

# Ballarat Neighbourhood Centre Inc

2025 - Real Impact. Real Value.

**INCOME** \$845,749

**VALUE** \$7,367,661

## This figure includes the value of:

Improved quality of life through social connection: **\$1,488,534**

Volunteer contributions: **\$319,012**

Emergency relief provided: **\$438,744**

Services provided: **\$888,476**

Adult Community Education: **\$4,181,170**

Social enterprise goods & services: **\$29,225**

## Emergency relief value includes:

- Food and groceries: **\$438,744**

## Services value includes:

- Computer/internet usage: **\$240**
- Facilities use or hire: **\$561,948**
  - Résumé assistance: **\$720**
- Auspicing other organisations: **\$632**
- Community lunch, frozen or other meals: **\$50,400**
- School aged breakfasts: **\$196,080**
- Fee for service activities: **\$78,456**
- Power Saving Bonus: **\$22,500**

## This community value equates to:

**\$8.71** for every \$1 of income

**\$90.27** for every \$1 of Neighbourhood House Coordination Program funding

Over **\$1,827.30** for every hour the neighbourhood house is in use

## Employment value

9.6 FTE jobs

including 6.9 direct and 2.7 indirect Full Time Equivalent positions

These values are produced by Neighbourhood Houses Victoria based on data provided by Ballarat Neighbourhood Centre Inc in the 2025 Neighbourhood Houses Survey. Only a limited range of activities where a determinable valuation method exists are included.

# Just some of the value to communities from selected Neighbourhood House activities

## Basis of calculation

The Ballarat Neighbourhood Centre Inc provided in excess of \$7,367,661 of value to the community for 2025. This is based on data provided through the Neighbourhood House Survey 2025.

This figure includes the value of:

- Improved quality of life through social connection: based on **650** participants in programmed activities per week
- Volunteer contributions: based on **133** volunteer hrs per week
- Food and groceries: based on **10,860 kgs** of food relief provided in 2025
- Food vouchers: based on an average of **\$0** of vouchers provided per month
- Cash/prepaid or gift card: based on **\$0** cash/card value provided per month
- Bill payments: based on **\$0** of participant bills paid for per month
- Fuel Vouchers: based on an average of **\$0** of vouchers provided per month
- Public transport cards: based on average **\$0** of travel cards value per month
- Clothing: based on **\$0** of clothing provided per month
- Personal care & hygiene items: based on **\$0** of items provided per month
- Emergency accommodation: based on **\$0** provided per month
- Internet usage: based on **10 hrs** of individual computer/internet use per month
- Facilities use or hire: based on **791** hours per month valued at **\$59/hr**
- Resume assistance: based on assisting with **2** resume's/ month
- Tax help: based on completing **\$0** tax returns for 2025
- Auspicing other organisations: based on auspicing **1** organisations or groups in 2025
- Community lunch, frozen or other meals: based on providing **420** meals/ month
- School aged breakfast programs: based on providing **400** breakfasts/month
- Fee for service activities: based on **\$78,456** fees paid for unsubsidised activities in the period covered by the applicable annual report
- Power Saving Bonus based on **225** \$100 payments claimed for community members
- Government subsidised Adult Community Education: based on **\$242,668** of ACE funding from ACFE and/or DET and **\$0** Federal Government Be Connected funding
- Childcare provided: based on **\$0** total annual childcare income
- 4-year-old kindergarten: based on **\$0** total annual kindergarten income
- Social enterprise goods & services: based on **\$29,225** enterprise sales income in the latest annual report

Additionally:

- Community value for every \$1 of 2025 Neighbourhood House Coordination Program funding based on **20** funded hours/week
- Community value for every \$1 of income based on **\$845,749** annual income
- Community value for every hour the Neighbourhood House is in use based on Neighbourhood House buildings in use for **84** hrs per week

Direct and indirect full-time equivalent employment positions created based on **263** total weekly paid hours of employment.

## Notes

Community value reports must not be used to compare Neighbourhood Houses' outcomes. To do so constitutes a misuse of the report.

These valuations are not comparable because they:

- Do not put a value on much of the community development work which is the primary focus of the Neighbourhood House sector
- Do not value other diverse activities a Neighbourhood House may undertake so can exclude activities of high importance to the community for which a calculation method is not available
- Are based on volume of activity, so the outcomes are affected by organisational income, funding opportunities and constraints, available space, population size and composition etc.
- Value different activities, and different volumes of activity as determined local community need

Reports are also not comparable between different years as changes are regularly made to what is included and calculation methods used as new programs and information emerge.

