

# NSW Budget Summary

2025-26



**NCOSS** 

NSW Council of Social Service

# Communities on the Edge

## The current situation

- People on low incomes are struggling to afford essentials like housing, food, health care.
- Community need is rising, while essential community services are overstretched and forced to turn people away.
- Underinvestment in early intervention is leaving children behind in an overwhelmed and fragmented system, robbing them of opportunities to thrive.

## What we asked for in 2025-26

Make  
renting  
safe and  
fair

Increase  
funding to  
specialist  
homelessness  
services

Implement a  
universal  
school food  
program

Increase  
funding to  
NSW  
emergency  
food relief  
services

Inject  
funding into  
the public  
dental  
system

Double the  
investment in  
early  
intervention and  
family  
preservation

## What we got in 2025-26

- **\$1.2 billion** child protection package including a 20% increase in foster care allowance and \$49.2 million for government-owned, purpose-built or upgraded residential housing.
- **\$202.4 million** of new funding to deliver 14 initiatives that have been co-designed with NSW Coalition of Aboriginal Peak Organisations and the NSW Close The Gap Joint Council.
- **\$37.5 million** to expand the state's Mobile Dental Van program, providing care for up to 7,500 additional people in regional NSW.
- **\$20 million** to expand crisis and transitional housing.
- **\$10.3 million** NSW food transport program to help Foodbank deliver food relief.

## The way forward - NCOSS Position

- While there are some positive investments, this Budget was a missed opportunity to truly invest in a fairer and more prosperous NSW.
- NCOSS supports overdue investment in dental health for regional communities. Investments in homelessness and food relief are also welcome, but insufficient given the scale of need.
- NCOSS celebrates the co-designed investment for First Nations communities, being a welcome approach to shared decision-making in line with Close The Gap commitments.
- NCOSS supports greater investment in child protection, but the Government has not prioritised early intervention to avoid kids being removed from their families in the first place.
- The Government needs to significantly invest in essential social infrastructure, and provide targeted support to people struggling in the face of inequality.

# A Thriving and Valued Social Sector

## The current situation

- The NSW community services sector is vital social infrastructure that millions of people rely on, but it's facing an existential crisis.
- Community services are unable to meet soaring demand and funding has failed to keep up with rising costs. The sector is under immense financial strain, pushing organisations to breaking point – to close programs, cut staff, and potentially shut down entirely.
- Continued inadequate funding threatens the sector's sustainability and consequentially the wellbeing of the community.

## What we asked for in 2025-26

Increase funding to match real service costs

Core funding neighbourhood & community centres

Co-design sector workforce strategy

Fund the Portable Long Service Leave levy

Proper funding of community legal centres

Reinstate Justice Connect's NFP law services in NSW

## What we got in 2025-26

- **\$18.4 million** for the NSW Coalition of Aboriginal Peak Organisations as part of new funding under Closing The Gap.
- **\$11.2 million** to reform the systems that respond to family and domestic violence, including funds to start delivery of a Domestic and Family Violence Workforce Strategy, a Data Strategy, and an Aboriginal Domestic, Family and Sexual Violence plan.

## The way forward – NCOSS Position

- This Budget leaves the essential community services sector continuing to face an existential crisis. The NSW Government has failed to provide the necessary resourcing needed to secure the sector's future and deliver on its commitments under the Secure Job and Funding Certainty Roadmap.
- Failing to adequately fund the sector, including for legislated work entitlements such as Portable Long Service Leave, will continue to weaken the sector and critically undermine its ability to provide essential services that people and communities rely on.
- NCOSS will continue its call for sufficient funding to adequately cover the cost of service delivery and respond to growing community need.