on farm, with wrap around support; the goal being returning to their communities with employable skills and support networks.
<b>Ashfield</b>	Over 100 young people across the Inner West region had unmet need for medium term housing support last year and 2.8% of young people were experiencing homelessness in 2021.
<b>Hornsby</b>	Approximately 70 young people across the North Sydney and Hornsby region had unmet need for medium term housing support last year and 0.4% of young people were experiencing homelessness in 2021. CatholicCare is currently investigating possibility of a 40 place foyer on TAFE land

	close to a train station, and major shopping and service centres.
<b>Parramatta</b>	Over 100 young people across the Parramatta region had unmet need for medium term housing support last year and 3.2% of young people were experiencing homelessness in 2021. There is an opportunity for an ACHO led Foyer with Birribee (NSWALC) supportive of establishing a Foyer in Parramatta
<b>Campbelltown</b>	Over 150 young people across the Outer South West region had unmet need for medium term housing support last year and 1.4% of young people were experiencing homelessness in 2021. Uniting NSW/ACT has identified as a potential location based on observed need.
<b>Liverpool</b>	Over 100 young people across the South West region had unmet need for medium term housing support last year and 2.2% of young people were experiencing homelessness in 2021. Uniting NSW/ACT has identified as a potential location based on observed need.
<b>Bankstown</b>	Over 200 young people across the Inner South West region had unmet need for medium term housing support last year and 2.7% of young people were experiencing homelessness in 2021. Mission Australia operates two youth refuges in this area, one on Council land and one on NSW Government land. There is an opportunity to explore if one of these sites is suitable for a Youth Foyer and the potential for Council to contribute land for this project.