The reports can be used to understand some of the value generated by Neighbourhood Houses for their local communities in the year covered by the report.

### Use of 'community value'

We use the term 'community value' because the valuations above incorporate a range of methods depending on the available evidence. These include methods such as social return on investment (SROI), return on investment (ROI) and replacement cost.

All valuations are conservative and based on existing research by reputable organisations using widely used and/or well documented methods as well as benchmarked market values for replacement cost valuations.

### Some of the value of some of the activities

The report does not include many community benefits that are not within the scope of the Neighbourhood House Annual Survey to reasonably value including:

- all services and activities not listed above or their flow on economic or social benefits (except social connection) including referral, counselling or social support, community transport etc
- agencies or brokered in services such as Centrelink, maternal child and health etc.
- social enterprise or the economic multipliers from indirect or induced economic activity
- intangible benefits such as community pride and sense of belonging, leadership development, community voice through advocacy, increased personal independence etc.

The total community benefit is significantly greater than what has been valued here.

## Calculation methods

### Social Connection

In 2018, Deloitte Access Economics produced a report<sup>1</sup> that determined a monetary value for the community connection work of Morwell Neighbourhood House. The method, detailed in the report, uses existing research to calculate the contribution of community connection to a Quality-Adjusted-Life-Years (QALYs). Quality-Adjusted-Life-Years is the most widely used approach for estimating quality of life benefits in economic evaluations<sup>2</sup>.

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<sup>1</sup> [http://www.morwellnh.org.au/wp-content/uploads/2018/05/MNH\\_Social-Impact-Analysis\\_May-2018\\_.pdf](http://www.morwellnh.org.au/wp-content/uploads/2018/05/MNH_Social-Impact-Analysis_May-2018_.pdf)

<sup>2</sup> <https://www1.health.gov.au/internet/publications/publishing.nsf/Content/illicit-pubs-needle-return-1-rep-toc~illicit-pubs-needle-return-1-rep-5~illicit-pubs-needle-return-1-rep-5-2>

Successive Neighbourhood House Participants Survey respondents clearly distinguished between the two benefits used by Deloitte; “meet new people/make friends” and “spend time with other people as benefits”. The first benefit implies creating or expanding social networks through the Neighbourhood House whereas the latter implies maintaining existing social connections within the Neighbourhood House. Where both benefits were selected, the implication is that relationships are in a formative or expansion stage, or they have connection in the Neighbourhood House but want to make more.

Different methods have been used to estimate the number of people who may potentially obtain social connection benefits. The 2018 The report assumed that 50% of the annual unique visitors to the neighbourhood house were one off or infrequent for the purpose of their calculations. Appendix C of their report outlines the detail on their method.

A subsequent Deloitte report<sup>3</sup> assumed that only new participants obtained social connection benefits. This assumption effectively discounts the importance of maintaining connections over the life course. Analysis from the Neighbourhood House Participants Survey<sup>4</sup> and the broader social isolation and loneliness literature<sup>5</sup> identify the value of maintaining social connections. Pioneering research in 2024 showed that restricting social connection and other behaviours associated with maintaining psychological health in healthy participants resulted in a rapid decline in mental wellbeing with increased symptoms of depression and anxiety<sup>6</sup>.

A 2024 survey of over 28,800 Neighbourhood House participants across Victoria clarified that 91.2% of Neighbourhood House participants attend regularly and 64% have been attending for more than a year. The data also show that the proportion of participants reporting social connection benefits increases with both attendance frequency and duration.

Consequently, to exclude irregular or one-off visitors, this report assumes number of regular participants is 91.2% of weekly participants in Neighbourhood House run activities. The result is then multiplied by the percentage of participants that identified “meeting new people/making friends” and/or “spending time with others” as benefits of attending their neighbourhood house based on each Neighbourhood House’s 2024 Participants Survey<sup>7</sup>.

The \$ values are expressed in 2025 equivalents i.e., the value of statistical life at \$253,000<sup>8</sup>, consistent with Deloitte’s method.

