

Meeting of:	CABINET
Date of Meeting:	22 JULY 2025
Report Title:	PROCUREMENT OF AN OPEN FRAMEWORK FOR FLYING START CHILDCARE PROVIDERS
Report Owner / Corporate Director:	CORPORATE DIRECTOR – EDUCATION, EARLY YEARS AND YOUNG PEOPLE CHIEF OFFICER – FINANCE, HOUSING AND CHANGE
Responsible Officer:	STEPHANIE THOMAS, EARLY YEARS AND CHILDCARE MANAGER MELINDA POWELL – CENTRAL GRANTS TEAM MANAGER
Policy Framework and Procedure Rules:	There is no effect upon the policy framework or procedure rules
Executive Summary:	This report highlights the vulnerability that currently exists by the absence of formal contracts with childcare providers offering Flying Start places in Bridgend. The report is clear that this situation must be addressed as a priority. The report seeks approval to go out to tender for an open framework to appoint providers to deliver childcare places under the Flying Start and Flying Start Expansion programmes at a fixed rate fee of £18.50 per session.

1. Purpose of Report

- 1.1 The purpose of this report is to seek Cabinet approval to go out to tender for an open framework to appoint providers to deliver childcare places under the Flying Start and Flying Start Expansion programmes. As part of the tender process a fixed rate fee of £18.50 per session (2.5 hours) per child will be implemented for all childcare provision.

2. Background

- 2.1 Since the inception of the Flying Start programme in 2007, the local authority has engaged the services of private and third sector organisations to support in the delivery of the childcare element of the programme.

- 2.2 Since 2007, the Flying Start programme has expanded. The first expansion was in 2012, and again in 2022 and 2024 with approximately half of all two-year-olds in Bridgend now eligible for Flying Start, either through the original programme or the Flying Start expansion programme.
- 2.3 Current arrangements for childcare provision have no formal contracts in place. The level of funding issued to providers outside of contractual arrangements is high and poses a risk to the Local Authority.

3. Current situation/ proposal

- 3.1 As a result of Flying Start expansion, over 30 private and third sector organisations are now involved in the delivery of childcare places.
- 3.2 Further expansion of the Flying Start programme will take place in 2025, and it is hoped that by 2027, all two-year-olds in Bridgend will be eligible for a Flying Start childcare place.
- 3.3 A working group has been set up comprising of officers from Early Years and Childcare Team, Central Grants Team, Legal and Procurement with tender documentation and contracts currently being prepared in draft.
- 3.4 A fixed-rate fee, consistent for all providers, will form part of the proposed contract.
- 3.5 It is proposed that, from June 2025, preliminary market engagement with providers commences. This would involve workshops and one-to-one discussions with the aim of raising awareness of the tender process, supporting providers to understand the requirements and offering advice on submitting a tender.
- 3.6 Given the annual value of existing arrangements in the current year is in excess of £3 million, it is vital that contracts are formalised via a tender process which will be compliant with the new Procurement Act 2023. It is proposed that all existing providers are invited to tender to remain a local authority registered provider on an open framework in order to receive funding for Flying Start childcare places.
- 3.7 An open framework is a new concept introduced under the Procurement Act 2023 and allows providers to remain on a framework for up to 8 years once they have tendered and been successfully appointed. The open framework allows new providers to tender for a place on the framework which can be reopened annually to remove existing providers or add new. It will also allow flexibility to adapt the framework in line with the demand for Flying Start childcare provision at settings.
- 3.8 The framework will be a fixed list of pre-approved providers who can be awarded contracts over a set period, with or without a competitive selection process, to ensure the quality of care remains high and they retain their place on the framework. The call off contract can extend beyond the term of the framework itself.

