



CHILDCARE NEEDS ASSESSMENT

PROPOSED DEVELOPMENT SITE

25-27 JONES ROAD

BELLBIRD PARK QLD 4300

REPORT PREPARED FOR:

BBP2 PTY LTD

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IMPORTANT INFORMATION

This report represents an assessment of the need for long day care services in the study area only and should not be interpreted as an assessment of the commercial feasibility for centre development, acquisition or disposal. Information and assumptions used in this report are subject to change and should not be interpreted as precise predictions of the demographic future nor of future market conditions.

While all due care has been taken to ensure the accuracy and currency of information provided in this report, it should not be relied upon in isolation for the making of business decisions. Interested parties should undertake independent inquiries and investigations to satisfy themselves that relevant information remains current, comprehensive and correct.

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TABLE OF CONTENTS

INTRODUCTION	2
Long Day Care in Australia	3
INDUSTRY TRENDS & OUTLOOK	4
EXECUTIVE SUMMARY	5
SUMMARY OF KEY STATISTICAL INDICATORS.....	6
CHILDCARE DEVELOPMENT PIPELINE	7
SUBJECT SITE	8
LOCAL CONTEXT	9
PLANNING CONTEXT	10
MAP OF LOCAL CATCHMENT AREA.....	11
POPULATION & DEMOGRAPHICS	12
KEY DEMOGRAPHIC INDICATORS.....	13
WORKING POPULATION.....	14
SUPPLY ANALYSIS.....	15
SUPPLY TABLE – LONG DAY CARE CENTRES.....	16
DEMAND ANALYSIS.....	17
DEMAND TABLE	18
ECONOMIC, COMMUNITY & PLANNING NEED.....	19
NEEDS ASSESSMENT – LONG DAY CARE	20
APPENDIX 1 - REPORT BENCHMARKS & TRENDS.....	22
APPENDIX 2 -Terms used in this report	24
APPENDIX 3 – SPATIAL DEMAND INDICATORS	26
Children Aged Under 5	26
Female Labour Force Participation Rate	27
Socioeconomic Advantage and Disadvantage	28
Population Growth.....	29

INTRODUCTION

This Childcare Needs Assessment provides an independent assessment of the community, economic and planning need for long day care services in BELLBIRD PARK, QUEENSLAND - specifically concerning a proposed 108-place long day care centre located at 25-27 Jones Road, Bellbird Park QLD 4300.

The report includes a review of existing long day care facilities (supply) in the local catchment area (including estimates of occupancy rates and fees for existing centres); estimates of demand for long day care from the resident and non-resident working population; and a demographic profile of the local area. It also provides an analysis of key demand drivers for childcare and an assessment of the extent to which the existing supply of long day care is meeting current levels of demand.

This assessment is restricted to the demand and supply of long day care centres. Other forms of informal childcare and centre-based childcare (ie: kindergarten/preschool and outside school hours care) service separate markets and are not considered relevant to assessing the need for long day care.

ABBREVIATIONS USED IN THIS REPORT

ABS - Australian Bureau of Statistics
ACECQA - Australian Children's Education and Care Quality Authority
ASGS - Australian Statistical Geography Standard
CCS - Child Care Subsidy
ERP - Estimated Resident Population
FLFPR - Female labour Force Participation Rate
LGA - Local Government Area
NQS - National Quality Standard
OSHC - Outside School Hours Care
ROGS - Report on Government Services
SA1 or SA2 - Statistical Area Level 1 or 2 (ABS Geography Level)

Note: This report should be read in conjunction with the Appendices which explain the benchmarks used in the report and many of the terms and concepts used.

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ABOUT BUSINESS GEOGRAPHICS

Business Geographics are specialists in childcare location research. We work with the leading names in childcare in Australia and our clients include Australia's largest childcare providers as well as many independent management groups, operators & developers.

We produce hundreds of needs assessments each year throughout Australia and have a detailed understanding of local market trends and conditions. We maintain a comprehensive database of long day care centres and developments and closely monitor relevant demographic data, population forecasts and residential development trends.

We also provide a ready-made mapping online platform tailored to the specific needs of childcare operators, developers and investors. Qikmaps can be used to conduct quick desktop appraisals of prospective sites and identify new opportunities for centre development and/or acquisition. More information is available at www.qikmaps.com.au

LONG DAY CARE IN AUSTRALIA

Long Day Care is a form of centre-based childcare that provides all day care for children of (typically) working families. Long Day Care centres may be run by private operators, not-for-profit organisations, employers and community groups. Many long day care services also offer kindergarten or pre-school programs and some offer outside school hours care (OSHC).

Long Day Care has become a significant social service as it is seen as both a mechanism to support labour force participation and as an important form of early learning and education. Government investment in childcare is now well understood to generate direct economic benefits that are a multiple of its cost. As such the availability, accessibility and use of childcare by working families continues to grow strongly. This growth reflects changing social attitudes and aspirations, the need for families to have two sources of income to support rising housing costs and the associated increase in female labour force participation, and increasing government support for the sector. Indeed, the massive financial support for childcare during the COVID pandemic confirms the importance of the sector to the economy.

MARKET SEGMENTS

The market for long day care can be split between Infants/nursery and toddlers (aged under 2 years) and Junior Kindy/Kindergarten (aged 2 – 5 years).

- The infants/toddler market has lower rates of participation and attendance as mothers with children in this age group are more likely to return to work part-time initially and are more likely to rely on informal carers such as grandparents.
- Children aged three and four have the highest rate of participation and attendance at long day care. Some of these children may access alternative childcare options such as stand-alone kindergarten and preschool services, however these options do not offer the same hours as long day care and may not be as convenient for working families.

DEMAND DRIVERS

Population of Children under 5 – The number of children under 5 years requiring childcare is a key factor affecting demand for long day care at both a national and local level. A small number of children aged 5 years also access kindergarten/preschool delivered in a long day care environment, however most children aged 5 years have already commenced formal schooling.

Government Subsidies – The Australian Government helps Australian families with childcare fees through the Child Care Subsidy (CCS). CCS is paid to approved providers who pass it on to families as a fee reduction. Families pay the difference (or Gap) between the provider's fee and the subsidy amount. The CCS was introduced in July 2018 with the aim of making childcare more flexible, accessible and affordable to encourage more families to increase their hours of paid employment. Changes to the CCS were introduced on 10th July 2023. These changes include an increase in the subsidy rate for low-income families and an extension of the subsidy to cover more hours of care per week.

Female Labour Force Participation Rate (FLFPR) – There is a strong (almost 1:1) correlation between the FLFPR and long day care participation. As the FLFPR increases so does childcare demand. Importantly, this relationship is linked both ways such that increasing childcare availability (ie supply) is a strong incentive for mothers to access formal childcare services in order to increase their workforce participation.

Household Income - Higher income households (typically double-income) are more able to afford (and more dependent on) child care services. Lower-income areas, or areas of significant socio-economic disadvantage tend to have lower rates of childcare participation.

Parental Preferences – Quality and 'warmth of care-giving' are a key factor for families in choosing childcare. Whilst most parents prefer services located near their home, parents will also seek out high quality centres that suit their values and/or have a good reputation. Other parents prefer to utilise childcare services near their place of work.

MARKET SHARE

The Child Care Services industry is highly fragmented. The three largest providers Goodstart Early Learning, G8 Education and Affinity Education Group comprise only approx. 15%-16% of total supply. Not-for-profit organisations operate approx. 50% of all approved industry services, and over a third of approved centres are operated by single-service providers. Providers are diverse and include schools, churches, community organisations and councils, however private 'for-profit' operators are increasingly dominating the long day care market.

INDUSTRY TRENDS & OUTLOOK

As at June 2024, there were approx. **8,828** long day care centres operating in Australia. As shown in the chart below, development activity peaked in 2019, slowed through 2020 and 2021 and increased again in 2022 and 2023.

New supply in recent years has improved the quality, amenity and availability of childcare with older centres facing increasing competitive pressure from new high-quality, purpose-built facilities. Indeed, increasing supply levels have been partially offset by the closure of older centres.

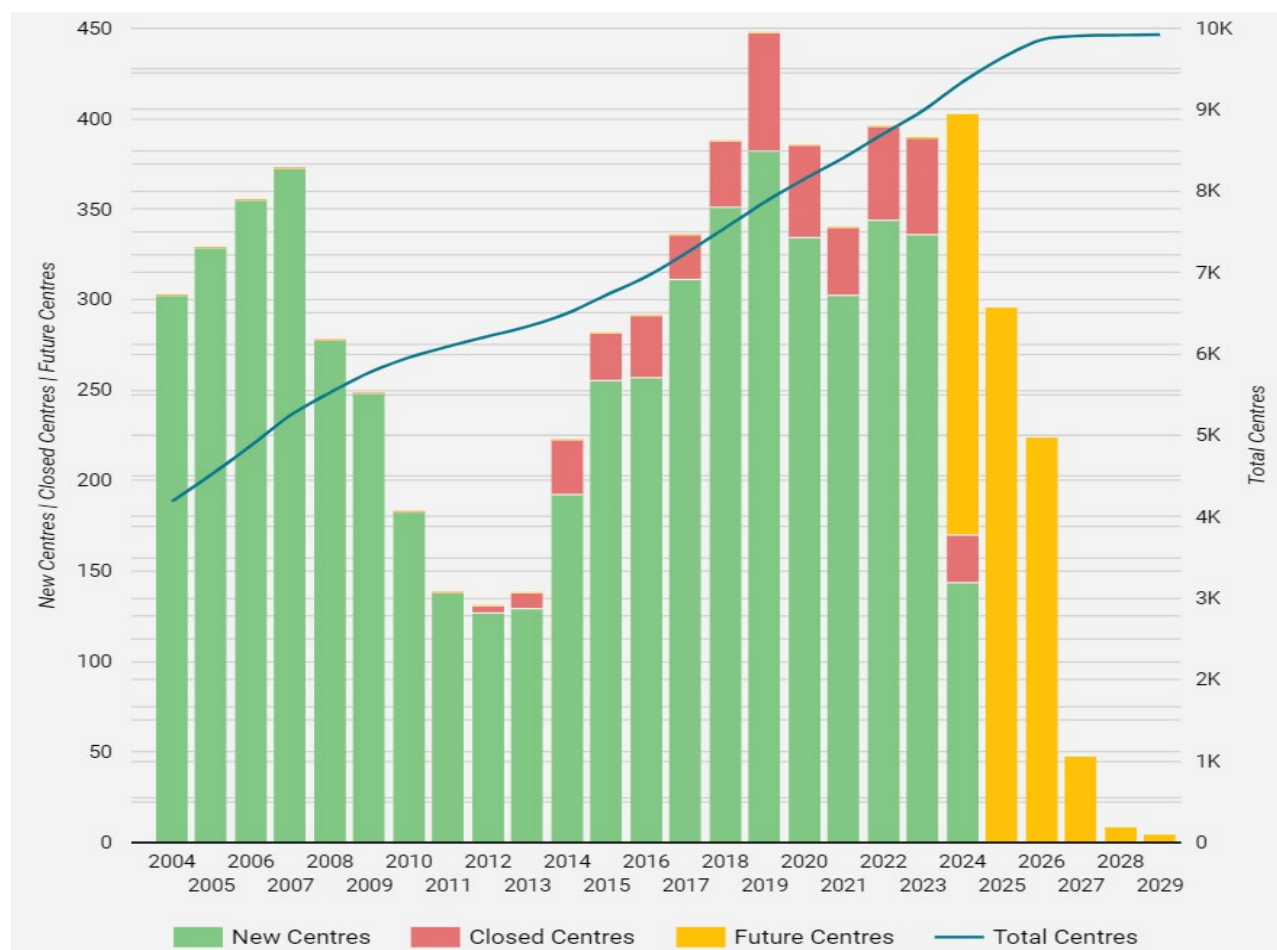
Overall, supply is largely meeting demand across Australia, however there are some spatial inequities in access to childcare and, in particular, a continued need for new centres in areas of population growth and urban expansion. There are also opportunities in established areas for quality improvement and renewal.

The childcare industry is currently facing some significant challenges with staffing shortages forcing some centres to cap enrolments. This lack of qualified staff is constraining revenue and growth and restricting childcare supply and availability. The need for higher wages to attract or retain staff also adds pressure on profit margins.

Additionally, the large increase in construction costs in recent years has stopped or postponed some new developments from proceeding, and also dampened acquisition activity and consolidation.

Government funding remains critical for revenue growth. Equitable and affordable childcare is a signature policy of the current Labor Government, and the potential for universal childcare access represents a key opportunity. That said, the current staffing shortage and associated supply constraints would need to be overcome for this to be effective.

In the meantime, the roll-out of free kindergarten/preschool is boosting demand. Childcare centres are playing an increasing role in providing early education and competing with the sessional kindergarten/preschool sector. Indeed, more children attend a preschool program at a long day care centre than in a dedicated preschool.



