

Launch pad for life

An assessment of the role of foyers
in housing association provision



AFFORDABLE HOMES STRONG COMMUNITIES



A report to the Housing Corporation by Dr Roland Lovatt with Professor Christine Whitehead, University of Cambridge

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Executive summary

This research focuses on the 111 designated foyers which were in existence in 2003, providing 4,630 bed spaces for young people between the ages of 16 and 21. It was researched and written for the Housing Corporation by Dr Roland Lovatt, with Professor Christine Whitehead, University of Cambridge, with funding from the Housing Corporation's Innovation and Good Practice programme.

Key findings

Overall, foyers are generally fit for purpose. They fulfil real needs within a wide range of supported housing provision, often in ways that are specific to their localities.

Where staffing has been increased to provide coverage for 24 hours every day, there are fewer resident and management problems than before.

Foyers appear to be filling real gaps in provision in their local/regional areas.

All foyers see Housing Benefit and Supporting People as the two most important sources of funding, vital to foyer provision.

Whilst case studies show that foyers provide good quality accommodation and support, a lack of data makes it impossible to show whether or not the considerable investment in basic skills training scheme is well placed.

On average, in current cost terms, foyers offer value for money as supported housing providers. Average costs compare well against other types of provision: the average cost is £303 a week, against Secure Training Centres, which cost £3,168 a week, Secure Children's Homes, which cost £3,380 a week, and Young Offender Institutions, which cost £976 a week.

Whilst all foyers fit loosely within the general aims and objectives of the Foyer Federation, aims and objectives vary between foyers, as do the levels of client need. This makes it difficult to develop performance indicators and benchmarks. In particular, finances alone cannot fully reflect the many qualitative inputs and outputs involved in foyer provision.

There is no consistent way of measuring foyer outputs.

The shift in emphasis towards basic life skills and training for independent living rather than long-term employment opportunities has important implications for foyers' longer-term role.

The research

The research focuses on the key issues of foyer size, organisation and geographic distribution; aims and objectives; client groups; services provided; client turnover and management; financing; costs; and the measurement of outputs and outcomes.

It involved a review of earlier evidence, an analysis of secondary data, a postal survey of all foyers in Britain, a telephone survey of selected foyers, interviews with relevant stakeholders and nine detailed case studies.

Foyer attributes

In almost all cases foyers are part of a larger housing association group. Seventy-five percent have fewer than 50 bed spaces, and only five have over 100 bed spaces.

Foyers are often purpose-built units, provided as part of the foyer initiatives. Many have

some special physical facilities, such as bedrooms for disabled young people, community and training rooms. Some facilities appear to be under used.

Most foyers are based in urban areas, with only 14 in rural areas or small towns. Their distribution is generally representative of the British population, although there are exceptions in Scotland and Wales (far fewer bed spaces) and in London (a far greater number).

Many clients have needs over and above basic training, accommodation and life-skills support. This fits with the evidence of earlier research, and reflects a continuing trend towards higher support requirements – and therefore less emphasis on more traditional training as a means of accessing employment. As a result, the implicit objective now tends to be to help ensure independent or semi-independent living.

The scale and types of physical services available at foyers appear to vary with size. Foyers with 20 or more bed spaces are

generally able to provide IT equipment, social/leisure facilities and some training provision on site. Smaller foyers tend to suffer diseconomies of scale with limited resident revenue preventing the provision of facilities.

All foyers provide a range of services tailored to the needs of broad client groups as well as to individual requirements. However, the scope of provision and form varies. Social/psychological support, for example, involves specially trained staff available on site but is still provided at some level by 84% of foyers. A larger proportion, 91%, have job search support on site (usually IT-based), and 97% provide some form of on-site training for residents.

Staffing levels are a key factor relating to the range of foyer services provided, in particular a foyer's ability to run courses, manage resident activities and provide other forms of resident support.

The extent of service provision depends in part on access to additional funding (over and above Supporting People and Housing

Benefit) and sometimes to additional staffing. Where staffing has been increased to provide coverage for 24 hours every day, there are fewer resident and management problems than before. Full staffing coverage has become more common with an increasing acceptance of higher client need levels.

Residency arrangements vary between and within foyers, with licence agreements and excluded licences becoming more common. In many cases respondents argue that these types of residency are the only ones which are workable, although they may not be legally enforceable. In others assured shorthold tenancies (ASTs) are the norm.

Foyers offering licence/excluded licence agreements appear to have similar lengths of stay and void rates to those offering ASTs. A number of foyers have changed from offering ASTs to licences, because of past resident, vacancy and management problems. However, there are legal implications for foyers offering licence and excluded licence agreements, as these can be challenged by residents – who have rights to assured shorthold tenancies.

Overall, respondent foyers have relatively low levels of voids. Only 17% reported voids of over 10% per year.

The average length of stay at foyers is 12 months. This was considered by foyer managers questioned to be an adequate time to transfer skills, support and training to clients. At the same time however, some foyers specialise in short-stay client groups with very different implications for training.

Only 30% of foyers own move-on accommodation (only 6% owned ten or more spaces). Others have arrangements with parent associations and other providers of mainstream accommodation. A number of managers said that demand exceeded the supply of move-on accommodation.

Foyers appear to be filling real gaps in provision in their local/regional areas. If foyers were not available to provide many of their current services there would be a greater burden on other, usually less well-equipped, supported housing providers.

Foyers are generally well designed and provide good quality accommodation and facilities. What is provided is positively related to scale, staffing levels and the availability of other funding sources.

However, there are enormous variations in what services are provided and the levels of input related to these services. These differences cannot be readily explained and, in particular, do not relate to formal differences in objectives.

Risks

Foyer managers do not appear to have formal risk assessment procedures – in some cases seeing it as the parent association’s responsibility to address more strategic issues.

Potential changes in funding and concerns over future client groups have led foyers to clarify their exit strategies at least in general terms. These varied considerably, but most revolved around conversion to another supported housing role. An early exit from foyer provision could incur financial penalties for some parent housing associations – but these were not fully recognised by managers.

Funding

All foyers see Housing Benefit and Supporting People as the two most important sources of funding, vital to foyer provision. The introduction of Supporting People has enabled the provision of a wider range of support services enabling foyers to accommodate young people with higher needs. Implicitly, it may have placed less emphasis on more general training and services aimed at helping young people into work.

The level of Supporting People funding varies enormously between foyers in ways that often appear to be unrelated to client groups. Housing Benefit tends to vary less between foyers. However, as with Supporting People, the variations do not reflect obvious factors such as regional variations in housing costs.

Obtaining additional funding is important for many foyers, as it allows foyers to extend their range of activities. Sources include Single Regeneration Budget, Learning and Skills Councils, the Foyer Federation, the European Social Fund, Learn Direct, the Probation Service, Neighbourhood Renewal and Connexions.

Outputs and outcomes

There are no uniform measures of outputs and outcomes used by foyers and there has been only limited use of 'distance travelled' measures of resident progress. Foyers do not hold data on the numbers of residents completing external courses and do not have consistent data for numbers of residents completing internal courses. Most foyers do not monitor resident progress once they have left the foyer and do not have data on employment progress.

Many foyers use resident reviews and questionnaires partially to measure success, but comprehensive and consistent data on these assessments is also unavailable. No data is available on the level of use made of foyer services and facilities.

Foyers measured success in terms of average length of stay, vacancy rates, services provided, successful move-ons, internal training provided, numbers of residents attending college and numbers of residents in employment – but most do not have output figures.

This lack of data makes it impossible to show whether or not the considerable investment in basic skills training scheme is well placed.

Costs and accountability

Capital costs, funding sources and their impact on current costs vary widely between foyers, often in ways that cannot now be explained. If foyers are to be truly accountable as independent initiatives, there needs to be a greater separation in accounting between foyers and their parent housing associations.

The median weekly cost of providing foyer accommodation for a single resident was found to be £218 (and the mean £239). This was funded not only by Housing Benefit and Supporting People but also by additional income from individual contributions and other sources, equal to £20–30 per week per resident at many foyers. However the variation in weekly costs was very large indeed and not clearly related to the nature of provision.

Overall evaluation

Average costs compare well against other types of provision: including combined CORE and Supporting People the average total was £303, against Secure Training Centres, which cost £3,168 a week, Secure Children's Homes, which cost £3,380 a week, and Young Offender Institutions, which cost £976 a week. If foyers are able to provide support for young people who would otherwise enter into any of the latter three of these categories (and, in many cases, do), they can be seen to be excellent value for money.

Aims and objectives vary between foyers, as do the levels of client need. This makes it difficult to develop performance indicators and benchmarks. In particular, finances alone cannot fully reflect the many qualitative inputs and outputs involved in foyer provision.

At present there is no consistent way of measuring foyer outputs. Measures could include numbers moving into independent living, qualifications obtained, training

courses completed and numbers of leavers moving into employment or full-time education.

Overall, foyers are generally fit for purpose and offer value for money as supported housing providers.

There are, however, important issues linked to management responsibilities, accounting mechanisms, residency agreements and particularly measurement of outputs – let alone outcomes – that must be addressed. The shift in emphasis towards basic life skills and training for independent living rather than long term employment opportunities also has important implications for their longer-term role.

The research question

Foyers in the UK can be seen as very much a child of both the 1990s and a French strategy to offer young people a holistic solution to many modern youth issues. The broadly accepted definition of what ‘foyers’ represent is set out by Anderson & Quilgars (1995, p 2) as:

“An integrated approach to meeting the needs of young people during their transition from dependence to independence by linking affordable accommodation to training and employment.

It includes the following key elements:

- a target group of 16–25 year olds;
- affordable, good quality accommodation within a non-institutional framework;
- vocational training and jobs access support to residents;
- access to leisure and recreational facilities;
- provide a safe and secure environment, offering support and stability; and
- part of a network in the UK and Europe.”

In 1992 the Foyer Federation was established to promote the foyer concept and this resulted in a number of pilot schemes (launched in the early 1990s in Nottingham, Norwich, Wimbledon, St. Helens and Romford). Since then there has been a dramatic increase in the numbers of foyers in the UK supported by mainstream housing associations and government capital funding. The Foyer Federation is the umbrella body for UK foyers, promoting the foyer concept in the UK and increasingly overseas, meeting the needs of members by sharing experience and good practice, ensuring quality through the Foyer Accreditation System and promoting innovation.

By July 2000, the Foyer Federation noted that there were officially 100 registered foyer schemes in existence. The total number of registered foyers in 2003 at the time of the start of the research was 110, and these provided 4,630 bed spaces (Foyer Federation, 2003). The number has since increased to 131 (Foyer Federation, 2005).

There have been a number of evaluations of the role and effectiveness of foyers starting with Anderson & Quilgars (1995), which found that whilst some foyers had been effective at delivering services and accommodation, there were serious concerns over long term funding and viability. The most detailed review has been that for the Department of Environment, Transport and the Regions, 'Stepping Stones' (Maginn et al, 2000). The key findings from this research included:

- the growth in numbers of Foyers had been rapid, but there was no clear strategic pattern of development, limited local needs analysis prior to development and evidence of 'crowding out' of other services in some areas;
- there was a great variety in provision, approach and style of foyers;
- larger schemes were more likely to have housing management problems, ran counter to dispersal/ethnic policies, did not achieve economies of scale and struggled to provide services matching the quality of other specialist providers;

- higher client needs and more younger clients than anticipated had led to management problems;
- there had often been initial generous capital costs (higher than for some other schemes), but equally there were revenue shortages; and
- there were limited and inconsistent data with respect to demonstrating scheme effectiveness – although some evidence of positive outputs.

Despite its many strengths, one notable weakness of the Maginn et al (2000) report was that the schemes against which foyers were compared often did not offer accommodation. As the core attribute of a foyer is that it provides shelter, training and access to employment this raises questions about the relevance of such comparisons and the robustness of the conclusions in this context.

In addition to the Maginn et al (2000) research, there have been a number of other smaller scale research projects. These include the YMCA Report (2000), and

research carried out by Lovatt & Whitehead (2001). Findings from these reports were in many ways consistent with Maginn et al and included:

- some smaller and dispersed schemes appeared to suffer diseconomies of scale;
- the capital cost of foyer development was higher than other schemes examined;
- there was a capital (rich) revenue (poor) imbalance;
- revenue shortages were compounded by time consuming applications for funding and time-limited funding. there was a need for flexible revenue funding;
- many clients were young (many 16–17 year olds) and had needs in excess of the average population and these needs were often in excess of the provision available;
- schemes did not usually fully acknowledge the need levels of their client group;
- there was a concern over the time taken to evict problem clients using ASTs;
- staffing levels were often insufficient;
- there did appear to be improved employability among ex-clients (based on leaving data); and

- however, more generally there continued to be limited and inconsistent data on demonstrating scheme effectiveness.

Overall, therefore the view at the end of the last century was very much that Foyers are seen as a special initiative because of the core functions provided by foyers but as only partial solutions to housing, training and employment issues. Their strength was in their holistic approach – but the jury remained out on whether they were value for money as compared to other possible approaches.

