

Tender for Early Years Provision in Arbury, Cambridge City

To: Children and Young People's Committee

Meeting Date: 14th September 2021

From: Executive Director: People & Communities

Electoral division(s): Arbury, Cambridge City

Key decision: Yes

Forward Plan ref: KD2021/059

Outcome: To approve the initiation of a tender process to secure a new childcare provider in Arbury, Cambridge City.

Recommendation: To give approval to launch a tender process to secure a new childcare provider to deliver early years and childcare from 38 Carlton Way, Cambridge, CB4 2DE.

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1. Background

1.1 The Council's Statutory Duties

The Childcare Act 2006 placed specific sufficiency duties upon Local Authorities (LAs), including to secure:

- sufficient and suitable childcare places to enable parents to work, or to undertake education or training which could lead to employment.
- sufficient and suitable early years places to meet predicted demand; and
- free early years provision for all 3 and 4-year olds of 15 hours per week 38 weeks per year (570 hours per year).

1.2 The Education Act 2011 extended LAs' duties to include an entitlement of 570 hours of free early education per year for eligible two-year olds, from the term following their second birthday.

1.3 The Childcare Act 2016 further extended LAs' duties such that, since September 2017, children aged three and four from working families who meet the qualifying criteria (Appendix 1), have been entitled to an additional 570 hours of free childcare, providing them with a total of 1040 hours of free childcare (equivalent to 30 hours per week for 38 weeks per year).

1.4 Funding to EY providers for these places is made by the Council as part of the Early Years (EY) single funding formula, from the EY block of the Dedicated Schools Grant. The funding allocation is based on the number of hours childcare provided.

2. Early Years provision in Arbury

2.1 In 2013, the former caretaker's bungalow at Arbury Primary School in Cambridge was identified as surplus to the school's needs. As the Council had an identified need for early years places in this part of the City, the decision was taken to convert it to make it suitable for delivery of early years education and childcare.

2.2 In 2013 a tender process was undertaken and the Early Years Alliance (EYA), at the time known as the Pre-School Learning Alliance, was the successful applicant. Due to the lengthy building works undertaken the EYA opened the setting in 2015.

2.3 The Arbury setting currently has capacity for up to 37 2 to 4-year olds, at one time. Offering care from 9am to 3pm, Monday to Friday, term time only. This allows up to 74 children to access their 15-hour free entitlement or up to 37 children to take up their extended entitlement.

2.4 EY places in Cambridge City are in high demand. The latest available data indicates that the number of places required in the north of the City exceeds the total of 1,169 15-hour childcare places currently available, of which 83 are in the Arbury catchment area and 74 are provided by Arbury Pre-School. Appendix 2 provides a summary of the settings in the North of the City along with the demographic forecasts of EY children in the area and the number of children entitled to funded childcare.

- 2.5 The demographic data for the Arbury Primary School catchment area indicates a potential shortfall of 133 available places of, however, as not all parents take up their entitlement and some take up their entitlement out of catchment, the current available combined capacity of the Arbury setting and local childminders is sufficient to meet demand. Should this change, officers will endeavour to develop additional places to meet the need.
- 2.6 The EYA has advised the Council that they no longer wish to manage and operate the EY setting in Arbury. They would like to cease operating the setting effective from July 2021 but may be willing to delay this to prevent an interruption in service to families. Therefore, a tender is required to identify a new childcare provider. A tender is a lengthy process which takes 3 - 4 months to complete. In addition to this, time must be allowed for the new childcare provider to register with the Office for Standards in Education (Ofsted) prior to opening. This is a legal requirement which can take up to 6 months. However, the 6-month period is often reduced if the successful applicant is an existing EY provider
- 2.7 In order to continue to be able to meet its statutory sufficiency duty the Council cannot afford to lose the well-attended, centrally located setting in Arbury.
- 2.8 The tender specification will require the new childcare provider to run the setting for a minimum of 5 years. The potential value of the contract over the 5-year lease period has been calculated as between £740,601.00 and £756,732.00. The Council's Constitution defines a key decision as one which 'results in the Council incurring expenditure or making savings in a single transaction, in excess of £500,000.' Therefore, given the potential contract value it is necessary to seek Committee approval to carry out the tender process. Appendix 3 sets out the detailed calculations for the contract value.
- 2.9 Given the potential time required for tendering, Ofsted registration and Committee approval there is a risk that in cases such as this, the notice period of 3 months required of an EY provider, is insufficient to carry out all the necessary processes and to ensure that there is no loss of service to families. Such a loss would not only cause considerable upheaval to children and parents, but it would also place at risk the Council's ability to meet its statutory EY sufficiency duty.
- 2.10 For the reasons set out above officers will return to the Children and Young People's (CYP) Committee in the autumn of 2021 with options to reduce the time required to tender and streamline the process, whilst continuing to meet procurement regulations.