Source: Business Geographics Childcare Market Dashboard (June 2024)

EXECUTIVE SUMMARY

An overview of key statistical indicators of the Bellbird Park long day care market.

MARKET SUMMARY

Supply	Demand	Key Demand Drivers	Market Assessment
8 Long Day Care Centres	2,329 Children 0-4 (2024)	63.97% ▲ Female Labour Participation	85.99% Occupancy (2024)
883 Licensed Places	897 Daily Demand (2024)	51.15% ▲ Pop 0-4 w/ Employed Mother	UNDERSUPPLIED Market Assessment
\$137 Average Daily Fee	55% Participation Rate	960 (DECILE: 4) SEIFA Score (2021)	LIMITED VACANCIES Availability
	37 Non-Resident Demand (2024)	2.64 : 1 Ratio Children per Place	350 - 470 Additional Need 2029

NEEDS ASSESSMENT SUMMARY

At present (June 2024), families in Bellbird Park have limited local childcare options. The estimated daily demand for long day care in the local catchment exceeds available supply. The local market has low childcare self-containment, is **UNDERSUPPLIED** and, in Business Geographic's view, there is a strong and over-riding need for additional childcare. In this context, the proposed development at the subject site (108 places) is reasonable and appropriate and will address a significant local community, economic and planning need.

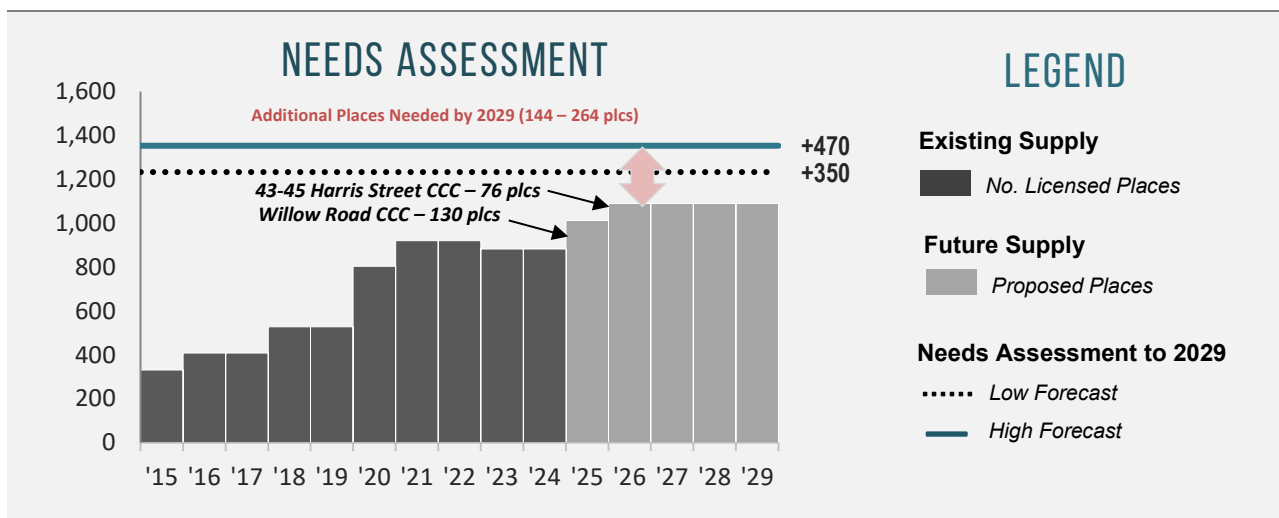
Whilst the proposed development requires a material change of use for the subject site, there are no other suitably zoned alternative sites in Bellbird Park to accommodate the proposed use. The proposed use would not compromise the role and function of other centre-zoned land or development of a future neighbourhood centre in Bellbird Park.

Moreover, the current childcare development pipeline is insufficient to address the overall need for childcare in Bellbird Park.

Overall, the forecast need is more than sufficient to support the subject site (108 places), the approved and under construction Willow Road Childcare Centre (130 places) and the proposed centre currently under assessment at 43-45 Harris Street (76 places). The total childcare development pipeline of 314 places (including the subject site) is less than the forecast need by 2029 of 350 – 470 places. An increase in supply of this order would be supportable and sustainable without having significant negative impacts on the existing (or future) supply network.

In conclusion, it's Business Geographic's view that the local community would benefit from a childcare centre at the subject site. Any impacts on the existing (or approved) childcare network would be expected to be minor, ameliorated over time and outweighed by the positive economic benefits to the local community of improved local childcare options. In fact, it's expected that additional childcare will ultimately be needed in the future (beyond 2029) to adequately service the longer-term needs of the community.

NEEDS ASSESSMENT TRENDS



SUMMARY OF KEY STATISTICAL INDICATORS

Table 1 summarises some of the key statistical indicators from the report that describe the long day care market in the study area. It provides a quick overview of key information provided in the report.

----- KEY STATISTICAL INDICATORS -----		
DEMAND INDICATORS	LOCAL CATCHMENT	QLD AVERAGE
Total Population (2024)	26,804	
Children Aged Under 5 (%)	2,329 (8.69%)	5.67%
Recent Growth 2021-2024 (Under 5)	+112 (1.68% p.a.)	-2.12%
Forecast Growth 2024-2029 (Under 5)	+163 (1.40% p.a.)	0.78% p.a. (ABS & Other Sources)
Long Day Care Participation Rate	55%	55% (2024)
Resident Daily Demand (Under 5)	897	Locally generated demand (<5)
Demand uplift for 5 year olds	+81	Additional 5 year old demand
Demand Inflows	+37	Non-resident worker demand
Demand Outflows	-250	Unmet demand serviced elsewhere or unrealised
Estimated Net Daily Demand	765	Demand serviced locally
SUPPLY INDICATORS		
No. of Long Day Care Centres (2024)	8	
Supply of Long Day Care Places (2024)	883	
Change in Supply 2021 – 2024 (%)	79 (net) new places (+9.8%)	12.2%
Average Daily Fee	\$137 (Range from \$113 to \$155.50)	\$124 (2024)
Vacancies at Existing Centres	LIMITED VACANCIES	
NEEDS ASSESSMENT		
Average Estimated Occupancy Rate (%)	86.64%	83.0% (2024)
Ratio of Children per LDC Place	2.64:1	2.0:1 (2024)
Assessment of Market	UNDERSUPPLIED (Large demand outflow)	
Potential Additional Market Need	350 to 470 places to 2029	Assuming participation rate of 55% - 60% and improved childcare self-containment
Development Pipeline ¹	<p>A limited online search has been conducted for childcare development applications and/or approvals within the catchment, returning two (2) relevant results outlined on the following page.</p> <p>It is unknown if any other applications or approvals exist. Interested parties should undertake their own inquiries and monitor the market for future developments.</p>	

¹ NOTE: Information regarding Development Applications or Approvals should not be interpreted as conclusive. This information is sourced from third-parties and its accuracy is not able to be verified by Business Geographics. This information is of course also subject to change. Interested parties may

CHILD CARE DEVELOPMENT PIPELINE

The list below shows proposed or approved new centres within the local catchment. **This list may not include applications that are less than 1 month old due to delays in reporting.**

----- DEVELOPMENT APPLICATIONS -----					
PROJECT	STREET ADDRESS	SUBURB	PLACES	PLANNING REF. & STATUS	DESCRIPTION
Willow Road CCC	69-71 Willow Road	REDBANK PLAINS	130	2789/2023/RAL (Amendment) / 15499/2021/CA Development Approval (May2022) Childcare Expected To Commence Construction In The Following Months (Dec2023) Construction commenced (May2024)	Construction of a single-storey childcare centre.
				12/2024/MCU Development Application Submitted (Jan2024) Still Under Assessment (Jun2024)	
43-45 Harris Street CCC	43-45 Harris Street	BELLBIRD PARK	76		Proposed construction of a childcare centre.
TOTAL PLACES			206		

OTHER CHILD CARE DEVELOPMENTS NEARBY

1. There is another approved childcare development for a 115-place centre at 7003 Diamond Way, REDBANK PLAINS. This approved development is just over 2km south-west of the subject site at the end of Keidges Road. It is not considered to be a viable alternative for residents of Bellbird Park and will service demand in Redbank Plains and, in particular, emerging residential areas near the new Woogaroo Creek State School.
2. Council approved a mixed-use development at 2A Tournament Drive, BROOKWATER in October 2023. The approval covers a medical centre and 130-place childcare facility (Busy Bees Brookwater). This site is located more than 2km south-east of the subject site and would also not be a viable alternative for residents of Bellbird Park. Whilst there may be some overlap in their catchments, this facility would primarily service residents of Brookwater and Augustine Heights.

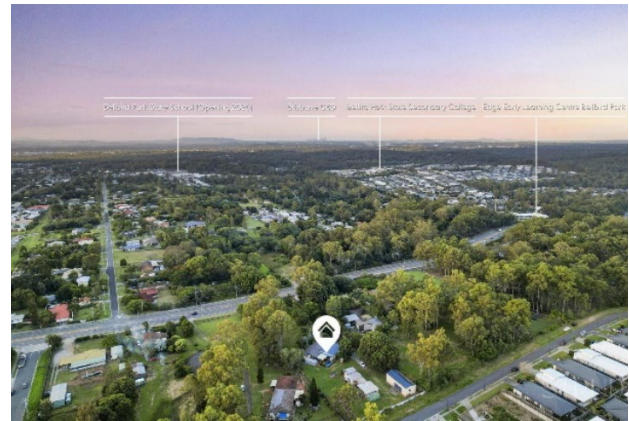
wish to discuss development activity in an area of interest in more detail with the relevant local government authority and/or a consultant town planner.

SUBJECT SITE

This section details the subject site and the proposed development.

The subject site comprises a proposed 108-place childcare centre located on a 6,038 sqm parcel (LOT 66 ON SP193349) otherwise known as 25-27 Jones Road, Bellbird Park QLD 4300.

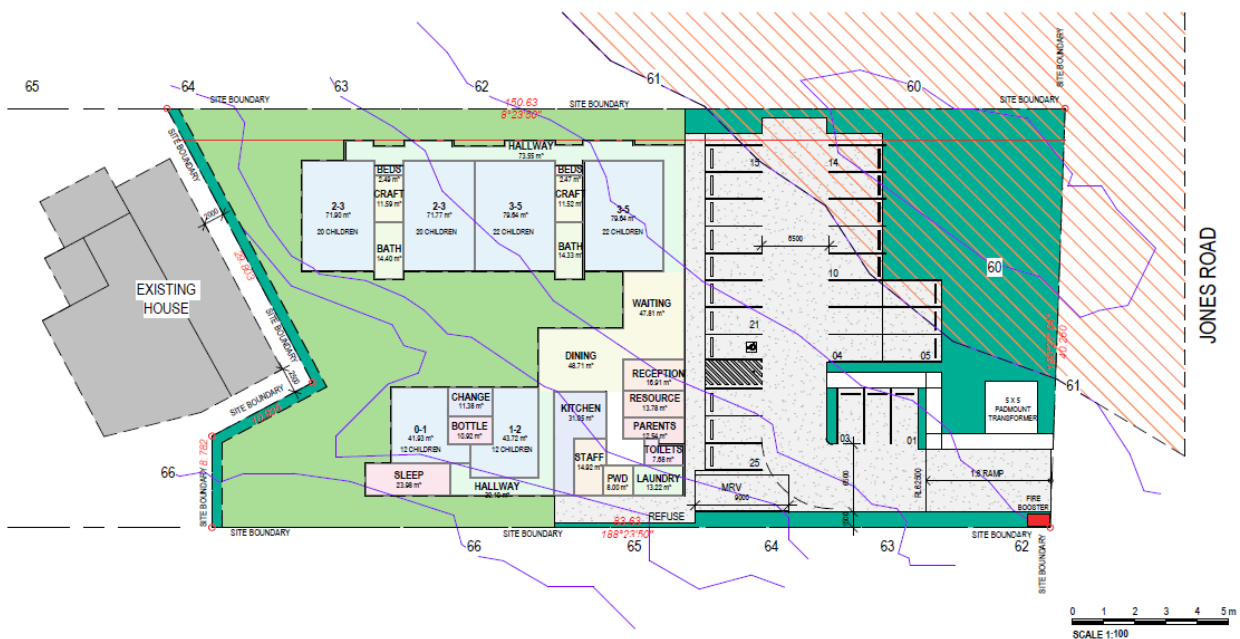
Site Images (Source: Realestate.com.au)



Draft Pre-lodgement Plan

DEVELOPMENT DATA		SITE DATA	
CHILD CARE GFA	872m²	OVERALL SITE AREA	6038m²
UNENCUMBERED OUTDOOR AREA (7M² PER CHILD)	760m²	CHILD CARE SITE AREA	3175m²
CARPARKING (MINIMUM 1 SPACE PER 5 CHILD)	25	LOT 66 ON SP193349	
		IPSWICH CITY COUNCIL	

PROPOSED CHILD CARE
108 PLACE



DZ ARCHITECTS Level 10, 100 Queen St, Gold Coast QLD 4217 07 5599 1234 DZARCHITECTS.COM.AU		FOR APPROVAL Project Name: NEW CHILD CARE - 25-27 JONES ROAD, BELLBIRD PARK Proposed Site Plan - PRELODGE Date: 01/23 Drawn By: Z211 Checked By: A01-23 Scale: 1:100	
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LOCAL CONTEXT

The photo below shows the proposed site at 25-27 Jones Road, Bellbird Park and an aerial image of the immediate area.

