



**REPORT TO:** Co-Chairs and Members of Public Health and Social Services Committee

**SUBJECT:** Children's Services 2009 Year End Systems Management Report

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## **RECOMMENDATION**

That this Committee recommend to Regional Council that this report be received for information.

## **EXECUTIVE SUMMARY**

- Services were provided through 93 Service Providers at 167 child care sites offering 8,160 licensed spaces (148 infant, 762 toddlers, 2,789 preschool, 1,353 JKSK, 3,108 school age) in 2009.
- Fee subsidies supported 4,650 children in 2009 of which the majority of families were considered to be low income. The waiting list for subsidized child care was at 250 children at the end of 2009.
- Niagara Region has benefited from 100% Provincial Best Start funding of over \$6 million annually which is spent on wage improvements of early childhood educators, support of the 553 new child care spaces created under Best Start and fee subsidies for families in need of financial support.
- Children's Services worked closely with local school boards and child care on the Phase 1 planning process for the introduction of full day learning for four and five year olds under the Province's Early Learning Program to start in September 2010.
- Children's Services continues to focus on priorities of stability and sustainability of high quality child care where demand continues to exist, provision of quality services and working in partnership with existing and new stakeholders to benefit families and children in Niagara.

## **FINANCIAL IMPLICATIONS**

All financial implications are contained within the 2009 approved budget.

## **PURPOSE**

This report provides Committee and Council with a summary of key program and financial information pertaining to services funded and operated by Children's Services from January 1 to December 31, 2009. Children's Services supports Council's Strategic Objectives of "A Responsive Region" and "Community and Social Well-Being."

## **BACKGROUND**

Children's Services has responsibility for overseeing and managing five key areas:

1. Plan and manage the child care system of Niagara.
2. Manage fee subsidies for children from birth to twelve years of age requiring child care.
3. Manage special needs supports for children from birth to twelve years of age.
4. Manage and distribute wage subsidies to support those working in licensed child care.
5. Manage resource centres providing services to unique populations such as Francophone and Aboriginal.

Children's Services continues to focus on three key priorities based on community and staff input: Stability of the system of services, quality enhancements and partnerships.

## **REPORT**

It is a well documented fact that high quality child care contributes to the early learning foundation for children. In fact, ninety percent of a child's brain is developed by age five, setting the foundation for future learning and behavior. Research has shown that children who enter school ready to learn are more likely to complete high school, pursue higher education, find employment and become the kind of adults who contribute to society as caring citizens, parents and taxpayers.

The following report will detail the financial expenditures and highlights of key accomplishments associated with operating as the municipal child care service system manager in 2009 as well as priorities for 2010.

### Expenditure Overview

The 2009 Children's Services budget of \$ 30,977,555 million in expenditures is offset by \$24,084,297 million in provincial funding of which \$6,131,900 or 25% is Best Start funding. This funding supports child care fee subsidies, early intervention services and other services for children with special needs, as well as program administration, wage subsidy and pay equity payments to support the overall system through the enhancement of the salaries of early childhood educators and staff.

In 2009, cost sharing formulas have been maintained between the province and region. Administrative costs for 2009 totaled \$1,676,221 of which \$372,231 was offset by

Provincial Best Start funding. Children's Services' cost sharing with the province includes varying formulas, depending on the funding line. Program funding is cost shared 80% provincial, 20% regional (for fee subsidy, wage subsidy, special needs, and resource centres). Administration is cost shared 50% provincial and 50% regional, while Best Start is 100% provincially funded across all funding lines.

**Table 1: Children's Services Gross Expenditures (\$)**

January 1 - December 31, 2009

	2009 Budget	2009 Actual	Net
<b>Administration</b>	1,225,034	1,303,990	(78,956)
<b>Fee Subsidy</b>	17,452,106	14,843,416	2,608,690
<b>Special Needs</b>	2,352,002	2,331,796	20,206
<b>Resource Centres</b>	818,762	875,929	(57,167)
<b>Wage Subsidy</b>	4,889,468	4,840,958	48,510
<b>Best Start*</b>	3,714,033	6,131,900	(2,417,867)
<b>100% Fee Subsidy</b>	526,150	526,150	0
<b>Ministry H&amp;S</b>	0	0	0
<b>Total Expenditures</b>	30,977,555	30,854,139	123,416
<b>Revenue**</b>	(25,008,297)	(25,243,065)	234,768
<b>Total***</b>	<b>5,969,258</b>	<b>5,611,074</b>	<b>358,184</b>

\* Best Start is 100% provincial funding which is utilized across all funding lines as outlined in Table 2.

