

# ANHCA FEDERAL BUDGET SUMMARY PAGE

## *Australia's Largest Placed-Based Infrastructure*

ANHCA is the **national peak body harnessing the collective strength of over 1,000 Neighbourhood Houses and Community Centres** (NCHCs).



400,000 Australian's engage with NCHCs each week

**ANHCA is seeking core federal funding of \$300,000 per year for three years.**

Our sector **strengthens social cohesion** by providing inclusive, welcoming spaces that build connection, resilience, and wellbeing, making government investment in these centres a high-impact way to

**support stronger, safer communities.**



1,069 NCHCs in our national network

In the context of the Federal Budget, this is a **modest investment that would deliver returns far greater than its cost**. Core funding will:



- Translate **local insights into national policy and program improvements**



- Reduce pressure on **high-cost systems** such as health, justice, and welfare



- Enable **data-driven decision-making**, helping government target investment efficiently



- **Build sector-wide capability** in governance, financial management, data literacy, and risk oversight



- Strengthen NCHCs to **continue to deliver high-quality, sustainable services**



# AUSTRALIAN NEIGHBOURHOOD HOUSES AND CENTRES ASSOCIATION

## FEDERAL BUDGET SUBMISSION 2026

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# Background

ANHCA is the national peak body harnessing the collective strength of over 1,000 Neighbourhood Houses and Community Centres (NCHCs) through six state sector peaks, and is also a member of the International Federation of Settlements and Neighbourhood Centres, the global peak for place-based work. With more locations than McDonald's, our sector is **the largest locally managed community infrastructure network in the country**. Every week, more than 400,000 Australians walk through the doors of an NCHC to access support, connection, and opportunity.

NCHCs are and have been, the cornerstone of place-based community development in Australia. They provide local, inclusive spaces where people can connect, learn, and access essential services including Centrelink and NDIS support, emergency relief, digital literacy, employment pathways, and programs that strengthen health, wellbeing, and social inclusion. Deeply embedded in their communities, NCHCs are often the first to identify emerging issues and the first to respond in times of crisis and stress.

Despite the **scale and impact of this work, the sector remains under-resourced and overlooked** in national policy development, implementation and funding decisions.

## The Turning Point

2025 marked a turning point for ANHCA, a year of renewal, clarity, and purpose. ANHCA is well along the way to now transforming into a more powerful, professional, and contributory national peak. Through strategic partnerships, evidence-based advocacy, and place-based approaches, ANHCA aims to provide national value, guidance, and leadership.

Without this support, ANHCA risks being unable to maintain a national peak body, **leaving the sector without nationally coordinated representation, capacity building, and advocacy at a time when it is needed most**.



1,069 NCHCs in our national network



400,000 Australian's engage with NCHCs each week

## Opportunity

We are at a critical turning point. ANHCA has never received core funding, and without it, our ability to lead, unite, and strengthen the sector is under threat. To realise our strategic objectives and enhance our valuable contribution, we are seeking core federal funding of \$300,000 per year for three years.

Without core funding, the substantial opportunities for Departments and other national agencies for more effective local engagement and the benefits of this will remain unrealised.

**Our vision is that, together, we champion place-based community development, amplifying local voices, self determination and expertise to build a just, equitable, resilient, and inclusive Australia.**

### Initiative 1: Embedding Community Voice in Federal Decision-Making

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### Initiative 2: Strengthening Sector Capability to Increase National Impact

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### Initiative 3: Unlock DGR: a Fairer, Simpler DGR System

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# Embedding Community Voice in Federal Decision-Making

**Effective policy and program delivery depends on understanding communities at a local level. Evidence from systematic reviews indicates that community involvement in service development and evaluation is associated with positive health and empowerment outcomes at organisational, community, and individual levels.<sup>1</sup>**

NCHCs provide a direct line to communities across Australia, including in regional and rural areas where they are often the only point of contact. ANHCA can help address government data blind spots through this community-level insight and connect people with government services more effectively through NCHCs.

The Department of Social Services has made important steps through the Community Sector Grants Engagement Framework and the Ways of Working Statement to prioritise community consultation and place-based insight. These reforms are welcomed by communities, and the rise of place-based approaches aligns with the passion and expertise of our sector..