The value of increased social connection is calculated using this formula:

**91.2% of participants in activities X percentage of people identifying a social connection benefit X 1 QALY (\$253,000) X contribution of social connection to a QALY (3.84%) X the extent to which contribution of social connection to a QALY can be attributed to attending the Neighbourhood House (28.57%).**

It should be noted that 28% of the infrequent attendees excluded in this calculation reported receiving a connection benefit from attending their Neighbourhood House in the 2024 participant survey. Research has shown that even attending a one-off community event can reduce loneliness for over 6 months after the event<sup>9</sup>

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<sup>3</sup> <https://mannagumcommunity.files.wordpress.com/2020/08/nhg-sroi-2020.pdf>

<sup>4</sup> See [Social isolation and loneliness - a neighbourhood house perspective](#)

<sup>5</sup> See [Social connection as a critical factor for mental and physical health](#)

<sup>6</sup> [A pilot study examining whether restricting and resuming specific actions systematically changes symptoms of depression and anxiety. A series of N-of-1 trials. — Macquarie University \(mq.edu.au\)](#)

<sup>7</sup> Where A Neighbourhood House’s participant data are absent or unreliable due to sample size, an average of Neighbourhood Houses in similar sized communities with similar incomes is used. Income is a proxy for volume of activities delivered through a Neighbourhood House.

<sup>8</sup> [Value of statistical life | The Office of Impact Analysis](#)

<sup>9</sup> [Addressing loneliness through a scalable neighbourhood connection campaign: an evaluation of Neighbour Day using an Australian population-based control and causal propensity score-based approaches - ScienceDirect](#)

Deloitte further calculated the value of increased connection through increased participation in the broader community due to participation at the Neighbourhood House using the formula above for 10% of the participants. The 2024 Neighbourhood House Participant survey established that 15% of participants had attended for 1 year or less and reported being more involved in community activities or groups outside the Neighbourhood House as a result of their attendance at their Neighbourhood House. Consequently, this report applies the above formula to 15% of the discounted participants in activities.

## Volunteering

Volunteering value is based on the replacement cost of volunteers' labour. This is valued at \$48.16 per hour derived from the "State of Volunteering" replacement cost calculator<sup>10</sup> for volunteers aged 55 -64 .

The formula for calculating the community value of volunteering is:

Number of volunteer hours undertaken X volunteer hourly replacement rate

This is a conservative valuation. Replacement cost figure allows for some aging of Neighbourhood House volunteer population which averaged 50 years of age in 2012<sup>11</sup>. The replacement cost for a 50-year-old is 11% greater (\$53.82) than the figure used here.

In addition, the valuation does not include the value of the services provided as a result of volunteering or the contribution to the economy and taxation from participating in volunteering, e.g. cost of travel to the place of volunteering and other volunteering related expenses.

## Emergency relief

### Food and groceries

The value to community of emergency food relief is based on work undertaken by Think Impact in 2024 for Foodbank Australia<sup>12</sup>. Their social return on investment analysis determined that food relief was valued at an average \$43 per kilogram of food. This valuation included the value of improved social connection accounting for 6% of the value per kg of food. Because the value of social connection is included separately in this report, the \$43 is discounted by 6% to \$40.40.

The formula for calculating the community value of food and groceries is:

**Number of Kgs distributed for an average month X 12 (months) X \$40.40**

### Food vouchers

The community value of providing food vouchers is based on the dollar value of vouchers provided. This is a conservative valuation as it does not include the benefit derived from accessing food such as improved health and wellbeing, improved school performance for children etc.

The formula for calculating the community value of food vouchers is:

**Total \$ value of food vouchers distributed in an average month X 12 (months)**

### Cash/prepaid or gift cards

The community value of providing cash/prepaid or gift cards is based on the dollar value of cash or gift cards provided. This is a conservative valuation as it does not include the benefit derived from items purchased such as improved health and wellbeing, improved school performance for children etc.

The formula used for calculating the community value of cash/prepaid or gift cards is:

**Total \$ value of cash/prepaid or gift cards distributed in an average month X 12 (months)**

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<sup>10</sup> [Volunteer Replacement Cost Calculator - State of Volunteering](#)

<sup>11</sup> Neighbourhood Houses Survey 2012

<sup>12</sup> [https://www.foodbank.org.au/wp-content/uploads/Foodbank-Australia-SROI-2024-Full-Report\\_WEBSITE.pdf](https://www.foodbank.org.au/wp-content/uploads/Foodbank-Australia-SROI-2024-Full-Report_WEBSITE.pdf)

## Fuel Vouchers

The community value of providing fuel vouchers is based on the dollar value of vouchers given out. This is a conservative valuation as it does not include the benefit derived from increased access to transport or the alternative use of funds that would otherwise have been used for transport such as improved health and wellbeing, improved school performance for children etc.

