

Setting up the Building Early Education Fund for Success

The Federal Government's Building Early Education Fund (the Fund) is an opportunity to tackle entrenched disadvantage and lay the foundations for a universal, equitable early childhood system by investing in integrated, community-led services where they are needed most.

Latest Australian Early Development Census results show that more is needed to support our children in the early years with 23.5% of children developmentally vulnerable when they start school, increasing to 34.7% for children living in areas of high socioeconomic disadvantage. Children and families experiencing socioeconomic disadvantage often face multiple, complex challenges that require support across different domains, yet are generally the least likely to access high-quality services.

Seizing the opportunity for lasting impact

The Fund has the potential to achieve equitable service delivery for these children by not only providing Early Childhood Education and Care (ECEC) in thin markets but also improving early childhood development outcomes consistent with the aspirations of the Early Years Strategy.

The Fund represents the first tranche of capital investment for the Government's commitment to universal early learning. This brief outlines the **five key recommendations** that are required to deliver a meaningful return on investment that can improve the lives of some of the most disadvantaged children in Australia:

1. **Prioritise investment in areas of high child need**
2. **Build more than childcare: invest in integrated Early Childhood Hubs for new services in areas of high child need**
3. **Commit to growing a sustainable Aboriginal and Torres Strait Islander Community Controlled (ACCO) sector, including quarantining reasonable funds for ACCO services**
4. **Pair capital investment with ongoing funding for integration enablers and operational viability**
5. **Invest in the conditions for partnership**

1. Prioritise investment in areas of high child need

The Australian Government should prioritise investment in areas of greatest child need. The communities identified in the [Targeting Investment Where it Counts](#) report experience compounding factors of high prevalence of early childhood developmental vulnerability, significant socioeconomic disadvantage and a severe lack of access to ECEC services. Many are in outer suburbs and regional Australia, which aligns with the focus of the Fund. Bespoke investment in regional and remote communities with smaller numbers of children also requires critical prioritisation. Evidence indicates that for families experiencing disadvantage, investing as early as possible, from birth through age five, provides the highest rate of return for early childhood development outcomes.

2. Build more than childcare: invest in integrated Early Childhood Hubs for new services in areas of high child need

How the Fund is allocated matters as much as where it is allocated. Children experiencing socioeconomic disadvantage need more than just ECEC. All new services in areas of high child need should be implemented as Early Childhood Hubs (ECH). ECHs are an effective way of meeting many of the complex needs of children and families in these communities. This offers benefits for Government, not only through a significant return on investment by meeting children and families' needs, but through more efficient administration, referral processes and better utilisation of government-owned assets.

ECHs are purpose-designed to provide high-quality learning alongside access to wraparound services, such as maternal and child health, parenting programs, playgroups, allied health and social supports. They provide a critical opportunity to engage families from pregnancy and birth — the earliest universal touchpoints — which is essential for building trust and connection, particularly for families who may not otherwise engage with early education services. By engaging families early, ECHs foster trusted relationships that sustain service connection over time.



Hubs improve access to ECEC, smooth transitions to school, and enable early identification of and supports to address developmental concerns. Early Childhood Hubs also strengthen child safeguarding by creating environments where children are actively protected, supported, and seen. The integrated “team around the child” approach — involving educators, allied health professionals, and other specialists — ensures more adults are engaged in observing and responding to each child’s needs. This enables earlier identification of concerns, faster action, and coordinated support. Hubs also embed a culture of shared responsibility, continuous learning, and reflective practice through regular cross-disciplinary collaboration and ongoing staff training in child safety. The result is safer, more responsive care, with every child’s wellbeing at the centre.

Importantly, Hubs support not only children’s learning, but also parents in their role as caregivers — strengthening parenting capability, social connection, and access to supports that improve home environments. Their non-stigmatising, community-centred design creates a welcoming gateway for families.

Locating new services on or near primary school sites can strengthen continuity. Crucially though, effective Hubs go beyond co-location: they enable true integration through shared entry points, joint governance, coordinated planning, and connected service delivery, leading to better access, improved quality and safety, and stronger outcomes for children.