However, the definition and practice of place-based engagement is often misunderstood and mishandled. Place-based work is not simply doing work, or delivering a service from a place or locality. It does not only mean employing a local person to do the work. True place-based work has to be community-owned and authentically engaged; that means that not just the work, but the decisions are made by "that place". So the governance model is a fundamental precursor to doing proper place-based work. Who makes the decision, what processes are used to make decisions, how the work is conducted, any changes to the work, have to be "held" by locals. The resources and even some expertise can come from elsewhere; as long as decisions are made locally.

NCHCs hold unique local knowledge, enabling them to act as trusted conduits between communities, governments, and other stakeholders. NCHCs already have the networks, experience, and relationships required to identify and respond to local needs quickly and effectively.

## Opportunity

Investing in ANHCA would **turn the insights and impact of every NCHC into evidence-informed policy and funding decisions**. The government would gain a trusted conduit to communities, enabling more efficient, targeted investment in social infrastructure that responds to real, lived needs.

### National Identity and Awareness



Every NCHC's local impact could be amplified into actionable insights for policy and funding decisions, making government engagement more efficient and effective.

### Data-Driven Decision Making



ANHCA could establish national systems for collecting, analysing, and reporting sector-wide data. Governments could then access a single, reliable evidence base to guide policy, measure outcomes, and make investment decisions with confidence.

### Influence National Policy



The government could access real-time, locally grounded information, allowing proactive responses to emerging issues and policies that are informed by the lived experience of Australians.

### Community Partnerships and Collaboration



ANHCA could ensure that resources reach the communities that need them most. This would make every dollar of government investment more efficient, impactful, and sustainable.

## Data Collection Example

*Data from Neighbourhood Houses Victoria Participant 2024 Survey funded by VIC government*

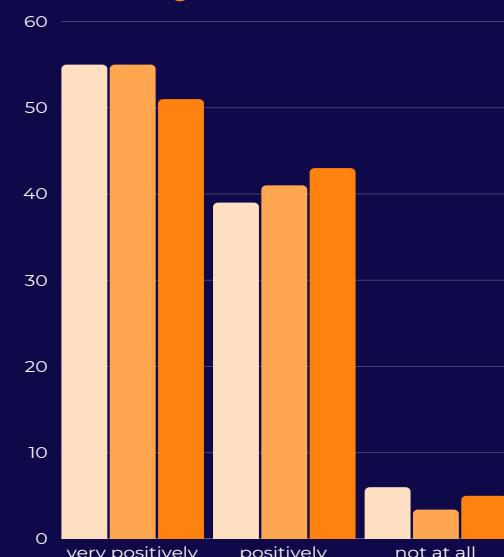
 **5,851 hours**

per month NCHCs spend assisting participants to access / manage online **government services**



**\$21.91 of value for every \$1 invested** of state government funding

- physical wellbeing
- emotional wellbeing
- social connections



**95%**



reported improved social connection

**73%**



said their attendance strengthened their support networks outside of the NCHC

**80%**



a stronger sense of belonging to their community

**94%**



reported improved physical wellbeing from NCHC activities



**We strongly support Neighbourhood Centres being recognised and funded as a formal part of social infrastructure to deliver sustainable and flexible place based supports and solutions. They are capable of nurturing social connectedness and inclusion, offering valuable support to help people navigate complex care systems and providing locally based and flexible foundational and other supports.**

**Robert Fitzgerald & Rosemary Kayess**  
**Australia's Disability and Age Discrimination Commissioners**

# Strengthening Sector Capability to Increase National Impact

**Social cohesion is not only a social good but an economic asset. Communities with strong social cohesion experience improved health outcomes, greater resilience, and better socioeconomic participation. Research shows that societies with higher levels of social cohesion tend to be healthier, more resilient to external shocks and demonstrate stronger economic performance.<sup>2</sup>**

For the Federal Government, this means that investment in local social infrastructure is one of the most cost-effective levers for improving community outcomes and reducing long-term expenditure on health, justice, and welfare systems.

