

## Social Ventures Australia Pre-Budget Submission 2026-27

Social Ventures Australia (SVA) is a not-for-profit social impact organisation, influencing systems to deliver better social outcomes for people by learning what works in communities, sharing our perspectives and advocating for change. We recognise the best chance to change lifelong outcomes is during early childhood. Our work includes [Nurture Together](#) which builds momentum to scale integrated early childhood models, including Early Childhood Hubs that provide access to key services – early learning, wrap-around supports and safe spaces for families to build connections.

Substantial action is underway to improve equitable early childhood outcomes in Australia. Yet fragmentation across service systems continues to limit the potential impact of early childhood investment, causing inefficiencies now, and higher service costs later on. A focus on integration is needed to maximise the benefits. The Australian Government can deliver better outcomes for children and families by strengthening integrated service models such as Child and Family Hubs and the system architecture necessary to join up existing early childhood investments.

The 2026-27 budget should:

- 1. Provide long-term, flexible integration funding for new and existing Child and Family Hubs**
- 2. Leverage capital investment through the Building Early Education Fund (BEEF) to deliver integrated early years models**
- 3. Build the evidence base for integrated early years funding**
- 4. Develop an equity funding model informed by the Service Delivery Price project**
- 5. Develop lead indicators to drive effective integration, quality and improvement in Child and Family Hubs**
- 6. Implement a dedicated funding model for Aboriginal and Torres Strait Islander Community Controlled Organisations (ACCO)-led integrated early years services**

The Australian Early Development Census (AEDC)<sup>1</sup> shows widening inequities in children's development. Aboriginal and Torres Strait Islander children, culturally and linguistically diverse children, children experiencing socioeconomic disadvantage and those living in regional and remote areas are more likely to be developmentally vulnerable. Many children and families require multiple supports yet encounter fragmented systems that don't deliver the benefits child-centred approaches can.

Integrated and holistic early years models, such as Child and Family Hubs provide a practical way to align reforms, support multidisciplinary practice and maximise the impact of existing services. The evidence is clear – Child and Family Hubs enable earlier identification of developmental vulnerability, increase

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<sup>1</sup> Australian Government Department of Education (2025). *Australian Early Development Census National Report 2024*. [https://www.aedc.gov.au/docs/default-source/default-document-library/aedc\\_national-report-2024\\_da7-409a37b9d-95ce-43e7-af00-51aa604cf0b3.pdf?sfvrsn=b56015ba\\_1](https://www.aedc.gov.au/docs/default-source/default-document-library/aedc_national-report-2024_da7-409a37b9d-95ce-43e7-af00-51aa604cf0b3.pdf?sfvrsn=b56015ba_1)

referrals and service access, and improve child health and educational outcomes, school readiness and parent-child relationships.<sup>2,3,4,5</sup> Recent evaluations show a social return of \$3.50 for every dollar invested.<sup>6</sup>

This submission uses the term Child and Family Hubs, to describe integrated models offering a combination of services, which may include education (e.g. early childhood education and care [ECEC], school, playgroups) health (e.g. antenatal care, child and family health, allied health, general practice) and community services (e.g. parenting programs, social programs, counselling). Services may be co-located or delivered across multiple sites, and work collaboratively to deliver services in an integrated way that engages with and responds to local community needs. Child and Family Hubs provide trusted spaces where families build relationships and social connections, with multiple access points including early years services, primary school sites, primary care services, Aboriginal Community Controlled Organisations, or virtual platforms. SVA research focuses on Early Childhood Hubs – a form of Child and Family Hubs where early learning is the front door.

Integration does not happen automatically. It requires supportive, focused and long-term funding, time and governance to realise the benefits. In some communities, services already work together to deliver integrated Child and Family Hubs, collaborating across disciplines to wrap around local children and families. ACCOs lead the way and are consistently noted as exemplar models. However, patchwork and unsustainable funding constrain their sustainability and scale. Right now, practitioners go to considerable effort to meet families need for integrated services, undertaking unpaid work and spending time on cross-subsidisation strategies or seeking alternate funding – reducing time available to deliver core roles.