Recent changes to funding regimes coupled with improvements in labour market conditions and increasing pressure on housing markets as well as changes in the legislative environment (see figure 1) suggest that both the rationale and attributes of foyers may have changed in recent years. Further, more rigorous evaluation is required based on up-to-date and detailed information relevant to the current situation.

It was in this context that the Housing Corporation asked the Cambridge Centre for Housing and Planning Research, with the support of the Foyer Federation, to undertake a further evaluation of foyers as they are operating in the early 21st century. The fundamental question to be addressed was:

To what extent can we evaluate the current situation in the foyer sector, with regard to fitness for purpose and the extent to which they provide value for money?

Figure 1 – The changing context: The economic, political and social framework

	Late 1980s and early 1990s	Late 1990s	2004
Political framework	Emphasis upon self help and limited organisational entrepreneurship with limited support for Foyer development and maintenance at a national level. Acknowledgement of failure of older schemes, such as Youth Training Schemes.	Increasing emphasis upon state support for youth problems. Introduction of the 'New Deal' represents increasing acknowledgement of youth issues and acceptance of a need for greater youth support. Increasing impact of ethnic issues and imbalances on political thinking. Increasing concerns with immigration/support.	Impact of new funding regimes (Supporting People) leads to large-scale improvements in funding for state-supported housing schemes. Increasing legislation linked to youth issues of anti-social behaviour (stick) and support needs (carrot).
Economic framework	Slow growth economy, with high levels of unemployment. Unemployment and low wages particularly a problem for youth.	High growth economy, with low unemployment. Introduction of the minimum wage has limited impact on low-paid service-sector jobs for young people.	Strong economy with low unemployment. Increasing emphasis on housing shortages and high housing costs. Increasing imbalance between high accommodation costs and low wages for many youth groups.
Social framework	Social problems emphasised by accommodation, training and employment limitations for youth.	Social problems increasingly linked to crime and substance abuse. Rising housing costs having a greater impact on the low-paid.	Increasing stratification between youth with high-support needs and those with low-support needs. Increasing housing costs and inaccessibility.
Foyer development	Early Foyer development focuses on accommodation, training and employment. Small number of Foyers developed from existing provision, harnessing and adapting existing revenue streams.	Large-scale Foyer development, with an early focus upon low-needs accommodation increasingly changes to cater for young people with higher levels of need. Revenue funding becomes a problem at many schemes.	Greater varieties of Foyer types, which specialise in certain levels of client need, support and training. Large-scale revenue funding improvements lead to better staffing provision and improved budgetary arrangements.

Issues to be considered

Following on from past research, coupled with a realisation of a changing environment there were clearly a number of general issues which needed to be considered. These focused upon seven key areas:

- **Aims and objectives** – for each foyer it might be expected that these would be the same as those set out by the Foyer Federation, but this needed to be confirmed and it was also important to find out what other aims and objectives foyers had, if they were different;
- **Size, organisation and geographic distribution** – information held at a national scale needed to be augmented and expanded with increased detail on ownership, layout, management, staffing and resource structures also needed to be investigated in detail;
- **Client groups** – there needed to be more focus on exactly who foyers were aimed at and who they were serving, emphasising local links, ethnic balance and levels of need;
- **Services provided** – the research needed to consider the variations in breadth and depth of services provided at different foyers and how these were of value to residents;
- **Client turnover and management** – it was important to examine how different clients were supported and managed at different foyers. This linked to staff coverage, services available and types of tenancy agreements offered. Length of stay and vacancy rates at foyers were also seen as important measures of effectiveness and viability;
- **Financing** – questions around levels of funding were required by foyers, where these came from and how they were used; and
- **Measurement of outputs/outcomes** – an exploration of issues on how foyer effectiveness could be measured and how it was currently being measured.

Report objective

With the key research question and these issues in mind the overall objective of the research was to provide consistent information with respect to:

- the numbers of foyers and related organisations carrying out foyer activities;
- their geographical and size distribution;
- a typology of objectives and mechanisms by which these objectives are to be achieved;
- information on funding – both capital and revenue - to include costs, rents and sources of subsidies;
- clarification of the client groups addressed and the means by which clients come forward and are accepted;
- staffing – responsibilities, turnover, qualifications etc;
- range of services provided – accommodation/training and access to employment;
- turnover and vacancies;
- rent determination and impact on employment/training opportunities;
- the expected impact of Supporting People on range of clients/viability;
- outputs in terms of move-on arrangements; qualifications; jobs attained etc; and
- any evidence on client satisfaction/ outcomes.

The approach taken to meeting the objectives of the research was based upon a postal survey of all foyers in Britain, a telephone survey and nine case studies (Appendix 1: methodology).

What do foyers offer?

Considering foyer aims and objectives

The Foyer Federation sets out a number of key aims and objectives for foyers, which all the foyer managers questioned felt their foyer adhered to. These are to provide:

- a stable and secure community in which young people can support one another and achieve independence;
- help with finding appropriate employment, training or education to make this possible;
- training in basic skills and independent living skills; and
- help with finding permanent accommodation and ongoing support when the young person has left the foyer.

Although some foyers provide service elements for the wider communities in which they are based, their primary aim is to support young people between the ages of 16 and 25. Service elements for wider communities can include information technology (IT) facilities and general

life-skills training. However, the key focus is on residents. Unfortunately, despite the key aims set out by the Foyer Federation it has been shown that most foyers do not have very good monitoring of outputs.

Levels of need are not dealt with by the Foyer Federation's general aims and objectives. Levels of need catered for vary between foyers. Two foyers questioned noted that one of their aims was to provide support specifically for young people with 'chaotic' lifestyles, who had experienced problems with substance abuse, crime and mental health.

Different foyers have different interpretations of aims and objectives relating to move on support and move on accommodation. Some foyers provide move on accommodation and support for residents for a year or more when they leave the main foyer accommodation – and they see this as an important aspect of their service. At the other end of the scale, many Foyers provide little move on support when residents have left the foyer – although all

provided initial help in finding residents move on accommodation and where appropriate found them ongoing support.

Aims and objectives also relate to the locality in which foyers are based. A rural dispersed foyer had additional aims and objectives which included providing support for young people to remain in their home towns and villages – by basing units within these localities, attempting to support residents into work in their localities, providing support with personal transport costs and providing support to help residents into accommodation within these areas. In another case, a foyer in an area where housing supply and basic support was in plentiful supply focused its efforts on providing accommodation and support for young offenders and young people with substance abuse problems.

Foyer size, organisation and geographic distribution

The Foyer Federation holds limited information on all foyers in the UK (set out in the 'UK Foyer Directory', Foyer Federation, 2004). Therefore, information on size and geographic distribution was held for all 111 foyers in existence in the UK at the time of the research, although organisational information was more limited and became one focus of survey work.

Sizes of foyers vary considerably. Most have fewer than 50 bed spaces, although there are over 25 percent having over this number (a significant proportion). Only five foyers have over 100 bed spaces.

Figure 2 – Foyer size (bed spaces)

Number of bed spaces	Percent
0-10	5.4
11-20	17.1
21-50	50.5
51-100	22.5
Over 100	4.5

Most foyers (97) are based in urban areas, with only 14 describing themselves as rural. Even those describing themselves as rural are still based primarily in small towns, since the nature of their client group requires that they be within reasonable reach of at least some public facilities. Figure 3 shows the geographic distribution of foyers and foyer bed spaces, in relation to the geographic distribution of the population as a whole. If foyer bed spaces are taken as

a guide (Foyer Federation, 2003) it can be seen that distribution is generally representative of the British population (Office of National Statistics, 2004), the exceptions being Scotland and Wales (far fewer bed spaces) and London (a far greater number). However, this does not take housing pressure into account.

Figure 3 – Geographic distribution

Percentage total population distribution by region	Percentages of foyer bed spaces	Percentages of foyers	Region
7	3	6	East Midlands
9	11	10	Eastern England
13	23	13	London
4	2	4	North East
12	12	12	North West
9	2	2	Scotland
14	17	17	South East
9	11	14	South West
5	1	3	Wales
9	14	14	West Midlands
9	5	5	Yorkshire and the Humber
100	100	100	Total for all regions

Population source: Office of National Statistics

Most foyers are based on single sites in urban areas. Some are based on multiple sites within the same town or city. A very limited number of foyers were dispersed over a wide geographical area (in excess of ten miles between sites) and these could be described as ‘dispersed foyers’.

Where accommodation and support/training facilities were located on different sites this raised issues with providing support and management for clients, because it meant that staff were not automatically located in the same places as residents. Foyer management at different sites tended to hold different opinions on what accommodation/training structure was best.

Foyer development data suggested that the average size of a foyer was shrinking. Figure 4, below, shows the average size of new foyers for each year since 1992 (based upon data held for 110 foyers). It suggests that earlier foyers were associated with the early days of the policy when capital grants were most readily available. Thereafter the average size has continued to fall – to very small scale developments by 2003. However, in terms of the overall size of the foyer movement, the vast majority of bed spaces were in place by 2000, as illustrated in figure 5. This shows considerable growth of bed spaces in the 1990s, but tailing off since the turn of the century.

Figure 4 – Average size of new foyers since 1992

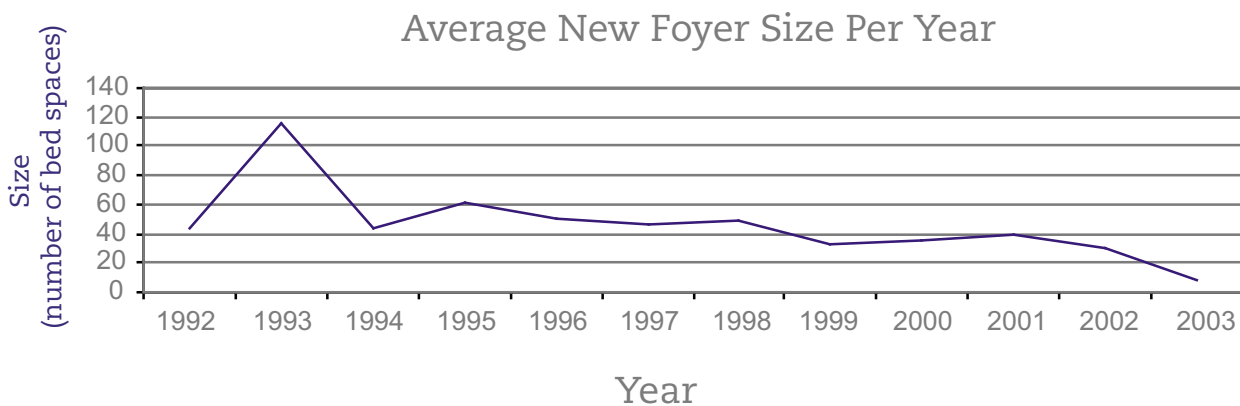
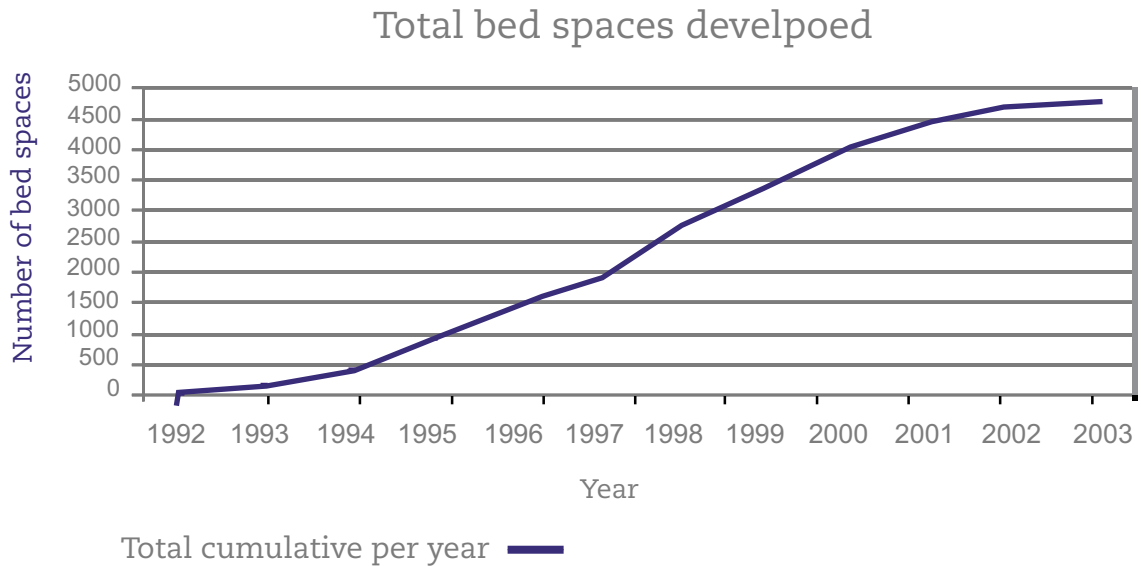