\*\* Does not include one-time capital and start-up dollars. Includes \$924,000 in parent revenue fees.

\*\*\*2010 budgeted revenue dropped by \$1.5 million therefore increasing 2010 net levy by \$1.5 million to \$7.5 million.

**Table 2: Gross Expenditures (\$) of Best Start Funding**

January 1 - December 31, 2009

Fee Subsidy	Wage Subsidy	Wage Improvement	Special Needs	Planning	Administration
3,745,701	956,236	936,300	62,033	59,400	372,230

Does not include one-time capital and start up dollars

### Program Overview

Niagara has experienced an expansion in the licensed child care system with a total of 8,160 available licensed spaces at the end of 2009 across all twelve municipalities, a net increase of 102 spaces in the past year (see Appendix I for map of licensed child care centres and Family Resource Centre locations in the Niagara region). Children's Services financially supports the licensed child care system in the following ways:

- Fee subsidy to assist eligible families (see Appendix I);
- Wage subsidies to increase staff wages and to keep affordable parent rates;

- Resource Teacher supports for children with special needs in licensed child care;
- Capital funding for expansion or renovations of child care facilities; and
- Funding for child care and resource centres to meet health and safety requirements.

Program highlights for 2009 are as follows (see Appendix II for detailed reporting):

<b>Fee Subsidy</b>	Fee Subsidy accounted for 65% of overall expenditures in 2009 with a total of 4,650 children served. Income Testing continues to be the method used to determine financial eligibility for child care and related programs available through Children's Services. It is important to note that 56% of families who accessed fee subsidies had an average income level equal to or less than \$20,000 annually. At the end of 2009, there were 250 applicants on file being processed for child care fee subsidy.
<b>ProKids</b>	In partnership with the YMCA, Niagara's ProKids program supports the participation of eligible children and youth in the recreational or cultural activity of their choice. In 2009, more than 2700 children and youth participated in the ProKids program representing an increase of 688 children over 2008.
<b>Resource Centres<sup>1</sup></b>	Children's Services has facilitated the involvement and recognition of these resource programs as community hubs under Early Years Niagara Planning Council Hub Development Committee.  Expenditures and services remained on target in 2009 yet compared to the previous year, Resource Centres saw an increase of 40 additional children over 2008, 61 more unique parent/caregivers who visited a centre and 35 additional referrals were made. As well, 97 more parents/caregivers participated in workshops and seminars.
<b>Special Needs</b>	Community agencies <sup>2</sup> worked collaboratively to provide a range of supports for families across the region in the past year. In 2009, 1,663 children with special needs were serviced (for behavioral, physical/medical, speech and language, and developmental delays) which is an additional 325 children as compared to 2008 yet staff levels remained the same. These children were supported primarily in licensed child care centres by resource teachers through these agencies.

<sup>1</sup> Family Resource Centres in Niagara include: Bethlehem Projects of Niagara (Bethlehem Place Early Learning Centre and Brighter Day Resource Centre), Early Childhood Community Development Centre (ECCDC) in St. Catharines; Centre de santé communautaire Hamilton-Niagara Inc. (Coin des Families) in Welland; Fort Erie Native Friendship Centre; and Adolescent Family Support Services of Niagara.

<sup>2</sup> Agencies include Community Living St. Catharines, Community Living Welland-Pelham, Niagara Support Services, Niagara Peninsula Children's Centre, Family and Children's Services (FACS Niagara), Adolescent Family Support Services of Niagara, Niagara Region Children's Services, and Niagara Child and Youth Services.

<b>Wage Subsidy</b>	Wage subsidy and pay equity payments are an important aspect of the child care system which not only ensures wages are in line with educational requirements, but also contributes towards affordability of all parent users by reducing parent fees. Since 2006, a new category entitled "Wage Improvement" was established under Best Start. Children's Services distributed \$1,225 to each full time equivalent Early Childhood Educator (ECE) employed in a licensed child care centre in 2009. This wage improvement is in addition to traditional wage subsidies that are presently underfunded. Niagara is currently undergoing a multi-year equalization strategy (COM 12-2009) at the request of the Ministry of Children and Youth Services (MCYS). Maintaining and improving wage subsidies in any form is critical to future sustainability.
<b>Quality Child Care Niagara</b>	<p>Niagara's quality standard for licensed child is Quality Child Care Niagara (QCCN). In 2009 the quality assurance training associated with QCCN was extended to include Ontario Early Years Centres, Family Resource Centres and licensed Home Child Care Providers. The increased number of staff participating each year means the more children screened which equals more children identified with potential developmental delays who are then referred to professionals in order to provide the necessary supports.</p> <p>In 2009, 2,203 children were screened representing an increase of 498 children over the previous year. Of those screened, 353 were referred for additional services (93 for behavior, 162 for speech and 98 for other services such as vision, occupational therapy and other specialized services).</p>