The Australian Government is progressing reforms across early childhood portfolios to strengthen access, workforce, quality and governance of ECEC, foundational supports for children with developmental difference, delay or disability, and child and family services. These reforms will deliver the greatest outcomes if they are connected and aligned. The Service Delivery Price project signals ECEC funding reform, and presents a timely opportunity to trial and evaluate integrated funding models, ensuring future funding is grounded in evidence for what works.

Strengthening system and service integration builds on existing commitments and is essential to maximise current initiatives, including the National Early Years Strategy, the 3 Day Guarantee, the Building Early Education Fund (BEEF), Thriving Kids and the Family and Child program review.

This submission outlines practical opportunities to support integration – improving service experience for families now, while building foundations for a more connected early childhood system over time. These activities should be informed by, or in partnership with practitioners in integrated models and the communities they work with.

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<sup>2</sup> Hopwood, N. (2018) *Creating Better Futures: Report on Tasmania's Child and Family Centres*. UTS School of Education. <https://static1.squarespace.com/static/5a13bc2aaeb62559b9c7b21e/t/5c04da21575d1f312eafb455/1543821953254/Hopwood+CFC+Report+2018.pdf>  
 Lord, P., Kinder, K., Wilkin, A., Atkinson, M. and Harland, J. (2008). *Evaluating the Early Impact of Integrated Children's Services: Round 1 Summary Report*. Slough: NFER. <https://www.nfer.ac.uk/media/on4ct3uh/cyi01summary.pdf>  
<sup>3</sup> The Benevolent Society (2022). *Impact Report: TBS Early Years Places in Queensland*, prepared for The Benevolent Society by Social Outcomes. <https://www.benevolent.org.au/get-involved/early-years-places-impact-measurement-framework>  
<sup>4</sup> Department for Levelling Up, Housing and Communities (2022) *Early Help System Guide: A toolkit to assist local strategic partnerships responsible for their Early Help System*. HM Government. [https://assets.publishing.service.gov.uk/media/628de13be90e071f5f7e1bd2/Early\\_Help\\_System\\_Guide.pdf](https://assets.publishing.service.gov.uk/media/628de13be90e071f5f7e1bd2/Early_Help_System_Guide.pdf)  
<sup>5</sup> Lord, P., Kinder, K., Wilkin, A., Atkinson, M. and Harland, J. (2008) *Evaluating the Early Impact of Integrated Children's Services: Round 1 Summary Report*. National Foundation for Educational Research. <https://www.nfer.ac.uk/media/on4ct3uh/cyi01summary.pdf>  
<sup>6</sup> Deloitte (2024) *Community Hubs Australia: Social return on investment evaluation of the National Community Hubs Program*, 2023. March. <https://www.communityhubs.org.au/wp-content/uploads/2024/03/Full-report-2023-SROI-National-Community-Hubs-Program.pdf>

## Increase access to, and support for integrated models

### 1. Provide long-term, flexible integration funding in new and existing Child and Family Hubs.

Provide flexible, but explicit block funding, distributed as a grant for integration in Child and Family Hubs in priority communities, to enhance the reach and impact.

\$112 million p.a.\*

*i.e. \$560,000 p.a. per hub, for 200 hubs.*

*\*a 20% loading should be added for services with higher delivery costs (e.g. rural and remote)*

Many early years services already recognise the benefits of integrated and holistic service models, with over 470 Child and Family Hubs operating nationwide. SVA research found Child and Family Hubs<sup>7</sup> where integration is funded, deliver<sup>8</sup> better outcomes when their integration practice is adequately funded and supported, this practice is not consistently funded.

Child and Family Hubs require multidisciplinary service collaboration, yet service funding is siloed, limiting flexibility and dedicated support to enable integration. Investment is needed in the resources, actions and conditions for integration that allow services to align and work collaboratively.