The formula used for calculating the community value of fuel vouchers is:

**Total \$ value of fuel vouchers distributed in an average month X 12 (months)**

## Bill payments

The community value of providing bill payments is based on the dollar value of bills paid by the Neighbourhood House for individuals in need. This is a conservative valuation as it does not include the benefit derived from increased access to services for which bills were paid or the alternative use of funds that would otherwise have been used for bills such as improved health and wellbeing, improved school performance for children etc.

The formula used for calculating the community value of bill payments is:

**Total \$ value of participants' bills paid in an average month X 12 (months)**

## Public transport cards

The community value of providing public transport cards is based on the dollar value of public transport cards given out. This is a conservative valuation as it does not include the benefit derived from increased access to transport or the alternative use of funds that would otherwise have been used for public transport such as improved health and wellbeing, improved school performance for children etc.

The formula used for calculating the community value of public transport cards is:

**Total \$ value of public transport cards distributed in an average month X 12 (months)**

## Clothing

The community value of providing clothing is based on the dollar value of clothing provided. New clothing is valued at replacement cost whereas second-hand clothing is based on resale value such as in an opportunity shop. This is a conservative valuation as it does not include the benefit derived from increased access to clothing such as improved confidence and sense of wellbeing or the alternative use of funds that would otherwise have been used for clothing such as improved health and wellbeing, improved school performance for children etc.

The formula used for calculating the community value of clothing is:

**Total \$ value of clothing distributed in an average month X 12 (months)**

## Personal hygiene items

The community value of providing personal hygiene items is based on the dollar value of personal hygiene items provided. This is a conservative valuation as it does not include the benefit derived from increased access to personal hygiene items such as improved confidence and sense of wellbeing or the alternative use of funds that would otherwise have been used for personal hygiene items such as improved health and wellbeing, improved school performance for children etc.

The formula used for calculating the community value of personal hygiene items is:

**Total \$ value of personal hygiene items distributed in an average month X 12 (months)**

## Services

### Facilities Usage

The community value of facilities usage is based on the number of hours of facilities use by external groups and organisations per month and the cost of hiring an equivalent space locally as determined by each Neighbourhood House. This figure reflects value provided to the community rather than income received as

rooms and facilities are often made available to community groups at heavily discounted rates or gratis. The value also does not include the benefits to community of the room use activity e.g., improved health, improved access to information or services, reduced cost of services etc., relative to the activity type provided.

The formula used for calculating the community value of facilities usage is:

**Total number of hours of room hire in an average month x 12 months X cost per hour of local equivalent.**

#### Internet/computer usage

The community value of internet/ computer usage is based on the number of hours of internet or computer use by individuals in an average month. This is benchmarked to the cost of a commercially available equivalent i.e. internet kiosk regardless of whether a commercial alternative is available. Note that free wifi is not an equivalent as there is no support or equipment made available. Commercial rates from \$3-\$5<sup>13</sup> have been benchmarked. A \$2 lower rate has been used to account for the variation in the equipment and software provided. The rate does not include non-market benefits such as family connection, benefits from accessing or managing government services etc.

The formula used for calculating the community value of internet/computer use is:

**Total number of hours of internet/computer in average month x 12 months X \$2**

#### Resume assistance

The community value of resume assistance is based on the cost of a resume service for a fee. The fee was benchmarked at the median price of \$50 on airtasker.com<sup>14</sup>. The value was discounted to \$30 to account for the fact that Neighbourhood Houses may provide a participant with assistance in developing a resume rather than creating a full resume as a service. The value does not include employment outcomes.

The formula used for calculating the community value of resume assistance is:

**Total number of resumes assisted with in an average month X 12 (months) x \$30**

#### Tax help

The community value of Tax Help usage is based on the cost of the cheapest commercial tax service found online<sup>15</sup> at \$100 per tax return. This is a conservative valuation as many tax help clients have multiple and/or complex returns which attract additional fees at commercial tax service providers.

The formula used for calculating the community value of Tax Help is:

**Total number of tax returns lodged in 2025 x \$100**

#### Auspicing other organisations

The community value of auspicing other organisations is based on the cost of purchasing public liability cover which groups would have to take out if they were not covered by the Neighbourhood House under auspicing arrangements. The price is benchmarked at \$632.46 for annual cover provided by Local Community Insurance Services in 2022<sup>16</sup>. The value also does not include the benefits to community of the auspiced group's, improved health, improved access to information or services, reduced cost of services etc., relative to the activity type provided.