### **Systems Management, Community Development & Planning**

Children's Services continues to work with 93 contracted organizations at 167 sites, including the Region's six directly operated programs, on stability and sustainability of operations and quality of services. Children's Services also provided leadership and involvement in over 30 committees in Niagara.

Highlights of Children's Services work as a systems manager in 2009 are as follows:

- Collaborative work with the Early Years Niagara Planning Council (EYNPC) in order to meet the provincial expectation of working towards "one child one plan" through more integrated programming and service provision. Provision of staff support to the Niagara Aboriginal Planning Council and the Niagara Best Start Francophone Advisory Group to assist with planning and needs identification of these special populations.
- Considerable mapping of services and data supported documentation and process to support decisions around the location of new, relocated, or expanded child care or early years services. In particular, work with the District School Board of Niagara to select locations for their four Parent and Family Literacy Centres in accordance with

guidelines set out by the Ministry of Education resulted in successfully locating services in communities where need was identified.

- Demonstrated leadership with the provincial initiative of full day learning for 4 and 5 year olds. Coordination of the video “Early Learning: A Pathway to Niagara Prosperity” in cooperation with EYNPC and Business Education Council (BEC) was presented directly to Dr. Pascal, the Special Advisor to the Premier in October 2009 at a community forum. Also, a Council Business Planning session was organized with Dr. Pascal to discuss Niagara and early learning and engage local leaders.
- Community consultation through several community meetings with the child care sector including 4 community sessions (79 total participants) conducted in December 2009 and subsequent communication materials in order to update child care operators on full day early learning and discuss proactive strategies for child care centres.
- Cooperative work with Niagara local school boards on Phase 1 implementation of the Province’s Early Learning Program in the selection of school sites to meet Ministry of Education and Ministry of Children and Youth Services selection criteria and process.
- Participation and leadership in several community development projects collaborating with agencies such as Niagara Regional Housing, Brock University, Family and Children’s Services, United Way of St. Catharines and District, Niagara Children and Youth Services, the RAFT, Social Assistance and Employment Opportunities and Boys and Girls Club of Niagara to more efficiently and effectively meet the unique needs of families in specific communities.

### **Priorities for 2010**

Children’s Services will continue its work to manage programs to drive best possible outcomes for children and families and demonstrate community leadership to improve child well-being in Niagara. However, with the introduction of full day early learning for 4 and 5 year olds beginning in September 2010, there are many challenges ahead for the child care system.

Under the priorities of stability, commitment to quality and partnerships, Children’s Services will focus on the following in 2010:

- A commitment to stabilizing the system of services in response to the implementation strategies for full day early learning for 4 and 5 year olds.
- Work towards the development of a community plan to guide child care and future transition.
- Continue to implement the wage subsidy equalization strategy as part of the annual budget process without destabilization of operators impacted.
- Work with child care operators to assist with programming decision making and mitigation approaches during this transitional time in child care service delivery.
- Continue work with community groups on emerging neighbourhood projects and poverty reduction.

- Enhance expertise in providing evidence-based data to support neighbourhood approaches in support of child well-being and coordination of investment.
- Alignment of Quality Child Care Niagara with other early years measures, instruments and engage school boards in the transition to school planning.
- Continue to work towards improving access to services through innovative approaches including extending the placement of fee subsidy staff into community locations and technology improvements such as the introduction of the online electronic registration system.
- Continue to enhance and improve services for children with special needs.
- Identify and prioritize business improvements that may streamline business practices, reduce cost, stabilize business partners and enhance customer satisfaction and client services.
- Continue to support the priorities of Niagara Aboriginal Children's Planning Council and the Niagara Best Start Francophone Advisory Committee.

Children's Services has recently been advised of child care stabilization funding from Ministry of Children & Youth Services (MCYS) in order to provide transitional dollars to child care centres impacted by the full day early learning program. Niagara's plan for distributing the child care stabilization dollars are due to the MCYS on June 30, 2010 as part of the annual child care planning process.