3. Commit to growing a sustainable Aboriginal and Torres Strait Islander Community Controlled sector, including quarantining reasonable funds for ACCO services

In areas with significant Aboriginal or Torres Strait Islander populations, a commitment to enacting shared decision making, self-determination and cultural governance is essential and leads to better outcomes. Aboriginal and Torres Strait Islander Community Controlled Organisations (ACCOS) play a key role in meeting a child and family’s need for a safe space to build cultural pride, confidence and resilience, and to build on the strengths and skills of their children. In areas with high Aboriginal or Torres Strait Islander populations, we recommend prioritisation of new services to ACCOs, accompanied by dedicated resources to grow and support a sustainable high quality ACCO sector. We support the leadership of SNAICC, the national peak body for Aboriginal and Torres Strait Islander children.

4. Pair capital investment with ongoing funding for integration enablers operational viability

Integration enablers

For Early Childhood Hubs to provide the best outcomes for children and families, they require integration across internal services, strong connections with other local services and supports, and opportunities for families to connect with one another. This work doesn’t happen automatically, it takes time, effort and sufficient resources.

To unlock the potential of Early Childhood Hubs, dedicated funding is needed for integration enablers - the essential ‘glue’ needed to go beyond co-location and build truly integrated services that can deliver wrap-around services aligned to the needs of children and families experiencing disadvantage.

Operational viability

Infrastructure funding is essential – but it is not sufficient to address the barriers of operational viability of running services in thin markets, such as in rural and remote areas, outer suburbs, or communities experiencing deep disadvantage. The Fund will not reach these communities without specific operational funding. Higher costs, workforce shortages, and complex family needs mean that many high-quality service providers do not operate in these communities, and those that do often operate at a significant loss.

Current funding settings don't reflect the higher cost of delivering quality and safe early learning to children with greater needs. The Productivity Commission has recognised that while programs like the Inclusion Support Program (ISP) and the Community Child Care Fund (CCCF) are valuable, they are not enough to close this gap. A guarantee of adequate ongoing operational funding – such as that proposed in the *Coaxial Foundation Report* – is essential to unlock services in more communities with higher levels of need and ensure the safety of those children attending.

5. Invest in the conditions for partnership

The long-term success of the Fund depends on strong partnerships – from local communities through to state and national leadership – grounded in shared purpose, joint accountability, and inclusive governance.

Community and state level partnerships

At the community level, enabling and resourcing locally led planning and co-design with families, services, schools, and community leaders will ensure buy-in and services which meet the unique needs and strengths of each community. Resourcing for community readiness support and local partnerships must be built into the Fund.

At the state and territory level, working in partnership with governments, local councils, and philanthropic partners will align priorities, coordinate infrastructure and workforce planning, and ensure implementation aligns with broader system reform.

The Investment Dialogue for Australia's Children (IDAC) has committed up to **\$50 million in-principle** funding to bring together early learning, child and maternal health services, and family and community supports. This supports the initial \$50 million allocation within the Fund toward co-investment opportunities to help build or expand integrated early learning services in areas of need. These investments demonstrate the growing recognition of the importance of Early Childhood Hubs and can be leveraged for further investment.

National advisory group

At the national level, we propose establishing a national advisory group to help guide the implementation of the Fund and ensure national investment decisions are evidence based and built from local insights, are outcomes focused, and informed by the community. This group should include representatives from ACCOs, local and state governments, Early Childhood Hubs, child and family service providers, place-based champions and early childhood experts.

A partnership approach ensures the Fund is implemented in ways that are locally responsive, sustainable over the long term, and grounded in trust with the communities it aims to serve. This work can build on strong evidence of best practice approaches for Early Childhood Hubs, supported by a growing national network of communities and providers sharing their learnings and insights.