Some points of interest nearby (within 2km) include:



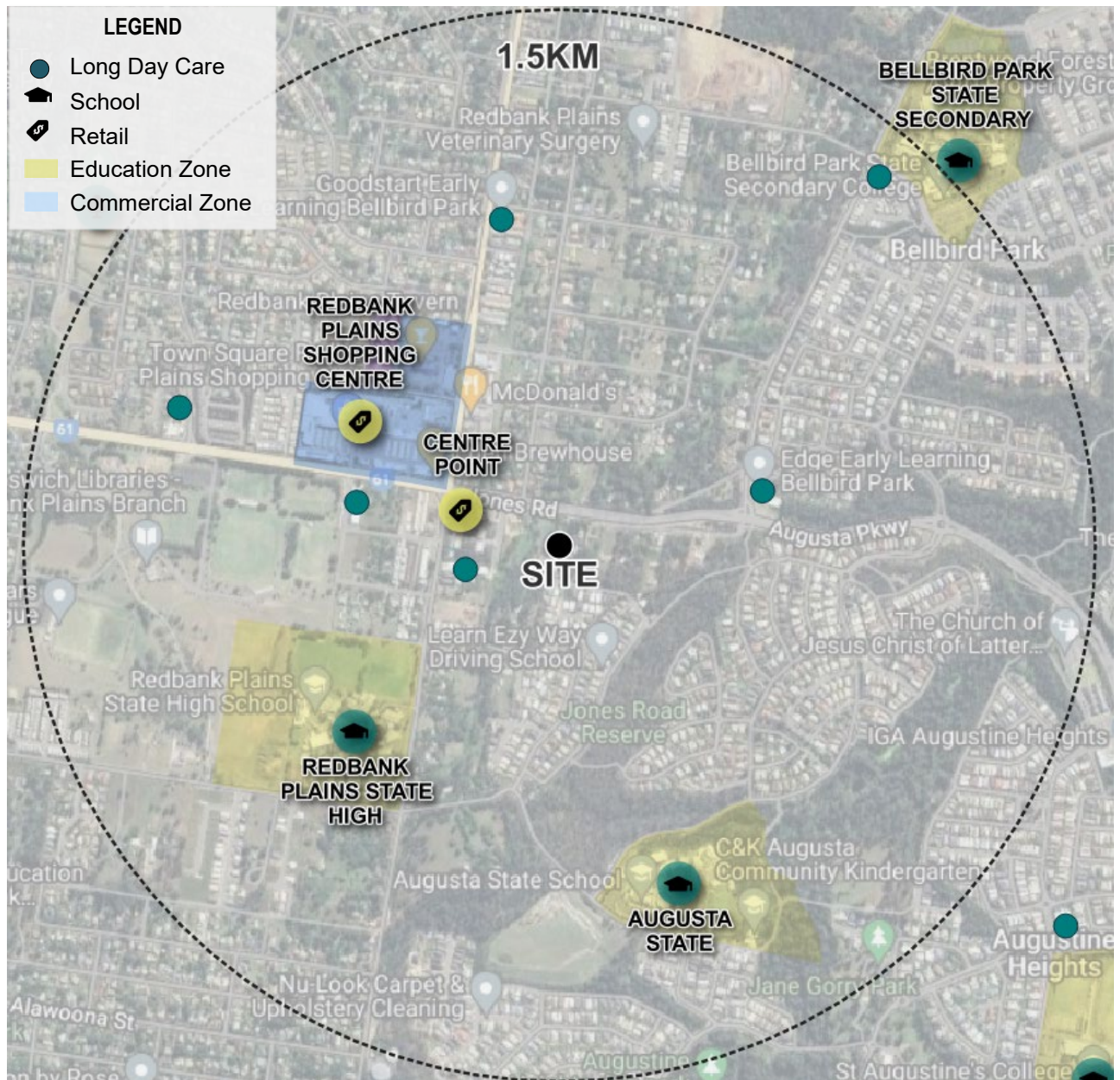
AUGUSTA STATE SCHOOL



REDBANK PLAINS STATE HIGH SCHOOL



BELLBIRD PARK STATE SECONDARY



PLANNING CONTEXT

IPSWICH PLANNING SCHEME 2006

Under the current Ipswich Planning Scheme 2006, the subject site is in the Residential Low Density Zone (RL02). Under this zoning, non-residential uses are permissible where they meet the following specific outcomes -

- (a) fulfils a local community need; and*
- (b) is accessible to the population it serves; and*
- (c) where possible co-locates with other non residential uses but does not contribute to undesirable commercial ribbon development; and*
- (d) does not have a significant detrimental impact on the amenity of nearby residents*
- (e) maintains a scale and appearance in keeping with the residential amenity and character of the locality with adequate buffering or screening to nearby residential uses (both existing and proposed).*

The proposed childcare facility is consistent with the intent of the planning scheme as it is a community-use facility that would support the day-to-day needs of local residents.

DRAFT IPSWICH PLANNING SCHEME 2024

Under the draft Ipswich Planning Scheme 2024, the subject site would be re-classified as Low Medium Density Residential. The purpose of the Low-Medium Density Residential Zone is to provide for:

- A: a variety of dwelling types, including dwelling houses and low to medium density multiple dwellings; and*
- B: community uses, and small-scale services, facilities and infrastructure, to support local residents.*

The proposed childcare facility is also consistent with the intent of the draft planning scheme as it is a community-use facility that would support the day-to-day needs of local residents.

ALTERNATIVE SITES

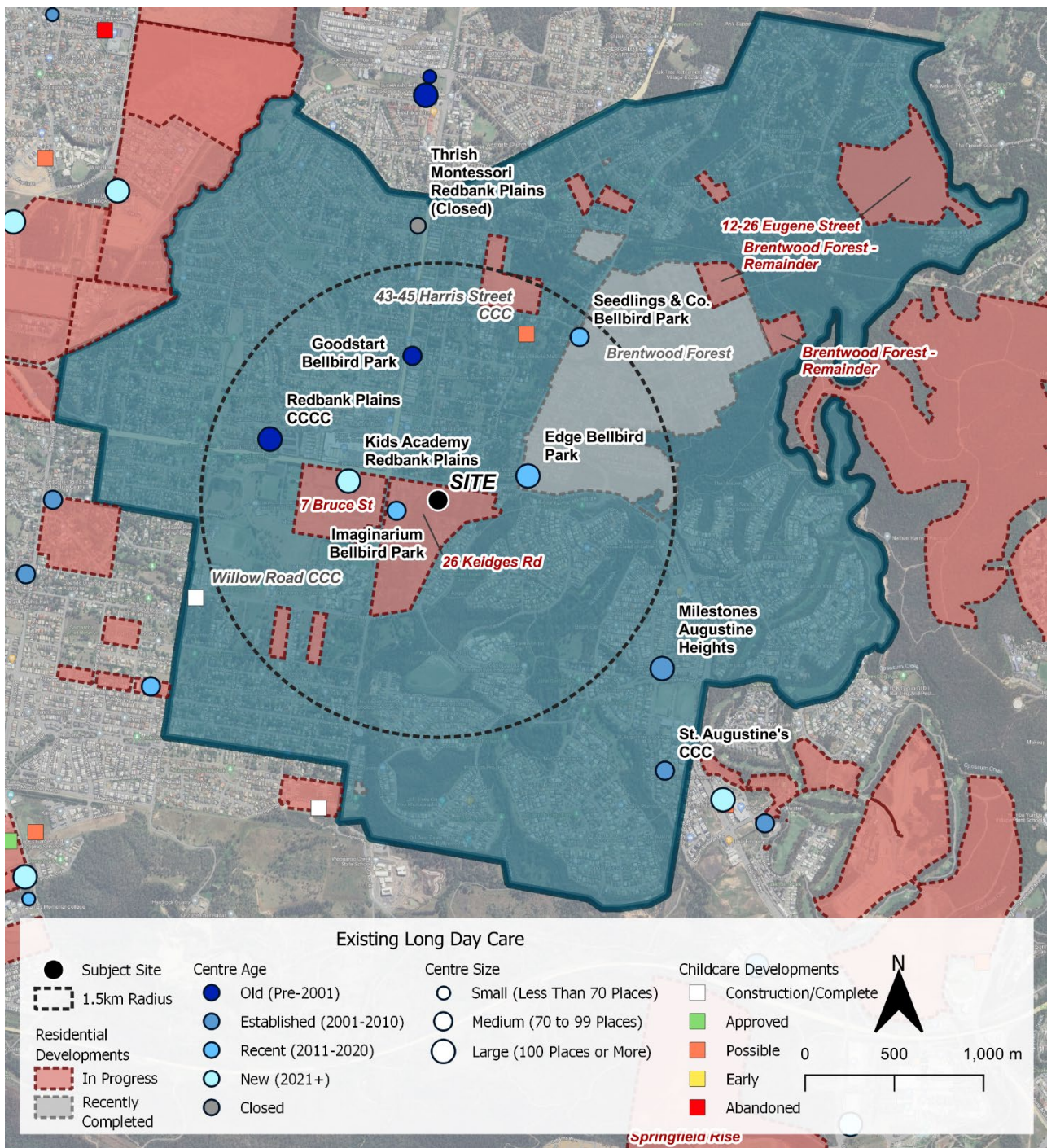
Under the current Ipswich City Planning Scheme, there is only one (1) site zoned Local Retail & Commercial (LC) in the local catchment. It is at the corner of Jones Road and Keidges Road near the subject site. This site is fully-developed with a service station and Centre Point Shopping Centre. It adjoins an existing Major Centre (MC) precinct which incorporates and surrounds the Town Square Redbank Plains Shopping Centre. This centre-zoned site is also fully-developed with no opportunity to accommodate the proposed use.

Under the draft Ipswich Plan 2024, the existing Neighbourhood Centre at the corner of Jones Road and Keidges Rd would be absorbed into the Major Centre to form a new District Centre zone with Town Square Redbank Plains Shopping Centre in the District Centre Core and commercial uses on the eastern side of Redbank Plains Road and Keidges Road in the District Centre Frame. This change would not increase the availability of land in the District Centre to accommodate the proposed use.

Under the draft Ipswich Plan 2024, a new Neighbourhood Centre is proposed at 59-69 Harris Street, BELLBIRD PARK (Corner of Harris Street and Jones Road) which could potentially accommodate a childcare centre. However, the draft plan is still under consultation and therefore this is not currently a viable alternative. That said, it's Business Geographic's view that this potential Neighbourhood Centre site would need to be considered as an alternative location for the proposed childcare centre at 43-45 Harris Street CCC first given its proximity to that proposed development. Regardless, the property is currently occupied by a dwelling house and is unavailable. If it was to become available in the future, given the lack of other centre-zoned land in Bellbird Park, it's likely that other uses (such as convenience retail) would be a more desirable and appropriate use of this Neighbourhood centre considering the lack of convenience retail amenity in Bellbird Park.

MAP OF LOCAL CATCHMENT AREA

The local catchment represents the immediate local community that is (or will be) serviced by the subject site. In most cases, the local catchment represents the area from which the majority of enrolments at the subject site would be expected to originate from and the existing (and future) childcare centres available to them. The extents of a local catchment area are assessed by taking into account a range of factors (described in more detail in Appendix 1). Unless otherwise stated the statistics provided in this report relate to the defined catchment area. The local catchment includes most of the suburb of Bellbird Park as well as parts of Redbank Plains and Augustine Heights. It includes all existing centres within a 2km radius of the subject site.



POPULATION & DEMOGRAPHICS

This section provides an overview of the key demographic characteristics of the local catchment area and includes historic and current population estimates and projections from 2021 to 2029.

The subject site is located in Bellbird Park in the Ipswich City Council area on the traditional lands of the Turrbul and Jaggera peoples. Bellbird Park is approx. 15km (20 minutes drive) from the Ipswich CBD and 29km (35 minutes drive) from the Brisbane CBD.

Bellbird Park is primarily a residential suburb, characterised by some established low-density detached housing stock in the older parts of the suburb and newer housing in 'greenfield' residential estates. The largest of these new estates is Brentwood Forest (1,260 lots) which is almost entirely developed. There is also a substantial remaining volume of broadhectare land earmarked for future residential development in Bellbird Park between Jones Road and Redbank Plains Rd (Just north of the subject site).

