



Shire Office
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Ref: CP.LSO.12

Mingenew Daycare Facility Upgrade Project Update

15 May 2023

Summary

- Demand for childcare in Mingenew has drastically exceeded supply since 2018.
- The current facility allows a maximum of 11 places. The aim is to upgrade the facility to enable capacity of 19-24 places.
- Expanded facility will allow the daycare service provider to offer more families more places and option to operate the service 5 days a week. Extra capacity also provides the opportunity for the childcare service provider the option to expand their service offerings to include after and before school care and or school holiday programs (neither is currently available).
- Shire of Mingenew has confirmed funding approaching \$500,000 which is just under half of the anticipated upgrade budget.

Project description/ history

Mingenew is fortunate to have a long childcare facility servicing our community. This service was set up by the Mingenew Community Resource Centre (CRC) in 2014 and run as Mingenew Education and Care. In 2022 the service was transitioned over to Regional Early Education and Development (REED), a not-for-profit organisation specialising in childcare services in regional and rural WA.

The service operates out of the Sister Cameron House, a Shire of Mingenew-owned facility which is on a peppercorn lease arrangement with the service provider. The facility currently operates 4 days a week and has a maximum capacity of 11 children.

For a number of years, demand has exceeded supply with the service unable to deliver on the childcare needs of many of its current families and managing a significant waitlist of new families. These waitlist families are having to make the choice of driving over 50km each-way to access childcare services in neighbouring towns or having to forgo work.

The Mingenew community identified development of the childcare service as being a key priority as part of the Strategic Community Planning process and most recently was identified as the number 1 priority in its community survey about Council services. As such the daycare is a key action of the Shire of Mingenew Corporate Business Plan in 2019-2023 (strategy 2.2.1).

The childcare capacity can be expanded by:

- Extending operating days to 5 days a week** -Sr Cameron House is currently utilised by the Playgroup on a Friday and the daycare license will not allow the service to collocate.
- Expand the internal floor space to increase capacity** - the current service provider REED has ability to manage facilities with up to 24 places.

The Shire has worked with both the Mingenew CRC and REED (the service provider) to explore the following expansion options:

- Converting another existing Shire owned building** to a fit-for-purpose facility (2018-2020) – the Shire explored a proposal to convert one of the Shire’s existing houses. However, after extensive liaison with the daycare service provider and staff this course of action was not pursued, and the property has since been returned to employee housing.

2. **Extending and renovating Sister Cameron House facility (2018-2022)** - plans were developed by Eastman Poletti Sherwood Architect to upgrade the existing facility to a 15-place capacity. A Request for Quote (RFQ) followed by a Request for Tender (RFT) process was carried out in 2021 but unfortunately neither process procured an acceptable market response, with the project estimated to cost in excess of \$800,000 (initial building estimates were less than half of this).
3. **Developing a new fit-for purpose facility (2022- current)** - The unsuccessful RFQ and RFT processes and unprecedented escalation in construction costs forced the Council back to the drawing board. Discussions with new service provider REED also identified optimum economies of scale as 19-24 places. The Shire has since undertaken extensive investigations into recent daycare builds in rural WA and explored alternative building options. As a result, the Shire is currently developing a design and construct concept for a new build as it has the ability to enable an economically viable service. This new facility would be located centrally on vacant Shire-owned block on Shenton Street, backing onto the museum carpark. If approved by Council and adequate funds are realised, the design and construct RFT will be released later in the year.

The procurement process will seek offers for the design and construct of a daycare facility based on an approved concept design which will keep the build method (modular or on-site) flexible to drive a best value for money market response.

Daycare impacts the whole community

The cost of living means that majority of Australian families need to have both parents working to make ends meet and build financial resilience. Unlike private babysitting or in-home nanny care, licensed daycare services (such as the one we have here in Mingenew) enable low and middle-income households to access childcare at a subsidised rate under the government rebate scheme.

Agricultural communities like Mingenew rely on attracting and retaining young, motivated people and families to come and work in farm and supply businesses but also the essential services we all rely on. Currently of the 16 families that have access to our daycare:

- 9 are farm workers
- 2 are essential service workers and
- 5 work for service/ supply businesses in town.

(The above list does not include those families on the waiting list or those which have not applied due to the knowledge that receiving a position will not be likely).

Access to a reliable daycare service is now (and will continue to be) a key decision criteria for many families considering a move to Mingenew.

The Shire is about to conduct further market research to understand future family requirements.

Budget and funding status

Due to strict governance frameworks around Local Government procurement the final cost of the facility upgrade will not be known until a request for tender process has been completed. However, the Shire's research indicates that total upgrade costs including new modular build and external facilities (playground, fencing, etc) is estimated at +\$900,000.

To date the following funds have been confirmed:

- \$150,000 Shire of Mingenew
- \$150,000 Mingenew CRC
- \$150 State Government REDS grant
- \$24,472 Community fundraising held in Shire trust account (grain donations, parent fundraising initiatives), plus anticipated \$15,000 from recent fundraising and sponsorship activities are soon to be received.

In addition:

- the Shire has an application in to Lotterywest which we will know the outcome in the coming months.
- The Shire is also applying for a CCCF funding grant with the cooperation of REED.
- The Council is exploring avenues for tax deductible donations.

The Council to-date, has invested significant time in liaising, investigating, undertaking procurement processes and exploring and applying for funding. In addition, there have been advisory and planning costs associated with various upgrade options which has accounted for \$50,000 in expenses.

