

A large, thick, curved graphic element that starts as a solid orange line from the top left, curves downwards and to the right, and then transitions into a light purple line that continues towards the bottom left.

Targeting investment where it counts: Identifying communities for priority investment in integrated early learning models

Summary brief – Victoria

Introduction

Social Ventures Australia (SVA) is an innovative social impact organisation that works with partners to help solve challenging problems, speeding up innovation and redesigning systems so more people in Australia can live their best life. Within SVA, our early years team works to make sure that children experiencing significant disadvantage and vulnerability have access to the supports they need.

This summary brief is drawn from the report, *Targeting investment where it counts*, released in February 2025 by SVA in collaboration with Deloitte Access Economics and the Mitchell Institute. The report shares two models that identify priority locations for government investment in early childhood education and care (ECEC), and the opportunity that each presents to support better early childhood and lifelong outcomes for children:

1) Priority communities for Early Childhood Hubs

The 131 communities across Australia that sit at the nexus of both high early childhood disadvantage¹ and paucity of ECEC services (childcare desert²) are the areas that would benefit most from an Early Childhood Hub (ECH). The early years service system is complex and fragmented, and children and families with the greatest need often do not receive the services and supports they need. This is often due to the difficulty of navigating this system, marginalisation, distrust in the system and other financial and non-financial barriers. Integrated service delivery through an ECH is a key mechanism to overcoming these barriers and seeing families access the diverse range of services and supports they need to thrive.

What is an Early Childhood Hub (ECH)?

An ECH provides access to high-quality ECEC, developmental checks and child health services, family and parenting supports, allied health and other early intervention supports, as well as providing a space where children and families can come together to build social networks. Increasingly located on school sites, they overcome many barriers to accessing and participating in ECEC, outreaching to families and building trust, identifying and redressing developmental concerns and supporting families.

2) Priority communities for leveraging existing early childhood infrastructure for holistic or intensive ECEC models

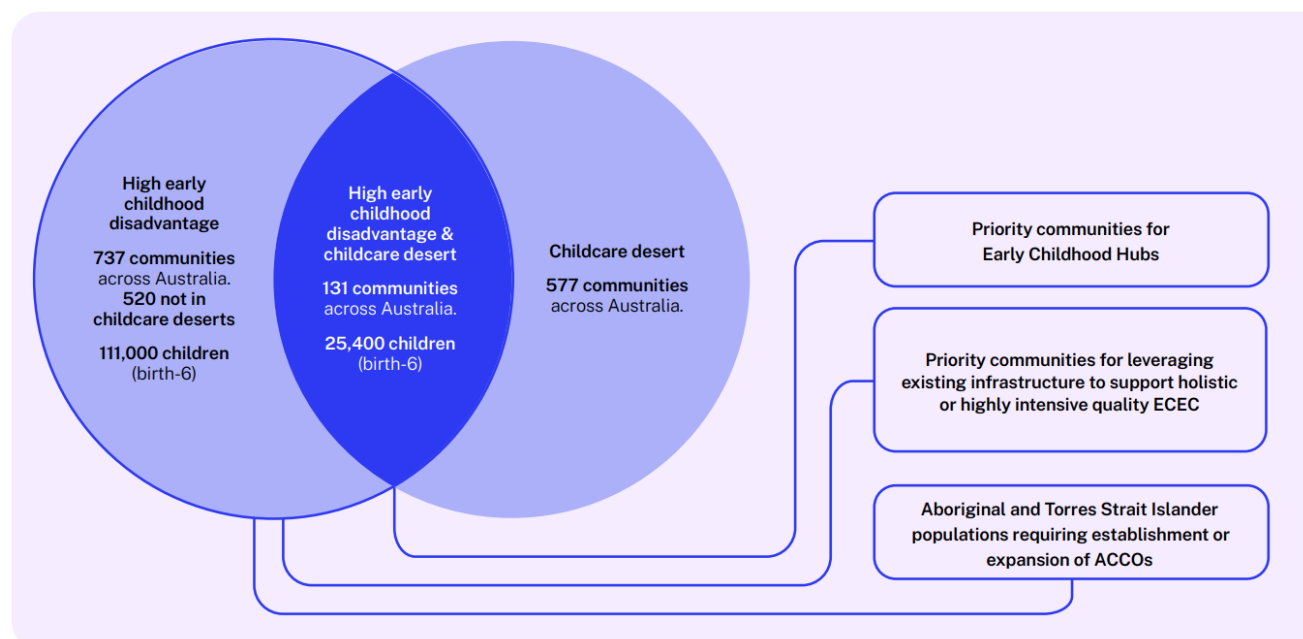
The 520 communities across Australia with high levels of early childhood disadvantage that are not in childcare deserts require attention to better understand and respond to prevailing issues within communities. The response will depend on local need, service availability and the profile of the available ECEC market. Quality is an important element (including Aboriginal and Torres Strait Islander definitions of quality), with data showing that lower quality ECEC services predominate in lower socioeconomic areas.³ Where appropriate, existing ECEC services could be supported to offer a holistic and/or highly intensive quality ECEC model for children.