Overall, Bellbird Park is a traditional, family-oriented area and a high proportion of households comprise couple families with children (38.94%). Residents are serviced by retail amenities along Redbank Plains Road (which also serves as the main commuter route to the Ipswich CBD and elsewhere).

There are five (5) schools in the local catchment area – Augusta State School (1,082 students in 2023), St Augustine's College (1,496 students in 2023), Redbank Plains State High School (1,445 students in 2023), Bellbird Park State Secondary College (1,719 students in 2022) and the newly opened in Term 1 2024 Bellbird Park State School (Enrolment capacity of 708 students).

The age profile in the local catchment is younger than the Queensland profile, with an average age of 32 (six years under the state average). The catchment has a higher representation of working-age persons aged 25 to 44 years, which represent 32% of the total population. Family incomes in the local catchment area (\$2090 per week) are slightly higher than the state average (\$2024 per week). Female labour force participation rates (63.97%), which are strongly correlated with childcare participation, are substantially higher than the state average (58.90%).

The table on the following page highlights some key demographic indicators evident in the local catchment when compared to the state profile. Key findings include –

- **Higher proportion of children under 5.**
- **Higher proportion of couple and one-parent families.**
- **Higher individual, household and family incomes.**
- **Higher proportion of persons born overseas and from non-English speaking backgrounds.**

Forecast population growth in the local catchment is MODERATE to HIGH with the total population forecast to increase by 1.56% p.a. from 2024 to 2029 (net 2,089 persons). The population of children under 5 in the local catchment is forecast to increase at a rate of 1.40% p.a. from 2024 to 2029 (net 163 children).² The following table shows population forecasts from 2021 – 2029 by age group in the local catchment. *Forecasts are based on the 2023 edition of the Queensland Government Statistician's Office (QGSO) medium series population projections and a review of residential development activity.*

----- POPULATION FORECASTS 2021 – 2029 -----								
	2021		2024		2029		Change (24-29)	
AGE GROUP	No.	%	No.	%	No.	%	No. total	% per annum
0-4 years	2,217	8.70%	2,329	8.69%	2,492	8.62%	163	1.40%
5-14 years	4,592	18.01%	4,641	17.31%	4,929	17.06%	288	1.24%
15-24 years	3,402	13.35%	3,614	13.48%	3,936	13.62%	322	1.78%
25-44 years	8,067	31.65%	8,383	31.28%	8,974	31.06%	591	1.41%
45-64 years	5,286	20.74%	5,616	20.95%	6,106	21.13%	491	1.75%
65 years and over	1,928	7.56%	2,222	8.29%	2,456	8.50%	234	2.11%
TOTAL	25,492	100.00%	26,804	100.00%	28,893	100.00%	2,089	1.56%

² NOTE: Population forecasts are not targets. They are Business Geographics estimates based on a review of recent population trends, residential development activity and published population projections from the ABS, AIHW and a range of state and local government sources. It is important to recognise that projections reflect the outcome of certain assumptions about the future of fertility, mortality and migration – assumptions which may or may not eventuate. The projections should not be interpreted as precise predictions of the demographic future.

KEY DEMOGRAPHIC INDICATORS

The following table provides a summary demographic profile of the local catchment area (compared to state benchmarks) based on data from the 2021 ABS census of population and housing.

	2021 CENSUS			
	LOCAL CATCHMENT		STATE COMPARISON	
	No.	%.	Higher than QLD ▲ Lower than QLD ▼	QLD average
TOTAL PERSONS	25,492	100.00%		
Males	12,674	49.72%	▲	49.27%
Females	12,818	50.28%	▼	50.73%
AGE GROUPS				
0-4 years	2,217	8.70%	▲	5.67%
5-14 years	4,592	18.01%	▲	13.03%
15-24 years	3,402	13.35%	▲	12.36%
25-44 years	8,067	31.65%	▲	26.95%
45-64 years	5,286	20.74%	▼	25.01%
65 years and over	1,928	7.56%	▼	16.98%
Median Age	32		▼	38
SELECTED PERSON CHARACTERISTICS				
Performed unpaid childcare (15 years +)	6,779	36.28%	▲	26.54%
Married persons (15 years +)	8,099	43.35%	▼	44.98%
Country of birth - Australia	16,493	64.70%	▼	71.37%
Language spoken at home - English only	18,533	72.70%	▼	80.51%
WEEKLY INCOME (POPULATION AGED 15 YEARS AND OVER)				
Average individual income		\$881	▲	\$787
Average household income		\$1,964	▲	\$1,675
Average family income		\$2,090	▲	\$2,024
LABOUR & SOCIO ECONOMIC STATISTICS (2021 Census)				
Socio-economic Index (IRSAD SEIFA)		960 (decile: 4)		1000 (AU)
Female Labour Participation (%) *		63.97%	▲	58.90%
Parents w. children 0-14 (Both employed)*	1,936	56.58%	▲	54.96%
Pop 0-4 with Employed Mother (% pop)*	1,134	51.15%	▲	43.62%
FAMILY CHARACTERISTICS				
Total families	6,707	100.00%		100.00%
Couple families without children	1,819	27.12%	▼	40.32%
Couple families with children	2,612	38.94%	▲	29.13%
One parent families	1,329	19.82%	▲	16.83%
Other families	78	1.16%	▼	1.63%
Source: ABS Census (2021)*				
	OTHER (NON-CENSUS) STATISTICS			
Unemployment Rate (July 2023)		5.38%	▲	4.10%
Fertility Rate (2021)		2.15	▲	1.79

WORKING POPULATION

This section provides an overview of the key demographic characteristics of the working population in the local catchment area and the demand for long day care from non-resident workers.

Non-resident workers are an important part of the local community and make an important economic contribution. However, they also compete with residents for local childcare places. It is generally accepted that a proportion of local demand in most childcare markets is from local workers who access childcare near their place of work. An extreme example is a Capital City CBD, where the majority of local need is from workers that live elsewhere (externally) but demand childcare near their workplace.

There are many reasons why some parents prefer to use childcare near their place of work. This includes –

- An easier commute with fewer stops and more time together.
- Ease of access in case of emergencies, sickness, breastfeeding or events.
- Allows for a later drop-off and earlier pick-up.

The potential demand for childcare from non-resident workers can be calculated by applying a child-to-worker ratio to calculate demand.

It's estimated that in 2024, there are approx. 4,693 full-time equivalent (FTE) workers within the local catchment area. Based on the child to worker ratio for the region (0.159), the local worker population would have 746 children under 5. These children would demand an average of 287 places per day. (Based on the local participation rate and attendance rate). Some of these workers and their children live locally but based on 2021 Journey to Work data, 65% live elsewhere and commute to work in the local catchment.

Whilst, the majority of non-resident worker demand would be serviced near where workers live, it's estimated that a small proportion of this demand would be serviced near parents' workplaces in the local catchment. This is based on an average of 16% weighted by the female/male worker ratio in the catchment. (ie So that areas with a higher proportion of female workers have a higher preference for using childcare near their workplace).

An analysis of the working population in the local catchment (based on the 2021 census) has revealed the dominant industries of employment are: Education & Training, Health Care and Social Assistance and Accommodation & Food. The top reported occupations were Professionals, Community and personal service workers and Sales workers.

Using these assumptions, the current demand for places (2024) from the children of non-resident working population (those that live outside the local catchment) is estimated at 37 places per day. At current forecasts, this non-resident worker demand is expected to increase by range from 40 and 46 places per day by 2029 – an increase of between 3 - 9 places.

----- WORKING POPULATION FORECASTS 2021 – 2029 -----

	2021	2024	2029		Change (24-29)	
	(estimate)	(estimate)	(low forecast)	(high forecast)	(low – high)	
Working Population	No. or %	No. or %	No. or %	No. or %	No. total	% per annum
Full-Time Equivalent (FTE) Workers##	4,175	4,693	5,000	5,250	307 - 557	1.31% - 2.37%
Children Under 5 of Workers###	664	746	795	835	49 - 89	1.31% - 2.39%
Total Childcare Demand from Children of Workers*	256	287	306	350	19 - 63	1.32% - 4.39%
% from outside the Catchment**	65%	65%	65%	65%		
% of workers using childcare near work^	20%	20%	20%	20%		
Childcare demand from Non-resident workers	33	37	40	46	3 - 9	1.62% - 4.86%

#FTE Workers is based the number of full-time employees PLUS 50% of part-time employees and employees away from work. (Note: 1 part time or employed away from work worker = 0.5 FTEs).

##The Number of Children Under 5 for workers is calculated by multiplying the number of FTE workers by the relevant ratio of children under per worker based on benchmarks for the region.

*This is the number of children of workers multiplied by the local participation rate and attendance rate (see Demand Table).

**The percentage of non-resident workers is based on 2021 Journey to Work data (ie: workers in the relevant SA2 that live elsewhere).

^ The percentage of workers that prefer to use childcare near their workplace is based on ABS data shows that about 16% of families chose a childcare service because it was close to our on the way to work (ABS, 2018) - Childhood Education and Care, Australia. The 16% is weighted by the female/male worker ratio in the catchment so that areas with a higher proportion of female workers have a higher preference for using childcare near their workplace.

SUPPLY ANALYSIS

This section provides a review of existing long day care facilities in the local catchment area. A table is provided on the following page providing specific details of Licensed Places, Fees and Occupancy at existing centres. This information is sourced from ACECQA and directly from centres and its accuracy is dependent on the knowledge of the person supplying this information.

At present (June 2024), there are eight (8) long day care centres in the local catchment supplying a total of 883 places to an estimated market of 2,329 children under 5.

Childcare development in the area commenced in 1988 when Thrish Montessori Child Care Centre Redbank Plains (Now closed) was originally established.

Supply has increased by 9.8% since 2021 after the opening of the 116-place Kids Academy Redbank Plains (2021) and the closure of Thrish Montessori Child Care Centre Redbank Plains (-37 places).

The largest Market Share is held by Affinity Education Group Limited, holding approximately 30% of the supply of places (265 places) across two (2) centres.

The average centre size is 110 places per centre, occupying a broad range from 74 places at Goodstart Early Learning Bellbird Park to 179 places at Edge Early Learning Bellbird Park.

Daily Fees³ in the local catchment (weighted by places) average \$137 per day (or \$690 per week for full-time attendance), and comprise a range from \$113 at St. Augustine's CCC (for older ages only) to \$155.50 at Milestones Augustine Heights.

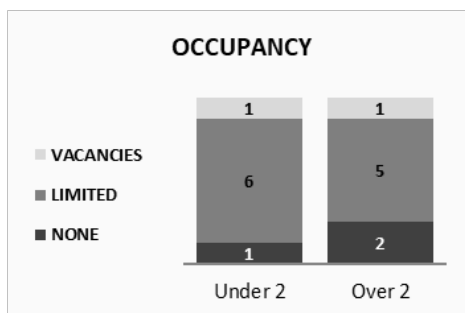
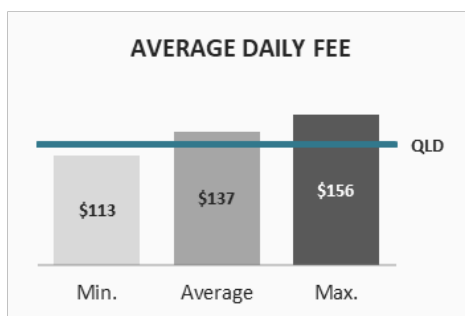
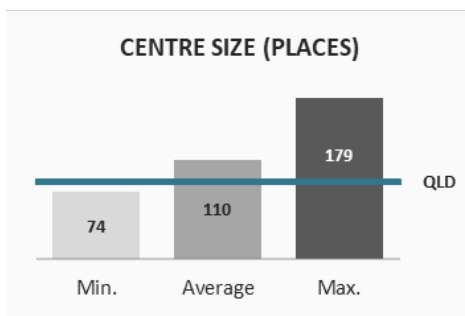
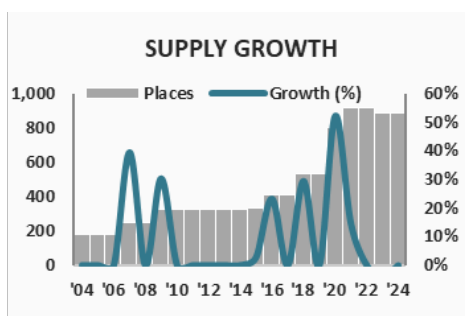
All centres have been assessed against the National Quality Standard (NQS) and all are rated as Meeting the NQS.

A telephone survey of the centres in the local catchment has revealed that for children over 2:

- **One (1) centre reported VACANCIES.**
- **Five (5) centres reported LIMITED VACANCIES.**
- **Two (2) centres reported NO VACANCIES.**

Reported vacancy rates suggest estimated average occupancy rates across the local catchment of 85.99% which is consistent with a SUPPLY RESTRICTED market in which some parents may have difficulties finding appropriate care for their children in the local area.