The formula used for calculating the community value of auspicing other organisations is:

**Total number of organisations auspiced in 2025 x \$632.46**

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<sup>13</sup> <https://www.facebook.com/dsinternet512> SUBLINK

<sup>14</sup> <https://www.airtasker.com/writing/resume-writing/>

<sup>15</sup> [www.taxtoday.com.au/information/fees/](http://www.taxtoday.com.au/information/fees/)

<sup>16</sup> <https://www.localcommunityinsurance.com.au/>

### Community lunch, frozen or other meals

The community value of offering community lunch, frozen or other meals is based on the cost of purchasing a meal commercially, this has been benchmarked at \$10 per meal. This is benchmarked based on the prices quoted by ING, and numbeo.com<sup>17</sup> ranging from \$15 to \$25. It is discounted to \$10 per meal to account for regional price variation.

While many meals provided at community lunches are likely to be a form of emergency relief, participants may attend community lunches for other reasons such as for company or a lack of cooking skills. Because we are unable to distinguish between the two, meals provided are not valued as emergency relief.

The formula used for calculating the community value of community lunches, frozen or other meals is:

**Total number of individual meals served/provided in an average month x 12 months x \$10**

### School aged breakfast clubs

The value to community of food provided through school breakfast clubs is based on work undertaken by Foodbank in Australia<sup>18</sup>. Their social return on investment analysis determined that school breakfast clubs were valued at an average \$110 per kilogram of food in 2014 dollars. This valuation included the value of:

- Improved physical health (children)
- Better performance at school (students)

Foodbanks 2024 report did not cover school breakfast clubs in Victoria. Analysis of the 2014 detailed report allows for adjustment to 2024 dollars for each component. Allowing for inflation and the increased value of a statistical life, we calculate the ROI is \$40.85 in 2024 dollars. The formula used for calculating the community value of school aged breakfast programs is:

**Total number of individual breakfasts served/provided in an average month x 10 months x \$40.85**

### Fee for service activities

The value to community of fee for service activities is based on the actual fees paid for activities undertaken by community members where the activity was not subsidised by grants or third parties other than NDIS.

Many Neighbourhood House activities are provided at low cost and therefore the value is conservative as it is likely less than the replacement value if the activity was undertaken with a commercial or for-profit provider.

The formula used for calculating the fee for service activities is:

**Total value of fee for service activities from the period covered by the applicable annual report**

### Power Saving Bonus

The Victorian State Government's Power Saving Bonus (PSB) provided a one-off \$100 payment for eligible Victorian households to help ease cost-of-living pressures and encourage them to compare energy offers and save money. Neighbourhood Houses Victoria partnered with Neighbourhood Houses to help community members who experience barriers to accessing the PSB apply for the State Government's \$100 Power Saving Bonus.

This valuation does not include potential ongoing savings identified for 3,850 Victorians who were not on the cheapest plan. The Australian Competition and Consumer Commission found that households on offers which are more than a year old are paying \$238 more per year than households on newer offers<sup>19</sup>. It also

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<sup>17</sup> <https://www.numbeo.com/cost-of-living/in/Melbourne> , <https://blog.ing.com.au/money-matters/saving/dust-off-your-lunch-boxes/#article-1811>,

<sup>18</sup> <https://www.foodbank.org.au/wp-content/uploads/2019/05/Foodbank-Hunger-in-the-Classroom-Report-May-2015.pdf>

<sup>19</sup> [No reward for being loyal: Australians urged to shop around for a better value electricity plan | ACCC](#)

does not include value obtained from the alternative use of funds that would otherwise have been used for power bills such as improved health and wellbeing etc.

The formula used for calculating the fee for service activities is:

### **Total number of people successfully assisted to obtain the Power Saving Bonus in 2025 X \$100**

#### Government subsidised Adult Community Education (ACE)

Based on analysis of the Allen Consulting's 2008 report, The Economic Benefit of Investment in Adult and Community Education in Victoria<sup>20</sup> commissioned by the ACFE Board. While there have been significant subsequent structural changes that have occurred in the VET sector, the work is most relevant because it examines the Victorian ACE sector specifically and includes pre-accredited as well as accredited training. The analysis discounts the value of pre-accredited compared to accredited training by estimating a proportional certificate equivalence.