¹ Early childhood disadvantage is used as a term to describe communities with both high socio-economic disadvantage and early childhood vulnerability. These areas are in SEIFA deciles 1-4 and have over 10% of children developmentally vulnerably on two or more AEDC domains.

² The shortlist of areas was refined to only include areas where the population of children experiencing significant disadvantage is over 50 children. This criterion aims to exclude areas that have a very low population of children in need and therefore may require a different solution. It also does not include areas that contain a 'hot spot' SA1 for childcare supply using the Mitchell Institute's hot and cold spot analysis.

³ Productivity Commission (2024). A path to universal early childhood education and care, Inquiry report no. 106, Vol. 1. June. Retrieved from <https://www.pc.gov.au/inquiries/completed/childhood/report/childhood-volume1-report.pdf>

Figure I. Intersection of early childhood disadvantage and childcare deserts in Australia



Note: 86 SA2s do not appear in either list. One SA2 had insufficient data. The remaining 85 are all childcare deserts but were excluded because they contained fewer than 50 children in need or included a hotspot SA1 within the SA2. Further detail on methodology can be found on page 13.

This brief shares some of the state-specific findings from the report. To access the full report, visit: <https://www.socialventures.org.au/about/publications/targeting-investment-where-it-counts/>.

Priority Victorian communities for investment

Priority communities for Early Childhood Hubs

In Victoria, two communities - Fawkner and Churchill - sit at the nexus of early childhood disadvantage and childcare desert and would most benefit from an ECH.

An additional seven communities were identified as childcare deserts with significant early childhood disadvantage and were excluded from the research findings because they have fewer than 50 children in need, or contain a 'hot spot' SA1 for childcare supply using the Mitchell Institute's hot and cold spot analysis. All of these communities are in regional areas, and further work is needed to identify how best to support children and families in need in these locations.

Priority communities for leveraging existing early childhood infrastructure for holistic or intensive ECEC models

In Victoria, 128 communities experience high early childhood disadvantage but are not in a childcare desert. These communities still struggle to meet the needs of children experiencing disadvantage. This suggests that simply expanding services is not enough – tailored, high-quality models of support are needed to better respond to community needs.

42% of the communities in Victoria experiencing disadvantage are in regional parts of the state, highlighting the need for targeted infrastructure investment in regional areas to ensure children can access the services and supports they need to thrive.

Victorian Government response

The Victorian Government is undertaking significant reforms in the early years. This includes initiatives such as the Best Start, Best Life program, the establishment of Early Learning Victoria, support of Our Place, and ongoing funding and delivery of the Maternal and Child Health service.

Early Learning Victoria is establishing 50 new early learning and childcare centres by 2032. The government-owned centres will provide long day care along with integrated Three and Four-Year-Old Kindergarten programs. Of the new centres, 28 will be located in areas identified through our research as having high levels of child and family socio-economic disadvantage. This is a significant investment that can be leveraged in order to change outcomes for children in these communities. Rather than building co-located services, the Victorian Government could take this opportunity to establish high-quality, integrated Early Childhood Hubs that can meet many of the needs of these children and families, as well as supporting with school transition and improved longer term health, social and wellbeing outcomes.

The Victorian Government's partnership with the Colman Education Foundation enabled the establishment of ten Our Place sites across the state.⁴ These sites provide tailored education, health and wellbeing services from a single location, creating an integrated community resource that supports children and families to succeed. Our Place is an excellent example of a high-quality Early Childhood Hub. The learnings from these sites could support the implementation of the 50 new early learning and childcare centres.

⁴ State Government of Victoria (2023). Our Place. 8 March. <https://www.vic.gov.au/our-place>

Recommendations for the Victorian Government

SVA recommends the Victorian Government use this report to guide investment decisions and partner with Commonwealth funding initiatives to ensure every child—no matter where they live—has access to the high-quality early learning support they need to thrive.