A search for childcare development applications and/or approvals returned two (2) results, detailed on page 5⁴.



³ Fees quoted are the full-fee calculated before any child care benefit is applied. Daily Fees are typically higher for babies and younger children and vary depending on specific inclusions offered by centres such as meals and educational programs.

⁴ It is unknown if any other applications or approvals exist and interested parties should undertake their own enquiries. Please refer to previous notes regarding Development Applications and/or Approvals.

SUPPLY TABLE — LONG DAY CARE CENTRES

The following table provides details of existing long day care centres in the local catchment area. This list has been compiled by Business Geographics from a range of sources.⁵

KEY: **NEW CENTRE** = Established since 2021 **INCLUSIONS PROVIDED** = 🍽️ Lunch 🍎 Snacks 🍼 Nappies

CENTRES IN CATCHMENT						
DETAILS	PROVIDER & DATE ESTABLISHED	LICENSED PLACES	VACANCIES	FEE SCHEDULE PER DAY	FEE SCHEDULE PER WEEK	INCLUSIONS, OPERATING HOURS & QUALITY RATING
Seedlings & Co. Bellbird Park 3 Troost Cct BELLBIRD PARK 4300 (07) 3496 1730	Bixa Pty Ltd As Trustee For Bixa Discretionary Trust Est. 2018	87	Limited <2 Limited >2	\$140.00	\$700.00	🍽️ 🍎 🍼 6:30AM to 6:30PM Meeting NQS
St Augustine's Child Care Centre 50B St Augustines Drive AUGUSTINE HEIGHTS 4300 (07) 3814 0299	Roman Catholic Archdiocese of Brisbane (Centacare) Est. 2009	75	None <2 None >2	\$113.00 - \$115.00	\$565.00 - \$575.00	Parents provide 6:00AM to 6:00PM Working Towards NQS
Milestones Early Learning Augustine Heights 27 Santa Monica Drive AUGUSTINE HEIGHTS 4300 (07) 3814 4150	Affinity Education Group Limited Since 2014 Est. 2007	149	Limited <2 Vacancies >2	\$155.50	\$777.50	🍽️ 🍎 🍼 7:00AM to 6:00PM Meeting NQS
Goodstart Early Learning Bellbird Park 292-294 Redbank Plains Road BELLBIRD PARK 4300 (07) 3814 0350	Goodstart Early Learning Ltd Since 2010 Est. pre 1995	74	Limited 15m-2yrs Limited >2	\$132.60 - \$142.10	\$663.00 - \$710.50	🍽️ 🍎 🍼 6:30AM to 6:30PM Meeting NQS
Redbank Plains Child Care Children's Centre 277-281 Henty Drive REDBANK PLAINS 4301 (07) 3814 1417	Ilex Pty Ltd Est. 1996	107	Limited <2 Limited >2	\$125.00	\$625.00	🍽️ 🍎 🍼 6:30AM to 6:30PM Meeting NQS
Edge Early Learning Bellbird Park 61 Jones Rd BELLBIRD PARK 4300 (07) 3556 0468	Edge Early Learning Bellbird Park Pty Ltd Est. 2020	179	V. Limited <2 Limited >2	\$140.00	\$700.00	🍽️ 🍎 🍼 6:30AM to 6:00PM Meeting NQS
Imaginarium Early Learning Bellbird Park 31 Centre Street BELLBIRD PARK 4300 (07) 3814 1650	Bellbird Park Child Care Pty Ltd ATF Bellbird Park Child Care Unit Trust Est. 2020	96	Limited <2 Limited >2	\$130.00	\$0.00	🍽️ 🍎 🍼 6:30AM to 6:30PM Meeting NQS
Kids Academy Redbank Plains 382 Redbank Plains Rd REDBANK PLAINS 4301 (07) 2104 5604	Affinity Education Group Limited Since 2023 Est. 2021	116	Vacancies <2 None >2	\$133.50 - \$144.65	\$667.50 - \$723.25	🍽️ 🍎 🍼 6:30AM to 6:30PM Meeting NQS
TOTAL/AVERAGES		883		\$137	\$690	

NOTE: Thrish Montessori Child Care Centre Redbank Plains (37 places) at 3 Shannon St, REDBANK PLAINS closed in 2024.

⁵ Information provided in the Supply Tables has been collated from state and federal government childcare information registers, Business Geographics databases and telephone surveys of the listed centres. In particular, the Vacancy Rates and Fees provided are dependent on information supplied to us by staff at the centres (or online sources) and therefore should not be interpreted as conclusive. They represent the information supplied at a given point in time and their accuracy is subject to the interpretation of the relevant staff member or accuracy of the website, and are subject to change. Due to staffing shortages across Australia some centres may be capping enrolments which restricts availability and may artificially inflate reported occupancy.

DEMAND ANALYSIS

This section provides an overview of demand for childcare in the local catchment from various sources.

RESIDENT DEMAND (UNDER 5)

The majority of long day care demand in Bellbird Park is from resident children aged under 5. As of 2024, the total number of children under 5 is estimated to be **2,329** persons. This is Business Geographic's estimate based on 2021 census population data adjusted by QGSO medium-series population projections for Bellbird Park.

The average daily demand for long day care for these children can be calculated by multiplying the number of children under 5 (2,329) by the local Participation Rate (55%) and the Attendance Rate (70%) (i.e. A little over 3 days per week). This works out to an average daily demand of **897** places per day in 2024.

It's important to note that the Participation Rate of 55% for children under 5 is on par with the QLD state average and is likely a conservative estimate due to the above average female labour force participation rate in Bellbird Park (which is closely correlated with childcare participation). The Attendance Rate of 70% is based on an average 36 hours of attendance for long day care in QLD. (See Appendix 1 for further information on these rates).

RESIDENT DEMAND (5-YEAR OLDS)

Consideration should also be given to demand from 5-year olds that attend Long Day Care. Most children start formal schooling the year they turn 5, however there are a small number of 5 year olds that attend long day care.

According to data for 2023 from the QLD ECEC Services census (Source: ECEC Service enrolments (All Children), 2018 – 23 by Service Type by Age Group, 2019-23), 9.6% of Long Day Care Enrolments are children aged 5.

In 2023, there were 188,261 children attending Long Day Care and 18,129 of these children were aged 5 or older.

Applied to the local catchment as an uplift of 9% of Under 5 demand, this represents additional 5-year old demand of 81 places per day in 2024 (9% X 897).

ECEC Service enrolments in Queensland (All Children), 2019 – 23 by Service Type by Age Group, 2019-23

Service Type	0-2 Years	3-4 Years	5 Years+	Total
2023				
Family Day Care	4,985	3,652	5,539	14,176
Kindergarten Service	0	16,840	3,612	20,452
Long Day Care / LHC / OC ¹	80,239	89,893	18,129	188,261
Outside School Hours Care	0	769	110,665	111,434
State Delivered EC services ²	0	2,355	49	2,404
Total	85,224	113,509	137,994	336,727

KINDERGARTEN DEMAND (EXCLUDED)

In QLD, kindergarten typically accounts for approx. 9% of all childcare enrolments (pre-school-aged) in Queensland (Excluding OSHC) – (Source: ECEC Service enrolments (All Children), 2019 – 23 by Service Type by Age Group, 2019-23)

It's important to note that there is only one (1) stand-alone kindergarten service in Bellbird Park (outside the local catchment) and the lack of dedicated kindergarten services would be expected to increase demand for approved kindergarten services delivered in a long day care environment.

Business Geographics has taken a conservative approach and not included additional kindergarten demand in our demand calculations however the limited local kindergarten options should be considered when assessing the need for additional childcare in Bellbird Park.

DEMAND TABLE

The following table details the estimated demand for long day care from the population of children aged under 5 based on state benchmarks for participation and attendance and the specific socio-demographic characteristics of the local catchment area.

Resident Demand (Under 5) for long day care originating in the local catchment is estimated at 897 places in 2024. This has been estimated based on a local Long Day Care Participation Rate of 55% and an Attendance Rate of 70%. Depending on the Participation Rate, Resident Demand (Under 5) is forecast to increase at a rate of approx. 1.40% - 3.34% per annum. This equates to an increase in demand of between 63 - 150 places over the next five years to 2029.

Resident Demand (5 year olds) - An additional demand uplift has been applied for demand from children aged 5. As per the analysis on the previous page, in 2024, additional demand for 81 places per day is estimated from 5 year olds that attend long day care. This is forecast to increase to between 86 and 94 places per day by 2029.

Non-resident Demand Inflows from the working population (that lives elsewhere but utilises local childcare) is estimated at 37 places per day on average and is forecast to increase by 3 – 9 places per day on average by 2029.

Demand Outflows – It's also estimated that due to the limited childcare availability, demand for up to 250 places per day is either directed elsewhere (such as to centres in neighbouring suburbs or elsewhere in the broader area near parent's workplaces) or has simply not eventuated (with new parents deferring a return to work, making informal childcare arrangements, or going without). Demand outflows have decreased in recent years from approximately 300 in 2021 in response to new supply added to the area.

Self-Containment - The demand outflows (or latent unmet demand) indicate a market with low childcare self-containment. It is assumed that a future increase in the supply of places (ie: the subject site and/or other proposed developments) will help service this latent unmet need and improve local childcare self-containment by retaining/activating some of this unmet demand. Some continued commuter demand outflows would be expected due to historical patterns of childcare use and parental preferences.

Total Demand (served locally) is therefore estimated at 765 places for 2024 and is forecast to range between 986 and 1,087 places by 2029 – an increase in demand of 221 – 322 places.

	----- HISTORIC, CURRENT & FORECAST DEMAND FOR LONG DAY CARE -----									
	2021		2024		2029		Change (2024-29)			
	(actual)		(estimate)		(low forecast)		(high forecast)		(low – high)	
	No.	%	No.	%	No.	%	No.	%	No. total	% p.a.
Total Population	25,492	100%	26,804	100%	28,893	100%	28,893	100%	2,089	1.56%
Children Aged 0 - 4	2,217	8.70%	2,329	8.69%	2,492	8.62%	2,492	8.62%	163	1.40%
Participation Rate *	55%		55%		55%		60%		-	-
Children Attending Long Day Care	1,219		1,281		1,370		1,495		90 - 214	1.40% - 3.34%
Attendance Rate #	70%		70%		70%		70%		-	-
Resident Daily Demand (0 – 4)	854		897		960		1,047		63 - 150	1.40% - 3.34%
Uplift for 5 year olds	+77		+81		+86		+94		5 – 13	1.23% - 3.2%
Demand Inflows	+33		+37		+40		+46		3 - 9	1.62% - 4.86%
Demand Outflows	-300		-250		-100		-100		150	12%
Net Daily Demand	664		765		986		1,087		221 - 322	5.78% - 8.41%

*Estimated Participation Rate – The participation rate is the number of children aged under 5 that attend long day care and is based on state benchmarks adjusted for local conditions. The figure used for the local catchment is on par with this average.

Attendance Rate – Data from the Office of Early Childhood Education & Child Care shows that the average time that a child spends in long day care is approx. 31 hours per week. Nationally, this rate of attendance has also increased slightly in recent years. For the purposes of this report, the local attendance rate is 70%.

Source: ABS, State & Local Government Population Forecasts & estimates calculated by Business Geographics.

ECONOMIC, COMMUNITY & PLANNING NEED

The following section details the economic, community and planning need for the proposed development.

ECONOMIC NEED

It's Business Geographic's view that there is a demonstrable economic need for the proposed development considering –

- There is currently limited childcare availability in Bellbird Park and with strong population growth forecast for Bellbird Park and Redbank Plains, demand will only increase further in coming years.
- There is sufficient demand growth forecast to support the proposed development (at 108 places) in addition to the existing approved and proposed childcare development pipeline. The development of the subject site would not be expected to negatively impact the viability or long-term sustainability of the existing (and proposed) childcare supply network and centres should be able to maintain viable levels of occupancy.
- The proposed development will improve local childcare self-containment as well as childcare choice, availability and amenity.
- It will also help to increase labour force participation (and thereby deliver flow-on economic benefits to other businesses in the community from an increase in family incomes) by activating dormant demand that remains unacted due to the lack of convenient local childcare options.
- Consideration should also be given to the long-term positive economic benefits to the local community of improved local childcare options in the form of increased labour force participation (and subsequently family incomes).
- The proposed development will also contribute direct economic benefits to the community by adding employment during the construction phase and on an ongoing basis once operational.

COMMUNITY NEED

It's Business Geographic's view that the proposed development will deliver significant benefits to the community considering –

- Families have diverse childcare needs and preferences and need access to a variety of convenient and accessible childcare options in their local community. The suburb of Bellbird Park in particular currently offers families very limited choice options and it's Business Geographic's view that the proposed development will greatly improve childcare choice, availability and amenity.
- It will also help to improve local childcare self-containment and reduce the need for families to leave the local area to access childcare that meets their needs, improving convenience and reducing the burden of travel.
- The proposed development will significantly enhance the amenity of Bellbird Park for families and has the potential to strengthen community connections.