Figure 5 – Total bed spaces developed by year



Foyer client groups

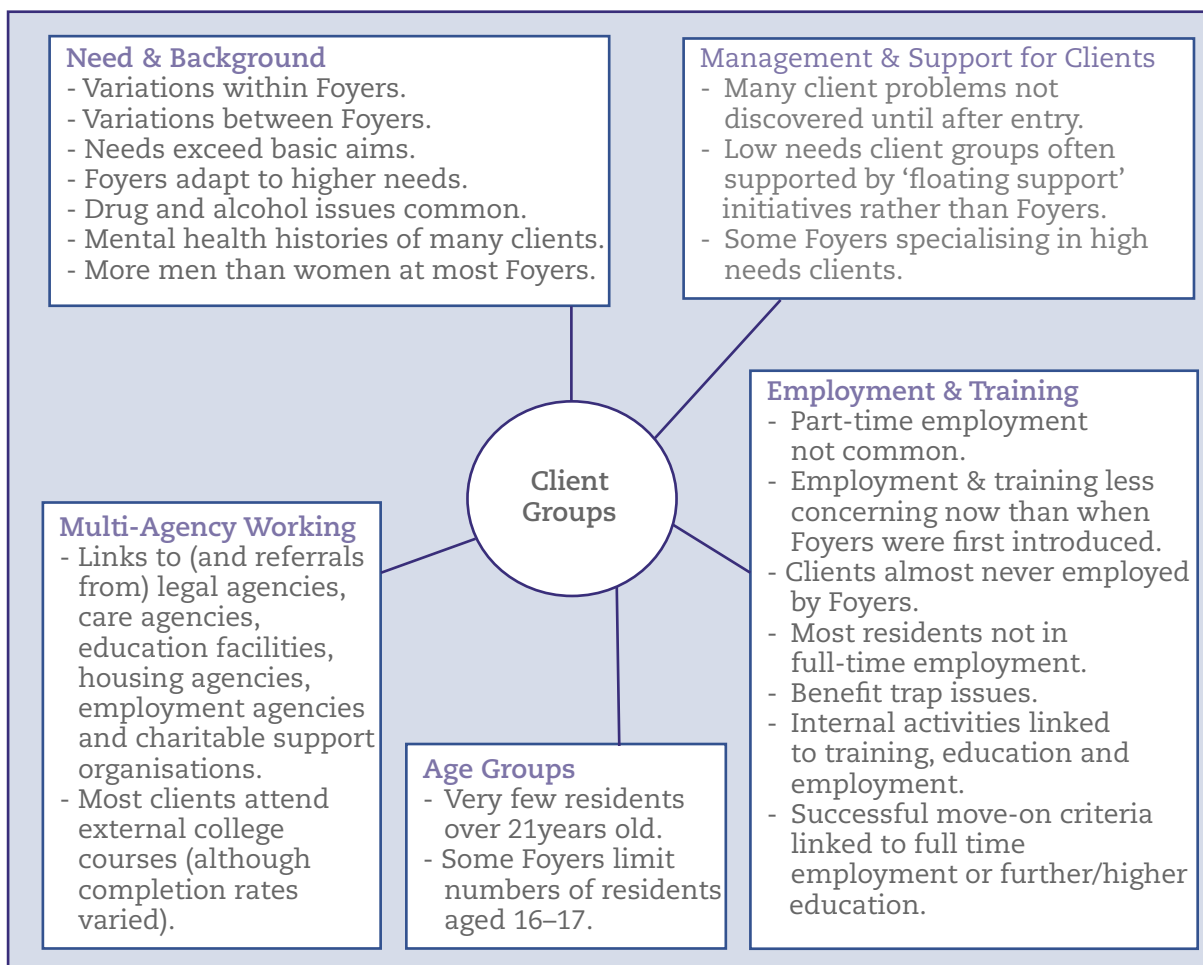
When foyers first began to be developed and opened it was expected that they would be catering for a client group with limited training, housing and employment needs. Although allowances were made for the physically disabled few clients were expected to be in need of support for mental health, legal problems and addiction issues. In an environment of high youth unemployment and limited opportunities

for skills training it was anticipated that most foyer residents would benefit from support into work and independent living. Potential clients with problems in excess of such basic needs would be supported by the agencies which had traditionally catered for their needs. The reality since the late 1990s has been that a large number of foyer clients do not fit into the group which foyers were originally designed to cater for. Indeed, it is likely that the more 'chaotic' client group being supported by most foyers might

previously have been supported by other organisations, such as young offenders' institutions, prisons, social services and hostels (although it is not clear what form these would have taken).

All foyers which were questioned noted that many of their clients had needs in excess of training, accommodation and life-skills support. This reflected other findings with regard to client groups, which are illustrated in figure 6, below:

Figure 6 – Foyer client groups



Services provided

All of the resident services provided at foyers were found to vary considerably between foyers. However, all foyers had services in addition to accommodation which were considered by managers and staff to be central to the aim of supplying a holistic approach to supporting young people.

Services provided in addition to basic accommodation at foyers tend to fit into two different categories. 'Physical services' can be described as those based around capital equipment and buildings, whilst 'personal services' are based more on staffing and tailored to individual client needs (such as social/psychological support and training).

Physical services

The scale and types of physical services available at foyers tend to vary with size. Whilst many foyers with 20 or more bed spaces tend to have a full range of IT equipment, social/leisure facilities and

training provision on site, smaller foyers tend to suffer from diseconomies of scale – where limited resident income prevents medium-scale facilities.

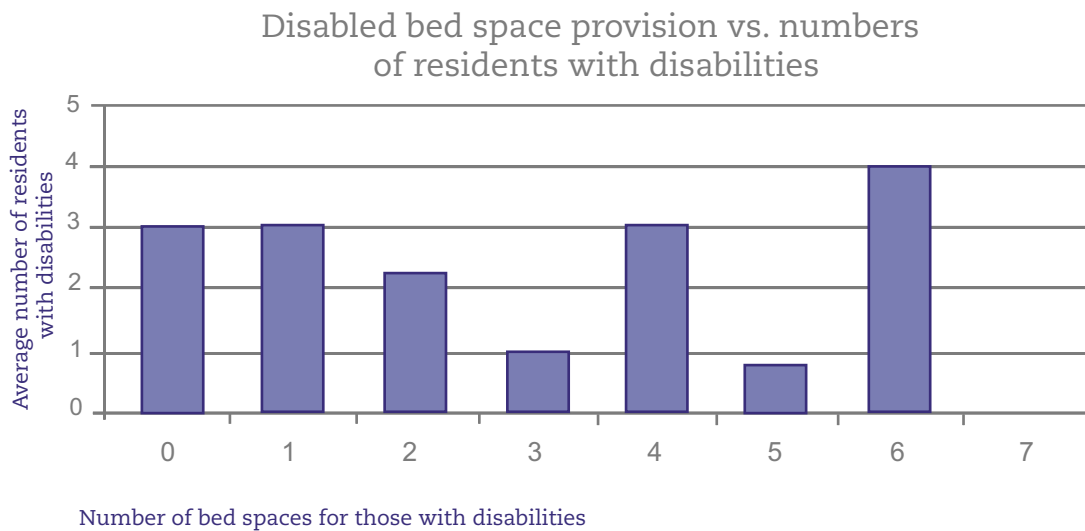
Disabled provision

Foyers aim to be as inclusive as possible in the range of clients that they can take. Thus physical provision for clients with disabilities can be seen as important.

Whilst most Foyers have bed spaces set up for disabled use, a minority do not. A total of 27% of foyer managers noted that they had no disabled bed spaces. Despite this it was found that foyers which did not have specific disabled provision could still take residents with disabilities. It was the degree of disability which they could cater for which was reliant on the provision of specific facilities. One way of illustrating the balance between bed spaces equipped specifically for disabled use and the numbers of disabled young people being catered for was to show the average numbers of young people in receipt of disability living allowance or incapacity benefit at Foyers with different numbers of bed spaces equipped for disabled

provision. This is shown in figure 7 and shows that there is virtually no correlation between the provision of bed spaces for those with disabilities and the numbers of young people with disabilities who stay at foyers.

Figure 7 – Disabled bed spaces vs. average numbers of disabled foyer clients



IT

Although 97% of foyers have IT facilities available, the scope and scale of IT support varies between foyers. Some foyers are able to generate an income from their IT facilities (by renting them out). The use of IT facilities for foyer training and activities also varied between foyers, because of staffing, staff training and IT provision. Thus, at some foyers IT facilities are available for the use of residents to help them carry out a variety of activities on their own – whilst at other foyers IT is used as both a facility in its own right and a means of providing non-specific IT training. Despite their advanced nature, IT facilities represent a diminishing capital investment – much hardware and software becoming obsolete over a period of only three to four years. Thus they can be seen to have a revenue cost in terms of the need for hardware and software support, replacement and maintenance (often provided by external agencies).

Social and leisure facilities

Social and leisure support for residents at foyers is considered an important factor in developing many residents' social skills and in ensuring that there are a balanced range of activities within the Foyers themselves. A total of 91% of foyers provide social and leisure facilities (often in the form of a common room) for these reasons.

Sport and fitness

Sport and fitness facilities at foyers tend to be limited in scale and number. A total of 77% of foyers do not provide on-site facilities for physical development in this area, although it does appear to becoming more popular. It is often the case that foyers and residents make arrangements with outside providers for this sort of service.

Personal services

All foyers provide a range of services which are tailored to the needs of broad client groups as well as individuals. However, the scope of provision and form varies. Social/psychological support, for example, requires that foyers have specially trained staff available on site. A total of 91% of foyers provide job search support on-site, with 97% providing some form of on-site training for residents and 84% providing on-site social/psychological support services.

Staff coverage was found to be a key factor in foyer service provision. In particular this related to a foyer's ability to run courses, manage resident activities and provide other forms of resident support. Some of the foyers consulted provided a much wider range of training options, in house, than others. This often depended upon access to funding (in addition to Supporting

People and Housing Benefit) and sometimes additional staffing, from sources including Learning & Skills Councils, Learn Direct, local colleges, local authorities, UK Online, parent/partner housing associations and local businesses. Where local businesses have provided support, this has usually been for capital projects rather than revenue funding – for example, a number of local businesses raised money for the development of an IT training facility at one foyer. The variation in what was offered in-house is illustrated in example 1.

Example 1

This foyer has four training projects:

- a 'Daylight' training project is based upon informal training running Monday to Friday (10am to 3pm), with voluntary attendance. Each day focused on a different key area: 'life & living; 'numeracy and literacy'; art; 'group & social'; and employment. The programme also included some outdoor education, health awareness and anti-drug working. Trainers are mostly in-house, but some also go into the Foyer from drug awareness and health;
- an IT training programme runs from 3 pm, five days per week. Teaching for this is on a one-to-one basis and is provided in house (with 200 people attending per year);
- a 'Help' programme is based upon training young people to help other young people on issues such as homelessness, health and other experiences. This uses group discussion and drama as teaching aids; and
- a 'Learning Link' programme is run in partnership with a local college of further education. This aims at overcoming barriers to training – helping residents work out what they want to achieve and how to go about it.

Attendance on all courses is voluntary and records of completions are not kept. City & Guilds qualifications are available from the training in food hygiene, first aid and literacy and numeracy. The Foyer has also been running a 'profile of achievement' award since January 2004.

The above reflects a considerable amount of training provision via a single foyer, but it also shows the difficulty of actually measuring the impacts and outputs of this provision, since the foyer does not keep records of completion rates or even attendance on these courses. Thus, whilst the potential provision is impressive, it is impossible to measure the reality and impacts.

The next example is a quote is from a manager at a foyer with totally different levels of provision:

Example 2

“We do not offer official internal training courses, but we do budgeting, job search, IT training and Learn Direct on site. There are plenty of local training providers in the area. We tend to have youth workers rather than trainers at the foyer.”

The two examples illustrate the variation in internal training provision. Increasing Foyer Federation accreditation suggested that the amount of variation in training provision would be reduced in the future. There is also considerable variation in internal course completion rates, varying from 100 % to 25%. Differences in training and completion rates are linked to client need and the nature of training provided (i.e. level of difficulty, time span, perceived relevance). Higher resident needs usually equal lower training completion rates or the provision of courses with more limited aims. The complexity of resident training, taking on board a whole range of issues, is described in figure 8.