Timeframe

This project was first submitted to the Shire for consideration by Mingenew CRC in 2018. Since then, there has been a number of delays including key management changes at both the Shire and daycare service provider; COVID19 pandemic; Cyclone Seroja; unprecedented adverse construction environment which has contributed to two failed procurement processes; as well as a change in the daycare service provider. This is not an excuse, but it is an accurate pictorial of the challenging environment this project has faced. Yet thanks to patience and persistence we have made significant progress.

Our estimated timeframe, assuming Council are able to secure all funding required, is as follows:

- July 2023 funding confirmed – This is a hold point – the project can not proceed until this milestone is met.
- September 2023 design and construct RTF release
- December 2023 design and construct tender awarded
- February 2024 contract finalised. Construction commenced.
- 12 months construction
- February 2025 new facility opened

What can you do to help

- Grain donations via Shire of Mingenew CBH grower number 40567299.
- GrainCorp and Viterra community sponsorship programs – talk to your agents to nominate this project as part of these programs.
- Cash transfers – we gratefully accept non-tax-deductible cash donations (please note these are not tax deductible). Please contact Shire of Mingenew CEO, Matt Fanning to discuss details.
- Help with fundraisers- there is a highly motivated group of daycare supporters who have been running fundraising initiatives. The next major fundraiser is in August catering for an ag tour. Anyone who can donate food or their time to help at the event is encouraged to contact the Shire.
- Expo Hours- there is the option to put your volunteer hours to the daycare project at Expo 2023.

All donated funds (including funds from proceeds of grain) are held by the Shire in a designated 'Trust account'. The transparency and accountability of these funds is strictly governed by legislation which means that Council can only use these funds for the nominated purpose, in this case the daycare project. These funds are reported on as part of the monthly financial statements which are presented at every Council meeting and are publicly available via the Shire website or by contacting the Shire.

Daycare is a key piece of social and economic infrastructure that the whole community benefits from. We thank the Mingenew Community for their support and interest in this legacy project.

Do you have questions about this project? Please make contact and ask us, you can call:

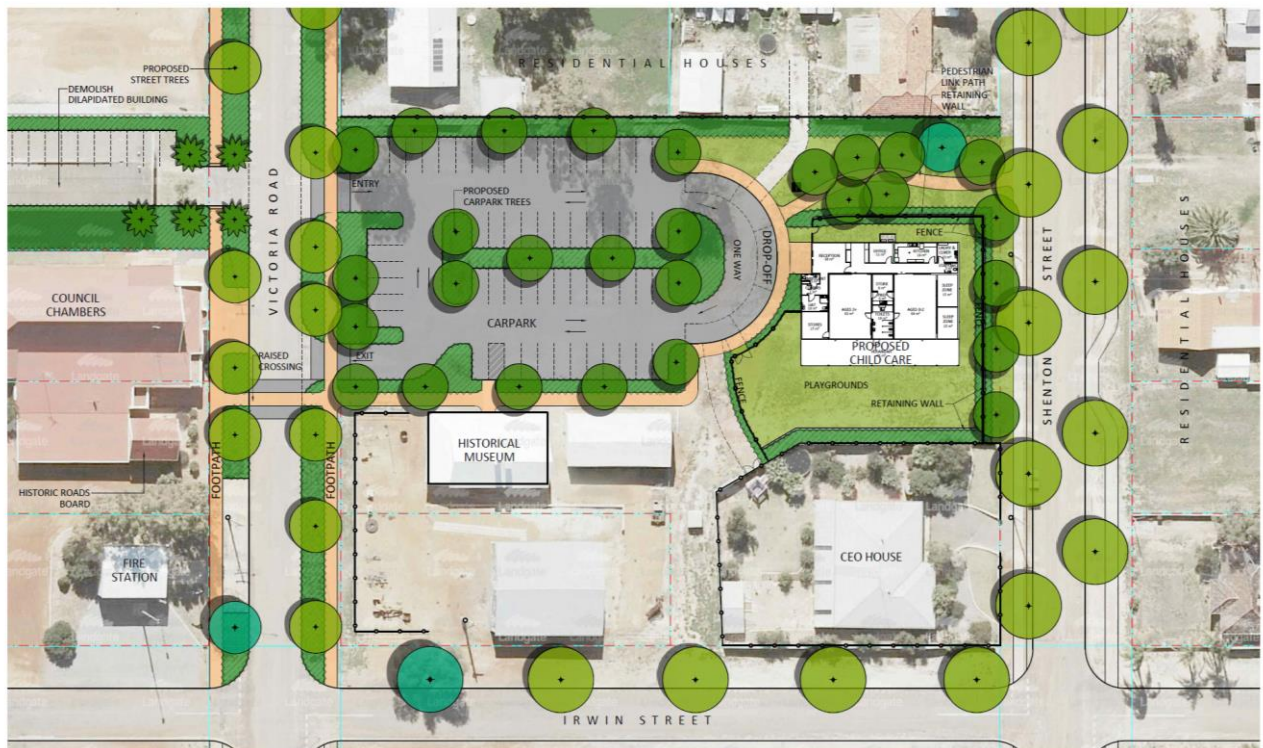
Matt Fanning CEO 9928 1102 or 0419 647 661

Hellene McTaggart, Shire Councillor on 0409 083 898.

Sincerely

Matt Fanning

Chief Executive Officer



SK03 - PROPOSED MASTERPLAN - OVERALL PLAN
MINGENEW CHILD CARE
VICTORIA STREET, MINGENEW WA
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