PLANNING NEED

It's Business Geographic's view that there is inadequate provision in the current (and draft) Ipswich City planning schemes to accommodate for additional childcare in appropriately-zoned locations considering –

- Under the current Ipswich City Planning Scheme, there is only one (1) site zoned Local Retail & Commercial (LC) in the local catchment. It is fully-developed and unavailable to accommodate the proposed use.
- Whilst it's expected that Council will re-zone a property at 59-69 Harris Street, BELLBIRD PARK (Corner of Harris Street and Jones Road) to a Neighbourhood Centre, this property is not currently available for development. Regardless, the proposed childcare development at the subject site would not be expected to compromise the role and function of any future neighbourhood centre – particularly as there are no other sites that would be suitable for convenience retail amenities which are currently absent in Bellbird Park.
- The subject site is in an appropriate and highly-accessible location on Jones Road which is the main access road to/from Bellbird Park.
- Finally, it's expected that additional childcare will be needed in Bellbird Park in the future to accommodate demand from long-term growth associated with the large area of land in Bellbird Park that is earmarked for re-zoning to Low Medium Density under the draft Ipswich City Planning Scheme 2024.

NEEDS ASSESSMENT — LONG DAY CARE

This section provides an assessment of whether there is any unmet demand (undersupply) or oversupply of long day care services within the local catchment area.

SUMMARY

At present (June 2024), there are eight (8) long day care centres in the local catchment supplying a total of 883 places to an estimated market of 2,329 children under 5. This represents a ratio of 2.64 children per childcare place, which is higher than the Queensland average of 2.0 children per place. Additional demand also originates from a cohort of 5 year old children that attend long day care and some external demand from non-resident workers that use childcare in the local catchment near their place of work.

Existing childcare centres report Limited Availability at present and the average occupancy rate is estimated at 85.99%. Whilst there are some limited places available, its important to note that reported occupancy is in the context of low childcare self-containment and significant latent unmet demand. This represents locally-generated demand that is either directed elsewhere or is simply unrealised due to the limited local childcare options and availability.

Low childcare self-containment has significant impacts on parents and families. Parents who are unable to obtain childcare that meets their needs in the local area may have to defer a return to work after having children. This can impact their career progression and of course has an immediate negative impact on family incomes. Alternatively, parents may seek childcare elsewhere (outside of their local community). This creates an additional burden of travel and families with two or more children requiring childcare may have difficulties obtaining childcare for their children at the same centre. This may result in parents having to split up their children and further complicates childcare pick-up and drop-off.

It's therefore Business Geographic's view that Bellbird Park is **UNDERSUPPLIED** and there is a strong and over-riding need for additional childcare in Bellbird Park. The current childcare development pipeline is insufficient to fully address the current and forecast needs of the community over the next 5 years. The proposed development at the subject site represents a reasonable and appropriate addition to the childcare development pipeline. The size and scale of the development is consistent with other existing and approved childcare centres in the area and it will contribute to meeting the current and forecast childcare needs of the community.

Overall, the proposed development would address a significant local community, economic and planning need. As shown throughout this report, there is an economic need – in that there is sufficient demand to support the proposed development at a sustainable level; a community need – to the extent that the proposed facility will improve childcare accessibility and the physical wellbeing of the community; and there is a planning need – in that there is an underlying unsatisfied demand for the proposed development that is not being adequately met by the planning scheme in its current form.

Whilst the proposed development requires a material change of use for the subject site, there are no other suitably zoned alternative sites in the local catchment to accommodate the proposed use. The only existing local centre (at the corner of Jones Rd and Keidges Rd) is unavailable, and a possible future neighbourhood centre at the intersection of Jones Rd and Harris St, still requires re-zoning, may not be available for many years, and will not meet the immediate need for additional childcare in Bellbird Park.

DEMAND FORECAST & NEEDS ASSESSMENT

At present (June 2024), the locally-generated demand for childcare from children under 5 alone (897 places) exceeds the available supply (883 places). Demand for another 118 places per day comes from resident children aged 5 and non-residents for a total average daily demand of 1,015 places. Of this demand, it's estimated that approx. 250 places per day are not being serviced locally.

Resident and worker demand is forecast to increase by an additional 71 – 172 places by 2029. There is also significant potential to improve childcare self-containment and retain or activate demand that is currently directed elsewhere or simply unrealised. Allowing for some continued demand outflows (at approx. 10% of total demand or 100 places per day), there is potential to retain/activate up to 150 places per day if additional suitable supply is provided.

Overall, this represents a total increase in locally-serviced demand by 221 – 322 places by 2029 and could support an additional 350 – 470 childcare places at a healthy average occupancy rate of 80%.

This forecast need is more than sufficient to support the subject site (108 places), the approved and under construction Willow Road Childcare Centre (130 places) and the proposed centre currently under assessment at 43-45 Harris Street (76 places). The total childcare development pipeline of 314 places (including the subject site) is therefore less than the forecast need by 2029 of 350 – 470 places. It's therefore Business Geographic's view that an increase in supply of this order would be supportable and sustainable without having significant negative impacts on the existing (or future) supply network. Indeed, with demand set to continue growing beyond the forecast horizon, it's likely that additional childcare will be needed in Bellbird Park in the future.

NEEDS ASSESSMENT TABLE

----- NEEDS ASSESSMENT TABLE -----						
	2021#	2024	2029*		Change (2024-29)	
	(actual)	(estimate)	(low forecast)	(high forecast)	(low – high)	
	No. %	No. %	No. %	No. %	No.	%
Estimated Daily Demand for LDC	664	765	986	1,087	221 - 322	28.9% - 42.1%
Estimated Daily Supply of LDC	804	883	1,233	1,353	350 - 470	39.6% - 53.2%
Ratio of Children per Place	2.76	2.64	2.02	1.84		
Average Estimated Occupancy Rate**	82.58%	86.64%	79.97%	80.34%		
Needs Assessment	BALANCED	SUPPLY RESTRICTION	BALANCED	BALANCED		

*2028 - This allows for population change to 2029 and assumes an increase in the supply of places by 350 - 470 places.

** Average Estimated Occupancy Rate across the entire Catchment. Average Occupancy Rates over 85% indicate some supply restriction, whilst rates below 75% suggest some oversupply. 80% is considered to be balanced.

#Supply estimates prior to the opening of the 116-place Kids Academy Redbank Plains (2021) and the closure of 1 centres (-37 places) since 2021

*NOTE: It's relevant to note that average occupancy rates of 70% - 80% are typically considered to be consistent with a balanced market in which centres operate profitably and there is sufficient choice and availability for consumers. Industry research indicates that most centres are viable at an occupancy of 60% - 70% and occupancy above 70% is profitable. Occupancy rates between 70% - 80% represent the best outcome for both operators and consumers as it means that businesses are profitable and consumers have choice and flexibility. In this market, a target occupancy of 80% is considered appropriate and represents a healthy market for consumers and providers.

CONCLUSION

Childcare is an important form of early learning and education and access to childcare increases opportunities for new parents to engage in the workplace. To support families to contribute economic benefits to the local community, they need access to a variety of convenient and accessible childcare options in their local community. It's Business Geographic's view that the local community would benefit from a childcare centre at the subject site. It is a reasonable and appropriate location for a childcare centre and would support the day-to-day needs of the local community. Any impacts on the existing (or proposed) childcare network would be expected to be minor, ameliorated over time and outweighed by the positive economic benefits to the local community of improved local childcare options. The proposed development would not compromise the development of a future neighbourhood centre in Bellbird Park and in fact, additional childcare will likely be needed in the future (beyond 2029) to adequately service the longer-term needs of the community.

Overall, the proposed development would be expected to deliver a substantial net benefit to the local community. It would -

- Help to alleviate the existing undersupply in the local catchment;
- Increase choice, availability and accessibility to childcare for local families;
- Improve facilities and amenity for families, children and educators;
- Increase labour force participation (particularly for new mothers and fathers) and thereby deliver flow-on economic benefits to other businesses in the community from an increase in family incomes;
- Help to support the anticipated increase in demand due to population growth, recent changes in childcare subsidy eligibility and additional kindergarten funding;

APPENDIX 1 - REPORT BENCHMARKS & TRENDS

This report relies on some statistical benchmarks and assumptions derived from the latest **Report on Government Services prepared by the Productivity Commission (Volume B Chapter 3 Early Education & Care)** and **Early Childhood data and reports from the Department of Education**.

PARTICIPATION RATE

In 2024, the estimated national long day care participation rate is 52% for children aged under 5. That is 52% of children aged under 5 are enrolled in long day care. The participation rate varies by age with only 11% of children under 1 enrolled at Long Day Care, 47.5% aged 1 and 61% - 67% aged 2 – 4. A small number of children aged 5 attend long day care. These children are generally excluded for the purposes of this report as most children of this age have already commenced formal schooling. However, in some instances an ‘uplift’ is provided for additional 5 year old demand where appropriate.

This participation rate benchmarks also vary significantly by state (and region) and are further influenced by local supply and demand side factors such as the availability of appropriate childcare and the female labour force participation rate*. These factors are taken into account in the report to provide the local ‘adjusted’ participation rate.

It’s worth noting that statistical analysis conducted by Business Geographics has identified a strong correlation between the long day care participation rate and the Female Labour Force Participation Rate (FLFPR) such that the FLFPR serves as a useful proxy for estimating the long day care participation rate in specific markets. Indeed, for every 1% change in the FLFPR, a 1% change in the long day care participation rate has been observed.

The long day care participation rate has also been increasing steadily in Australia hand-in-hand with an increasing female labour force participation rate and increasing childcare supply and availability. Since 2021 (and since at least 2018 following the introduction of the CCS scheme), it’s estimated that the long day care participation rate has increased by approx. 1 percentage point per annum. Enhancements to CCS eligibility in 2023 (and additional funding for kindergarten in most states) and increased childcare supply overall continues to have a noticeable impact on participation although participation rates in TAS, ACT and NT appear to have stalled.

State and National Benchmarks - Long Day Care Participation Rate for children under 5

Participation Rate (PR)	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	AUS
2024 Estimate	52%	48%	55%	42%	47%	46%	60%	38%	52%
Change since 2021	+2%	+3%	+3%	+2%	+1%	-1%	-1%	+0%	+3%

*Long day care participation rates are typically higher in metropolitan markets compared to regional areas. The availability of alternative forms of childcare (eg kindergarten/preschool) will also influence local long day care participation rates. The female labour force participation rate is closely correlated with childcare participation.

RATIO OF CHILDREN PER PLACE

The Ratio of children (aged under 5) per childcare place, is a useful indicator of the state of the long day care market. A low ratio can be an indicator of an OVERSUPPLY, whilst a high ratio may indicate a market that has some additional need for places. For Australia as a whole the ratio is 2.5. This varies from 1.9 in the ACT to 3.3 in TAS. There is significant variation by local area. Regional areas tend to have higher ratios than metropolitan areas. In 2021, the ratio of children per place in Australia was 3.2. The ratio has continued to decline in most states and territories primarily (although at a slower rate than in previous years).

State and National Benchmarks – Ratio of Children Per Place

Ratio	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	AUS
Ratio of Children per place (2024)	2.5	2.2	2.0	3.2	2.7	3.3	1.9	2.7	2.5
Ratio of Children per place (2021)	2.5	2.4	2.0	3.4	2.8	3.3	1.8	2.8	3.2
Change since 2021	+0.0	-0.2	+0.0	-0.2	-0.1	+0.0	+0.1	-0.1	-0.7

OCCUPANCY

Occupancy is estimated based on demand (average places demanded per day) divided by supply (licensed long day care places). It is based on data maintained by Business Geographics. Nationally, occupancy has declined slightly since 2016 due to increased supply. Notably occupancy has increased in QLD, WA, TAS and NT.

State and National Benchmarks – Occupancy

Occupancy	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	AUS
Est. Avg Occ. (2023)*	87.71%	83.32%	83.04%	83.51%	84.78%	85.54%	84.21%	84.75%	84.78%
Est. Avg Occ. (2016)*	88.00%	85.60%	79.60%	83.00%	86.60%	79.80%	90.50%	79.50%	86.40%
Change since 2016	-0.29%	-2.28%	+3.44%	+0.51%	-1.82%	+5.74%	-6.29%	+5.25%	-1.62%

*Occupancy estimate is the annual average based on the latent demand. Actual occupancy at any given point in time will vary depending on seasonal factors and the availability of supply. Occupancy may also be temporarily impacted by events such as pandemics, economic recession and/or natural disasters.

ATTENDANCE RATE

The average hours of attendance for children at long day care in 2024 is estimated at 33.5 hours (Based on the average weekly hours of CCS recipients from Department of Education administrative data). For the purposes of this report, this is estimated as an Attendance Rate of 65% of full-time attendance nationally (a little over 3 days per week).