- 3.9 Smaller community-based providers can submit a tender and join the framework to ensure there is Flying Start childcare in the communities in which the settings are based whilst also providing parents with more options to attend Flying Start childcare in areas in which they may work.
- 3.10 Providers on the open framework will need to meet and maintain the standards of the Quality Assurance Team and ensure documentation is completed to support performance reporting to Welsh Government and the Local Authority.
- 3.11 Providers must adhere to the terms and conditions of their call-off contracts such as eligibility checks, maintaining quality standards and following the funding arrangements in line with submitting invoices.
- 3.12 There is also the need to bring Bridgend's approach to purchasing places in mixed economy settings in line with the other 21 local authorities in Wales. This will provide better financial certainty and allow for more robust financial planning. It is proposed that the fixed sessional rate is included as part of the tender process.

4. Equality implications (including Socio-economic Duty and Welsh Language)

- 4.1 An initial Equality Impact Assessment (EIA) screening has identified that there would be no negative impact on those with one or more of the protected characteristics, on socio-economic disadvantage or the use of the Welsh Language. It is therefore not necessary to carry out a full EIA on this policy or proposal.

5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives

- 5.1 This proposal is focused on long-term security for the Flying Start programme and the Flying Start expansion programme by helping to secure the provision of adequate and sustainable high-quality childcare places and taking steps to ensure that accurate financial planning can take place. The proposal removes the uncertainty the programme faces around if and when providers raise their session fees and eliminates the possibility of providers ending their arrangement with the local authority with little or no notice.
- 5.2 The proposal, if agreed, will allow services to take action that aim to stop any issues around the wider Flying Start expansion before they emerge.
- 5.3 To support the development of this proposal, a childcare sufficiency officer has carried out interviews with the majority of private, voluntary and independent childcare organisations in Bridgend. Many of these highlighted sustainability concerns, which has led to the inclusion of the £18.50 per session (2.5 hours) per child recommendation and demonstrates the local authority's commitment to working with stakeholders and involving them in decisions that affect them.

6. Climate Change and Nature Implications

- 6.1 There are no climate change or nature implications linked to this report.

7. Safeguarding and Corporate Parent Implications

- 7.1 The proposal reinforces the robust safeguarding requirements providers need to comply with to be able to deliver Flying Start places on behalf of the local authority.

8. Financial Implications

- 8.1 Following consultation with Corporate Management Board, Early Years and Childcare Team, Central Grants Team and a number of neighboring local authorities, a recommendation to implement a fixed rate fee of £18.50 has been proposed, to bring Bridgend County Borough Council in line with other local authorities in Wales. This also factors in inflation, national minimum wage and increases in national insurance contributions. This fee demonstrates value for money, provides the majority of current providers with an increase in current rates and requires minimal additional financial resource from the Children and Communities Grant (CCG). Welsh Government have provided additional financial resource in the CCG 2025/26 and the two-year period following, to allow an increase in childcare fees in line with the factors mentioned above, which is sufficient to cover the shortfall in existing budgets.
- 8.2 The implementation of a flat rate fee will allow better financial planning longer term for Bridgend County Borough Council and bring consistency across both the childcare sector and other Local Authorities in Wales.
- 8.3 The introduction of a tender process, being on an open framework and entering into call-off contracts, makes the best use of public funds, ensures value for money and allows the Council to monitor against an agreed framework of quality provision, outcomes and impact of service.
- 8.4 The overall value of the Framework is dependent on funding from Welsh Government and the allocated spend for Flying Start under the Children and Communities Grant.

9. Recommendations

- 9.1 It is recommended that Cabinet:

9.1.1 approves the use of the tender process in relation to private and third sector organisations providing Flying Start and Flying Start Expansion places on behalf of the local authority;

9.1.2 delegates authority to the Head of Partnerships and Housing, to tender for the framework of childcare providers to deliver early years places under the Flying Start and Flying Start Expansion programmes in consultation with the Chief Officer – Legal and Regulatory, HR and Corporate Policy.

9.1.3 notes that a further report shall be presented to Cabinet following the conclusion of the procurement of the Open Framework for a decision on whether to award the Framework and seek approval to enter into the Framework Agreement with successful bidders.

Background documents

None