

KEEP OUR DOORS OPEN

THE BASICS

Neighbourhood Houses have faced rising costs, increasing community need and an erosion of core funding. Around half of all Neighbourhood Houses in Victoria are running at a loss.

The NHCP was designed to cover staff wages and operational costs, but due to inadequate indexation over many years, the NHCP doesn't even meet the costs of employing a manager, with nothing left to keep the lights on and the doors open. Inadequate funding has become the number one wellbeing issue identified by managers across the state.

There are currently at least 25 neighbourhood houses that receive no funding from the NHCP at all. Many of Victoria's regional and outer metropolitan growth areas have no Neighbourhood House. Yet, half a million people have been added to Victoria's population since the last new Neighbourhood House was funded.

OUR CAMPAIGN ASKS

Restore and maintain the NHCP funding rate

- \$6.106 million to end of 26/27 financial year (in 2026/27 dollars)
- \$18.2 million annually (in 2026/27 dollars when fully implemented)

Support 25 Neighbourhood Houses who do not currently receive any ongoing funding

- \$3,668,000 cost in year one (in 2026/27 dollars with rate increase)
- \$3.72 million annually thereafter (in 2026/27 dollars with rate increase)

Develop a fund for the establishment of 5 additional Neighbourhood Houses in Victoria's growth areas annually

- \$727,088 cost in year one (in 2026/27 dollars with rate increase)
- \$7,420,254 cost over 4 years (in 2026/27 dollars with rate increase)





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WHY HAVE THE ASKS CHANGED?

The funding ask has been updated to reflect changes in workforce costs. The Fair Work Commission (FWC)'s annual wage review increased wages by 4.75%, including the wages funded by the Neighbourhood House Coordination Program.

Additionally, the Neighbourhood House sector is included in the FWC gender-based undervaluation review. The review found that the Social, Community, Home Care and Disability Services Industry Award 2010, which covers most of the Neighbourhood House sector, had been the subject of gender-based undervaluation and that an adjustment to those rates of pay was justified by 'work value reasons'. Classification changes that will increase coordination costs come into effect in 2027, so the anticipated changes have also been factored into our updated asks.

By October 2027, the funding will be so out of alignment with the sector's costs that the funding will be behind by 37%.

92% of the roles in the Victorian Neighbourhood House sector that are funded by the NHCP are held by women, along with many of the additional paid and voluntary roles that hold up our sector.

The FWC decision around gender-based undervaluation demonstrates that this sector has been consistently undervalued and deserves better.

Each neighbourhood House is different, yet most have stories about what has been lost to underfunding:

- We have seen 5 Neighbourhood Houses fall to insolvency in the past 2 years.
- Almost half of Neighbourhood Houses ran at a loss for the last three years.
- Open hours have dropped to their lowest level in ten years.
- Essential programs like childcare, food relief, adult education, and more have closed.
- In 2025–26, communities lost \$250 million in benefit when activity funds were diverted to basic operating costs.



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COMMUNITIES
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