NHVIC KEEP OUR DOORS OPEN CAMPAIGN

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**
  Increase the Neighbourhood House Coordination Program rate by 25% to restore the 80/20 wage/operating cost ratio for Neighbourhood Houses and Neighbourhood House Networks, rising to 37% to meet the cost increases associated with the Fair Work Commission's Gender-based undervaluation – priority awards review requirements.
  - $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**
  Provide the current minimum 25 hours per week Neighbourhood House Coordination Program to 25 existing Neighbourhood Houses currently without Neighbourhood House Coordination Program funding from July 2027.
  - $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**
  Establish a growth fund to establish five new Neighbourhood Houses annually over four years from July 2027 at a sustainable Neighbourhood House Coordination Program rate.
  - $727,088 cost in year one (in 2026/27 dollars with rate increase)
  - $ 7,420,254 cost over 4 years (in (in 2026/27 dollars with rate increase)

FAQs

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%.

Is this a gendered issue?

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 also demonstrates that this sector has been consistently undervalued and deserves better. The wages currently being paid have been identified as too little for the value we produce, and yet the NHCP funding cannot even cover those.

A common response from the Victorian Government is that they increased funding through the Neighbourhood House Coordination Program by $6.6 million a year in 2022. Is this true?

The Victorian Government's response to our campaign often references a 2022 increase of $6.6 million. It is worth noting that this "increase" is not additional funding. It is funding that was already being received by neighbourhood houses that was converted from annual funding to ongoing funding. There was no additional funding provided to the sector in 2022.

What have been the consequences of the underfunding?

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 in the last two 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.

How does this align with Victorian Government's Wellbeing Strategy?

The Victorian Government's Wellbeing Strategy is a bold, long-term commitment to promote good mental health for all Victorians wherever we live, work, learn and play. The strategy focuses on creating the social, physical, economic, and environmental conditions that help people to feel and function well at every stage of life.

The first two years of implementation will focus on building strong foundations for Victoria's wellbeing promotion system.

Neighbourhood Houses are existing, community-led and place-based foundations for this strategy. They provide trusted a community touchpoint to build from, if they are given the resources to do so. Failure to adequately fund Neighbourhood Houses will send this strategy backward.

Neighbourhood Houses are already providing incredible outcomes for wellbeing in their participants. NHVic's participant survey in late 2024 revealed that 94-96% of participants said that the activity they participated in at their local Neighbourhood House had a positive or very positive impact on their physical and emotional wellbeing, and on their social connections.

System Foundation 3 action 2 specifically outlines building capacity in Neighbourhood Houses – this will not be possible without a significant and urgent increase in funding.