Dedicated integration funding is needed to enable relational infrastructure, cross-sector governance and distributed leadership, coordination systems and backbone infrastructure, physical and place-focused design, collective care and accountability<sup>9</sup>. The form and services delivered through Child and Family hubs should be informed by the community, to ensure they are relevant, have community trust and enable efficient procurement.

Establishing an integration funding model in this budget would strengthen the value of Child and Family Hubs already being delivered, and ensure any new models are set up for success.

*Additional detail on these figures is outlined in pre-budget submission supplied by the National Child and Family Hubs Network.*

<sup>7</sup> This research specifically looked at Child and Family Hubs with an early learning component, such as ECEC or a supported playgroup.

<sup>8</sup> Social Ventures Australia, 2025, *From vision to viability: Funding requirements for effective Early Childhood Hubs*. <https://www.socialventures.org.au/wp-content/uploads/2025/10/Funding-requirements-for-effective-Early-Childhood-Hubs-1.pdf>

<sup>9</sup> Social Ventures Australia (2025), *Sticking Points: why the 'glue' helps Early Childhood Hubs thrive* <https://www.socialventures.org.au/wp-content/uploads/2025/09/Glue-policy-paper.pdf>

## 2. Leverage capital investment through the BEEF to deliver integrated early years models

In partnership with states and philanthropic organisations, all new ECEC centres funded under the BEEF should be implemented as Child and Family Hubs.

This requires:

- capital expenditure for additional infrastructure to deliver an early childhood hub and
- ongoing operational funding (including service delivery, repair and renovation of premises, cleaning, gardening, IT, local events, local outreach travel, publication of promotional materials etc.) attached to all new BEEF-funded services.

\$1.39m (min, per BEEF site) capital expenditure\*\*

\$160,000 pa (per BEEF site) recurrent operational funding

*20% capital and operational loadings should be added for rural and remote settings.*

*\*\*Indicative set up costs for a Child and Family including 60 ECEC places, based on a Child and Family Hub in metropolitan New South Wales serving 100 families<sup>10</sup>*

This is in addition to integration funding outlined in item #1.

The BEEF is building readiness for a universal ECEC system, focussed on the regions and outer suburbs with an undersupply of services. The benefits of co-location of ECEC have been acknowledged by Government commitments to build these centres on school sites and align with maternal and child health service delivery. This is an essential first step towards addressing some of the deep early childhood disadvantage experienced by children and families in these locations, however, this will only be realised if the BEEF is allocated to the establishment of services that provide more than just a place in ECEC.

SVA's research identified more than 735 communities with significant high socio-economic disadvantage and high levels of early childhood vulnerability.<sup>11</sup> Of these, 131 communities are also childcare deserts (areas with fewer than 0.333 places per child<sup>12</sup>). There are approximately 25,400 children aged birth to six experiencing significant disadvantage and hardship living in communities with little or no access to ECEC.

Funding to that extends new BEEF-funded ECEC a to operate as Child and Family Hubs from the outset significantly increases their value as a social asset, by facilitating access to a wider range of government and community services, creating administrative efficiencies and reducing future costs through strengthened early intervention and prevention.

This also sets them up to enable the delivery of 'Thriving Kids' – the Government's new initiative that will embed early intervention and foundational supports in community settings such as ECEC.

Evidence from the Australian Competition and Consumer Commission (ACCC)<sup>13</sup> and Productivity Commission<sup>14</sup> highlights that the market model for ECEC limits risk appetite for government and not-for-

<sup>10</sup> Social Ventures Australia, (2025), *From vision to viability: Funding requirements for effective Early Childhood Hubs*. <https://www.socialventures.org.au/wp-content/uploads/2025/10/Funding-requirements-for-effective-Early-Childhood-Hubs-1.pdf>