Attendance varies slightly by state and ranges from 27.2 hours (or 55%) in Tasmania to 38.8 hours per week (or 75%) in the NT.

It's also worth noting that attendance is not consistent throughout the year as children tend to enter and leave care at different points of the year, depending on the family's circumstances. The number of children that use long day care across a given year is therefore greater than the number using care at any point in time.

Hours of attendance at long day care have also increased in recent years with an increase of 2.1 hours per week since 2021.

State and National Attendance Benchmarks – Attendance Rate at Long Day Care

Attendance Rate	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUS
Hours Attended 2024	33.3	33.6	36.0	30.3	30.0	27.2	38.8	34.4	33.5
Change since 2021	+1.8	+2.0	+2.6	+2.1	+2.2	+1.7	+1.2	+1.8	+2.1
Attendance Rate	65%	65%	70%	60%	60%	55%	75%	70%	65%

AVERAGE DAILY FEE

Average Daily Fee is estimated based on data collected by Business Geographics via its ongoing survey program. Nationally, since 2016, the average daily fee has increased by \$33 or 33% (approx. 4.8% p.a.)

State and National Benchmarks – Average Daily Fees

Average Daily Fees	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	AUS
Average Daily Fees (2023)*	\$132	\$138	\$124	\$132	\$130	\$115	\$142	\$115	\$132
Average Daily Fees (2016)	\$102	\$104	\$89	\$103	\$92	\$92	\$108	\$92	\$99
Change since 2016	+\$30	+\$34	+\$35	+\$29	+\$38	+\$23	+\$34	+\$23	+\$33

*Average daily fees as at September 2023

CENTRES

The number of centres is based on data maintained by Business Geographics and includes all approved (licensed) long day care services. Nationally, the number of centres has increased by approx. 24% (or 3.4% p.a.) since 2016.

State and National Benchmarks – Long Day Care Centres

Centres	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	AUS
LDC Centres (2023)	3,391	1,836	1,770	771	455	130	164	95	8,612
LDC Centre (2016)	2,741	1,326	1,457	579	348	119	148	79	6,946
Change since 2016	+650	+510	+313	+192	+107	+11	+16	+16	+1,666

CHILD TO FTE WORKER RATIO

The child to full-time equivalent (FTE) worker ratio is used (in part) to calculate the demand for childcare from workers in an area. It varies from region to region.

GCSSA REGION	Child to FTE Worker Ratio	GCSSA REGION	Child to FTE Worker Ratio
Greater Sydney	0.166	Rest of NSW	0.1768
Greater Melbourne	0.1538	Rest of Vic.	0.1706
Greater Brisbane	0.1587	Rest of Qld	0.1621
Greater Adelaide	0.1502	Rest of SA	0.1572
Greater Perth	0.1687	Rest of WA	0.143
Greater Hobart	0.1423	Rest of Tas.	0.1634
Greater Darwin	0.1586	Rest of NT	0.2159
Australian Capital Territory	0.1208	Other Territories	0.1133

APPENDIX 2 - TERMS USED IN THIS REPORT

ACECQA

The Australian Children's Education and Care Quality Authority (ACECQA) is an independent national authority that assists governments in administering the National Quality Framework (NQF) for children's education and care. New services must be approved by ACECQA before commencing operations.

ATTENDANCE RATE

Data from the **Report on Government Services (2023) prepared by the Productivity Commission (Volume B Chapter 3 Early Education & Care)** reveals that the average time that a child spends in long day care is approximately 33.5 hours per week (out of a typical 50 - hour week).

For the purposes of this report, it is assumed that the national average attendance rate of children at long day care is therefore just over 3 days per week or 65% of full-time. This rate of attendance has been increasing slowly over the years and varies from state to state.

Attendance varies from state to state and ranges from 27.2 hours (or 55%) in Tasmania to 38.8 hours per week (or 75%) in the NT.

It's also worth noting that attendance is not consistent throughout the year as children tend to enter and leave care at different points of the year, depending on the family's circumstances. The number of children that use long day care across a given year is therefore greater than the number using care at any point in time.

BALANCED MARKET

A BALANCED Market is where current levels of supply are MEETING current estimated levels of demand. There are long day care places available within the local area for parents that need care for their children. At the same time, the majority of centres will have solid occupancy rates and be achieving benchmark returns.

It represents the best outcome for both operators and consumers as it means that businesses are profitable and consumers have choice and flexibility. In established markets, a target occupancy of 80% is typically considered appropriate and represents a healthy market for consumers and providers. In high-growth areas, a lower average occupancy of 70%+ may be appropriate to accommodate future growth.

ESTIMATED AVERAGE OCCUPANCY RATE

This figure represents a statistical estimate of the occupancy level at all existing centres in the catchment area. It is calculated by dividing the total estimated daily demand by the observed daily supply of places.

The Office of Early Childhood Education & Child Care collects data on vacancies for long day care centres on a quarterly basis. Trend data for the past few years shows average occupancy rates nationally at between 75% and 80%. For the purposes of this report, Average Occupancy Rates over 85% indicate RESTRICTED SUPPLY, while more than 100% indicates an UNDERSUPPLY. Rates below 75% suggest a tendency to some oversupply while rates less than 70% indicate an OVERSUPPLY. An estimated average occupancy rate of 80% tends to indicate a BALANCED market.

HIGH FORECAST SCENARIO

This scenario assumes the occurrence of one or more events which may boost future Demand for long day care through increased participation rates.

Some of these events may include but are not limited to: greater levels of social assistance (payments to families to help cover the cost of childcare), growth in female labour participation (specifically those with

dependent children), an increase in the working population traveling to (or through) the catchment (that utilise services in the catchment), an increase in the real household disposable income (households with higher disposable incomes are more likely to be able to afford childcare services), an increase in the Supply (e.g. a new centre) and/or enhancements to the current Supply (renovations or refurbishments), increasing choice and attracting parents seeking modern or purpose-built facilities.

LOCAL CATCHMENT AREA

The local catchment represents the immediate local community that is (or will be) serviced by the subject site. In the majority of cases*, the local catchment represents the area from which the majority of enrolments at the subject site would be expected to originate from and the existing (and future) childcare centres available to them.

The extents of a local catchment area are assessed by taking into account a range of factors including –

- ABS boundaries for which statistical data is available. Catchments are typically based on Australian Statistical Geography Standard (ASGS) Statistical Area Level 1 or 2 (SA1 or SA2).
- The location and size of the existing (or proposed) site and the distribution of other existing (or future) long day care centres in the immediate local area.
- The existing road and transport network - with a particular emphasis on peak-hour drivetimes – and the nature of surrounding development.
- Physical barriers (eg. rivers) and psychological barriers (eg. administrative or economic areas) which may influence accessibility.
- If applicable, the attractiveness of neighbouring facilities such as shopping centres, places of employment and schools (eg. school catchment zones).

Unless otherwise stated the statistics provided in this report relate to the defined catchment area.

**In employment areas (such as Central Business Districts) the majority of enrolments will originate from elsewhere and so the catchment represents the local working population and the existing (and future) supply available to them should they choose to utilise childcare near their place of work.*

NATIONAL QUALITY FRAMEWORK (NQF)

The National Quality Framework (NQF) provides a national approach to regulation, assessment and quality improvement for early childhood education and care across Australia. Childcare services covered by the NQS are assessed and rated against seven (7) quality areas of the National Quality Standard (NQS) and the Education and Care Services National Regulations as a means of ensuring continuous quality improvement for services. The quality areas assessed include –

- Educational program and practice
- Children's health and safety
- Staffing arrangements
- Relationships with children
- Collaborative partnerships with families and communities
- Governance and leadership

There are five ratings available against each quality area -

- Excellent
- Exceeding
- Meeting National Quality Standard
- Working towards National Quality Standard
- Significant improvement required

NET DEMAND INFLOW

In some markets, a portion of the demand is generated by parents that neither live (resident demand) or work (working population demand) in the study area. We regard this additional demand as a “net gain of demand”. In some locations, the net gain can be substantial. Note that a net gain of demand accounts for (and offsets) any demand that leaves the area.

The origin of the net gain of demand will vary from place to place and, unlike resident or working population demand, is difficult to estimate and sometimes dependent on subjective factors. That said, some common attributes of areas with a net gain, include:

- Markets surrounded by under supplied or under serviced areas: when parents are not able to meet their needs in their local or preferred area, they would seek for childcare in a nearby area.
- Areas with highly desirable, competitive or specialised centres. These services typically draw demand from a broader region and parents are willing to travel outside their local community or workplace to enrol their children in these centres.
- Escape demand passing through the local catchment (i.e. commuters driving through the area and dropping children off in the local catchment).
- Non-residents that regularly travel to the area for reasons other than work, such as parents studying in the area, accessing services or for school drop-off.

NET DEMAND OUTFLOW

Net Demand Outflow explains the difference between locally generated demand and locally serviced demand. If all of the centres are full (or close to full), what happens to the remaining demand? Families will look elsewhere for suitable childcare or will go without. This may include accessing care in the surrounding area or near their workplace. In outer suburban commuter markets, most people travel elsewhere for work and many access services (including childcare) near their place of work.

Net Demand Outflow also accounts for latent unmet demand that is not serviced. This represents potential demand that is unrealised due to limited local childcare options or availability. It includes demand from parents that defer a return to work after having children or make alternative informal childcare arrangements to address their childcare needs.

The net demand outflow is our estimate of this unmet demand. We also assume that an increase in local supply (alternative local childcare options) will retain some of this net demand loss and improve local childcare self-containment. However, in some markets there will always be some demand that is serviced elsewhere simply based on parents’ preferences.

OVERSUPPLIED MARKET

An OVERSUPPLIED market is where current levels of supply are EXCEEDING current estimated levels of demand. Some, if not all centres, will have difficulty achieving benchmark returns. Occupancy rates are lower than the benchmark – typically < 70%, and the ratio of children aged under 5 per long day care place is typically < 3:1 (in metropolitan markets – but can be higher in regional markets). Centres in the local area will report VACANCIES across a broad range of age groups, including for children under the age of 2. Places in this age group are typically the most restricted even in a balanced market, so markets with low occupancy rates for children under 2 are typically OVERSUPPLIED.

PARTICIPATION RATE

An estimated 52% of children aged 0 – 4 attend long day care nationally.

This figure varies from state to state and forms the basis for calculating the estimated participation rate in the local catchment area – that is, the number of children that are enrolled at long day care. Average participation rates are highest in ACT (60%) and lowest in the NT (38%).

It is also influenced by local supply and demand side factors such as the availability of appropriate childcare and the female labour force participation rate. For example, long day care participation rates are typically higher in metropolitan markets compared to regional areas. The availability of alternative forms of childcare (eg kindergarten/preschool) will also influence local long day care participation rates.

The long day care participation rate is also closely correlated to the Female Labour Force Participation Rate (FLFPR) such that the FLFPR serves as a useful proxy for estimating the long day care participation rate in specific markets.

POTENTIAL ADDITIONAL MARKET NEED

Potential Additional Market Need is the number of additional places the market demands, and could potentially support, without creating a significant long-term oversupply. This is indicative only. An assessment of need should not be interpreted in isolation as an assessment of the commercial feasibility for centre development, acquisition or disposal.

RATIO OF CHILDREN (AGED UNDER 5) PER LDC PLACE

This is a useful indicator of the local long day care market. A low ratio can be an indicator of an OVERSUPPLY, whilst a high ratio may indicate a market that has some restricted supply. It’s worth noting that ratios in regional areas with a BALANCED market are often higher than those in metropolitan areas. Nationally, the ratio of children (under 5) per licensed childcare place is 2.5 : 1.

UNDERSUPPLIED MARKET

A market that is UNDERSUPPLIED has fewer places available than demanded – that is, demand EXCEEDS supply. Such a market is characterised by very high occupancy rates (typically approaching 100%) and a relatively high ratio of children aged under 5 per long day care place supplied compared to benchmarks.

In an undersupplied market, not all parents are able to meet their childcare needs locally and may have to look outside of the local area (the Local Catchment) to obtain care that meets their needs or make alternative arrangements. This may mean utilising informal care providers such as Family Day Care or relatives (extended family) or new parent’s deferring a return to work after having children.

VACANCY RATES REPORTED BY LONG DAY CARE CENTRES

Vacancy Rates reported by centres in the telephone survey are classified into three categories depending on the perceived availability of places. These Vacancy Rates are estimated based on the response of centre staff to an enrolment enquiry. It’s important to note that Vacancies for children under 2 tend to be more restricted than for older children but this is typical of most markets.

A centre that is classified as having NO VACANCIES has no places available for any age groups or on any days. Centres with NO VACANCIES have 100% occupancy and will often run a waiting list for future enrolments.

A centre that reports LIMITED VACANCIES will typically have some vacancies either for specific age groups or on selected days only. Centres with LIMITED VACANCIES are likely to have occupancy rates in excess of 70% but less than 100%.