Figure 8 – Resident training issues and relationships

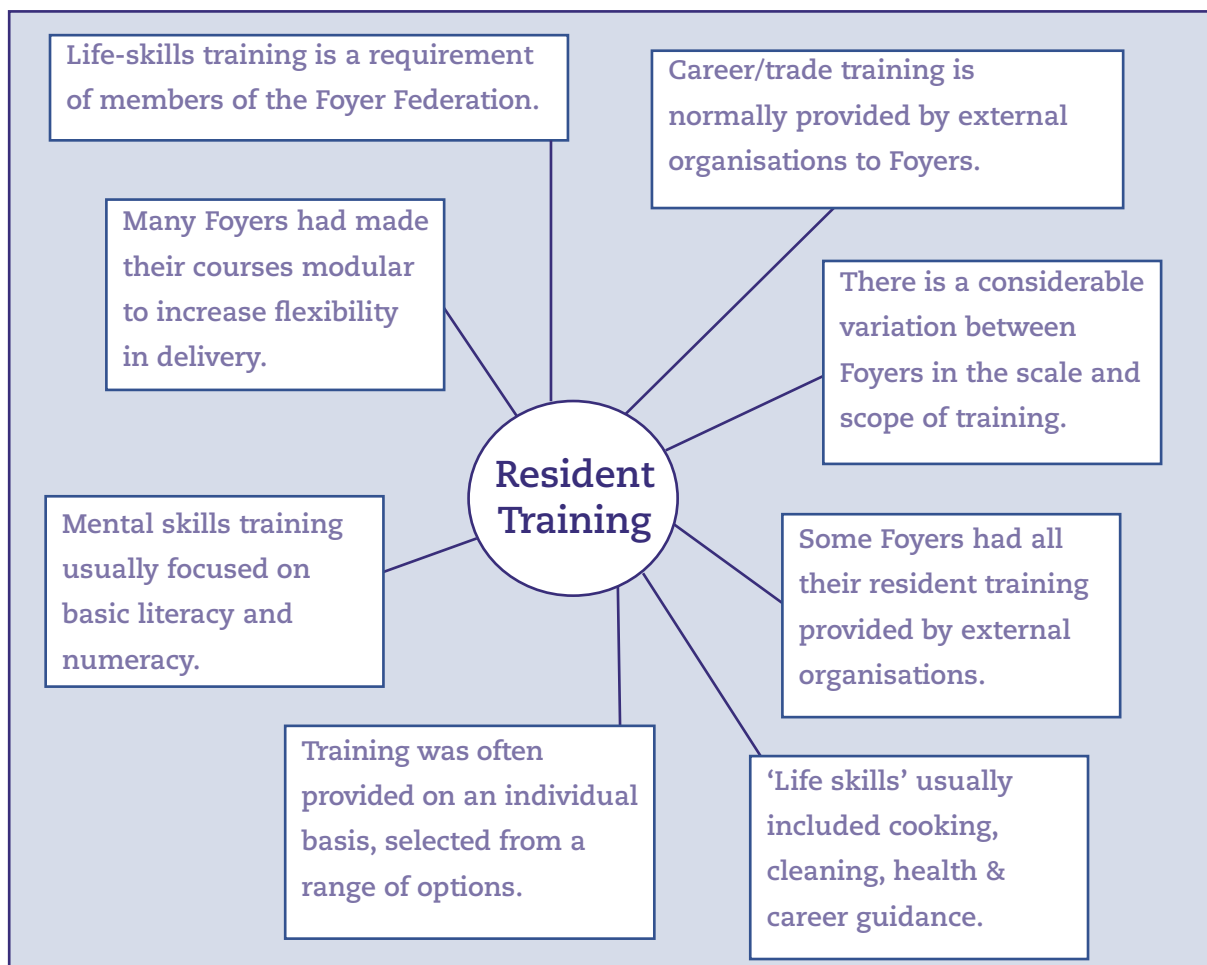


Figure 8 shows the different elements which are of particular relevance to resident training at foyers and provides a guide as to why training can often vary considerably in scope and coverage.

How foyers provide services

The services provided by foyers are clearly affected by the changing nature of the client group. Client turnover and management are linked to forms of tenure offered to foyer clients, lengths of stay, staffing coverage and move-on support. However, the key emphasis placed upon client development means that length of stay, move-on support and general client management is key to the whole foyer concept.

Who are the clients?

Case study and telephone interviews suggest that foyers are often serving specific local groups. It was found that these:

- represented the ethnic diversity of the communities being served, but did not focus on specific ethnic minority groups;
- tended to represent medium to high needs young people (although not exclusively);
- occasionally were represented by a particular high-needs group, such as young people leaving care or some form of mental or criminal institution; and

- might represent young people from the appropriate local area with basic housing and training needs (although this was rare).

Overall, foyers tend to support young people with multiple needs far in excess of basic training, education and employment needs. At a large number of foyers questioned their current client group was not the low-needs client group they were originally set up to cater for. Clearly, changing environmental issues have had an impact on the client groups many foyers are supporting.

Foyers are filling a definite gap in their local/regional areas. The needs of foyer client groups vary between foyers. However, if foyers were not available to provide these services there would be a greater burden on other less well-equipped supported housing providers (for the specific client groups – such as general needs social housing). One foyer manager questioned where the residents would go if there was no foyer. Clearly, some might be able to return to a parental home, but in most cases the burden of responsibility would fall on another

state-funded body. Client needs would therefore have to be met elsewhere, should foyers close – although currently, there is not sufficient provision for the current foyer client group elsewhere.

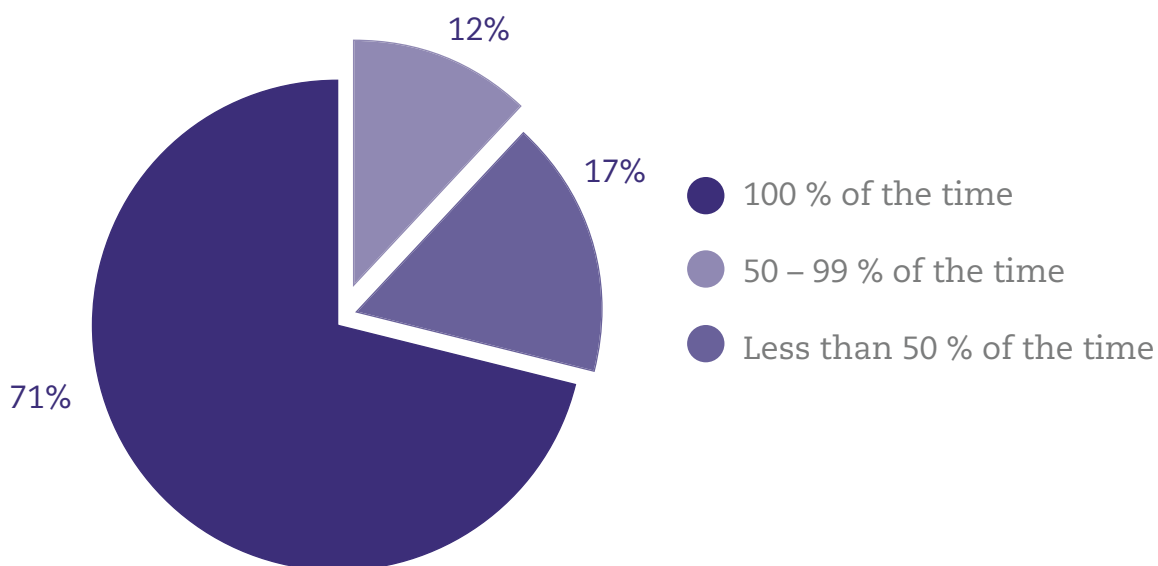
Client management

Most foyers provided 24 hours a day, seven days a week on site staffing. All foyers noted that they technically offered 24–7 support, but in a limited number of cases this referred to staff being on-call

and not actually based on site. This is not something which was explored in previous studies, but it has been found to be of key importance in relation to resident support and management.

Previous research has suggested that staff coverage at foyers is important for good resident management and support. It is also seen as being an important factor in reducing crises. Sixty-five foyers provided information on staffing levels.

Figure 9 – Amount of time foyers were staffed

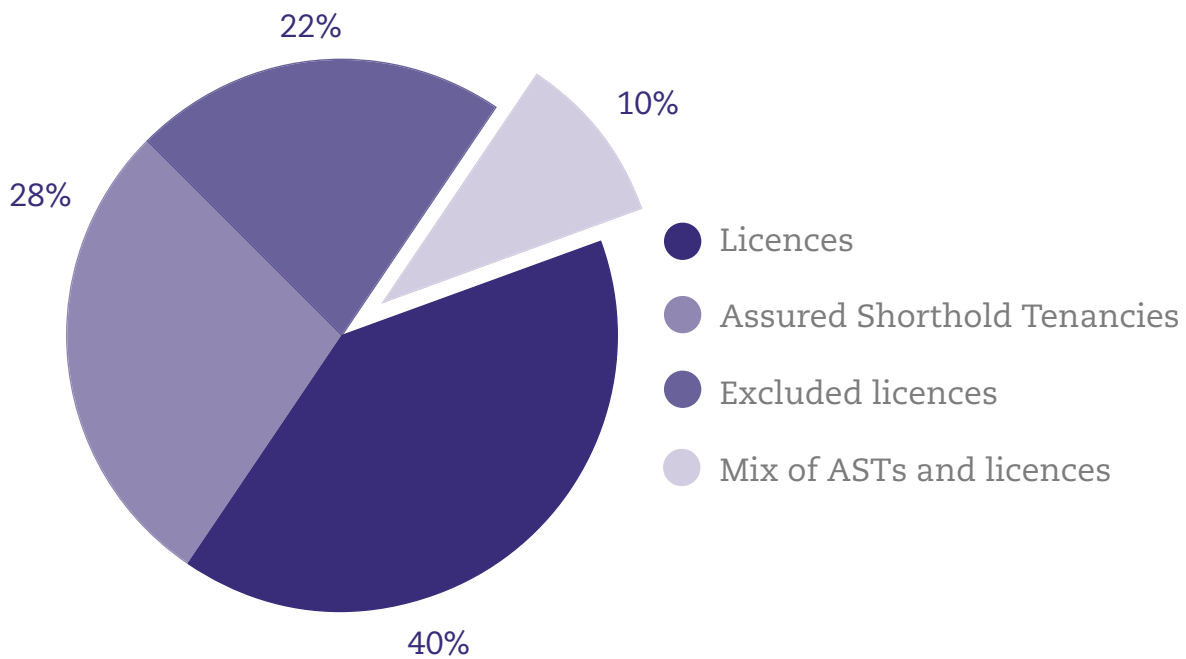


Where staffing had been increased to 24–7 there were fewer resident and management problems than before. 24–7 staffing had become more common with an increasing acceptance of higher client need levels.

Client tenure

In the postal survey element of the research, managers of 64 foyers responded to the question about forms of tenure offered.

Figure 10 – Percentages of foyers offering different forms of tenure



Where foyers offered a mix of licences and ASTs this was either because they were converting from licences to ASTs (or vice versa) or because they offered two different forms of resident accommodation. In another case, a small number of foyers offered new residents licences or excluded licences, which then changed to more secure forms of tenure once residents had been in place for a number of weeks. Foyers offering licence/excluded licence agreements had similar lengths of stay and void rates to those offering ASTs. The average length of stay at foyers was 12 months. A number of foyers had changed from offering ASTs to licences, because of past resident, vacancy and management problems. However, there are legal implications for foyers offering licence and excluded licence agreements, as these can be challenged by residents – who have a right to assured hold tenancies.

Voids and move-on accommodation

Overall, respondent foyers did not have high levels of voids, although it is possible that foyers with high numbers of voids did not respond to the postal survey, which found that 74% of foyers had under 5% voids per year. Only 17% had over 10% voids per year. However, case studies and telephone interviews suggested that average voids were slightly higher than those supplied in the survey. This was due to the way voids were measured by foyers operating ASTs – where a vacant room still legally (although not physically) occupied by a resident (owing to lengthy eviction processes) was usually still classed as occupied. In such circumstances, the room was unavailable for access by other potential residents and could remain empty for some time – thus precluding someone else from using the service and leading to inaccurate measurement of true void levels. Some foyer managers stated that there had been multiple problems in the past at a number of

foyers, linked to high vacancies and volatile client groups. These had been dealt with via increased staffing and changes in resident management regimes.

Most foyers do not own move-on accommodation (only 6% owned ten or more spaces). Thirty percent of foyers owned some move-on accommodation, although a number noted that demand exceeded supply. In most cases specific foyer move-on accommodation was provided by either a parent housing association or via an agreement with a separate housing association or a local authority. Usually move-on accommodation was seen as a first-step into independent living and as such length of tenancies tended to be restricted to between 12 and 24 months.

Exit strategies

The issue of changes in funding and possible concerns over future client groups had meant that some Foyers had exit strategies. The proliferation of exit strategies varied considerably. Options centred around

alternative uses for foyer accommodation.

In some cases property was leased and could theoretically revert to another supported housing role. Clearly, this was dependent upon lease terms and initial capital grant (if paid), but leased property had often had a former housing use (to which it could revert), usually had lower capital investment (having higher revenue costs) and was usually owned by another landlord. Sometimes leased property was used as a form of cross-revenue, where it was owned by the same parent housing association responsible for the foyer.

Possible conversion to older peoples' accommodation was suggested at some foyers. At others, whilst there was no defined exit strategy it was made clear that the accommodation could be converted to supported housing, with training facilities being used to provide training/education for non-foyer groups. However, the foyer residents would have to go somewhere and in a final irony it was suggested at many of the larger single site foyers that they would probably end up in the same building, but

with less support and alternative training opportunities. There was no suggestion at any foyers that the accommodation could be used for general needs housing, although in a number of cases foyers occupied converted houses and given the strength of the property market it was quite likely that these buildings could be quickly converted back.