<sup>11</sup> Social Ventures Australia, Deloitte Access Economics and Mitchell Institute, Victoria University. (2025). *Targeting Investment Where it Counts: Identifying communities for priority investment in integrated early learning models*. <https://www.socialventures.org.au/wp-content/uploads/2025/02/Targeting-investment-where-it-counts-report-Feb2025.pdf>

<sup>12</sup> Hurley, P., Tham, M and Nguyen, H. (2024) *International childcare: Mapping the deserts* Mitchell Institute, Victoria University <https://content.vu.edu.au/sites/default/files/documents/2024-09/childcare-deserts-international-report.pdf>

<sup>13</sup> ACCC, 2023, *Childcare inquiry 2023* <https://www.accc.gov.au/inquiries-and-consultations/finalised-inquiries/childcare-inquiry-2023>

<sup>14</sup> Productivity Commission, 2024, *A path to universal early childhood education and care*, <https://www.pc.gov.au/inquiries-and-research/childhood/report/>

profit providers to operate in locations where viability is not guaranteed. SVA research has also found ECEC service provision limits, rather than supports, financial viability of Child and Family Hubs. Secure operational funding is essential to ensure new facilities are adequately resourced to establish strong foundations, build relationships between services and with the community and lay the foundations for enduring, quality service delivery.

Operational funding includes ongoing maintenance costs such as service delivery, repair and renovation of the premises, as well as a flexible allocation to address other non-staff operating costs. This includes elements such as cleaning, gardening, information technology, community outreach, travel and promotional materials.

## Establish foundations for integrated, child-centred funding models

### 3. Build the evidence base for integrated early years funding

<p>Commission a joint research program to assess costs and benefits of establishing and operating high-quality, integrated Child and Family Hubs. This should include the cost of integration (including infrastructure, workforce, and service delivery and community engagement) in low-SES and remote communities.</p>	<p>\$520,000 <i>i.e. 5% of the total Service Delivery Price project</i></p>
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We recommend this is undertaken jointly by Department of Education, Department of Social Services, and State and Territory governments.

Funding integration may require new funding approaches or mechanisms. More information is required to inform policy decisions to design these in the most efficient and effective way. The costs and benefits of integration impact education, social services and health over the life course – however there has been limited investigation of these.

Insights on the opportunities for integrated funding, including the interface with the ECEC funding model, could be provided by expanding the remit of the Service Delivery Price project to include the role of Child and Family Hubs. The project currently explores the cost of Australian Government-funded ECEC and should be extended to include the role of Child and Family Hubs as part of the ECEC system.

Expanding the remit also provides the opportunity to test the role for innovative financing models that enable high-quality delivery, secure and sustainable funding and service viability, including of community and not-for-profit models. This includes exploring the role for collaborative commissioning and relational commissioning approaches, such as those outlined in the Family and Child program revision<sup>15</sup>, and in The Bryan Foundation and PLACE Australia’s submissions to the consultation<sup>16,17</sup>. This work would inform future iterations to integration funding outlined in item #1, including the level of operational funding

<sup>15</sup> Department of Social Services (2025), *A new approach to programs for families and children: discussion paper* Australian Government, <https://engage.dss.gov.au/wp-content/uploads/2025/11/discussion-paper-1.pdf>

<sup>16</sup> The Bryan Foundation (2025) *Response to the Department of Social Services ‘A new approach to programs for families and children’ discussion paper* <https://engage.dss.gov.au/wp-content/uploads/2025/12/The-Bryan-Foundation-.pdf>

<sup>17</sup> PLACE Australia (2025), PLACE submission: Department of Social Services’ consultation on a new approach to children and family programs, <https://www.placeaustralia.org/wp-content/uploads/2025/12/PLACE-FAC-Submission-December-2025.pdf>

required for Child and Family Hubs however we recommend both projects commence in this budget cycle to meet immediate funding gaps.

#### 4. Develop an equity funding model informed by the Service Delivery Price project

Fund a national design process to incorporate Service Delivery Price project findings into a new needs-based ECEC funding model, incorporating equity loadings that align with integrated early years service delivery.