About us

The Early Childhood Hubs Working Group is part of the National Child and Family Hubs Network (Network). The Network is a national, multidisciplinary group dedicated to strengthening Child and Family Hubs across Australia. The Network unites families, service providers, community-based organisations, advocates, researchers and policymakers to build the capacity of Hubs and enable more children and families to access the quality supports and care they need to thrive. The Early Childhood Hubs Working Group represents a range of stakeholders from across jurisdictions, including Early Childhood Hub operators, early years professionals, other service providers and relevant policy experts and representatives from academia and national peak organisations.

The following organisations endorse this brief and call for government action.



Background information

There are currently a diverse range of Early Childhood Hubs operating at varying scale and capacity across Australia. Currently, there are over 230 Early Childhood Hubs across Australia. This includes six state-funded models, Aboriginal and Torres Strait Islander integrated early learning centres, several philanthropically funded models, and numerous community-led centres. There are significant gaps in national coverage in areas of high child and family need.

Early Childhood Hubs are a promising model of integrated service delivery that have the potential to meet many of the needs of children and families experiencing disadvantage and can fill a major gap in the current early years landscape.¹ Evaluations have been undertaken across a range of Australian and international models that show significant impact of ECHs on children and families. Further, observations from practitioners and families attending ECHs further demonstrate the impact of the model. Evaluations of ECH models evidence outcomes such as:

- faster identification of developmental vulnerability, increased uptake of referrals and improved child health outcomes^{2,3}
- improved parent-child relationships⁴
- increased access to support for families through services provided at Hubs, and referrals to services such as child health and early intervention⁵
- increased proportion of Aboriginal and Torres Strait Islander children getting age-appropriate health checks and increased participation of children who had previously not engaged with ECEC⁶
- improved school readiness and transition and improved educational outcomes^{7,8,9,10}
- reduction in hospitalisations,¹¹ removals into statutory care¹² and youth crime.¹³
- Improved outcomes related to child safety and protection.¹⁴

For more information on Early Childhood Hubs, see:

[National brief: maximising impact through integrated early childhood hubs](#)

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- 1 Moore, T.G. (2021). *Developing holistic integrated early learning services for young children and families experiencing socio-economic vulnerability*. Prepared for Social Ventures Australia. Parkville, Victoria: Centre for Community Child Health, Murdoch Children's Research Institute, The Royal Children's Hospital.
 - 2 Hopwood, N. (2018). *Creating Better Futures: Report on Tasmania's Child and Family Centres*. UTS School of Education.
 - 3 TBS (2022). *Impact Report: TBS Early Years Places in Queensland*, prepared for The Benevolent Society by Social Outcomes.
 - 4 Hopwood, N. (2018). *Creating Better Futures: Report on Tasmania's Child and Family Centres*. UTS School of Education.
 - 5 Deloitte (2024). *Community Hubs Australia: Social return on investment evaluation of the National Community Hubs Program, 2023*.
 - 6 CIRCA (2014). *Evaluation of NSW Aboriginal Child and Family Centres*. Sydney, NSW: Department of Family and Community Services
 - 7 Taylor, C. L., Jose, K., van de Lageweg, W. I., & Christensen, D. (2017). *Tasmania's child and family centres: a place-based early childhood services model for families and children from pregnancy to age five*. *Early Child Development and Care*, 187(10), 1496–1510
 - 8 Hopwood, N. (2018). *Creating Better Futures: Report on Tasmania's Child and Family Centres*. UTS School of Education.
 - 9 NCOSS (2025). *Mirrung Impact Report 2024*
 - 10 Our Place (2023). *In principle assessment of the Our Place approach and its potential impact*. November.
 - 11 Cattán, S., Conti, G., Farquharson, C. Ginja, R. & Pecher, M. (2021). *The health impacts of Sure Start*. The Institute for Fiscal Studies
 - 12 TBS (2022). *Impact Report: TBS Early Years Places in Queensland*, prepared for The Benevolent Society by Social Outcomes.
 - 13 Carneiro, P et.al (2024). *The effect of Sure Start on youth misbehaviour, crime and contacts with children's social care*. The Institute for Fiscal Studies
 - 14 TBS (2022). *Impact Report: TBS Early Years Places in Queensland*, prepared for The Benevolent Society by Social Outcomes.