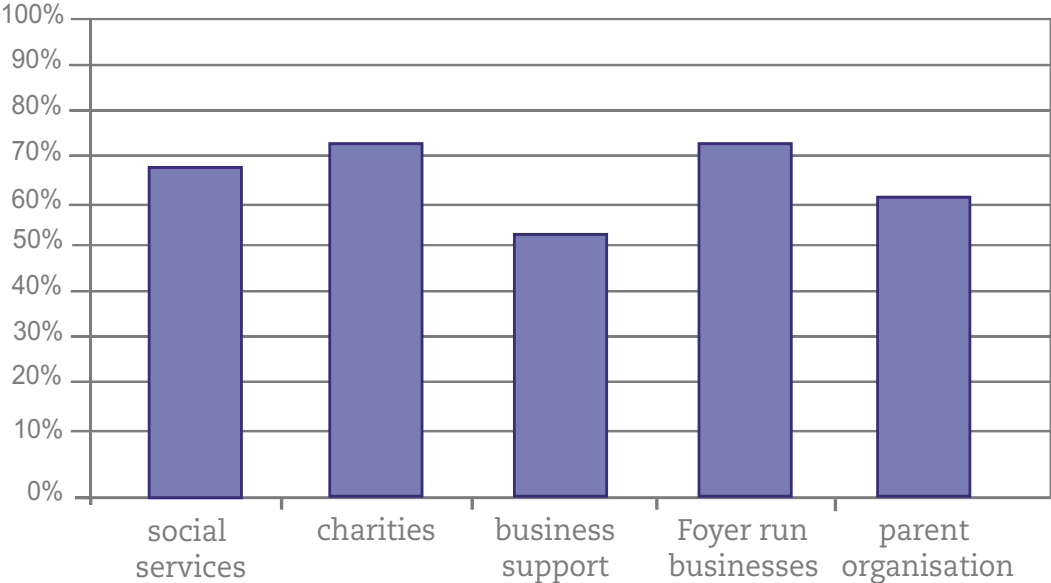
The financial implications of exit were less clear at all of the case studies examined. Although most foyer managers questioned felt that there would be no requirement to repay capital grants, this was not supported by any evidence – and it is quite possible that an early exit from foyer provision could incur some considerable financial penalties for some parent housing associations, which have benefited from grant funding in the past. Certainly, the current financial regime is very different from the one which was in existence when the early foyers were developed – and it is also true

that governance systems have changed. Therefore, the very basic understandings linked to exit strategies may well be out of date, concerning grant repayments and asset transfers.

Foyer funding

Many foyers access a variety of different funding sources. In the postal survey foyers were therefore asked to rate the importance of different funding sources in the postal survey (from one to seven for each source, with one being the most important). There were 42 useable responses to this question, which asked managers to rate the importance of Housing Benefit, Supporting People, social services, charitable organisations, businesses, foyer-run businesses and the parent organisation (where appropriate). All foyers rated Housing Benefit and Supporting People as the two most important sources of funding and these are vital to foyer provision.

Figure 11 – Percentages of foyers rating a funding source as of little or no importance



The one to seven rankings did not include all potential funding sources for foyers. Additional sources of funding referred to by a number of foyer managers included Single Regeneration Budget, Learning and Skills Councils, the Foyer Federation, the European Social Fund, Learn Direct, the probation service, Neighbourhood Renewal and Connexions. Despite the introduction of Supporting People funding increasing the income of many foyers it is still the case that bidding for additional funding streams is important for many foyers – as funding from these additional sources allows foyers to extend their range of activities.

Detailed revenue income information was difficult to attain during the postal and telephone elements of the study, but the case studies allowed for the gathering of more detailed information on Foyer incomes, development and expenditure.

Key issues in examining this information were:

- the definitions of what Supporting People funding can be used for are very broad and it is thus very difficult to separate rent costs from support costs when analysing where sources of funding are spent. It was often impossible to separate Supporting People costs totally from bed space rental costs;
- foyers are all heavily dependent upon Supporting People funding, although it is anticipated that Supporting People funding will be reduced at the national scale in future years;
- foyers are heavily reliant upon Housing Benefit being paid to them on behalf of residents;
- the way in which the Housing Benefit system operates leads to backlogs of Housing Benefit claims, which can affect foyer incomes (in the short term) and can lead to resident debt when residents move into and out of employment rapidly and fail to reapply for benefits;

- Capital investment in foyers had come from grants and loans. Capital costs of development were not available in all cases and were not directly comparable, because the cases had been developed at different times; and
- foyers had varied sources of income from activities, in addition to Housing Benefit and Supporting People. These included hiring out services and facilities, successful grant bids (e.g. Single Regeneration Budget) and also foyer businesses (such as a restaurant, in one case).

Foyer outputs and outcomes

There are a variety of ways of measuring outputs and outcomes of foyers. The first is to focus upon resident progress whilst at foyers - looking at qualifications/training obtained, health issues successfully addressed, living skills/training provided and work experience/employment achieved. The second method of measurement is to examine resident progress after leaving a foyer and to compare this against a suitable control group. This second method is currently being pursued in a separate project ('What Happened Next' – Smith & Browne, 2002–06).

A third way of measuring foyer outputs is to consider the full range of foyer services, accommodation and support on offer and to measure the cost of these and their level of use. This research focuses on the latter (third measurement system), although there has also been limited use of the first method of measurement. At present, foyers only have very basic methods of output/outcome measurement, despite recommendations made in the Stepping Stones Report (2000):

- there is no uniform measure of outputs/outcomes used by all foyers;
- there has been only limited use of 'distance travelled' measures of resident progress;
- foyers do not hold data on the numbers of residents completing external courses;
- most foyers do not monitor resident progress once they have left the Foyer;
- foyers do not have unified data systems on employment progress (length of time in employment, type of employment, income);
- foyers did not have unified data available on the numbers of residents completing internal courses, which were usually modularised;
- many foyers used resident reviews and questionnaires to partially measure success (occasionally using 'distance travelled' criteria), but unified data on these was unavailable;
- no data was available on the level of use made of Foyer services and facilities; and
- foyer managers who were questioned measured success in terms of average length of stay, vacancy rates, services

provided, successful move-ons, internal training provided, numbers of residents attending college and numbers of residents in employment.

courses offered by other providers. However, no completion rates data was available on numbers of residents completing external courses.

Measuring resident progress at foyers

All the case study foyers maintained individual client progress records, but there were a great variety of approaches and often no uniform measure for overall statistical analysis. The two best reflections of resident progress at present are percentages of residents in employment and percentages of residents attending college/external training either part or full-time. A quarter of residents at all foyers were in full or part-time employment, although it should be noted that residents in training at foyers are not expected to be in work and high rent levels are often seen as discouraging residents from entering employment. Thirty-six percent of residents at all foyers were attending external college courses or

Value for money

Value for money is largely a measure of inputs and outputs, considering what Foyers deliver at what cost. However, it is also comparative, in that to make full conclusions from findings it is necessary to compare them with other similar schemes. In measuring value for money issues for foyers it is particularly important to consider all the aspects of the findings so far discussed. The report has reviewed many different aspects of foyers, drawing on telephone survey, postal survey and case-study findings. This has provided an overview, but has also considered how foyer inputs and outputs could and should be measured. This section moves the findings on in order to attain conclusions on a number of issues likely to be of importance for policy makers and those interested in the furtherance of foyer concerns, namely:

- costs;
- whether foyers are fit for their purpose;
- outputs and outcomes – information that would allow for better measurement;
- the local groups they are serving/targeted at – and whether they fulfil a basic role;
- comparisons with other schemes; and
- the targets they have set themselves.

Costs

The increasing use of value for money measures by funders imply that the cost of foyer provision is likely to become an increasingly important measure. Financial data are also important in providing cost comparisons between foyers and in offering a guide for the development and implementation of future similar schemes.

Forty-four foyers responded to the postal survey on the subject of finances and financial issues were also pursued in telephone interviews and case studies. The average (mean) weekly cost of accommodating a foyer resident was £239 and the median weekly cost of accommodating a foyer resident was £218.

Figure 12 – Percentages of foyers having different residency costs

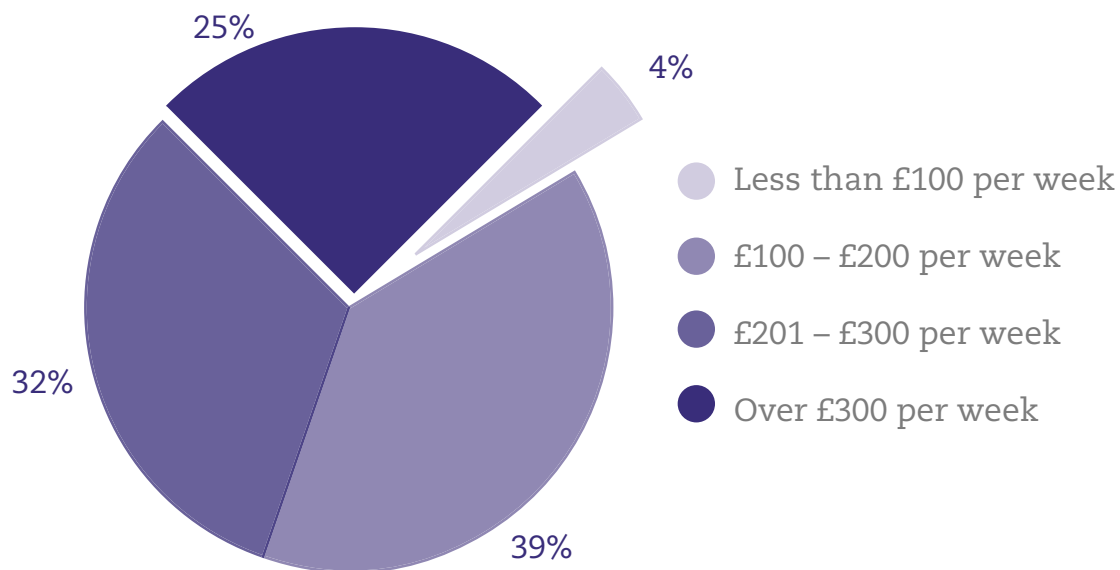


Figure 13 provides financial information on a cross-section of foyers which were examined during the case study element of the research. This gives broad breakdowns of costs and also provides a cost per resident, to allow for comparison between the cases. Capital development costs are provided for information only and have not

been included in the calculation of weekly resident costs. Figure 13 illustrates the tremendous variety in size, vacancy rates, funding and costs. Telephone and postal research suggests that the variety shown in these cases is mirrored throughout the foyers in the UK.

In examining figure 13 in more detail, it is first important to recognise that case numbers can be cross-referenced with figure 15. This allows for a better understanding of outputs versus costs. Although there were difficulties in measuring many foyer outputs, linked to limited available data, foyer services have been reviewed in figure 15.

Numbers of rooms provide a guide to the overall size of foyers which were examined in detail. However, case 7 is dispersed over a number of different sites in different areas (often up to 30 miles away from the main office). Although many foyers are often based on multiple sites (there is often a split between residential and training/leisure facilities), usually such sites are relatively close together (i.e. within the same town centre). In case 7, the distances between sites and the central administrative office have meant that costs tend to be relatively high compared to the range and quality of services provided (see figure 15 for an indication of this). The smallest foyer is also the one with the lowest costs per resident (case 9). However, in case study 9 there is cross-provision of services (from other projects) and not all inputs are included.

Annual revenue expenditure (total) represents the total expenditure of each foyer, taken from the most recent annual accounts available at the time (financial year 2003–04). Occupancy levels are illustrated by void rates, total room days available per year at the foyer and annual bed space voids. Whilst these have little or no impact upon Supporting People funding (paid as a block grant), they are a major concern in relation to both resident contributions and Housing Benefit income. In case 1, for example, where the void rate was running at 32% per year, this resulted in lost Housing Benefit in excess of £115,000 per year – particularly acute because of the considerable number of bed spaces at the foyer. Ironically, case 1 showed one of the lowest weekly costs per resident, because annual revenue expenditure was relatively low and its Supporting People income was relatively high.

Revenue income has been split into several different rows. At almost all foyers, residents were expected to make a minimum weekly contribution to costs not covered by Housing Benefit or Supporting People funding

(usually to cover water, power and heating). Case 8 did not require residents to pay this, linked to its business income being used to subsidise residents. Housing Benefit and Supporting People income can be seen to vary dramatically across the whole range of cases studied. Figure 15 (see later) suggests that some of the reasons for this link to quality of services and accommodation, although it is difficult to see why variations should be so great as set out in figure 13.

Annual revenue income is split into a number of different sections providing a guide to what incomes would be with full occupancy and what they are with current void rates. 'Other income' represents income from funding sources including European grants, income from the rental of space and facilities to external organisations, income from foyer businesses (only in case 8) and income from external training contracts delivered by the foyer for other organisations. In most cases 'other income' is negligible, but in cases 2, 5 and 8 it is a considerable factor. This income is usually not linked to specific statutory objectives

and this means that it can be used for a wide range of additional activities for residents, such as on-job training, driving lessons and grant funding for sports activities. The total annual income represents the total income, calculated for the foyer for the financial year 2003–04. Surplus and deficit (with deficit as negative) suggests how much revenue the foyer has left after taking all appropriate expenditure into account.