12-month design process

Loadings would reflect the higher cost of delivery, staffing, housing, travel and community outreach.

Design process to include Department of Education, Department of Social Services, Treasury, and peak bodies to deliver a revised Commonwealth funding model.

Evidence highlights that developmental inequities are higher for children experiencing socio-economic disadvantage and are apparent even before children turn two.<sup>18</sup> SVA also reviewed existing models that aim to address developmental inequity for children, finding that ECEC centres in communities with high early childhood disadvantage have fewer resources and face more challenges to delivery, such as recruiting and supporting qualified staff and leaders.<sup>19</sup>

The Schooling Resource Standard is designed to address educational inequities through equity loadings in school funding for priority cohorts and locations. However, despite persistent developmental inequities, there is no equivalent equity funding model for early education.

Findings from the Service Delivery Price project should be combined with early childhood sector expertise to develop a model that meets the needs of services supporting communities, children and families with higher needs. This is essential to help close developmental gaps for children before starting school.

This equity funding model does not replace the need for community-led early years models for Aboriginal and Torres Strait Islander children, which is addressed separately in item #6 in this submission.

<sup>18</sup> Pham, M., Leung, C., Hurley, P., Pilcher, S., and Prokofieva, M., (2025) *Unequal from the Start: the achievement gap and the early years* Mitchell Institute, Victoria University. <https://content.vu.edu.au/sites/default/files/documents/2025-04/unequal-from-the-start-report-march-2025.pdf>

<sup>19</sup> Social Ventures Australia, 2025, *ECEC Plus: A model to embed equity in the Early Childhood Education and Care System*, <https://www.socialventures.org.au/wp-content/uploads/2025/11/ECEC-plus-a-model-to-embed-equity-in-the-Early-Childhood-Education-and-Care-system.pdf>

## 5. Develop lead indicators to drive effective integration, quality and improvement in Child and Family Hubs

Fund a Hub Implementation Indicators project to develop a set of lead indicators to guide quality implementation and improvement of Child and Family Hubs, including integration, family engagement and governance.

\$618,000 over 2 years

*Year 1: Indicator development*

*Year 2: Pilot and refine*

Child and Family Hubs are an effective solution to local integrated service delivery, offering a welcoming front door to connected supports. The benefits of these largely locally-grown models would be further enhanced with a shared, evidence-informed way to define, measure and guide high-quality Hub delivery and integrated practice.

Lead indicators are essential to provide timely, actionable insights that allow Hubs and stakeholders to track progress, identify emerging challenges early, and adjust course in ways that strengthen outcomes for children and families. Funding a Hub Implementation Indicators project includes practice research, engagement with practitioners, design and testing, and piloting in 8 Child and Family Hubs in diverse contexts.

*We support the recommendation for a Hub Implementation Indicators project outlined in pre-budget submission supplied by the National Child and Family Hubs Network.*

## Aboriginal and Torres Strait Islander organisations and communities are leading the way and require dedicated investment

### 6. Implement a dedicated funding model for ACCO-led integrated early years services

Partner with Aboriginal and Torres Strait Islander people to establish a national funding model which aims to support the growth and sustainability of ACCO-led early years services.

\$255 million p.a.

ACCO-led integrated early years services are exemplar models of integration – providing seamless, nurturing, quality, culturally safe support to Aboriginal and Torres Strait Islander children and families. Their immense value has been acknowledged in multiple government reports and these models are critical to achieving and upholding the Australian Government’s commitment to shared decision making, investment in community-controlled organisations and early childhood targets.

Despite this leadership, ACCO-led integrated early years services lack dedicated and secure funding. A dedicated national funding model for ACCO-led early years services is an essential element for the sector’s continued viability, security and growth and is critical for our collective efforts to close the gap in early childhood outcomes.

*We support the recommendation detailed in the pre-budget submission supplied by SNAICC – the National Voice for Aboriginal and Torres Strait Islander children.*

Social Ventures Australia is happy to provide further information on this submission.