



Request for Expressions of Interest Crystal Brook long daycare service

Background

Crystal Brook is an agricultural community with a population of more than 1,500 residents (nearly 1,700 including surrounding settlements) located in the Southern Flinders Ranges, approximately 200km north of Adelaide. The township continues to experience modest population growth, and maintains a high birth rate contributing to a proportionally larger share of young families living and working locally and in nearby employment centres between Port Pirie, Clare and Kadina.

The town is well-serviced by retail and services (including schools, a hospital, specialist clinics, major agriculture machinery dealerships), and benefits from large government employers (namely SA Water, Department of Infrastructure and Transport, and the Yorke and Northern Local Health Network) having a significant presence in the town supporting a stable workforce.

Despite these features, Crystal Brook lacks access to childcare facilities, with an occasional care service supported by Crystal Brook Kindergarten two days per week as capacity allows.

Crystal Brook Community Childcare Incorporated (CBCWG) is an independently incorporated not-for-profit community organisation working in partnership with the Department for Education, Port Pirie Regional Council and other local stakeholders to secure a long daycare service in Crystal Brook.

This expression of interest process seeks to identify accredited and suitably-experienced providers of childcare services that are interested in operating a service from a proposed community-owned facility co-located at Crystal Brook Primary School.

Reference concept

The following reference concept has been developed by CBCWG for the purpose of engaging with potential providers to understand the level of interest from potential providers to deliver a service, and to understand providers' perspectives on how different aspects of the reference concept might work and what considerations need be had in refining the model and progressing negotiations.

The key components of this reference concept comprise:

- A ground lease between Department for Education and CBCWG for a portion of land situated at Crystal Brook Primary School
 - The Minister for Education has granted in-principle approval for this ground lease on 8 August 2022, subject to a number of conditions.
- Funding agreement(s) and construction contract(s) between CBCWG and third parties.
 - Funding is being sought through Commonwealth and State Government grant processes.
 - (Subject to a detailed assessment) a design and construct procurement model would be used to engage a developer to construct the facility.
- Agreement(s) between CBCWG and a licensed operator to deliver and operate the long daycare service(s). This would involve a service level agreement (SLA), and potentially a commercial lease agreement as well (unless relevant provisions are covered under the SLA).
 - The SLA between CBCWG and the operator would cover the delivery of the service, while arrangements relating to the facility specifically may be incorporated into the same SLA, or covered by a separate commercial lease agreement.
- Commercial terms of the agreement(s) between CBCWG and the operator would be subject to negotiation following the EoI process with the preferred provider(s), with the following broad parameters to apply to these negotiations:
 - The operator would deliver the service as a going concern, responsible for accreditation, operations and financials.
 - The SLA would cover minimum service standards such as number of licensed places to be supported, accreditation standards to be maintained and minimum hours of operation per week.
 - Lease fees would not necessarily be set in reference to a commercial rate of return, but rather in reference to a lower bound reflecting building depreciation and capital maintenance costs, outgoings (i.e. water, electricity, council rates, Emergency Services Levy and building insurance).
 - CBCWG would not seek to generate any commercial returns under the lease
 - Ownership of the site is retained by the Department of Education, and that of the building by CBCWG. The fitout may be owned by CBCWG or the delivery partner depending on tenure of the SLA and commercial negotiations.
- Initial architectural drawings and cost estimate reports have been prepared for the proposed facility to support funding efforts by CBCWG. These designs are provided for reference at Attachment #1, with revisions possible based on input from a preferred provider should discussions progress appropriately.

Service catchment and demand profile

Various analyses have been undertaken to estimate the level of demand for long daycare services in Crystal Brook. Two community surveys have been conducted to quantify local demand:

- A **2021 survey** yielded 92 responses and a peak catchment population (defined as children aged 0 – 3) of 81 (with the oldest in the cohort having been born in 2018).
- The current survey (being fielded from **July 2025** until the present) has solicited 56 responses locally, with **46 children** requiring long daycare care and 17 requiring out-of-school-hours-care (OSHC) (noting these may not be distinct populations).
 - Survey responses indicated average weekly demand of 27.7 hours per child for long day care services.

These survey results have been validated with population forecasting produced using ABS Census data and 2024 population forecasts, which yield a projected catchment population of 83 children in 2025.

Applying the same scaling factor for response rates, the number of children requiring long daycare is estimated at **68 children**, equating to 38 full-time equivalent places assuming a conventional 50-hour per week service.

Expression of Interest process

Existing providers who may be interested in partnering with CBCWG are encouraged to submit an expression of interest (EoI) outlining their views around how a long daycare service may look under the reference concept outlined above.

Acknowledging the early stages of current investigations, CBCWG is open to working with interested parties to discuss and refine the concept to derive a model that support a sustainable long daycare service in the long term.

Respondents are encouraged to use their best endeavours in completing the EoI schedules, which are assumed to be indicative only and open to further negotiation via a separate process to follow with preferred provider(s).

An online information session will be held on **15th December 2025** to present the work of the CBCWG to date, the reference concept and EoI process to potentially interested parties.

Interested parties can register to attend the session by contacting info@yorkeandmidnorth.com.au.

EoI responses will be accepted until **24th January 2025**, at which point CBCWG will review responses and engage with relevant respondents for further discussions. Responses should be submitted to ceo@yorkeandmidnorth.com.au by the close date.

Any questions may be directed to ceo@yorkeandmidnorth.com.au or 0488 557 656.