Where a surplus was generated, this was deducted from the cost of housing each resident at the foyer, because it suggests that the foyer can actually manage on less income than it currently accesses. Conversely, where a deficit was shown, this was added onto the overall cost, since it implies the foyer is unable to provide its services and facilities with the funding currently available to it – and that the cost of housing residents is higher than the foyer has budgeted for. Variations in weekly costs for residents are dramatic, varying from £151 per week to £470. As will be seen in figure 15, there are some justifications for this, but it is difficult to see how these can represent a cost three times greater.

Figure 13 – Case study foyers – revenue expenditure, income and resident charges

Foyer reference number	1	2	3	4	5	6	7	8	9
Number of rooms	63	24	49	61	30	72	76	55	9
Capital cost of development	£3,700,000	£3,758,600	na	na	na	£1,153,000	na	na	£0
Annual revenue expenditure (total)	£541,623	£570,561	£870,000	£555,861	£343,000	£566,392	£1,119,562	£1,345,863	£59,904
Occupancy levels									
Void rate (room days per year)	73584	1138.8	447.13	1110	218	427	4161	3011.25	48
Total room days per year	22995	8760	17885	22265	10950	26280	27740	20075	3285
Annual bed space voids (percentage)	32	13	2.5	4.99	1.99	1.62	15	15	1.46
Revenue income									
Weekly resident contribution (per resident)	£5.00	£7.96	£8.94	£2.00	£5.60	£4.00	£6.00	Not applicable	£3.56
Weekly HB rent per room	£111.00	£87.40	£120.68	£97.85	£60.90	£72.00	£45.18	£74.83	£96.71
Weekly Supporting People	£224.36	£167.09	£211.93	£100.60	£113.43	£75.28	£232.11	£153.50	£27.73

na = Not available

Annual revenue										
Housing Benefit (assuming 100 percent occupancy)	£363,636.00	£109,075.20	£307,500.00	£310,380.20	£95,000.00	£269,568.00	£178,551.36	£214,013.80	£45,260.28	
Housing Benefit (allowing for vacancies)	£247,272.48	£94,895.42	£300,000.00	£294,906.50	£93,108.68	£265,188.03	£151,768.66	£122,327.00	£44,598.94	
Supporting People	£735,003.36	£208,532.00	£540,000.00	£319,103.20	£176,951.00	£281,848.32	£917,298.72	£439,017.00	£12,977.64	
Resident contribution (assuming 100 percent occupancy)	£16,380.00	£9,934.08	£22,779.00	£6,344.00	£8,736.00	£14,976.00	£23,712.00	Not applicable	£1,666.08	
Resident contribution (allowing for vacancies)	£11,138.40	£8,642.65	£22,209.53	£6,027.73	£8,562.08	£14,732.67	£20,155.20	Not applicable	£1,641.74	
Other income	£0.00	£280,000.00	£0.00	£0.00	£66,000.00	£0.00	£0.00	£793,994.00	£0.00	
Total annual income (assuming quoted vacancy level)	£993,414.24	£592,070.07	£862,209.53	£620,037.42	£344,621.75	£561,769.02	£1,089,222.58	£1,355,338.00	£59,218.32	
Surplus or deficit (deficit is negative)	£451,791.24	£21,509.07	-£7,790.47	£64,176.42	£1,621.75	-£4,622.98	-£30,339.42	£9,475.00	-£685.68	
Annual cost of housing one resident at the foyer	£8,597.19	£23,773.38	£17,755.10	£9,112.48	£11,433.33	£7,866.56	£14,731.08	£24,470.24	£6,656.00	
Weekly cost per resident	£165.33	£457.18	£341.44	£175.24	£219.87	£151.28	£283.29	£470.58	£128.00	

Fit for purpose?

In considering whether or not foyers are fit for their purpose it is important to consider exactly what that purpose is. Whilst there are general definitions at the national level, at the local level Foyers often have diverse purposes, aims and objectives. The purpose of providing a holistic solution to youth homelessness, unemployment and education problems is sufficient as a national description, but vague when applied at the local level.

Key issues relating to fitness for purpose – as set out by the Foyer Federation:

- foyers have adapted to higher client needs;
- void rates are low at most foyers;
- internal resident training provision varies considerably between foyers;
- client need catered for tends to vary between foyers;
- services, staffing and resident facilities vary greatly between foyers; and
- the stated purpose of Foyers needs to be more specific to local needs at the local level.

Beyond the general aims and objectives set out for foyers nationally, it is clear that they are all delivering outputs (specifically in providing training, support and accommodation for clients over an average of 12 months). However, revenue costs vary dramatically, there are legal issues over residential agreements (specifically licences) and it was clear that different foyers often had very different roles – some attempting to keep their clients out of prison, whilst others were attempting to get lower-needs clients into permanent jobs and/or higher education.

The variety of costs, services, sizes and clients was highlighted in the case studies. These provided the most effective way of measuring outputs, although the measurement of outcomes was still elusive. Measures used in the research included those set out in figure 14 and overall input and output data is provided in figure 15. Figure 15 provides a conversion of capital funding, which allows it to be counted as revenue funding – being based upon an interest rate of 4.75% on the capital input to the Foyer. Unfortunately, capital funding data was not available in all cases.

In other cases capital set up costs had been low or negligible (being absorbed by higher revenue costs), because property was leased. Despite the premises being leased in case 9, there was an implication that this had the lowest weekly combined capital and revenue cost. However, in case 9, only very limited facilities were provided on-site or for the exclusive use of foyer residents (foyer residents had to share central facilities, split between the use of a variety of different groups within the parent housing association). Further, it is important to stress that figure 15 cannot measure all qualitative inputs and outcomes and it is difficult to measure the many positive outcomes of foyers in this manner.

It is also important to note that despite a relatively high void rate during the study period, foyer case 1 was able to provide extensive services and facilities to residents at relatively low cost. This is partly because running costs were low, linked to the foyer building having been purpose built and easier to manage. High void rates and rapid client turnover were linked to the foyer having been in existence for under three years, rather than any inherent problems with the scheme itself. This time period of 'breaking in' had been raised by a number of managers who had been interviewed, suggesting that new foyer schemes often take around three or four years before they become fully effective – linked to the need to obtain and train appropriate staff, gradually stabilise resident intake and develop appropriate management practices.

Figure 14 – Measures relating to fitness for purpose

<p>1. Service provision Where greater/better support services are provided on site there is a link to cost to provide a value for money indicator). In the case study a set of services were given a value on a relative scale of one to three (three being best compared to the other foyers examined). The services included job search, in-house client training courses, sports provision, IT provision, social/leisure activities/facilities, psychological/social support. Service provision gradings related to financial input, hence where a service was provided by the overall parent housing group this was not counted.</p>	
<p>2. Length of stay A longer average length of stay would indicate greater stability and a higher chance of internal training being effective. This showed average case study foyer stays varying between three and 24 months. Lengths of stay needed to also be compared against client need and foyer aims.</p>	<p>3. Level of client need Graded one to three, with ‘one’ relating to a foyer which primarily took residents at the low-needs end of the spectrum and ‘three’ where most residents were considered to have ‘chaotic’ backgrounds (linked to crime, self-abuse, abuse and drug and alcohol abuse).</p>
<p>4. Vacancy rates Low vacancy rates usually equate to greater income and management stability and higher demand from potential clients. Housing Benefit income is directly affected by vacancy rates, although some level of vacancy is inevitable to allow for client turnover and room management/maintenance. Three case studies with high vacancies were undergoing expansion and restructuring.</p>	<p>5. Staffing levels Foyers with more complete staffing coverage (24–7) and specialist staffing have been shown to have fewer management and resident problems during the course of the study. It was impossible to accurately measure total staff coverage, as there is often a sharing of staff across a larger parent housing group, some staff are supplied for specific clients/activities by external agencies and some staff are part-time (working extra time on demand).</p>
<p>6. Move-on accommodation Important in many areas due to high housing costs and unsuitable /unavailable housing for ex-foyer residents. Those foyers with tailored move-on accommodation and support for ex-residents were given a ‘three’. Those with nomination rights to a housing association would be given a ‘one’. Move-on accommodation was not included as a capital or revenue cost, although move-on support was.</p>	<p>7. Self-generated income This allows greater flexibility for Foyer budgets, although there is no sign that it negates the need for mainstream funding.</p>

Figure 15 – Foyer inputs and outputs

Foyer case	1	2	3	4	5	6	7	8	9
Number of bed spaces	63	24	49	61	30	72	76	55	9
Weekly revenue cost per resident (based upon quoted vacancy rate)	£165.33	£457.18	£341.44	£175.24	£219.87	£151.28	£283.29	£470.58	£128.00
Capital to revenue conversion per resident (weekly, based upon 100% occupancy)	£37.70	£113.04	£0.00	£22.46	Not known	£57.74	£30.05	Not known	£0.00
Total capital and revenue cost (weekly)	£203.03	£570.22	£341.44	£197.70	Not known	£209.02	£313.34	Not known	£128.00
Average length of stay (months)	3 months	9 months	24 months	18 months	9 months	18 months	18 months	15 months	3 months
Vacancy rate (percentage)	32 percent	12 percent	3 percent	4 percent	2 percent	2 percent	15 percent	15 percent	1 percent
Percentage of total time which staff are on-site	100	100	100	100	100	33	50	27	100
Job search (1-3)	2	3	1	3	1	2	1	3	1
Training (1-3)	1	3	2	3	2	2	1	3	1
Sports (1-3)	1	1	1	1	1	1	1	2	1
IT provision (1-3)	3	3	1	3	1	2	1	3	1
Social/leisure (1-3)	3	2	1	2	1	1	1	3	1

Foyer case	1	2	3	4	5	6	7	8	9
Psychological/ social support (1-3)	2	3	1	3	2	1	1	3	3
Residents in employment (percentage)	5	13	31	8	13	17	26	24	0
Residents in education (e.g. College - percentage)	63	21	39	48	7	42	50	27	22
Accreditation	seeking	yes	yes	yes	yes	yes	seeking	yes	yes
Accommodation provision (1-3)	3	3	2	3	3	1	1	3	1
Type of residency offered (e.g. AST, licence, or excluded licence)	Licence	Excluded Licence	AST	Licence	Licence	AST	Excluded Licence	AST	Excluded Licence
Foyer-generated income	Some limited	Yes (training provision & room rental)	No	Yes (room rental)	No	Yes (room rental)	No	Yes (service provision)	No
Level of resident need (1-3)	1	2	1	1	3	1	1	2	3
Move-on accommodation and support (1-3)	2	2	2	2	2	1	1	2	3
All services on accommodation site	y	y	n	y	n	n	n	n	n

In all the case studies efforts were made to provide the researchers with financial information, however financial information

is not easily available. Figure 16 highlights a number of data access issues:

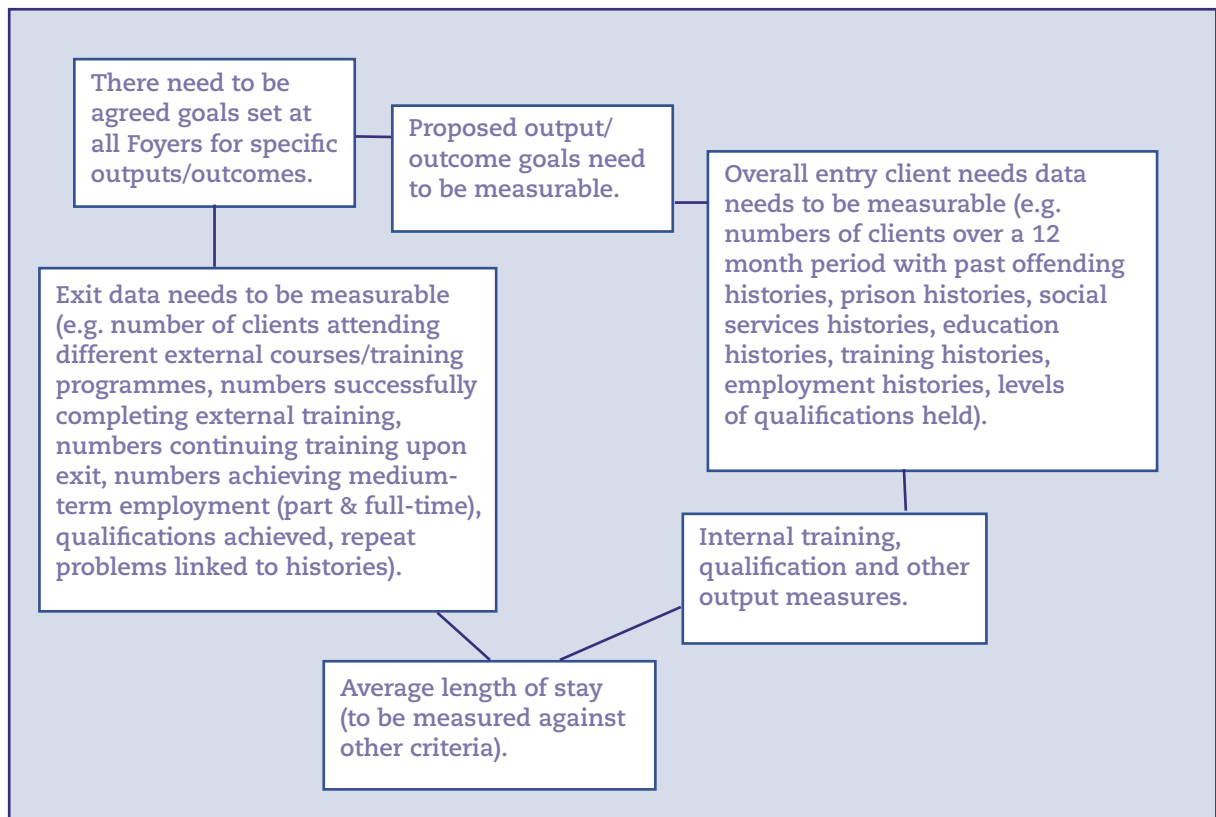
Figure 16 – Foyer data access issues



Outputs and outcomes – what information would allow for better measurement?