Its use to estimate community value is also adopted because it is conservative in that it does not;

- include the significant known non-market benefits such as improved health, reduced criminality and welfare dependency etc. estimated to be equal in value to the market benefits
- include 36.3% of student contact hours to account for those with no market benefit
- include the direct contribution of ACE provision to the economy (direct and induced economic impact of provider expenditure and wages)
- include the benefits provided to community from \$10.09 additional tax revenues from increased income and gross state product for each dollar invested by the Victorian government in ACE
- account for the increased focus on delivery of pre-accredited training with market benefits since 2008
- account for tighter targeting of vocational training to industry demand

This report effectively values two principle community benefits at \$17.23 for each dollar of government funding. It is the value created over a 25-year timeframe from the learning provided. This rate is comparable with other work conducted locally and internationally. From a single year of state government investment of \$36.7 million, the report models:

Future income – \$202 million

Increased gross state product – 2.13 times the income effect - \$202 million x 2.13 = \$ 430.26 million

Total \$632.26 million / \$36.7 million state government funding = \$17.23

By comparison, a 2017 study from the University of Adelaide's South Australian Centre for Economic Studies<sup>21</sup> showed a return on investment for Cert I foundation courses averaging just 34 student contact hours at \$6.50 for each dollar of funding. However, the average SCH rate of \$43.70 was about 4.8 times the value of \$9.10 ACFE rate so equates to over \$31 return on investment for the same volume of activity if conducted as pre-accredited in Victoria. The study also only included the benefit of increased income and Victorian transition rates to Cert III and above for Learn Local students, with the corresponding higher income earning potential, are much higher<sup>22</sup> than those in the South Australian study.

Work that includes a more comprehensive range of non-market benefits values Government subsidised Adult Community Education at much higher rates. A New Zealand analysis from Price Waterhouse

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<sup>20</sup> [https://melbourneinstitute.unimelb.edu.au/assets/documents/hilda-bibliography/other-publications/pre2010/ACG\\_economic\\_benefit\\_of\\_investment\\_adult\\_education.pdf](https://melbourneinstitute.unimelb.edu.au/assets/documents/hilda-bibliography/other-publications/pre2010/ACG_economic_benefit_of_investment_adult_education.pdf)

<sup>21</sup> South Australian Centre for Economic Studies. The Economic and Social Impact of the Adult Community Education (ACE) Sector. University of Adelaide; 2016.

<sup>22</sup>

[https://www.education.vic.gov.au/Documents/about/research/acfepublications/Participation%20training%20outcomes%20and%20patterns%20report\\_FINAL\\_Nov%202017.pdf](https://www.education.vic.gov.au/Documents/about/research/acfepublications/Participation%20training%20outcomes%20and%20patterns%20report_FINAL_Nov%202017.pdf)

Coopers<sup>23</sup> valued ACE returns, including a range of non-market benefits, up to \$72 for each \$1 invested. While the comparisons differ substantially in many ways, all add significant value because they focus on disadvantaged learners.

Any potential overstatement of community value due to the changes in the structure of ACE since 2008 are more than compensated for by the value of other benefits not included in the calculation.

The formula used for calculating the community value of Government subsidised Adult Community Education programs is:

**Total \$ value of government student contact hour subsidies in 2025 X 17.23**

### Be Connected

In 2020, Swinburne University of Technology's Centre for Social Impact released a social impact assessment of the Australian Government's Be Connected program. The report<sup>24</sup> found that the program provides \$4.01 for every dollar invested. Grant funding to providers accounted for 17% of the program costs with significant investment attributed to the support infrastructure while the value was generated through outcomes from providers. \$13.2 million distributed to providers contributed to \$305.7 million in value. In effect, for every dollar received by providers resulted in \$23.11 of value created. However, the report includes value for social connection which is valued elsewhere in this report. After removing the social connection value, each dollar provided produced \$6.33 of value in digital capacity.

The method used here assumes that the proportion of government funding distributed to providers is consistent with the period covered by the report. It should be noted that the ROI is likely greater now as costs associated with establishing and maintaining the teaching infrastructure are lower than in the initial period covered by the report.