Children's Services will continue to work with Regional Council, the province and community to ensure that a range of services and supports are available to families and children from birth to twelve years of age within Niagara, while working within the given financial realities.

Submitted by:

Approved by:

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Brian Hutchings, Commissioner  
Community Services Department

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Mike Trojan  
Chief Administrative Officer

*This report was prepared by Tiffany Gartner, Manager and Kathryn O'Hagan-Todd, Director, Children's Services, with input from Lori Child, Cost Analyst.*

- Appendix I: Breakdown for those receiving fee subsidies and Map of 167 Licensed Child Care Centres and 4 Family Resource Centres in Niagara region.
- Appendix II: Detailed reporting for Children's Services programs
- Appendix III: Definition of Services

**Placement of Children Receiving a Child Care Fee Subsidy by Municipality**  
 (from January 2009 up to the period ending December, 2009)

Breakdown by Municipality	<i>Children Serviced</i>
FORT ERIE	434
GRIMSBY	61
LINCOLN	64
NIAGARA FALLS	968
NIAGARA-ON-THE -LAKE	28
PELHAM	38
PORT COLBORNE	145
ST. CATHARINES	1,788
THOROLD	153
WAINFLEET	10
WELLAND	528
WEST LINCOLN	40
<b>TOTAL</b>	<b>4,257</b>

**Distribution of 167 Licensed Child Care Centres  
 and 4 Family Resource Centres in Niagara**  
 (Current as of March 16, 2009)



### Subsidized Child Care in Licensed Settings and Informal Care Arrangements

January 1 - December 31, 2009

Total Number of Children Served	Number of Children Low Income	Number of Children Ontario Works	Best Start	Unlicensed Informal Care
4,650	2,736	960	561	353

### ProKids Annual Placements

Year	2006	2007	2008	2009
Number of Children supported by ProKids	1,797	1,695	2,014	2702

### Resource Centre Visits\*

January 1 - December 31, 2009

	2008	2009
Visits made by Parents/Caregivers	4,419	4,564
Visits made by children	6,439	5,711
# of unique children served	711	751
# of unique Parents/Caregivers served	455	516
# Professionals attending Workshops/Seminars	127	195
# of referrals made	132	167
# Parents/Caregivers in workshops/seminars	800	897

\*Note: The above figures represent Bethlehem Projects of Niagara (Bethlehem Place Early Learning Centre and Brighter Day Resource Centre), Fort Erie Native Friendship Centre and Centre de santé communautaire Hamilton-Niagara Inc. (Coin des Families).

### Special Needs Supports

January 1 – December 31, 2009

Number of Children Served	Number of Staff	Number of Agencies
1,633	38.92	8

**Quality Child Care Niagara Summary 2007 – 2009**

	<b>2007</b>	<b>2008</b>	<b>2009</b>
Number of Centres participating	141	146	150
Classrooms: Environmental Rating Scales completed	216	274	358
Children Screened using Disc Preschool Screen	1,204	1,705	2,203
Children Screened using Full Disc Preschool Screen	86	110	94
<b>Total Referrals</b>	<b>272</b>	<b>284</b>	<b>358</b>
Behavior	57	58	93
Speech	129	119	162
Other (vision, occupational therapy etc.)	86	107	98

### Definitions by Funding Envelope

- Fee Subsidy Subsidized child care for families “in need”.
- Family Resource Centres Community programs that provide supports to parents/caregivers and children.
- Special Needs Supports to children with special needs within licensed child care programs.
- Wage Subsidy Funding to maintain staffing stability in licensed child care settings.
- National Child Benefit (NCB) A jointly designed initiative by the Federal and Provincial governments to provide financial support to low income families. NCB funding is a fluctuating funding source and is not to be considered a sustainable source of revenue. Key objectives include:
  - prevent and reduce the depth of child poverty.
  - provide attachment to the workforce resulting in fewer families relying on social assistance, and reduce duplication of services.
  - Municipalities determine an annual allocation based on local social assistance caseloads.
- Best Start This is a 10 – 15 year Provincial strategy designed for children from birth to 5 years of age to reach their full potential through the integration of programs and services. Best Start was designed in two phases with the first phase (2005-2009) with an emphasis on the expansion of licensed child care in school settings. This initiative is funded with 100% Provincial dollars.