At present foyer outputs and outcomes are not sufficiently measured. This causes problems in evaluation and in considering value for money issues.

Figure 17 – Six proposed improvements



At many of the foyers reviewed (both in postal and case-studies):

- it was impossible to show that considerable investment in a specific foyer basic skills training scheme was well placed because of lack of data particularly on outputs and outcomes;
- it was unclear how the observed great variations in IT provision impacted upon resident development or outputs – and therefore how this provision should be assessed;
- where outputs and attendance on internal or external courses are not measured and reviewed regularly it is impossible to demonstrate the value of the link between training/education and accommodation; and
- nevertheless, it was clear that most foyers were providing good quality accommodation, with additional support designed considerably improve the life skills and prospects for residents.

Comparisons with other schemes

It may well be unfair to compare foyers against other schemes which often have totally different forms of provision, client groups and aims and objectives. However, previous studies have done exactly this. In *Stepping Stones* (Maginn et al, 2000), foyers were sometimes compared with other types of youth service, some of which did not have accommodation provision. Despite concerns over such approaches, it is necessary to provide some form of comparison in order to attain a guide as to the value for money of foyers. For this reason, average costs of supported housing schemes were compared, with those of schemes describing themselves as foyers. There is no register or specific list of schemes which provide services identical to foyers, but which do not describe themselves as such. The research has found that there are a large number of such schemes and therefore, these are also briefly discussed in this section. Comparisons have only been made with those initiatives which include accommodation as part of their remit, during this research.

The RSM Report (2004) provided a number of averages for Supporting People unit costs in different regions of England, based upon extensive data analysis of local authority, regional and central government data. These figures assumed that the people being supported are primarily 'homeless', although they also take into account many other general support needs resulting from this state. The average Supporting People cost per unit of accommodation for this group was £100 per week (all homeless people).

From the postal survey it was shown that foyer managers rated Housing Benefit income as their most important form of income, along with Supporting People. Housing Benefit payments do vary with region, although an overall average has been measured by the Government Department for Work and Pensions (2004) as being £55.90 per person per week (but this includes general housing, as well as supported housing).

CORE data is also available as a measure of the cost of supported housing. CORE (COntinuous REcording) is a system

developed jointly by the National Housing Federation (NHF) and the Housing Corporation. CORE is used to record information on both Registered Social Landlords (RSL) lettings and sales in England. Around 750 RSLs and non-registered associations are now recording more than 160,000 general needs lettings, 65,000 supported housing lettings and 10,000 sales per year since CORE was launched in 1989. Local authorities were invited to join CORE from April 2004. Participation in CORE is currently voluntary for local authorities. The CORE mean weekly rental and associated charges (excluding Supporting People) for supported housing in England is £203, for the financial year 2003/04 (the most recent available – see web address: <http://www.core.ac.uk/keyfacts/keyfactsSHtotal.htm>).

The median weekly cost of providing foyer accommodation for a single resident was found to be £218, by the research leading to this report. However, this included inputs in addition to Housing Benefit and Supporting People (such as individual contributions and funding from other sources, often equal to

£20 to £30 per week per resident at many foyers). Therefore a comparison of foyer Supporting People and Housing Benefit costs against an average of £155.90 for all other low to medium needs accommodation shows that foyers cost only a small amount above the average. If CORE data is used, foyers are shown to be cheaper than average for all supported housing. Overall, foyers are not expensive compared to the average cost of supported housing.

In terms of service provision there are problems in direct comparisons with many non-foyer schemes. Emmaus UK, for example, represents multiple communities which are primarily financially self-supporting (and some of which produce a surplus from social enterprise activities) – but Emmaus UK provides support for a different client group and has totally different aims to the foyer movement.

Supported homeless hostels tend to be primarily focused on providing housing for homeless people and rely on external agencies to provide other support services.

Whilst many foyers rely upon external agencies for many support services, the foyers themselves are geared towards providing accommodation and support for young people – in the form of accommodation offered, the way clients are managed and in the types of outputs aimed for.

Despite the above concerns, it is clear that there are many housing-based schemes providing services for young people, which are very similar to foyers except that they are not designated in this way. Analysis of these schemes suggests that they are identical to many foyers in the services provided, staffing and housing provision. It is also common for them to take young people in the age range of 16 to 25. In one example, for example, it was found that most of the young people supported tended to come from the 16–17 year old age range, because mainstream housing and general hostel provision for such young people were either not available or inappropriate. Although exact financial details were unavailable for these schemes (which exist throughout the UK), brief interviews suggest

that costs tend to be similar to those of Foyers – based upon services provided, training, staffing and type of accommodation.

So, what is the difference? In some cases such schemes were based upon charitable or independent structures and were not part of larger housing associations. The cost of becoming members of the Foyer Federation was seen as one reason for not classing a scheme as a Foyer, whilst in other cases there was seen to be little direct need for foyer classification or membership of the Foyer Federation. Forms of tenancy tended to vary dramatically between these non-foyer schemes (from units which deal with young people with drug, alcohol, criminal and mental problems – to units which deal with young people requiring low-support accommodation, with employment, training or educational support included) – but this is comparable to the experience of schemes which are currently described as foyers. The conclusion is that whilst foyers represent a major element in youth housing and support, there are many other schemes providing similar services – usually for similar costs.

This suggests that the description of a scheme as a ‘foyer’ tends to provide a brand name, a description of the service provided for a specific client group and a set of expectations regarding the nature and quality of organisation and management. In addition, most designated foyers tend to be part of larger housing associations, which is not the case with many youth-related housing and support schemes (many of which are independent charities). The role of the Foyer Federation in this scenario can therefore be seen as providing a central point of contact and a method of general support for schemes describing themselves as foyers and registering with the Foyer Federation (in terms of some funding, organisational advice and general guidance). In addition, the Foyer Federation is providing quality measures and basic service guidance – which lends weight to its attempts to become a representative and quality assurance body. At present there is little evidence that the Federation has been able to introduce much standardisation, in terms of foyer-run courses, types of tenure, output measurement or quality assurance – although steps are being taken in this direction.

Well-known alternatives to Foyers at the more secure end of the spectrum include Secure Training Centres, Secure Children’s Homes and Young Offender Institutions (United Kingdom Parliament website 2005: http://www.parliament.uk/parliamentary_committees/committee_of_public_accounts/pac121004_pn40.cfm).

Whilst it is not clear that these alternatives would be automatic for many current foyer residents, if foyers were not available, interviews with managers at foyers suggested that some of their residents had offended in the past and that without foyer accommodation available, secure accommodation may be one alternative. A secure training centre place (run by private contractors) costs £164,750 per year, and

a local authority Secure Children’s Home place costs £185,780, reflecting staffing ratios of four staff to eight youngsters. A place at a Young Offender Institution run by the Prison Service costs £50,800 per year, with a ratio of around four staff to 60 youngsters. Figure 18, below, provides comparisons between different types of youth support schemes. Whilst it is clear that Secure Training Centres and Young Offender Institutions are catering for young people at the extreme end of the needs spectrum it is important to stress that the range of young people supported by some foyer schemes is likely to include young people who have previously been in such secure environments and other young people who may otherwise have entered such institutions.

Figure 18 – Comparative average costs between schemes

Type of provision	Average weekly cost per place
Foyer	£218
General supported housing (CORE data) & average Supporting People costs	£303
Young Offenders Institutions	£976
Secure Training Centres	£3,168
Secure Children’s Homes	£3,380

One of the key targets set by the foyer movement is to 'move residents on' into sustainable and productive living patterns. It is extremely difficult to measure such a long-term aim accurately. Research based upon ex-resident interviews is being carried out elsewhere and may add to considerations of long-term outputs of foyers.

Foyer voids were found to be lower overall than might have been predicted based on previous studies of foyers. However, a small number of foyers were experiencing problems with high void rates (exceeding 30%). Nevertheless, foyers were clearly meeting targets with regard to vacancies.

The measurement of client turnover at foyers was based upon an average length of stay of 12 months. This was considered by foyer managers questioned to be an adequate time to transfer skills, support and training to clients. At the same time however, some foyers were specialising in short-stay client groups. Thus it could be seen that broad targets for length of stay

would not be applicable to all foyers. For example, in one case study a foyer supported young people with 'chaotic' backgrounds and lifestyles and aimed to move them on to more settled accommodation within a timescale of three months. In this instance the main achievement was seen as keeping the client group out of criminal activity and providing them with basic training in paying bills, housekeeping and personal health/hygiene. Movement on to more settled accommodation usually represented attaining self-catering accommodation, with assured shorthold tenancies of one year or more.

The study showed clearly that most foyers tended to support client groups with general needs linked to life-skills, education, employment and housing. However, many foyer residents suffered from psychological/social problems, resulting in their need for higher support provision than a training-housing organisation could ordinarily provide. Thus, whilst all foyers fitted into a supported housing model of provision, provision of employment-targeted training and employment support varied dramatically between foyers.

Evaluation and conclusions

The big questions for future policy addressed in this report are whether or not foyers are fit for purpose and whether they offer genuine value for money, in terms of the client groups served and the outputs and outcomes achieved. Because of the variety of client needs, the wide variations in costs and services and the query as to whether many Foyers are distinguishable from other specialised hostels, these are difficult and multifaceted questions to answer. We address them first by setting out the main findings about the nature of foyers; second by evaluating the evidence on costs and benefits; and finally by bringing these elements into an overall conclusion.

Main findings

Numbers, location and ownership structure

All three levels of analysis (postal survey, telephone survey and case study work) showed a great variation in foyer sizes across the UK. The rate of growth of foyers has clearly slowed since the early 1990s and the average size of newer foyers is falling.

There are proportionately larger numbers of foyer bed spaces in the West Midlands, London and the South East – which is linked to the greater urbanisation of these areas, coupled with higher living costs (particularly for London and the South East), although not with greater employment and training problems. Foyer provision is particularly heavily concentrated in London where access to adequate and safe/secure housing is particularly problematic. The vast majority of foyers, and an even higher proportion of bed spaces were based within urban areas – either cities or large towns (although a few were based in smaller towns). This makes sense in that they need to be close to their main client groups. Where foyers are in rural areas or small towns they tend to be very small.

Most were owned by larger housing associations. These tended already to have connections with the areas in which the foyers were set up. It was extremely rare for foyers to be set up as totally independent organisations in the first place – and even where this had been the case, the foyer had usually later merged with a larger

housing association, because there were seen to be benefits with the additional support available and economies of scale for management and staffing.

Role and objectives

The fundamental objectives of foyers – to provide a stable and secure community for young people; to assist them to develop basic skills, education and training; and to find employment and longer term accommodation – have remained unchanged. What has changed is the economic and policy environment, in which it is easier for young people to enter mainstream training and employment, but sometimes more difficult for them to access adequate accommodation. In this context interviews with managers in cheaper property regions, such as the North East, suggested that most young people without additional needs could afford to enter independent living and did not require foyers to provide the transitional role that they were originally seen as providing.

As a result of these changes in opportunities, the client groups have shifted and now tend to be a range of groups of young people who for reason of youth (e.g. 16–17 year olds) or personal attributes more support than originally envisaged. As a result there has been growing emphasis on basic skills training and in-house support.

There are very considerable differences between foyers. At one extreme they may be doing little more than can be found in a general hostel; at the other there may be a very full range of support, education and training available as well as leisure and community building facilities. Managers appear to have a lot of autonomy over how they operate and parent housing associations tend to play a very limited role.

The existence of a foyer helps to satisfy local demands – but the basis on which priorities are set and their strategic role in local provision in their area remain unclear. In areas of housing pressure the emphasis appears to be more on providing adequate

housing, while in other areas the range of support services tend to be more important.

Whether, except for their designation as members of the Foyer Federation, they are easily distinguishable from more general young people supported housing provision is probably becoming less clear – particularly as the emphasis moves further towards higher levels of support and basic life skills training.