The formula used for calculating the community value of Be Connected is:

**Total \$ value of Be Connected funding received in 2025 X 6.326**

### Childcare

While there is research that suggests significant return on investment from childcare for some cohorts within the community<sup>25</sup>, there is inadequate research to determine the value to community of occasional childcare beyond the actual value of the service for the broader population.

The formula used for calculating the community value of childcare is:

**Total \$ value of government subsidies + parent fees in 2025 X 1**

### Four-year-old Kinder

The community value of four-year-old Kinder is based on a 2019 Price Water House Coopers study<sup>26</sup> which valued early childhood education in the year-before-school. It calculated a \$2 benefit for each dollar of costs.

The formula used for calculating the community value of four-year-old kinder is:

**Total \$ value of government subsidies + parent fees in 2025 X 2**

### Social enterprises

The community value of running social enterprises is based on the value of sales from goods and services through Neighbourhood House run community enterprises in the most recent applicable financial reporting period. This reflects the market value of the goods and services provided. It

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<sup>23</sup> <http://www.crystaladventures.co.nz/ACE/ACE%20Price%20Waterhouse%20Coopers%20Research%20Summary%20V4.pdf>

<sup>24</sup> [Improving the digital inclusion of older Australians: The social impact of Be Connected \(dss.gov.au\)](https://www.dss.gov.au/improving-the-digital-inclusion-of-older-australians-the-social-impact-of-be-connected)

<sup>25</sup> [Literature review of the impact of early childhood education and care on learning and development: working paper \(full report; 30 Sep 2015\) \(AIHW\)](https://www.aihw.gov.au/reports/early-childhood-education-and-care-on-learning-and-development-working-paper)

<sup>26</sup> <https://www.thefrontproject.org.au/images/downloads/ECO%20ANALYSIS%20Full%20Report.pdf>

does not include additional value generated such as avoided landfill, value of training and work experience, economic multipliers or the value of services or activities any profits support.

### **Total \$ value of social enterprise sales from the period covered by the applicable annual report**

#### **Community value relative to inputs**

Community value for every \$1 of Neighbourhood House Coordination Program (NHCP)

Shows the total calculable community value from the organisation for each dollar of NHCP funding received. The NHCP provides the platform to develop and attract funding for the various activities the organisation undertakes.

The formula used for calculating the community value for each dollar of NHCP is:

$$\text{Total community value} / \text{total NHCP for the 2025 year}$$

Community value for every \$1 of income

Shows the total calculable community value from the organisation for each dollar of income received.

The formula used for calculating the community value for each dollar of Income is:

$$\text{Total community value} / \text{total annual income for the reported year}$$

Community value for every hour the Neighbourhood House is in use

Shows the total calculable community value as an average for each hour the Neighbourhood House is in use. 'In use' includes any time of the week or day when activities are occurring, regardless of whether the organisation is staffed or open to the broader public. It does not reflect concurrent usage i.e. multiple activities occurring simultaneously for one hour are counted as 1 hour of use, even if these activities occur at different sites operated by the organisation. It is essentially an expression of community value from a building utilisation perspective.

The calculation assumes activities take place over 50 weeks in the year.

The formula used for calculating the community value for every hour the Neighbourhood House is in use is:

$$\text{Total community value} / (\text{hours per week the building/s is in use} \times 50)$$

#### **Employment**

Employment is calculated using the total hours of paid employment response combined with multipliers derived from 2017 analysis by Deloitte ACCESS Economics on the Economic contribution of the Australian charity sector for the Australian Charities and Not-for-profits Commission<sup>27</sup>. The multipliers are based on employment data for the development and housing sector classification. This classification covers much of the work done by Neighbourhood Houses including community development and training (multiplier = 1.39). This means that for every full-time equivalent employee, a further 0.39 full-time equivalent jobs are supported elsewhere in the economy due to the economic activity created by wage spending.

Neighbourhood Houses engage in activities that fit in other classifications e.g. emergency relief, referral etc which fit within the social services classification (multiplier = 1.46) or recreational activities that fit within the culture and recreation (multiplier = 1.35). These classifications' multipliers are marginally higher and lower than the development and housing multiplier respectively, further supporting the use of a 1.39 employment multiplier for the sector.

The formula used for calculating the total employment effect is:

$$\text{Total reported hours of paid employment} / 38 \times 1.39$$

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<sup>27</sup> <https://www.acnc.gov.au%2Ftools%2Freports%2Feconomic-contribution-australian-charity-sector&usg=AOvVaw2R-20vVOybpm8ctvW5xsCY>