NCHCs are the most powerful drivers of social cohesion in Australia. They access essential support, prevention services, social inclusion programs, digital literacy, community meals, wellbeing activities, and help navigating complex systems.

However, the sector that delivers this impact is under significant strain.

NCHCs are reducing programs they previously subsidised, including vital services such as emergency food relief, disaster recovery support, assistance navigating government services, digital literacy programs, social inclusion initiatives, and health and wellbeing activities.

Many NCHCs have been forced to reduce hours or close entirely. Workplace health and safety concerns are escalating, with increasing reports of assault, abuse, burnout, and mental health-related leave among staff who are managing increasingly complex community needs with fewer resources.

At the organisational level, there is a growing need for governance, financial, risk, and operational capability support. Recent state sector feedback shows multiple NCHCs experiencing distress, with several requiring urgent guidance in a short timeframe. Without intervention, these pressures risk service reductions, loss of staff, and weakened community support precisely when demand is at its highest.

## Opportunity

As the national peak body, ANHCA is uniquely positioned to strengthen the entire NCHC sector, ensuring every government dollar invested at the community level delivers both social and economic return. Core federal funding would enable consistent, sector-wide capability in governance, business systems, financial management, data literacy, and risk oversight. Investment in ANHCA multiplies impact across Australia's largest and most trusted community infrastructure, generating stronger communities and local economic value.

ANHCA brings together expertise across state peaks and channels it for national benefit. Core funding would allow the delivery of targeted training, resources, and leadership development consistently across the network, reducing duplication, standardising best practice, and enabling centres to navigate emerging challenges with confidence. This coordinated approach increases productivity, reduces crises, and supports long-term sustainability.

Stronger, more capable NCHCs prevent issues before they escalate, support people earlier, and reduce pressure on high-cost government systems.

**Core federal funding will enable ANHCA to provide the national backbone needed to sustain and amplify the sector's economic and social value across Australia.**



# Unlock DGR: a Fairer, Simpler DGR System

**Reform of the Deductible Gift Recipient (DGR) system is an urgent priority for ANHCA and organisations like ours that build social capital and resilience in Australian communities. Expanding DGR eligibility will unlock new funding streams, particularly from philanthropic sources, strengthening the work that NCHCs deliver locally.**

Many NCHCs are facing unprecedented demand alongside rising costs, making it increasingly difficult to provide essential services. The current DGR system compounds this challenge. Its complexity, narrow categories, and administrative burden exclude organisations like NCHCs, which operate across multiple service areas—from emergency relief and welfare referrals to health, education, volunteering, and social inclusion programs. This limits their ability to attract philanthropic investment, reducing financial resilience and long-term sustainability.

The Productivity Commission's Future Foundations for Giving report found the DGR system "creates inefficient, inconsistent and unfair outcomes for donors, charities and the community.

The Not-for-profit Sector Development Blueprint also calls for broadening and simplifying the system, reflecting strong sector support for reform. Peak bodies and community-led organisations are particularly affected, despite their critical role in supporting local services and empowering communities.

Without reform, community-led organisations risk being underfunded when their work is most needed. DGR reform would allow NCHCs to fully access philanthropic funding, complementing government investment, leveraging private giving, and maximising impact. Peak bodies like ANHCA would also be better positioned to strengthen sector-wide capability, coordinate national initiatives, and support NCHCs to deliver essential services efficiently.

ANHCA welcomes the Government's commitment to philanthropy and recognises the budgetary considerations of reform. Evidence shows that enabling broader DGR access is a sound policy decision that strengthens social cohesion, improves community wellbeing, and maximises return on public and private investment.

# References

1. Haldane, V., Chuah, F., Srivastava, A., Singh, S., Koh, G., Seng, C., & Legido-Quigley, H. (2019). Community participation in health services development, implementation, and evaluation: A systematic review of empowerment, health, community, and process outcomes. National Library of Medicine, 10(14), 5. <https://pubmed.ncbi.nlm.nih.gov/31075120/>
2. Social Cohesion Concept and Measurement. (2023, December 19). UNECE. Retrieved December 16, 2025, from <https://unece.org/info/publications/pub/386398> communities across Australia.