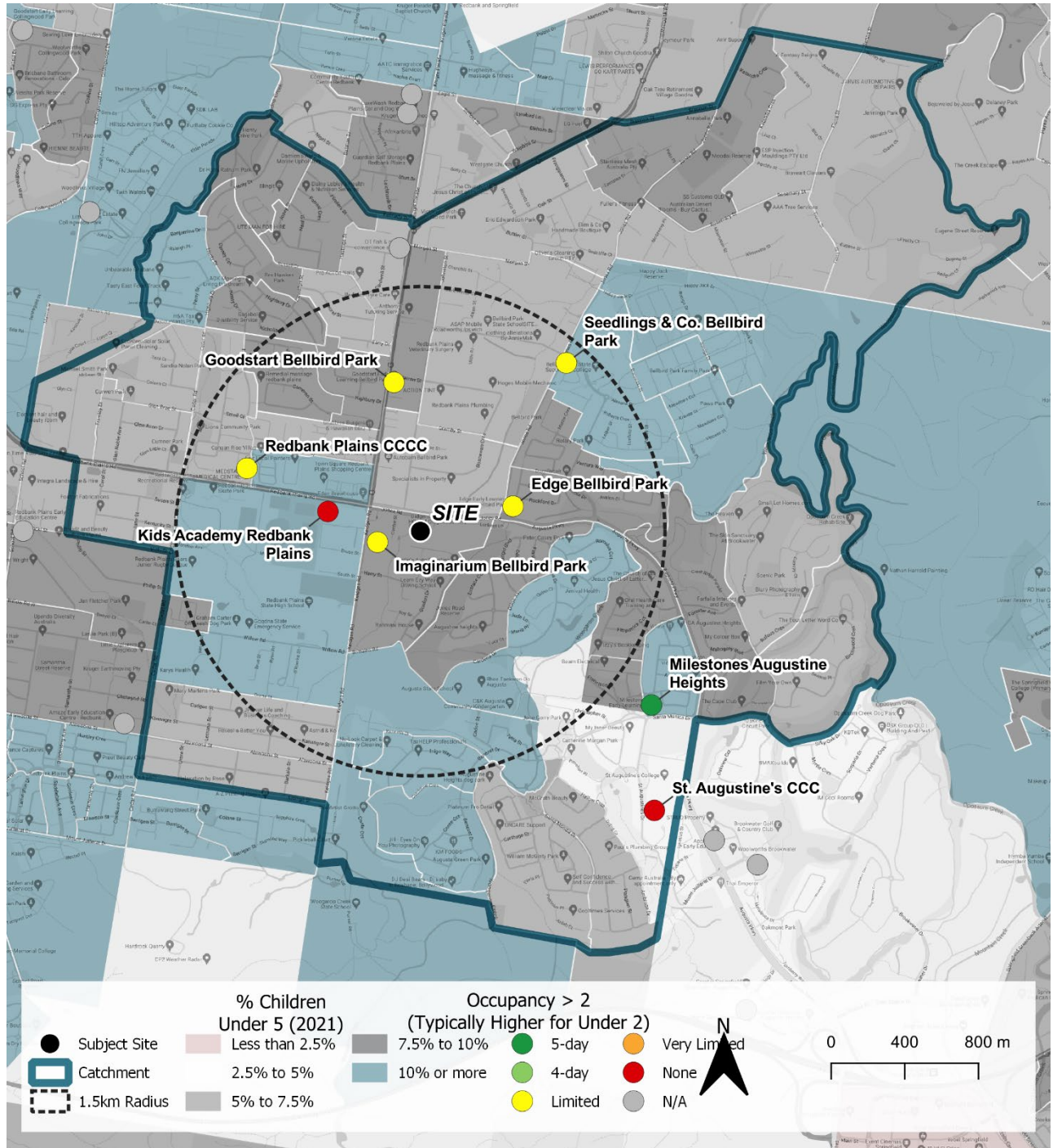
A centre that reports VACANCIES has one or more places available on all days for the nominated age group. Centres with VACANCIES will often have occupancy rates of less than 70%.

APPENDIX 3 – SPATIAL DEMAND INDICATORS

This section identifies key spatial demand drivers evident in the catchment area.

Children Aged Under 5

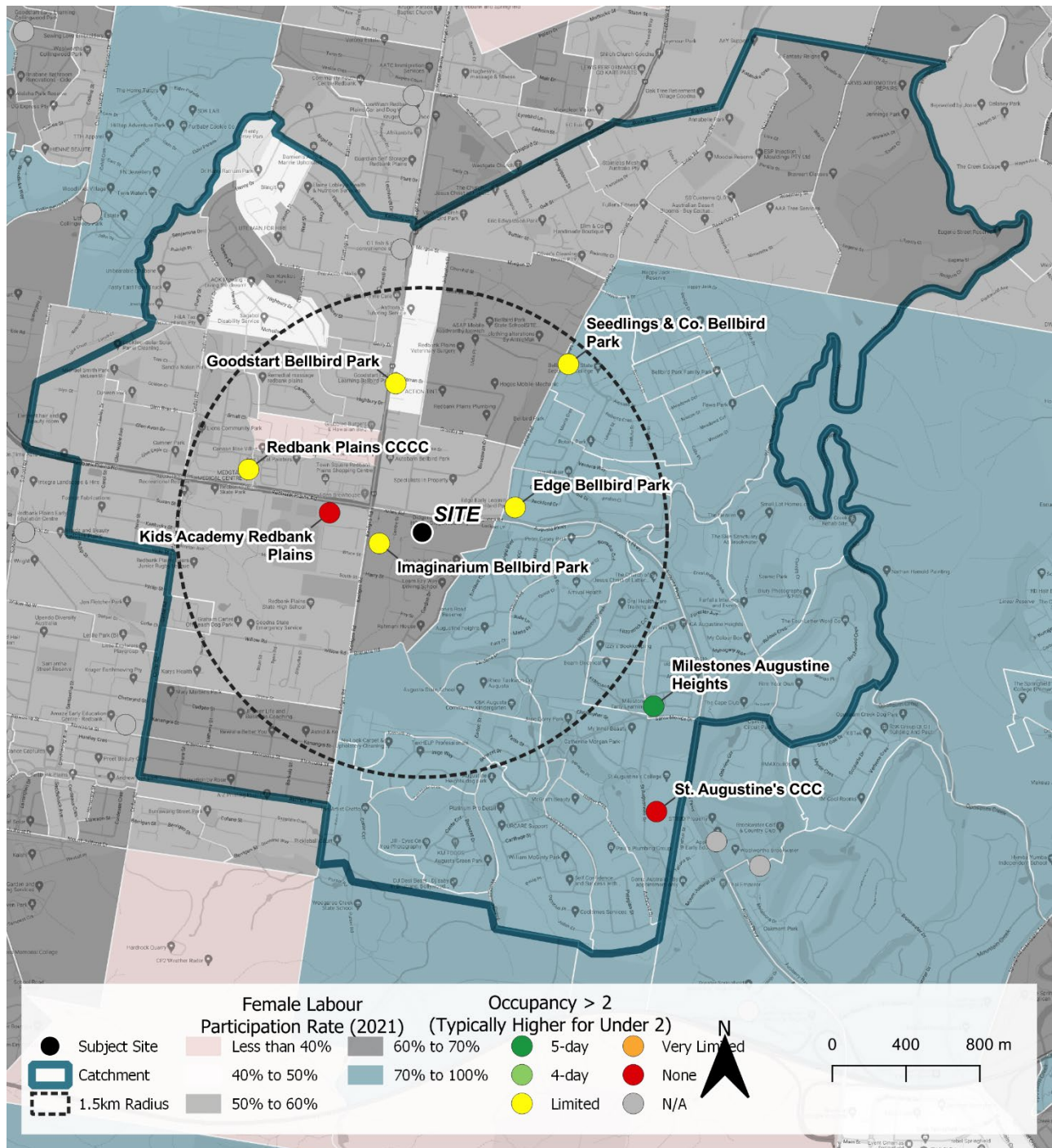
The local catchment currently (2024) has an estimated population of 2,329 children (under 5), which represents 8.69% of the total population. The map below shows their concentration by neighbourhood.



Female Labour Force Participation Rate

Another important demand driver for long day care is the female labour force participation rate. One of the main social contributions of long day care is to support labour force participation (particularly amongst women). Areas with existing high levels of female labour force participation tend to have high rates of demand for long day care.

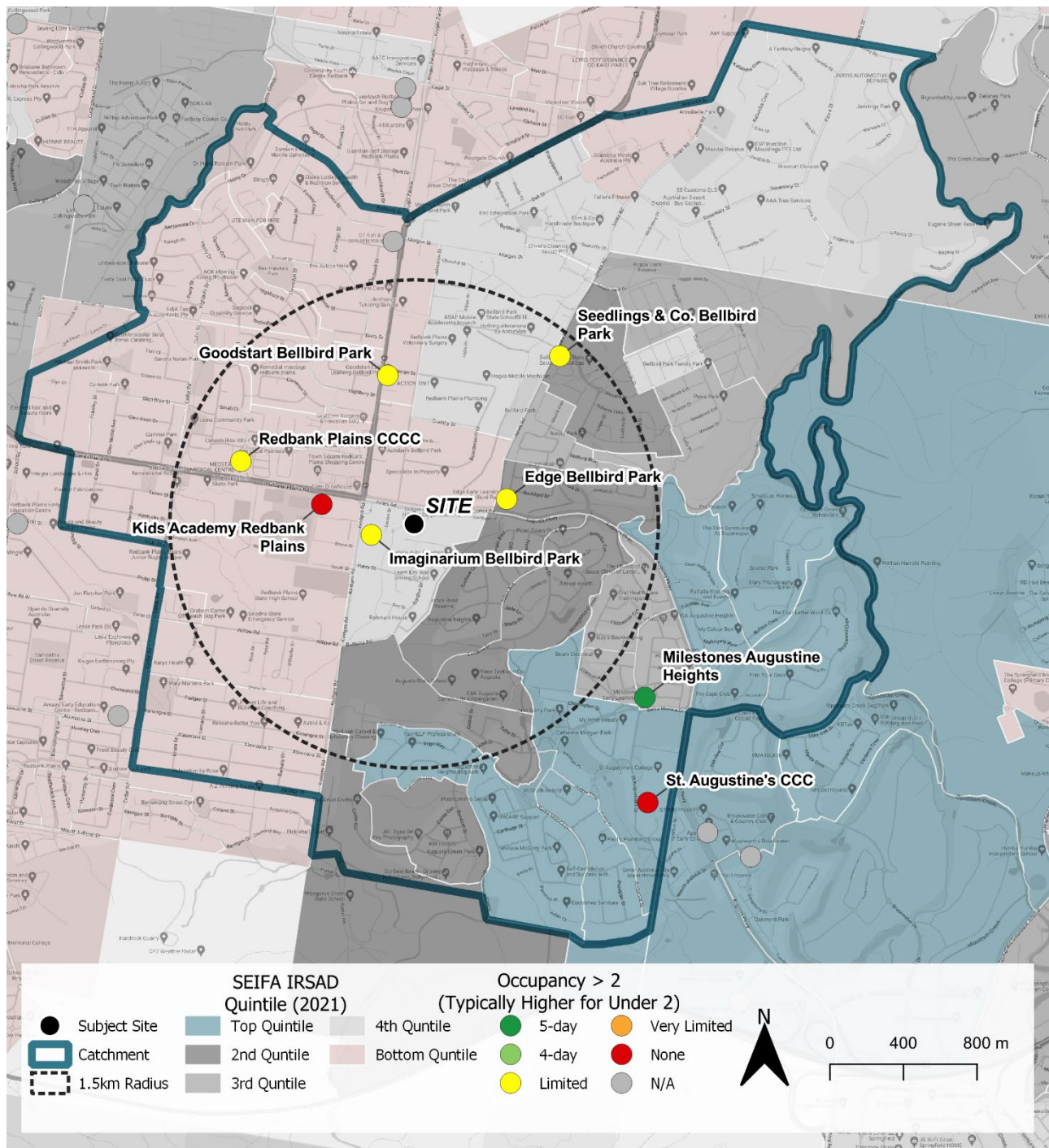
The map below highlights above average female labour force participation rates in the local catchment.



Socioeconomic Advantage and Disadvantage

The Socio-Economic Indexes for Areas (SEIFA) Index of Relative Socio-Economic Advantage and Disadvantage (IRSAD) can be used as a proxy measure to identify services that are more or less likely to educate and care for children from disadvantaged backgrounds.

This map shows the distribution of Socio-Economic Advantage and Disadvantage (IRSAD) across the catchment during 2021.



Population Growth

Population growth is another important indicator of demand for long day care with growth often representing the establishment of residential neighbourhoods and family formation.

The map below shows the average annual population growth rate by neighbourhood from 2016-21. Green areas have high rates of population growth (10% or more) or have been populated since 2016 (New Area), while pink areas indicate a stable or declining population growth (0% or less).