3. Alignment with corporate priorities

- 3.1 Communities at the heart of everything we do
The report above sets out the implications for this priority in 2.4, as it is important that parents can access a childcare place in their community.
- 3.2 A good quality of life for everyone
This corporate priority is explicit throughout the report as it relates to early years provision, which not only supports children to learn, thrive and achieve their full potential but also supports parents to learn and to work.

- 3.3 Helping our children learn, develop and live life to the full
This corporate priority is explicit throughout the report as it relates to early years children gaining access to early years education which will support their learning and development. This is key to securing optimal outcomes for all children, as well as supporting their wellbeing and playing an important role in safeguarding them.
- 3.4 Cambridgeshire: a well-connected, safe, clean, green environment
This corporate priority is evident in paragraph 2.4 in the report, which relates to early years provision within the community. This supports parents to access childcare close to home and therefore reduces the need to travel.
- 3.5 Protecting and caring for those who need us
High quality early years provision plays a role in caring for and safeguarding all children who access it. The provision referred to within the report covers EY education for funded 2-year olds, 3- and 4-year olds and childcare for the children of working families.

4. Significant Implications

- 4.1 Resource Implications
There are no significant implications within this category.
- 4.2 Procurement/Contractual/Council Contract Procedure Rules Implications
The process to seek a new provider would be undertaken in line with the Council's procurement procedures.
- 4.3 Statutory, Legal and Risk Implications
The report above sets out the implications for this priority in paragraph 1.1, 1.2, 1.3, 2.7 and 2.8
- 4.4 Equality and Diversity Implications
Sufficient good quality early years provision is essential in securing better outcomes for all groups within the community.
- 4.5 Engagement and Communications Implications
The Council will send a letter to parents of children who access the current setting, to inform parents of the changes and how they can continue to access their free EY entitlement. Support will also be provided to both the existing and new provider to ensure that parents remain fully informed throughout the process and are aware of the changes.
- 4.6 Localism and Local Member Involvement
The Local Member for Arbury has been fully briefed on this matter.
- 4.7 Public Health Implications
The following bullet points set out details of significant implications identified by officers:
- There is good evidence that Early Years settings can do much to promote good nutrition and physical activity especially when habits are being formed.
 - There are strong links between education and health.
 - Improving school readiness is part of the Public Health Outcomes Framework

- 4.8 Environment and Climate Change Implications on Priority Areas (See further guidance in Appendix 2): This will depend on the successful childcare provider. Assurance relating to requirements for minimising carbon, will be sought via the social value questions in the tender.
- 4.8.1 Implication 1: Energy efficient, low carbon buildings.
Positive/neutral/negative Status: Neutral
Explanation: The service will operate from Cambridgeshire County Council Premises and the successful provider will not have the ability to influence this.
- 4.8.2 Implication 2: Low carbon transport.
Positive/neutral/negative Status: Neutral
Explanation: There is no transport related to this tender.
- 4.8.3 Implication 3: Green spaces, peatland, afforestation, habitats and land management.
Positive/neutral/negative Status: Neutral
Explanation: There is limited outdoor space attached to this property, assurance that it will be sought that it will be maintained in an appropriate manner.
- 4.8.4 Implication 4: Waste Management and Tackling Plastic Pollution.
Positive/neutral/negative Status: Neutral
Explanation: There is limited opportunity to make a significant difference.
- 4.8.5 Implication 5: Water use, availability and management:
Positive/neutral/negative Status: Neutral
Explanation: There is limited opportunity to make a significant difference.
- 4.8.6 Implication 6: Air Pollution.
Positive/neutral/negative Status: Neutral
Explanation: There is limited opportunity to make a significant difference.
- 4.8.7 Implication 7: Resilience of our services and infrastructure and supporting vulnerable people to cope with climate change.
Positive/neutral/negative Status: Positive
Explanation: Providers will be encouraged to influence those in their care about climate change and positive behaviour relating to this. This will help build resilience in our communities.

Have the resource implications been cleared by Finance?

Yes

Name of Financial Officer: Martin Wade

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the Head of Procurement?

Yes

Name of Officer: Henry Swan

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer?

Yes

Name of Legal Officer: Fiona McMillan

Have the equality and diversity implications been cleared by your Service Contact?

Yes

Name of Officer: Jon Lewis

Have any engagement and communication implications been cleared by Communications?

Yes

Name of Officer: Simon Cobby

Have any localism and Local Member involvement issues been cleared by your Service Contact? Yes

Name of Officer: Jon Lewis

Have any Public Health implications been cleared by Public Health?

Yes

Name of Officer: Raj Lakshman

If a Key decision, have any Environment and Climate Change implications been cleared by the Climate Change Officer?

Yes

Name of Officer: Emily Bolton

5. Source documents guidance

- 5.1 [Early education and childcare statutory guidance for local authorities \(Department for Education June 2021\)](#)