In addition, we recommend that the government implement its 28 new early learning and childcare centres in areas with high levels of early childhood disadvantage as high-quality, integrated Early Childhood Hubs, rather than just co-located sites. This means offering a range of services and supports relevant to each community, including in the build a welcoming, communal space for families to come together to build their networks, and funding the glue – the systems, people, and continuous improvement efforts that drive integration.

National recommendations

For all recommendations, deep engagement with identified communities on needs, priorities and gaps in early years supports is a critical first step to better understand and meet the needs of children and their families. This must include a commitment to shared decision making, self determination and cultural governance, in alignment with Closing the Gap Priority Reform One.

- The Commonwealth Government prioritise investment for new infrastructure in the 131 childcare deserts across Australia with high child and family disadvantage and developmental vulnerability.
- When investing in these areas, we recommend building Early Childhood Hubs or ACCO early years services in areas with high Aboriginal or Torres Strait Islander populations. These children and families need more than a place in childcare.
- The Commonwealth Government provide funding for the effective and sustainable operation of these Early Childhood Hubs and ACCOs. Dedicated resources to grow and support the ACCO early years sector are also critical.
- The Commonwealth Government invest in a range of quality integrated early learning models in the 520 communities experiencing high child and family disadvantage and developmental vulnerability that are not childcare deserts. These include:
 - ACCO early years services;
 - holistic high-quality ECEC models; and/or
 - highly intensive, quality ECEC models, as detailed in this report.

Appendix

Victoria - Areas that have high early childhood disadvantage and are in a childcare desert

State rank (Hubs need, n=2)	SA2	Remoteness Classification	Estimated population of 0–6 year old children in need
1	Fawkner	Major City	246
2	Churchill	Inner Regional	112

Victoria - Areas that have high early childhood disadvantage and are in a childcare desert but have been excluded because they contain fewer than 50 children in need or included a 'hot spot'* SA1 within the SA2.

State rank (Childhood disadvantage, n=137)	SA2	Remoteness classification	Estimated population of 0-6yo children in need	Reason for exclusion on overlay
54	Maryborough Surrounds	Inner Regional	36	Fewer than 50 children identified as in need
64	Orbost	Outer Regional	56	Contains a 'hot spot' SA1 for childcare supply using the Mitchell Institute's hot and cold spot analysis.
75	Mildura Surrounds	Outer Regional	30	Fewer than 50 children identified as in need
89	Rosedale	Inner Regional	45	Fewer than 50 children identified as in need
106	Longford - Loch Sport	Outer Regional	12	Fewer than 50 children identified as in need
117	Glenelg (Vic.)	Outer Regional	64	Contains a 'hot spot' SA1 for childcare supply using the Mitchell Institute's hot and cold spot analysis.
120	Swan Hill Surrounds	Outer Regional	32	Fewer than 50 children identified as in need

*A hot spot analysis identifies where ECEC accessibility is significantly higher compared to surrounding areas. This was measured at the SA1 level and the SA2 was excluded from the shortlist if it contains one or more hot spots.

Victoria - Top 30 areas that have the highest early childhood disadvantage but are not childcare deserts

State rank (Childhood disadvantage, n=127)	SA2	Remoteness classification	Estimated population of 0-6yo children in need
1	Morwell	Inner Regional	278
2	Meadow Heights	Major City	472
3	Campbellfield - Coolaroo	Major City	497
4	Broadmeadows	Major City	527
5	Dandenong - North	Major City	487
6	Corio - Lovely Banks	Major City	336
7	California Gully - Eaglehawk	Inner Regional	146
9	Glenroy - East	Major City	272
10	Melton	Major City	137
11	Norlane	Major City	263
12	Dandenong - South	Major City	235
13	Sunshine West	Major City	292
14	Maryborough (Vic.)	Inner Regional	85
15	Roxburgh Park (South) - Somerton	Major City	151
16	Craigieburn - Central	Major City	119
17	St Albans - North	Major City	463
18	Delahey	Major City	111
19	Mooroopna	Inner Regional	112
20	Melbourne CBD - North	Major City	41
21	Hallam	Major City	186
22	Springvale South	Major City	158
23	Noble Park - East	Major City	197
24	Newcomb - Moolap	Major City	167
25	Roxburgh Park - North	Major City	344
26	Seymour	Inner Regional	83
27	St Albans - South	Major City	307
28	Carlton	Major City	168
29	Epping - South	Major City	99
30	Melton South - Weir Views	Major City	392
31	Echuca	Inner Regional	142



Social Ventures Australia

Brisbane | Darwin | Melbourne | Perth | Sydney | ABN 94 100 487 572 | AFSL 428 865

info@socialventures.org.au | socialventures.org.au