Attributes

Foyers tend to provide well-designed modern physical attributes – including private and public space, IT and disabled facilities. However there is evidence that some of these facilities are relatively under-utilised (e.g. there is almost no relationship between the provision of disabled bed spaces and the numbers of disabled young people assisted; there is not much evidence of community use of facilities).

Support for residents varies greatly, although almost all foyers provide some form of on-site resident training. The emphasis is far more on basic life skills than on training towards employment.

Staffing levels have clearly increased greatly since the introduction of Supporting People, reflecting the growing importance of clients with additional needs. Voids appear relatively low and have declined as general housing markets have tightened.

There is a commitment to the provision of move-on accommodation. However there is also evidence that in some cases clients are not able to find other accommodation or that clients return after failure in the housing market.

Some foyers managers felt that effective management depends on the use of licenses. Others were comfortable providing assured tenancies. There appeared to be no significant differences between the two types of approach in terms of length of stay and vacancy rates.

Areas of concern

The research brought to light a number of areas of concern, both in terms of effective management and particularly with respect to the capacity to monitor and evaluate the effectiveness of foyers.

First, as already noted, there are clearly issues related to the legality of residency agreements. At present these vary between and within foyers, with licence agreements and excluded licences becoming more common. In many cases it has been argued that these types of contracts are the only ones which are workable, although these may not even be legally enforceable. Research data suggest however that void rates do not vary in relation to the types of residency agreements in place – suggesting that the more secure tenure of assured shorthold tenancies (ASTs) are no more difficult to apply in foyers than licences. However, there were numerous cases where the use of ASTs had led to a miscounting of void rates, because vacant rooms were still legally in the possession of non-paying Foyer residents who had moved on to other accommodation. In other cases, one or two chaotic residents had led to the suspension of foyer services. Clearly, there is a need for the situation regarding tenure to be clarified.

Second, the detailed case studies in particular raised major concerns over current accounting mechanisms – and therefore both the capacity properly to identify the true costs of provision and the capacity of managers to make well informed decisions. Foyers generally represent elements within larger housing portfolios of parent housing associations and their finances appear to intermingle with other forms of housing provision, especially in the context of capital costs. Cross-subsidisation appears common and whilst this may be necessary, it muddies the waters when any analysis of costs is attempted. The upshot of this is that foyers are often not fully independent supported housing providers, but rather arms of larger housing associations.

Records of capital costs are available for many foyers, but because sources of funds and how capital has been treated vary so much between Foyers it is difficult to measure the true opportunity cost of the capital employed. This is because:

- capital grants were often made over ten years ago and records are now confused and/or unavailable;
- some of the foyers examined in detail have benefited from several different capital grants over a long period of time;
- records are often not available at the foyer and the managers have no direct knowledge of the history of financing; and
- there is no evidence on current values of property with which to assess true opportunity cost.

Moreover the differential treatment affects the capacity to assess running costs – which sometimes include interest and sometimes do not. Where they were made available annual accounts figures did not appear to place a specific value on property owned by relevant foyers – even though this is a major factor in considering their value for money. If foyers are to be truly accountable as independent initiatives there needs to be a greater separation in the accounting between foyers and their parent housing associations and consistent treatment of different types of cost.

Third, it is not clear why Supporting People funding varies so dramatically between foyers – and it is even less clear how these variations can be justified, e.g. by the nature of the client group. This is a criticism of Supporting People rather than the individual foyers – but it also needs to be emphasised that increases in funding from Supporting People have had positive results enabling major improvements in the quality of service provided all the cases examined.

Housing Benefit tends to vary less between foyers than does Supporting People. Even so the source of variation is unclear. It might be expected that benefits would vary between regions with different housing costs. However there is no such obvious pattern. Again this is in part a criticism of rent setting policy, which is not fully within the remit of the individual foyer.

These variations raise important issues about the extent to which what is provided is finance led and whether the appropriate incentives are in place to enable managers to plan effectively.

Fourth, and perhaps most importantly, at present there are no formal indicators or measures of Foyer outputs. This is despite the recommendations made five years ago in the 'Stepping Stones' report. In part this is because foyers differ in what they are aiming to achieve and indeed specified objectives do vary dramatically between foyers. Whilst all fit loosely within the general aims and objectives of the Foyer Federation, the range of cases examined showed that the level of client need, in particular, is a major consideration and differs greatly between foyers.

For instance, in one case study the foyer targeted young people who had extremely chaotic lifestyles and histories of social and legal problems. Here the aims and objectives were to keep clients out of crime and it was accepted that the majority of residents were a long way off achieving gainful employment or careers training/formal education. Success was implicitly defined as when a client successfully moved on into semi-independent living in self-catering accommodation (with regular visits from support workers), rather than on to the street or a remand centre.

At the other end of the spectrum, at another foyer, the manager expected that a large number of residents would move on to full-time education or full-time employment – and independent living. In this second example, the foyer was starting from a lower-needs client base with young people who were looking to move into the foyer from lodging with relatives or friends (and occasionally social services accommodation). This second general type of foyer tends to be more common, although even among this group, the majority of foyers have significant proportions of residents who have health or social issues, beyond basic educational, accommodation and training needs.

One problem is the great variations in aims and objectives which makes it difficult effectively to compare foyer outputs against one another. If a simple output measure of residents moving into employment and independent living were used, for example, it would not provide an effective comparison between different types of foyer. Moreover it might provide an incentive for foyers to cherry pick potential residents – based upon

expectations. Even so, it may be appropriate to develop some broad output measures, based upon a reasonable assumption of the general types of client group that should be served given the overarching objectives of the foyer movement. These could include numbers moving into independent living, qualifications obtained, training courses completed and numbers of leavers moving into employment or full-time education. At present none of these measures are in place at the vast majority of foyers. Omission of any attempt to measure even outputs let alone outcomes is unacceptable.

Effectiveness

Output measures

In principle there could be a large number of ways of measuring outputs and outcomes. In practice there are very few attempts to track the careers of residents. To the extent that there was evidence it suggests:

- available measures relating to employment and training suggest that only a minority are expected to go into paid employment;

- average stay appears to be about one year, reflecting the emphasis on developing basic skills. However, the length of stay varies enormously – and there is anecdotal evidence that stability in terms of retaining some longer term tenants may be seen as improving the capacity to manage the facility; and
- more general evidence suggests that the individual foyers generally work well to help their own clients meeting many individual needs. However, there is no generic model that could be rolled out to help a wider range of young people across the country.

Running costs

Evidence on the running costs of bed spaces suggests that there are very large differences between foyers, with some below £100 per week but 25% over £300 per week. In part these differences can be related to the nature of the original capital funding. In some cases original capital grants were very generous and have generated accommodation which is easier to manage; facilities which can be rented

out for additional income; and reduced reliance upon the external provision of services for clients (all resulting in lower bed space costs). Other differences in bed space costs can be related to differences in the services provided. Even taking account of these factors, there are no obvious reasons for such great variations on costs. It appears to be more a matter of what funding is available in the circumstances faced by each foyer, than any attempt directly to match costs against levels of provision.

It is important that the issue of variations in bed space rental costs is placed within a background of the Government's current rent restructuring programme, begun in 2002. This aims to introduce rents which are fairer and less confusing to tenants, create a closer link between rents and the qualities that tenants value in properties and remove differences between the rents set by local authorities and those set by registered social landlords. It is, therefore, predicted that over time differences in bed space rental costs between different foyers will reduce. The impact of these reforms on foyers largely depends upon whether or not future

rental levels are genuinely sustainable. The findings suggest that current differences in rental costs are not truly representative of differences in accommodation provision across foyers and that restructuring rental costs per bed space may result in significant problems for some foyers – and perhaps in significant changes in the levels of services that can be provided.

Comparisons with other types of provision

Comparisons with the Housing Benefit and Supporting People costs of other supported housing schemes suggest that on average foyers are not particularly expensive. Their average bed space rental costs and their average resident support costs are similar to the average for supported housing.

The detailed evidence suggests that the median weekly cost of providing foyer accommodation for a single resident was found to be £218 (and the mean was £239). This is funded mainly by Supporting People and Housing Benefit. It also included individual contributions and funding from other sources, often as much as £20 to £30 per week per resident at many foyers.

This figure compares well against: combined CORE and Supporting People average totals of £303; Secure Training Centres which cost £3,168 per week; Secure Children's Homes, which cost £3,380 per week; and even Young Offender Institutions, which cost £976 per week. If foyers are able to provide support for young people who would otherwise enter into any of the latter three of the categories mentioned (and in many cases they do), they can be seen to be excellent value for money.

Whether or not they are value for money depends upon the extent to which they are meeting specific requirements. As the economic and social environment has changed from when the approach was initially introduced this has to be assessed mainly on the value of providing basic life skills, communal support and the capacity to move on to more independent living.

Exit strategies

Most foyers were no longer concerned about capital funding – the extent of which and indeed the sources of this funding were often lost in history. Revenue funding comes

almost entirely from Supporting People and particularly Housing Benefit. If either of these funding sources were withdrawn most foyers would no longer be financially viable.

The majority of foyer accommodation has been designed in such a way that it could be converted to other uses at relatively low cost, such as accommodation for the elderly and/or infirm; or more general young people's supported housing. Foyer managers who were interviewed suggested that in most cases capital grants would not be repayable if foyer accommodation was converted to these types of supported housing – despite the sources and amounts of capital grant varying considerably between different foyers.

Whilst exit strategies are not formally set out at many foyers, it is clear that the possibility of exit from this type of provision has been considered at most. More generally, most foyers do not have clear and transparent strategies which address the range of financial and other risks.

Overall conclusions

Across the range foyers appear fit for their purpose of providing safe and secure accommodation; basic life-skills training; and, to a far lesser extent, progress into employment, education and independent living for their residents. In general, foyers do provide reasonable value for money, particularly given the level of client need with which they now deal. However outcomes probably range as widely as costs. In some of the cases examined, foyers were providing an excellent service for their residents and appeared to be having considerable positive impacts upon the young people with which they were working. In others there appeared to be little to distinguish the foyers from more general supported housing provision.

In financial terms, generous capital funding has, in most cases, been supported by increasingly generous revenue funding, mainly from Supporting People. This has allowed many foyers to improve overall staffing, management and resident services

– but at considerable cost. The switch in emphasis from capital to revenue has also led to a slowing in the numbers of new Foyers developed in recent years. One question that this scenario raises is whether the initiative was fundamentally subsidy/finance – i.e. foyers were originally developed because of capital funding availability. Certainly, the answer to this must be in the affirmative, although it is also true to say that there were social and political reasons for such funding being made available in the first place – some of which have become of less importance over time as other more generally available based schemes not based on accommodation have been developed.

Suggestions that foyers are ‘crowding out’ other services appear however to be generally unfounded – if only because there is a shortage of appropriate accommodation in many of areas. If foyers ceased to exist it is difficult to see what currently existing organisations would be able to fill these gaps. Importantly, in most cases examined foyers were working in partnership with other service providers to deliver services

for their residents. It also appears to be becoming increasingly common for foyers to outsource careers training and education provision, whilst focusing more specifically upon general life-skills issues aimed at leading residents to independent living and entry into mainstream education, training and employment. As such, foyers are one element in a spectrum of provision.

While foyers clearly provide useful services particularly as supported housing providers, there are issues related to accounting mechanisms, measurement of outputs and residency agreements. The issue of residency agreements can perhaps be most readily dealt with. A review of financial accounting may be more difficult to achieve, and would have to be linked to a review of the accounting arrangements of housing associations more generally. However, if parent housing associations themselves can be shown to be providing good service and reasonable value for money overall, it could be argued that their internal management is less of an issue – although this suggests that foyers are not the independent initiatives

that they may have at first appeared to be. In this respect it can be argued that foyers represent a specialisation of housing association provision, rather than some form of independent movement. Finally, effective measurement of value for money is to some extent reliant upon the ability to measure financial input – which again requires more focus on accounting mechanisms – to make them clearer and more accessible for individual cases. Where there is almost total failure is in measuring outputs themselves, let alone outcomes. There can be little or no justification for not introducing some form of benchmarking.

Overall, the foyer movement remains eclectic. Given that the capital costs are mainly bygone they appear reasonably cost effective, in part because initially high capital investment has allowed the development of accommodation and facilities appropriate to foyer activities. However the lack of a strategic approach at foyer level as well as of coherent assessment of the availability of local housing/skills/training requirements works

against the realisation of larger objectives. The same is true of the continued lack of effective monitoring in the face of many recommendations to improve the quality of information on outputs and outcomes.

Evidence suggests that the foyers model will not be expanded greatly in the future because of the need for large capital investment, which was necessary for most past initiatives, but which is now scarce. They will therefore probably remain a small, though in some areas significant, element in supported housing provision.

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Launch pad for life

An assessment of the role of foyers in housing association provision

This report assesses the services offered by foyers, how these services are provided and whether they offer value for money. It comments on the extent to which foyers fulfil real needs, in ways that are specific to their localities.

It focuses on the 111 designated foyers which were in existence in 2003, providing 4,630 bed spaces for young people between the ages of 16 and 21.